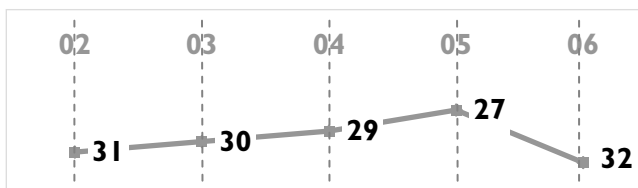


THAILAND

OVERALL PERFORMANCE



CHALLENGES IN 2006

- Reform of export and import structure.
- Improve efficiency of energy consumption to reduce dependency on imported energy.
- Improve quality of labor to suit new demands of industrial sector.
- Improve industries' competitiveness, eg. logistics costs.
- Improve laws and regulations.

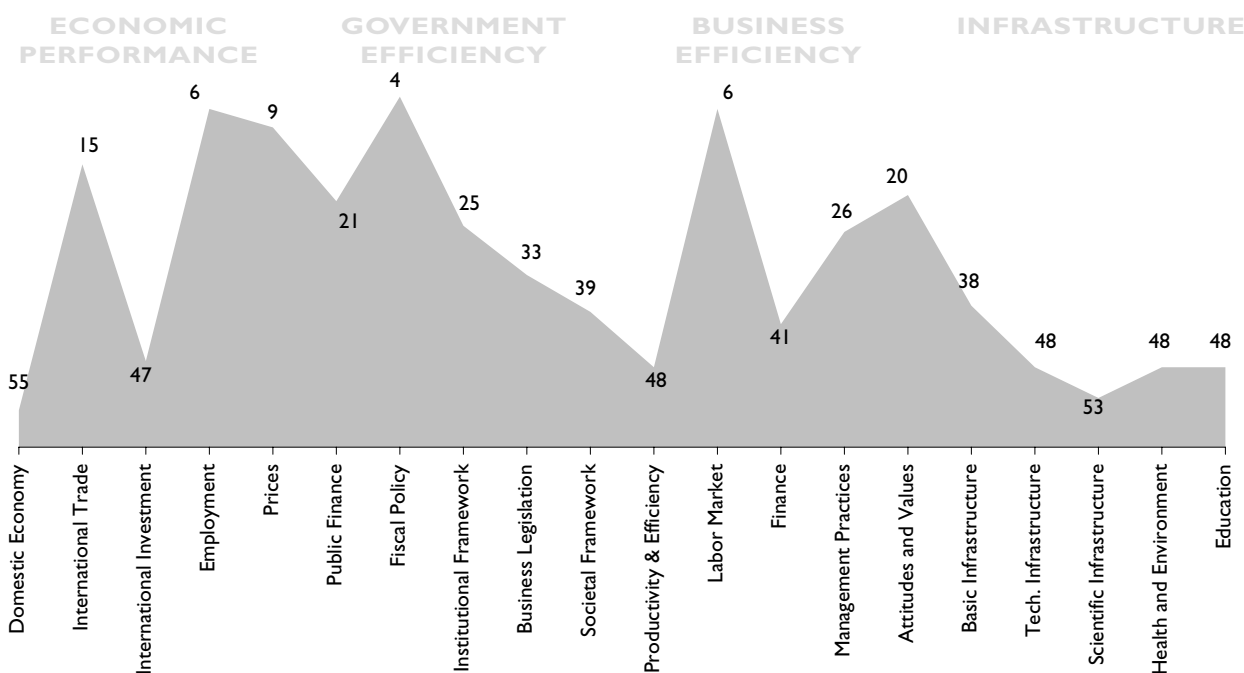
Provided by :

The Thailand Management Association

BASIC FACTS

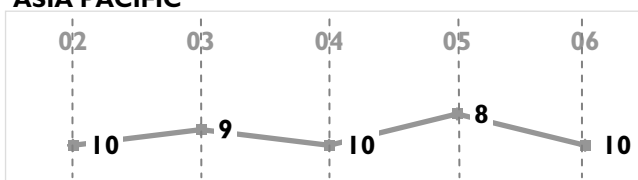
		Rank
Capital	Bangkok	
Land area (km ² '000)	513.0 (2005)	-
Exchange rate (per \$)	40.27 (2005)	-
Population (millions)	65.09 (2005)	13
GDP (\$ billions)	176.4 (2005)	39
GDP per capita (\$)	2,710 (2005)	54
Real GDP growth (%)	4.5 (2005)	26
Consumer Price Inflation (%)	4.5 (2005)	50
Unemployment rate (%)	1.7 (2005)	1
Labor force (millions)	36.19 (2005)	11
Current Account Balance (%)	-2.1 (2005)	38
Direct Investment		
Stocks Inward (\$ billions)	52.9 (2004)	37
Flows Inward (% of GDP)	2.0 (2005)	34

COMPETITIVENESS LANDSCAPE

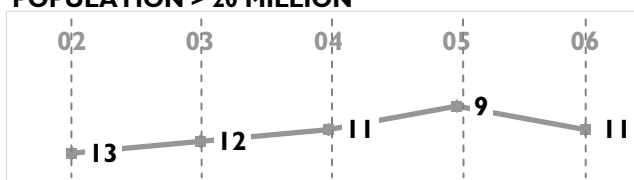


PEER GROUP RANKINGS

ASIA PACIFIC



POPULATION > 20 MILLION



The criteria below highlight the 10 greatest Improvements and the 10 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion as they appear in the WCY 2005 and WCY 2006

IMPROVEMENTS

		WCY 2005	WCY 2006
1.3.05	Direct investment flows inward US\$ billions	1.41	3.53
1.3.06	Direct investment flows inward Percentage of GDP	0.88	2.00
1.3.01	Direct investment flows abroad US\$ billions	0.13	0.24
1.3.02	Direct investment flows abroad Percentage of GDP	0.08	0.14
4.3.20	Number of patents in force Per 100,000 inhabitants	2	3
2.1.07	Central government foreign debt Percentage of GDP	5.12	3.59
4.5.05	Higher education achievement Percentage of population that has attained at least tertiary education	14.0	18.0
2.1.02	Government budget surplus/deficit Percentage of GDP	1.22	1.50
1.2.10	Exports of commercial services US\$ billions	15.69	18.93
4.1.03	Urbanization does not drain economic resources (Survey)	4.60	5.49
3.2.09	Employee training is a high priority in companies (Survey)	5.37	6.30
4.2.08	Computers per capita Number of computers per 1000 people / Source: Computer Industry Almanac	57	66
4.3.13	Science in schools is sufficiently emphasized (Survey)	4.21	4.84
3.5.07	Corporate values take into account the values of employees (Survey)	5.89	6.75
3.4.03	Credibility of managers is prevalent in business (Survey)	5.83	6.63

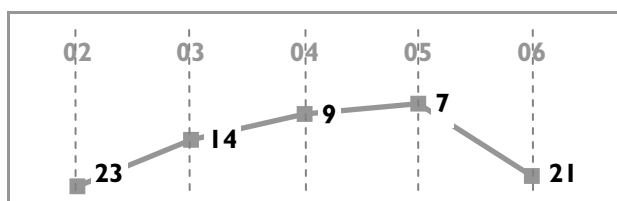
DECLINES

		WCY 2005	WCY 2006
1.3.16	Portfolio investment assets US\$ billions	0.94	-1.21
1.2.02	Current account balance Percentage of GDP	4.25	-2.11
1.3.17	Portfolio investment liabilities US\$ billions	0.85	0.24
1.5.01	Consumer price inflation Average annual rate	2.8	4.5
1.1.13	Real GDP Growth per capita Percentage change, based on national currency in constant prices	5.25	2.22
2.5.03	Risk of political instability low (Survey)	8.00	5.03
2.3.13	Transparency satisfactory (Survey)	4.68	3.13
2.4.08	Government subsidies To private and public companies as a percentage of GDP	0.78	1.04
2.3.16	Bribing and corruption do not exist in your economy (Survey)	2.69	1.88
2.3.11	Government decisions are effectively implemented (Survey)	6.66	4.78
1.1.12	Real GDP Growth Percentage change, based on national currency in constant prices	6.2	4.5
2.3.14	Public service is independent from political interference (Survey)	3.83	2.91
2.3.12	Political parties do understand today's economic challenges (Survey)	6.79	5.16
2.3.08	Policy direction of the government is consistent (Survey)	6.79	5.33
2.4.12	Price controls do not affect pricing of products in most industries (Survey)	6.17	5.10

THAILAND



ECONOMIC PERFORMANCE



Sub-Factor Breakdown :	2006
Domestic Economy	55
International Trade	15
International Investment	47
Employment	6
Prices	9

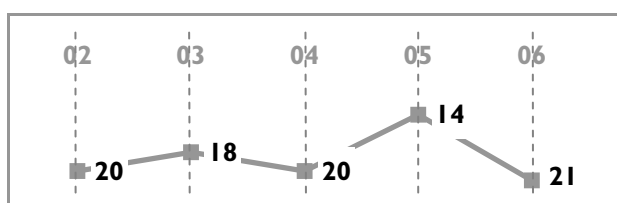
Strengths

1.4.06	Unemployment rate Percentage of labor force	1
1.4.08	Youth unemployment Percentage of youth labor force (under the age of 25)	1
1.4.02	Employment Percentage of population	5
1.5.02	Cost-of-living index Index of basket of goods & services in major cities, excluding housing (New York City = 100)	7
1.2.20	Tourism receipts International tourism receipts as a percentage of GDP	7

Weaknesses

1.3.16	Portfolio investment assets US\$ billions	58
1.1.19	GDP per capita US\$ per capita	54
1.1.20	GDP (PPP) per capita Estimates; US\$ per capita at purchasing power parity	51
1.3.17	Portfolio investment liabilities US\$ billions	50
1.3.03	Direct investment stocks abroad US\$ billions	48

GOVERNMENT EFFICIENCY



Sub-Factor Breakdown :	2006
Public Finance	21
Fiscal Policy	4
Institutional Framework	25
Business Legislation	33
Societal Framework	39

Strengths

2.2.09	Consumption tax rate Standard rate of VAT / GST	3
2.3.07	Exchange rate stability Parity change from national currency to SDR, 2005/2003	4
2.2.07	Effective personal income tax rate Percentage of an income equal to GDP per capita	7
2.2.01	Collected total tax revenues Percentage of GDP	10
2.3.01	Real short-term interest rate Real discount / bank rate	12

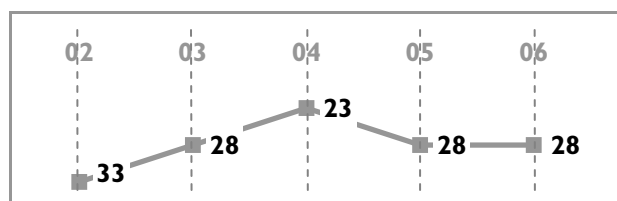
Weaknesses

2.4.05	Foreign investors are free to acquire control in domestic companies (Survey)	56
2.4.12	Price controls do not affect pricing of products in most industries (Survey)	55
2.3.13	Transparency of government policy is satisfactory (Survey)	52
2.4.10	Competition legislation is efficient in preventing unfair competition (Survey)	50
2.5.03	The risk of political instability is very low (Survey)	50

THAILAND



BUSINESS EFFICIENCY



Sub-Factor Breakdown :	2006
Productivity & Efficiency	48
Labor Market	6
Finance	41
Management Practices	26
Attitudes and Values	20

Strengths

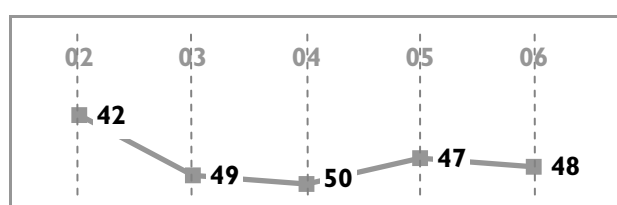
3.4.07	Customer satisfaction is emphasized in companies (Survey)	4
3.2.11	Labor force Percentage of population	5
3.2.01	Compensation levels Estimates: Total hourly compensation for manufacturing workers (wages + supplementary benefits), US\$	8
3.2.03	Remuneration in services professions Gross annual income including supplements such as bonuses, in US\$	8
3.2.05	Working hours Average number of working hours per year	9

Weaknesses

3.1.01	Overall productivity (PPP) Estimates: GDP (PPP) per person employed, US\$	56
3.3.15	Stock market index Percentage change on index in national currency	53
3.3.05	Investment risk Euromoney country credit-worthiness scale from 0-100	47
3.1.09	Small and medium-size enterprises are efficient by international standards (Survey)	47
3.2.17	Finance skills are readily available (Survey)	47



INFRASTRUCTURE



Sub-Factor Breakdown :	2006
Basic Infrastructure	38
Technological Infrastructure	48
Scientific Infrastructure	53
Health and Environment	48
Education	48

Strengths

4.2.10	Internet costs Cost for 20 hours dial-up per month, US\$	2
4.2.05	Mobile telephone costs Prepaid cellular tariffs - US\$ per 1 minute (local)	8
4.2.19	High-tech exports Percentage of manufactured exports	10
4.1.07	Dependency ratio Population under 15 and over 64 years old, divided by active population (15 to 64 years)	13
4.3.14	Youth interest in science is strong (Survey)	24

Weaknesses

4.4.01	Total health expenditure Percentage of GDP	59
4.3.02	Total expenditure on R&D Percentage of GDP	58
4.4.06	Medical assistance Number of inhabitants per physician and per nurse	57
4.3.05	Business expenditure on R&D Percentage of GDP	55
4.2.09	Internet users Number of internet users per 1000 people / Source: Computer Industry Almanac	53