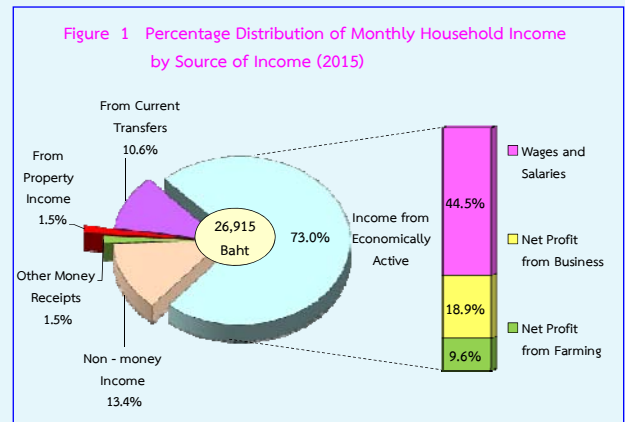


EXECUTIVE SUMMARY

The National Statistical Office carried out the 2015 Household Socio-economic Survey from January to December 2015. The survey covered household samples in both municipal and non-municipal areas in every province. The sample size for this survey was 52,000 households. The survey collected detailed information on income, expenditure, debt and asset of households as well as their housing characteristics. In the survey, expenditure data referred to expenditure on necessary items for daily life, which excluded saving and capital formation expenditure such as purchase or hire-purchase of house and land. The result of the 2015 SES is as following.

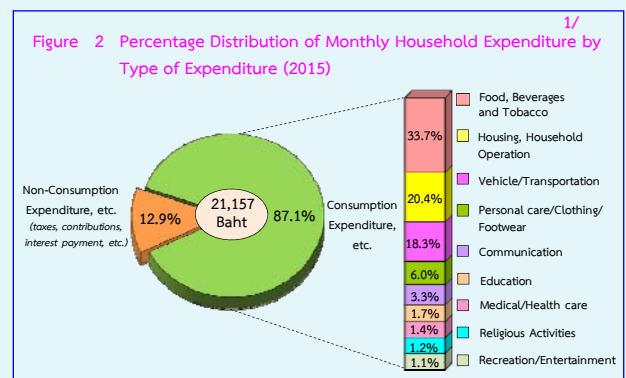
1. Household Income (2015)

The result of the 2015 survey showed that household nationwide earned on average 26,915 baht per month. The major source of income (73.0%) was from economically activities such as wages and salaries (44.5%), followed by net profit from non-farm business (18.9%), and net profit from farming (9.6%). Income from economically inactive was mainly from assistance from other person outside the household or from the government (10.6%), followed by income from asset and property rental such as interest receipt (1.5%). The other source of earning was from assistance in terms of welfare/goods and services (13.4%).



1/ 2. Household Expenditure (2015)

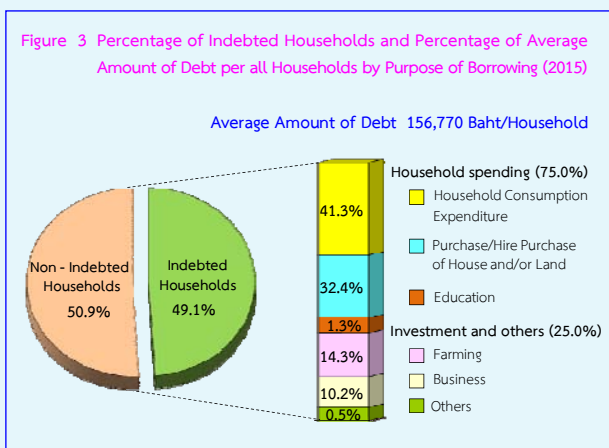
During the 2015 survey, household nationwide spent on average 21,157 baht per month. Of this amount, 33.7 percent was mainly spent on food, beverages and tobacco (of which 0.7 percent was paid for alcoholic drinking), followed by expense on housing and household appliances (20.4%), on vehicles and transportation (18.3%), personal care/clothing/footwear (6.0%), communication (3.3%), education (1.7%), medical (1.4%), activities related to religious (1.2%) and recreation and entertainment (1.1%). In addition, household also had non-consumption expenditure such as expenses on taxes, gifts, insurance (non-accumulative), lottery, and interest payment, which was accounted for 12.9 percent.



1/ expenditure on necessary items for daily life, which excluded saving and capital formation expenditure such as purchase or hire-purchase of house or land and saving, etc.

3. Household Debt (2015)

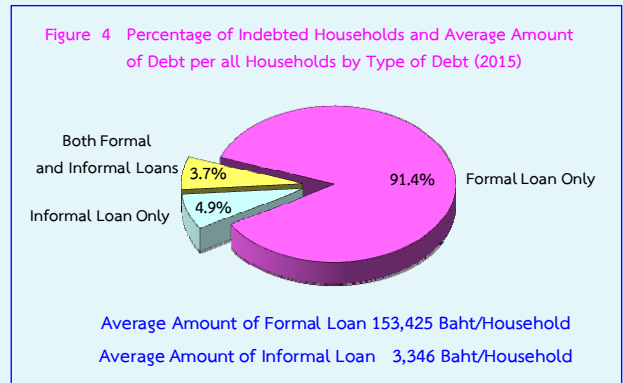
About half of households in the whole country (49.1%) were indebted. The average amount of debt was 156,770 baht per household. The main purpose of borrowing was for household spending (75.0%), household consumption (41.3%), which consisted of buying house/ land (32.4%) and loan for education (only 1.3%). Regarding loan for investment and others purpose (25.0%), the share was mainly on farm business (14.3%), followed by non-farm business (10.2 percent, respectively).



4. Indebted Household : Formal and Informal Loans (2015)

4.1) Number of Indebted Household

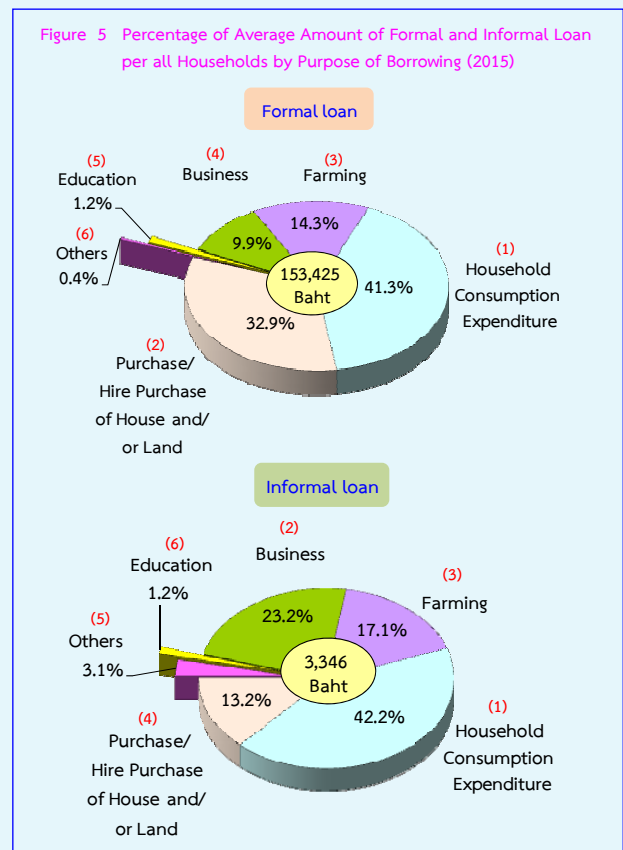
The survey revealed that the majority of indebted households borrowed from formal sector. Of these indebted households, 91.4 percent was borrowed from formal sector alone, 3.7 percent was reported the loan from both formal and informal sector, and 4.9 percent was reported the loan from informal sector alone. It was discovered that the average amount of debt from formal sector was 46 times of that from informal sector (153,425 Baht and 3,346 Baht respectively) which was lower than that of the survey year 2013 as the difference amount was previously 49 times (159,816 Baht and 3,271 Baht respectively).



4.2) Amount of Debt

For the formal loan, 36.7 percent was used for household consumption which was increased from the year 2013 (41.3%), followed by borrowing for buying house/land which (32.9%), loan for agricultural business (14.3%), and loan for non-farm business (9.9%). There was only 1.2 percent for the purpose of loan for education.

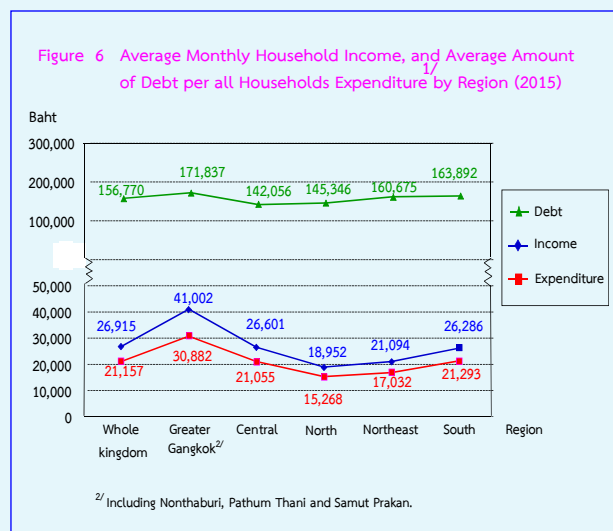
For the informal loan, 42.2 percent was borrowed for household consumption, which was increased from the year 2013 (36.4%). This was followed by loan for non-farm business (23.2%), loan for agricultural business (17.1%), and loan for buying house/land (13.2%). There was only 1.2 percent for the purpose of loan for education.



5. Household Income, Household Expenditure,^{1/} and Household Debt (2015)

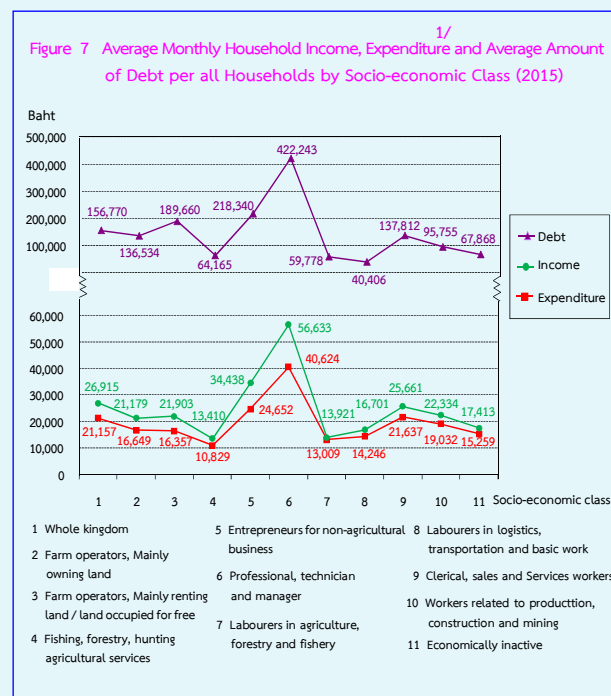
5.1) By Region

Considering household income, household expenditure, and household debt by region, the survey result showed that households in Bangkok Metropolis and the three provinces nearby, which are Nonthaburi, Pathum Thani, and Samut Prakan, earned the highest average monthly income of about 41,002 baht. In addition, households in this region also had the highest amount of household expenditure and household debt which were 30,882 baht and 171,837 baht, respectively. The proportion of expenditure per income in this region was 75.3 percent. This refers to the highest proportion of remaining money for saving comparing to households in other region. While households in Southern region had the highest proportion of expenditure per income (81.0%), therefore households in this region had the lowest proportion of remaining money for saving.



5.2) By Household Socio-economic Class (by type of occupation) (2015)

Concerning by type of occupation, the survey result showed that households of employed professional/technical/manager workers earned the highest average income of about 56,633 baht, followed by households of operators in non-farm business, households of clerical/sales/service workers, households of production workers, and households of farm operators who mainly rented land/ occupied free (34,438 baht, 25,661 baht, 22,334 baht, respectively). Households which earned low average income were those of fishing, forestry, hunting 13,410 baht. However, households which earned high income also had high expenditure and debt.

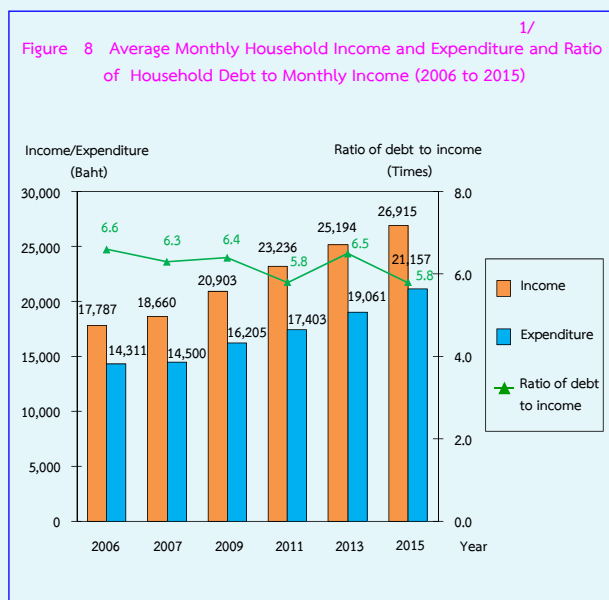


^{1/} expenditure on necessary items for daily life, which excluded saving and capital formation expenditure such as Purchase or hire-purchase of house or land and saving, etc.

6. Comparing Income, Expenditure^{1/}, and Household of Debt (2006 to 2015)

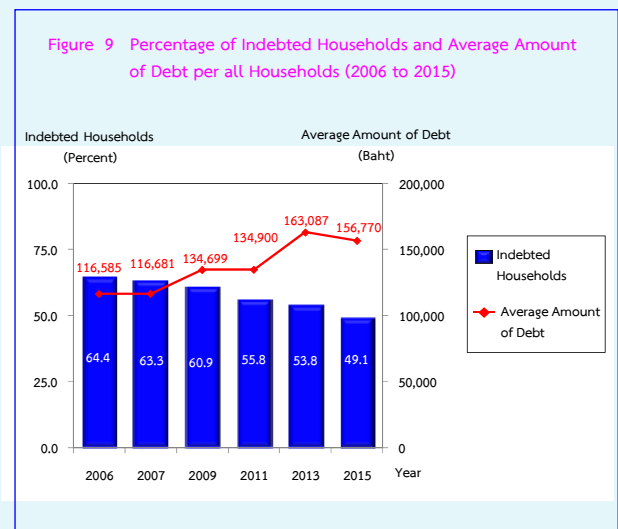
During 2006 to 2015, the overall figure showed that income was higher than expenditure on necessary items for daily life. Income had increased from 17,787 baht in 2006 to 26,915 baht in 2015, and in the meantime, expenditure had also increased from 14,311 baht to 21,157 baht. Considering the difference between income and expenditure in 2015, it was found that the difference was averagely 5,758 baht per household or approximately 1,986 baht per capita (household size in 2.9). Regarding this remaining money, households may mainly use for debt payment as well as for saving.

Concerning the proportion of debt to income from 2006 to 2015, it was found that the figure in 2015 was at the lowest ratio (5.8 times) same as that of the year 2011.



7. Comparing Percentage of Indebted Households and Average Amount of Debt per all Households (2006 to 2015)

Considering the pattern of the ratio of debt per income 2006 to 2015 it was the found that the proportion decreased continuously from 64.4 percent in 2006 to the lowest at 49.1 percent in 2015. Although, the amount of debt was increased from 116,585 Baht in 2006 to 163,087 Baht in 2013, but decreased in year 2015.



8. Comparing Distribution of Household Income (2013 to 2015)

In analyzing income distribution during 2013 to 2015, households were equally divided into 5 groups, from those with the lowest to the highest of their monthly income per capita (the first group earned the lowest income, while the fifth group earned the highest income). The result showed that the share of income for the highest income group accounted for 44.6 percent, while that for the lowest income group was only 7.0 percent.

^{1/} expenditure on necessary items for daily life, which excluded saving and capital formation expenditure such as purchase or hire-purchase of house or land and saving, etc.

However, the survey revealed the lower of income inequality as the income share of the highest income group was decreased 2.2 percent from the year 2011, while that of the three-lowest income group (group 1 to 3) was increased. In addition, the Gini Coefficient for the five quintiles decreased from 0.367 in 2013 to 0.337 in 2015.

An average monthly income per capita increased from 8,180 baht in 2013 to 9,212 baht in 2015. Households of the highest income group had an average monthly income per capita rising from 24,528 baht to 26,161 baht, and households of the lowest income group also experienced an increase in an average monthly income per capita rising from 1,973 baht to 2,574 baht.

