## **Deloitte.**



### **Quarterly Economic Report**

Q2-2017

Deloitte Thailand

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Dear our valued clients,

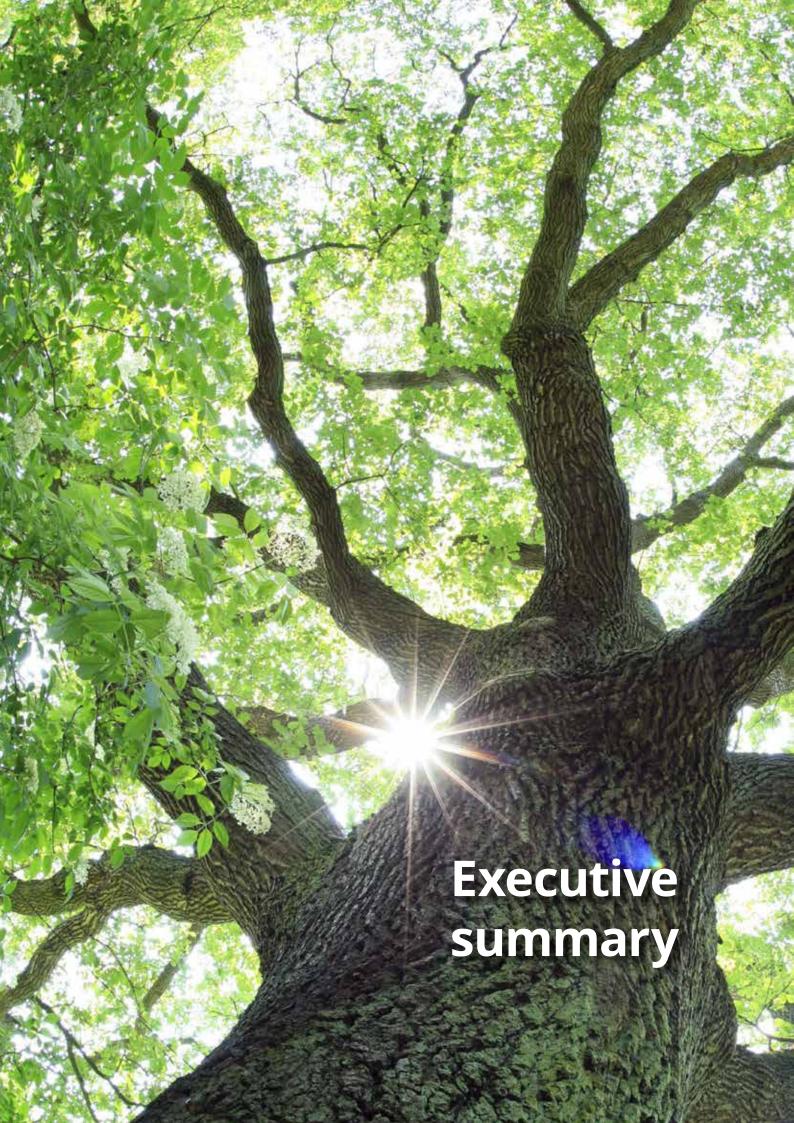
We are very pleased to release Quarterly Economic Report Q2|2017 to you. It is a part of our constant endeavors to provide valuable insights to our clients. This high level update and summary of the market conditions will hopefully be beneficial in helping you to understand the business environment so as to support you in your decision making process and further development of your business strategies.

The global economy has gradually gathered growth momentum. An upward rebound in advanced economies and stronger activities in some emerging market and developing economies will help strengthen growth even though downside risks such as the US protectionist policies, the impact of Brexit, turbulence in financial markets from China to the world, and geopolitical turmoil continue to pose a challenge on the medium-term outlook. The projected growth in 2017 is set to grow 3.5%, improved from 3.1 previously. For Asia, the region's economic growth is forecasted to expand by 5.4% this year due to a stronger-than-expected growth in China and healthy pickup in many developing economies in the region. Meanwhile, ASEAN economic growth will robustly expand by 4.7%, driven mainly by growing private and public consumption, solid infrastructure investment and accommodative monetary policies. With policy initiatives to reduce barriers to trade, services, investment, and skilled labours, the region will be more competitive compared with other economic blocs. The Thai Economy is projected to grow 3.5% in 2017. A pick-up in growth stems from stronger external demand and the expansion of public consumption. The Thai government's stimulatory efforts and large inflows of tourists will help encourage private consumption. Meanwhile, a progress in government infrastructure projects, particularly in transportation infrastructure, will continue to aid the economic expansion in 2017.

On behalf of Deloitte Thailand, we very much look forward to supporting you in the dynamic and changing business environment. If you have any questions or inputs, please do not hesitate to contact us at Deloitte.

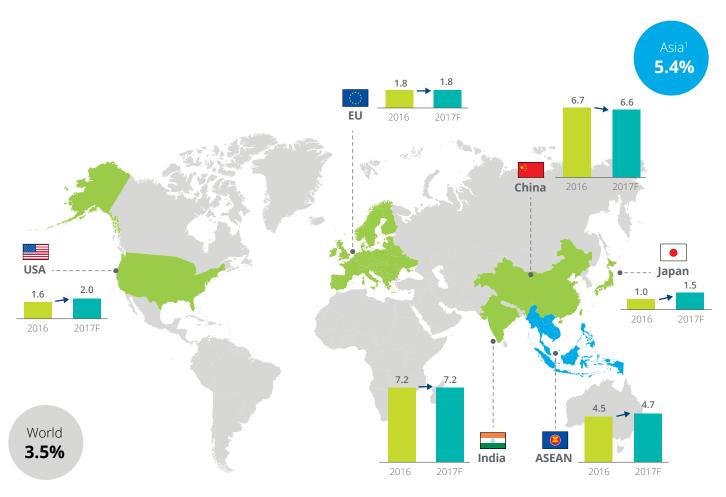
Best Regards,

**Subhasakdi Krishnamra** Country Managing Partner



## Global growth is modestly strengthening but the recovery remains vulnerable due to a number of downside risks

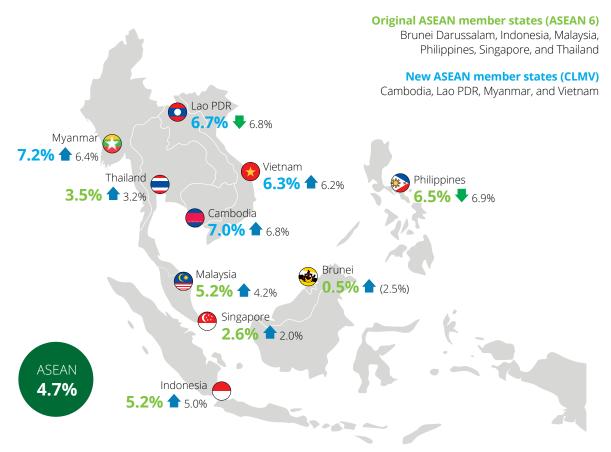
#### Global and major economies' GDP growth in 2017



Source: IMF and EIU. Note: 1 excl Japan

## The region is expected to benefit from an improvement in global GDP growth

#### **ASEAN GDP growth in 2017**

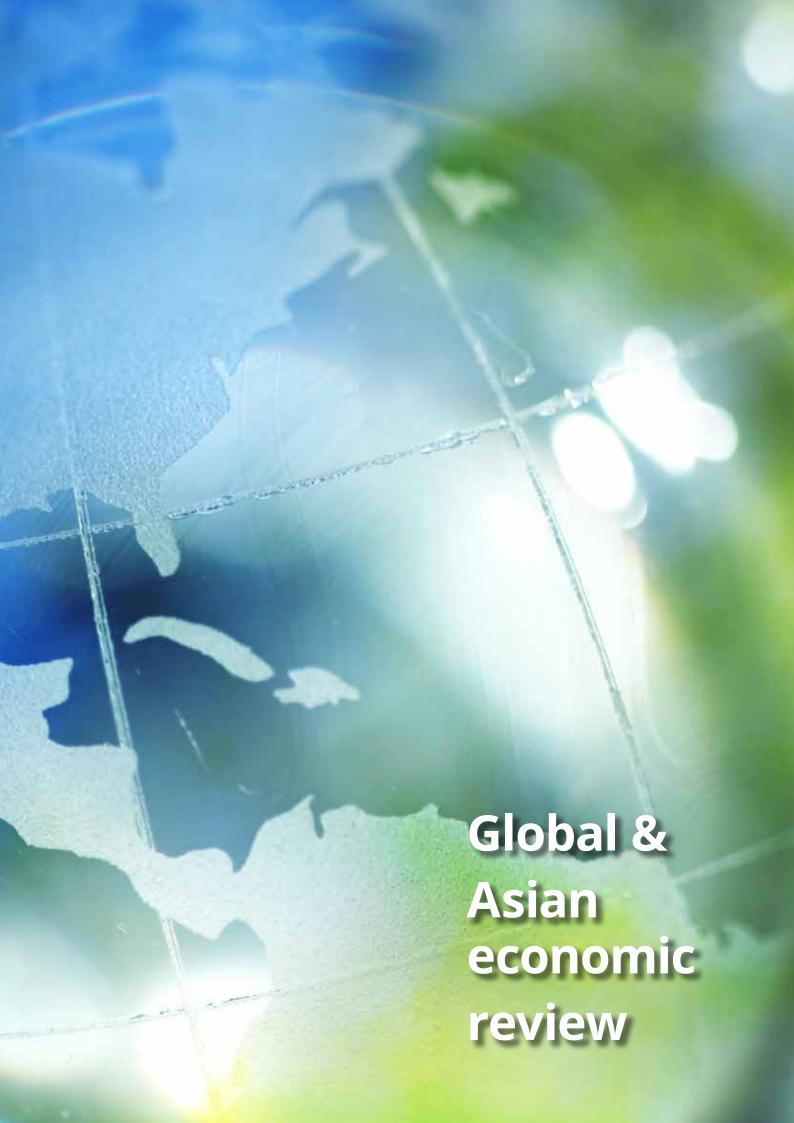


### Executive summary

- The global economy has gradually gathered growth momentum even as growth in some advanced economies remains tepid and downside risks such as the US protectionist policies, the impact of Brexit, turbulence in financial markets from China to the world, and geopolitical turmoil continue to pose a challenge on the medium-term outlook. The projected growth in 2017 is set to grow 3.5%, improved from 3.1 previously.
- An upward rebound in advanced economies and stronger-than-expected activities in some emerging market and developing economies will support a modest economic recovery in 2017. Growth in the US will pickup and likely to maintain the momentum until 2018 before encountering the mind recession
- in 2019. Meanwhile, a positive growth expansion in Euro Area is anticipated due to a cyclical recovery in manufacturing and trade; however the long-term outlook remains challenging owing to external uncertainty.
- Asia's economic growth is forecasted to expand by 5.4% this year due to stronger-than-expected growth in China and healthy pickup in many developing economies in the region. The Japanese economy in 2017 will slightly expand but shrinking labour force will limit growth in the future. Meanwhile, India's economic outlook remains strongly positive, driven predominantly by service sectors and manufacturing sector as business environment improves.
- ASEAN economic growth in 2017 will be driven by growing private and public consumption, robust infrastructure investment and accommodative monetary policies. With policy initiatives to reduce barriers to trade, services, investment, and skilled labours, the region will be more competitive compared with other economic blocs.
- Thailand's headline growth is 3.5%, compared with 3.2% in 2016. A pick-up in growth stems from stronger external demand and the expansion of public consumption. The government's stimulatory efforts and large inflows of tourists will help encourage private consumption. Meanwhile, a progress in government infrastructure projects, particularly in transportation infrastructure will continue to aid the economic rebound in 2017.



Sources: Compiled from various research houses & agencies (e.g. IMF, ADB, EIU, NESDB) & DTTJ Analysis Remark: Asia's GDP growth excl Japan



## Brightening global outlook is seen but remains uneven around the world

An upward rebound in advanced economies and stronger-thanexpected activities in some emerging market and developing economies will support a modest economic recovery in 2017

#### **World Economy**

The 2017 growth forecast for the world economy is 3.5%, improved from 3.1% in a previous year. Economic outlook for advanced economies such as the US and Japan will improve based on a cyclical recovery in global trade and partially improved commodity prices. For emerging market and developing economies, a weaker growth in some large economies, particularly in Latin America and the Middle East is anticipated due to oil production cuts and a decline in trade. Growth forecast in China and Russia, however, is stronger than expected owing to policy support.

#### **Euro Area**

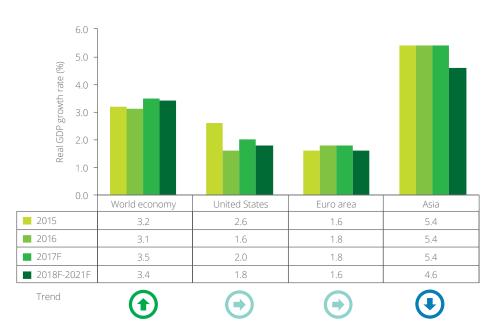
- Another year of healthy growth expansion is forecasted but the longterm outlook remains challenging as the region's prospect will be affected by the change in the US policies and the structural reform in China.
- The economic impact from the UK's vote to leave the EU could be substantial. It is believed that the short-term economic slowdown will be modest for Europe but could undermine the region's economic recovery in the future.

#### Asia (Excl Japan)

 The region will continue to expand at moderate pace and deliver more than 60% of global growth. The economic slowdown in The Chinese economy will be offset by the positive growth in other economies in developing Asia, led by improved external demand and rebounding global commodity prices.

#### **United States**

- Rising wage rate growth, a decline in unemployment and low interest rate continue to help encourage household spending. It is also believed that Mr Trump will succeed in boosting public spending and help drive overall economic growth. It is projected that the economy will grow at 2.0% in 2017.
- It is likely that the US economy will encounter with a technical recession in 2019 as business cycle comes to an end. While domestic economy is struggling with capacity constraints, the significant slowdown in The Chinese economy will trigger falls in the US equity market and cause a decrease in consumer and business confidence.



Sources: ADB, EIU, European Economic forecast, & IMF

## Despite policy uncertainty from the west, the region continues to grow robustly

Asia's economic growth is forecasted to expand by 5.4% this year, due to stronger-than-expected growth in China and healthy pickup in many developing economies in the region

#### **Japan**

- Real GDP growth rate in 2017 is forecasted to grow by 1.5%, from 1.0% previously. However, there still are several challenges to growth in 2018-21.
   A volatility of global growth prospects triggered by an anticipated hard landing in China will cause a ripple effect to financial markets and overall economy in the future.
- Another main constraint to Japanese headline GDP growth is a change in demographic factor. Labour force will steadily contract will be detrimental to consumption and investment growth from 2017 onwards. The falls in Japanese population will offset Abenomics policies to alter consumer and business spending behavior.

#### **China**

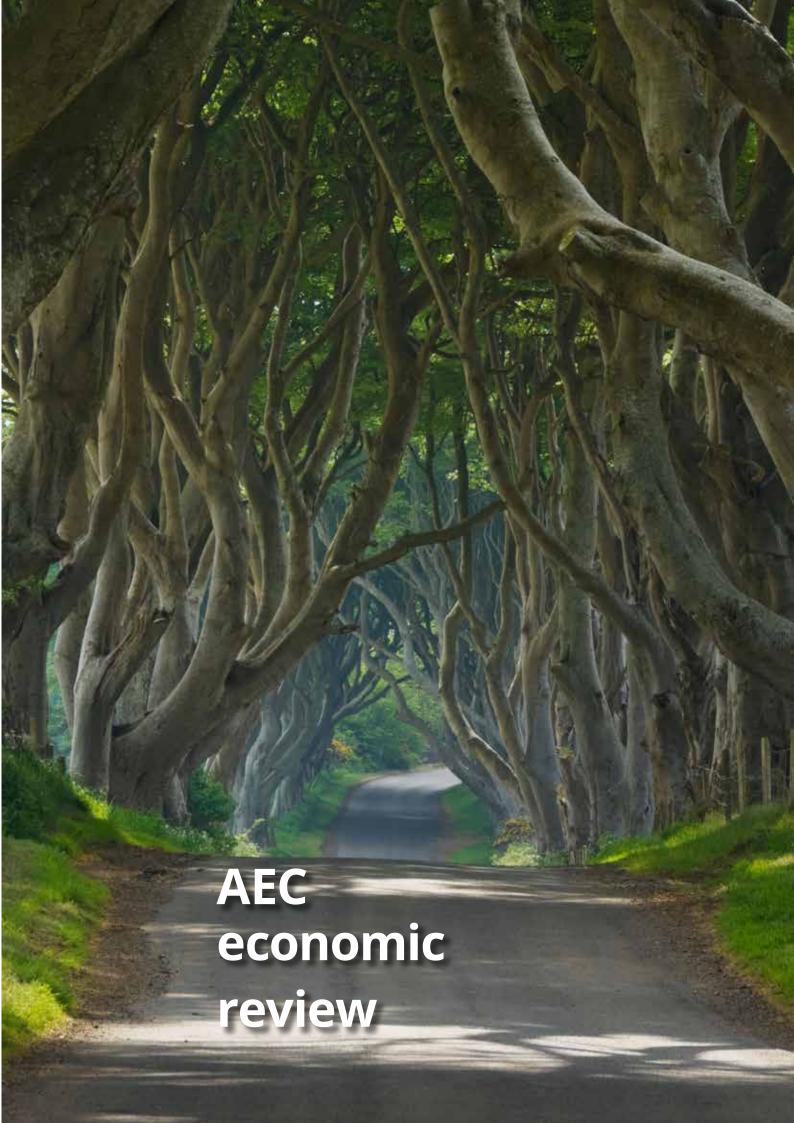
- A rebound in commodity prices helps encourage sentimental in the industrial sector. While Infrastructure spending still supports the economic activities, the government will continue to curb in the overheated property market. It is estimated that the real GDP growth will expand 6.6% in 2017.
- It is forecasted that real GDP growth rate will continue to slow to 4.6% in 2018 due to the sluggishness of employment, social instability, the bursting of credit bubble and slowdown in investment, especially in housing construction.
- China's demographic shift will also pose a threat to the country' economic prospect in the future as working-age population continues to shrink.

#### India

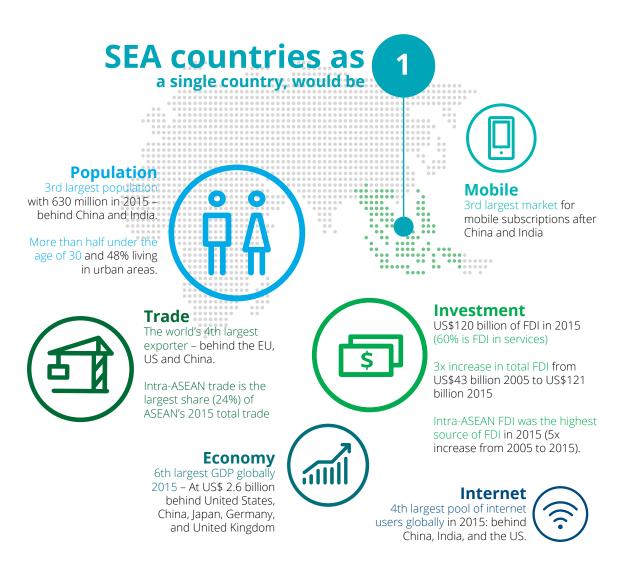
- Overall economic outlook in 2017 remains strongly positive and will continue to expand 7.7 a year on average during the forecasted period. Service sectors will continue to be the lion's share of growth, while growth in manufacturing sector will be supported by an improvement in business environment.
- The share of agricultural production is likely to shrink depending on the level of monsoon rainfalls. One of the challenges to sustain the country's growth is to cope with distressed assets in the banking system.



Sources: ADB, EIU, European Economic forecast, & IMF



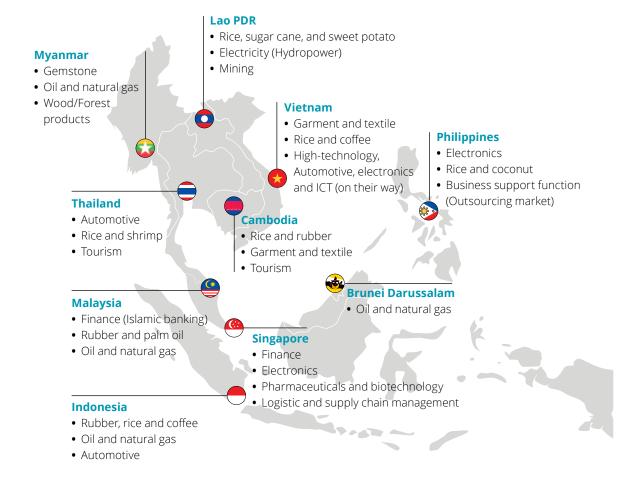
### ASEAN in the global economy



Source: ASEAN Secretariats, IMF, WorldBank, Internet Live Stats (http://www.internetlivestats.com/), and Simon Kemp. (2016). Digital in 2016. We Are Social.

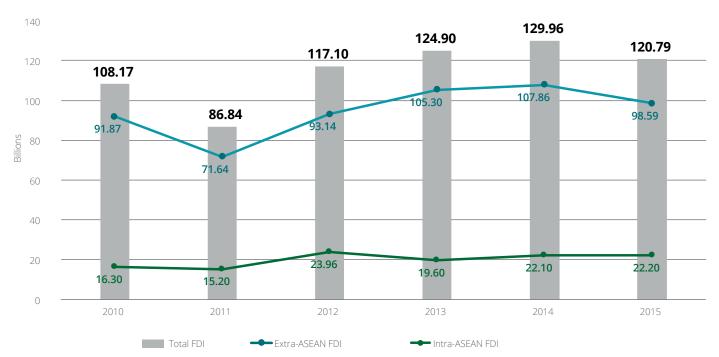
### ASEAN is a single bloc but SEA is not

#### Industrial diversity among ASEAN member states



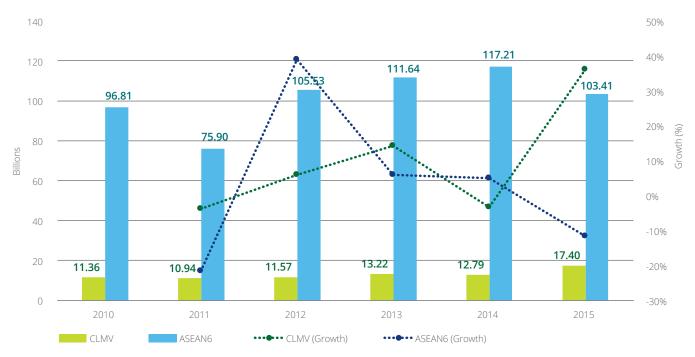
ASEAN has been among the top regional FDI destinations where more than 80% of total FDI flows in the region have been contributed by non-ASEAN countries

#### Total FDI to ASEAN (\$US Billion), 2010 - 2015



# The CLMV countries have witnessed a stronger growth in FDI flows over the past five years

#### Total FDI to ASEAN (\$US Billion) by country group, 2010 - 2015



## FDI flows from non-ASEAN countries to the CLMV countries rose significantly due to the improved investment climate

#### Inward Extra-ASEAN FDI by host country (\$US Million), 2010 - 2015

		2010	2011	2012	2013	2014	2015	Trend
	ASEAN	91,867.81	71,640.69	93,137.93	105,302.33	107,860.63	98,586.60	<u>~</u>
•	Brunei Darussalam	535.87	1,140.83	833.34	783.45	426.99	84.66	<u></u>
<u>~</u>	Cambodia	433.57	667.92	1,034.12	976.05	1,354.05	1,275.56	<i></i>
$\bigcirc$	Indonesia	7,865.97	10,907.16	11,549.99	9,722.73	8,726.69	7,417.83	
0	Lao PDR	197.21	391.84	220.74	322.06	775.30	857.33	~
<u></u>	Malaysia	8,630.25	9,336.57	6,586.06	10,109.88	8,591.33	8,570.59	~~
	Myanmar	2,223.29	1,973.60	1,203.00	1,434.10	262.61	593.83	~
*	Philippines	1,257.78	1,890.04	2,651.84	3,901.50	5,677.48	5,657.99	
<b>@</b>	Singapore	51,499.00	37,809.60	48,309.00	55,823.40	69,206.20	57,868.50	<u></u>
	Thailand	12,525.75	1,521.46	13,644.39	15,407.75	5,186.98	6,613.77	<b>\_</b>
*	Viet Nam	6,699.12	6,001.66	7,105.45	6,821.41	7,653.00	9,646.54	

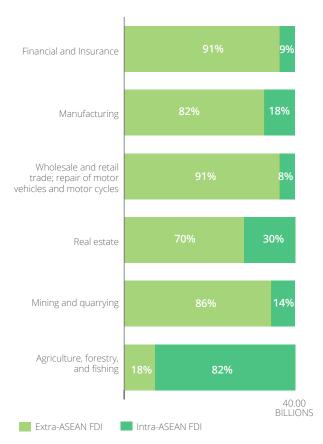
# Higher levels of intraregional investment reflect a continued increase in regional connectivity

Inward Intra-ASEAN FDI by host country (\$US Million), 2010 - 2015

		2010	2011	2012	2013	2014	2015	Trend
	ASEAN	16,306.36	15,198.13	23,961.38	19,562.18	22,134.44	22,232.21	~~
•	Brunei Darussalam	89.52	67.47	31.47	(57.98)	141.20	86.65	
<u>~</u>	Cambodia	348.99	223.82	523.02	298.85	372.48	425.41	<b>~</b>
	Indonesia	5,904.21	8,334.45	7,587.88	8,721.11	13,083.72	9,498.96	~~
0	Lao PDR	135.38	75.00	73.64	104.61	137.94	221.83	
<u>•</u>	Malaysia	525.63	2,664.32	2,813.90	2,187.50	2,283.98	2,719.01	~
	Myanmar	25.50	84.60	151.20	1,186.80	683.62	2,230.65	_~
<b>&gt;&gt;</b>	Philippines	40.22	(74.10)	145.17	(41.71)	137.10	66.22	<b>~~~</b>
<b>@</b>	Singapore	5,715.10	1,353.00	12,117.90	4,556.20	5,214.10	3,416.30	<b>^</b>
	Thailand	2,220.92	952.22	(745.35)	528.21	(1,466.77)	1,413.72	~~
*	Viet Nam	1,300.88	1,517.34	1,262.55	2,078.59	1,547.08	2,153.46	~~

### Foreign investors continue to expand their footprint in ASEAN in financial and insurance, manufacturing, trade, and real estate

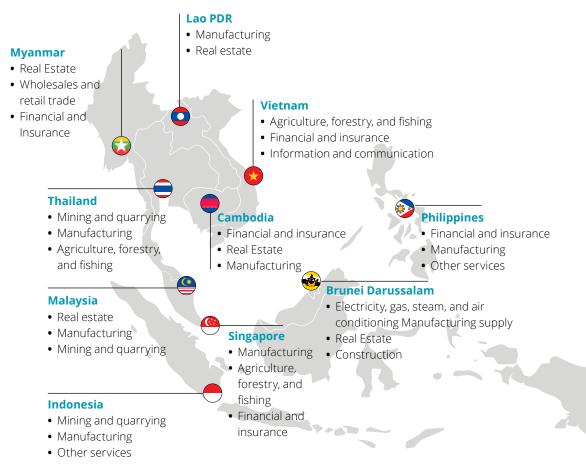
#### Total FDI to ASEAN by major sector (\$US Billion), 2015



Sector	Extra-ASEAN FDI	Intra-ASEAN FDI
Financial and Insurance	35.65	3.67
Manufacturing	23.89	5.21
Wholesale and retail trade; repair of motor vehicles and motor cycles	10.11	1.05
Mining and quarrying	6.69	1.10
Real estate	6.47	2.77
Transportation and storage	2.98	0.30
Electricity, gas, steam and air conditioning supply	1.64	0.35
Agriculture, forestry, and fishing	0.89	4.09
Information and communication	0.71	1.11
Construction	0.70	0.29
Total	89.73	19.94
Grand Total	98.59	22.23

# Flows to manufacturing activities remain the major regional investment

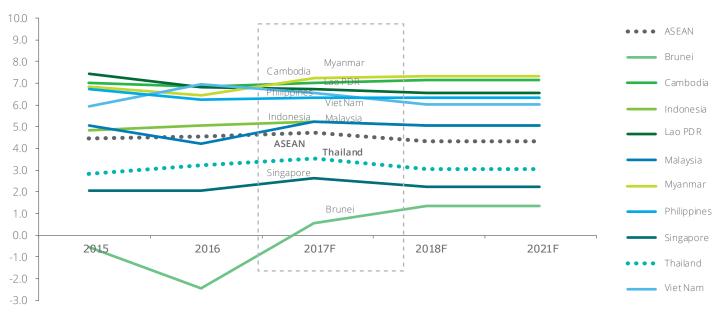
Flows of FDI to ASEAN by source country in major economic sector, 2015



## The growth projection of South-East Asia countries will be broadly stable as upside and downside risks remain balanced

Regional economic growth in 2017 will be driven by growing private and public consumption, robust infrastructure investment and accommodative monetary policies.

#### Real GDP growth rate of ASEAN economies from 2015 - 2021F



Real GDP growth rate	ASEAN	Brunei Darussalam	Cambodia	Indonesia	Lao PDR	Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam
2015	4.4	(0.6)	7.0	4.8	7.4	5.0	6.8	5.9	2.0	2.8	6.7
2016	4.5	(2.5)	6.8	5.0	6.8	4.2	6.4	6.9	2.0	3.2	6.2
2017F	4.7	0.5	7.0	5.2	6.7	5.2	7.2	6.5	2.6	3.5	6.3
2018F-2021F	4.3	1.3	7.1	5.0	6.5	5.0	7.3	6.0	2.2	3.0	6.3
Trend	•	<b>①</b>	<b>①</b>	•	<b>(-)</b>	<b>①</b>	<b>①</b>	•	<b>(-)</b>	•	•

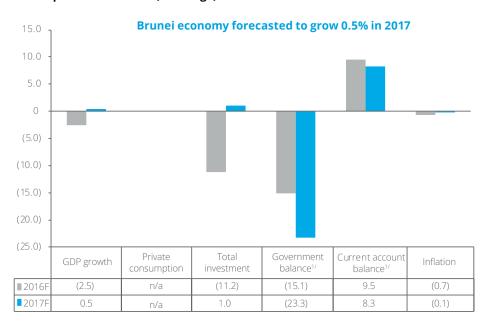
Sources: ADB, EIU, IMF, NESDB, & Research Houses



The sultanate's economic growth in 2017 remains heavily influenced by the performance of the oil and gas production which accounts for twothird of the economy.

- An economic recovery with real GDP growth 0.5% is forecasted in 2017 compared to -2.5% in 2016 due to the recent pick-up in global oil prices. However, the rising oil prices will not offset the fall in oil production as the maintenance works of aging facilities continue.
- Although an agreement signed with OPEC and non-OPEC oil exporters to maintain oil production cut in December 2016 to March 2018 will hold back energy output in 2017, the uplift in the production is likely with the assumption that a rebalancing in the global oil market is achieved in 2018.
- Government spending will fall in line with the recovery in global fuel prices.
   Meanwhile a small recovery in investment and private consumption spending supported by falling unemployment are predicted over the forecasted period.

#### Real expenditure on GDP (% change)



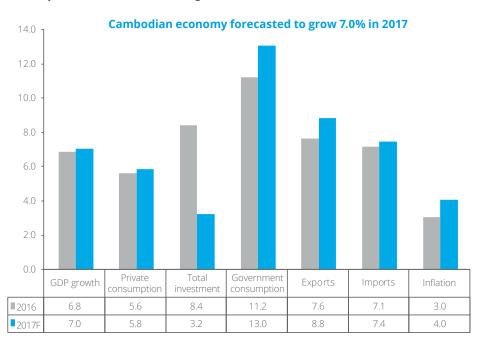
Sources: ADB, EIU, and IMF 1/ % of GDP



Despite the softness in 2017, a positive economic outlook is anticipated due to the overall improvement in private consumption and a low base productivity.

- As a domestic demand-driven economy, rising income due to the productivity improvement in agricultural and garment exports and development of high value-added sectors will strengthen the economic growth from 6.8% in 2016 to 7.0% in 2017.
- Although the global trade gradually gains momentum, the vulnerabilities in the banking sector and volatile political climate will continue to hamper the investment activities.
- The headline growth during the forecasted period remains fragile due to the economic uncertainties in the US and the UK, Cambodia's largest and second largest export markets respectively. Nonetheless, overseas infrastructure projects from the China-led Asian Infrastructure Investment Bank will continue to support, albeit not fully, the investment activities.

#### Real expenditure on GDP (% change)

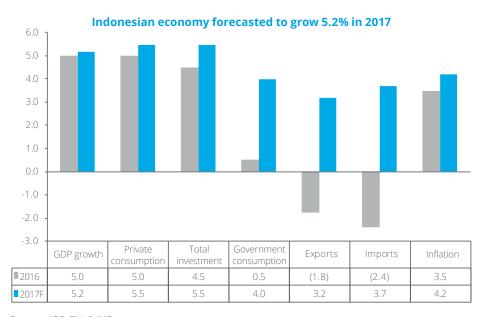




Strong private consumption due to healthy economic conditions and higher employment in formal sector will underpin the country's economic prosperity.

- Growth in 2017 is projected at 5.2% and will expand by 5.0% a year on average in 2018-21. The main contribution to growth is from strong private consumption due to a rise in employment, low credit costs, more stable price conditions, and improved social welfare.
- Higher investment growth is forecasted as construction of new roads, ports, and power stations gathers momentum. The government' effort to encourage more investment, however, will take time owing to protectionist rules governing trade and foreign investment.
- With good supporting infrastructure and favourable policies, the country could attract more FDI to boost manufacturing exports and help bring back growth above 6% as it was in 2010; however, its impact is likely to be seen after 2021.

#### Real expenditure on GDP (% change)

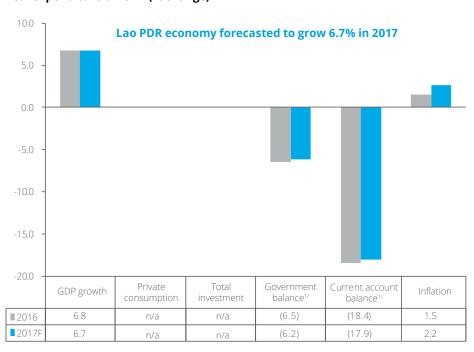




External vulnerabilities continue to pose a challenge on economic performance. The large number of construction project, meanwhile, will support investment spending and real GDP growth in 2017.

- Real GDP will grow robustly at 6.7% in 2017. The economy still benefits from a large infrastructure project under way, rising tourist arrivals and higher remittance from Laos workers in Thailand.
- Inflows of foreign investment will continue to drive investment spending in 2017-18. The development of transport infrastructure in Laos will enhance Laos' regional interconnectedness. In the meantime, the ongoing projects in hydropower sector will help boost import demand.
- Although close economic ties with
   Thailand will lead to positive growth in
   food processing and retail trade, the
   slowdown in the Chinese economy
   will cause a weak demand for Laos'
   commodity exports. Another challenge
   to the economic growth is that the
   country remains vulnerable to external
   headwinds, given its twin deficits on the
   current and fiscal accounts.

#### Real expenditure on GDP (% change)



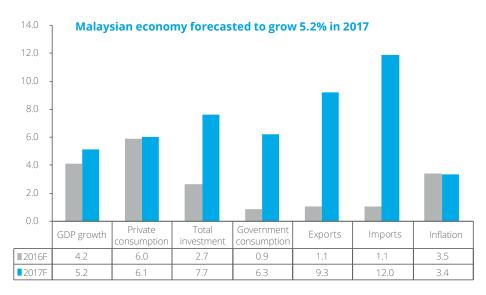
Sources: ADB, EIU, and IMF 1/ % of GDP



A surge in investment spending in several large projects in manufacturing sector, coupled with rising household spending will lead to upward real GDP growth this year.

- A country's GDP growth forecast is in an upward trend and it is forecasted that growth in 2017 will expand 5.2%, compared with only 4.2% previously. The economy will be predominantly fueled by a surge in investment spending in several large-scale projects in manufacturing sector, together with gains in household spending.
- A steady expansion in the manufacturing and service sectors will continue to support growth during the forecasted period. It is also expected that growth in agricultural sector will bounce back due to stronger external demand for rubber and palm oil, Malaysia's key export products.
- Accommodative monetary and fiscal will continue to support private consumption, the key contribution to Malaysia's GDP growth, throughout the forecasted period. Nevertheless, a slowdown in Chinese economy will result in a decline in demand for Malaysia's products, especially, electronic and electrical goods.

#### Real expenditure on GDP (% change)

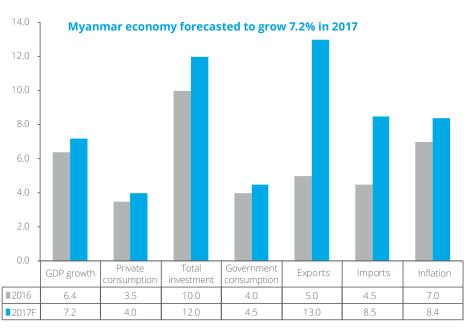




With a handful of SEZs as well as regulatory and legal reforms, large flows of foreign-invested projects will continue to underscore the nation's prosperity.

- Myanmar will continue to economically outperform other countries in the region, with real GDP growth forecasted at 7.2% in 2017 and average 7.3% a year in 2018-21. The economy will be mainly underpinned by foreign investment, especially in infrastructure, manufacturing and energy, together with a slight recovery in global energy prices.
- Investment activities will strengthen, thanks to a handful of SEZs, particularly the Thilawa SEZ, as well as regulatory and legal reforms. Meanwhile, rising wages in Myanmar will support private consumption and increase domestic demand.
- A temporary decline in export growth is forecasted in 2018 as China's economic growth continues to slow down. In the meantime, a rapid growth in imports will subtract economic growth from 2017 onwards.

#### Real expenditure on GDP (% change)



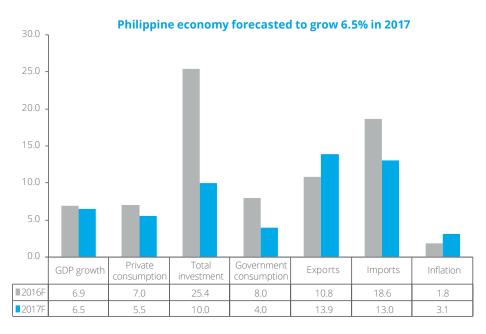
## Philippines

Strong expansion in household spending and healthy inflows of remittance continue to underpin GDP growth. Some concerns over political stability or policy stasis could potentially undermine the country's prosperity.

- A slightly slower real GDP growth rate in 2017 compared with 2016. It is forecasted that the economy will grow 6.5% supported by private consumption which is the biggest driver of growth. In the meantime, growth in private consumption will be modestly weaken owing to the rising inflation rate.
- A government's attempt to increase job opportunities, together with strong remittance inflows will continue to stimulate household spending and support the overall economy throughout the forecasted period.
- Despite the expected 'hard landing' in China in 2018, the business process outsourcing will remain resilient.

  However, net exports will remain a drag on growth with some concerns over political stability or policy stasis which potentially undermine the forecasted economic growth.

#### Real expenditure on GDP (% change)

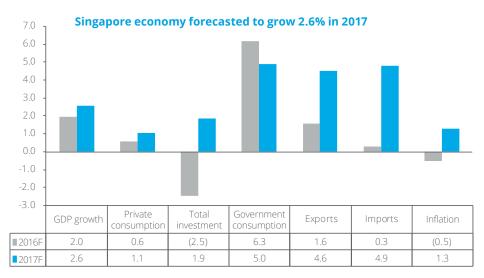


## Singapore

A country has shown a good sign of recovery, driven by improved investment spending and growth in exports. However, the headline growth could be weakened as the downside risks in the global economy remain.

- Singapore, a trade-reliant economy will benefit from the slightly improved external outlook. Unlike 2016, investment spending will grow robustly and make a positive contribution to growth in 2017. It is expected real GDP growth in Singapore will pick up at 2.6% this year.
- Industrial outputs will expand slightly faster and somewhat boost its share of GDP. Meanwhile, service sector remains the largest contributor to GDP growth. It will account for almost two-third of GDP and will grow 1.7% a year on average in 2017-21.
- Singapore is often affected by the unexpected global growth trajectories.
   Although the external outlook has shown but some uncertainties, including the US protectionist policies and tighter monetary condition in China, continue to pose a challenge to the economy.

#### Real expenditure on GDP (% change)

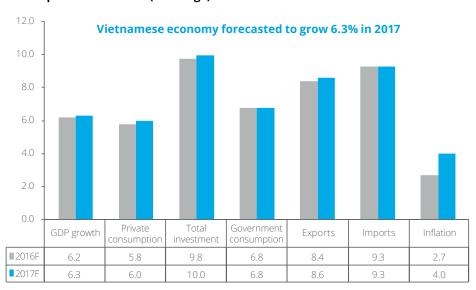


## **Viet Nam**

Robust private consumption growth due to rapid wage growth and favourable policies, coupled with a surge of foreign investment inflows will continue to spur the overall economic growth in 2017.

- Viet Nam's GDP is forecasted to grow by 6.3% in 2017, slightly improved from 6.2% in 2016. An economy will be underpinned by robust private consumption driven by rapid wage growth and gains in access to credit. Meanwhile, investment activities will be spurred by policies to liberalize regulations.
- Although Viet Nam has one of the lowest level of agricultural productivities compared to other ASEAN countries, the government' effort to revitalize this sector will result in the positive growth projection for the overall economy in 2017.
- The migration of low-cost export manufacturing, especially in electronics sector, from China will help drive the annual growth in exports; however, the net export will still drag on the GDP headline as import growth will continue to outpace export growth.

#### Real expenditure on GDP (% change)



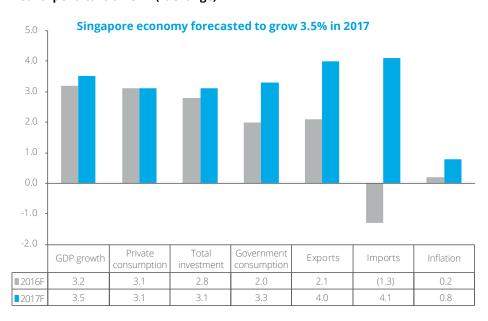




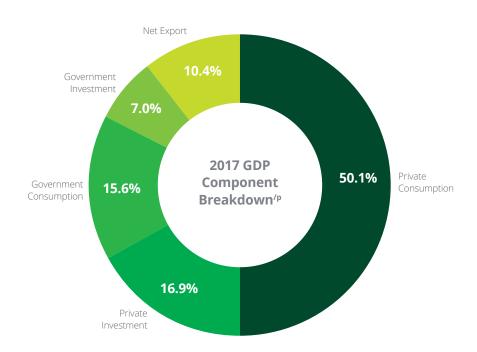
## Stronger external demand and the expansion of both public and private consumption will accelerate the headline growth in 2017.

- Thailand targeted 2017 economic growth at 3.5%, compared with 3.2% in 2016. A pick-up in growth stems from stronger external demand and the expansion of public consumption.
- Private consumption, which is a main contribution to Thai economy's GDP, will remain steady owing to the government's stimulatory efforts and large inflows of tourists.
- The recovery of exports value due to the economic improvement of Thailand's key trading partners and global commodity prices will help support the overall economic expansion.
- A progress in government infrastructure projects, particularly the projects under 2016 Transportation Infrastructure Action Plan will aid the economic rebound in 2017.

#### Real expenditure on GDP (% change)

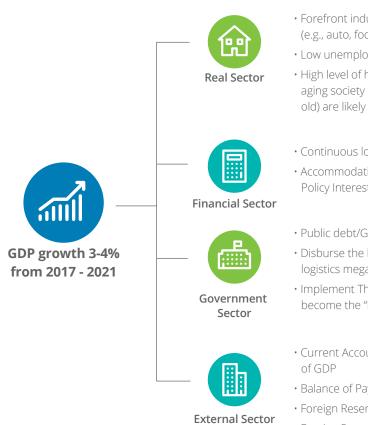


- The acceleration of agricultural production and favourable agricultural prices will gradually lead to higher income and the improvement of household consumption in the rural economy.
- Despite a contraction of tourism receipts from Chinese tourism in the first half of 2017, Thailand's tourism sector is projected to remain strong throughout the year and will help mitigate the negative effects of external downward trend in the coming years.
- The ending of the first-car buyer scheme's stipulation will allow those first-car buyers to trade their car and the launch of new car model in 2017 will invigorate the domestic car market from 2017 onwards.
- Some risks and uncertainties from external factors such as the exchange rate volatility, geopolitical tensions, the monetary policies trends in major economies, the US protectionist policies, the aftermath of Brexit, and the sluggishness of the Chinese economy will limit Thailand's growth potential during the forecasted period.



Sources: BOT, NESDB, & DTTJ Estimates /p preliminary data

## Overall economic fundamentals remain strong with positive outlook over the medium- and long-term



- Forefront industries continue their growth momentum (e.g., auto, food & beverage, jewelry, healthcare, tourism)
- · Low unemployment rate at 1.0%.
- High level of household debts (81.0% of GDP) and the aging society (16.0% of Thai population above 60 years old) are likely to limit domestic demand growth
- Continuous loan growth at 6% with NPL ratio around 3%
- Accommodative monetary policy. In the end of 2017, Policy Interest Rate is forecasted at 1.75% 2.00%
- Public debt/GDP is 42% below the debt ceiling 60%
- Disburse the budget of 1.4 trillion Baht to execute 20 logistics mega-projects from 2017 onwards
- Implement Thailand 4.0 and 20-Year National Strategy to become the "high income economy"
- Current Account is positive at 46.8 billion USD or 11.4% of GDP
- Balance of Payment is positive at 12.8 billion USD
- Foreign Reserve amount is 180.8 billion USD
- Foreign Reserve / Short-term Debt Ratio is 3.3 times

Sources: BOT, NESDB, PDMO, & The Royal Thai Government Note: Latest data from the above agencies with cut-off date of April 4, 2017.



## Thailand's current politics and administration system



#### **The interim Government**

To perform public administration duties in both economic and social aspect.

#### **The National Legislative Assembly**

To performs functions of National Parliament, including passing legislations, approving emergency decrees, and approving treaties.

#### **The National Reform Steering Assembly**

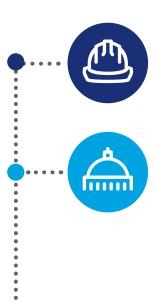
To implement and to initiate ideas for national reforms following the dissolution of the National Reform Council (NRC).

Note: The National Reform Council (NRC) was for undertaking a comprehensive reform of the country and drawing up recommendations for the Constitution Drafting Committee (CDC).

The Constitution Drafting Committee (CDC), which consists of legal experts, academics, former senators, judges, civil servants, representatives from NGOs and the media, is nominated to ensure a truly democratic constitutional monarchy.

## NCPO's roadmap to reform Thailand in Stage 2

The National Council for Peace and Order (NCPO) proposed three stages of national administration during the transition period.



#### Coup d'état on 22 May 2014

#### **Stage One**

#### Bring back normal operations of civil service

May - Jul 2014

- National security execution and law enforcement.
- Public administration restoration
- Economic master plans.
- The 19th Interim Constitution of Thailand.
- The 2015 Annual Budget Bill of THB 2.6 trillion.

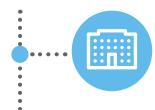


#### Stage Two

#### Create an environment contributes to national reforms with NLA & NRC in actions.

Aug 2014 - Sep 2015

- The National Legislative Assembly (NLA) to perform the parliament roles
- The Interim Prime Minister and Government in action
- The National Reform Council (NRC) studied and provided recommendations for Thailand reforms.
- NRC rejected the first draft of the 20th Constitution of Thailand by 135 votes against 105 in favour with 7 abstentions, and in turn, was dissolved on September 6, 2015.



#### Oct 2015 - Mar 2017

- A new 21-person Constitutional Drafting Committee to propose the new draft of 20th Constitution of Thailand.
- The National Reform Steering Assembly (NRSA) was established, consisting of 200 members to carry out the national reform blueprint proposed by the dissolved NRC.
- Conducted a nationwide referendum of the drafted 20th Constitution of Thailand on August 7, 2016. the majority of the voters (61%) accepted the drafted 20th Constitution of Thailand and also 58% of them allowed the Senate to take part in electing the Prime Minister during the five–year transition period.
- Amended the drafted 20th Constitution in line with the referendum result.

#### Apr 2017 - Apr 2018 (Approximately)

- Launched the 20th Constitution of Thailand on April 6, 2017.
- Draft, deliberate, and launch the Organic Laws of the 20th Constitution of Thailand.



#### **Stage Three**

### An election will be held to restore democracy and execute Thailand's reform agenda

May 2018 - Q2/2023 (Approximately)

- Execute general elections the Senate and the House of Representatives.
- Parliament in action.
- Form a new civilian government.
- Execute Thailand's reform agenda during the 5-year transition-period (2019 2023).

Sources: compiled from NCPO, the Royal Thai Government, National News Bureau of Thailand & Thai Local Media and Newspapers

# The Interim Government to perform public administration

The Interim Government established under Thailand's Constitution 2017 consists of the Prime Minister (General Prayuth Chan-ocha) and 34 other ministers appointed by the King to perform public administration.

#### **Government priorities**

- Accelerating Thai economic growth
- Agricultural reform
- · Anti-human trafficking
- Energy and environment sustainability
- Social affairs
- Thailand and the world

#### **Highlights**

- The Prime Minister gave a speech on the promulgation of the 20th Constitution of the Kingdom of Thailand on April 6, 2017 and addressed a national plan.
- Thai Government has committed to accelerating Eastern Economic Corridor (EEC) Project and in turn invited local and foreign investors to take part in this priority project:
  - Allocates budget of 6.28 billion Baht to EEC development
  - The adoption of the so-called "Super Fast Track PPPs" to attract investors to the EEC
  - The enforcement of Section 44 to expedite projects in the EEC
  - The EEC Policy Committee has signed a MOU with a Chinese financial institution to provide support for investors participating in the EEC
  - Japanese companies to invest in those targeted new S-Curve industries in the EEC.
- The Prime Minister confirmed to support the development of Micro, Small and Medium Enterprises (MSMEs) to empower the regional economy at "the ASEAN Prosperity for All Summit" being held in Manila, the Philippines.
- The Prime Minister enforced Section 44 to expedite the Thai-Chinese High Speed Railway project on Bangkok - Nakhon Ratchasima route.

Sources: The Royal Thai Government, Thailand's Constitution 2017, National News Bureau of Thailand & Thai local newspapers (The Nation & Bangkok Post)

## The National Legislative Assembly (NLA) to take the Parliament duties

NLA established under Thailand's Constitution 2017 NLA consists of 220 members appointed by the King in accordance with NCPO's recommendation.

#### **NLA's key duties**

#### Priority role is to act as the House of Representatives, the Senate, and the National Assembly during the transition period.

- NLA has the power to:
  - Issue the rule on election and perform duties of the NLA President, the NLA Vice-Presidents, and its Committees and meetings.
  - Introduction and deliberation of Bills and Organic Law Bills (i.e. Constitution Related Bills).
  - Monitor and control the Interim Government by making the submission of motions, discussion, making resolutions, and interpellation.
  - Peace keeping and other related matters for the performance of its duties.

#### **Highlights**

- NLA continues to deliberate draft organic laws after the promulgation of the 20th Constitution of Thailand on April 6, 2017.
- NLA read, deliberated, and passed several high impact drafted bills during Q2-2017 such as:
  - Labour Protection
  - National Reform
  - National Strategies
  - 2018 Fiscal Budget
  - The Election Commission
  - The State Audit
  - The Setting Up and Procedures of the Administrative Court
  - The Amendment of the Executive Decree on the Secondary Mortgage Finance Corporation.
- Extend the deliberation of two drafted bills:
  - Water Resources
  - Government Savings Bank

Sources: The Royal Thai Government, Thailand Interim Constitution 2014, National News Bureau of Thailand & Thai local newspapers (The Nation & Bangkok Post)

# The National Reform Steering Assembly (NRSA) to implement the national reform blueprints

NRSA established under Thailand's Constitution 2017 consists of 200 members appointed by the King in accordance with NCPO's recommendation.

#### NRSA's key duties

#### Implement the national reform blueprints proposed by the dissolved National Reform Council (NRC).

 Give advices and recommendations to the Constitution Drafting Committee (CDC) for the purpose of Constitution drafting.

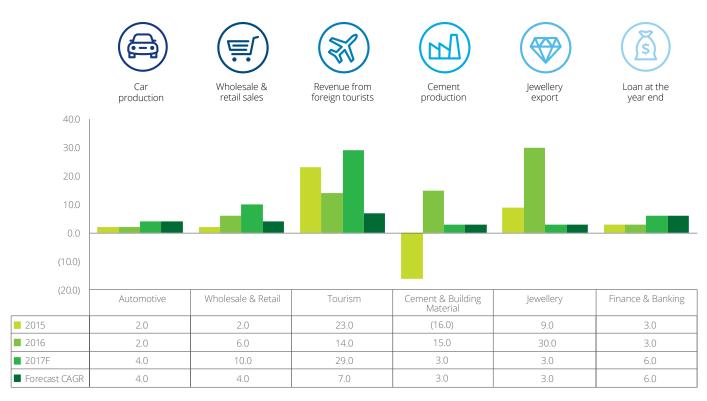
#### **Highlights**

- Approved the proposed reform of election of Thailand's tambon leaders.
- Accepted petition from representatives of village leaders, who are against new term for village chiefs and Kamnans.
- Achieved a majority vote to make political reform as one of the national strategic plans.
- NRSA Deputy Chairman Alongkorn Polabutr has affirmed the recently passed 2018 fiscal budget of 2.9 trillion Baht is in line with the needs of the Thailand 4.0 agenda. The new budget allocates 74% for its preceding plan and 23% on investment, most of which is to be done through public-private partnerships (PPPs) and the Thailand Fund.
- NRSA Deputy Chairman Alongkorn Polabutr stressed the need for Primary Election system. The Primary Election system requires political party boards to hold polls to find their constituency representatives. This would create transparency and fairness in the Thai democratic system, adding that reform of political parties is to make them better represent the public rather than the interests of small groups.
- NRSA has prepared to hand over reform work to government before end of term by August 2017.

Sources: The Royal Thai Government, Thailand Interim Constitution 2014, National News Bureau of Thailand & Thai local newspapers (The Nation & Bangkok Post)



# Thailand key industries are expected to continue their moderate growth path in 2017



Sources: Compiled from various research houses & agencies (e.g. BOT, EIU, MOC, NESDB, OIE) & DTTJ Analysis

# Thailand key industries are expected to continue their moderate growth path in 2017



Sources: Compiled from various research houses & agencies (e.g. BOT, EIU, MOC, NESDB, OIE) & DTTJ Analysis







Thai automotive industry in 2017 is forecasted to grow 3% due to rebounded domestic market. Over the long-term, Thailand automotive industry is projected to have an upward moderate growth path driven by the production of new automobile generation.

#### Situation in 2016

Thai automotive industry in 2016 benefited from export growth, while domestic market remained in a negative mode. Total car production was 1.94 million units or grew by 2% compared to 2015s'. Car export volume was 1.2 million units or increased 6% YoY. However, domestic sales during 2016 was 0.78 million units or 4% lower than 0.8 million units sold in 2015 due to the impact of adverse economic factors.

#### Forecast 2017

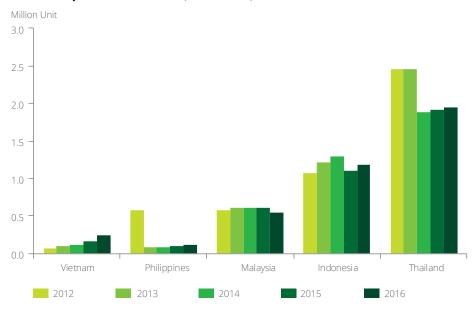
Car production is projected at 2.0 million units, growing 3% from 2016. Domestic car sales is forecasted at 0.8 million units or increase 4%YoY due to improved domestic conditions, whilst car export is likely to maintain the growth rate at 3%YoY due to sustained demands in major export markets. Domestic car sales during Q1-2017 grew by 15.9% compared to 2016s' thanks to the unlock of the First-Car Tax Rebate Scheme and heavy promotion campaigns.

#### Long-term trend

As Thailand remains an attractive investment destination in the coming years with a support from the BOI's new investment incentive schemes for electric and automated vehicle (EV/AV) production and mega-project investments to enhance Thailand's competitiveness, major car producers will continue to deploy their production and supply chain capacity to great effects. As analysts expect that overall global economy will gradually capture an upward growth trend in the coming years, Thailand's car industry is projected to grow 4% over the long-term. However, digital disruption have become major threats, which could significantly shift competitive landscape of automotive industry in the long-term.

Thailand remains the ASEAN's automotive industry leader in the coming years underpinned by a solid supply chain and a large pool of established facilities.

#### ASEAN car production volume (2012 - 2016)



- Although CAGR displays negative production growth, Thailand remains the leading car producer of ASEAN with 48% market share.
- Overall, ASEAN car industry in 2016 grew 4% compared to 2015s'. Car export from ASEAN is expected to grow while domestic demand remains in a contraction mode.

#### Thailand domestic car sales and export (2012 - 2019F)



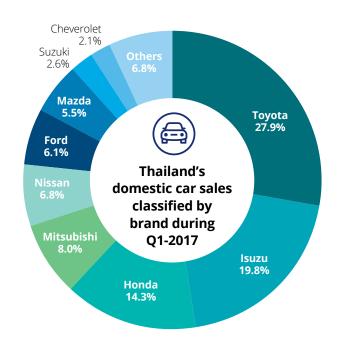
- During 2016, Thailand produced 1.94 million cars growing 2% from 2015.
   Domestic sales volume was 0.77 million units contracted by 4%YoY.
- Despite the slowdown of both global and domestic car demands, automotive players in Thailand can outperform other regions as a result of an established solid supply chains and a large pool of skilled labours in Thailand. In 2017, Thailand is forecasted to produce 2.0 million car units growing 3%YoY.

Sources: AAF, FTI, OIE, OICA, & SAT

Domestic car sales during Q1-2017 expanded by 15.9% compared to the same period of 2016.

#### **Update Thailand car market for Q1-2017**

- The total number of domestic cars sales during Q1-2017 was 0.21 million units risen 15.9% YoY, partly because of the unlock of the First-Car Tax Rebate Scheme and heavy promotion campaigns.
- Major Japanese car manufacturers (Toyota, Isuzu, Honda, Mitsubishi, Nissan, Mazda, and Suzuki) together sustain the market leadership in the Thailand car market occupying around 85% of domestic market share.
- However, downside risks of the domestic car market remain evident such as commodity price uncertainty, high level of household debt, and so on.



Source: Toyota (Thailand) Co. Ltd.

#### Sales volume summary during Q1-2017

	Sales Volume Q1-2016	Sales Volume Q1-2017	Sales Growth (%) YoY	Market Share Q1-2016 (%)	Market Share Q1-2017 (%)
Toyota	50,285	58,629	16.6%	27.7%	27.9%
Isuzu	36,413	41,707	14.5%	20.1%	19.8%
Honda	25,028	30,191	20.6%	13.8%	14.3%
Mitsubishi	16,628	16,936	1.9%	9.2%	8.0%
Nissan	12,701	14,355	13.0%	7.0%	6.8%
Mazda	8,653	12,938	49.5%	4.8%	6.1%
Ford	10,904	11,562	6.0%	6.0%	5.5%
Suzuki	5,285	5,436	2.9%	2.9%	2.6%
Chevrolet	3,622	4,431	22.3%	2.0%	2.1%
Others	12,041	14,305	18.8%	6.6%	6.8%
Total	181,560	210,490	15.9%	100.0%	100.0%

Source: Toyota (Thailand) Co. Ltd.





Wholesale and retail players will continue their growth strategy in the coming years underpinned by the expansion of tourism, e-commerce, and both modern and tradition traders in urban and country areas.

#### Situation in 2016

Thailand's consumer goods market was well improved in 2016 due to stable political conditions, rising domestic demands, and expanded tourism industry. Retail and wholesale taken together grew approximately 6% compared to 2015s'. Top players with large capitals continued to adopt marketing promotions, but also expanded their footprints nationwide.

#### Forecast 2017

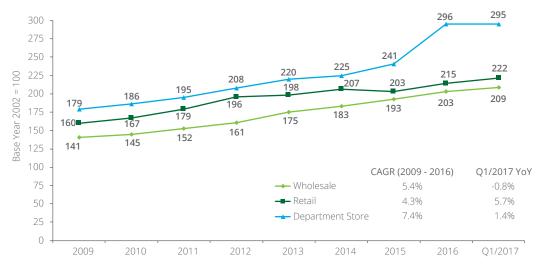
Wholesale and retail sales in 2017 are expected to gain an moderate growth mode with a combined growth rate at 10% compared to 2016s'. Major retail players will continue to expand their footprints to cover untapped locations and segments. Consumer product suppliers based on the trading index statistics, continue to deploy sales force loyalty programs via department and convenient stores to boost their sales yolumes.

#### Long-term trend

Thai government has tried to transformed the traditional market to the service-based economy. Private consumption has been bolstered by an expansionary fiscal policy spending on repairing schools, hospitals and irrigation systems to support job creation in both urban and rural areas. The emergence of AEC, moreover, will open up an opportunity to invest and trade between ASEAN member states. The strong sales performance for the wholesale and retail industry over the long-term is expected to grow around 3-4%.

Overall, three major sales channels remain in positive growth mode. In 2016, retailers and wholesalers gained their moderate growth path, while department stores have enjoyed a speedy pace of sales expansion. During Q1-2017, retail and department store maintained positive growth, while wholesale was slightly dropped compared to 2016s'.

#### Major trading indices (2009 - Q1/2017)



Sources: BOT & EIU

Note: Our analysis covers only wholesalers and retailers of foods and customer package products.

#### Wholesale and retail sales (2009 - 2017F)



Sources: BOL Database, EIU, & DTTJ Estimates

Note: Our analysis covers only wholesalers and retailers of foods and customer package products.





Thailand still focuses on "Quality Leisure Destination" vision to drive tourism sector to gain higher number of foreign tourists and revenues.

#### Situation in 2016

Thailand tourism industry performed well during 2016 as a result of stable political environment and the success of the government's tourism campaign. The number of foreign tourists was 32.6 million or grew 9% compared to 2015s'. Total tourism revenue in 2016 was 1.65 trillion Baht or increased 14%YoY.

#### Forecast 2017

Thailand's tourism strategy is oriented towards growing revenues from foreign tourists, whilst bossting the number of overseas tourists become secondary. The Ministry of Tourism and Sports continues to launch a series of tourism promotions to increase visitor expenditure, average length of stay, and the overall quality of the visitor experience. It is forecasted that revenue from foreign tourists could reach 1.87 trillion Baht or increase 29%YoY. Similarly, the number of foreign visitors in 2017 is projected at 35.0 million or grow 7%YoY.

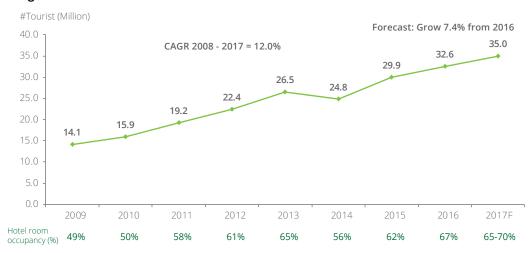
#### Long-term trend

Asian tourists especially from ASEAN, China, Japan and South Korea are the major contributors to Thai tourism industry over the long-term. Likewise, a trend of global economic recovery and better Thai political condition could boost tourism sector with the potential CAGR of 8%. In turn, it is expected that hotel industry will gain high room occupancy rate above 65%. In the long-run, Thailand adopts "quality tourism strategy", which addresses the so-called "3Rs" (i.e. Repositioning, Restructure, and Rebalance) to enhance both competitiveness and sustainability of tourism industry.

Sources: BOT, Department of Tourism, Tourism Authority of Thailand (TAT), 2016 Thailand Tourism by Minister of Tourism & Sports & The World Tourism Organization (UNWTO)

## Total tourist arrivals in 2017 are forecasted at 35.0 million or raised 7.4% compared to 2016s'.

#### Foreign tourists 2009 - 2016F



- In 2016, the accumulated number of foreign tourists was 32.6 million growing 9.0%YoY. For 2017, it is expected to reach 35.0 million increasing 7.4%YoY and 70% of foreign tourists comes from the Asia-Pacific region.
- Hotel room occupancy rate is projected at 65-70% in line with increasing number of tourists. However, the large proportion of room occupancy remains in major tourist destinations such as Bangkok, Phuket, Chiang Mai, Chonburi and the like.

Sources: Department of Tourism, TAT, The Royal Thai Government, & DTTJ Estimate

#### Revenue from foreign tourists (2009 -2017F)



- During 2016, "Quality Tourism" strategy helped accelerate the growth momentum of tourism activities across tourism supply chain including hotels, airlines, travel agents, restaurants, and so on. In turn, total revenue from foreign tourists was 1.65 trillion Baht raising 14.0%YoY accounting for 9.2% of GDP in the same period.
- In 2017, total revenue from foreign tourists is projected at 1.87 trillion Baht raising 29%YoY.
- For the 2016 2027 period, WTTC has maintained the cumulative average growth rate (CAGR) of 6.7%. In turn, WTTC has estimated a direct contribution of 2.71 trillion Baht or 14.3% of total GDP in 2027.

Sources: Department of Tourism, Minister of Tourism & Sports, NESDB, World Travel & Tourism Council 2017 (WTTC) & DTTJ Estimate





From 2017 going forward, Thailand's cement and building material industry overall is likely to gain a positive outlook despite the presence of some declining segments.

#### Situation in 2016

The production and export of cement and building material products were overall improved in 2016 thanks to external and internal favourable factors. The production of sanitary ware, cement, and concrete surged, while of tile declined, from 2015s'. These product prices were stagnant and downward due to slowdown of domestic consumption and investment.

#### Forecast 2017

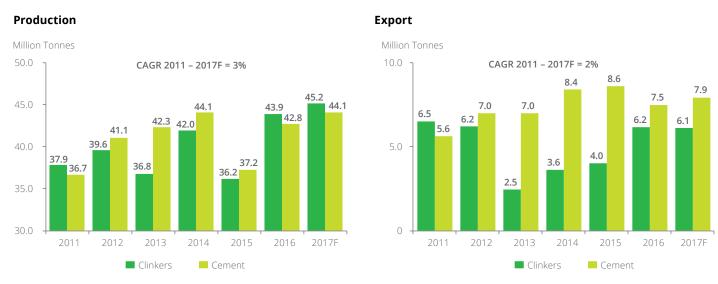
It is forecasted that the production, domestic sales and export of cement and building materials will keep their growth momentum in 2017 underpinned by strategic investment projects in both private and public sector. The overall price levels of these products, however, tend to be stable and some may slightly decline due to slowing demands in the market.

#### Long-term trend

It is projected that cement and building material industry will continue its moderate growth path in the coming years and likely to face the fluctuation of production, sales and export. As this industry depends largely on public infrastructure megaprojects and private strategic investment projects, major players will plan their production, sales, ad export strategy in line with Thai and other government's economic policies. Innovative and high value-added building materials will continue to enter the markets to meet changing demands and life styles of consumers.

Sources: Office of Industrial Economics (OIE), NESDB, and BOT

Overall, cement production and export are expected to continue growth momentum in 2017 going forward due to ongoing strategic public and private investment projects.



- During 2016, the production of clinkers and cement grew by 21.3%YoY and 14.9%YoY respectively thanks to strategic public and private construction projects in Thailand. Similarly, export of cement products rose 8.1%YoY.
- It is expected that cement production will improve by 3-4% owing to ongoing strategic public and private construction projects. In the same vein, demands for cement products from overseas markets remain in the growth stage and thus boosts Thai cement industry.

Sources: OIE and NESDB

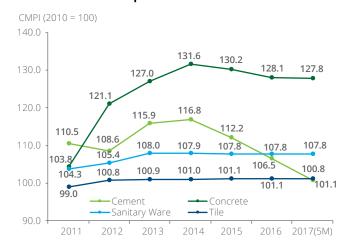
Overall, the output of cement and other building materials are projected to grow moderately, while their prices are likely to decline during 2017.

#### **Manufacturing production indices**



- Only sanitary ware could maintain an upward long-term growth trend since 2011, while cement and concrete fluctuated and tile displayed a declining trend.
- Overall, the output of cement and other building materials during Q1-2017 decreased compared to Q1-2016, but is expected to gain moderate growth by the end of 2017.

#### **Construction material price indices**

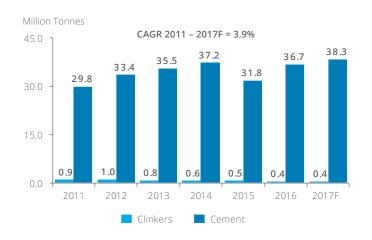


- Overall, the price of concrete and sanitary ware are projected to continue to grow from 2011, while of tile displays a steady trend.
   By contrast, the overall price of cement is likely to decline in 2017.
- During January May 2017, the price of cement and concrete were dropped by 6.1%YoY and 0.3%YoY respectively. However, the price of sanitary ware and tile were no change compared to 2016s'.

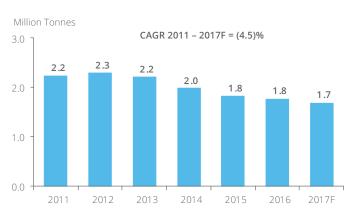
Source: Office of Industrial Economics (OIE) and NESDB

Overall, sales volumes of cement and other building materials are expected to improve in 2017 thanks to ongoing strategic public and private investment projects.

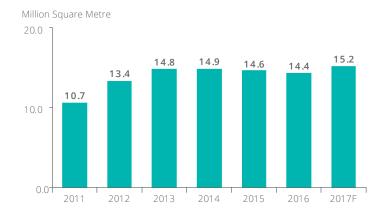
#### Clinkers and cement



#### Tile



#### Concrete



- Sales volumes of clinkers and cement and concrete have displayed a positive long-term growth path with CAGR of 3.9% and 6.1% respectively. As for tile, sales volumes has declined since 2012 and be expected to shrink in 2017.
- It is forecasted that Thailand will have major construction activities in both public and private sector over the next 3 – 5 years and thus stimulate demands for cement and building materials.

Source: Office of Industrial Economics (OIE) and BOT





Thai jewellery industry is projected to grow in both production, domestic sales and trade during 2017 amid several downside risks.

#### Situation in 2016

Overall, jewellery industry continued its long-term growth path due to strong demands in overseas markets and Thailand's competitiveness in this segment. Jewellery production, delivery and export grew 10.7%, 12.3%, and 29.6% respectively. Higher gold price, also, significantly affected import and export during this period.

#### Forecast 2017

Jewellery industry is forecasted to have a slowing growth path affected by the slowdown of major export markets and domestic sales. Despite the contraction of jewellery production, delivery and export during January – May 2017, the situation is expected to rebound during the second half driven partly affected by improved trade and better geo-political situation.

#### Long-term trend

As Thailand remains an attractive investment destination in the coming years with a support from the BOI's new investment incentive schemes for jewellery industry, major players will continue to deploy their production and supply chain capacity to great effects as well as expanding their footprints. As analysts expect that overall global economy will gradually capture an upward growth trend in the coming years, Thailand's jewellery export is projected to grow 3% over the long-term.

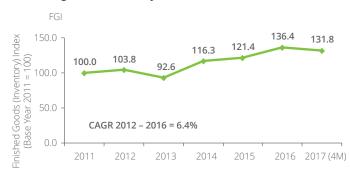
Sources: Department of International Trade Promotion (DITP), The Gem and Jewelry Institute of Thailand, OIE, & DTTJ Estimate

### During 2017, Jewellery industry overall is expected to be sluggish for both export and domestic markets.

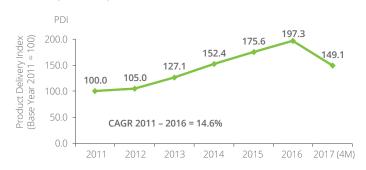
#### Jewellery production



#### Finished goods (Inventory)



#### Jewellery delivery



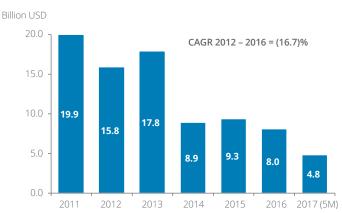
- During 2016, MPI, PDI and FGI displayed a positive growth at 10.7%YoY 12.3%YoY and 12.3%YoY respectively due to export growth and improved domestic demands for Jewellery products.
- From January April 2017, MPI, PDI, and FGI were dropped by 16.8%YoY, 17.0%YoY and 9.9%YoY respectively, partly because Jewellery producers have exported their inventories and also reduced the production. Jewellery delivery declined in line with the contraction of Jewellery production and inventory.
- However, it is expected that Jewellery industry overall will continue its growth in 2017.

Sources: Department of International Trade Promotion (DITP), The Gem and Jewelry Institute of Thailand, OIE, & DTTJ Estimate

#### Jewellery export\*



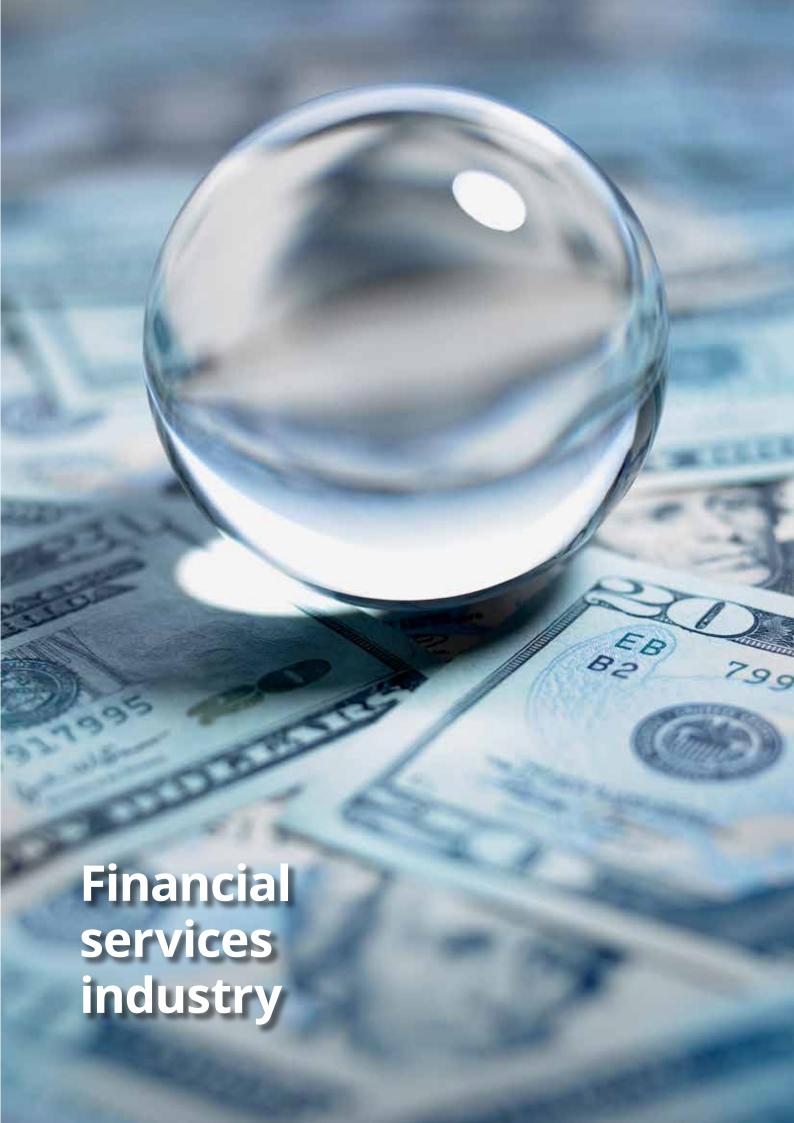
#### Jewellery import\*



- During 2016, jewellery export value improved by 29.6%YoY mainly driven by higher gold price and increasing demands in overseas markets.
- However, from January May 2017, export figure was 5.2 billion USD dropped by 22.6% compared to 2016's due to a sluggish demands and economic uncertainty in key export markets.
- Sources: Department of International Trade Promotion (DITP), The Gem and Jewelry Institute of Thailand, OIE, & Deloitte Estimate
- During 2016, jewellery import value decreased by 14.4%YoY affected by gold prices, although domestic demands for artificial jewellery were steady.
- During January May 2017, overall import of jewellery significantly improved by 80.4% compared to 2016s'. Lower gold price and demands for artificial jewellery are the two key factors, which determine import.

#### Note:

Jewellery export includes precious stones Jewellery import includes silver bars and gold







Total loan in Thailand during 2017 is expected to grow by 6% YoY with good support from accommodative monetary policy and expansionary fiscal policy.

#### Situation in 2016

As a result of slowing domestic economy and weaker global trade as well as investment sentiment, loan outstanding in the banking system finished at 13.6 trillion Baht, growing 3% from 2015. NPL proportion was 2.8% of total loan outstanding or 0.4 trillion Baht, which is relatively low. However, Gross NPL loan volume in 2016 increased by 14.2% compared to the previous year.

Sources: EIU, K-Research, & SCB EIC

#### Forecast 2017

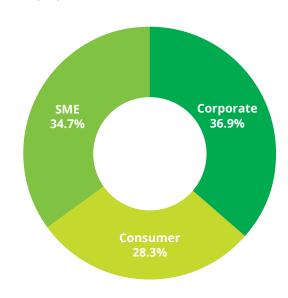
During Q1-2017, Thailand total loan outstanding was 13.7 trillion Baht growing 1.6%YoY, while NPL proportion reached 0.41 trillion Baht or 3.0% of total loan outstanding or increased by 13.2%YoY. Overall, Thailand loan outstanding in the end of 2017 is projected at 14.4 trillion Baht or grow 6% YoY. Gross NPL in banking industry in the end of 2017 can reach 0.43 trillion Baht or 3.0% of total loan outstanding growing 11% YoY.

#### Long-term trend

Total loan outstanding is expected to grow over the next few years with CAGR of 7% although some external and domestic downside risks remain evident. Likewise, a series of Thai government's economic stimulus schemes (e.g. BOI incentives, start-up incentives, Eastern Economic Corridor (EEC), transportation infrastructure investments), which will stimulate both Bangkok and upcountry economic expansion, boost loan demands across Thailand, and also, provoke capital markets to raise investment funds.

Total loan outstanding during Q1/2017 was 13.7 trillion Baht. Corporate, SME and Consumer loan proportion were 36.9%, 34.7% and 28.3% respectively. Interbank loan accounted for 13.0% of total loan outstanding.

#### Loan proportion in Q1/2017



#### Loan growth comparisons

Unit: Trillion baht

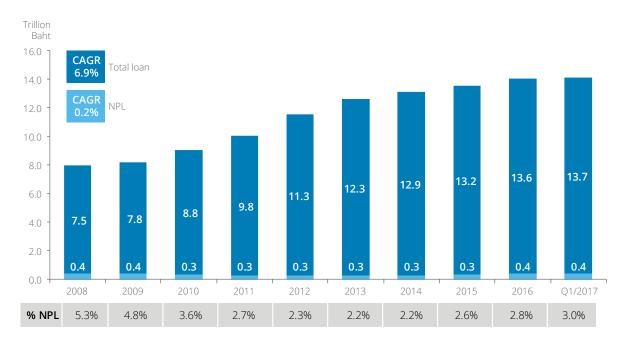
	Q1/2016	2016 (12M)	Q1/2017	%Δ QoQ	%Δ <b>Y</b> oY
Corporate	5.1	5.0	5.1	2.1%	(1.1%)
SME	4.7	4.8	4.8	0.2%	2.0%
Consumer	3.7	3.9	3.9	0.1%	4.6%
Total	13.5	13.6	13.7	0.9%	1.6%

Source: Bank of Thailand

Thailand's total loan outstanding during Q1-2017 was 13.7 trillion Baht growing 1.6% YoY or 0.9% QoQ. During the same period, NPL proportion reached 0.41 trillion Baht or 3.0% of total loan increasing 13.2% YoY or 4.8% QoQ.

Both corporate and SME loan continue their growth path thanks to Thai Government's economic stimulus packages, which in turn stimulate private investment. For consumer loan segment, private consumption demands in conjunction with attractive marketing campaigns will underpin its growth. NPL proportion in 2017 is forecasted at 3.0% compared to 2.8% in 2016 due to a slowing economy. Financial technology (FinTech) in several operational platforms is expected to largely disrupt Thailand's financial service industry in the coming years.

#### Thailand's total Loan vs. NPL 2008 - Q1/2017



Sources: BOT, EIU, SCB EIC, K-Research, TMB Analytics, & DTTJ Estimates

Note: (1) Total Loan includes both Thai banks' and foreign banks' loan outstanding as of Q1-2017.

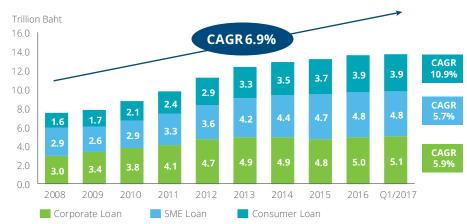
(2) NPL includes both Thai banks' and foreign banks' gross NPL outstanding as of Q1-2017.

#### Thailand's total loan in Q1/2017 was 13.7 trillion Baht growing 1.6% YoY.

#### **Selected financial statistics**

Number of	Total
Thai Commercial Bank	15
Foreign Bank Subsidiary & Branch	15
Specialized Financial Institution	8
Foreign Representative	48
Asset Management Company (AMC)	46
Credit Card Company	8
Personal Loan Company	34
Nano Finance Company	23
Credit Card	19.4 M
Debit Card	51.0 M
ATM Card	10.2 M
Personal Loan Account	12.3 M
Nano Finance Account	0.09 M
E-Money Card/Account	40.4 M
Internet Banking Account*	15.1 M
Mobile Banking Account*	20.9 M

#### Commercial bank loan 2008 - Q1/2017



#### Consumer loan 2008 - Q1/2017



Sources: BOT & DTTJ Estimates

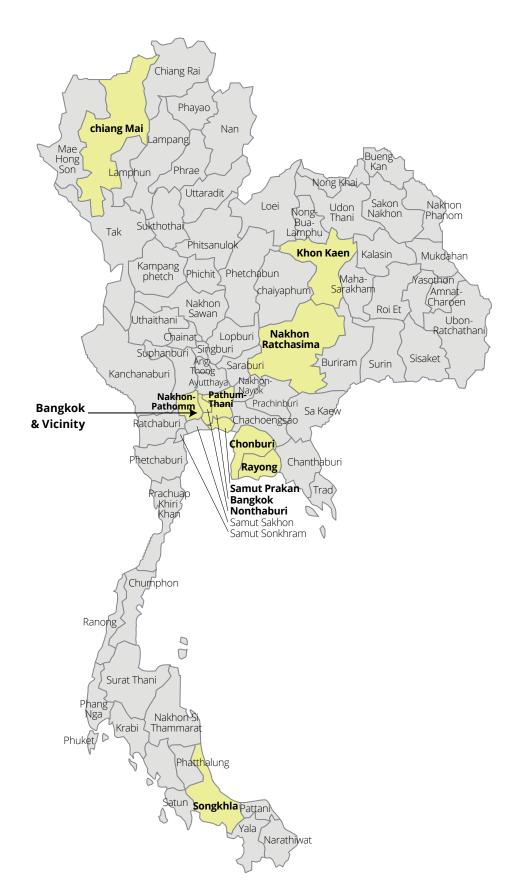
Note: \* Data have been revised by Bank of Thailand.

#### Top 10 provinces - Deposit

Provinces	Trillion THB
Bangkok	7.85
Nonthaburi	0.45
Samut Prakan	0.43
Chonburi	0.39
Pathum Thani	0.26
Chiang Mai	0.23
Nakorn Phatom	0.18
Songkhla	0.14
Samut Sakhon	0.14
Nakhon Ratchasima	0.14
Others	2.40
Total	12.62

#### Top 10 provinces - Loan

Provinces	Trillion THB
Bangkok	9.89
Chonburi	0.36
Samut Prakan	0.23
Nonthanburi	0.18
Phuket	0.18
Chiang Mai	0.18
Pathum Thani	0.17
Nakhon Ratchsima	0.15
Songkhla	0.15
Khon Kaen	0.13
Others	2.14
Total	13.77







Insurance industry is projected to continue its growth path from 2017 going forward driven by improved external and internal economic activities.

#### Situation in 2016

In 2016, life-insurance market expanded by 6%YoY due to a larger insurance policyholder base and marketing campaigns. Non-life insurance market grew merely 1.2%YoY affected by adverse external and domestic economic factors including negative export growth, domestic car market contraction, among them.

#### Forecast 2017

Overall, both life- and non-life insurance market is expected to expand in terms of both market value and policy-holders partly driven by marketing campaigns focusing on growing segments including the elderly people, group insurances and the like. It is forecasted that life insurance premium will grow 6%YoY, while non-life insurance premium will improve by 2-3%YoY.

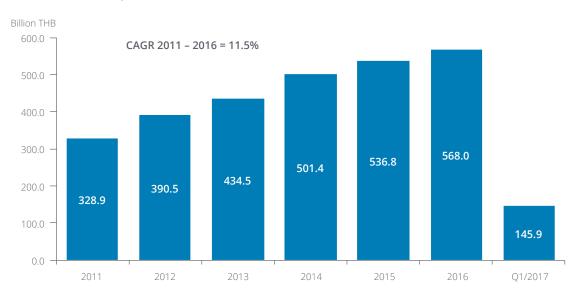
#### Long-term trend

Over the long-term, the Thai insurance market is projected to have a positive growth partly due to the increasing number of gaining population, which in turn continue to create the need for both life and non-life insurance policy. Likewise, the growth of insurance premium is expected to be steady for both life and non-life insurance in line with Thai economic growth projections in coming years. However, apart from AIA, major players in the market are Thai firms, which are competitive in terms of sales skills, networks and relationships with local insurance policy-holders and thus can maintain their advantages under this economic circumstance.

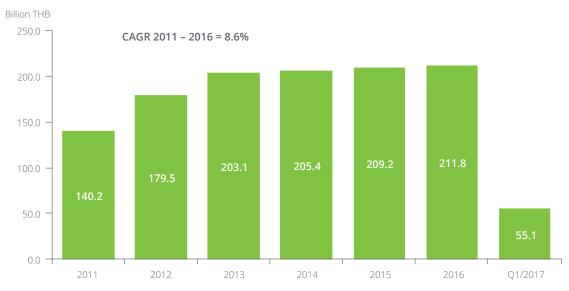
Sources: EIU, Office of Insurance Commission (OIC) & DTTJ Estimates

Both life- and non-life insurance market have expanded steadily and are projected to grow during 2017 by 6% and 2-3% respectively.

#### Total life-insurance premium received



#### Total non-life insurance premium received

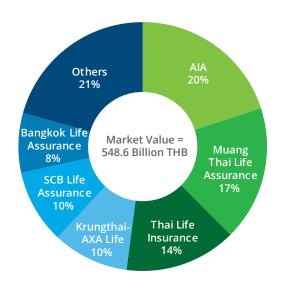


- Life insurance market is in a steady growth stage based on the past recent year data, while non-life insurance market is in a slowing growth mode thanks to the contraction of macroeconomic activities especially export and domestic car sales.
- During Q1/2017, total life- and non-life insurance premium grew by 6.4% and 1.2% compared to 2016's respectively thanks to improved economic conditions.

Sources: EIU, Office of Insurance Commission (OIC) & DTTJ Estimates

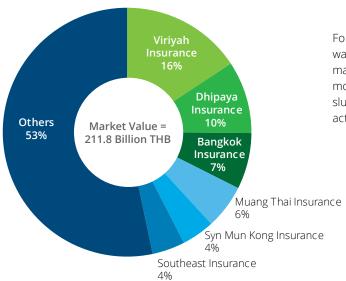
Life and non-life insurance market share during 2016 at a glance. AIA is the market leader of life-insurance, while Viriyah Insurance is the 1st rank for non-life insurance.

#### Life-insurance market share



During 2016, 6 major players of life-insurance possessed around 79% market share. Life-insurance market in 2016 grew 5.8% compared to 2015s'. Huge untapped demands for lifinsurance remain evident in the Thai market.

#### Non-life insurance market share



For non-life insurance, 47% of market share was belong to 6 major players. However, the market growth during 2016 was in a slowing mode at 1.2% compared to 2015s' due to sluggish export and domestic economic activities.





### Residential real estate

Rising GDP per capita and accelerating urbanization continue to boost Thailand's real estate sector. However, the growth rate has been limited by NPL threats and concerns about oversupply.

#### Situation in 2016

Real estate markets were relatively slow down in 2016 affected by several adverse factors such as higher household debt, slow government budget disbursement, and NPL threats. Thus, a lower growth in real estate market was evident. Property credit outstanding by the end of 2016 reached 2.6 trillion Baht or grew 4%YoY.

#### Forecast 2017

Thailand's property loan outstanding was projected to grow by 7%, especially in Bangkok and vicinity area thanks to the roll out of public infrastructure projects. Likewise, regional mega-project investments including railway double-tracking, motorways, and new mass-transit routes will encourage the growth of property market nationwide.

#### Long-term trend

The forecasted long-term GDP growth of Thailand at 3.0-3.5% amid external and internal risk factors is likely to cause an adverse effect on real estate sector in Thailand. In the wake of higher housing debt, it is expected that lenders will tighten up the mortgage criteria and decelerate the demand for house. Nonetheless, the ASEAN integrated market should help increase demand for commercial and residential space in Thailand as foreign firms are likely to move their headquarters and some stages of production to benefit a low cost of living.

Sources: BOT, Plus Property, & SCB EIC

Property loan is expected to have a slow growth momentum in 2017 due to the excess supply of property in the market.

#### Permitted construction areas in municipal zones



#### **Property loan outstanding**

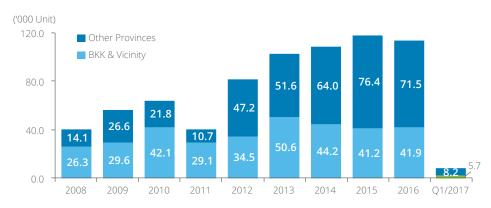


- During Q1/2017, all residential, commercial and industrial permitted construction areas were contracted by 6.8% 18.9 and 5.6% compared to 2016s' respectively.
- However, infrastructure investment and urbanisation in Bangkok and vicinity and major regional provinces are expected to drive the growth of property loan in coming years.

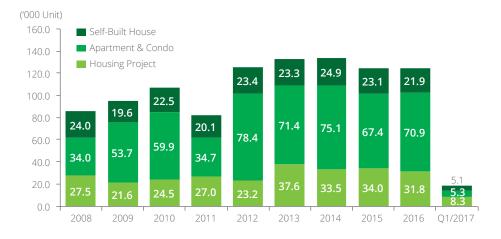
Sources: BOT, GHB, REIC & DTTJ Estimates

Nationwide condominium registration during Q1/2017 was dropped by 77.8%YoY. In the same period, new housing activities in Bangkok and vicinity displays a negative growth by 54.8%YoY.

#### Nationwide condominium registration

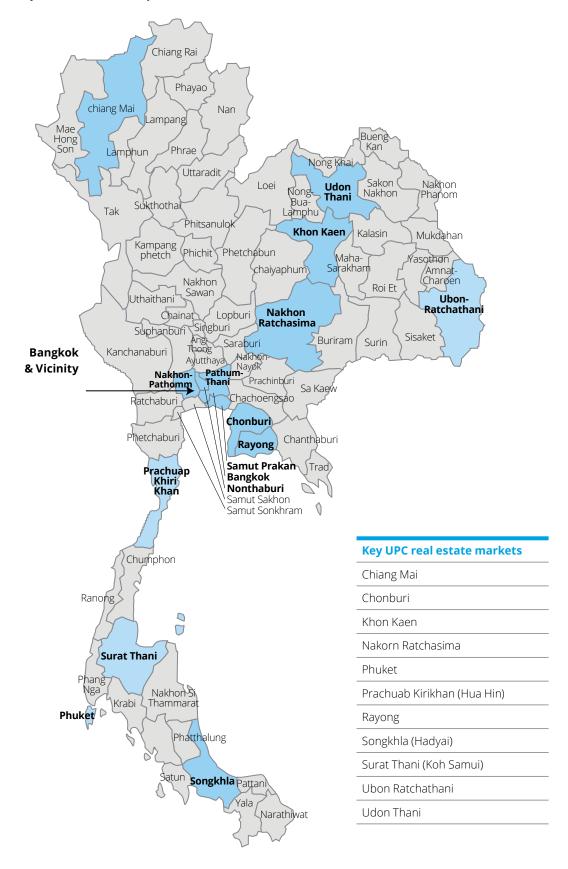


#### New housing in bangkok & vicinity



Sources: BOT, GHB, REIC, & DTTJ Estimates

#### Key real estate landscapes









Slow growth of fuel consumption was recorded in past recent years as a result of Thai economic slowdown. However, fuel consumption is expected to rebound in line with better domestic conditions and increase in renewable energy usage is expected over the near future.

#### Situation in 2016

An economic slowdown affected by unfavourable economic conditions (e.g. domestic car market contraction, low commodity prices) caused a slowing growth of energy consumption. In 2016, commercial primary energy consumption grew 0.7% to 2.1 million bbl/day compared to 1.3% in 2015.

#### Forecast 2017

Commercial primary energy consumption during 2017 is forecasted to slightly increase at 1-2% compared to 2016 due to the expected moderate rebound of the Thai economy. It is projected that oil consumption during 2017 will reach 57,600 ktoe growing 1.5% compared to 2016's. Growth in consumption of oil products still is dominated by industrial production and transport.

#### Long-term trend

Growth in consumption of oil products dominated by industrial production and transport will be on average at 1.4% over the coming years. Natural gas, which is cheaper than petroleum products, will meet industrial demand. Government policies aim to boost the use of alternative-fuel and low emission vehicles, including the conversion of engines to run on natural gas or electricity will also dampen demand for oil.

Source: EIU, EPPO, Ministry of Energy, & DTTJ Analysis

#### Thailand's energy balance in 2016 at a glance.



#### Primary energy supply: 141,957 ktoe

Production 80,114 ktoe
 Import 74,452 ktoe
 Export (10,904) ktoe
 Stock (1,705) ktoe





#### Conversion process: (50,103) ktoe<sup>1</sup>

Transformation (41,489) ktoeOwn Uses & Losses (8,614) ktoe



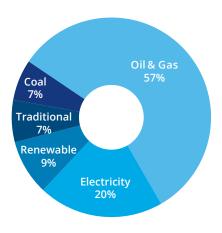


#### Energy consumption: 91,854 ktoe

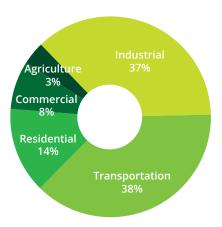
Non-Energy Uses
 Final Consumption
 (11,925) ktoe<sup>2</sup>
 79,929 ktoe



#### Final consumption by fuels



#### Final consumption by sectors

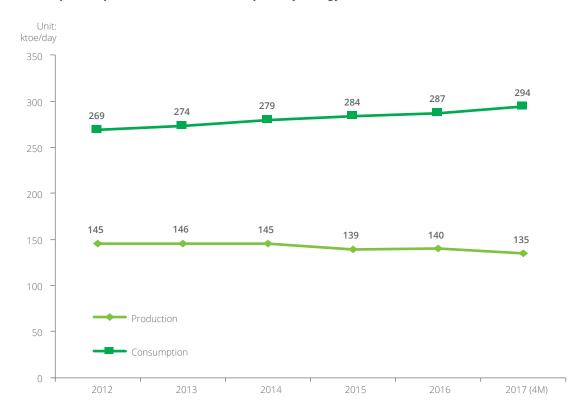


Source: Thailand Energy Balance 2016 by Department of Alternative Energy Development and Efficiency - Ministry of Energy Note:

- 1. Transform raw energy inputs to be usable energy outputs
- 2. Non-Energy Use means raw materials for petrochemical industries ktoe = kilo tonne of oil equivalent. 1 ktoe = 7,256 barrel of oil.

For Thailand, oil & gas gain around 80% of total energy consumption and production with the net importer status.

#### Consumption & production of commercial primary energy



- During 2016, Thailand is the second-largest consumer of energy in ASEAN at 143 million tonnes oil equivalent (mtoe) behind 243 mtoe in Indonesis, but above those of Malaysia (95 mtoe) and the Philippines (54 mtoe).
- Consumption of oil products dominated by industrial and transport sector will grow moderately at CAGR of 1.4% from 2017-2021.
- Thailand remains a net importer of oil and gas, although the country is a growing producer of natural gas. Natural gas, in turn, cheaper than petroleum products, will attract more industrial demands.

Sources: EIU, EPPO, & DTTJ Analysis (data as of April 2017) Note; ktoe = kilo tonne of oil equivalent. 1 ktoe = 7,256 barrel of oil.

## Diesel and Benzene/Gasohol sales continue to rise in line with Thai GDP growth.

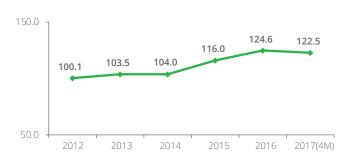
#### Benzene/Gasohol

# Billion litre 15.0 CAGR 2012 - 2016 = 8.2% 10.0 7.7 8.2 8.5 9.6 10.6 2012 2013 2014 2015 2016 2017(4M)

#### Diesel

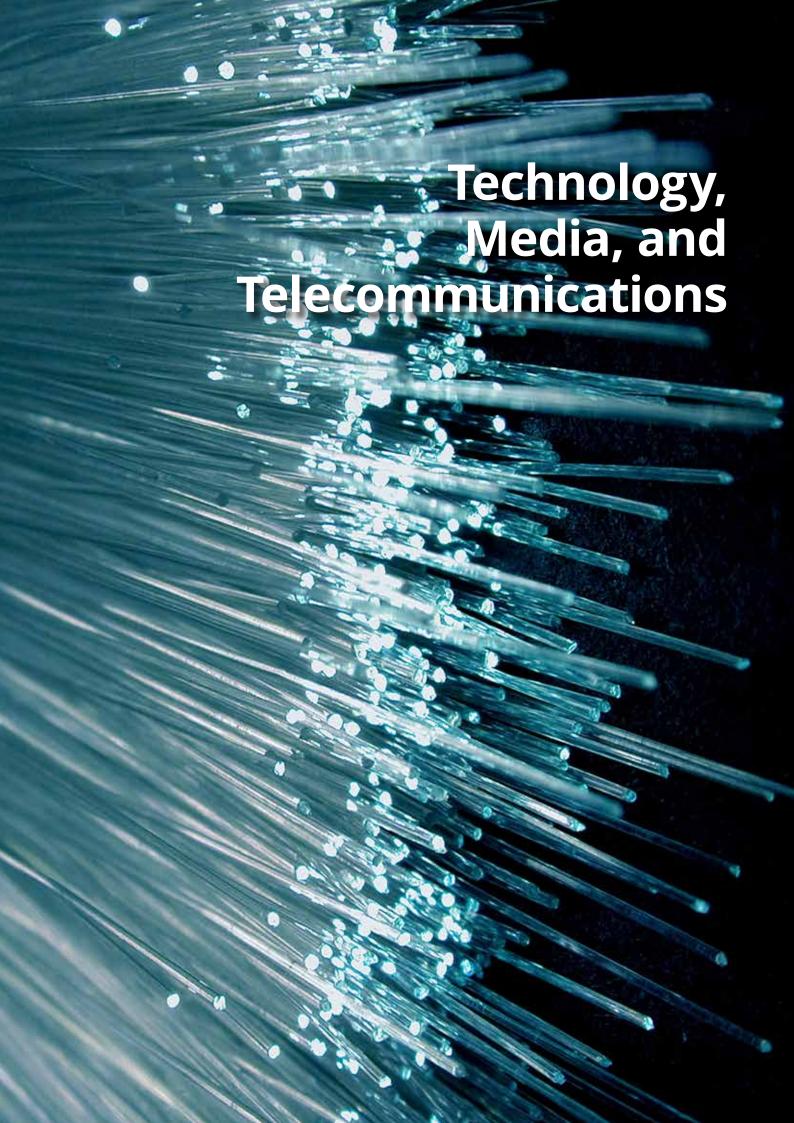


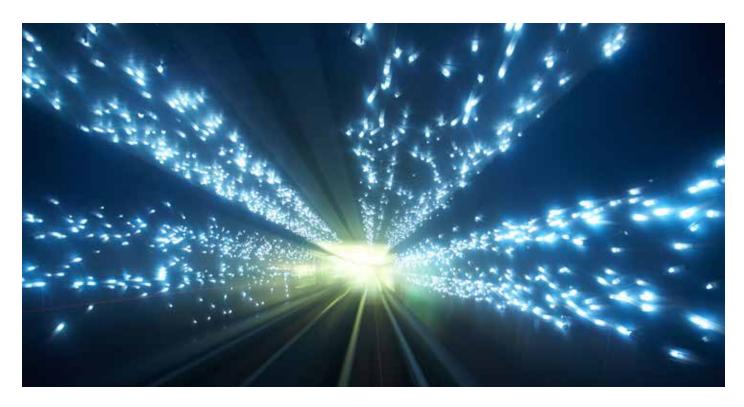
#### Fuel index (Base year 2010 = 100)



- From January April 2017, Fuel Index expanded by 0.2%. Similarly, sales volume of benzene/gasohol and diesel during the same period grew 3.2% and 1.8%YoY respectively.
- Benzene/gasohol's CAGR 2012-2016 outpaced diesels' partly due to the aftermath of the First-Car tax rebate scheme.
- It is expected that both benzene/gasohol and diesel consumption will grow around 6% in 2017 thanks to improved domestic economic activities and rejuvenation of domestic car market after the end of the First Car tax rebate scheme.

Sources: BOT & EIU Estimates for 2017 Note: ktoe = kilo tonne of oil equivalent. 1 ktoe = 7,256 barrel of oil







Thailand's electronic industry continues its moderate growth trend in coming years thanks to the rebound of global and domestic demand for electronic parts.

#### Situation in 2016

Overall, electronic industry outputs grew by 6.8% compared to 2015s' due to the rebound of global and domestic demands. Computer and part outputs dropped by 0.3%, while domestic electrical appliances surged 11.9% from the previous period.

#### Forecast 2017

Outputs of electronic industry is forecasted to increase by 2.3%YoY in 2017. The production of computer and part is expected to raise at 2.4%, while domestic appliances are projected to rise at 2.2%. However, Thai electronic export is expected to improve around 2-3% due to the recovery in demands of electronic parts and products.

#### Long-term trend

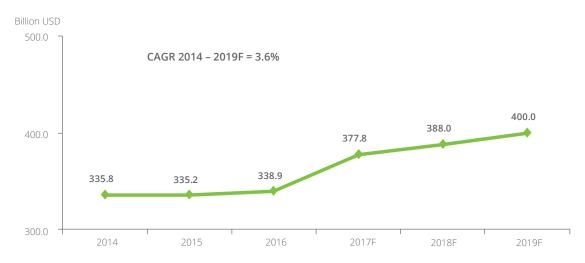
Thailand's electronic industry, especially computer and parts, has been facing high competition and global demand uncertainty. In turn, computer and part players across the world will create their new growth models to counter the aggressive moves of smartphone and tablet rivals (e.g. Samsung, Apple, Lenovo, Huawei, Xiaomi). However, Thai government has committed to strengthen competitiveness by launching Thailand 4.0 strategy and promote investment in modern electronic industries as the new S-curve for Thailand. For electronic appliance industry, although Thailand no longer gains advantages as the regional production-base, both export markets and domestic demands for some products (e.g. air conditioners, refrigerators) are likely to maintain their growth path in the coming years.

Source: EIU, EPPO, Ministry of Energy, & DTTJ Analysis

#### Electronics – computers & parts

Global electronic industry still continues a moderate growth path in coming years.

#### Global semiconductor sales



#### Personal computer user



- Global semiconductor sales in 2016 was 338.9 billion USD growing 1.1%YoY as a result of tepid semiconductor demands across major markets. For 2017-2019, semiconductor sales has been projected to grow 11.5%, 2.7% and 3.1% respectively, in line with slow recovery of advanced economies.
- Global PC penetration will continue to rise steadily from 47% in 2017 to 3% in 2019. PC usage continue to grow steadily, but its status as the default tool is gradually being eroded in both developed and developing economies.
- Handset market is still dominated by two major players (i.e. Apple and Samsung). However, the recovery of the latter's reputation due to its Galaxy Note 7 model failure is likely to take a medium-term. This could open up an opportunity for Chinese rivals, such as Xiaomi and Huawei, to steal a large portion of market share in the same period.

Sources: EIU, OIE, Semiconductor Industry Association (SIA), & World Semiconductor Trade Statistics (WSTS)

Evidence indicates that the Thai computer and part industry is in the decline stage, facing challenges from technological shifts and overseas competitors as well as trade sluggishness.

#### **Production**



#### **Export**



#### **Capacity utilization**



- MPI and capacity utilization from January April 2017 grew by 8.8% and 6.5%YoY respectively. Likewise, computer and part export in the same period increased by 1.9% compared to 2015s'.
- Overall, MPI, export and capacity utilization in 2017 is forecasted to improve from 2016s' as a result of trade recovery.
- Due to the contraction of computer and parts industry across the world, Thailand can no longer take great benefits from this industry as before. Value has migrated to growing adjacent segments (i.e. tablet, smartphone).

Sources: DTTJ Estimates, Department of International Trade Promotion (DITP)  $\& \, \text{OIE}$ 

#### Electronics – domestic electrical appliances

Domestic electrical appliance's industry in 2017 is projected to improve moderately in both production and export.

#### **Production**



#### **Export**



#### **Capacity utilization**



- From January April 2017, MPI and capacity utilization contracted by 2.9% and 2.8%YoY respectively. Likewise, export during the same period improved by 2.4%YoY.
- Air conditioner and several electrical appliances are still competitive, while refrigerator, television video, and the like face a negative growth during the past few years.
- As Thailand is no longer competitive in electronic industry arena, investors still deploy Thailand as a springboard to other AEC member states, especially CLMV.

Sources: DTTJ Estimate, DITP, & OIE

Note: Domestic Appliances include several electrical products such as air conditioner, rice cooker, refrigerator, water pot, electric fan and so on.







Thailand healthcare sector will continue to grow in coming years underpinned by both government policy and private healthcare providers' growth strategies.

#### Situation in 2016

Thai government spent the budget of 123.6 billion Baht growing 12.6%YoY to support healthcare policy and initiatives for public healthcare service. Overall, total healthcare spending of Thailand was 948 billion Baht increasing 5.0%YoY and accounting for 6.6% of GDP.

#### Forecast 2017

In 2017, overall healthcare sector is in a moderate growth mode. Thai government has allocated the budget of 126.2 billion Baht or growing 2.1%YoY to Ministry of Public Health (MOPH) to meet increasing demands of public healthcare service, especially the Universal Healthcare scheme. Likewise, total healthcare spending of Thailand is expected to surpass one trillion Baht or raising 5.7%YoY but remains approximately 6.6% of GDP.

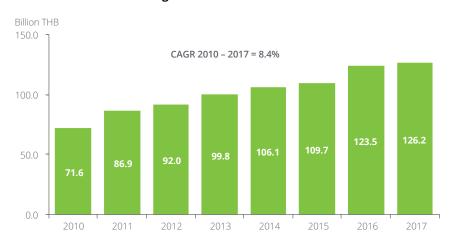
#### Long-term trend

Over the long-term, healthcare spending as a proportion of GDP is projected to reach 7% in the next 4-5 years driven by the increasing number of ageing population, a growing prevalence of chronic non-communicable diseases as well as new technologies adopted by healthcare providers. Likewise, Thai government will allocate more budgets to support the increasing needs of public healthcare services, but also aggressively promotes Thailand as a medical hub and tourism destination. Top private healthcare providers are likely to adopt both organic and inorganic growth mode to attract patients and gain a higher revenue share stemming from ASEAN region.

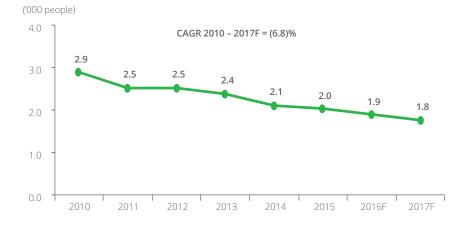
Source: EIU, EPPO, Ministry of Energy,  $\&\ DTTJ$  Analysis

In line with Thailand 4.0 strategy driven by Thai government, there exists huge opportunities for private healthcare providers to grow businesses in coming years.

#### Thailand's healthcare budget



#### One doctor per people ratio



- The increasing amounts of government budget have been allocated to Ministry of Public Health (MOPH) to drive healthcare policies and initiatives especially the continuation of Universal Healthcare scheme.
- During 2016, one doctor in Thailand covers around 1,900 people. One of the lowest ratios in Asia and Australia. However, the ratio is expected to decrease over the long-term partly because of slowing population growth and aging society.
- As Thai government has planned to boost medical tourism and medical hub in this region, MOPH has introduced visitor health packages in 2016. These include basic services such as health check-ups in conjunction with international-standard private hospitals and the local tourism authorities.
- Major private healthcare providers (e.g. BDMS, Bumrungrad Hospital) have made strategic moves to attract overseas patients by improving service qualities and standards. During March 2017, 56 hospitals and other medical institutions in Thailand received accreditation from the Joint Commission International, a US-based organisation.
- BDMS, the leading private hospital group in Thailand, will continue its inorganic aggressive growth strategy to dominate Thailand and ASEAN market.

Sources: Bureau of the Budget, EIU, & NESDB

Healthcare spending in Thailand is expected to continue its upward trend over the coming years partly due to the Universal Healthcare scheme.

#### **Healthcare spending**

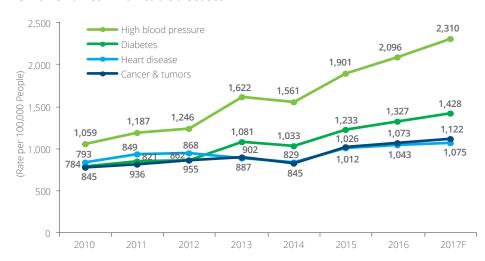


- Thailand spends around 6.6% of GDP in 2016 proportionally high on healthcare than other ASEAN member states such as Singapore (5.2%), the Philippines (4.7%) and Malaysia (4.2%), but less than Vietnam (7.4%).
- The public sector still dominates healthcare spending due to the roll out of Universal Healthcare scheme since the past decade.
- It is expected that healthcare spending will grow 5.7% in 2017 and 5.5% in 2018.
- Over the long-term, healthcare expenditure per GDP is projected to rise to 6.8% by 2021 largely affected by an ageing population, a growing prevalence of chronic diseases and new technologies.

Sources: EIU & NESDB

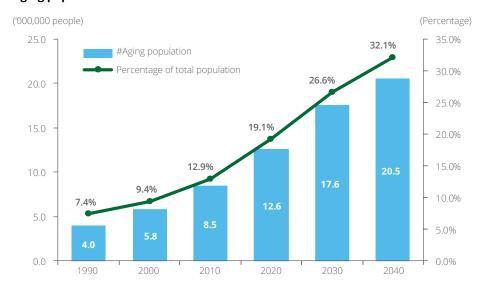
The increasing trend of chronic non-communicable diseases and aging population will put pressure on healthcare spending and provision over the long-term.

#### Chronic non-communicable diseases



- During 2010 2015, rates per 100,000 population of major chronic non-communicable diseases continued to increase including high blood pressure (CAGR = 10.2%), diabetes (CAGR = 7.6%), heart disease (CAGR = 3.1%), and cancer and tumors (CAGR = 4.6%).
- The latest WHO statistics display that non-communicable diseases caused 71% of deaths. Heart disease among them was the biggest one with 29% of total deaths.

#### Aging population statistics



- During 2000, the proportion of aging population in Thailand has been above 10%. After 2020, it is expected that aging citizens will account for more than 20% of Thai population. Likewise, slower population growth and longer life expectancy will account for the demographic shift.
- The proportion of the elderly people is projected to reach 26.6% in 2030 and 32.1% in 2040, implying that Thai government must prepare healthcare services to meet increasing needs in the next two decades.

Sources: EIU & NESDB

Note: Aging population means those citizens with the age above 60 years old.





## ล้ลล์) Public Sector

Thai government is likely to adopt fiscal deficit to pursue strategic public investment projects, and thus, gear up economic growth and competitiveness over the long-term.

#### Situation in 2016

Thai government's expenditure during 2016 was 2.8 trillion Baht rising 16.7% from the previous fiscal year with a fiscal deficit of 0.4 trillion Baht. However, public debt per GDP was 41.2% dropped from 43.9% in 2015. New competitive incentives by BOI were deployed to attract foreign investors and rejuvenate investments during the transition period.

#### Forecast 2017

During 2017 fiscal year from October 2016 till September 2017, Thai government has planned to spend around 2.7 trillion Baht, while the expected government revenue is projected at 2.3 trillion Baht with -0.4 trillion Baht deficit accounting for 2.6% of GDP. The level of public debt per GDP as of April 2017 was 42.6% dropped from 43.6% during April 2015. Since the first quarter 2017, Thai government has focused its efforts and made commitment to executing Eastern Economic Corridor project (i.e. the EEC), which is a strategic investment to strengthen the existing "Eastern Seaboard" to become the world-class economic zone and accelerate the implementation of Thailand 4.0.

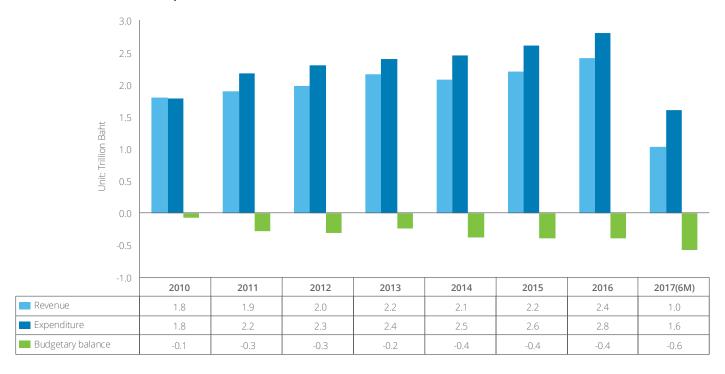
Thai government is expected to deploy fiscal deficit in coming years partly because the needs to continue investment in public infrastructure projects such as airport, deep seaport, high speed train, commuter train, motorway, and the like. The EEC project is in the priority list of execution and will play a significant role in executing Thailand 4.0 strategy. The EEC, in addition, encourages the so-called "public private partnerships (PPPs)" to reduce government investment burden and attract foreign investors to Thailand. However, the larger proportion of aging population in Thailand over the next decades will put high pressure on both public and private sector.

Long-term trend

Sources: BOT, Ministry of Finance, Thailand Board of Investment (BOI), and College of Population Studies

## Fiscal deficit has been evident and will continue in the future thanks to increasing needs for public investment and administration

#### Government revenue and expenditure for 2010 - 2017(6M)



As the expenditure of Thai government is greater than its revenue. Thus, fiscal deficit has become the major tool in financing to meet the spending needs.

Source: Ministry of Finance – The Royal Thai Government

Note: The Royal Thai Government's fiscal year starts from 1 October this year till 30 September next year.

Public debt to GDP ratio during the past few years was on average 43% less than 60%, the ceiling level stated in Public Debt Management Act.

#### Public debt level against GDP during 2010 - 2017(4M)



Despite the prolonged economic slowdown and fiscal deficit, pubic debt to GDP ratio has been kept on around 43%, below the ceiling level. On this basis, Thai government still can adopt the fiscal deficit to create high impact economic activities, which in turn gear up GDP growth in the coming years.

Source: Ministry of Finance - The Royal Thai Government

Note: The Royal Thai Government's fiscal year starts from 1 October this year till 30 September next year.

The execution of Eastern Economic Corridor (the EEC) projects has been underway to create the next wave of competitiveness under Thailand 4.0.

#### EEC is a strategic location of Asia-Pacific region

- Strengthen "the existing Eastern Seaboard" to become the world-class economic zone.
- Combine public and private investment budget of 1.5 trillion Baht over 5 year period (2017 2021).
- A comprehensive connectivity and logistics infrastructure (i.e. double-track railway, motorway, airport, deep seaport, industrial estate, and industrial park) covers Bangkok, Chachoengsao, Chon Buri and Rayong.
- 5 priority out of 15 key projects to be kicked-off in 2017 are as follows:
  - U-Tapao Airport;
  - Laem Chabang Port;
  - High speed rail;
  - Target industries (i.e. Bio-Eonomy, Modern Automotive, Electronics, Robotics, Aviation, and Medical Hub) and;
  - New cities.

Source: "Eastern Economic Corridor Development project" Driving Forward... 15th February 2017 by Thailand Board of Investment (BOI)



## Thailand Board of Investment (BOI) has launched new incentives to accelerate private investments in pursuit of Thailand 4.0.

#### Net applications received by BOI



#### **Promotion certificates issues by BOI**



#### **Applications approved by BOI**

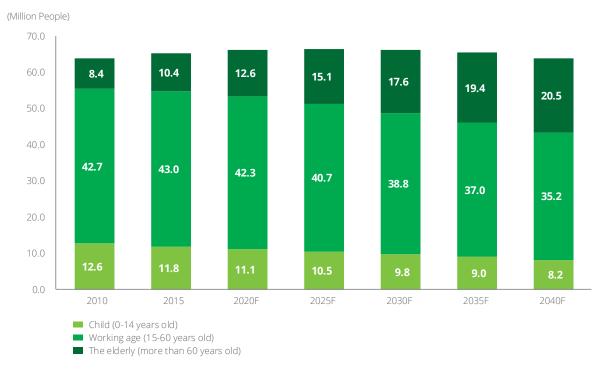


- New investment incentives by BOI for both tax and non-tax ones focus on gearing up Thai industries and economy towards Thailand 4.0.
- Investment priorities are proposed around those 10 targeted industries as well as accelerating the execution of Eastern Economic Corridor (EEC) to build the World-Class economic zone.
- In fact, Thailand's BOI investment policy not only provides attractive schemes for investors, but also encourage them to deploy Thailand as a springboard to other AEC member states.

Sources: BOI & BOT

The aging society or demographic shift will have a significant impact on Thailand's public policy over next decades.

#### Thailand Demographic Structure (2010 - 2040)



- Based on NESDB projected data, both child and working age population continue the negative growth years over years with CAGR of (1.4)% and (0.6)% respectively.
- With the moderate population growth rate of 0.4%, it is expected that by the end of 2040 the number of Thai population will tie with 2010's level.
- Thai Government has adopted incentive schemes in both tax and non-tax mode to encourage the population growth rate, but also implemented policies (e.g., the elderly fund, the senior citizen health insurance) to support the elderly people.

Sources: NESDB, The Royal Thai Government, & College of Population Studies

## Upcoming report highlights

Coming next in October 2017

#### **New industry updates**

#### **Current situation of key industries:**

- Consumer and Industrial Products:
   Chemicals and Paper & Packaging
- Financial Services Industry: SET & IPO Update and Capital Market
- Energy and Resources:
   Electricity & Renewable Energy
- Technology, Media and Telecommunications:

**Telecommunications** 

- Life Sciences and Healthcare: Pharmaceutical
- Public Sector:
  Digital Economy & 20-Year National Strategy

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