

In July 2022, the CPI (MoM) dropped for the 1st time since January 2022, and the headline inflation was lower than the previous month.

Mr. Ronnarong Phoolpipat, the director-general of TPSO reveals that the Consumer Price Index (CPI) in July 2022 was at 107.41, dropped by 0.16 percent compared with the previous month, contracted for the first time in 2022. However, compared with the same period last year, the headline inflation increased by 7.61 percent (YoY), and the core inflation increased by 2.99 percent (YoY).

The main contributions were:

- **Energy:** prices increased by 33.82 percent (YoY) and had a 52.57-percent contribution to inflation. Although gasoline prices slightly decreased when compared to last month, production and logistics costs remained at a high level following high prices of LPG, electricity, and diesel.

- **Food and non-alcoholic beverages:** prices increased by 8.02 percent (YoY). Prices of fresh chicken, chili, spring onion, seasonings and condiments, and prepared food increased following high energy costs including electricity, LPG, as well as diesel prices which largely contributed to logistics costs. While prices of several items dropped such as rice, glutinous rice, and some fruits and vegetables (long bean, lime, ginger, Chinese kale, sugar banana, guava, and longkong)

The Producer Price Index (PPI) in July 2022 rose 12.2 percent (YoY), increasing in all product groups following high costs of energy and raw materials, rising import prices from Thai Baht depreciation, and high cost of raw materials and capital costs. The Construction Materials Price Index (CMI) rose 6.3 percent (YoY) following high costs of energy and raw materials, and public construction projects which are on schedule. The overall Consumer Confidence Index (CCI) rose to 45.5 from 44.3 in the previous month, with a growth in both present and future CCIs. The main reasons were the Thai economic recovery from a continuous growth of exports, the government's stimulus measures on tourism, the reopening of nightclubs, and a reduction of fuel prices. While Thai economic situation, fluctuating fuel prices, and the government's measures were adverse factors to the CCI.

The headline inflation in 2022 is reprojected to range between 5.5 – 6.5 percent (or 6.0 percent mid-range). The projection reflects current economic figures and is in line with the projections released by other government agencies.

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