

The Consumer Price Index for June 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 June 2025 was 100.42**. Comparing to June 2024 (100.67), **the headline inflation decreased by 0.25% (YoY)**. The main factor came from the falling prices of energy, including fuel and electricity. Furthermore, the prices of fresh food items also decreased, particularly chicken egg, fresh vegetables, and fresh fruits. Nevertheless, there were some food items with price rise, such as pork and prepared food. Other goods and services did not have a significant impact on inflation.

Thailand's inflation rate in May 2025 decreased by 0.57% (YoY) compared to other countries, still remaining in the low inflation rate group. That is, Thailand positioned at the 6th out of 137 economies that reported figures, and the lowest rate in ASEAN among 8 countries that reported figures (Brunei, Singapore, Malaysia, the Philippines, Indonesia, Vietnam, and Lao PDR).

The headline inflation rate in June 2025, which decreased by 0.25% (YoY), was contributed by prices of goods and services as follows:

Non - food and beverages category decreased by 1.45% (YoY), primarily due to the falling energy prices (electricity, gasohol, diesel, benzene fuel), personal items (shampoo, body soap, skincare products, face wash, toothpaste), cleaning products (floor cleaner, dish soap, detergent, fabric softener), and clothes (men's and women's t-shirts, men's and women's shirts, men's trousers). However, there were many necessary items with price rise such as housing rent, men's and women's hairdressing service, and pet food.

Food and non-alcoholic beverages category increased by 1.64% (YoY), primarily driven by rising prices of prepared food (rice and curry, ready-to-eat meals, noodle), meat, duck, chicken, and aquatic animals (pork, tilapia, short mackerel), non-alcoholic beverages (instant coffee powder, coffee (hot/cold), soft drink), cooking ingredients (vegetable oil, instant coconut milk, coconut (dried/shredded), chili paste), and sugar products (dessert, coconut sugar). Meanwhile, there were many items with price reduction, notably chicken egg, fresh vegetables (tomato, cabbage, green onion, long bean, ginger, lime), fresh fruits (durian, tangerine, mango, watermelon, grapes), grilled chicken, and delivered food.

For the core inflation (the headline inflation excluding fresh food and energy), it **increased by 1.06% (YoY)**, slightly decelerating from 1.09% (YoY) in May 2025.

The Consumer Price Index in June 2025, when compared to May 2025, **increased by 0.02% (MoM)**, following an increase of food and non-alcoholic beverages category by 0.07% (MoM), particularly fresh vegetables (cilantro, green onion, Chinese broccoli, fresh chili, Chinese cabbage) due to heavy rainfall in agricultural areas that damaged the harvested products. This resulted in decreasing market supply, while consumer demand remained steady. In addition, prices of prepared food (ready-to-eat meals, noodle, rice and curry), instant coconut milk, and instant coffee powder also increased in line with the rising prices of raw materials. Concurrently, there were some items with price reduction such as fresh fruits (durian, rambutan, mangosteen, tangerine, dragon fruit)

due to the fruit season, vegetable oil, rice, and garlic. **For non - food and beverages category, the Consumer Price Index remained unchanged.** Nonetheless, there were many necessary items with price rise such as gasohol, housing rent, and some personal items (deodorant, hair conditioner, shampoo). Meanwhile, there were some items with price reduction such as cleaning products (detergent, floor cleaner, fabric softener), some personal items (face wash, toothpaste, sanitary pad, mouthwash), and men's and women's t-shirts.

The average consumer price index for the second quarter of 2025, compared to the same quarter of 2024, decreased by 0.35% (YoY), and compared to the previous quarter, it decreased by 0.17% (QoQ). As for the 6-month average (January – June) of 2025, it increased by 0.37% (AoA) compared to the same period in 2024.

For the third quarter of 2025, the headline inflation is expected to be at a similar level as the second quarter of 2025. There are four key factors decelerating the inflation. First, Dubai crude oil prices in the global market are lower than the previous year as the situation in the Middle East has eased, following a ceasefire agreement. This has diminished concerns over the border conflict. Second, the government is likely to continue implementing measures to ease the cost of living, especially the reduction of electricity Ft charge for May – August 2025 by 0.17 Baht, bringing it down to 3.98 Baht per unit. Third, the base prices of fresh vegetables in past year were at a high level triggered by natural disasters, whereas the weather conditions are more favorable for production in 2025 than last year, resulting in an increased supply. Fourth, large-scale businesses have organized marketing promotion activities to align with the government's economic stimulus measures.

Thus, the Ministry of Commerce has predicted that the headline inflation for 2025 will be between 0.0% and 1.0% (midpoint of 0.5%). This rate aligns with the current economic situation. If there are significant changes in the circumstances, there will be a reconsideration.

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