

The Consumer Price Index for February 2025

Mr. Poonpong Naiyanapakorn, the Director General of the Trade Policy and Strategy Office (TPSO) and the Spokesman of the Ministry of Commerce, revealed that **the Consumer Price Index (CPI) in February 2025 was 100.55**. Comparing to February 2024 (99.48), **the headline inflation increased by 1.08% (YoY)**. The main factor came from the rising prices of food and non-alcoholic beverages, especially fresh fruits, food components, non-alcoholic beverages, and ready-to-eat meals. Additionally, the prices of diesel fuel, electricity, and airfare also increased. Other goods and services did not have a significant impact on inflation.

Thailand's inflation rate in January 2025 increased by 1.32% (YoY) compared to other countries, still remaining in the low inflation rate group. That is, Thailand positioned at the 23rd out of 128 economies that reported figures, and the 4th lowest rate in ASEAN among 8 countries (Brunei, Indonesia, Singapore, Malaysia, the Philippines, Vietnam, and Lao PDR).

The headline inflation rate in February 2025, which increased by 1.08% (YoY), was contributed by prices of goods and services as follows:

Food and non-alcoholic beverages category increased by 2.03% (YoY), primarily driven by rising prices of fresh fruits (sugar banana, guava, watermelon, pineapple), ready-to-eat meals (rice and curry, prepared food, noodle), non-alcoholic beverages (instant coffee powder, soft drink, coffee (hot/cold)), meat, duck, chicken, and aquatic animals (tilapia, white shrimp, pork, steamed short mackerel, squid, short mackerel), food components (vegetable oil, coconut (dried/shredded), chili paste, instant coconut milk), rice, flour, and flour-based products (rice, glutinous rice, pastry), and sugar products (dessert, granulated sugar), and egg and milk products (fresh milk, duck egg). Meanwhile, there were many items with price reduction such as some fresh vegetables (lime, fresh chili, Chinese broccoli, green brinjal, cilantro, Chinese cabbage), some fresh fruits (grape, dragon fruit), grilled/fried chicken, and soy sauce.

Non - food and beverages category increased by 0.40% (YoY), primarily due to the increasing prices of diesel and benzene fuel, electricity, housing rent, and international airfare. However, there were many necessary items with price reduction such as gasohol, personal items (shampoo, body soap, skincare products, deodorant, face powder), cleaning products (dish soap, floor cleaner, bathroom cleaner), and clothes (men's trousers, men's and women's t-shirts, men's and women's shirts).

For the core inflation (the headline inflation excluding fresh food and energy), it **increased by 0.99% (YoY)**, accelerating from 0.83% (YoY) in January 2025.

The Consumer Price Index in February 2025, when compared to January 2025, decreased by 0.02% (MoM), following a decrease of food and non-alcoholic beverages category by 0.08% (MoM). This mainly resulted from falling prices of fresh foods, notably fresh vegetables (water spinach, green brinjal, green onion, cucumber, long bean) as the weather conditions are more favorable for cultivation, resulting in an increased supply. In addition, the prices of rice, chicken egg, delivered food also decreased. Concurrently, there were many items with price rise such as pork,

vegetable oil, tangerine, prepared food, and instant coffee powder. **For non - food and beverages category, there was a 0.01% (MoM) increase**, influenced by rising prices of public transportation fares, particularly bus, skytrain, and subway because the fare has returned to its normal rate after the end of the government's free public transportation measure. Furthermore, the prices of airfare, housing rent, and cleaning products (detergent, dish soap) also increased. Meanwhile, there were some items with price reduction such as gasohol and benzene fuel, following the downward trend of global energy prices, as well as certain electrical appliances (electric kettle, refrigerator, microwave oven) due to marketing promotions.

The average consumer price index over the 2 months (January – February) of 2025 increased by 1.20% (AoA) compared to the same period in 2024.

As for March 2025, the headline inflation is expected to be at a similar level as February 2025. There are three key factors accelerating the inflation. First, the price ceiling of diesel at 33.00 baht per liter is higher than the same period last year at 29.92 baht per liter. Second, the continued recovery of the tourism sector has led to an increase in the prices of related goods and services, particularly airfare. Third, the prices of upstream raw materials for certain agricultural products remain high, especially for horticultural crops such as coffee, palm oil, and coconut. This has led to an increase in the prices of intermediate or finished products, such as coffee, vegetable oil, and coconut milk. On the other hand, **there are four major factors possibly decelerating the inflation.** First, the decrease in Dubai crude oil prices in the global market, which are lower than the previous year, is expected to lead to a reduction in domestic gasohol prices in the same direction. Second, the government is likely to continue implementing measures to ease the cost of living. Third, the base price of fresh vegetables in 2024 was at a high level due to the impacts of natural disasters. In 2025, the weather conditions are more favorable for cultivation, resulting in an increased supply. Fourth, large-scale businesses have organized marketing promotion activities to align with the government's economic stimulus measures.

Trade Policy and Strategy Office
Ministry of Commerce
March 2025