

Survey of Business Sentiment on Japanese Corporations in Thailand
for the Autumn, the 2nd half of 2010

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Survey of Business Sentiment on Japanese Corporations in Thailand for autumn of 2010

JCC Economic Survey Team

Survey Period

Questionnaire requesting date November 16, 2010
Questionnaire response deadline December 15, 2010

Questionnaires response

This questionnaire was handed out to
1,308 JCC member corporations.
(Eleven governmental organizations are excluded.)

No. of firms responding this questionnaire
361 corporations

The percentage of response
27.6 percent

No. of firms

Industry		No.
Manufacture	Food	15
	Textile	13
	Chemical	28
	Steel/ non-ferrous metal	24
	General machinery	13
	Electric/ electronics machinery	40
	Transportation machinery	47
	Others	38
Manufacturing sector total		218
Non-manufacture	Trading	48
	Retailer	8
	Finance/ insurance/ securities	13
	Construction/ civil engineering	27
	Transportation/ communication	24
	Others	23
	Non- manufacturing sector total	
Total		361

Note

Since the number of corporations responding this questionnaire is not sufficient, it may not be advisable to judge the situation only by seeing the percentage.

Report of response to this questionnaire

Please refer to the following pages.

1. BUSINESS SENTIMENT

(1) Summary

From the first half of 2010 to the first half of 2011, the target period of this survey, business sentiment is anticipated to be continuingly “improving” until the first half of 2011. The improvement may slow down from the second half of 2010, but it is expected to continue. (Table 1-1)

(Table 1-1) Business Sentiment

Unit: percent

	Past Surveys										Survey this time		
	Result								Forecast		Result		Forecast
	06H1	06H2	07H1	07H2	08H1	08H2	09H1	09H2	10H1	10H2	10H1	10H2	11H1
Improving	49	37	39	49	57	21	15	71	74	59	72	63	55
No change	27	25	30	27	23	15	17	14	14	31	15	22	34
Deteriorating	24	38	31	24	20	65	68	16	13	10	12	15	12
(Ref) DI	25	-1	8	25	37	-44	-53	55	61	49	60	48	43

(Note) 1. DI = “improving” – “deteriorating”

2. Since the fraction of percentage is rounded off, the totaling may not be equal to 100 percent. This also applies to the tables below.

(Note) To determine whether business performance are “improving” or “deteriorating”, business performance is to be compared between in this term and in the previous term. If DI, which is the balance between those two figures, is above the neutral level, it signifies that business performance is improving even though the indicator declined from the previous term.

(2) The first half of 2010 (January – June)

The percentage of the firms reporting that business sentiment was “improving” increased by 1 point to 72 percent from the previous term (71 percent), whereas that reporting “deteriorating” was decreasing by 4 points to 12 percent from the previous term (16 percent). As a result, diffusion Index (DI), which is the balance between “improving” and “deteriorating”, was calculated at +60 percent, plus 5 points from the previous term (+55). The overall DI has continuously shown a positive figure since the last survey. (Table 1-1)

In the manufacturing sector, the DIs were continuingly increasing in the steel/ non-ferrous metal and transportation machinery industries, and turned to be “no change” in the food industry. However, the improvement seed decreased in the chemical and electric/ electronics machinery industries. As a result, the overall DI in the manufacturing sector was decreasing to +67 from the previous term (+69). For the non-manufacturing sector, decreased improvement seed in the retailer industry has been compensated by turning to “improving” in the construction/ civil engineering industry as well as increased improvement seed in the transportation/ communication and trading industries. As a result, the overall DI in the non-manufacturing sector was increasing by 14 points to +48 from the previous term (+34). (Table 1-2)

(3) The second half of 2010 (June – December)

The percentage of the firms reporting that business performance are “improving” decreased by 9 points to 63 percent from the previous term (72 percent), whereas the percentage of the firms reporting “deteriorating” increased to 15 percent from the previous term (12 percent). As a result, the overall DI of +48 was lower than the previous term (+60), but improvement in business environment is expected to continue. (Table 1-1)

In the manufacturing sector, the DI turned to be “improving” in the food industry, but decreased improvement is anticipated in the steel/ non-ferrous metal and electric/ electronics industries. As a result, the overall DI of +48 was lower than the previous period (+67) by 19 points. In the non-manufacturing sector, the DI turned to be “no change” in the retailer industry, and the improvement rate decreased in the trading and transportation/ communication industries. However, the improvement rate is expected to be increasing in the other industries including construction/ civil engineering. As a result of this, the overall DI of +48 was the same level as the previous period. (Table 1-2)

(4) The first half of 2011 (January – June)

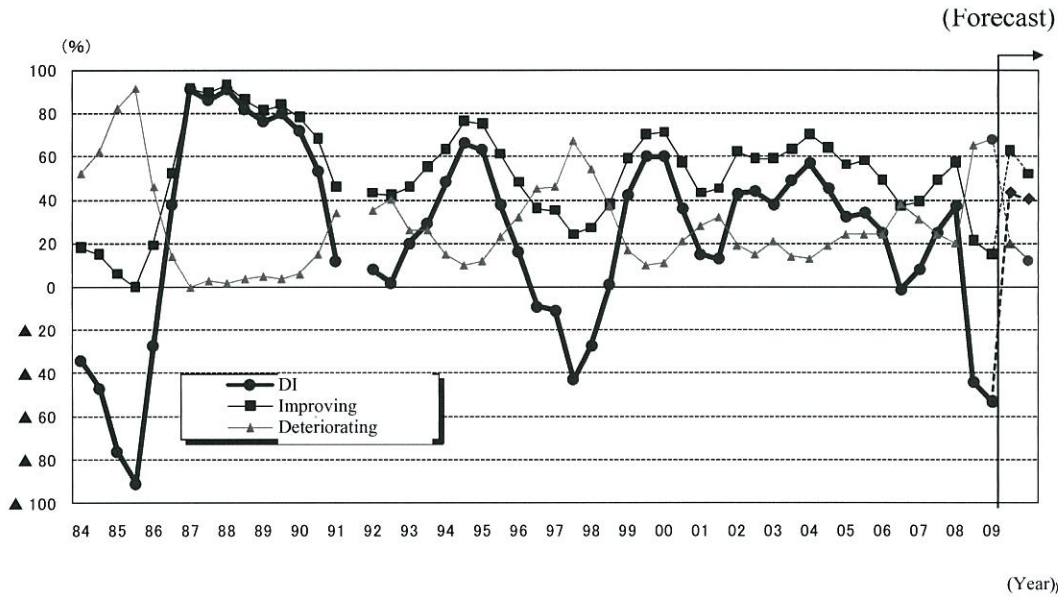
The percentage of the firms reporting that business performance was “improving” was decreasing by 8 points to 55 percent from the previous term (63 percent), whereas the percentage of the firms reporting “deteriorating” fell by 3 points to 12 percent from the previous term (15 percent). As a result, the overall DI of +43 was lower than the previous term (+48), but improvement in business environment is expected to continue. (Table 1-1)

In the manufacturing sector, the DIs were continuingly to be increasing in the textile and electric/ electronics industries, but the improvement seed decreased in the other industries. As a result, the overall DI of +33 in the manufacturing sector was lower than the previous period (+48), but business performance expected to be continuously improving. In the non-manufacturing sector, the DIs are expected to be increasing in all the industries except construction/ civil engineering and transportation/ communication. As a result, the overall DI in the non-manufacturing sector rose to +57 from the previous period (+48). (Table 1-2)

(Table 1-2) DI by the industry (“improving” – “deteriorating”)

Industry		Past Surveys								Survey this time		
		Result						Forecast		Result	Forecast	
		07H1	07H2	08H1	08H2	09H1	09H2	10H1	10H2	10H1	10H2	11H1
Manufacture	Food	-37	-15	13	27	33	54	-15	7	0	13	0
	Textile	-25	15	33	-28	-40	43	43	31	15	0	16
	Chemical	11	48	44	-62	-32	84	80	60	75	60	26
	Steel/ non-ferrous metal	13	21	58	-70	-88	70	77	25	96	26	13
	General machinery	0	-15	25	-50	-57	70	88	59	77	77	16
	Electric/ electronics machinery	-3	11	18	-55	-35	74	64	48	65	27	40
	Transportation machinery	24	53	55	-46	-88	82	95	40	87	85	55
	Others	15	41	39	-45	-68	45	52	40	62	43	37
	Manufacturing sector total	6	28	38	-46	-57	69	69	41	67	48	33
Non-manufacture	Trading	5	28	68	-57	-43	61	72	63	83	55	60
	Retailer	7	60	75	-16	9	75	50	67	12	0	75
	Finance/ insurance/ securities	33	0	10	-33	-47	33	54	73	54	41	54
	Construction/ civil engineering	-5	11	4	-25	-67	-35	15	35	7	59	59
	Transportation/ communication	-5	0	32	-67	-53	37	53	74	69	50	50
	Others	25	18	16	-20	-56	19	30	48	17	40	57
	Non-manufacturing sector total	9	19	35	-39	-47	34	49	61	48	48	57
Total	1	18	37	-44	-53	55	61	49	60	48	43	

(Figure 1) Trend survey of diffusion index (DI) in the Japanese corporations.



(Note)

1. Diffusion Index (DI) = improving - deteriorating
2. No survey was performed in the second half of 1991.

2. SALES

The percentage of the firms reporting an “increase” in their total sales in 2010 rose by 51 points to 84 percent from the previous year (33 percent). (At the time of the previous survey, the forecast for 2010 had been 83 percent.) The percentage of the firms reporting a “more than 20% increase” in their total sales rose by 37 points to 43 percent from the previous year (6 percent). (Table 2-1 and Table 2-2)

Regarding sales forecast for 2011, the firms anticipating an “increase” in their total sales fell by 12 points to 72 percent from the previous period, and the percentage of the firms anticipating a “more than 20% increase” in their total sales also fell by 29 points, from 43 percent in the previous period to 14 percent. (Table 2-1 and Table 2-3).

(Table 2-1) Change in total sales

Unit: percent

Year	Past Surveys									Survey this time	
	Result									Forecast	
	02	03	04	05	06	07	08	09	10	10	11
Sales Increase	74	80	82	73	65	61	56	33	83	84	72
Sales increase more than 20%	32	31	44	27	17	14	14	6	35	43	14

(Note) Years are based on the financial year of each corporation.

(Table 2-2) Sales in 2010 (from the previous year)

Unit: No. of firms and (%)

Industry	Increase						No Change	Decrease			
	More than 20%	10-20%	Less than 10%	Less than 10%	10-20%	More than 20%					
Manufacture	Food	9 (64)	2 (14)	0 (0)	7 (50)	0 (0)	5 (36)	3 (21)	2 (14)	0 (0)	
	Textile	9 (69)	2 (15)	5 (38)	2 (15)	1 (8)	3 (23)	2 (15)	1 (8)	0 (0)	
	Chemical	27 (96)	17 (61)	5 (18)	5 (18)	1 (4)	0 (0)	0 (0)	0 (0)	0 (0)	
	Steel/non-ferrous metal	18 (90)	16 (80)	1 (5)	1 (5)	1 (5)	1 (5)	1 (5)	0 (0)	0 (0)	
	General machinery	11 (92)	7 (58)	2 (17)	2 (17)	0 (0)	1 (8)	0 (0)	1 (8)	0 (0)	
	Electric/electronics machinery	28 (72)	11 (28)	11 (28)	6 (15)	5 (13)	6 (15)	1 (3)	3 (8)	2 (5)	
	Transportation machinery	46 (98)	34 (72)	11 (23)	1 (2)	0 (0)	1 (2)	1 (2)	0 (0)	0 (0)	
	Others	30 (83)	16 (44)	6 (17)	8 (22)	1 (3)	5 (14)	0 (0)	4 (11)	1 (3)	
Manufacturing sector total	178 (85)	105 (50)	41 (20)	32 (15)	9 (4)	22 (11)	8 (4)	11 (5)	3 (1)		
Non-manufacture	Trading	43 (93)	22 (48)	12 (26)	9 (20)	2 (4)	1 (2)	0 (0)	1 (2)	0 (0)	
	Retailer	6 (75)	1 (13)	3 (38)	2 (25)	0 (0)	2 (25)	0 (0)	1 (13)	1 (13)	
	Finance/insurance/securities	11 (92)	2 (17)	5 (42)	4 (33)	1 (8)	0 (0)	0 (0)	0 (0)	0 (0)	
	Construction/civil engineering	16 (62)	7 (27)	7 (27)	2 (8)	2 (8)	8 (31)	2 (8)	1 (4)	5 (19)	
	Transportation/communication	21 (91)	6 (26)	8 (35)	7 (30)	1 (4)	1 (4)	0 (0)	0 (0)	1 (4)	
	Others	14 (64)	5 (23)	6 (27)	3 (14)	4 (18)	4 (18)	2 (9)	1 (5)	1 (5)	
Non-manufacturing sector total	111 (81)	43 (31)	41 (30)	27 (20)	10 (7)	16 (12)	4 (3)	4 (3)	8 (6)		
Total	289 (84)	148 (43)	82 (24)	59 (17)	19 (5)	38 (11)	12 (3)	15 (4)	11 (3)		

(Table 2-3) Sales forecast in 2011 (from the previous year)

Unit: No. of firms and (%)

Industry	Increase			No change	Decrease					
	More than 20%	10-20%	Less than 10%		Less than 10%	10-20%	More than 20%			
Manufacture	Food	11 (79)	3 (21)	3 (21)	5 (36)	1 (7)	2 (14)	2 (14)	0 (0)	0 (0)
	Textile	9 (69)	1 (8)	3 (23)	5 (38)	1 (8)	3 (23)	3 (23)	0 (0)	0 (0)
	Chemical	19 (68)	4 (14)	7 (25)	8 (29)	5 (18)	4 (14)	3 (11)	0 (0)	1 (4)
	Steel/non-ferrous metal	12 (60)	5 (25)	2 (10)	5 (25)	4 (20)	4 (20)	4 (20)	0 (0)	0 (0)
	General machinery	8 (80)	2 (20)	4 (40)	2 (20)	1 (10)	1 (10)	0 (0)	1 (10)	0 (0)
	Electric/electronics machinery	21 (58)	5 (14)	7 (19)	9 (25)	10 (28)	5 (14)	4 (11)	0 (0)	1 (3)
	Transportation machinery	37 (79)	6 (13)	15 (32)	16 (34)	8 (17)	2 (4)	2 (4)	0 (0)	0 (0)
	Others	22 (61)	1 (3)	9 (25)	12 (33)	7 (19)	7 (19)	4 (11)	2 (6)	1 (3)
Manufacturing sector total	139 (68)	27 (13)	50 (25)	62 (30)	37 (18)	28 (14)	22 (11)	3 (1)	3 (1)	
Non-manufacture	Trading	37 (79)	7 (15)	14 (30)	16 (34)	9 (19)	1 (2)	0 (0)	1 (2)	0 (0)
	Retailer	7 (88)	2 (25)	3 (38)	2 (25)	0 (0)	1 (13)	1 (13)	0 (0)	0 (0)
	Finance/insurance/securities	9 (75)	0 (0)	4 (33)	5 (42)	3 (25)	0 (0)	0 (0)	0 (0)	0 (0)
	Construction/civil engineering	21 (84)	6 (24)	9 (36)	6 (24)	3 (12)	1 (4)	1 (4)	0 (0)	0 (0)
	Transportation/communication	16 (67)	3 (13)	5 (21)	8 (33)	7 (29)	1 (4)	1 (4)	0 (0)	0 (0)
	Others	16 (73)	4 (18)	7 (32)	5 (23)	4 (18)	2 (9)	1 (5)	1 (5)	0 (0)
Non-manufacturing sector total	106 (77)	22 (16)	42 (30)	42 (30)	26 (19)	6 (4)	4 (3)	2 (1)	0 (0)	
Total	245 (72)	49 (14)	92 (27)	104 (30)	63 (18)	34 (10)	26 (8)	5 (1)	3 (1)	

3. NET PROFIT/LOSS

The firms reporting the “profit” in their 2010 before tax profit/loss accounted for 83 percent. The firms reporting an “increase” in their net profit (including the case that their loss will diminish or vanish) accounted for 65 percent, whereas those reporting a “decrease” in their net profit accounted for 21 percent. (Table 3-1)

The percentage of the firms anticipating the “profit” in their 2011 before tax profit/loss accounted for 89 percent. The firms anticipating an “increase” in their net profit accounted for 41 percent, whereas those anticipating a “decrease” in their net profit accounted for 20 percent. (Table 3-2)

(Table 3-1) Result of before Tax Profit/Loss in 2010 (from the previous year)

Unit: No. of firms and (%)

Industry		Profit	Balance	Loss	Total	Profit increase	No change	Profit decrease
Manufacture	Food	7 (54)	2 (15)	4 (31)	13	1 (8)	3 (23)	9 (69)
	Textile	9 (69)	1 (8)	3 (23)	13	5 (38)	1 (8)	7 (54)
	Chemical	27 (96)	0 (0)	1 (4)	28	24 (86)	2 (7)	2 (7)
	Steel/non-ferrous metal	19 (95)	0 (0)	1 (5)	20	19 (95)	1 (5)	0 (0)
	General machinery	10 (83)	1 (8)	1 (8)	12	11 (92)	0 (0)	1 (8)
	Electric/electronics machinery	30 (77)	2 (5)	7 (18)	39	16 (41)	8 (21)	15 (38)
	Transportation machinery	44 (94)	2 (4)	1 (2)	47	39 (83)	7 (15)	1 (2)
	Others	32 (86)	1 (3)	4 (11)	37	23 (62)	8 (22)	6 (16)
Manufacturing sector total		178 (85)	9 (4)	22 (11)	209	138 (66)	30 (14)	41 (20)
Non-manufacture	Trading	40 (87)	1 (2)	5 (11)	46	36 (78)	4 (9)	6 (13)
	Retailer	5 (63)	1 (13)	2 (25)	8	5 (63)	1 (13)	2 (25)
	Finance/insurance/securities	9 (82)	0 (0)	2 (18)	11	7 (64)	2 (18)	2 (18)
	Construction/civil engineering	19 (70)	5 (19)	3 (11)	27	11 (41)	3 (11)	13 (48)
	Transportation/communication	21 (91)	1 (4)	1 (4)	23	16 (70)	3 (13)	4 (17)
	Others	16 (73)	3 (14)	3 (14)	22	11 (50)	8 (36)	3 (14)
	Non-manufacturing sector total		110 (80)	11 (8)	16 (12)	137	86 (63)	21 (15)
Total		288 (83)	20 (6)	38 (11)	346	224 (65)	51 (15)	71 (21)

(Note)

1. Profit increase indicates either of expanding profit, turning to the black, diminishing loss, or moving up to the break-even-point.
2. No change indicates either of remaining at the same level as before regardless of the black, the break-even-point, or the red.
3. Profit decrease indicates either of diminishing profit, falling into the red, expanding loss, or moving down to the break-even-point.

(Table 3-2) Forecast for before Tax Profit/Loss in 2011 (from the previous year)

Unit: No. of firms and (%)

Industry		Profit	Balance	Loss	Total	Profit increase	No change	Profit decrease
Manufacture	Food	9 (69)	1 (8)	3 (23)	13	5 (38)	4 (31)	4 (31)
	Textile	11 (85)	1 (8)	1 (8)	13	6 (46)	6 (46)	1 (8)
	Chemical	27 (96)	1 (4)	0 (0)	28	10 (36)	7 (25)	11 (39)
	Steel/non-ferrous metal	18 (90)	1 (5)	1 (5)	20	5 (25)	9 (45)	6 (30)
	General machinery	11 (92)	1 (8)	0 (0)	12	5 (42)	4 (33)	3 (25)
	Electric/electronics machinery	30 (79)	6 (16)	2 (5)	38	12 (32)	12 (32)	14 (37)
	Transportation machinery	46 (98)	1 (2)	0 (0)	47	18 (38)	21 (45)	8 (17)
	Others	34 (92)	2 (5)	1 (3)	37	12 (32)	17 (46)	8 (22)
	Manufacturing sector total	186 (89)	14 (7)	8 (4)	208	73 (35)	80 (38)	55 (26)
Non-manufacture	Trading	43 (91)	3 (6)	1 (2)	47	25 (53)	16 (34)	6 (13)
	Retailer	6 (75)	2 (25)	0 (0)	8	5 (63)	3 (38)	0 (0)
	Finance/insurance/securities	10 (91)	0 (0)	1 (9)	11	6 (55)	5 (45)	0 (0)
	Construction/civil engineering	23 (85)	4 (15)	0 (0)	27	11 (41)	14 (52)	2 (7)
	Transportation/communication	23 (96)	0 (0)	1 (4)	24	12 (50)	8 (33)	4 (17)
	Others	19 (86)	3 (14)	0 (0)	22	9 (41)	9 (41)	4 (18)
	Non-manufacturing sector total	124 (89)	12 (9)	3 (2)	139	68 (49)	55 (40)	16 (12)
Total	310 (89)	26 (7)	11 (3)	347	141 (41)	135 (39)	71 (20)	

(Note) See table 3-1.

4. CAPITAL INVESTMENT (MANUFACTURING SECTOR)

The amount of planned capital investment (in the manufacturing sector) in 2011 plans to increase by 49.0 percent from 2010. In terms of the number of firms, reporting “increase” (54) is larger than “decrease” (37). (The total number of responding firms is 196.) The planned capital investment was increased in all industries. (Table 4-1)

The predominant reason for capital investment in 2010 was “replacement of equipment,” while the percentage of responding “expansion” increased in 2011. (Table 4-2 and Table 4-3)

(Table 4-1) Actual capital investment in 2010 and planned capital investment in 2011 (manufacturing sector)
Unit: million baht and (%)

Industry	2010	2011		No. of firms					Total
	Amount	Amount	Increase %	Increase	No change	Decrease	Undecided		
Food	2,311	5,053	118.7	1 (7)	7 (47)	7 (47)	0 (0)	15	
Textile	562	738	31.3	2 (15)	5 (38)	4 (31)	2 (15)	13	
Chemical	2,599	2,871	10.4	8 (29)	10 (36)	5 (18)	5 (18)	28	
Steel/Non-ferrous metal	1,343	2,972	121.3	7 (33)	8 (38)	2 (10)	4 (19)	21	
General machinery	549	821	49.5	3 (27)	6 (55)	1 (9)	1 (9)	11	
Electric/Electronics machinery	18,607	19,253	3.5	8 (21)	19 (50)	6 (16)	5 (13)	38	
Transportation machinery	15,012	31,092	107.1	15 (33)	21 (46)	5 (11)	5 (11)	46	
Others	13,954	19,083	36.8	10 (29)	15 (43)	7 (20)	3 (9)	35	
Manufacturing sector total	54,937	81,883	49.0	54 (26)	91 (44)	37 (18)	25 (12)	207	

(Note) The figures in the above table show just totaling the data from corporations responding the questionnaire in 2010 and 2011.
The capital-investment amount in the above does not equal to that of the Japanese corporations as a whole.

(Table 4-2) Details on actual capital investment in 2010 (check all that apply)

Unit: No. of firms and (%)

Industry	New	Expansion	Replacement	Streamlining	Others	Total	Respond
Food	5 (26)	3 (16)	7 (37)	4 (21)	0 (0)	19	13
Textile	1 (6)	3 (19)	9 (56)	3 (19)	0 (0)	16	13
Chemical	11 (29)	6 (16)	16 (42)	4 (11)	1 (3)	38	27
Steel/Non-ferrous metal	6 (21)	4 (14)	13 (46)	4 (14)	1 (4)	28	18
General machinery	5 (26)	5 (26)	6 (32)	2 (11)	1 (5)	19	11
Electric/Electronics machinery	15 (23)	21 (32)	17 (26)	12 (18)	0 (0)	65	38
Transportation machinery	26 (38)	16 (23)	16 (23)	11 (16)	0 (0)	69	46
Others	17 (30)	8 (14)	20 (35)	12 (21)	0 (0)	57	37
Manufacturing sector total	86 (28)	66 (21)	104 (33)	52 (17)	3 (1)	311	203

(Table 4-3) Details on planned capital investment in 2011 (check all that apply)

Unit: No. of firms and (%)

Industry	New	Expansion	Replacement	Streamlining	Others	Total	Respond
Food	3 (16)	2 (11)	7 (37)	5 (26)	2 (11)	19	13
Textile	3 (20)	4 (27)	5 (33)	3 (20)	0 (0)	15	12
Chemical	9 (21)	16 (37)	11 (26)	5 (12)	2 (5)	43	27
Steel/Non-ferrous metal	8 (25)	10 (31)	11 (34)	3 (9)	0 (0)	32	19
General machinery	3 (14)	7 (33)	7 (33)	2 (10)	2 (10)	21	11
Electric/Electronics machinery	15 (24)	22 (35)	17 (27)	9 (14)	0 (0)	63	36
Transportation machinery	28 (36)	23 (30)	15 (19)	11 (14)	0 (0)	77	46
Others	16 (26)	14 (23)	21 (34)	10 (16)	0 (0)	61	35
Manufacturing sector total	85 (26)	98 (30)	94 (28)	48 (15)	6 (2)	331	199

5. EXPORT TREND

The percentage of the firms reporting an “increase” in their export accounted for 56 percent in the whole year of 2010 and 44 percent in the first half of 2011. (Table 5-1, Table 5-2 and Table 5-3)

(Table 5-1) Export in 2010 (the second half)

Unit: No. of firms and (%)

Industry	The second half of 2010									
	Increase			No Change	Decrease			Total		
	More than 20% increase	10-20% increase	Less than 10% increase		Less than 10% decrease	10-20% decrease	More than 20% decrease			
Food	4 (31)	1 (8)	2 (15)	3 (23)	6 (46)	5 (38)	0 (0)	1 (8)	13	
Textile	6 (50)	1 (8)	4 (33)	4 (33)	2 (17)	0 (0)	2 (17)	0 (0)	12	
Chemical	14 (54)	3 (12)	6 (23)	10 (38)	2 (8)	1 (4)	1 (4)	0 (0)	26	
Steel/Non-ferrous metal	4 (21)	0 (0)	3 (16)	11 (58)	4 (21)	1 (5)	0 (0)	3 (16)	19	
General machinery	7 (54)	3 (23)	2 (15)	6 (46)	0 (0)	0 (0)	0 (0)	0 (0)	13	
Electric/Electronics machinery	23 (61)	6 (16)	6 (16)	8 (21)	7 (18)	3 (8)	4 (11)	0 (0)	38	
Transportation machinery	27 (60)	8 (18)	9 (20)	15 (33)	3 (7)	1 (2)	2 (4)	0 (0)	45	
Others	16 (50)	4 (13)	4 (13)	8 (25)	8 (25)	1 (3)	4 (13)	3 (9)	32	
Manufacturing sector total	101 (51)	26 (13)	36 (18)	65 (33)	32 (16)	12 (6)	13 (7)	7 (4)	198	
Trading	18 (51)	4 (11)	8 (23)	12 (34)	5 (14)	0 (0)	5 (14)	0 (0)	35	
Retailer	0 (0)	0 (0)	0 (0)	2 (100)	0 (0)	0 (0)	0 (0)	0 (0)	2	
Construction	0 (0)	0 (0)	0 (0)	1 (50)	1 (50)	0 (0)	0 (0)	1 (50)	2	
Others	1 (25)	0 (0)	1 (25)	2 (50)	1 (25)	0 (0)	0 (0)	1 (25)	4	
Non-manufacturing sector total	19 (44)	4 (9)	9 (21)	17 (40)	7 (16)	0 (0)	5 (12)	2 (5)	43	
Total	120 (50)	30 (12)	45 (19)	82 (34)	39 (16)	12 (5)	18 (7)	9 (4)	241	

(Table 5-2) Export in 2010 (the whole year)

Unit: No. of firms and (%)

Industry	The year 2010									
	Increase			No Change	Decrease			Total		
	More than 20% increase	10-20% increase	Less than 10% increase		Less than 10% decrease	10-20% decrease	More than 20% decrease			
Food	6 (46)	1 (8)	4 (31)	2 (15)	5 (38)	4 (31)	1 (8)	0 (0)	13	
Textile	6 (50)	2 (17)	3 (25)	4 (33)	2 (17)	1 (8)	1 (8)	0 (0)	12	
Chemical	16 (59)	6 (22)	7 (26)	9 (33)	2 (7)	2 (7)	0 (0)	0 (0)	27	
Steel/Non-ferrous metal	9 (47)	5 (26)	2 (11)	5 (26)	5 (26)	2 (11)	2 (11)	1 (5)	19	
General machinery	7 (54)	4 (31)	0 (0)	6 (46)	0 (0)	0 (0)	0 (0)	0 (0)	13	
Electric/Electronics machinery	27 (71)	8 (21)	8 (21)	5 (13)	6 (16)	3 (8)	3 (8)	0 (0)	38	
Transportation machinery	25 (56)	6 (13)	8 (18)	15 (33)	5 (11)	3 (7)	2 (4)	0 (0)	45	
Others	19 (59)	5 (16)	4 (13)	7 (22)	6 (19)	0 (0)	5 (16)	1 (3)	32	
Manufacturing sector total	115 (58)	37 (19)	36 (18)	53 (27)	31 (16)	15 (8)	14 (7)	2 (1)	199	
Trading	19 (53)	4 (11)	8 (22)	14 (39)	3 (8)	0 (0)	3 (8)	0 (0)	36	
Retailer	0 (0)	0 (0)	0 (0)	2 (100)	0 (0)	0 (0)	0 (0)	0 (0)	2	
Construction	0 (0)	0 (0)	0 (0)	1 (50)	1 (50)	0 (0)	0 (0)	1 (50)	2	
Others	1 (25)	0 (0)	1 (25)	2 (50)	1 (25)	0 (0)	0 (0)	1 (25)	4	
Non-manufacturing sector total	20 (45)	4 (9)	9 (20)	19 (43)	5 (11)	0 (0)	3 (7)	2 (5)	44	
Total	135 (56)	41 (17)	45 (19)	72 (30)	36 (15)	15 (6)	17 (7)	4 (2)	243	

(Table 5-3) Export in 2011 (the first half)

Unit: No. of firms and (%)

Industry	The first half of 2011											
	Increase						No Change	Decrease				Total
	More than 20% increase		10-20% increase		Less than 10% increase			Less than 10% decrease		10-20% decrease		
Food	5 (38)	1 (8)	2 (15)	2 (15)	6 (46)	2 (15)	2 (15)	0 (0)	0 (0)	0 (0)	13	
Textile	8 (67)	1 (8)	2 (17)	5 (42)	3 (25)	1 (8)	1 (8)	0 (0)	0 (0)	0 (0)	12	
Chemical	14 (52)	2 (7)	4 (15)	8 (30)	11 (41)	2 (7)	2 (7)	0 (0)	0 (0)	0 (0)	27	
Steel/Non-ferrous metal	0 (0)	0 (0)	0 (0)	0 (0)	11 (65)	6 (35)	5 (29)	0 (0)	1 (6)	17		
General machinery	4 (31)	2 (15)	1 (8)	1 (8)	8 (62)	1 (8)	1 (8)	0 (0)	0 (0)	13		
Electric/Electronics machinery	20 (53)	2 (5)	8 (21)	10 (26)	12 (32)	6 (16)	3 (8)	3 (8)	0 (0)	38		
Transportation machinery	23 (52)	5 (11)	12 (27)	6 (14)	16 (36)	5 (11)	2 (5)	3 (7)	0 (0)	44		
Others	14 (45)	1 (3)	7 (23)	6 (19)	9 (29)	8 (26)	5 (16)	2 (6)	1 (3)	31		
Manufacturing sector total	88 (45)	14 (7)	36 (18)	38 (19)	76 (39)	31 (16)	21 (11)	8 (4)	2 (1)	195		
Trading	15 (41)	5 (14)	3 (8)	7 (19)	16 (43)	6 (16)	3 (8)	2 (5)	1 (3)	37		
Retailer	1 (50)	0 (0)	1 (50)	0 (0)	1 (50)	0 (0)	0 (0)	0 (0)	0 (0)	2		
Construction	0 (0)	0 (0)	0 (0)	0 (0)	2 (100)	0 (0)	0 (0)	0 (0)	0 (0)	2		
Others	1 (25)	0 (0)	1 (25)	0 (0)	2 (50)	1 (25)	0 (0)	0 (0)	1 (25)	4		
Non-manufacturing sector total	17 (38)	5 (11)	5 (11)	7 (16)	21 (47)	7 (16)	3 (7)	2 (4)	2 (4)	45		
Total	105 (44)	19 (8)	41 (17)	45 (19)	97 (40)	38 (16)	24 (10)	10 (4)	4 (2)	240		

6. PROSPECTIVE MARKET IN THE FUTURE

For the prospective market in the future (check all that apply), the predominant response was “India” (46 percent) same as the previous survey, followed by “Indonesia” (43 percent), “Vietnam” (38 percent) and “China” (21 percent). (Table 6)

(Table 6) Prospective market in the future (check all that apply)

Unit: No. of firms and (%)

Industry		India	Indonesia	Vietnam	China	Japan	Malaysia	Middle East	Europe	CLM	USA	Latin America	Singapore	Oceania	Philippines	Others	Total	No. of firms
Manufacture	Food	4(29)	2(14)	6(43)	1(7)	4(29)	4(29)	3(21)	4(29)	1(7)	4(29)	1(7)	6(43)	2(14)	2(14)	0(0)	42	14
	Textile	4(36)	3(27)	3(27)	6(55)	5(45)	2(18)	2(18)	2(18)	2(18)	0(0)	0(0)	2(18)	0(0)	0(0)	2(18)	33	11
	Chemical	16(67)	11(46)	12(50)	6(25)	2(8)	5(21)	3(13)	2(8)	2(8)	1(4)	0(0)	1(4)	1(4)	0(0)	2(8)	64	24
	Steel/ non-ferrous metal	12(57)	5(24)	8(38)	2(10)	1(5)	4(19)	2(10)	1(5)	3(14)	1(5)	1(5)	0(0)	0(0)	1(5)	1(5)	41	21
	General machinery	8(62)	4(31)	4(31)	2(15)	0(0)	1(8)	3(23)	0(0)	2(15)	1(8)	0(0)	2(15)	0(0)	0(0)	1(8)	28	13
	Electric/ electronics machinery	13(35)	14(38)	12(32)	11(30)	9(24)	9(24)	10(27)	14(38)	6(16)	6(16)	5(14)	2(5)	4(11)	1(3)	1(3)	116	37
	Transportation machinery	14(35)	26(65)	11(28)	7(18)	9(23)	4(10)	5(13)	3(8)	0(0)	4(10)	6(15)	0(0)	5(13)	2(5)	3(8)	97	40
	Others	17(55)	12(39)	14(45)	3(10)	4(13)	6(19)	7(23)	5(16)	1(3)	5(16)	4(13)	2(6)	3(10)	3(10)	0(0)	83	31
Manufacturing sector total		88(46)	77(40)	70(37)	38(20)	34(18)	35(18)	35(18)	31(16)	17(9)	22(12)	17(9)	15(8)	15(8)	9(5)	10(5)	504	191
Non-manufacture	Trading	18(46)	19(49)	17(44)	11(28)	5(13)	2(5)	1(3)	1(3)	7(18)	0(0)	0(0)	0(0)	1(3)	0(0)	3(8)	85	39
	Retailer	2(100)	1(50)	0(0)	1(50)	0(0)	0(0)	0(0)	0(0)	1(50)	0(0)	1(50)	1(50)	0(0)	0(0)	0(0)	7	2
	Construction	1(33)	3(100)	2(67)	0(0)	1(33)	1(33)	0(0)	0(0)	1(33)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	9	3
	Others	1(20)	2(40)	2(40)	0(0)	1(20)	1(20)	0(0)	0(0)	1(20)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	8	5
	Non-manufacturing sector total		22(45)	25(51)	21(43)	12(24)	7(14)	4(8)	1(2)	1(2)	10(20)	0(0)	1(2)	1(2)	1(2)	0(0)	3(6)	109
Total		110(46)	102(43)	91(38)	50(21)	41(17)	39(16)	36(15)	32(13)	27(11)	22(9)	18(8)	16(7)	16(7)	9(4)	13(5)	613	240
This time		1	2	3	4	5	6	7	8	9	10	11	12	13	14	-		
Previous time		1	-	3	4	5	-	6	10	9	7	11	-	8	-	-		

- (Note) 1. Europe includes Russia.
 2. CLM stands for Cambodia, Laos, and Myanmar.
 3. Some items have been changed. The ranks in the previous survey are shown only for those included in the previous survey (spring of 2010).
 4. The 2nd rank in the previous survey was ASEAN (excluding Vietnam, Cambodia, Laos and Myanmar).

7. EXCHANGE RATE USED IN BUSINESS PLAN

(1) Thai baht / US dollar

With reference to the exchange rate used in business plan (Thai baht / US dollar), the predominant response was “not less than 30.0 but less than 30.5” (41 percent), followed by “not less than 32.0 but less than 32.5” (13 percent) and “not less than 29.5 but less than 29.0” (9 percent). (Table 7-1)

(Table 7-1) Exchange rate used in business plan (Thai baht / US dollar)

Unit: Thai baht / US dollar, No. of firms and (%)

Industry Thai baht / US dollar	Manufacture								Non-manufacture				Grand total	
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Manufacturing sector total	Trading	Retailer	Others		Non-manufacturing sector total
Not less than 28.0 but less than 28.5	0	1	0	0	0	0	1	0	2	0	0	1	1	3 (1.5)
Not less than 28.5 but less than 29.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 29.0 but less than 29.5	0	3	4	0	0	2	2	4	15	3	0	0	3	18 (9.0)
Not less than 29.5 but less than 30.0	2	1	2	0	0	0	1	4	10	1	0	0	1	11 (5.5)
Not less than 30.0 but less than 30.5	7	3	6	8	5	13	10	10	62	16	1	3	20	82 (41.2)
Not less than 30.5 but less than 31.0	0	1	2	2	0	1	2	0	8	0	0	0	0	8 (4.0)
Not less than 31.0 but less than 31.5	0	0	2	1	0	1	2	4	10	2	0	1	3	13 (6.5)
Not less than 31.5 but less than 32.0	0	0	2	3	0	1	1	1	8	1	0	0	1	9 (4.5)
Not less than 32.0 but less than 32.5	2	2	3	3	1	7	2	1	20	5	0	0	5	25 (12.6)
Not less than 32.5 but less than 33.0	0	0	0	0	1	0	3	0	4	0	0	0	0	4 (2.0)
Not less than 33.0 but less than 33.5	0	1	0	0	0	3	3	2	10	4	0	0	4	14 (7.0)
Not less than 33.5 but less than 34.0	0	0	0	0	1	4	0	0	4	0	0	0	0	4 (2.0)
Not less than 34.0 but less than 34.5	0	0	1	0	0	0	0	1	3	0	1	0	1	4 (2.0)
Not less than 34.5 but less than 35.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 35.0 but less than 35.5	0	0	0	0	0	0	1	0	1	1	0	0	1	2 (1.0)
Not less than 35.5 but less than 36.0	0	0	1	0	0	0	0	0	1	0	0	0	0	1 (0.5)
Not less than 36.0 but less than 36.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 36.5 but less than 37.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 37.0 but less than 37.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 37.5 but less than 38.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 38.0 but less than 38.5	0	0	0	0	0	1	0	0	1	0	0	0	0	1 (0.5)
No. of firms	11	12	23	17	8	33	28	27	159	33	2	5	40	199

Average	30.31	30.17	30.77	30.74	31.25	31.46	30.97	30.50	30.85	30.84	32.00	29.80	30.77	30.83
Median	30.00	30.00	30.10	30.50	30.20	31.00	30.39	30.00	30.00	30.00	32.00	30.00	30.00	30.00
Mode	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	#N/A	30.00	30.00	30.00

(Note) The median indicates the value located at the center of distribution to exclude deviation due to the number of respondents or the lowest/ highest value as much as possible. The mode indicates the value that has the largest number of respondents. If there are more than one values that has the largest number of respondents, “#N/A” (not applicable) is described.

(2) Japanese yen / Thai baht

With reference to the exchange rate used in business plan (Japanese yen / Thai baht), the predominant response was “not less than 2.7 but less than 2.8” (50 percent), followed by “not less than 2.8 but less than 2.9” (30 percent). (Table 7-2)

(Table 7-2) Exchange rate used in business plan (Japanese yen / Thai baht)

Unit: Japanese yen / Thai baht, No. of firms and (%)

Industry Japanese Yen / Thai baht	Manufacture									Non-manufacture				Grand total
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Manufacturing sector total	Trading	Retailer	Others	Non-manufacturing sector total	
Not less than 2.5 but less than 2.6	0	0	0	1	0	1	0	2	4	1	1	0	2	6 (2.9)
Not less than 2.6 but less than 2.7	0	0	1	1	0	3	5	2	12	4	0	0	4	16 (7.7)
Not less than 2.7 but less than 2.8	5	2	11	7	5	13	21	14	78	19	0	6	25	103 (49.8)
Not less than 2.8 but less than 2.9	5	5	8	5	5	9	7	10	54	7	0	2	9	63 (30.4)
Not less than 2.9 but less than 3.0	1	1	1	0	1	1	1	0	6	0	0	0	0	6 (2.9)
Not less than 3.0 but less than 3.1	1	0	2	1	0	1	0	0	5	0	1	0	1	6 (2.9)
Not less than 3.1 but less than 3.2	0	0	0	0	0	0	1	0	1	0	0	0	0	1 (0.5)
Not less than 3.2 but less than 3.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 3.3 but less than 3.4	0	0	0	0	0	0	0	1	1	0	0	0	0	1 (0.5)
Not less than 3.4 but less than 3.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0 (0.0)
Not less than 3.5 but less than 3.6	0	0	0	0	0	1	0	0	1	0	0	0	0	1 (0.5)
Not less than 3.6 but less than 3.7	0	0	0	0	0	1	0	0	1	0	0	0	0	1 (0.5)
Not less than 3.7 but less than 3.8	0	0	0	0	0	0	0	0	0	3	0	0	3	3 (1.4)
No. of firms	12	8	23	15	11	30	35	29	163	34	2	8	44	207

Average	2.79	2.81	2.79	2.75	2.77	2.80	2.74	2.76	2.77	2.80	2.75	2.75	2.79	2.77
Median	2.80	2.80	2.78	2.75	2.80	2.75	2.70	2.75	2.76	2.70	2.75	2.76	2.70	2.75
Mode	2.80	2.80	2.80	2.70	2.80	2.80	2.70	2.80	2.80	2.70	#N/A	2.70	2.70	2.70

(Note) The median indicates the value located at the center of distribution to exclude deviation due to the number of respondents or the lowest/ highest value as much as possible. The mode indicates the value that has the largest number of respondents. If there are more than one values that has the largest number of respondents, “#N/A” (not applicable) is described.

8. PROCUREMENT DESTINATION OF PARTS/ MATERIAL

The ratio of procurement destination in 2010 (simple average of respondents) was 57.9 percent for ASEAN, including 51.5 percent for Thailand. (Table 8-1)

Regarding the ratio of planned procurement destination in 2011, the percentage of Thailand and ASEAN (except Thailand) rose, whereas the percentages of Japan and China fell, compared to those of 2010. (Table 8-2)

(Table 8-1) Suppliers of parts and materials in 2010

Unit: (%)

Industry		ASEAN			Japan	China	Others	Total	No. of firms
		Thailand	ASEAN (except Thailand)						
Manufacturing sector	Food	78.2	75.0	3.2	7.9	3.1	13.9	100.0	14
	Textile	56.6	52.4	4.2	21.3	7.5	22.1	100.0	13
	Chemical	58.4	49.9	8.5	27.9	2.2	13.7	100.0	26
	Steel/Non-ferrous metal	35.3	30.4	4.9	57.3	0.3	7.5	100.0	19
	General machinery	64.5	60.3	4.2	20.9	2.3	14.6	100.0	12
	Electric/Electronics machinery	60.5	49.0	11.5	28.4	7.3	11.1	100.0	35
	Transportation machinery	59.5	54.7	4.7	36.4	1.3	4.1	100.0	47
	Others	56.3	50.1	6.3	29.4	2.6	14.3	100.0	33
	Manufacturing average	58.7	52.7	5.9	28.7	3.3	12.7	100.0	199
Non-manufacture	Trading	46.3	37.5	8.8	44.8	2.9	8.9	100.0	36
	Retailer	55.0	40.0	15.0	20.0	25.0	25.0	100.0	2
	Construction	70.0	66.7	3.3	30.0	0.0	0.0	100.0	3
	Others	57.3	56.8	0.5	41.5	0.0	1.3	100.0	4
	Non-manufacturing average	57.1	50.2	6.9	34.1	7.0	8.8	100.0	45
Total		57.9	51.5	6.4	31.4	5.2	10.7	100.0	244

(Note) The ratio indicates the simple average of those of respondents.

(Table 8-2) Planned suppliers of parts and materials in 2011

Unit: (%)

Industry		ASEAN			Japan	China	Others	Total	No. of firms
		Thailand	ASEAN (except Thailand)						
Manufacturing sector	Food	77.8	74.7	3.1	7.4	4.4	14.8	100.0	14
	Textile	60.1	52.4	7.7	17.9	8.5	22.0	100.0	13
	Chemical	57.0	48.9	8.1	27.1	2.9	15.9	100.0	26
	Steel/Non-ferrous metal	35.9	31.0	4.9	56.4	0.3	7.6	100.0	19
	General machinery	65.4	61.3	4.2	20.0	2.3	14.6	100.0	12
	Electric/Electronics machinery	63.7	51.7	11.9	24.8	7.6	11.5	100.0	35
	Transportation machinery	61.4	56.5	4.9	34.4	1.6	4.2	100.0	47
	Others	51.6	44.8	6.8	27.3	2.3	21.1	100.0	34
	Manufacturing average	59.1	52.7	6.5	26.9	3.7	14.0	100.0	200
Non-manufacture	Trading	46.2	37.1	9.1	41.0	3.7	12.8	100.0	36
	Retailer	57.5	40.0	17.5	20.0	22.5	22.5	100.0	2
	Construction	70.0	66.7	3.3	30.0	0.0	0.0	100.0	3
	Others	60.5	58.0	2.5	35.8	0.0	3.8	100.0	4
	Non-manufacturing average	58.5	50.4	8.1	31.7	6.5	9.8	100.0	45
Total		58.8	51.5	7.3	29.3	5.1	11.9	100.0	245

(Note) See Table 8-1.

9. PROBLEMS WITH CORPORATE MANAGEMENT

Regarding problems with corporate management (check all that apply), the predominant response was “excessive competition with competitors (1st rank in the previous survey)” (66 percent), followed by “decreased selling price (price war)” same as the previous survey. “Foreign exchange fluctuation” (36 percent) rose to the 5th rank from the previous survey (26 percent). (Table 9)

(Table 9) Problems with corporate management (check all that apply)

Unit: No. of firms and (%)

Previous time	This time		Manufacture								Non-manufacture						Grand total		
			Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication		Others	Total
1	1	Excessive competition with competitors	9(64)	5(38)	16(57)	15(65)	10(77)	26(65)	33(70)	22(58)	136(63)	29(63)	5(63)	11(85)	23(85)	19(79)	13(59)	100(71)	236 (66)
2	2	Decreased selling price (price war)	4(29)	5(38)	16(57)	14(61)	9(69)	27(68)	28(60)	25(66)	128(59)	17(37)	3(38)	2(15)	16(59)	12(50)	5(23)	55(39)	183 (51)
4	3	Lack of human resources of manager-level	6(43)	8(62)	9(32)	12(52)	7(54)	17(43)	26(55)	12(32)	97(45)	24(52)	2(25)	9(69)	17(63)	12(50)	9(41)	73(52)	170 (48)
3	4	Hike in material prices	13(93)	10(77)	20(71)	10(43)	7(54)	23(58)	22(47)	16(42)	121(56)	13(28)	1(13)	0(0)	7(26)	5(21)	5(23)	31(22)	152 (43)
6	5	Foreign exchange fluctuation	6(43)	7(54)	13(46)	7(30)	3(23)	25(63)	16(34)	15(39)	92(43)	23(50)	2(25)	1(8)	2(7)	5(21)	4(18)	37(26)	129 (36)
5	6	Lack of human resources of workers/ staffs-level	7(50)	8(62)	10(36)	8(35)	5(38)	17(43)	17(36)	13(34)	85(39)	4(9)	4(50)	2(15)	11(41)	9(38)	7(32)	37(26)	122 (34)
7	7	Increased in total labor cost	7(50)	1(8)	8(29)	8(35)	4(31)	11(28)	14(30)	15(39)	68(31)	6(13)	0(0)	3(23)	4(15)	8(33)	3(14)	24(17)	92 (26)
8	8	Quality management	0(0)	6(46)	4(14)	6(26)	4(31)	3(8)	10(21)	13(34)	46(21)	4(9)	0(0)	1(8)	3(11)	9(38)	3(14)	20(14)	66 (19)
10	9	Job hopping of employee	3(21)	2(15)	4(14)	1(4)	1(8)	5(13)	5(11)	3(8)	24(11)	6(13)	2(25)	3(23)	6(22)	2(8)	3(14)	22(16)	46 (13)
9	10	Changes in products/ users' needs	2(14)	2(15)	3(11)	2(9)	0(0)	3(8)	1(2)	3(8)	16(7)	5(11)	2(25)	0(0)	0(0)	2(8)	2(9)	11(8)	27 (8)
11	11	Difficulty in collecting money from customers	0(0)	0(0)	0(0)	1(4)	1(8)	1(3)	0(0)	1(3)	4(2)	3(7)	0(0)	2(15)	4(15)	0(0)	1(5)	10(7)	14 (4)
12	12	Excessive employment	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	1(2)	5(13)	6(3)	1(2)	0(0)	1(8)	1(4)	1(4)	0(0)	4(3)	10 (3)
13	13	Difficulty in obtaining financial support	1(7)	0(0)	0(0)	0(0)	0(0)	0(0)	1(2)	2(5)	4(2)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	4 (1)
14	14	Excessive capital investment	0(0)	0(0)	0(0)	0(0)	0(0)	1(3)	1(2)	0(0)	2(1)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	2 (1)
15	15	Infringement of intellectual property rights	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0 (0)
-	-	Others	1(7)	0(0)	1(4)	0(0)	0(0)	1(3)	0(0)	0(0)	3(1)	0(0)	0(0)	2(15)	0(0)	0(0)	0(0)	2(1)	5 (1)
Total			59	54	104	84	51	160	175	145	832	135	21	37	94	84	55	426	1,258
No. of firms			14	13	28	23	13	40	47	38	216	46	8	13	27	24	22	140	356 (100)

10. IMPACTS OF YEN APPRECIATION

(1) Impacts of yen appreciation on business performance

With reference to the impacts of yen appreciation on business performance, the predominant response was “unfavourable impacts” (48 percent). The percentage of firms responding “no impact in particular” was 41 percent, whereas that of firms responding “favourable impacts” was 11 percent.

A number of firms reported “unfavourable impacts” in general machinery (85 percent), trading (63 percent), transportation machinery (61 percent) and electric/ electronics machinery (55 percent). (Table 10-1)

(Table 10-1) Impacts of yen appreciation

Unit: No. of firms and (%)

Industry		Unfavourable impacts	Favourable impacts	No impact in particular	No. of firms
Manufacture	Food	4 (27)	1 (7)	10 (67)	15
	Textile	1 (8)	3 (23)	9 (69)	13
	Chemical	12 (43)	5 (18)	11 (39)	28
	Steel/non-ferrous metal	12 (50)	3 (13)	9 (38)	24
	General machinery	11 (85)	0 (0)	2 (15)	13
	Electric/electronics machinery	22 (55)	6 (15)	12 (30)	40
	Transportation machinery	28 (61)	3 (7)	15 (33)	46
	Others	19 (51)	4 (11)	14 (38)	37
Manufacturing sector total		109 (50)	25 (12)	82 (38)	216
Non-manufacture	Trading	30 (63)	5 (10)	13 (27)	48
	Retailer	2 (25)	0 (0)	6 (75)	8
	Finance/insurance/securities	1 (8)	0 (0)	11 (92)	12
	Construction/civil engineering	13 (48)	2 (7)	12 (44)	27
	Transportation/communication	9 (38)	4 (17)	11 (46)	24
	Others	8 (36)	4 (18)	10 (45)	22
Non-manufacturing sector total		63 (45)	15 (11)	63 (45)	141
Total		172 (48)	40 (11)	145 (41)	357

(2) Factors of impacts by yen appreciation on business performance

As for the factors of impacts by yen appreciation on business performance (check all that apply), the predominant response was “cost increase (including material cost)” (56 percent), followed by “foreign exchange loss” and “decreased deliveries/ export.” The factors of unfavorable impacts ranked high. (Table 10-2)

(Table 10-2) Factors of impacts by yen appreciation on business performance (check all that apply)

Unit: No. of firms and (%)

	Manufacture								Non-manufacture						Grand total		
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Construction/civil engineering	Transportation/communication	Others		Total	
Unfavourable impacts	Cost increase (including material cost)	1 (33)	1 (20)	10(59)	10(71)	8 (67)	18(64)	20(67)	10(45)	78(60)	24(67)	1 (50)	3 (21)	6(43)	6 (50)	40(51)	118 (56)
	Foreign exchange loss	2 (67)	1 (20)	5 (29)	2 (14)	6 (50)	11(39)	14(47)	9 (41)	50(38)	15(42)	0 (0)	5 (36)	3 (21)	3 (25)	26(33)	76 (36)
	Decreased deliveries/ export due to deteriorating price competitiveness	3(100)	0 (0)	2 (12)	2 (14)	4 (33)	5 (18)	3 (10)	4 (18)	23(18)	8 (22)	0 (0)	1 (7)	2 (14)	3 (25)	14(18)	37 (18)
	Loss from conversion into yen at closing	2 (67)	0 (0)	3 (18)	0 (0)	0 (0)	4 (14)	6 (20)	3 (14)	18(14)	3 (8)	1 (50)	4 (29)	2 (14)	0 (0)	10(13)	28 (13)
	Increasing price reduction pressure from customers	0 (0)	0 (0)	3 (18)	3 (21)	1 (8)	2 (7)	2 (7)	3 (14)	14(11)	2 (6)	1 (50)	3 (21)	2 (14)	1 (8)	9 (12)	23 (11)
Favourable impacts	Foreign exchange gain	1 (33)	1 (20)	2 (12)	0 (0)	0 (0)	6 (21)	1 (3)	3 (14)	14(11)	1 (3)	0 (0)	0 (0)	0 (0)	2 (17)	3 (4)	17 (8)
	Increased deliveries/ export due to improving price competitiveness	0 (0)	4 (80)	2 (12)	1 (7)	0 (0)	2 (7)	0 (0)	1 (5)	10(8)	1 (3)	0 (0)	0 (0)	2 (14)	0 (0)	3 (4)	13 (6)
	Cost decrease (including material cost)	0 (0)	0 (0)	1 (6)	1 (7)	0 (0)	1 (4)	1 (3)	1 (5)	5 (4)	3 (8)	0 (0)	0 (0)	1 (7)	1 (8)	5 (6)	10 (5)
	Gain from conversion into yen at closing	0 (0)	0 (0)	2 (12)	0 (0)	1 (8)	1 (4)	0 (0)	2 (9)	6 (5)	2 (6)	0 (0)	1 (7)	0 (0)	0 (0)	3 (4)	9 (4)
	Decreasing price reduction pressure from customers	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Others	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (4)	1 (3)	2 (9)	4 (3)	1 (3)	1 (50)	1 (7)	4 (29)	1 (8)	8 (10)	12 (6)	
Total	9	7	30	19	20	51	48	38	222	60	4	18	22	17	121	343	
No. of firms	3	5	17	14	12	28	30	22	131	36	2	14	14	12	78	209 (100)	

(3) Measures against yen appreciation

As for the measures against yen appreciation (check all that apply), the predominant response was “no measure taken so far” (40 percent), followed by “change/ multilateralization of import destination” (23 percent) and “extension of amount or period of forward exchange contracts” (20 percent). The percentages of firms reporting “business expansion in Thailand” and “increase of utilization rate in Thailand” were 19 percent and 10 percent respectively. (Table 10-3)

(Table 10-3) Measures against yen appreciation (check all that apply)

Unit: No. of firms and (%)

Rank		Manufacture								Non-manufacture						Grand total	
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Construction/civil engineering	Transportation/communication	Others		Total
1	No measure taken so far	3(50)	2(40)	2(13)	9(64)	4(33)	14(50)	5(18)	8(35)	47(36)	15(42)	0(0)	10(71)	5(50)	4(36)	34(47)	81 (40)
2	Change/ multilateralization of import destination	0(0)	2(40)	5(31)	1(7)	2(17)	6(21)	11(39)	8(35)	35(27)	7(19)	0(0)	1(7)	2(20)	2(18)	12(17)	47 (23)
3	Extension of amount or period of forward exchange contracts	1(17)	0(0)	7(44)	1(7)	2(17)	2(7)	6(21)	2(9)	21(16)	13(36)	1(100)	2(14)	1(10)	3(27)	20(28)	41 (20)
4	Business expansion in Thailand (e.g. capital investment, personnel)	0(0)	1(20)	2(13)	3(21)	5(42)	7(25)	10(36)	4(17)	32(24)	4(11)	0(0)	0(0)	1(10)	1(9)	6(8)	38 (19)
5	Increase of utilization rate in Thailand	1(17)	0(0)	5(31)	1(7)	0(0)	4(14)	3(11)	4(17)	18(14)	1(3)	0(0)	0(0)	0(0)	2(18)	3(4)	21 (10)
6	Change/ multilateralization of export destination	2(33)	0(0)	0(0)	0(0)	0(0)	1(4)	3(11)	0(0)	6(5)	1(3)	0(0)	1(7)	1(10)	2(18)	5(7)	11 (5)
7	Decrease of utilization rate in Thailand	0(0)	0(0)	0(0)	0(0)	0(0)	1(4)	0(0)	0(0)	1(1)	0(0)	0(0)	0(0)	1(10)	0(0)	1(1)	2 (1)
8	Business downsizing in Thailand (e.g. capital investment, personnel)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	1(4)	1(1)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	1 (0)
9	Reduction of amount or period of forward exchange contracts	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	0(0)	1(10)	0(0)	1(1)	1 (0)	
-	Others	0(0)	1(20)	0(0)	0(0)	3(25)	0(0)	4(14)	1(4)	9(7)	1(3)	1(100)	2(14)	2(20)	0(0)	6(8)	15 (7)
Total		7	6	21	15	16	35	42	28	170	42	2	16	14	14	88	258
No. of firms		6	5	16	14	12	28	28	23	132	36	1	14	10	11	72	204 (100)

(4) Reasons of no impact by yen appreciation on business performance

As for the reasons of no impact by yen appreciation on business performance (check all that apply), the predominant response was “high rate of domestic transactions” (55 percent), followed by “high rate of transactions with parent company” (20 percent). (Table 10-4)

(Table 10-4) Reasons of no impact by yen appreciation on business performance (check all that apply)

Unit: No. of firms and (%)

Rank		Manufacture								Non-manufacture						Grand total	
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Construction/civil engineering	Transportation/communication	Others		Total
1	High rate of domestic transactions	5(50)	2(20)	5(45)	5(56)	1(50)	3(21)	6(40)	9(56)	36(41)	5(50)	2(20)	5(45)	5(56)	1(50)	45(74)	81 (55)
2	High rate of transactions with parent company	2(20)	3(30)	1(9)	0(0)	0(0)	6(43)	4(27)	7(44)	23(26)	2(20)	3(30)	1(9)	0(0)	0(0)	6(10)	29 (20)
3	Good balance between import and export	1(10)	1(10)	3(27)	0(0)	1(50)	5(36)	4(27)	1(6)	16(18)	1(10)	1(10)	3(27)	0(0)	1(50)	7(11)	23 (16)
4	Yen-denominated transactions	0(0)	1(10)	5(45)	2(22)	0(0)	1(7)	0(0)	3(19)	12(14)	0(0)	1(10)	5(45)	2(22)	0(0)	4(7)	16 (11)
-	Others	2(20)	3(30)	2(18)	2(22)	0(0)	2(14)	2(13)	1(6)	14(16)	2(20)	3(30)	2(18)	2(22)	0(0)	7(11)	21 (14)
Total		10	10	16	9	2	17	16	21	101	10	10	16	9	2	69	170
No. of firms		10	10	11	9	2	14	15	16	87	10	10	11	9	2	61	148 (100)

11. IMPACTS OF BAHT APPRECIATION

(1) Impacts of baht appreciation on business performance

With reference to the impacts of yen appreciation on business performance, the predominant response was “unfavourable impacts” (46 percent). The percentage of firms responding “no impact in particular” was 38 percent, whereas that of firms responding “favourable impacts” was 16 percent.

A number of firms reported “unfavourable impacts” in textile (75 percent), electric/ electronics machinery (70 percent), food (67 percent) and chemical (61 percent). (Table 11-1)

(Table 11-1) Impacts of baht appreciation

Unit: No. of firms and (%)

Industry		Unfavourable impacts	Favourable impacts	No impact in particular	No. of firms
Manufacture	Food	10 (67)	1 (7)	4 (27)	15
	Textile	9 (75)	2 (17)	1 (8)	12
	Chemical	17 (61)	5 (18)	6 (21)	28
	Steel/non-ferrous metal	10 (42)	5 (21)	9 (38)	24
	General machinery	7 (58)	1 (8)	4 (33)	12
	Electric/electronics machinery	28 (70)	5 (13)	7 (18)	40
	Transportation machinery	20 (45)	9 (20)	15 (34)	44
	Others	17 (46)	5 (14)	15 (41)	37
Manufacturing sector total		118 (56)	33 (16)	61 (29)	212
Non-manufacture	Trading	20 (43)	13 (28)	14 (30)	47
	Retailer	1 (14)	1 (14)	5 (71)	7
	Finance/insurance/securities	0 (0)	0 (0)	12 (100)	12
	Construction/civil engineering	3 (11)	3 (11)	21 (78)	27
	Transportation/communication	11 (48)	2 (9)	10 (43)	23
	Others	7 (33)	5 (24)	9 (43)	21
Non-manufacturing sector total		42 (31)	24 (18)	71 (52)	137
Total		160 (46)	57 (16)	132 (38)	349

(2) Factors of impacts by baht appreciation on business performance

As for the factors of impacts by baht appreciation on business performance (check all that apply), the predominant response was “foreign exchange loss” (43 percent), followed by “decreased deliveries/ export” (32 percent). On the other hand, “cost decrease (including material cost)” (25 percent), which is one the favourable impacts, ranked 3rd. (Table 11-2)

(Table 11-2) Factors of impacts by baht appreciation on business performance (check all that apply)

Unit: No. of firms and (%)

	Manufacture									Non-manufacture						Grand total	
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Construction/civil engineering	Transportation/communication	Others	Total		
Unfavourable impacts	Foreign exchange loss	7 (70)	7 (64)	8 (36)	3 (20)	2 (25)	22(67)	16(55)	11(50)	76(51)	10(29)	1(50)	0 (0)	5 (36)	1 (8)	17(25)	93 (43)
	Decreased deliveries/ export due to deteriorating price competitiveness	5 (50)	5 (45)	8 (36)	5 (33)	4 (50)	9 (27)	8 (28)	10(45)	54(36)	8 (24)	0 (0)	0 (0)	3 (21)	4 (33)	15(22)	69 (32)
	Increasing price reduction pressure from customers	3 (30)	2 (18)	5 (23)	4 (27)	1 (13)	3 (9)	5 (17)	3 (14)	26(17)	4 (12)	0 (0)	2 (33)	3 (21)	0 (0)	9 (13)	35 (16)
	Cost increase (including material cost)	1 (10)	1 (9)	1 (5)	0(0)	1 (13)	3 (9)	3 (10)	2 (9)	12 (8)	4 (12)	1 (50)	0 (0)	1 (7)	2 (17)	8 (12)	20 (9)
	Loss from conversion into yen at closing	0(0)	0 (0)	1 (5)	0(0)	0 (0)	0(0)	2 (7)	0 (0)	3 (2)	1 (3)	0 (0)	0(0)	0(0)	0 (0)	1 (1)	4 (2)
Favourable impacts	Cost decrease (including material cost)	0 (0)	3 (27)	8 (36)	6 (40)	0 (0)	8 (24)	6 (21)	5 (23)	36(24)	13(38)	1 (50)	2 (33)	0 (0)	3 (25)	19 (28)	55 (25)
	Foreign exchange gain	0(0)	0 (0)	5 (23)	2 (13)	1 (13)	3 (9)	4 (14)	3 (14)	18(12)	7 (21)	0 (0)	1 (17)	0 (0)	3 (25)	11(16)	29 (13)
	Gain from conversion into yen at closing	0(0)	1 (9)	0 (0)	0(0)	0 (0)	0 (0)	1 (3)	0 (0)	2 (1)	1 (3)	0 (0)	1 (17)	1 (7)	1 (8)	4 (6)	6 (3)
	Increased deliveries/ export due to improving price competitiveness	0(0)	0 (0)	1 (5)	1 (7)	0 (0)	0 (0)	0 (0)	0 (0)	2 (1)	1 (3)	0 (0)	0 (0)	1 (7)	0 (0)	2 (3)	4 (2)
	Decreasing price reduction pressure from customers	0(0)	0 (0)	2 (9)	0(0)	0 (0)	1 (3)	0 (0)	1 (5)	4 (3)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	4 (2)
Others	0	0	0	1	0	2	0	0	3	1	0	1	4	1	7	10 (5)	
Total	16	19	39	22	9	51	45	35	236	50	3	7	18	15	93	329	
No. of firms	10	11	22	15	8	33	29	22	150	34	2	6	14	12	68	218 (100)	

(3) Measures against baht appreciation

As for the measures against baht appreciation (check all that apply), the predominant response was “no measure taken so far” (47 percent), followed by “extension of amount or period of forward exchange contracts” (25 percent) and “change/multilateralization of import destination” (14 percent). (Table 11-3)

(Table 11-3) Measures against baht appreciation (check all that apply)

Unit: No. of firms and (%)

Rank		Manufacture									Non-manufacture						Grand total
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Construction/civil engineering	Transportation/communication	Others	Total	
1	No measure taken so far	4(36)	1 (10)	7 (33)	7 (50)	2 (25)	14(44)	12(41)	13(59)	60(41)	18(56)	0 (0)	6 (75)	8 (62)	7 (70)	39(60)	99 (47)
2	Extension of amount or period of forward exchange contracts	5 (45)	3 (30)	5(24)	3 (21)	2 (25)	8 (25)	7 (24)	2 (9)	35 (24)	12 (38)	2(100)	1 (13)	1 (8)	2 (20)	18(28)	53 (25)
3	Change/multilateralization of import destination	0 (0)	4 (40)	4 (19)	0 (0)	2 (25)	4 (13)	9 (31)	4 (18)	27 (18)	2 (6)	0(0)	1 (13)	0 (0)	0 (0)	3 (5)	30 (14)
4	Increase of utilization rate in Thailand	3 (27)	1 (10)	5 (24)	1 (7)	0 (0)	2 (6)	1 (3)	4 (18)	17(12)	1 (3)	0 (0)	0 (0)	0 (0)	0 (0)	1 (2)	18 (8)
5	Change/multilateralization of export destination	1 (9)	2 (20)	1 (5)	1 (7)	1 (13)	4 (13)	4 (14)	1 (5)	15(10)	1 (3)	0 (0)	0 (0)	0 (0)	0 (0)	1 (2)	16 (8)
6	Business expansion in Thailand (e.g. capital investment, personnel)	1 (9)	1 (10)	1 (5)	2 (14)	1 (13)	1 (3)	1 (3)	1 (5)	9 (6)	1 (3)	0(0)	0 (0)	0 (0)	0 (0)	1 (2)	10 (5)
7	Business downsizing in Thailand (e.g. capital investment, personnel)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (3)	1 (3)	0 (0)	2 (1)	0 (0)	0 (0)	0 (0)	1 (8)	0 (0)	1 (2)	3 (1)
8	Reduction of amount or period of forward exchange contracts	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (5)	1 (1)	0 (0)	0 (0)	0 (0)	0 (0)	1 (10)	1 (2)	2 (1)
9	Decrease of utilization rate in Thailand	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (3)	0 (0)	0 (0)	1 (1)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (0)
-	Others	0 (0)	2 (20)	2 (10)	0 (0)	2 (25)	2 (6)	2 (7)	0 (0)	10 (7)	1 (3)	0 (0)	0 (0)	3 (23)	0 (0)	4 (6)	14 (7)
Total		14	14	25	14	10	37	37	26	177	36	2	8	13	10	69	246
No. of firms		11	10	21	14	8	32	29	22	147	32	2	8	13	10	65	212 (100)

(4) Reasons of no impact by baht appreciation on business performance

As for the reasons of no impact by baht appreciation on business performance (check all that apply), the predominant response was “high rate of domestic transactions” (61 percent), followed by “high rate of transactions with parent company” (19 percent). (Table 11-4)

(Table 11-4) Reasons of no impact by baht appreciation on business performance (check all that apply)

Unit: No. of firms and (%)

Rank		Manufacture							Non-manufacture						Grand total		
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Construction/civil engineering	Transportation/communication		Others	Total
1	High rate of domestic transactions	3 (50)	0 (0)	3 (60)	5 (63)	2 (50)	3 (25)	9 (25)	10 (25)	35 (25)	5 (25)	5 (25)	22 (25)	7 (25)	15 (25)	54 (25)	89 (61)
2	High rate of transactions with parent company	2 (33)	0 (0)	2 (40)	2 (25)	1 (25)	3 (0)	1 (0)	5 (0)	16 (0)	5 (0)	0 (0)	3 (0)	1 (0)	3 (0)	12 (0)	28 (19)
3	Good balance between import and export	1 (17)	0 (0)	2 (40)	0 (0)	1 (25)	2 (25)	5 (25)	2 (25)	13 (25)	3 (25)	0 (25)	1 (25)	3 (25)	1 (25)	8 (25)	21 (14)
4	Yen-denominated transactions	0 (0)	1 (50)	3 (60)	0 (0)	0 (0)	1 (0)	1 (0)	5 (0)	11 (0)	0 (0)	0 (0)	1 (0)	0 (0)	1 (0)	2 (0)	13 (9)
-	Others	0 (0)	1 (50)	0 (0)	2 (25)	0 (0)	2 (0)	2 (0)	0 (0)	7 (0)	3 (0)	0 (0)	0 (0)	0 (0)	3 (0)	6 (0)	13 (9)
Total		6	2	10	9	4	11	18	22	82	16	5	27	11	23	82	164
No. of firms		6	2	5	8	4	9	17	18	69	15	5	23	11	23	77	146 (100)

12. EFFECTS OF FTAs/EPAs

(1) Utilization of FTAs/EPAs

As for the utilization of FTAs/EPAs, the predominant response was “no import/ export” (22 percent), followed by “utilization of other privileges (e.g. BOI)” (20 percent). In the manufacturing sector, 29% of firms have never utilized FTAs/EPAs due to “utilization of other privileges (e.g. BOI), whereas the total of firms which have utilized FTAs/EPAs for export, import or both was 46 percent. (Table 12-1)

(Table 12-1) Utilization of FTAs/EPAs

	Manufacture									Non-manufacture						Grand total	
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others		Total
No import/ export	2 (14)	0 (0)	0 (0)	6 (26)	1 (9)	2 (5)	2 (4)	3 (8)	16 (7)	2 (4)	4 (57)	13(100)	22(85)	15(75)	8 (35)	64(46)	80 (22)
Utilization of other privileges (e.g. BOI)	3 (21)	1 (6)	8 (24)	6 (26)	1 (9)	21(51)	13(28)	13(34)	66(29)	5 (10)	0 (0)	0 (0)	1 (4)	2 (10)	0 (0)	8 (6)	74 (20)
Lack of knowledge on the procedures, complicated procedures	1 (7)	1 (6)	1 (3)	0 (0)	1 (9)	2 (5)	1 (2)	3 (8)	10 (4)	4 (8)	1 (14)	0 (0)	1 (4)	0 (0)	2 (9)	8 (6)	18 (5)
Export from Thailand	3 (21)	4 (22)	7 (21)	1 (4)	2 (18)	2 (5)	2 (4)	7 (18)	28 (12)	5 (10)	0 (0)	0 (0)	0 (0)	0 (0)	2 (9)	7 (5)	35 (10)
Import to Thailand	3 (21)	4 (22)	9 (27)	6 (26)	3 (27)	4 (10)	6 (13)	6 (16)	41 (18)	10 (20)	0 (0)	0 (0)	1 (4)	1 (5)	6 (26)	18(13)	59 (16)
Both export from and import to Thailand	1 (7)	8 (44)	5 (15)	1 (4)	1 (9)	6 (15)	13 (28)	2 (5)	37(16)	10 (20)	0 (0)	0 (0)	0 (0)	2 (10)	0 (0)	12 (9)	49 (13)
Not utilize yet but plan to utilize	1 (7)	0 (0)	3 (9)	3 (13)	2 (18)	4 (10)	10(21)	4 (11)	27 (12)	15 (29)	2 (29)	0 (0)	1 (4)	0 (0)	5 (22)	23 (16)	50 (14)
No. of firms	14	18	33	23	11	41	47	38	225	51	7	13	26	20	23	140	365 (100)

(2) FTAs/EPAs under utilization

As for the FTAs/EPAs under utilization (check all that apply), the predominant response was “JTEPA” (67 percent), followed by “AFTA” (53 percent) and “ASEAN-China FTA” (26 percent). (Table 12-2)

(Table 12-2) FTAs/EPAs under utilization (check all that apply)

Unit: No. of firms and (%)

Rank		Manufacture								Non-manufacture						Grand total		
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication		Others	Total
1	JTEPA	4	10	10	7	2	8	16	11	68	14	0	0	2	3	5	24	92 (67)
2	AFTA	1	3	13	2	1	10	15	7	52	15	0	0	0	2	4	21	73 (53)
3	ASEAN-China FTA	2	4	5	0	2	3	1	4	21	10	1	0	1	2	1	15	36 (26)
4	Thailand-Australia FTA	3	1	1	0	0	2	4	3	14	2	0	0	0	0	2	4	18 (13)
5	ASEAN-India FTA	1	1	0	0	1	3	3	2	11	1	0	0	1	0	0	2	13 (9)
5	ASEAN-Korea FTA	2	2	2	0	0	0	1	3	10	3	0	0	0	0	0	3	13 (9)
5	AJCEP	0	4	0	0	1	1	1	1	8	3	0	0	0	1	1	5	13 (9)
8	Thailand-India FTA	0	0	0	0	1	3	0	1	5	0	0	0	0	0	0	0	5 (4)
8	Thailand-New Zealand FTA	2	0	0	0	0	1	1	0	4	1	0	0	0	0	0	1	5 (4)
10	ASEAN-Australia-New Zealand FTA	0	0	0	0	1	1	1	0	3	1	0	0	0	0	0	1	4 (3)
11	Thailand-Peru FTA	0	0	0	0	0	0	1	0	1	1	0	0	0	0	0	1	2 (1)
12	Others	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	1 (1)
Total		15	25	31	9	9	32	44	32	197	51	1	0	4	9	13	78	275
No. of firms		6	11	19	8	5	15	21	16	101	22	1	0	2	4	8	37	138 (100)

(3) FTAs/EPAs not utilized yet but plan to utilize

As for the FTAs/EPAs not utilized yet but plan to utilize (check all that apply), the predominant response was “JTEPA” (36 percent), followed by “Thailand-India FTA” (35 percent), “ASEAN-China FTA” (28 percent) and “AFTA” (27 percent). (Table 12-3)

(Table 12-3) FTAs/EPAs not utilized yet but plan to utilize (check all that apply)

Unit: No. of firms and (%)

Rank		Manufacture								Non-manufacture						Grand total		
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication		Others	Total
1	JTEPA	4	1	4	0	7	2	11	7	36	15	2	0	1	1	4	23	59 (36)
2	Thailand-India FTA	2	4	10	4	3	4	9	7	43	11	1	0	1	1	0	14	57 (35)
3	ASEAN-China FTA	0	5	7	1	1	5	13	5	37	4	3	0	1	0	1	9	46 (28)
4	AFTA	1	0	3	4	2	7	6	4	27	12	1	0	1	1	2	17	44 (27)
5	AJCEP	0	2	3	1	2	2	4	5	19	5	1	0	0	0	3	9	28 (17)
6	ASEAN-India FTA	0	2	3	2	1	3	6	1	18	4	0	0	1	1	1	7	25 (15)
7	ASEAN-Korea FTA	0	0	1	1	2	3	3	5	15	1	0	0	0	0	1	2	17 (10)
8	Thailand-Australia FTA	1	1	2	0	0	0	2	1	7	0	0	0	0	0	0	0	7 (4)
9	ASEAN-Australia-New Zealand FTA	0	0	1	0	0	1	1	2	5	1	0	0	0	0	0	1	6 (4)
10	Thailand-New Zealand FTA	1	0	0	0	0	0	0	0	1	1	0	0	0	0	0	1	2 (1)
10	Thailand-Peru FTA	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	1	2 (1)
-	Others	0	0	0	0	0	0	1	2	3	0	0	0	0	1	0	1	4 (2)
Total		9	15	34	13	18	27	56	40	212	55	8	0	5	5	12	85	297
No. of firms		7	11	16	9	8	16	30	19	116	31	3	0	3	4	7	48	164 (100)

(4) Concrete effects/ impacts of FTAs/EPAs

As for the concrete effects/ impacts of FTAs/EPAs (check all that apply), the predominant response was “expansion of export to relevant countries” (50 percent), followed by “cost reduction of parts imported from relevant countries” (47 percent). A number of firms answered that FTAs/EPAs would contribute to sales expansion and cost reduction. (Table 12-4)

(Table 12-4) Concrete effects/ impacts of FTAs/EPAs

Unit: No. of firms and (%)

Rank		Manufacture								Non-manufacture						Grand total		
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication		Others	Total
1	Expansion of export to relevant countries	8	8	17	6	7	12	14	12	84	15	1	0	1	3	2	22	106 (50)
2	Cost reduction of parts imported from relevant countries	4	8	12	6	4	12	23	8	77	13	1	0	1	2	5	22	99 (47)
3	Intensified competition with goods imported from relevant countries	0	1	4	1	1	5	4	1	17	9	0	0	0	0	2	11	28 (13)
4	Reorganization of overseas business bases	1	1	3	2	0	2	2	1	12	4	0	0	0	2	2	8	20 (9)
5	Expansion of investment to Thailand	0	2	2	1	0	1	3	2	11	6	0	0	0	1	1	8	19 (9)
5	Nothing in particular	0	2	1	3	0	1	5	1	13	5	0	1	0	0	0	6	19 (9)
7	Enhancement of products selection due to import of finished goods from relevant countries	0	0	0	0	0	2	2	0	4	5	1	0	0	0	2	8	12 (6)
-	Others	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	1 (0)
Total		13	22	39	19	12	36	53	25	219	57	3	1	2	8	14	85	304
No. of firms		10	13	22	14	11	22	38	21	151	37	3	1	2	6	11	60	211 (100)

13. REQUESTS TO THE THAI GOVERNMENT

Regarding the requests to the Thai government (check all that apply), “stabilization of political / security situation” (67 percent) rose to the 1st rank, followed by “development and implementation of customs-related system” (50 percent) (1st rank in the previous survey) and “implementation of tax-related system” (29 percent). This indicates that the Japanese corporation have great concern about taxation. (Table 13-1 and 13-2)

(Table 13-1) Requests to the Thai government (check all that apply)

Unit: Unit: No. of firms and (%)

This time		Manufacture								Non-manufacture						Grand total		
		Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication		Others	Total
1	Stabilization of political / security situation	11(73)	9 (69)	21(75)	17(71)	8 (62)	26(67)	30(64)	25(66)	147(68)	27(59)	8 (100)	7 (54)	19(73)	17(71)	15(65)	93(66)	240 (67)
2	Development and implementation of customs-related system	11(73)	6 (46)	15(54)	14(58)	6 (46)	22(56)	27(57)	20(53)	121(56)	28(61)	2 (25)	2 (15)	7 (27)	14(58)	5 (22)	58(41)	179 (50)
3	Implementation of tax-related system	4 (27)	4 (31)	8 (29)	6 (25)	3 (23)	17(44)	11(23)	10(26)	63(29)	9 (20)	3 (38)	5 (38)	16(62)	2 (8)	5 (22)	40(29)	103 (29)
4	Improvement of education/ human resource development	0 (0)	6 (46)	8 (29)	6 (25)	2 (15)	14(36)	16(34)	13(34)	65(30)	13(28)	1 (13)	3 (23)	5 (19)	3 (13)	1 (4)	26(19)	91 (25)
5	Work permit/ visa-related issues	1 (7)	2 (15)	3 (11)	7 (29)	4 (31)	8 (21)	8 (17)	5 (13)	38(18)	18(39)	1 (13)	4 (31)	15(58)	4 (17)	7 (30)	49(35)	87 (24)
5	Relaxation of the Foreign Business Act	3 (20)	3 (23)	3 (11)	5 (21)	3 (23)	6 (15)	2 (4)	5 (13)	30(14)	19(41)	2 (25)	9 (69)	9 (35)	11(46)	7 (30)	57(41)	87 (24)
7	Prevention of labor disputes	2 (13)	1 (8)	14(50)	6 (25)	3 (23)	18(46)	17(36)	13(34)	74(34)	5(11)	0 (0)	0 (0)	0 (0)	5 (21)	1 (4)	11 (8)	85 (24)
8	Infrastructure development in Bangkok metropolis area	1 (7)	1 (8)	3 (11)	3 (13)	0 (0)	8 (21)	7 (15)	8 (21)	31(14)	13(28)	2 (25)	4 (31)	4 (15)	6 (25)	6 (26)	35(25)	66 (18)
9	Broad-based infrastructure development linking Thailand with neighboring countries	2 (13)	4 (31)	0 (0)	1 (4)	4 (31)	5 (13)	5 (11)	5 (13)	26(12)	6 (13)	2 (25)	1 (8)	1 (4)	9 (38)	6 (26)	25(18)	51 (14)
10	Measures to prevent expansion of new-type or flu influenza	1 (7)	0 (0)	2 (7)	2 (8)	0 (0)	6 (15)	3 (6)	4 (11)	18 (8)	4 (9)	2 (25)	0 (0)	2 (8)	3 (13)	1 (4)	12(9)	30 (8)
11	Promotion of regional operating headquarters function (e.g. ROH, IPC)	1 (7)	0 (0)	0 (0)	0 (0)	2 (15)	2 (5)	3 (6)	1 (3)	9 (4)	1 (2)	0 (0)	2 (15)	0 (0)	0 (0)	3 (13)	6 (4)	15 (4)
-	Others	1 (7)	2 (15)	2 (7)	0 (0)	0 (0)	2 (5)	0 (0)	2 (5)	9 (4)	1 (2)	0 (0)	1 (8)	1 (0)	0 (0)	2 (9)	5 (4)	14 (4)
Total		38	38	79	67	35	134	129	111	631	144	23	38	79	74	59	417	1,048
No. of firms		15	13	28	24	13	39	47	38	217	46	8	13	26	24	23	140	357 (100)

(Table 13-2) Requests to the Thai government (Detailed items)

[Stabilization of political and security situation]	
1	Increase of compensation for damages due to the UDD demonstration (for the restoring to the original state)
2	Reinforcement of public security and assurance of public safety
3	Introduction of regulations against obstruction of business by demonstrations (e.g. illegal occupation)
[Development and implication of customs-related system]	
1	Clarification and simplification of customs/ customs clearance regulations
2	Commitments to abolish tariffs (e.g. FTAs)
3	Appropriate guideline regarding HS code
[Implementation of tax-related system]	
1	Reduction of corporate income tax rate
2	Clarification of tax-related regulations (e.g. integration of tax implication involving more than one authorities)
3	Relaxation of scope of taxable income (nondeductible expenses) and income subject to withholding tax, fundamental reform of deemed taxation
4	Clarification and acceleration of tax refund procedures
[Improvement of education/ human resource development]	
1	Enhancement and improvement of education (including ethics education)
2	Development of foreign workers training program to compensate future shortage of labor
3	Enhancement of foreign language teaching (e.g. English)
[Work permit/ visa-related issues]	
1	Relaxation of criteria of work permit/ visa approval, extension of validity, simplification of reporting obligations
[Relaxation of the Foreign Business Act]	
1	Relaxation or deregulation of restriction on service business
2	Relaxation of restriction on land ownership
3	Relaxation of restriction on employment of foreign workers
4	Acceptance of substantial use of non-resident bank account, relaxation of restriction on sale of non-resident stock
[Prevention of labor disputes]	
1	Instruction/ education for labor union
2	Review of the Labor Law and the Labor Protection Law
3	Development of laws preventing labor disputes (e.g. refusal of overtime work, strike)
4	Restriction of power of external advisors encouraging labor disputes
[Infrastructure development in Bangkok metropolis area]	
1	Reduction of traffic jam in Bangkok metropolis area
[Broad-based infrastructure development linking Thailand with neighboring countries]	
1	Infrastructure development between Thailand and neighboring countries (e.g. road transportation, power lines)
2	Early vision of the Cross Border Transport Agreement (CBTA)
[Promotion of regional operating headquarters function (e.g. ROH, IPC)]	
1	Flexible monetary policy to promote ROH
[Others]	
1	Action on exchange (Thai baht) stability
2	Smooth transition upon system reform, and system reform with due consideration for implication
3	Establishment of environment-related laws
4	TISI investigation (abolishment of compulsory application, acceleration of investigation process)
5	Establishment of fair trade law against unreasonable requests by major retailers to suppliers (e.g. extravagant initial fee)
6	Construction of breakwater as flood prevention measure
7	Development of high-speed internet network

14. POLICIES FOR RISK DIVERSIFICATION

With reference to the policies for risk diversification against domestic political uncertainties and unexpected international situation, the predominant response was “not now but under consideration” (34 percent), followed by “no policy” (20 percent). The percentage of firms reporting “multilateralization/ diversification of procurement destination of parts/ material” was 17 percent. (Table 14)

(Table 14) Policies for risk diversification

Unit: No. of firms and (%)

	Manufacture									Non-manufacture						Grand total	
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronics machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others		Total
Not now but under consideration	2	2	10	13	3	15	12	5	62	21	4	3	9	8	11	56	118 (34)
No policy	2	4	2	5	5	2	5	9	34	7	1	6	12	2	5	33	67 (20)
Multilateralization/ diversification of procurement destination of parts/ material	6	4	3	4	2	9	11	13	52	4	1	0	1	0	2	8	60 (17)
Diversification of production bases (including overseas) to prevent stoppage of deliveries	1	2	7	0	2	7	9	3	31	4	1	1	0	2	2	10	41 (12)
Increase of stock level	2	1	3	1	0	4	5	6	22	3	0	0	0	0	0	3	25 (7)
Others	1	0	1	0	1	2	2	0	7	6	1	2	5	8	3	25	32 (9)
Total	14	13	26	23	13	39	44	36	208	45	8	12	27	20	23	135	343 (100)