

The Consumer Price Index for March 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 March 2025 was 100.35**. Comparing to March 2024 (99.51), **the headline inflation increased by 0.84% (YoY)**. The main factor came from the rising prices of non-alcoholic beverages, meat, and prepared food. Additionally, the prices of diesel fuel and housing rent also increased. Other goods and services did not have a significant impact on inflation.

Thailand's inflation rate in February 2025 increased by 1.08% (YoY) compared to other countries, still remaining in the low inflation rate group. That is, Thailand positioned at the 22nd out of 130 economies that reported figures, and the 4th lowest rate in ASEAN among 8 countries that reported figures (Indonesia, Brunei, Singapore, Malaysia, the Philippines, Vietnam, and Lao PDR).

The headline inflation rate in March 2025, which increased by 0.84% (YoY), was contributed by prices of goods and services as follows:

Food and non-alcoholic beverages category increased by 2.35% (YoY), primarily driven by rising prices of non-alcoholic beverages (instant coffee powder, soft drink, coffee (hot/cold)), meat, duck, chicken, and aquatic animals (pork, tilapia, short mackerel, white shrimp), prepared food (rice and curry, ready-to-eat meals, noodle), fresh fruits (durian, guava, pineapple, young coconut), food components (vegetable oil, coconut (dried/shredded), chili paste), rice, flour, and flour-based products (rice, glutinous rice, pastry), and sugar products (dessert, granulated sugar). Meanwhile, there were many items with price reduction such as some fresh vegetables (lime, fresh chili, Chinese cabbage, ginger, cilantro, green onion, green brinjal, celery), chicken egg, grilled chicken, some fresh fruits (grape, ripe papaya), and delivered food.

Non - food and beverages category decreased by 0.18% (YoY), primarily due to the falling prices of gasohol, personal items (shampoo, skincare products, body soap, face powder), cleaning products (detergent, dish soap, floor cleaner, ironing liquid), mobile phone, and clothes (men's trousers, men's and women's t-shirts). However, there were many necessary items with price rise such as diesel fuel, housing rent, and men's and women's hairdressing service.

For the core inflation (the headline inflation excluding fresh food and energy), it **increased by 0.86% (YoY)**, decelerating from 0.99% (YoY) in February 2025.

The Consumer Price Index in March 2025, when compared to February 2025, decreased by 0.20% (MoM), following a decrease of non - food and beverages category by 0.44% (MoM). This mainly resulted from falling prices of fuel (gasohol, diesel, benzene), following the declining energy prices in the global market, and electricity due to government's measures to assist citizens with electricity bills. Furthermore, the prices of personal items (skincare products, face wash, toothpaste), and cleaning products (detergent, dish soap, ironing liquid) also decreased due to marketing promotions. Meanwhile, there were some items with price rise such as housing rent, airfare, women's trousers. **For food and non-alcoholic beverages category, there was a 0.19% (MoM)**

increase, influenced by rising prices of fresh foods, notably pork and fresh vegetables (Chinese broccoli, lime, green brinjal, bok choy, cilantro) due to a decrease production caused by hot weather conditions, while consumer demand continues steadily. In addition, the prices of instant coffee powder and vegetable oil also increased. Concurrently, there were some items with price reduction such as delivered food, chicken egg, fresh vegetables (climbing wattle, cucumber, fresh chili), and fresh fruits (mango, guava, watermelon).

The average consumer price index for the first quarter of 2025, compared to the same quarter of 2024, **increased by 1.08% (YoY)**, and compared to the previous quarter, **it decreased by 0.14% (QoQ)**.

As for the second quarter of 2025, the headline inflation is expected to decrease from the first quarter of 2025. There are four key factors decelerating the inflation. First, the government is likely to continue implementing measures to ease the cost of living. Second, the base prices of fresh vegetables and chicken eggs in past year were at a high level, whereas the weather conditions are more favorable for production in 2025 than last year, resulting in an increased supply. Third, the decrease in Dubai crude oil prices in the global market, which are lower than the previous year, has led to a reduction in domestic gasohol prices in the same direction. Fourth, large-scale businesses have organized marketing promotion activities to align with the government's economic stimulus measures. On the other hand, **there are two major factors possibly accelerating the inflation.** First, the prices of upstream raw materials for certain agricultural products remain high, especially for horticultural crops such as coconut, coffee, and palm oil. This results in an increase in the prices of finished products such as coconut milk, coffee, and vegetable oil. Second, prepared food, especially ready-to-eat meals, remains at a high price level due to rising costs of certain raw materials.

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