

Thailand's GDP Grows by 2.3% in Q2 2024 Amid Mixed Sectoral Performance

Thailand's economy registered a 2.3% growth in gross domestic product (GDP) during the second quarter of 2024, according to a report released by the National Economic and Social Development Council (NESDC). The growth was primarily driven by increased private consumption and a boost in exports of goods and services.

Despite the overall positive performance, certain sectors, including total investment, agriculture, and construction, experienced declines, raising concerns about the stability of Thailand's economic recovery. The NESDC noted that while private and government consumption, along with exports, contributed to the GDP growth, total investment, particularly in private and public sectors, saw a downturn.

Looking ahead, the NESDC has forecasted a narrower GDP growth range for the full year of 2024, adjusting expectations to between 2.3% and 2.8%. This outlook is bolstered by anticipated recoveries in the tourism sector, continued growth in domestic consumption, and increased government spending and investment. The NESDC also projects that inflation will remain low, ranging between 0.4% and 0.9%.

However, challenges remain, as the slight increase in the unemployment rate and inflation could impact economic sentiment. The current account surplus, however, remains positive, providing some buffer against external economic pressures.

Overall, while Thailand's economy shows signs of recovery, particularly in tourism and domestic consumption, the NESDC's cautious GDP growth forecast reflects the ongoing challenges in key sectors.