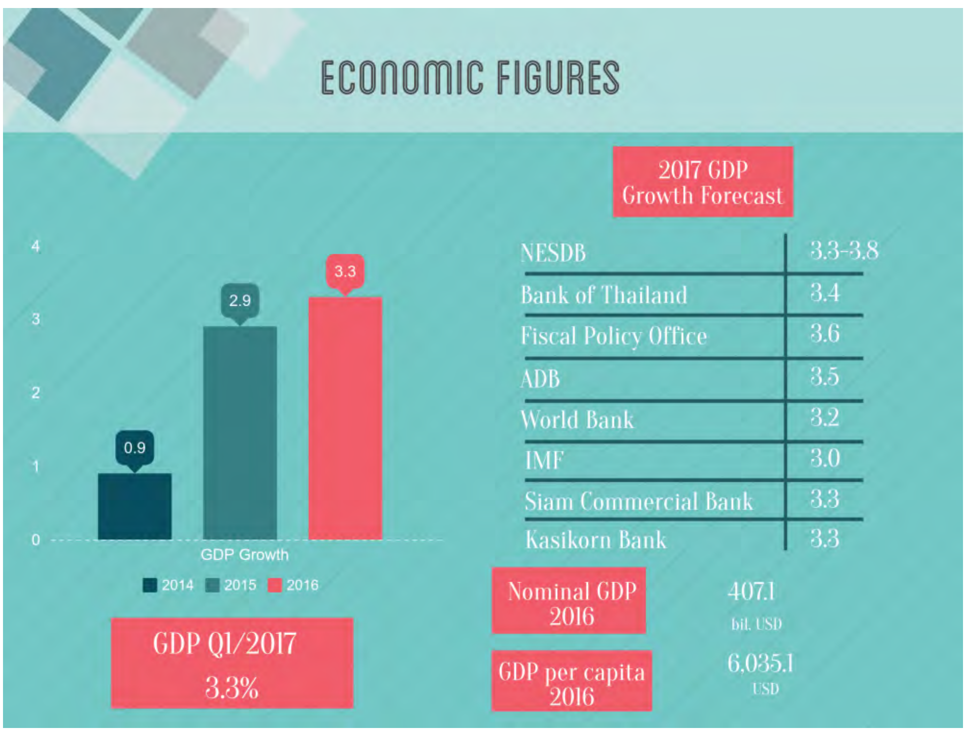
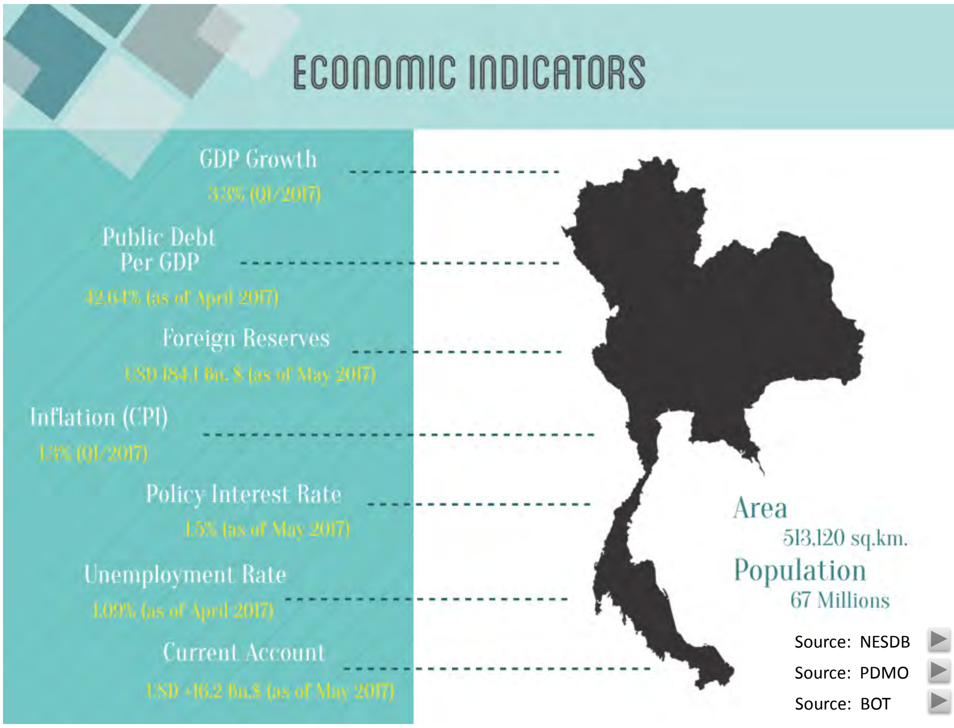
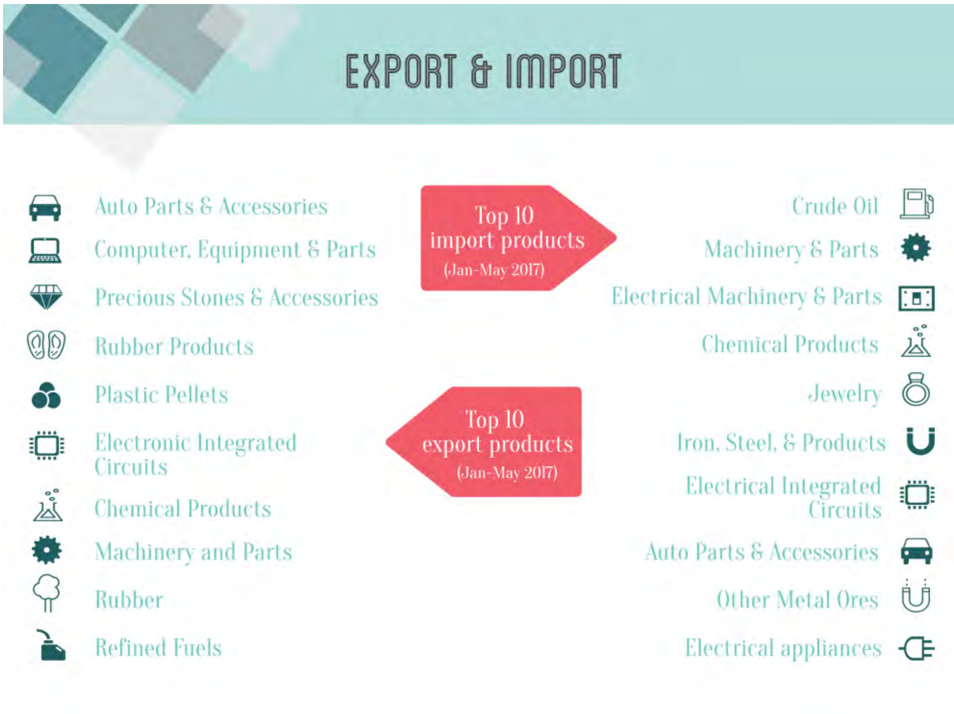
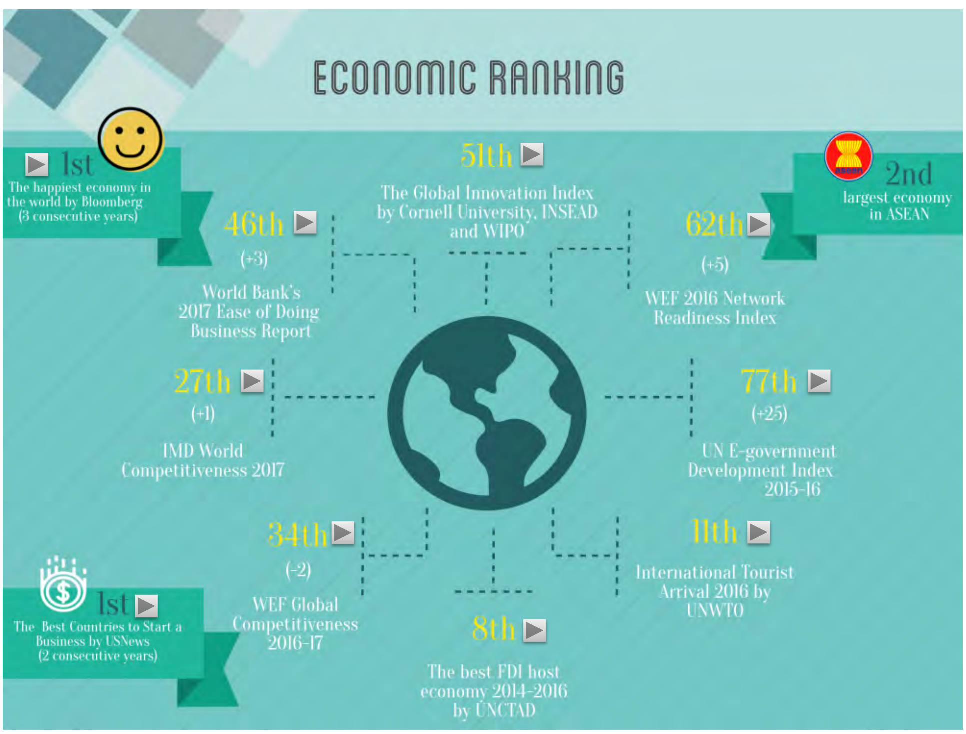

THAILAND'S ECONOMIC OUTLOOK
& KEY ECONOMIC POLICIES


ECONOMIC FIGURES
2017 GDP Growth Forecast
NESDB 3.3-3.8
Bank of Thailand 3.4
Fiscal Policy Office 3.6
ADB 3.5
World Bank 3.2
IMF 3.0
Siam Commercial Bank 3.3
Kasikorn Bank 3.3
4
3
2
1
0
0.9
2.9
3.3
GDP Growth
2014 2015 2016
GDP Q1/2017
3.3%
Nominal GDP 2016
407.1
bil. USD
GDP per capita 2016
6,035.1
USD


ECONOMIC INDICATORS
GDP Growth
3.3% (Q1/2017)
Public Debt
Per GDP
42.64% (as of April 2017)
Foreign Reserves
USD 184.1 Bn. $ (as of May 2017)
Inflation (CPI)
1.3% (Q1/2017)
Policy Interest Rate
1.5% (as of May 2017)
Unemployment Rate
1.09% (as of April 2017)
Current Account
USD +16.2 Bn.$ (as of May 2017)
Area
513,120 sq.km.
Population
67 Millions
Source: NESDB
Source: PDMO
Source: BOT

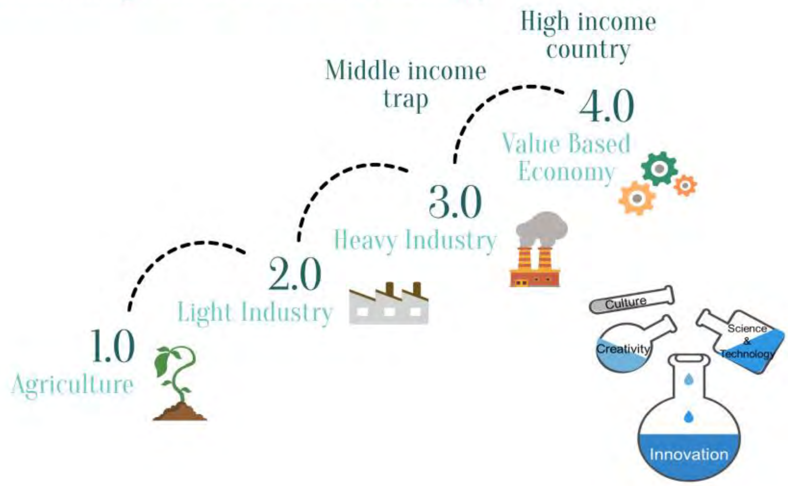

TRADE & TOURISM
Trade Statistics
Jan-May 2017:bil. USD)
93.26
Export Value
88.21
Import Value
+5.05
Trade Balance
Number of Tourists
(Jan-May 2017)
14.6
millions


EXPORT & IMPORT
Auto Parts & Accessories
Computer, Equipment & Parts
Precious Stones & Accessories
Rubber Products
Plastic Pellets
Electronic Integrated Circuits
Chemical Products
Machinery and Parts
Rubber
Refined Fuels
Top 10 import products (Jan-May 2017)
Top 10 export products (Jan-May 2017)
Crude Oil
Machinery & Parts
Electrical Machinery & Parts
Chemical Products
Jewelry
Iron, Steel, & Products
Electrical Integrated Circuits
Auto Parts & Accessories
Other Metal Ores
Electrical appliances

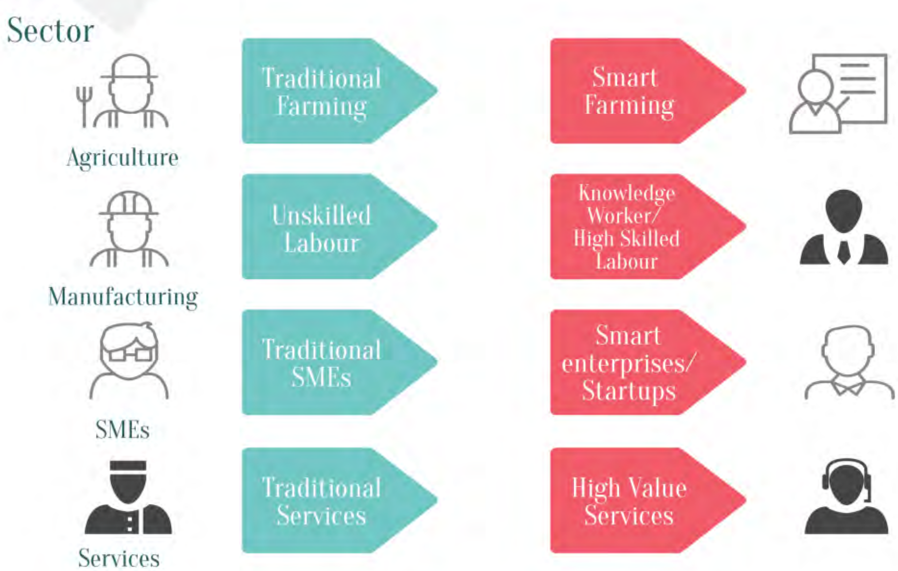

ECONOMIC RANKING
1st
The happiest economy in the world by Bloomberg (3 consecutive years)
51th
The Global Innovation Index by Cornell University, INSEAD and WIPO
2nd
largest economy in ASEAN
46th
(+3)
World Bank's 2017 Ease of Doing Business Report
62th
(+5)
WEF 2016 Network Readiness Index
27th
(+1)
IMD World Competitiveness 2017
77th
(+25)
UN E-government Development Index 2015-16
34th
(-2)
WEF Global Competitiveness 2016-17
11th
International Tourist Arrival 2016 by UNWTO
1st
The Best Countries to Start a Business by USNews (2 consecutive years)
8th
The best FDI host economy 2014-2016 by UNCTAD

THAILAND 4.0

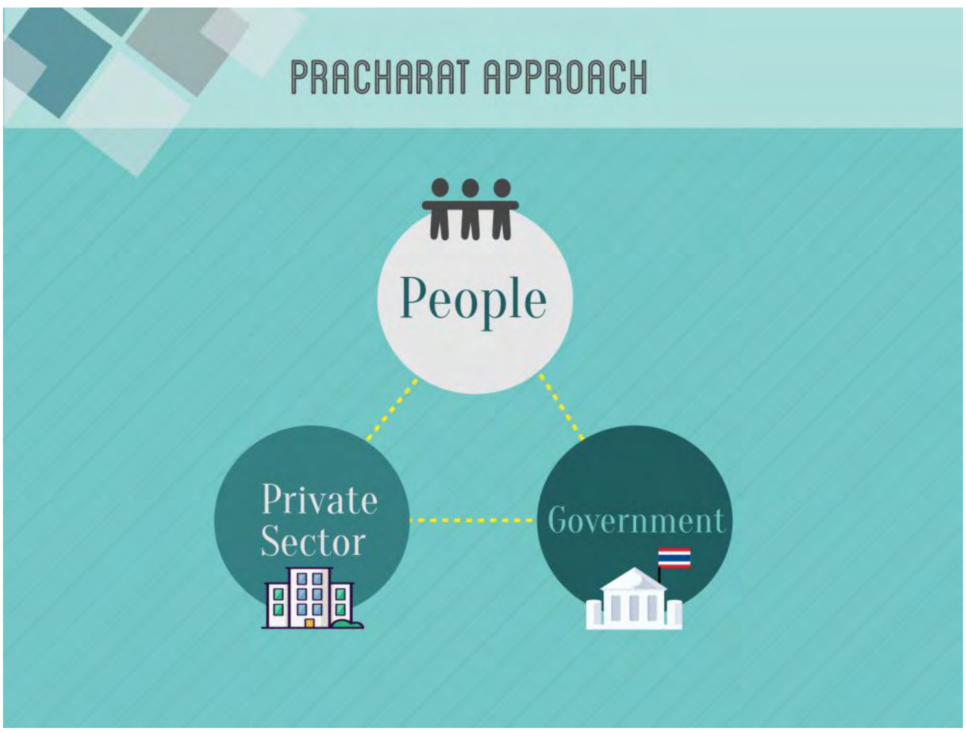
- Transforming towards a Value Based Economy

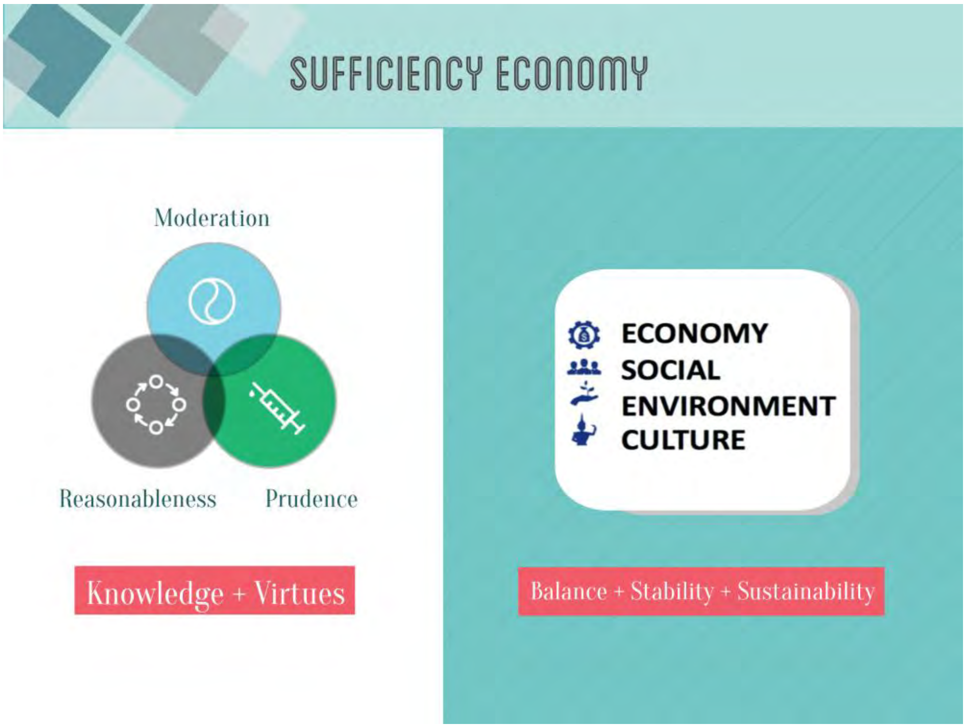


STRUCTURAL TRANSFORMATION




THAILAND 4.0 : ACTION AGENDA
Prepare Thai People For the 21st Century
Incubate Innovative Enterprises
Enhance Targeted Agricultural, Industrial, and Service Sectors
Strengthen 6 Regions, 18 Provincial Clusters and 76 Provinces
Connect Thailand to the World
Physical Infrastructure
Water/Forest
Energy
Environment
Connectivity Infrastructure
Digital Network
Transportation and Logistic Network
Intellectual Infrastructure
Education and Learning Network
Research & Development
Science & Technology
Social Infrastructure
Welfare
Social Immunization
Heath
Fiscal & Financial Infrastructure
Economic Stability
Proper Economic Growth
Distribution of Wealth


PRACHARAT APPROACH
People
Private Sector
Government


SUFFICIENCY ECONOMY
Moderation
Reasonableness
Prudence
Knowledge + Virtues
ECONOMY
SOCIAL
ENVIRONMENT
CULTURE
Balance + Stability + Sustainability


A NATION IN A MAKING
National Agenda
Strategic Thrust
Desired Outcome
20-year National Strategy
The 12th Social and Economic Development Plan (2017-2021)
Thailand 4.0
Sustainable Growth with Shared Prosperity

KEY SECTORS (10 ENGINE OF GROWTH)

First S-Curve	New S-Curve
1. Next - Generation Automotive	6. Robotics
2. Smart Electronics	7. Aviation and Logistics
3. Affluent, Medical and Wellness Tourism	8. Biofuels and Biochemicals
4. Agriculture and Biotechnology	9. Medical Hub
5. Food for the Future	10. Digital

NEW INVESTMENT INCENTIVES

Revised Investment Promotion Act (effective as of 25 Jan 2017)	Competitiveness Enhancement Act (effective as of 14 Feb 2017)	EEC Act (to become effective in 2017)
- Exemption of corporate income tax up to 13 years for R&D, advance techonology and innovation (up from 8 years under old IPA). - 50% reduction of corporate income tax up to 10 years (up from 5 years under old IPA). - Investment Tax Allowance (not applicable under old IPA). - Special packages for targeted core technology, including biotech, nanotech, advanced materials, and digital. - 100-300 % tax deduction for R&D expenses and technology and workforce development	- Exemption of corporate income tax up to 15 years (up from 8 years under old IPA). - 10,000 million Baht matching fund for targeted industries. - Import duty exemption. - All other privileges under old and revised IPA. - Targeted industries include: next-generation automotive, smart electronics, advanced agriculture and biotech, food processing, tourism, advanced robotics, integrated aviation, medical hub, biofuels and biochemical, and digital.	- Expected total investment of 1.5 Trillion Baht ($43 bn USD) in first 5 years. - Cover investment in Chachoengsao, Chonburi, and Rayong. - Exemption of corporate income tax up to 15 years. - 15% personal income tax rate for executives in regional headquarters, international trading companies, and R&D Center (lowest in ASEAN).

EASTERN ECONOMIC CORRIDOR

- Strategic Location
- Infrastructure Linkage ASEAN, China, and India: via multi-modal linkages and FTAs
- Excellent Atmosphere

Thailand:

- Resilient macro-economic stability and growth
- Leading production and exporting hub
- Diversity of strength: from modern-agriculture to manufacturing & advanced petrochemicals
- Infrastructure readiness

EASTERN ECONOMIC CORRIDOR

Eastern Economic Corridor:

- Home of world's famous manufacturers and tourist destinations
- Base of Thailand's energy and fundamental industries (5 oil refineries, 3 petrochemical complexes, 20 power plants, 29 industrial estates)
- Excellent infrastructure connections (200 kms from Bangkok through highway linkages, Laem Chabang commercial port, Map Ta Phut industrial port, U-Tapao international airport)

Privileges:

Maximum incentives for qualified investment projects

- Exemption of corporate income tax for up to 15 years
- Exemption of import duties: on machinery/raw or essential materials imported for use in production for export/goods for R&D
- Matching Grants: for investment/R&D/innovation/human resources development for targeted industries.
- Permission to own land for BOI promoted projects
- Rights to state's land lease for 50 years: renewable upon approval for a further 49 years
- 15% personal income tax rate, the lowest rate in ASEAN: for foreign executives working for regional headquarters or international trading companies, treasury centres, along with regional R&D centres.
- One-stop service center to facilitate foreign investors: provide useful information, and issue permits for trading, export and import all in one location.
- Five-year work visa issuance: to attract investors, experts and scientists from around the world.

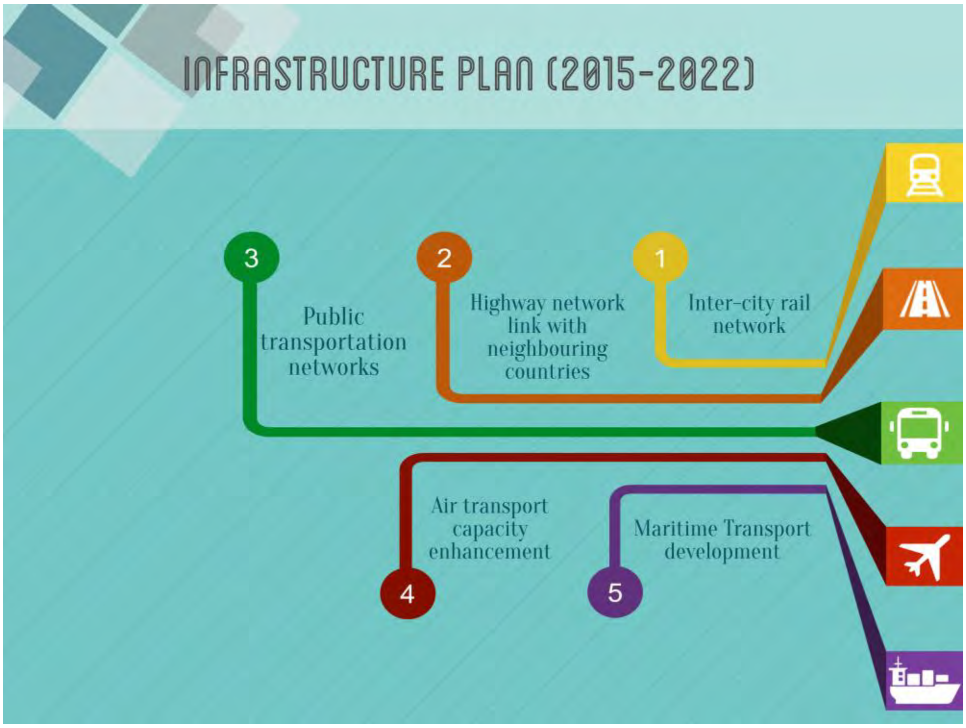
EASTERN ECONOMIC CORRIDOR

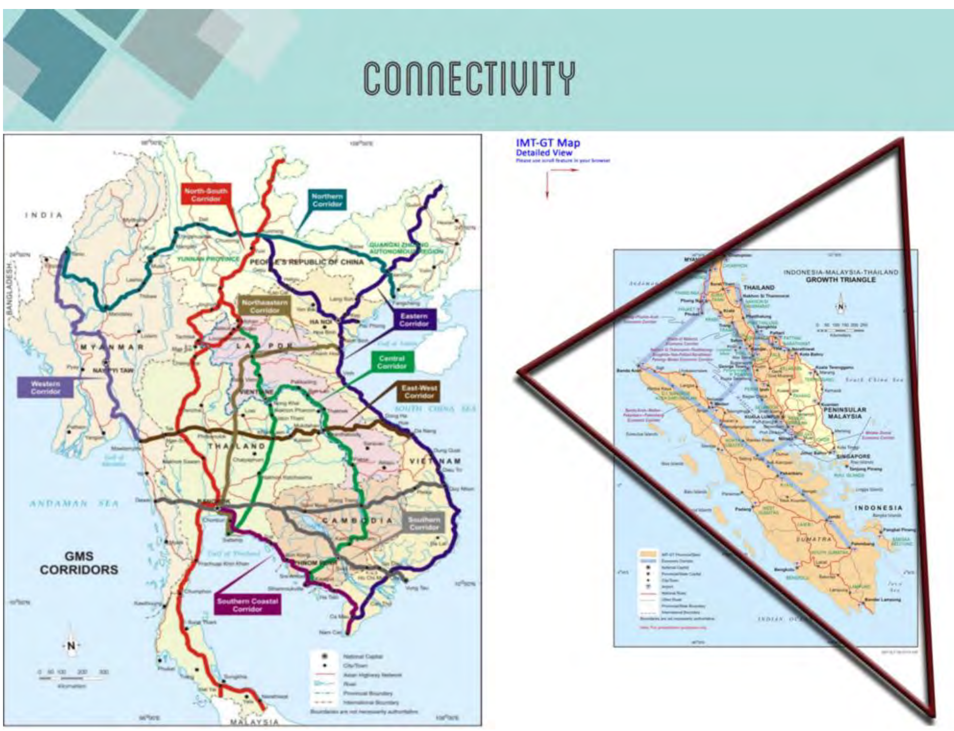
SPECIAL ECONOMIC ZONES

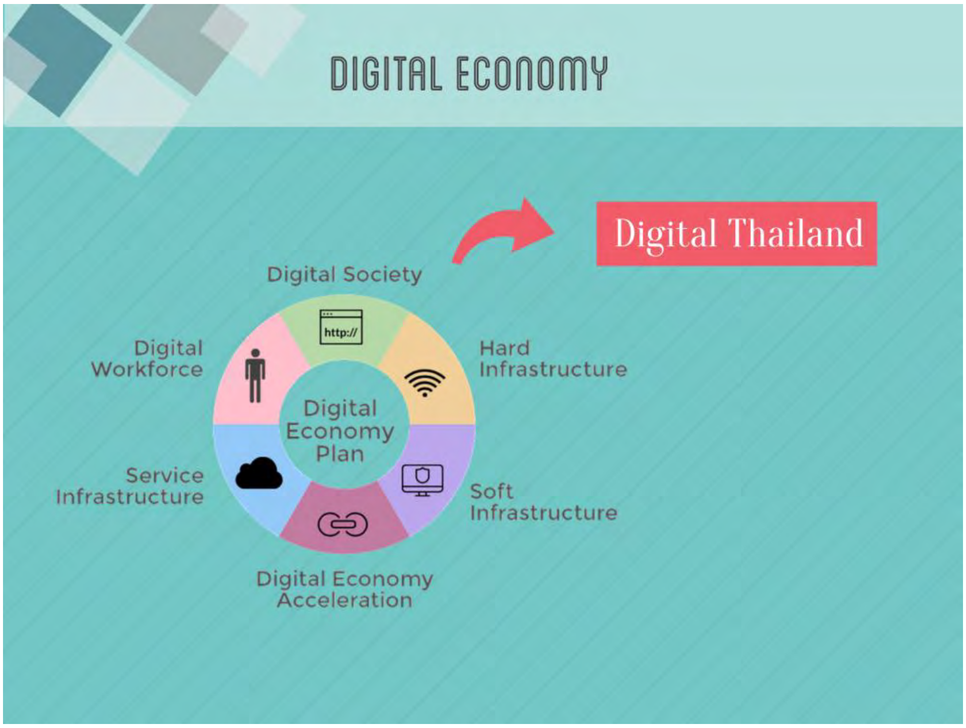
13 Targeted Industries for SEZ

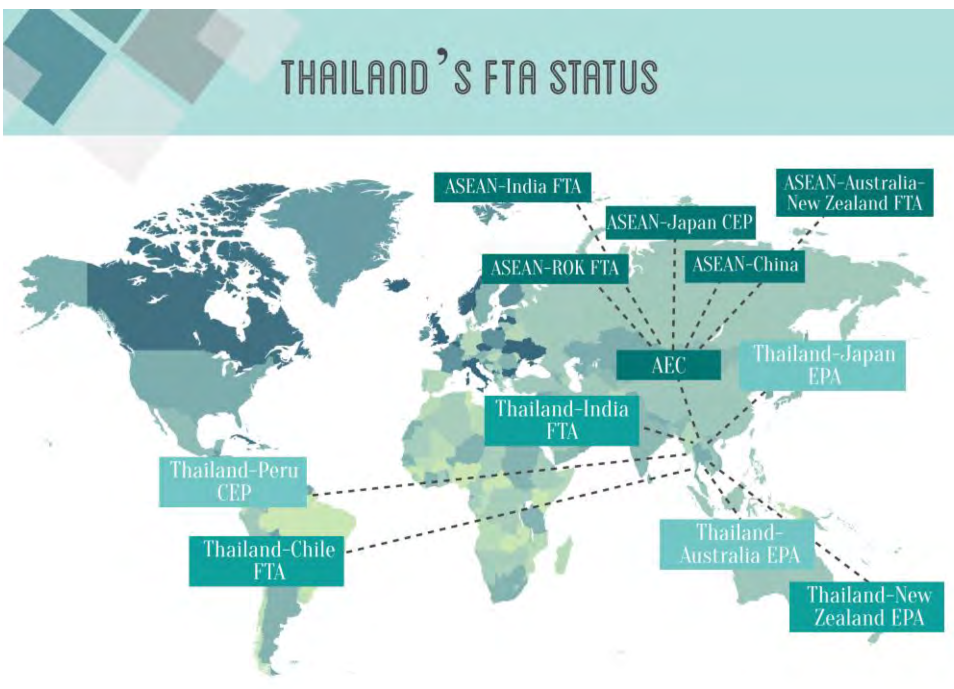
1. Agricultural, fishery and related industries
2. Ceramic products
3. Textile,garment,and leather industries
4. Manufacture of furniture
5. Gems and jewelry
6. Medical equipment
7. Automotive,machinery,and parts
8. Electrical appliances and electronics
9. Plastic
10. Medicine
11. Logistics
12. Industrial estates/zones
13. Tourism related industry

8-year CIT exemption and 5-year 50% CIT reduction


INFRASTRUCTURE PLAN (2015-2022)
1
Inter-city rail network
2
Highway network link with neighbouring countries
3
Public transportation networks
4
Air transport capacity enhancement
5
Maritime Transport development


CONNECTIVITY
North-South Corridor
Northern Corridor
Northeastern Corridor
Eastern Corridor
Central Corridor
East-West Corridor
Western Corridor
Southern Corridor
Southern Coastal Corridor
GMS CORRIDORS
IMT-GT Map
Detailed View
INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE


DIGITAL ECONOMY
Digital Thailand
Digital Society
Digital Workforce
Hard Infrastructure
Digital Economy Plan
Service Infrastructure
Soft Infrastructure
Digital Economy Acceleration
http://


THAILAND'S FTA STATUS
ASEAN-India FTA
ASEAN-Australia-New Zealand FTA
ASEAN-Japan CEP
ASEAN-ROK FTA
ASEAN-China
AEC
Thailand-Japan EPA
Thailand-India FTA
Thailand-Peru CEP
Thailand-Chile FTA
Thailand-Australia EPA
Thailand-New Zealand EPA


Department of International Economic Affairs
Ministry of Foreign Affairs