

Survey of Business Sentiment on Japanese Corporations in Thailand
for the spring of 2008

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JCC Economic Survey Team

Survey Period

Questionnaire requesting date April 30, 2008
Questionnaire response deadline May 30, 2008

Questionnaires response

This questionnaire was handed out to
1,278 JCC member corporations.
(Thirteen governmental organizations are excluded.)

No. of firms responding this questionnaire
337 corporations

The percentage of response
26.4 percent

No. of firms

Industry		No.
Manufacture	Food	13
	Textile	13
	Chemical	23
	Steel/ non-ferrous metal	29
	General machinery	14
	Electric/ electronics machinery	36
	Transportation machinery	54
	Others	24
Manufacturing sector total		206
Non-manufacture	Trading	40
	Retailer	11
	Finance/ insurance/ securities	9
	Construction/ civil engineering	19
	Transportation/ communication	17
	Others	35
	Non- manufacturing sector total	
Total		337

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 second half of 2007 to the second half of 2008, the target period of this survey, business sentiment is anticipated to be continuously “improving” until the first half of 2008. However, the improvement seed will lower in the second half of 2008. (Table 1-1)

(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.

(Table 1-1) Business Sentiment

Unit: percent

	Past Surveys										Survey this time			
	Result									Forecast		Result	Forecast	
	03S	04F	04S	05F	05S	06F	06S	07F	07S	08F	07S	08F	08S	
Improving	63	70	64	56	58	49	37	39	43	49	49	49	44	
No change	23	17	17	20	18	27	25	30	28	35	27	28	34	
Deteriorating	14	13	19	24	24	24	38	31	29	16	24	23	21	
(Ref) DI	49	57	45	32	34	25	-1	8	14	33	25	26	23	

(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.

(2) The second half of 2007 (July – December)

The percentage of the firms reporting that business sentiment was “improving” increased to 49 percent from the previous term (39 percent), whereas that reporting “deteriorating” was decreasing to 24 percent from the previous term (31 percent). As a result, diffusion Index (DI), which is the balance between “improving” and “deteriorating”, was calculated at +25 percent, plus 17 points from the previous term (+8 percent). The overall DI has shown a positive figure since the previous survey. (Table 1-1)

In the manufacturing sector, DIs in textile and electric/ electronics machinery turned to be “improving” as well as the improvement seed in chemical and transportation machinery increased. As a result, DIs in the manufacturing sector were significantly increasing to +28 from the previous term (+6). For non-manufacturing industries, DIs in construction/ civil engineering turned to be improving as well as the improvement seed in retailer and trading increased. As a result, DIs in the non-manufacturing sector also turned to be improving to +19 from the previous term (+9). (Table 1-2)

(3) The first half of 2008 (January – June)

The percentage of the firms reporting that business performance are “improving” showed the same level as the previous survey (49 percent), whereas the percentage of the firms reporting “deteriorating” fell by 1 points to 23 percent from the previous term (24 percent). As a result, DI of +26 rose by 1 points from the previous term (+25). (Table 1-1)

In the manufacturing sector, DI in food turned to be improving as well as the improvement seed in steel/ non-ferrous metal increased. In contrast, DI in electric/ electronics machinery turned to be “deteriorating” as well as the improvement seed in the other industries lowered. That is, DI of +25 was lower than the previous period (+28). In the non-manufacturing sector, DI in transportation/ communication turned to be “deteriorating”, which was offset by the increasing improvement

seed in finance/ insurance/ securities, construction/ civil engineering and other industries. That is, overall DI of +30 rose from the previous period (+19). (Table 1-2)

(4) The second half of 2008 (July – December)

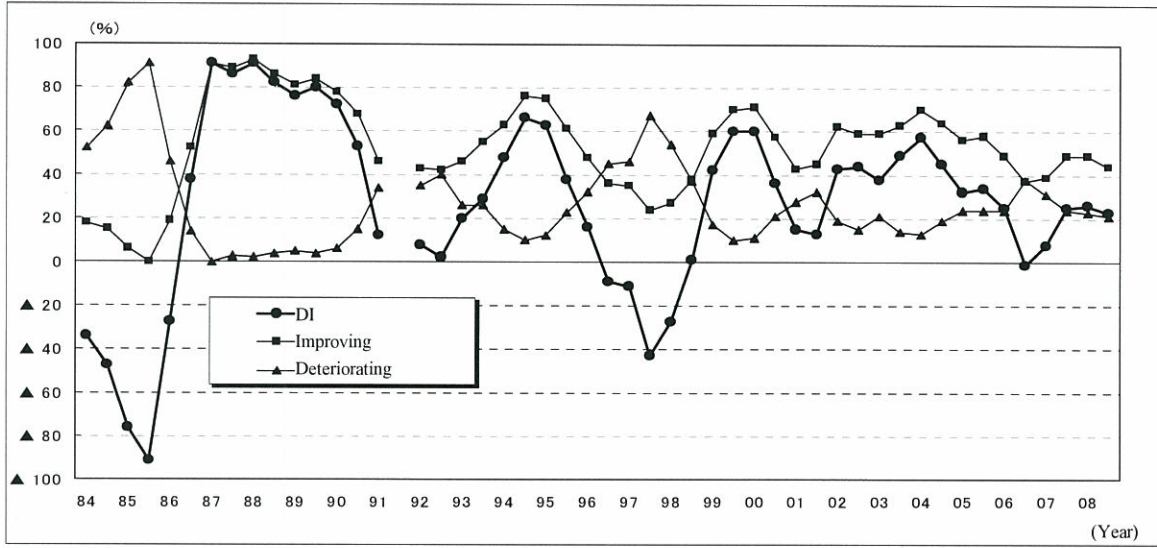
The percentage of the firms reporting that business performance was “improving” was decreasing by 5 points to 44 percent from the previous term (49 percent), whereas the percentage of the firms reporting “deteriorating” fell by 2 points to 21 percent from the previous term (23 percent). As a result, DI of +23 was lower than the previous term (+26) with anticipation of decreasing improvement seed. (Table 1-1)

In the manufacturing sector, continuous improvement in textile was offset by start of deterioration in steel/ non-ferrous metal and lowered improvement in almost other industries. As a result, DI in the manufacturing sector decreased to +17 from the previous period (+25). In the non-manufacturing sector, lowered improvement in trading and construction/ civil engineering was offset by start of improvement in transportation/ communication. As a result, DI in the non-manufacturing sector rose to +32 from the previous period (+30). (Table 1-2)

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

Industry		Past Surveys								Survey this time		
		Result						Forecast		Result	Forecast	
		04S	05F	05S	06F	06S	07F	07S	08F	07S	08F	08S
Manufacture	Food	13	-20	26	0	-20	-37	-12	6	-15	23	15
	Textile	19	9	27	0	-8	-25	-6	29	15	0	23
	Chemical	48	18	28	18	16	11	16	46	48	48	44
	Steel/ non-ferrous metal	45	22	-32	23	19	13	26	59	21	45	-3
	General machinery	31	-7	46	13	-20	0	23	15	-15	0	0
	Electric/ electronics machinery	20	18	24	3	-24	-3	6	11	11	-26	-9
	Transportation machinery	72	73	49	23	6	24	44	34	53	50	42
	Others	47	47	35	40	16	15	37	47	41	17	9
	Manufacturing sector total	40	31	27	19	2	6	22	34	28	25	17
Non-manufacture	Trading	63	32	61	60	-22	5	0	26	28	31	24
	Retailer	45	43	59	-38	-30	7	13	50	60	73	82
	Finance/ insurance/ securities	88	46	29	50	25	33	0	50	0	33	78
	Construction/ civil engineering	45	41	66	48	0	-5	-26	6	11	42	5
	Transportation/ communication	33	9	-5	9	-16	-5	-5	21	0	-12	19
	Others	55	33	50	24	18	25	18	40	18	29	32
	Non-manufacturing sector total	54	34	45	35	-5	9	1	30	19	30	32
Total		45	32	34	25	-1	8	14	33	25	26	23

(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 2007 fell by 4 points to 61 percent from the previous year (65 percent). (At the time of the previous survey, the forecast for 2007 had been 60 percent.) The percentage of the firms reporting a “more than 20% increase” in their total sales fell by 3 point to 14 percent from the previous year (17 percent). (Table 2-1 and Table 2-2)

Regarding sales forecast for 2008, the firms anticipating an “increase” in their total sales rose by 8 points to 69 percent from the previous period, and the percentage of the firms anticipating a “more than 20% increase” in their total sales fell by 5 points, from 14 percent in the previous period to 9 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		Result	Forecast	
	00	01	02	03	04	05	06	07	08		
Sales Increase	85	64	74	80	82	73	65	60	68	61	69
Sales increase more than 20%	44	20	32	31	44	27	17	15	12	14	9

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

(Table 2-2) Sales in 2007 (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	5 (42)	(0)	2 (17)	3 (25)	2 (17)	5 (42)	3 (25)	1 (8)	1 (8)
	Textile	3 (25)	1 (8)	(0)	2 (17)	3 (25)	6 (50)	5 (42)	1 (8)	(0)
	Chemical	17 (77)	3 (14)	8 (36)	6 (27)	1 (5)	4 (18)	2 (9)	2 (9)	(0)
	Steel/non-ferrous metal	22 (76)	4 (14)	6 (21)	12 (41)	2 (7)	5 (17)	3 (10)	1 (3)	1 (3)
	General machinery	7 (54)	(0)	4 (31)	3 (23)	2 (15)	4 (31)	3 (23)	1 (8)	(0)
	Electric/electronics machinery	17 (50)	6 (18)	7 (21)	4 (12)	4 (12)	13 (38)	7 (21)	3 (9)	3 (9)
	Transportation machinery	36 (75)	8 (17)	9 (19)	19 (40)	2 (4)	10 (21)	4 (8)	3 (6)	3 (6)
	Others	15 (68)	4 (18)	3 (14)	8 (36)	2 (9)	5 (23)	4 (18)	(0)	1 (5)
Manufacturing sector total	122 (64)	26 (14)	39 (20)	57 (30)	18 (9)	52 (27)	31 (16)	12 (6)	9 (5)	
Non-manufacture	Trading	18 (51)	5 (14)	10 (29)	3 (9)	4 (11)	13 (37)	9 (26)	4 (11)	(0)
	Retailer	7 (64)	1 (9)	4 (36)	2 (18)	(0)	4 (36)	3 (27)	1 (9)	(0)
	Finance/insurance/securities	7 (88)	1 (13)	2 (25)	4 (50)	(0)	1 (13)	(0)	(0)	1 (13)
	Construction/civil engineering	8 (42)	4 (21)	2 (11)	2 (11)	3 (16)	8 (42)	1 (5)	2 (11)	5 (26)
	Transportation/communication	8 (53)	1 (7)	6 (40)	1 (7)	4 (27)	3 (20)	3 (20)	(0)	(0)
	Others	21 (62)	7 (21)	8 (24)	6 (18)	4 (12)	9 (26)	3 (9)	2 (6)	4 (12)
	Non-manufacturing sector total	69 (57)	19 (16)	32 (26)	18 (15)	15 (12)	38 (31)	19 (16)	9 (7)	10 (8)
Total	191 (61)	45 (14)	71 (23)	75 (24)	33 (11)	90 (29)	50 (16)	21 (7)	19 (6)	

(Table 2-3) Sales forecast in 2008 (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 (75)	3 (25)	4 (33)	2 (17)	1 (8)	2 (17)	1 (8)	1 (8)				
	Textile	8 (62)	1 (8)	(0)	7 (54)	2 (15)	3 (23)	2 (15)	1 (8)				
	Chemical	18 (78)	1 (4)	8 (35)	9 (39)	2 (9)	3 (13)	(0)	2 (9)	1 (4)			
	Steel/non-ferrous metal	21 (72)	3 (10)	4 (14)	14 (48)	3 (10)	5 (17)	3 (10)	1 (3)	1 (3)			
	General machinery	8 (62)	(0)	3 (23)	5 (38)	2 (15)	3 (23)	2 (15)	(0)	1 (8)			
	Electric/electronics machinery	15 (45)	(0)	4 (12)	11 (33)	5 (15)	13 (39)	8 (24)	3 (9)	2 (6)			
	Transportation machinery	38 (81)	4 (9)	16 (34)	18 (38)	8 (17)	1 (2)	1 (2)	(0)	(0)			
	Others	15 (68)	2 (9)	9 (41)	4 (18)	(0)	7 (32)	5 (23)	(0)	2 (9)			
Manufacturing sector total	132 (69)	14 (7)	48 (25)	70 (36)	23 (12)	37 (19)	22 (11)	8 (4)	7 (4)				
Non-manufacture	Trading	24 (65)	5 (14)	10 (27)	9 (24)	4 (11)	9 (24)	4 (11)	4 (11)	1 (3)			
	Retailer	10 (100)	2 (20)	2 (20)	6 (60)	(0)	(0)	(0)	(0)	(0)			
	Finance/insurance/securities	6 (75)	(0)	2 (25)	4 (50)	2 (25)	(0)	(0)	(0)	(0)			
	Construction/civil engineering	10 (53)	6 (32)	2 (11)	2 (11)	6 (32)	3 (16)	(0)	(0)	3 (16)			
	Transportation/communication	11 (69)	(0)	4 (25)	7 (44)	2 (13)	3 (19)	1 (6)	2 (13)	(0)			
	Others	26 (74)	3 (9)	14 (40)	9 (26)	5 (14)	4 (11)	3 (9)	1 (3)	(0)			
Non-manufacturing sector total	87 (70)	16 (13)	34 (27)	37 (30)	19 (15)	19 (15)	8 (6)	7 (6)	4 (3)				
Total	219 (69)	30 (9)	82 (26)	107 (34)	42 (13)	56 (18)	30 (9)	15 (5)	11 (3)				

3. NET PROFIT/LOSS

The firms reporting the “profit” in their 2007 before tax profit/loss accounted for 87 percent. The firms reporting an “increase” in their net profit (including the case that their loss will diminish or vanish) accounted for 48 percent, whereas those reporting a “decrease” in their net profit accounted for 35 percent. (Table 3-1)

The percentage of the firms anticipating the “profit” in their 2008 before tax profit/loss accounted for 87 percent. The firms anticipating an “increase” in their net profit accounted for 37 percent, whereas those anticipating a “decrease” in their net profit accounted for 37 percent. Most of the firms anticipated “profit” in 2008, although the number of the firms anticipating increasing profit decreased. (Table 3-2)

(Table 3-1) Result of before Tax Profit/Loss in 2007 (from the previous year)

Unit: No. of firms and (%)

Industry		Profit	Balance	Loss	Total	Profit increase	No change	Profit decrease
Manufacture	Food	7 (54)	(0)	6 (46)	13	3 (23)	3 (23)	7 (54)
	Textile	9 (69)	(0)	4 (31)	13	9 (69)	(0)	4 (31)
	Chemical	21 (95)	1 (5)	(0)	22	13 (59)	3 (14)	6 (27)
	Steel/non-ferrous metal	28 (100)	(0)	(0)	28	13 (46)	6 (21)	9 (32)
	General machinery	11 (85)	(0)	2 (15)	13	3 (23)	4 (31)	6 (46)
	Electric/electronics machinery	29 (88)	2 (6)	2 (6)	33	17 (52)	4 (12)	12 (36)
	Transportation machinery	50 (98)	1 (2)	(0)	51	31 (61)	10 (20)	10 (20)
	Others	20 (83)	(0)	4 (17)	24	12 (50)	6 (25)	6 (25)
	Manufacturing sector total	175 (89)	4 (2)	18 (9)	197	101 (51)	36 (18)	60 (30)
Non-manufacture	Trading	31 (86)	(0)	5 (14)	36	16 (44)	4 (11)	16 (44)
	Retailer	9 (82)	1 (9)	1 (9)	11	5 (45)	3 (27)	3 (27)
	Finance/insurance/securities	7 (88)	(0)	1 (13)	8	4 (50)	1 (13)	3 (38)
	Construction/civil engineering	14 (74)	(0)	5 (26)	19	7 (37)	1 (5)	11 (58)
	Transportation/communication	12 (80)	(0)	3 (20)	15	7 (47)	2 (13)	6 (40)
	Others	31 (89)	(0)	4 (11)	35	15 (43)	8 (23)	12 (34)
	Non-manufacturing sector total	104 (84)	1 (1)	19 (15)	124	54 (44)	19 (15)	51 (41)
Total	279 (87)	5 (2)	37 (12)	321	155 (48)	55 (17)	111 (35)	

(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 2008 (from the previous year)

Unit: No. of firms and (%)

Industry		Profit	Balance	Loss	Total	Profit increase	No change	Profit decrease
Manufacture	Food	7 (54)	4 (31)	2 (15)	13	8 (62)	0 (0)	5 (38)
	Textile	9 (69)	2 (15)	2 (15)	13	8 (62)	3 (23)	2 (15)
	Chemical	20 (87)	0 (0)	3 (13)	23	8 (35)	8 (35)	7 (30)
	Steel/non-ferrous metal	28 (100)	0 (0)	0 (0)	28	11 (39)	10 (36)	7 (25)
	General machinery	9 (69)	3 (23)	1 (8)	13	2 (15)	4 (31)	7 (54)
	Electric/electronics machinery	31 (91)	2 (6)	1 (3)	34	7 (21)	5 (15)	22 (65)
	Transportation machinery	50 (94)	2 (4)	1 (2)	53	19 (36)	18 (34)	16 (30)
	Others	22 (92)	0 (0)	2 (8)	24	7 (29)	8 (33)	9 (38)
	Manufacturing sector total	176 (88)	13 (6)	12 (6)	201	70 (35)	56 (28)	75 (37)
Non-manufacture	Trading	33 (89)	1 (3)	3 (8)	37	15 (41)	9 (24)	13 (35)
	Retailer	9 (90)	0 (0)	1 (10)	10	5 (50)	2 (20)	3 (30)
	Finance/insurance/securities	8 (100)	0 (0)	0 (0)	8	4 (50)	1 (13)	3 (38)
	Construction/civil engineering	15 (79)	2 (11)	2 (11)	19	8 (42)	4 (21)	7 (37)
	Transportation/communication	13 (87)	1 (7)	1 (7)	15	6 (40)	4 (27)	5 (33)
	Others	30 (86)	1 (3)	4 (11)	35	11 (31)	11 (31)	13 (37)
	Non-manufacturing sector total	108 (87)	5 (4)	11 (9)	124	49 (40)	31 (25)	44 (35)
Total	284 (87)	18 (6)	23 (7)	325	119 (37)	87 (27)	119 (37)	

(Note) See table 3-1.

4. CAPITAL INVESTMENT (MANUFACTURING SECTOR)

The amount of planned capital investment (in the manufacturing sector) in 2008 plans to increase by 28.5 percent from 2007. In terms of the number of firms, reporting “increase” (70) is greater than “decrease” (49). (The total number of responding firms is 204.)

The transportation machinery and electric/ electronics machinery and other manufacturers plans to increase capital investment in 2007, whereas the planned capital investment in general machinery and food was decreased from 2007. (Table 4-1)

The predominant reason for capital investment was “replacement of equipment” in both 2007 and 2008, while the percentage of responding “new investment” increased in 2008. (Table 4-2 and Table 4-3)

(Table 4-1) Actual capital investment in 2007 and planned capital investment in 2008 (manufacturing sector)
Unit: million baht and (%)

Industry	2007	2008		No. of firms					Total
	Amount	Amount	Increase %	Increase	No change	Decrease	Undecided		
Food	557	539	-3.2	3 (23)	5 (38)	5 (38)	0 (0)	13	
Textile	1,169	1,180	1.0	3 (25)	4 (33)	4 (33)	1 (8)	12	
Chemical	1,830	2,190	19.7	8 (38)	6 (29)	4 (19)	3 (14)	21	
Steel/Non-ferrous metal	2,071	2,440	17.8	9 (36)	9 (36)	3 (12)	4 (16)	25	
General machinery	513	354	-31.0	4 (33)	3 (25)	3 (25)	2 (17)	12	
Electric/Electronics machinery	11,179	13,983	25.1	15 (44)	9 (26)	9 (26)	1 (3)	34	
Transportation machinery	21,486	30,699	42.9	21 (43)	15 (31)	13 (27)	0 (0)	49	
Others	4,766	4,616	-3.1	7 (30)	8 (35)	8 (35)	0 (0)	23	
Manufacturing sector total	43,571	56,001	28.5	70 (37)	59 (31)	49 (26)	11 (6)	189	

(Note) The figures in the above table show just totaling the data from corporations responding the questionnaire.
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 2007 (check all that apply)

Unit: No. of firms and (%)

Industry	New		Expansion		Replacement		Streamlining		Others		Total	Respond
	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)		
Food	5	(29)	1	(6)	8	(47)	3	(18)	0	(0)	17	12
Textile	5	(23)	6	(27)	8	(36)	3	(14)	0	(0)	22	13
Chemical	7	(22)	11	(34)	10	(31)	4	(13)	0	(0)	32	21
Steel/Non-ferrous metal	2	(6)	10	(30)	17	(52)	2	(6)	2	(6)	33	25
General machinery	2	(12)	6	(35)	5	(29)	2	(12)	2	(12)	17	13
Electric/Electronics machinery	14	(23)	15	(25)	16	(27)	15	(25)	0	(0)	60	33
Transportation machinery	24	(30)	24	(30)	21	(26)	11	(14)	1	(1)	81	51
Others	9	(23)	13	(33)	10	(26)	7	(18)	0	(0)	39	23
Manufacturing sector total	68	(23)	86	(29)	95	(32)	47	(16)	5	(2)	301	191

(Table 4-3) Details on planned capital investment in 2008 (check all that apply)

Unit: No. of firms and (%)

Industry	New		Expansion		Replacement		Streamlining		Others		Total	Respond
	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)		
Food	7	(37)	2	(11)	6	(32)	4	(21)	0	(0)	19	13
Textile	3	(18)	2	(12)	8	(47)	4	(24)	0	(0)	17	13
Chemical	8	(24)	13	(38)	10	(29)	2	(6)	1	(3)	34	23
Steel/Non-ferrous metal	9	(21)	9	(21)	16	(38)	6	(14)	2	(5)	42	27
General machinery	3	(18)	7	(41)	3	(18)	3	(18)	1	(6)	17	13
Electric/Electronics machinery	15	(25)	13	(21)	19	(31)	14	(23)	0	(0)	61	33
Transportation machinery	23	(26)	27	(31)	23	(26)	15	(17)	0	(0)	88	51
Others	13	(29)	13	(29)	10	(22)	9	(20)	0	(0)	45	23
Manufacturing sector total	81	(25)	86	(27)	95	(29)	57	(18)	4	(1)	323	196

5. PROBLEMS WITH CORPORATE MANAGEMENT

Regarding problems with corporate management (check 4 that apply), the predominant response was “hike in material prices (2nd rank in the previous survey)” (65 percent), followed by “excessive competition with competitors (2nd rank in the previous survey)” (50 percent) and “lack of human resources (4th rank in the previous survey)” (40 percent). It was confirmed that “lack of human resources” is one of the longstanding problems and concerns on labor-related problems (wage) which ranked the fifth (7th rank in the previous survey) have been increasing. (Table 5)

(Table 5) Problems with corporate management (check 4 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/electronic machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others		Total
2	1	Hike in material prices	12	10	22	24	12	32	47	19	178	19	5	1	13	8	11	57	235 (65)
1	2	Excessive competition with competitors	4	6	8	14	6	21	35	13	107	15	8	7	14	13	17	74	181 (50)
4	3	Lack of human resources	7	5	10	5	5	14	25	12	83	11	5	4	11	9	23	63	146 (40)
3	4	Foreign exchange fluctuation	9	10	9	12	6	21	23	15	105	18	3	0	1	4	8	34	139 (38)
7	5	Labor-related problems (wage)	1	3	5	4	2	9	13	14	51	6	1	0	4	2	5	18	69 (19)
5	6	Quality management	4	5	9	7	1	2	14	10	52	1	0	0	4	3	4	12	64 (18)
6	7	Job hopping of employee	2	3	5	1	3	5	4	6	29	6	2	2	4	2	8	24	53 (15)
13	8	Problems of tax, for example VAT and import duties	0	0	1	1	0	1	7	2	12	5	3	0	1	1	1	11	23 (6)
8	9	Difficulty in collecting money from customers	0	0	2	0	1	2	0	0	5	5	1	2	2	1	6	17	22 (6)
9	9	Transportation problems	2	2	1	4	0	1	0	2	12	3	3	0	1	3	0	10	22 (6)
9	11	Custom clearance procedure	0	0	0	1	0	1	4	1	7	6	1	0	0	3	2	12	19 (5)
15	12	Difficulty in procuring parts domestically	1	1	1	3	1	2	2	5	16	1	0	0	0	0	1	2	18 (5)
11	12	Excessive employment	0	2	2	1	0	3	2	4	14	1	0	0	2	0	1	4	18 (5)
11	14	Working permit and visa issuance	0	0	0	1	0	0	1	0	2	5	0	1	2	0	2	10	12 (3)
14	15	Expensive land and tenant	0	1	0	0	1	0	1	1	4	2	1	0	0	2	2	7	11 (3)
17	15	Problems of partners	1	0	1	0	0	2	1	0	5	0	1	0	1	2	2	6	11 (3)
15	17	Difficulty in obtaining financial support	0	1	0	0	0	0	1	0	2	1	0	1	1	0	1	4	6 (2)
18	18	Excessive capital investment	0	0	0	0	0	0	1	1	2	0	0	0	0	0	0	0	2 (1)
-	-	Others	0	0	0	0	0	0	0	0	0	0	0	2	3	1	1	7	7 (2)
Total			27	33	46	40	20	63	99	73	401	71	21	12	37	33	67	241	642
No. of firms			16	16	36	30	13	36	54	33	234	38	15	12	17	18	29	129	363 (100)

6. POTENTIAL FACTORS AFFECTING ON THE THAI ECONOMY

Regarding problems with potential factors affecting on the Thai economy within coming 1-2 years (check all that apply), the top two responses were still “hike in prices of oil and oil related materials” (67 percent) and “hike in material prices and cost including wages (inflation pressure)” (64 percent), followed by “hike in prices of steel, raw materials and intermediate goods (except oil and oil related materials)” (6th → 3rd) and “exchange rate fluctuation e.g. rising baht price” (3rd → 4th) (40 percent). The response significantly advancing the ranking this time is “expansion and long-term retention of bird flu” (13th → 8th). (Table 6)

(Table 6) Potential factors affecting on the Thai economy (check all that apply)

Unit: No. of respondent, in () percentage to total firms (%)

Previous time	This time		Manufacture								Non-manufacture							Grand total	
			Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronic machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others		Total
1	1	Hike in prices of oil and oil related materials	9	9	20	18	9	28	44	2	139	27	10	4	11	13	20	85	224 (67)
2	2	Hike in material prices and cost including wages (inflation pressure) (Note)	13	9	13	21	12	30	36	6	140	18	10	4	12	8	22	74	214 (64)
6	3	Hike in prices of steel, raw materials and intermediate goods (except oil and oil related materials)	3	4	7	25	12	30	40	0	121	17	1	3	16	1	10	48	169 (51)
3	4	Exchange rate fluctuation e.g. rising baht price	8	10	9	13	5	22	17	8	92	19	4	4	4	5	4	40	132 (40)
5	5	Suffer from consumption and investment from Thai economic stagnation	1	3	4	7	3	10	15	0	43	10	4	5	5	5	12	41	84 (25)
7	6	Economic stagnation from Japan, US or EU	2	6	5	7	3	13	15	2	53	11	0	1	4	5	5	26	79 (24)
3	7	Long-term retention of political turmoil	3	2	4	8	3	11	9	0	40	9	2	2	5	4	12	34	74 (22)
13	8	Expansion and long-term retention of bird flu	1	0	2	2	1	4	6	0	16	4	1	2	1	1	3	12	28 (8)
8	9	Restriction on investment ratio	2	0	2	0	0	2	1	0	7	8	1	1	3	2	5	20	27 (8)
9	10	Working permit and visa issuance	0	0	1	0	0	0	0	0	1	4	1	1	4	2	4	16	17 (5)
13	11	Stagnation in Chinese economy	1	0	1	1	0	0	4	0	7	2	0	0	0	2	2	6	13 (4)
15	12	Environmental problems	1	2	2	1	0	0	0	0	6	1	1	1	1	0	0	4	10 (3)
10	13	Consumption and investment stagnation from high interest rate	0	0	0	2	0	0	1	0	3	0	1	4	0	0	1	6	9 (3)
12	14	Bad agricultural produce from draught and flood	3	0	0	0	1	1	0	0	5	0	0	0	0	0	2	2	7 (2)
15	15	No issue in particular	0	0	2	0	0	0	0	0	2	0	0	0	0	1	0	1	3 (1)
11	16	Business and consumption stagnation from South Siam district conflict	0	0	1	0	0	0	0	0	1	0	0	0	0	0	1	1	2 (1)
17	17	Inadequate supply of industrial water	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	1	0	1	0	0	0	0	1	1	2	3 (1)
Total			47	45	72	105	49	151	188	18	675	130	36	32	66	49	102	415	488
No. of firms			13	13	23	28	14	35	54	24	204	39	11	8	19	17	35	129	333 (100)

(Note) The material prices and cost including wages exclude oil and oil related materials as well as steel, raw materials and intermediate goods (except oil and oil related materials).

7. PROCUREMENT DESTINATION OF PARTS/ MATERIAL (MANUFACTURING SECTOR)

The ratio of procurement destination in 2007 (simple average of respondents) was 61.7 percent for ASEAN, including 54.1 percent for Thailand. (Table 7-1)

Regarding the ratio of planned procurement destination in 2008, the percentage of Thailand and Japan slightly rose, compared to those of 2007. (Table 7-2)

(Table 7-1) Suppliers of parts and materials in 2007

		ASEAN			Japan	Others	Total	No. of firms
Industry			Thailand	ASEAN (except Thailand)				
Manufacturing sector	Food	78.6	73.8	4.8	11.6	9.9	100.0	13
	Textile	78.8	68.2	10.6	12.3	8.9	100.0	13
	Chemical	63.5	54.7	8.8	31.8	4.8	100.0	20
	Steel/Non-ferrous metal	48.2	38.8	9.3	33.5	18.3	100.0	26
	General machinery	53.4	49.8	3.6	31.1	15.5	100.0	10
	Electric/Electronics machinery	57.6	47.1	10.6	32.8	9.6	100.0	33
	Transportation machinery	57.7	54.3	3.4	39.8	2.5	100.0	51
	Others	55.8	45.7	10.1	39.8	4.4	100.0	23
	Manufacturing average	61.7	54.1	7.6	29.1	9.2	100.0	189

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

(Table 7-2) Planned suppliers of parts and materials in 2008

		ASEAN			Japan	Others	Total	No. of firms
Industry			Thailand	ASEAN (except Thailand)				
Manufacturing sector	Food	78.7	73.9	4.8	10.8	10.5	100.0	13
	Textile	78.8	67.9	10.8	13.9	7.3	100.0	13
	Chemical	64.7	56.6	8.1	30.4	5.0	100.0	20
	Steel/Non-ferrous metal	44.0	38.8	5.2	36.1	19.8	100.0	26
	General machinery	54.3	49.5	4.8	32.1	13.6	100.0	10
	Electric/Electronics machinery	58.9	55.3	3.6	39.1	2.1	100.0	50
	Transportation machinery	58.9	55.3	3.6	39.1	2.1	100.0	50
	Others	55.7	45.6	10.1	39.4	4.9	100.0	23
	Manufacturing average	61.7	55.3	6.4	30.1	8.1	100.0	205

(Note) See Table 7-1.

8. EXPORT TREND IN 2008 (MANUFACTURING SECTOR)

The percentage of the firms reporting an "increase" in their export accounted for 36 percent in the first half of 2008, 37% for the second half of 2008, and 43 percent in the whole year of 2008. (Table 8-1, Table 8-2 and Table 8-3)

In food and chemical industries, more than 50% of the firms reported an "increase" in their export in the whole year of 2008.

(Table 8-1) Export in 2008 (the first half)

Unit: No. of firms and (%)

Industry	The first half of 2008									
	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 (50)	2 (17)	2 (17)	2 (17)	3 (25)	3 (25)	1 (8)	2 (17)	0 (0)	12
Textile	5 (42)	1 (8)	1 (8)	3 (25)	3 (25)	4 (33)	4 (33)	0 (0)	0 (0)	12
Chemical	9 (39)	1 (4)	2 (9)	6 (26)	12 (52)	2 (9)	1 (4)	1 (4)	0 (0)	23
Steel/Non-ferrous metal	8 (31)	0 (0)	4 (15)	4 (15)	15 (58)	3 (12)	0 (0)	2 (8)	1 (4)	26
General machinery	3 (25)	0 (0)	0 (0)	3 (25)	3 (25)	6 (50)	4 (33)	2 (17)	0 (0)	12
Electric/Electronics machinery	13 (37)	2 (6)	4 (11)	7 (20)	12 (34)	10 (29)	6 (17)	2 (6)	2 (6)	35
Transportation machinery	17 (35)	3 (6)	1 (2)	13 (27)	26 (53)	6 (12)	3 (6)	1 (2)	2 (4)	49
Others	10 (43)	1 (4)	0 (0)	7 (30)	10 (43)	5 (22)	3 (13)	0 (0)	2 (9)	23
Manufacturing sector total	69 (36)	10 (5)	14 (7)	45 (23)	84 (44)	39 (20)	22 (11)	10 (5)	7 (4)	192

(Table 8-2) Export in 2008 (the second half)

Unit: No. of firms and (%)

Industry	The second half of 2008									
	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	5 (50)	2 (20)	0 (0)	3 (30)	3 (30)	2 (20)	1 (10)	1 (10)	0 (0)	10
Textile	4 (33)	1 (8)	1 (8)	2 (17)	6 (50)	2 (17)	2 (17)	0 (0)	0 (0)	12
Chemical	13 (57)	0 (0)	2 (9)	11 (48)	9 (39)	1 (4)	1 (4)	0 (0)	0 (0)	23
Steel/Non-ferrous metal	6 (23)	1 (4)	3 (12)	2 (8)	14 (54)	6 (23)	1 (4)	3 (12)	2 (8)	26
General machinery	12 (34)	0 (0)	5 (14)	7 (20)	16 (46)	7 (20)	2 (6)	3 (9)	2 (6)	35
Electric/Electronics machinery	12 (34)	0 (0)	5 (14)	7 (20)	16 (46)	7 (20)	2 (6)	3 (9)	2 (6)	35
Transportation machinery	21 (42)	5 (10)	4 (8)	12 (24)	22 (44)	7 (14)	5 (10)	1 (2)	1 (2)	50
Others	10 (43)	0 (0)	2 (9)	4 (17)	12 (52)	5 (22)	3 (13)	0 (0)	2 (9)	23
Manufacturing sector total	79 (37)	9 (4)	22 (10)	48 (22)	98 (46)	37 (17)	17 (8)	11 (5)	9 (4)	214

(Table 8-3) Export in 2008 (the whole year)

Unit: No. of firms and (%)

Industry	The year 2008									
	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	8 (62)	3 (23)	1 (8)	4 (31)	3 (23)	2 (15)	1 (8)	1 (8)	0 (0)	13
Textile	5 (42)	1 (8)	1 (8)	3 (25)	3 (25)	4 (33)	3 (25)	0 (0)	1 (8)	12
Chemical	12 (52)	0 (0)	3 (13)	9 (39)	9 (39)	2 (9)	2 (9)	0 (0)	0 (0)	23
Steel/Non-ferrous metal	7 (27)	1 (4)	3 (12)	3 (12)	12 (46)	7 (27)	3 (12)	2 (8)	2 (8)	26
General machinery	3 (25)	0 (0)	0 (0)	3 (25)	4 (33)	5 (42)	3 (25)	2 (17)	0 (0)	12
Electric/Electronics machinery	16 (46)	1 (3)	5 (14)	10 (29)	11 (31)	8 (23)	4 (11)	2 (6)	2 (6)	35
Transportation machinery	23 (47)	5 (10)	3 (6)	15 (31)	19 (39)	7 (14)	5 (10)	1 (2)	1 (2)	49
Others	10 (43)	0 (0)	2 (9)	7 (30)	8 (35)	6 (26)	4 (17)	0 (0)	2 (9)	23
Manufacturing sector total	83 (43)	11 (6)	18 (9)	54 (28)	69 (36)	41 (21)	25 (13)	8 (4)	8 (4)	193

9. PROSPECTIVE MARKET IN THE FUTURE (MANUFACTURING SECTOR)

For the prospective market in the future (check all that apply), “India” (32 percent) rose to the 1st rank from the 4th rank in the previous survey. The other predominant responses were “ASEAN (Vietnam, Cambodia, Laos, and Myanmar are excluded.)” (31 percent), “Japan” (25 percent) and “Vietnam” (24 percent). (Table 9)

(Table 9) Prospective market in the future (check all that apply)

Unit: No. of firms and (%)

Industry		India	ASEAN	Japan	Vietnam	Europe	China	Middle East	USA	Oceania	CLM	Others	Total	No. of firms
Manufacture	Food	1 (8)	3 (23)	5 (38)	0 (0)	6 (46)	0 (0)	1 (8)	3 (23)	2 (15)	0 (0)	2 (15)	23	13
	Textile	3 (25)	2 (17)	6 (50)	2 (17)	5 (42)	0 (0)	2 (17)	0 (0)	0 (0)	2 (17)	1 (8)	23	12
	Chemical	12 (55)	6 (27)	4 (18)	7 (32)	3 (14)	2 (9)	0 (0)	1 (5)	2 (9)	0 (0)	1 (5)	38	22
	Steel/ non-ferrous metal	7 (30)	8 (35)	5 (22)	5 (22)	4 (17)	1 (4)	3 (13)	1 (4)	0 (0)	2 (9)	2 (9)	38	23
	General machinery	5 (45)	4 (36)	1 (9)	4 (36)	0 (0)	1 (9)	1 (9)	0 (0)	0 (0)	2 (18)	1 (9)	19	11
	Electric/ electronics machinery	9 (26)	13 (38)	6 (18)	10 (29)	4 (12)	7 (21)	7 (21)	3 (9)	4 (12)	2 (6)	1 (3)	66	34
	Transportation machinery	15 (31)	14 (29)	14 (29)	14 (29)	3 (6)	7 (14)	5 (10)	6 (12)	2 (4)	0 (0)	2 (4)	82	49
	Others	8 (36)	7 (32)	5 (23)	2 (9)	4 (18)	6 (27)	3 (14)	1 (5)	0 (0)	0 (0)	0 (0)	36	22
	Manufacturing sector total	60 (32)	57 (31)	46 (25)	44 (24)	29 (16)	24 (13)	22 (12)	15 (8)	10 (5)	8 (4)	10 (5)	325	186
This time		1	2	3	4	5	6	7	8	9	10	-		
Previous time		4	1	3	2	5	6	8	7	9	10	-		

(Note) 1. Vietnam, Cambodia, Laos, and Myanmar are excluded from ASEAN.

2. CLM stands for Cambodia, Laos, and Myanmar.

10. ASEAN-JAPAN COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT (AJCEP)

(1) Effective FTAs/EPAs where Thailand involved (check all that apply)

Half of the firms answered that Japan-Thailand Economic Partnership Agreement (JTEPA) concluded last year was effective, followed by ASEAN Free Trade Area (AFTA) (24 percent). AJCEP, which has not been concluded yet, ranked the 3rd (15 percent) with a certain level of anticipation.

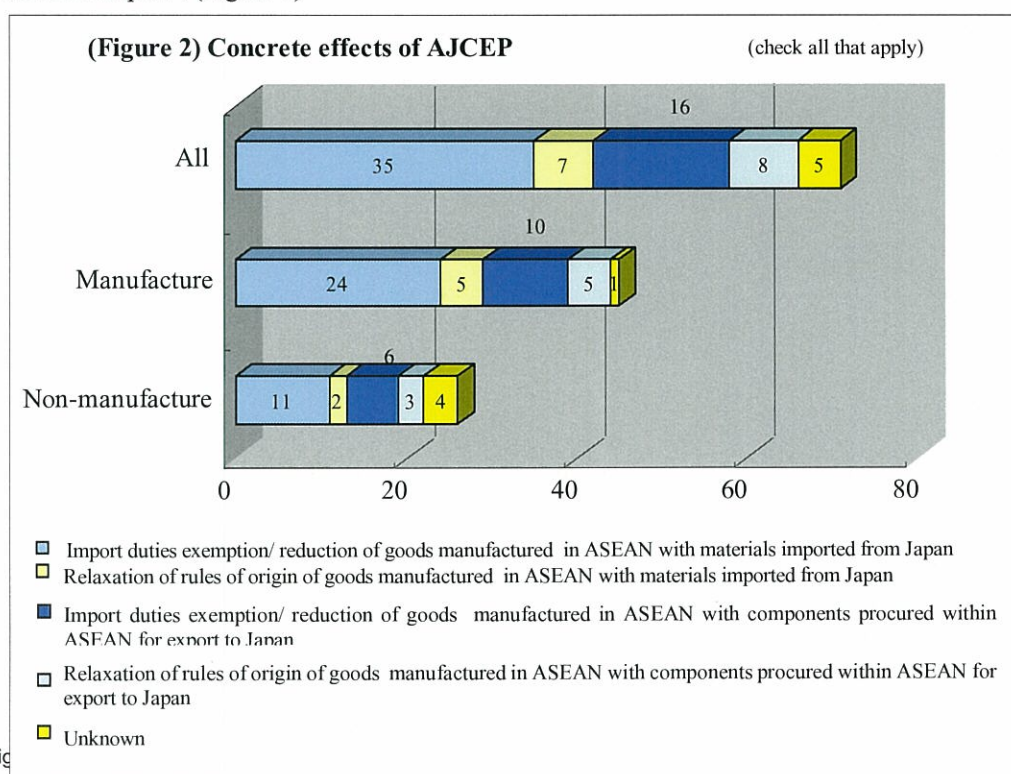
(Table 10) Effective FTAs/EPAs where Thailand involved

Unit: No. of firms and (%)

Industry		JTEPA	Thailand-Australia FTA	Thailand-NZ FTA	Thailand-India FTA	AFTA	ASEAN-China FTA	AJCEP	Nothing in particular	No. of firms
Manufacture	Food	5 (45)	2 (18)	1 (9)	0 (0)	1 (9)	0 (0)	2 (18)	4 (36)	11
	Textile	8 (67)	0 (0)	0 (0)	2 (17)	3 (25)	0 (0)	4 (33)	1 (8)	12
	Chemical	9 (45)	0 (0)	0 (0)	2 (10)	3 (15)	2 (10)	2 (10)	8 (40)	20
	Steel/non-ferrous metal	17 (61)	2 (7)	0 (0)	2 (7)	1 (4)	0 (0)	2 (7)	9 (32)	28
	General machinery	8 (62)	1 (8)	0 (0)	3 (23)	3 (23)	0 (0)	1 (8)	2 (15)	13
	Electric/electronics machinery	13 (39)	1 (3)	0 (0)	1 (3)	6 (18)	0 (0)	3 (9)	15 (45)	33
	Transportation machinery	28 (62)	4 (9)	2 (4)	6 (13)	22 (49)	1 (2)	14 (31)	9 (20)	45
	Others	7 (26)	1 (4)	0 (0)	3 (11)	9 (33)	1 (4)	1 (4)	11 (41)	27
Manufacturing sector total		95 (50)	11 (6)	3 (2)	19 (10)	48 (25)	4 (2)	29 (15)	59 (31)	189
Non-manufacture	Trading	23 (64)	1 (3)	0 (0)	7 (19)	11 (31)	2 (6)	12 (33)	5 (14)	36
	Retailer	6 (60)	1 (10)	0 (0)	2 (20)	5 (50)	3 (30)	1 (10)	2 (20)	10
	Finance/insurance/securities	1 (14)	1 (14)	0 (0)	0 (0)	0 (0)	0 (0)	1 (14)	5 (71)	7
	Construction/civil engineering	4 (24)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	13 (76)	17
	Transportation/communication	10 (77)	1 (8)	0 (0)	3 (23)	4 (31)	0 (0)	1 (8)	3 (23)	13
	Others	14 (41)	0 (0)	0 (0)	0 (0)	4 (12)	0 (0)	3 (9)	16 (47)	34
Non-manufacturing sector total		58 (50)	4 (3)	0 (0)	12 (10)	24 (21)	5 (4)	18 (15)	44 (38)	117
Total		153 (50)	15 (5)	3 (1)	31 (10)	72 (24)	9 (3)	47 (15)	103 (34)	306

(2) Concrete effects of AJCEP (check all that apply)

The predominant response was “import duties exemption/ reduction of goods manufactured in ASEAN with materials imported from Japan”. (Figure 2)



11. IMPACTS OF US SUBPRIME CRISIS (check all that apply)

Most firms answered “no impact in particular” (65 percent), whereas concerns on decreased export to USA were found in the electric/ electronics machinery industry.

(Table 11) Impacts of US subprime crisis (check all that apply)

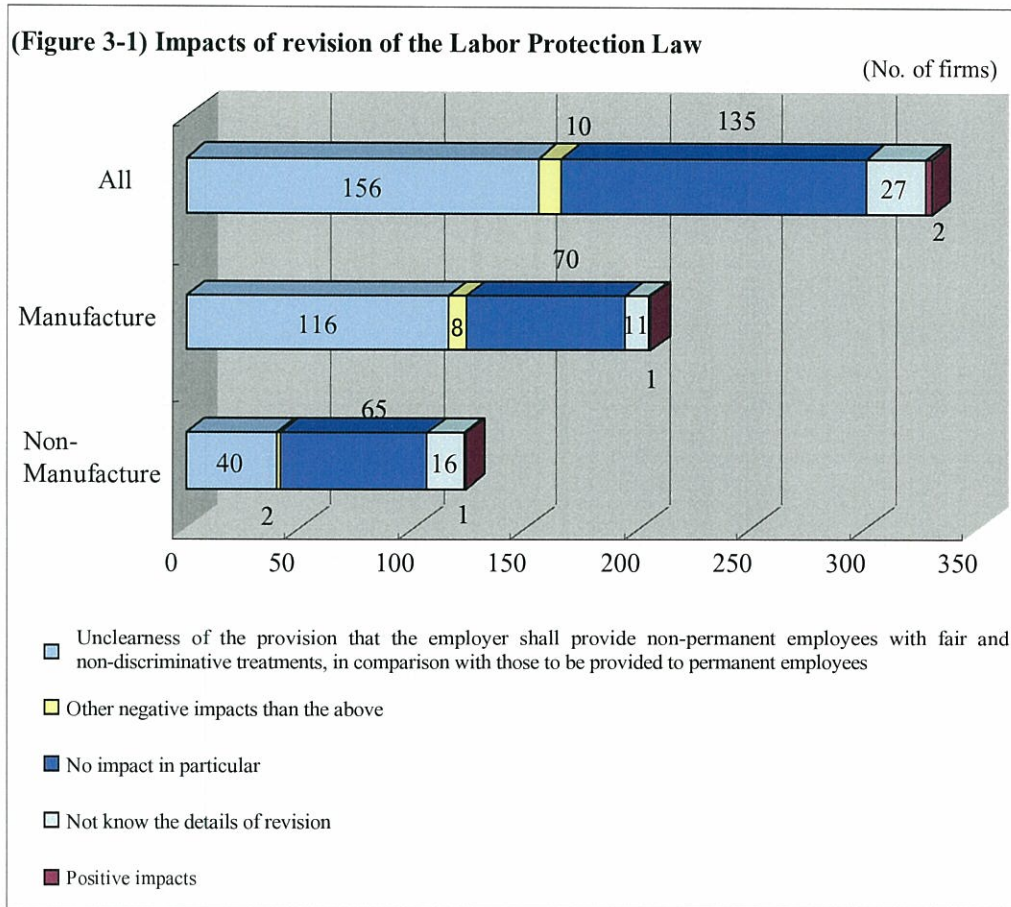
Unit: No. of firms and (%)

	Manufacture									Non-manufacture							Grand total
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronic machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others	Total	
Decrease in export to US due to slowing US housing market	0	0	1	3	1	3	0	0	8	3	0	0	0	5	0	8	16 (5)
Decrease in export to US due to consumption stagnation in US	0	4	1	3	3	12	8	5	36	6	1	1	1	9	0	18	54 (17)
Negative impact on business due to decrease in investment from overseas real estate enterprises, or investment fund to Thai real estate market	0	0	0	0	0	2	0	0	2	0	1	0	1	0	1	3	5 (2)
Difficulty in financing from Thai financial institutions	0	1	1	0	0	0	1	0	3	1	0	2	0	1	1	5	8 (3)
Decrease in demand by adverse assets effect arising from global drop in stock price	1	1	2	2	1	6	5	1	19	7	2	1	2	2	3	17	36 (12)
No impact in particular	10	5	15	17	10	13	38	16	124	21	7	5	12	5	28	78	202 (65)
Others	3	1	3	1	0	4	0	0	12	2	0	0	2	0	0	4	16 (5)
Total	14	12	23	26	15	40	52	22	204	40	11	9	18	22	33	133	337
No. of firms	13	11	22	25	14	34	52	22	193	36	11	8	18	16	31	120	313 (100)

12. IMPACTS OF `REVISION OF THE LABOR PROTECTION LAW

(1) Impacts of revision of the Labor Protection Law

Almost half of the firms answered “unclearness of the provision that the employer shall provide non-permanent employees with fair and non-discriminative treatments, in comparison with those to be provided to permanent employees” (156 firms), which is greater than the firms answered “no impact in particular” (135 firms). (Figure 3-1)



(2) Concrete impacts of revision of the Labor Protection Law (check all that apply)

Almost half of the firms answered “increase in labor cost, which include “impact is within the acceptable level” (49 firms) (30 percent), “deterioration in profit is concerned” (47 firms) (28 percent) and “it is likely to have difficulty in carrying on business” (5 firms) (3 percent). Another predominant response was “difficulty to retain consistent working conditions between permanent employees and non-permanent employees due to different capability” (37 firms) (22 percent). (Table 12)

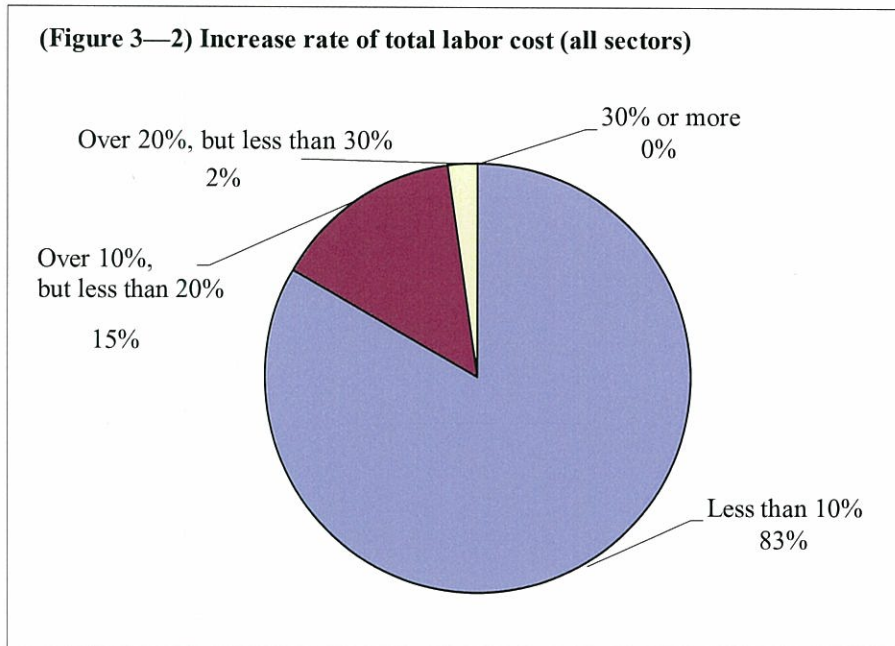
(Table 12) Concrete effects of revision of the Labor Protection Law (check all that apply)

Unit: No. of firms and (%)

	Manufacture								Non-manufacture							Grand total	
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronic machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others		Total
Increase in labor cost, but no or insignificant impact	0	0	3	1	0	6	8	3	21	6	2	2	2	1	4	17	38 (23)
Increase in labor cost, but impact is within the acceptable level	0	0	5	9	2	7	14	1	38	3	1	1	2	1	3	11	49 (30)
Increase in labor cost, and deterioration in profit is concerned	2	2	3	5	2	9	12	6	41	2	1	0	0	3	0	6	47 (28)
Increase in labor cost, and it is likely to have difficulty in carrying on business	0	0	0	2	0	1	0	2	5	0	0	0	0	0	0	0	5 (3)
Labor dispute e.g. request from non-permanent employees to improve working conditions	1	0	1	2	0	5	5	0	14	1	1	0	0	3	2	7	21 (13)
difficulty to retain consistent working conditions between permanent employees and non-permanent employees due to different capability	2	0	6	2	2	4	8	1	25	3	0	2	1	2	4	12	37 (22)
Deterioration in motivation of permanent employees	0	0	3	2	0	5	3	1	14	1	1	0	0	1	1	4	18 (11)
Others	0	0	0	1	0	1	0	0	2	0	0	0	0	1	0	1	3 (2)
Total	5	2	21	24	6	38	50	14	160	16	6	5	5	12	14	58	218
No. of firms	5	2	16	20	5	24	37	11	120	13	5	5	4	8	11	46	166 (100)

(3) Increase rate of total labor cost

As regards the increase rate of total labor cost due to revision of the Labor Protection Law, most of the firms answered “less than 10%” (83 percent). (Figure 3-2)



13. POLICY OF THE NEW GOVERNMENT

(1) Policy of the new government contributing to the business (check all that apply)

The predominant response was “withdrawal of revision of the Foreign Business Act to regulate foreign-invested firms” (173 firms) (55 percent), followed by “economic stimulus policy through tax relief treatment (personal income tax and corporate income tax)” (167 firms) (54 percent) and “various inflation control policies” (123 firms) (39 percent). (Table 13-1)

(Table 13-1) Policy of the new government contributing to the business (check all that apply)

Unit: No. of firms and (%)

	Manufacture									Non-manufacture							Grand total
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronic machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others	Total	
Cancellation of 30% reserve requirement	3	3	0	0	3	7	8	4	28	11	0	4	2	3	7	27	55 (18)
Economic stimulus policy through tax relief treatment (personal income tax and corporate income tax)	5	10	12	18	3	15	33	14	110	13	8	6	8	7	15	57	167 (54)
Various inflation control policies	9	4	7	10	8	16	21	13	88	9	4	1	5	7	9	35	123 (39)
2 nd expansion plan of Suvarnabhumi Airport	0	0	1	4	0	2	1	1	9	3	1	1	3	7	4	19	28 (9)
Retention of official rate (i.e. overnight repurchase rate)	3	6	10	7	2	7	4	2	41	7	2	5	2	0	3	19	60 (19)
Mass transit system project in Bangkok	0	1	1	5	0	4	2	4	17	4	0	3	5	1	3	16	33 (11)
Withdrawal of revision of Foreign Business Act to regulate foreign-invested firms	2	2	6	5	43	13	18	7	96	22	8	6	11	8	22	77	173 (55)
Others	1	0	0	4	0	0	0	0	5	0	0	0	1	0	0	1	6 (2)
Total	23	26	37	53	59	64	87	45	394	69	23	26	37	33	63	251	645
No. of firms	13	12	21	28	12	33	48	23	190	36	11	8	19	16	32	122	312 (100)

(2) Important future policy (check 3 that apply)

The predominant response was “improvement of education and human resource development” (227 firms) (70 percent), followed by “high-quality infrastructure contributing to balanced national growth (e.g. expansion of electric train route, shift to double track and streamlining of highway route)” (207 firms) (64 percent) and “promotion of broad economic policy with target of establishment of Asian Community or economic integration in East Asia” (118 firms) (36 percent). (Table 13-2)

(Table 13-2) Important future policy (check 3 that apply)

Unit: No. of firms and (%)

	Manufacture									Non-manufacture						Grand total	
	Food	Textile	Chemical	Steel/non-ferrous metals	General machinery	Electric/electronic machinery	Transportation machinery	Others	Total	Trading	Retailer	Finance/insurance/securities	Construction/civil engineering	Transportation/communication	Others		Total
High-quality infrastructure contributing to balanced national growth (e.g. expansion of electric train route, shift to double track and streamlining of highway route)	7	8	13	18	9	27	34	13	129	24	8	7	14	9	16	78	207 (64)
Reinforcement of related functions to become “hub in East Asia” (e.g. Suvarnabhumi Airport)	0	1	0	4	1	4	2	4	16	1	1	0	1	7	3	13	29 (9)
Rural policy (e.g. irrigation system development)	5	1	17	7	2	3	7	2	44	4	1	1	1	3	4	14	58 (18)
Improvement of education and human resource development	8	9	6	21	9	26	39	22	140	27	9	6	14	9	22	87	227 (70)
Reinforcement and enhancement of social security/insurance system	3	4	7	4	5	4	11	12	50	7	4	1	4	3	8	27	77 (24)
Elimination of social gap	4	3	7	9	2	12	16	6	59	6	4	3	4	2	10	29	88 (27)
Promotion of broad economic policy with target of establishment of Asian Community or economic integration in East Asia	5	6	8	8	4	14	19	4	68	21	3	3	5	7	11	50	118 (36)
Others	1	1	0	1	0	1	1	0	5	0	0	0	3	2	2	7	12 (4)
Total	33	33	58	72	32	91	129	63	511	90	30	21	46	42	76	305	816
No. of firms	13	12	23	29	14	36	51	23	201	35	11	8	19	17	34	124	325 (100)