

Survey of Business Sentiment on Japanese Corporations in Thailand
for the Spring of 2009

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Survey of Business Sentiment on Japanese Corporations in Thailand for spring of 2009

JCC Economic Survey Team

Survey Period

Questionnaire requesting date May 26, 2009
Questionnaire response deadline June 26, 2009

Questionnaires response

This questionnaire was handed out to
1,291 JCC member corporations.
(Thirteen governmental organizations are excluded.)

No. of firms responding this questionnaire
349 corporations

The percentage of response
27.0 percent

No. of firms

Industry		No.
Manufacture	Food	19
	Textile	12
	Chemical	34
	Steel/ non-ferrous metal	29
	General machinery	14
	Electric/ electronics machinery	43
	Transportation machinery	46
	Others	30
	Manufacturing sector total	227
Non-manufacture	Trading	36
	Retailer	13
	Finance/ insurance/ securities	12
	Construction/ civil engineering	16
	Transportation/ communication	18
	Others	27
	Non- manufacturing sector total	122
Total		349

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 2008 to the second half of 2009, the target period of this survey, business sentiment turned to be “deteriorating” in the second half of 2008, and continuously “deteriorating” in the first half of 2009. However, business it turned to be “improving” in the second half of 2009. (Table 1-1)

(Table 1-1) Business Sentiment

Unit: percent

	Past Surveys										Survey this time		
	Result								Forecast		Result		Forecast
	04S	05F	05S	06F	06S	07F	07S	08F	08S	09F	08S	09F	09S
Improving	64	56	58	49	37	39	49	57	20	12	21	15	50
No change	17	20	18	27	25	30	27	23	20	17	15	17	23
Deteriorating	19	24	24	24	38	31	24	20	59	71	65	68	26
(Ref) DI	45	32	34	25	-1	8	25	37	-39	-59	-44	-53	24

(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 second half of 2008 (July – December)

The percentage of the firms reporting that business sentiment was “improving” decreased to 21 percent from the previous term (57 percent), whereas that reporting “deteriorating” was increasing to 65 percent from the previous term (20 percent). As a result, diffusion Index (DI), which is the balance between “improving” and “deteriorating”, was calculated at -44 percent, minus 81 points from the previous term (+37 percent). The overall DI has shown a negative figure for the first time in the past four times. (Table 1-1)

In the manufacturing sector, DIs turned to be “deteriorating” in all industries except the food industry where the improvement seed increased. As a result, DIs in the manufacturing sector were decreasing to -46 from the previous term (+38). For the non-manufacturing sector, DIs turned to be “deteriorating” in all industries, and then the overall DI was decreasing to -39 from the previous term (+35). (Table 1-2)

(3) The first half of 2009 (January – June)

The percentage of the firms reporting that business performance are “improving” decreased to 15 percent from the previous term (21 percent), whereas the percentage of the firms reporting “deteriorating” increased to 68 percent from the previous term (65 percent). As a result, DI of -53 fell by 9 points from the previous term (-44). (Table 1-1)

In the manufacturing sector, decreased deterioration in chemical, general machinery and electric/ electronics machinery was offset by no improvement in food and increased deterioration in transportation machinery. As a result, the overall DI

of -54 was lower than the previous period (-46). In the non-manufacturing sector, decreased deterioration in trading and retailer was offset by significantly increased deterioration in construction/ civil engineering. As a result, the overall DI of -50 was also lower than the previous period (-39). (Table 1-2)

(4) The second half of 2009 (July – December)

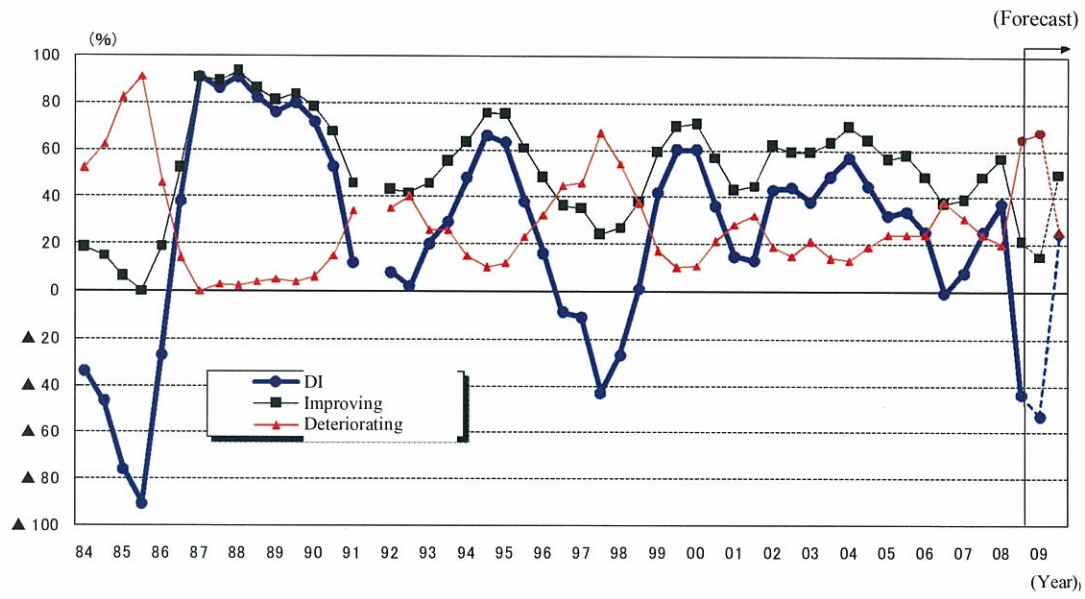
The percentage of the firms reporting that business performance was “improving” was increasing by 35 points to 50 percent from the previous term (15 percent), whereas the percentage of the firms reporting “deteriorating” fell by 42 points to 26 percent from the previous term (68 percent). As a result, the overall DI turned to be a positive figure of +24 after several terms of negative figures. (Table 1-1)

In the manufacturing sector, DIs turned to be “improving” in almost all industries turned and the improvement seed increased in electric/ electronics machinery. As a result, DI in the manufacturing sector increased to +31 from the previous period (-54). In the non-manufacturing sector, DIs turned to be “improving” in almost all industries turned and the improvement seed increased in construction/ civil engineering and transportation/ communication. As a result, DI in the non-manufacturing sector rose to +12 from the previous period (-50). (Table 1-2)

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

Industry		Past Surveys								Survey this time		
		Result						Forecast		Result		Forecast
		05S	06F	06S	07F	07S	08F	08S	09F	08S	09F	09S
Manufacture	Food	26	0	-20	-37	-15	13	-6	-19	27	0	48
	Textile	27	0	-8	-25	15	33	-7	-33	-28	-50	50
	Chemical	28	18	16	11	48	44	-73	-60	-62	-32	41
	Steel/ non-ferrous metal	-32	23	19	13	21	58	-55	-62	-70	-79	48
	General machinery	46	13	-20	0	-15	25	-32	-53	-50	-43	0
	Electric/ electronics machinery	24	3	-24	-3	11	18	-63	-62	-55	-53	-7
	Transportation machinery	49	23	6	24	53	55	-39	-77	-46	-85	36
	Others	35	40	16	15	41	39	-39	-67	-45	-53	47
	Manufacturing sector total	27	19	2	6	28	38	-44	-60	-46	-54	31
Non-manufacture	Trading	61	60	-22	5	28	68	-47	-53	-57	-31	22
	Retailer	59	-38	-30	7	60	75	-46	-83	-16	-15	47
	Finance/ insurance/ securities	29	50	25	33	0	10	-20	-60	-33	-42	0
	Construction/ civil engineering	66	48	0	-5	11	4	-29	-68	-25	-94	-43
	Transportation/ communication	-5	9	-16	-5	0	32	-32	-78	-67	-67	-5
	Others	50	24	18	25	18	16	0	-24	-20	-56	34
	Non-manufacturing sector total	45	35	-5	9	19	35	-28	-58	-39	-50	12
Total	34	25	-13	1	18	37	-39	-59	-44	-53	24	

(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 2008 fell by 5 points to 56 percent from the previous year (61 percent). (At the time of the previous survey, the forecast for 2008 had been 64 percent.) The percentage of the firms reporting a “more than 20% increase” in their total sales remains unchanged from the previous year (14 percent). (Table 2-1 and Table 2-2)

Regarding sales forecast for 2009, the firms anticipating an “increase” in their total sales fell by 37 points to 19 percent from the previous period, and the percentage of the firms anticipating a “more than 20% increase” in their total sales fell by 11 points, from 14 percent in the previous period to 3 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		Forecast		
	01	02	03	04	05	06	07	08	09	08	09
Sales Increase	64	74	80	82	73	65	61	64	28	56	19
Sales increase more than 20%	20	32	31	44	27	17	14	15	6	14	3

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

(Table 2-2) Sales 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	13 (68)	4 (21)	4 (21)	5 (26)	2 (11)	4 (21)	3 (16)	1 (5)	0 (0)
	Textile	6 (55)	1 (9)	3 (27)	2 (18)	2 (18)	3 (27)	1 (9)	2 (18)	0 (0)
	Chemical	21 (62)	1 (3)	9 (26)	11 (32)	3 (9)	10 (29)	5 (15)	5 (15)	0 (0)
	Steel/non-ferrous metal	16 (62)	4 (15)	5 (19)	7 (27)	2 (8)	8 (31)	3 (12)	1 (4)	4 (15)
	General machinery	6 (43)	2 (14)	2 (14)	2 (14)	0 (0)	8 (57)	5 (36)	3 (21)	0 (0)
	Electric/electronics machinery	13 (32)	3 (7)	4 (10)	6 (15)	8 (20)	20 (49)	8 (20)	7 (17)	5 (12)
	Transportation machinery	32 (70)	7 (15)	13 (28)	12 (26)	4 (9)	10 (22)	5 (11)	2 (4)	3 (7)
	Others	18 (60)	5 (17)	6 (20)	7 (23)	0 (0)	12 (40)	6 (20)	3 (10)	3 (10)
Manufacturing sector total	125 (57)	27 (12)	46 (21)	52 (24)	21 (10)	75 (34)	36 (16)	24 (11)	15 (7)	
Non-manufacture	Trading	18 (51)	6 (17)	5 (14)	7 (20)	4 (11)	13 (37)	4 (11)	4 (11)	5 (14)
	Retailer	10 (77)	1 (8)	5 (38)	4 (31)	1 (8)	2 (15)	1 (8)	1 (8)	0 (0)
	Finance/insurance/securities	7 (88)	1 (13)	3 (38)	3 (38)	0 (0)	1 (13)	0 (0)	1 (13)	0 (0)
	Construction/civil engineering	6 (38)	3 (19)	2 (13)	1 (6)	3 (19)	7 (44)	2 (13)	3 (19)	2 (13)
	Transportation/communication	9 (56)	4 (25)	4 (25)	1 (6)	0 (0)	7 (44)	3 (19)	4 (25)	0 (0)
	Others	13 (54)	3 (13)	5 (21)	5 (21)	2 (8)	9 (38)	6 (25)	1 (4)	2 (8)
Non-manufacturing sector total	63 (56)	18 (16)	24 (21)	21 (19)	10 (9)	39 (35)	16 (14)	14 (13)	9 (8)	
Total	188 (56)	45 (14)	70 (21)	73 (22)	31 (9)	114 (34)	52 (16)	38 (11)	24 (7)	

(Table 2-3) Sales forecast in 2009 (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	10 (53)	2 (11)	4 (21)	4 (21)	1 (5)	8 (42)	4 (21)	2 (11)	2 (11)	
Textile	4 (36)	0 (0)	3 (27)	1 (9)	2 (18)	5 (45)	1 (9)	2 (18)	2 (18)	
Chemical	6 (18)	0 (0)	0 (0)	6 (18)	2 (6)	26 (76)	8 (24)	6 (18)	12 (35)	
Steel/non-ferrous metal	3 (12)	1 (4)	2 (8)	0 (0)	2 (8)	21 (81)	1 (4)	2 (8)	18 (69)	
General machinery	3 (21)	1 (7)	0 (0)	2 (14)	0 (0)	11 (79)	2 (14)	2 (14)	7 (50)	
Electric/electronics machinery	4 (10)	0 (0)	0 (0)	4 (10)	4 (10)	34 (81)	10 (24)	10 (24)	14 (33)	
Transportation machinery	1 (2)	0 (0)	0 (0)	1 (2)	3 (7)	42 (91)	1 (2)	6 (13)	35 (76)	
Others	2 (7)	1 (3)	1 (3)	0 (0)	2 (7)	26 (87)	2 (7)	9 (30)	15 (50)	
Manufacturing sector total	33 (15)	5 (2)	10 (5)	18 (8)	16 (7)	173 (78)	29 (13)	39 (18)	105 (47)	
Non-manufacture										
Trading	8 (23)	2 (6)	1 (3)	5 (14)	1 (3)	26 (74)	4 (11)	9 (26)	13 (37)	
Retailer	8 (62)	0 (0)	2 (15)	6 (46)	1 (8)	4 (31)	1 (8)	2 (15)	1 (8)	
Finance/insurance/securities	3 (38)	0 (0)	0 (0)	3 (38)	2 (25)	3 (38)	2 (25)	1 (13)	0 (0)	
Construction/civil engineering	2 (13)	1 (6)	1 (6)	0 (0)	1 (6)	13 (81)	0 (0)	4 (25)	9 (56)	
Transportation/communication	1 (6)	0 (0)	1 (6)	0 (0)	2 (13)	13 (81)	1 (6)	4 (25)	8 (50)	
Others	7 (30)	2 (9)	3 (13)	2 (9)	3 (13)	13 (57)	6 (26)	2 (9)	5 (22)	
Non-manufacturing sector total	29 (26)	5 (5)	8 (7)	16 (14)	10 (9)	72 (65)	14 (13)	22 (20)	36 (32)	
Total	62 (19)	10 (3)	18 (5)	34 (10)	26 (8)	245 (74)	43 (13)	61 (18)	141 (42)	

3. NET PROFIT/LOSS

The firms reporting the “profit” in their 2008 before tax profit/loss accounted for 79 percent. The firms reporting an “increase” in their net profit (including the case that their loss will diminish or vanish) accounted for 38 percent, whereas those reporting a “decrease” in their net profit accounted for 49 percent. (Table 3-1)

The percentage of the firms anticipating the “profit” in their 2009 before tax profit/loss accounted for 57 percent. The firms anticipating an “increase” in their net profit accounted for 20 percent, whereas those anticipating a “decrease” in their net profit accounted for 65 percent. (Table 3-2)

(Table 3-1) Result of 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	13 (68)	0 (0)	6 (32)	19	13 (68)	0 (0)	6 (32)
	Textile	8 (73)	1 (9)	2 (18)	11	6 (55)	4 (36)	1 (9)
	Chemical	27 (79)	3 (9)	4 (12)	34	12 (35)	3 (9)	19 (56)
	Steel/non-ferrous metal	21 (78)	1 (4)	5 (19)	27	12 (44)	3 (11)	12 (44)
	General machinery	12 (86)	0 (0)	2 (14)	14	7 (50)	0 (0)	7 (50)
	Electric/electronics machinery	36 (88)	3 (7)	2 (5)	41	18 (44)	4 (10)	19 (46)
	Transportation machinery	42 (91)	1 (2)	3 (7)	46	14 (30)	7 (15)	25 (54)
	Others	20 (67)	1 (3)	9 (30)	30	9 (30)	4 (13)	17 (57)
Manufacturing sector total		179 (81)	10 (5)	33 (15)	222	91 (41)	25 (11)	106 (48)
Non-manufacture	Trading	23 (66)	4 (11)	8 (23)	35	10 (29)	6 (17)	19 (54)
	Retailer	9 (69)	2 (15)	2 (15)	13	2 (15)	4 (31)	7 (54)
	Finance/insurance/securities	8 (100)	0 (0)	0 (0)	8	5 (63)	1 (13)	2 (25)
	Construction/civil engineering	15 (94)	1 (6)	0 (0)	16	5 (31)	3 (19)	8 (50)
	Transportation/communication	12 (71)	1 (6)	4 (24)	17	8 (47)	0 (0)	9 (53)
	Others	21 (84)	1 (4)	3 (12)	25	7 (28)	6 (24)	12 (48)
	Non-manufacturing sector total		88 (77)	9 (8)	17 (15)	114	37 (32)	20 (18)
Total		267 (79)	19 (6)	50 (15)	336	128 (38)	45 (13)	163 (49)

(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 2009(from the previous year)

Unit: No. of firms and (%)

Industry		Profit	Balance	Loss	Total	Profit increase	No change	Profit decrease
Manufacture	Food	12 (63)	4 (21)	3 (16)	19	9 (47)	3 (16)	7 (37)
	Textile	8 (73)	1 (9)	2 (18)	11	5 (45)	3 (27)	3 (27)
	Chemical	21 (62)	9 (26)	4 (12)	34	9 (26)	3 (9)	22 (65)
	Steel/non-ferrous metal	10 (37)	8 (30)	9 (33)	27	4 (15)	1 (4)	22 (81)
	General machinery	6 (43)	4 (29)	4 (29)	14	1 (7)	3 (21)	10 (71)
	Electric/electronics machinery	28 (67)	8 (19)	6 (14)	42	8 (19)	6 (14)	28 (67)
	Transportation machinery	25 (56)	11 (24)	9 (20)	45	3 (7)	1 (2)	41 (91)
	Others	14 (47)	5 (17)	11 (37)	30	10 (33)	1 (3)	19 (63)
Manufacturing sector total		124 (56)	50 (23)	48 (22)	222	49 (22)	21 (9)	152 (68)
Non-manufacture	Trading	17 (49)	12 (34)	6 (17)	35	7 (20)	7 (20)	21 (60)
	Retailer	9 (69)	3 (23)	1 (8)	13	3 (23)	4 (31)	6 (46)
	Finance/insurance/securities	8 (100)	0 (0)	0 (0)	8	2 (25)	2 (25)	4 (50)
	Construction/civil engineering	8 (50)	6 (38)	2 (13)	16	0 (0)	3 (19)	13 (81)
	Transportation/communication	8 (47)	6 (35)	3 (18)	17	3 (18)	3 (18)	11 (65)
	Others	16 (64)	3 (12)	6 (24)	25	3 (12)	9 (36)	13 (52)
	Non-manufacturing sector total		66 (58)	30 (26)	18 (16)	114	18 (16)	28 (25)
Total		190 (57)	80 (24)	66 (20)	336	67 (20)	49 (15)	220 (65)

(Note) See table 3-1.

4. CAPITAL INVESTMENT (MANUFACTURING SECTOR)

The amount of planned capital investment (in the manufacturing sector) in 2009 plans to decrease by 42.6 percent from 2008. In terms of the number of firms, reporting “increase” (34) is less than “decrease” (112). (The total number of responding firms is 216.) The planned capital investment was decreased in all industries. (Table 4-1)

The predominant reason for capital investment was “replacement of equipment” in both 2008 and 2009, while the percentage of responding “streamlining” increased in 2009. (Table 4-2 and Table 4-3)

(Table 4-1) Actual capital investment in 2008 and planned capital investment in 2009 (manufacturing sector)

Unit: million baht and (%)

Industry	2008	2009		No. of firms				
	Amount	Amount	Increase %	Increase	No change	Decrease	Undecided	Total
Food	3,278	2,590	-21.0	2 (11)	6 (33)	7 (39)	3 (17)	18
Textile	630	533	-15.3	1 (9)	5 (45)	3 (27)	2 (18)	11
Chemical	9,762	2,924	-70.0	3 (9)	11 (34)	11 (34)	7 (22)	32
Steel/Non-ferrous metal	1,132	870	-23.1	3 (11)	3 (11)	15 (56)	6 (22)	27
General machinery	896	206	-77.0	3 (21)	2 (14)	8 (57)	1 (7)	14
Electric/Electronics machinery	12,621	10,603	-16.0	11 (26)	9 (21)	18 (43)	4 (10)	42
Transportation machinery	20,787	8,449	-59.4	5 (11)	7 (15)	33 (72)	1 (2)	46
Others	8,428	6,827	-19.0	6 (20)	6 (20)	17 (57)	1 (3)	30
Manufacturing sector total	57,533	33,003	-42.6	34 (15)	49 (22)	112 (51)	25 (11)	220

(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 2008 (check all that apply)

Unit: No. of firms and (%)

Industry	New		Expansion		Replacement		Streamlining		Others		Total	Respond
Food	9 (30)	3 (10)	11 (37)	6 (20)	1 (3)					30	18	
Textile	2 (17)	1 (8)	6 (50)	3 (25)	0 (0)					12	9	
Chemical	8 (20)	13 (33)	12 (30)	6 (15)	1 (3)					40	30	
Steel/Non-ferrous metal	6 (18)	7 (21)	13 (38)	6 (18)	2 (6)					34	24	
General machinery	4 (27)	3 (20)	5 (33)	3 (20)	0 (0)					15	12	
Electric/Electronics machinery	10 (16)	20 (32)	17 (27)	14 (23)	1 (2)					62	41	
Transportation machinery	24 (30)	29 (37)	14 (18)	11 (14)	1 (1)					79	43	
Others	7 (18)	12 (32)	11 (29)	8 (21)	0 (0)					38	23	
Manufacturing sector total	70 (23)	88 (28)	89 (29)	57 (18)	6 (2)					310	200	

(Table 4-3) Details on planned capital investment in 2009 (check all that apply)

Unit: No. of firms and (%)

Industry	New		Expansion		Replacement		Streamlining		Others		Total	Respond
Food	8 (26)	2 (6)	11 (35)	8 (26)	2 (6)					31	18	
Textile	3 (25)	2 (17)	4 (33)	3 (25)	0 (0)					12	10	
Chemical	5 (14)	3 (8)	16 (44)	11 (31)	1 (3)					36	30	
Steel/Non-ferrous metal	4 (13)	4 (13)	11 (37)	6 (20)	5 (17)					30	23	
General machinery	1 (8)	1 (8)	4 (33)	5 (42)	1 (8)					12	9	
Electric/Electronics machinery	11 (17)	15 (24)	22 (35)	13 (21)	2 (3)					63	40	
Transportation machinery	16 (25)	6 (9)	16 (25)	16 (25)	10 (16)					64	42	
Others	7 (20)	5 (14)	11 (31)	9 (26)	3 (9)					35	25	
Manufacturing sector total	55 (19)	38 (13)	95 (34)	71 (25)	24 (8)					283	197	

5. PROBLEMS WITH CORPORATE MANAGEMENT

Regarding problems with corporate management (check 4 that apply), the predominant response was “excessive competition with competitors (1st rank in the previous survey)” (65 percent), followed by “foreign exchange fluctuation (2nd rank in the previous survey)” (40 percent), “lack of human resources (4th rank in the previous survey)” (33 percent), “hike in material prices” (30 percent) and “quality management” (20 percent). The numbers of firms responding “excessive employment” and “excessive capital investment” were increased from the previous survey. (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
1	1	Excessive competition with competitors	11	6	20	18	12	30	29	15	141	16	11	7	12	17	13	76	217 (65)
2	2	Foreign exchange fluctuation	6	8	14	9	8	22	14	14	95	22	6	1	2	2	5	38	133 (40)
4	3	Lack of human resources	7	5	10	11	5	12	16	8	74	9	3	2	5	4	12	35	109 (33)
3	4	Hike in material prices	12	7	18	10	5	20	12	7	91	3	3	0	1	2	1	10	101 (30)
5	5	Quality management	7	7	5	8	5	6	9	3	50	1	0	1	4	4	8	18	68 (20)
6	6	Labor-related problems (wage)	2	1	4	6	1	7	14	3	38	2	0	0	0	4	5	11	49 (15)
8	7	Difficulty in collecting money from customers	3	2	0	3	1	2	4	3	18	11	2	2	4	2	4	25	43 (13)
10	8	Excessive employment	2	3	2	3	1	6	10	3	30	2	1	1	3	2	3	12	42 (13)
7	9	Job hopping of employee	4	0	4	5	2	3	2	4	24	4	2	0	2	0	4	12	36 (11)
13	10	Excessive capital investment	1	0	3	5	2	3	14	3	31	0	0	0	0	1	1	2	33 (10)
12	11	Difficulty in obtaining financial support	1	2	0	3	3	3	4	3	19	2	1	1	0	1	2	7	26 (8)
9	12	Transportation problems	1	1	0	1	0	1	2	2	8	6	3	2	0	2	0	13	21 (6)
13	13	Problems of partners	3	0	1	0	0	0	3	1	8	3	1	0	0	4	2	10	18 (5)
11	14	Difficulty in procuring parts domestically	0	1	3	1	0	2	2	1	10	3	0	0	0	0	0	3	13 (4)
15	15	Expensive land and tenant	1	1	0	0	0	0	0	1	3	0	2	1	0	0	0	3	6 (2)
-	-	Others	1	1	2	3	0	3	3	1	14	2	0	1	3	2	2	10	24 (7)
Total			62	45	86	86	45	120	138	72	654	86	35	19	36	47	62	285	939
No. of firms			19	12	31	27	14	42	44	28	217	34	13	8	16	18	26	115	332 (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 predominant response was “long-term retention of political turmoil” (66 percent), followed by “economic stagnation from Japan, US or EU” (58 percent) and “suffer from consumption and investment from Thai economic stagnation” (56 percent), which was the same results as those of the previous survey. It was confirmed that “exchange rate fluctuation” (44 percent) which ranked the 4th is still one of the common concerns and “outbreak/ expansion of new-type flu” rose to the 5th rank from the 8th rank in the previous survey. On the other hand, concerns on “hike in material prices and cost including wages (inflation pressure)” and “hike in prices of steel, raw materials and intermediate goods (except oil and oil related materials)” have been decreasing. (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	Long-term retention of political turmoil	12	6	25	15	9	27	36	13	143	24	11	9	13	8	22	87	230 (66)
2	2	Economic stagnation from Japan, US or EU	8	8	21	19	8	27	28	18	137	17	4	8	11	13	12	65	202 (58)
3	3	Suffer from consumption and investment from Thai economic stagnation	6	3	18	17	8	17	31	16	116	18	11	10	13	10	16	78	194 (56)
4	4	Exchange rate fluctuation	10	7	15	11	6	25	21	15	110	20	7	3	1	5	5	41	151 (44)
8	5	Outbreak/ expansion of new-type flu	5	5	9	13	3	16	21	9	81	7	5	7	5	7	6	37	118 (34)
5	6	Hike in material prices and cost including wages (inflation pressure) (Note)	7	6	9	8	2	13	20	13	78	0	2	3	1	4	8	18	96 (28)
7	7	Hike in prices of oil and oil related materials	12	9	17	4	4	5	14	8	73	5	1	1	0	8	4	19	92 (27)
6	8	Hike in prices of steel, raw materials and intermediate goods (except oil and oil related materials)	2	1	4	9	3	13	19	8	59	1	0	0	2	1	3	7	66 (19)
10	9	Problems of tax, for example VAT and import duties	1	0	4	6	0	3	8	1	23	12	3	0	0	2	0	17	40 (12)
9	10	Stagnation in Chinese economy	0	1	2	3	2	5	2	2	17	4	0	2	1	2	3	12	29 (8)
13	11	Restriction on investment ratio	1	0	1	4	0	1	2	3	12	7	2	0	0	4	2	15	27 (8)
15	11	Environmental problems	0	3	7	3	0	2	3	3	21	2	0	1	0	1	2	6	27 (8)
12	13	Custom clearance procedure	0	1	3	2	0	1	2	0	9	9	2	0	0	4	0	15	24 (7)
11	14	Working permit and visa issuance	1	2	1	3	0	1	2	0	10	3	0	1	1	1	3	9	19 (5)
16	15	Business and consumption stagnation from South Siam district conflict	1	0	0	1	0	4	1	0	7	2	1	0	1	1	2	7	14 (4)
17	16	Bad agricultural produce from draught and flood	5	2	0	1	1	0	1	0	10	2	0	0	0	0	1	3	13 (4)
13	17	Consumption and investment stagnation from high interest rate	0	0	0	0	0	1	2	2	5	2	0	0	1	2	2	7	12 (3)
18	18	No issue in particular	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	0	1 (0)
-	-	Others	0	0	0	2	0	3	1	0	6	0	0	1	0	0	1	2	8 (2)
Total			71	54	136	122	46	164	214	111	918	135	49	46	50	73	92	445	1363
No. of firms			19	12	34	29	14	43	46	30	227	34	13	12	16	18	27	120	347 (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 2008 (simple average of respondents) was 61.8 percent for ASEAN, including 54.0 percent for Thailand. (Table 7-1)

Regarding the ratio of planned procurement destination in 2009, the percentage of Thailand rose, whereas the percentages of ASEAN (except Thailand) and Japan fell, compared to those of 2008. (Table 7-2)

(Table 7-1) Suppliers of parts and materials in 2008

		ASEAN			Japan	Others	Total	No. of firms
Industry		Thailand	ASEAN (except Thailand)					
Manufacturing sector	Food	81.6	73.1	8.5	6.5	11.8	100.0	19
	Textile	80.5	68.5	12.1	11.1	8.4	100.0	11
	Chemical	62.6	53.6	9.0	33.3	4.1	100.0	32
	Steel/Non-ferrous metal	38.3	35.7	2.6	46.9	14.8	100.0	23
	General machinery	62.5	57.9	4.5	37.2	0.4	100.0	13
	Electric/Electronics machinery	57.9	47.6	10.3	33.2	8.9	100.0	41
	Transportation machinery	58.8	53.5	5.3	38.9	2.4	100.0	44
	Others	52.1	42.2	10.0	43.1	4.8	100.0	28
	Manufacturing average	61.8	54.0	7.8	31.3	6.9	100.0	211

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

(Table 7-2) Planned suppliers of parts and materials in 2009

		ASEAN			Japan	Others	Total	No. of firms
Industry		Thailand	ASEAN (except Thailand)					
Manufacturing sector	Food	80.8	72.7	8.1	7.5	11.7	100.0	19
	Textile	80.3	68.5	11.8	12.0	7.7	100.0	11
	Chemical	62.2	55.8	6.4	29.9	7.9	100.0	31
	Steel/Non-ferrous metal	37.2	34.7	2.5	47.0	15.8	100.0	24
	General machinery	62.9	58.4	4.5	37.1	0.0	100.0	12
	Electric/Electronics machinery	58.3	48.1	10.1	33.1	8.6	100.0	41
	Transportation machinery	60.0	55.0	5.0	37.6	2.3	100.0	44
	Others	52.6	42.7	9.9	42.6	4.8	100.0	28
	Manufacturing average	61.8	54.5	7.3	30.9	7.4	100.0	210

(Note) See Table 7-1.

8. EXPORT TREND (MANUFACTURING SECTOR)

The percentage of the firms reporting an “increase” in their export accounted for 19 percent in the first half of 2009, 25 percent in the second half of 2009, and 20 percent for the whole year of 2009. (Table 8-1, Table 8-2 and Table 8-3)

In food industry, more than 40 percent of the firms reported an “increase” in their export for the whole year of 2009, whereas in most of the other industries the percentage of the firms reporting an “increase” in the same period is lower than those of the firms reporting a “decrease.”

(Table 8-1) Export in 2009 (the first half)

Unit: No. of firms and (%)

Industry	The first half of 2009									
	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 (42)	2 (11)	1 (5)	5 (26)	3 (16)	8 (42)	4 (21)	2 (11)	2 (11)	19
Textile	4 (36)	0 (0)	1 (9)	3 (27)	3 (27)	4 (36)	1 (9)	1 (9)	2 (18)	11
Chemical	7 (21)	1 (3)	2 (6)	4 (12)	8 (24)	19 (56)	2 (6)	10 (29)	7 (21)	34
Steel/Non-ferrous metal	2 (8)	1 (4)	0 (0)	1 (4)	8 (32)	15 (60)	0 (0)	2 (8)	13 (52)	25
General machinery	3 (23)	0 (0)	2 (15)	1 (8)	3 (23)	7 (54)	1 (8)	0 (0)	6 (46)	13
Electric/Electronics machinery	7 (17)	3 (7)	0 (0)	4 (10)	7 (17)	27 (66)	2 (5)	8 (20)	17 (41)	41
Transportation machinery	5 (12)	2 (5)	2 (5)	1 (2)	7 (16)	31 (72)	4 (9)	4 (9)	23 (53)	43
Others	4 (15)	0 (0)	2 (7)	2 (7)	4 (15)	19 (70)	1 (4)	7 (26)	11 (41)	27
Manufacturing sector total	40 (19)	9 (4)	10 (5)	21 (10)	43 (20)	130 (61)	15 (7)	34 (16)	81 (38)	213

(Table 8-2) Export in 2009 (the second half)

Unit: No. of firms and (%)

Industry	The second half of 2009									
	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 (42)	2 (11)	0 (0)	6 (32)	5 (26)	6 (32)	1 (5)	5 (26)	0 (0)	19
Textile	4 (36)	0 (0)	2 (18)	2 (18)	4 (36)	3 (27)	0 (0)	1 (9)	2 (18)	11
Chemical	6 (18)	0 (0)	1 (3)	5 (15)	11 (32)	17 (50)	3 (9)	7 (21)	7 (21)	34
Steel/Non-ferrous metal	7 (28)	1 (4)	1 (4)	5 (20)	9 (36)	9 (36)	0 (0)	4 (16)	5 (20)	25
General machinery	4 (31)	2 (15)	1 (8)	1 (8)	4 (31)	5 (38)	0 (0)	0 (0)	5 (38)	13
Electric/Electronics machinery	10 (24)	1 (2)	4 (10)	5 (12)	11 (26)	21 (50)	4 (10)	8 (19)	9 (21)	42
Transportation machinery	8 (19)	1 (2)	3 (7)	4 (9)	10 (23)	25 (58)	4 (9)	3 (7)	18 (42)	43
Others	6 (22)	0 (0)	3 (11)	3 (11)	5 (19)	16 (59)	2 (7)	5 (19)	9 (33)	27
Manufacturing sector total	53 (25)	7 (3)	15 (7)	31 (14)	59 (28)	102 (48)	14 (7)	33 (15)	55 (26)	214

(Table 8-3) Export in 2009 (the whole year)

Unit: No. of firms and (%)

Industry	The year 2009											
	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 (42)	2 (11)	0 (0)	6 (32)	5 (26)	6 (32)	2 (11)	2 (11)	2 (11)	19		
Textile	4 (36)	0 (0)	2 (18)	2 (18)	3 (27)	4 (36)	0 (0)	3 (27)	1 (9)	11		
Chemical	6 (19)	0 (0)	1 (3)	5 (16)	8 (25)	18 (56)	8 (25)	5 (16)	5 (16)	32		
Steel/Non-ferrous metal	4 (16)	1 (4)	1 (4)	2 (8)	8 (32)	13 (52)	2 (8)	1 (4)	10 (40)	25		
General machinery	2 (17)	0 (0)	2 (17)	0 (0)	3 (25)	7 (58)	0 (0)	0 (0)	7 (58)	12		
Electric/Electronics machinery	7 (17)	1 (2)	2 (5)	4 (10)	6 (14)	29 (69)	9 (21)	10 (24)	10 (24)	42		
Transportation machinery	6 (14)	1 (2)	4 (9)	1 (2)	8 (19)	29 (67)	3 (7)	7 (16)	19 (44)	43		
Others	5 (19)	0 (0)	2 (7)	3 (11)	2 (7)	20 (74)	2 (7)	5 (19)	13 (48)	27		
Manufacturing sector total	42 (20)	5 (2)	14 (7)	23 (11)	43 (20)	126 (60)	26 (12)	33 (16)	67 (32)	211		

9. PROSPECTIVE MARKET IN THE FUTURE (MANUFACTURING SECTOR)

For the prospective market in the future (check all that apply), “ASEAN (Vietnam, Cambodia, Laos, and Myanmar are excluded.)” (39 percent) rose to the 1st rank from the 3rd rank in the previous survey, followed by “India” (38 percent) which ranked the same. “Vietnam” (30 percent) fell to the 3rd rank from the 1st rank in the previous survey. The ranks of “Middle East” and “Japan” have also fell. (Table 9)

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

Unit: No. of firms and (%)

Industry		ASEAN	India	Vietnam	China	Europe	Middle East	Japan	USA	CLM	Oceania	Others	Total	No. of firms
Manufacture	Food	5 (26)	3 (16)	3 (16)	2 (11)	6 (32)	3 (16)	4 (21)	6 (32)	3 (16)	2 (11)	3 (16)	40	19
	Textile	0 (0)	3 (27)	4 (36)	3 (27)	5 (45)	2 (18)	6 (55)	2 (18)	2 (18)	1 (9)	1 (9)	29	11
	Chemical	17 (52)	15 (45)	11 (33)	10 (30)	5 (15)	6 (18)	5 (15)	2 (6)	4 (12)	5 (15)	1 (3)	81	33
	Steel/ non-ferrous metal	10 (38)	8 (31)	10 (38)	4 (15)	4 (15)	4 (15)	4 (15)	3 (12)	3 (12)	2 (8)	2 (8)	54	26
	General machinery	6 (46)	7 (54)	8 (62)	1 (8)	0 (0)	3 (23)	0 (0)	0 (0)	1 (8)	0 (0)	0 (0)	26	13
	Electric/ electronics machinery	14 (35)	12 (30)	15 (38)	11 (28)	8 (20)	9 (23)	6 (15)	4 (10)	4 (10)	1 (3)	0 (0)	84	40
	Transportation machinery	22 (55)	24 (60)	7 (18)	8 (20)	2 (5)	5 (13)	4 (10)	1 (3)	0 (0)	2 (5)	6 (15)	81	40
	Others	8 (31)	8 (31)	5 (19)	8 (31)	8 (31)	3 (12)	5 (19)	2 (8)	2 (8)	2 (8)	1 (4)	52	26
	Manufacturing sector total	82 (39)	80 (38)	63 (30)	47 (23)	38 (18)	35 (17)	34 (16)	20 (10)	19 (9)	15 (7)	14 (7)	447	208
This time	1	2	3	4	5	6	7	8	9	10	-			
Previous time	3	2	1	6	7	4	5	8	10	9	-			

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

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

10. IMPACTS OF OUTBREAKS OF INFLUENZA A (H1N1)

(1) Measures for prevention of transmission and immediate measures (check all that apply)

With reference to the measures against the new-type flu which broke out in Mexico and USA and has spread all over the world, the predominant response was “promotion of information collection” (74 percent), followed by “encouragement of hygiene management (e.g. hand-washing, gargle, disinfection)” (67 percent). The percentage of the firms responding “restriction of business trip” was 29 percent. The numbers of firms responding “preparation of business continuity plan (BCP)” (13 percent) and “temporary return of expatriates and their family” (3 percent) were limited.

(Table 10-1) Measures against outbreaks of influenza A (H1N1) (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
Promotion of information collection	17	8	24	20	10	27	37	17	160	24	9	12	14	14	20	93	253 (74)
Temperature taking	1	3	2	2	1	13	6	3	31	3	0	1	3	3	3	13	44 (13)
Encouragement of hygiene management (e.g. hand-washing, gargle, disinfection)	16	9	19	16	5	31	38	17	151	25	11	4	10	11	17	78	229 (67)
Distribution of hygienic mask	6	5	17	12	3	18	20	14	95	19	3	8	7	7	12	56	151 (44)
Appointment of responsible department or person	2	4	5	8	2	11	9	7	48	9	4	5	3	7	4	32	80 (23)
Restriction of business trip	6	5	8	4	3	15	14	7	62	14	7	3	6	4	3	37	99 (29)
Provision/ arrangement of medicines (e.g. tamiflu, relenza)	6	3	8	5	2	19	18	8	69	11	3	8	8	8	5	43	112 (33)
Preparation of business continuity plan (BCP)	1	2	4	5	0	12	5	2	31	3	2	3	1	4	1	14	45 (13)
Stock of daily necessities	2	3	3	4	1	10	2	1	26	5	1	2	2	3	2	15	41 (12)
Increase of liquidity on hand	0	0	0	1	0	2	0	0	3	0	0	0	0	0	0	0	3 (1)
Temporary return of expatriates and their family	0	1	2	1	0	2	0	0	6	2	1	1	0	0	1	5	11 (3)
Under consideration	4	1	0	3	2	5	3	2	20	5	1	1	1	1	0	9	29 (8)
No measure in particular	2	2	6	3	4	3	2	6	28	5	1	0	0	2	5	13	41 (12)
Total	63	46	98	84	33	168	154	84	730	125	43	48	55	64	73	408	1138
No. of firms	19	12	33	26	13	43	46	29	221	36	13	12	16	18	27	122	343 (100)

(2) Impact on business sentiment and operation (check all that apply)

The predominant response was “postponement/ cancellation of business negotiation or meeting” (37 percent). More than 10 percent of the firms responded “decreased production/ deferred investment” and “decreasing domestic sales,” whereas the percentage of the firms responding “decreasing export” was limited to 8 percent. On the other hands, the number of the firms reporting the positive impacts such as “increasing domestic sales” or “increasing export” was very low. 38 percent of the respondents had “nothing in particular”, which ranked the 2nd. (Table 10-2)

(Table 10-2) Impact on business sentiment and operation (check all that apply)

Unit: No. of firms and (%)

Industry		Postponement/ cancellation of business negotiation or meeting	Decreased production/ deferred investment	Delayed procurement/ delivery of parts	Decreasing domestic sales	Increasing domestic sales	Decreasing export	Increasing export	Nothing in particular	Unknown	No. of firms
Manufacture	Food	8 (42)	1 (5)	1 (5)	3 (16)	0 (0)	2 (11)	0 (0)	8 (42)	3 (16)	19
	Textile	5 (42)	0 (0)	0 (0)	2 (17)	0 (0)	1 (8)	0 (0)	4 (33)	4 (33)	12
	Chemical	15 (45)	4 (12)	3 (9)	1 (3)	1 (3)	2 (6)	1 (3)	10 (30)	7 (21)	33
	Steel/non-ferrous metal	7 (27)	8 (31)	2 (8)	6 (23)	0 (0)	3 (12)	0 (0)	9 (35)	5 (19)	26
	General machinery	3 (23)	1 (8)	1 (8)	1 (8)	0 (0)	1 (8)	0 (0)	3 (23)	4 (31)	13
	Electric/electronics machinery	15 (35)	7 (16)	7 (16)	2 (5)	0 (0)	7 (16)	0 (0)	24 (56)	5 (12)	43
	Transportation machinery	13 (29)	5 (11)	6 (13)	5 (11)	0 (0)	3 (7)	0 (0)	16 (36)	16 (36)	45
	Others	7 (24)	1 (3)	3 (10)	1 (3)	1 (3)	1 (3)	0 (0)	13 (45)	10 (34)	29
Manufacturing sector total		73 (33)	27 (12)	23 (10)	21 (10)	2 (1)	20 (9)	1 (0)	87 (40)	54 (25)	220
Non-manufacture	Trading	19 (53)	5 (14)	1 (3)	4 (11)	0 (0)	2 (6)	0 (0)	12 (33)	5 (14)	36
	Retailer	6 (46)	1 (8)	0 (0)	6 (46)	0 (0)	0 (0)	0 (0)	3 (23)	2 (15)	13
	Finance/insurance/securities	8 (67)	0 (0)	0 (0)	2 (17)	0 (0)	0 (0)	0 (0)	2 (17)	1 (8)	12
	Construction/civil engineering	5 (31)	3 (19)	0 (0)	1 (6)	0 (0)	1 (6)	0 (0)	6 (38)	4 (25)	16
	Transportation/communication	7 (39)	4 (22)	2 (11)	3 (17)	0 (0)	5 (28)	1 (6)	4 (22)	4 (22)	18
	Others	8 (30)	2 (7)	1 (4)	6 (22)	0 (0)	1 (4)	0 (0)	9 (23)	7 (26)	27
Non-manufacturing sector total		53 (43)	15 (12)	4 (3)	22 (18)	0 (0)	9 (7)	1 (1)	36 (30)	23 (19)	122
Total		126 (37)	42 (12)	27 (8)	43 (13)	2 (1)	29 (8)	2 (1)	123 (36)	77 (23)	342

11. IMPACT OF POLITICAL UNCERTAINTY (check all that apply)

With reference to growing political uncertainty due to the resistance by the anti-government group against the ASEAN summit in Pattaya in April 2009 and the subsequent commotions by the same group in Bangkok, the predominant response on the impact on business sentiment or operation was “restriction of business trip/ postponement of meeting” (49 percent), followed by “increasing reporting obligation to the head office” (41 percent). The firms responding “decreasing sales” accounted for 19 percent, which of those in retail reached 62 percent. It was confirmed that some of the firms have decided “deferred new investment” or “deferred investment for expansion.” (Table 11-1)

(Table 11-1) Impacts of political uncertainty (check all that apply)

Unit: No. of firms and (%)

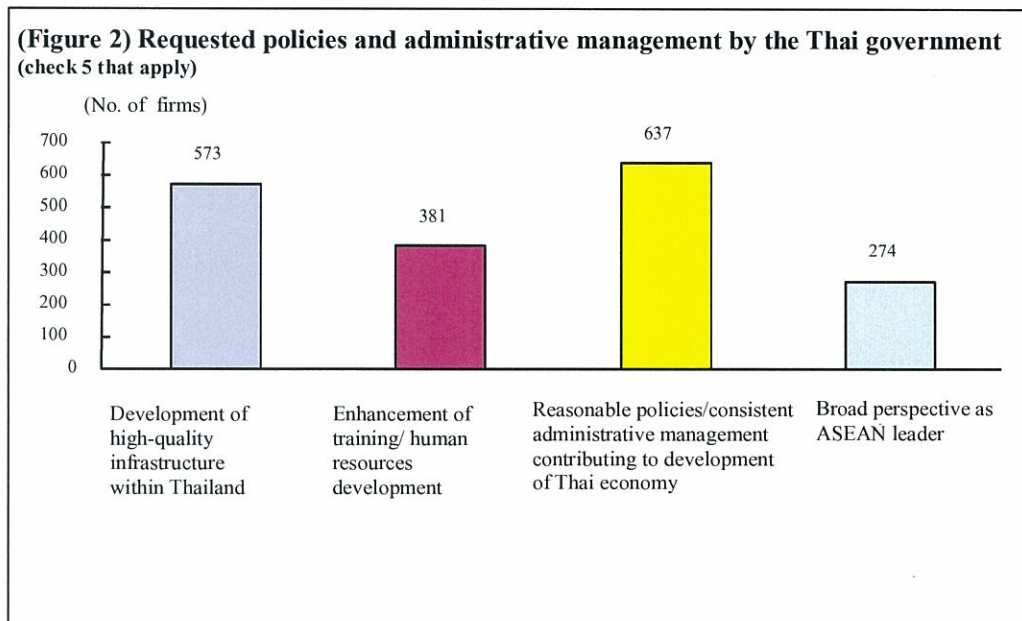
Industry		Earlier leave, special leave or special holidays	Restriction of business trip/postponement of meeting	Increasing reporting obligation to the head office	Decreasing sales	Deferred new investment	Deferred investment for expansion	Revised sales/ production plan	Consideration of closure	Nothing in particular	Unknown	No. of firms
Manufacture	Food	2 (11)	13 (72)	6 (33)	2 (11)	0 (0)	0 (0)	1 (6)	0 (0)	4 (22)	2 (11)	18
	Textile	1 (8)	6 (50)	4 (33)	3 (25)	0 (0)	0 (0)	0 (0)	0 (0)	2 (17)	2 (17)	12
	Chemical	2 (6)	14 (41)	14 (41)	6 (18)	1 (3)	1 (3)	0 (0)	0 (0)	14 (41)	0 (0)	34
	Steel/non-ferrous metal	0 (0)	10 (37)	9 (33)	5 (19)	2 (7)	2 (7)	3 (11)	0 (0)	13 (48)	2 (7)	27
	General machinery	0 (0)	5 (38)	4 (31)	1 (8)	1 (8)	1 (8)	0 (0)	0 (0)	4 (31)	5 (38)	13
	Electric/electronics machinery	2 (5)	24 (56)	21 (49)	6 (14)	4 (9)	3 (7)	6 (14)	0 (0)	12 (28)	3 (7)	43
	Transportation machinery	5 (11)	26 (57)	18 (39)	7 (15)	1 (2)	1 (2)	2 (4)	0 (0)	16 (35)	8 (17)	46
	Others	2 (7)	15 (50)	9 (30)	5 (17)	1 (3)	1 (3)	0 (0)	0 (0)	10 (33)	5 (17)	30
Manufacturing sector total		14 (6)	113 (51)	85 (38)	35 (16)	10 (4)	9 (4)	12 (5)	0 (0)	75 (34)	27 (12)	223
Non-manufacture	Trading	13 (37)	18 (51)	18 (51)	5 (14)	1 (3)	1 (3)	3 (9)	0 (0)	9 (26)	3 (9)	35
	Retailer	6 (46)	6 (46)	4 (31)	8 (62)	1 (8)	0 (0)	3 (23)	0 (0)	1 (8)	0 (0)	13
	Finance/insurance/securities	5 (42)	7 (58)	7 (58)	1 (8)	4 (33)	1 (8)	0 (0)	0 (0)	2 (17)	0 (0)	12
	Construction/civil engineering	2 (13)	5 (31)	7 (44)	5 (31)	5 (31)	5 (31)	1 (6)	0 (0)	2 (13)	1 (6)	16
	Transportation/communication	3 (17)	9 (50)	7 (39)	3 (17)	1 (6)	0 (0)	1 (6)	0 (0)	5 (28)	2 (11)	18
	Others	6 (22)	11 (41)	14 (52)	10 (37)	3 (11)	3 (11)	0 (0)	0 (0)	3 (11)	2 (7)	27
Non-manufacturing sector total		35 (29)	56 (46)	57 (47)	32 (26)	15 (12)	10 (8)	8 (7)	0 (0)	22 (18)	8 (7)	121
Total		49 (14)	169 (49)	142 (41)	67 (19)	25 (7)	19 (6)	20 (6)	0 (0)	97 (28)	35 (10)	344

12. REQUESTED POLICIES AND ADMINISTRATIVE MANAGEMENT BY THE THAI GOVERNMENT (check 5 that apply)

With reference to requests to the Thai government regarding economic/ social policies and administrative management, two major responses were “reasonable policies/ consistent administrative management contributing to development of Thai economy” (637 firms) and “development of high-quality infrastructure within Thailand” (573 firms).

In terms of the detailed responses, the predominant one was “improvement of traffic issues in Bangkok metropolis and surrounding areas (road, railway)”, followed by “enhancement of basic education,” “transparent administrative management,” “development of information and communication network (e.g. fiber optics, 3G),” and “continuation of consistent preferential treatments for foreign enterprises.”

Noted that political matters (e.g. stabilization of political situation, resolution of dispute in the border with Cambodia) are excluded. (Figure 2, Table 12)



(Table 12) Requested policies/ administrative management by the Thai government (check 5 that apply)

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

	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		
Development of high-quality infrastructure within Thailand	35	19	49	48	21	79	74	53	378	55	20	16	28	32	44	195	573	(-)	(-)
Enhancement of flood control system	6	2	5	10	3	14	12	9	61	12	2	0	3	4	5	26	87	(26%)	(10)
Improvement of traffic issues in Bangkok metropolis and surrounding areas (road, railway)	18	9	21	21	9	33	30	24	165	29	12	11	16	12	21	101	266	(81%)	(1)
Improvement of public health (e.g. development of sewage system)	5	1	4	8	1	9	13	8	49	6	2	2	3	4	6	23	72	(22%)	(13)
Development of information and communication network (e.g. fiber optics, 3G)	6	7	17	9	6	21	18	12	96	8	4	3	6	12	11	44	140	(43%)	(4)
Others	0	0	2	0	2	2	1	0	7	0	0	0	0	0	1	1	8	(2%)	(18)
Enhancement of training/ human resources development	25	13	31	39	17	54	56	37	272	32	10	9	13	17	28	109	381	(-)	(-)
Enhancement of training for engineers	6	2	9	11	5	16	19	10	78	7	0	0	4	0	3	14	92	(28%)	(9)
Enhancement of training for administrative staffs	7	3	6	8	3	11	15	6	59	9	3	6	2	5	9	34	93	(28%)	(8)
Enhancement of basic education	12	8	16	19	8	25	21	21	130	16	7	2	6	11	15	57	187	(57%)	(2)
Others	0	0	0	1	1	2	1	0	5	0	0	1	1	1	1	4	9	(3%)	(17)
Reasonable policies/ consistent administrative management contributing to development of Thai economy	29	18	72	68	19	86	82	55	429	71	15	15	31	29	47	208	637	(-)	(-)
Dialogue with industry in policy decision (e.g. energy-related policies, recycle policies)	2	2	20	8	4	10	10	8	64	5	0	0	1	4	6	16	80	(24%)	(12)
Correction of conservative movement	3	0	3	13	1	7	12	5	44	10	1	1	2	3	4	21	65	(20%)	(15)
Various regulatory reform	4	3	9	13	2	16	12	9	68	13	4	3	5	5	8	38	106	(32%)	(7)
Continuation of consistent preferential treatments for foreign enterprises	6	5	19	11	6	22	18	12	99	11	1	5	4	3	12	36	135	(41%)	(5)
Relaxation of regulation on foreign-invested firms (further implementation of promotional policies for foreign enterprises)	3	2	3	4	1	4	5	7	29	14	2	3	8	5	5	37	66	(20%)	(14)
Transparent administrative management	11	6	18	18	5	25	25	13	121	18	7	3	11	9	10	58	179	(54%)	(3)
Others	0	0	0	1	0	2	0	1	4	0	0	0	0	0	2	2	6	(2%)	(19)
Broad perspective as ASEAN leader	11	8	26	27	14	38	37	24	185	35	5	5	8	12	24	89	274	(-)	(-)
Leadership toward formation of Asian Community/ East Asian economic integration	5	4	12	13	6	20	15	11	86	17	2	2	2	4	15	42	128	(39%)	(6)
Active collaboration for infrastructure development in neighbor countries	2	3	5	6	2	4	7	7	36	4	1	2	5	3	5	20	56	(17%)	(16)
Actions to strengthen alliance with emerging countries (e.g. ASEAN, India, China, Middle East)	4	1	8	8	6	13	14	6	60	13	2	1	1	4	3	24	84	(26%)	(11)
Others	0	0	1	0	0	1	1	0	3	1	0	0	0	1	1	3	6	(2%)	(19)
Total	100	58	178	182	71	257	249	169	1264	193	50	45	80	90	143	601	1865		
No. of firms	19	11	31	27	13	41	42	29	213	33	12	11	16	18	26	116	329		