

Global Transactions Forecast 2020 | THAILAND

Thailand's economy remains healthy, notwithstanding short-term headwinds including slowing momentum in tourist arrivals. This robust economic performance has also been reflected in a resurgence of inbound and domestic deal-making activity. While we expect some moderation of transactions activity in 2020, Thailand's strong economic fundamentals should support a rebound of deal-making in 2021-22.

SUMMARY OF KEY DRIVERS (AVERAGE 2019-2022)								
	Thailand	Global						
GDP growth (% annual)	3.1	2.8						
Stock market capitalization (% of GDP)	101	97						
Money supply (% of GDP)	91	111						
Trade (% of GDP)	109	45						
Ease of doing business (World Bank, DTF score, higher=better)	78	77						
Legal structure (Fraser Institute)	1.8	6.6						
Freedom to trade (Fraser Institute)	2.9	7.4						

Source: Oxford Economics

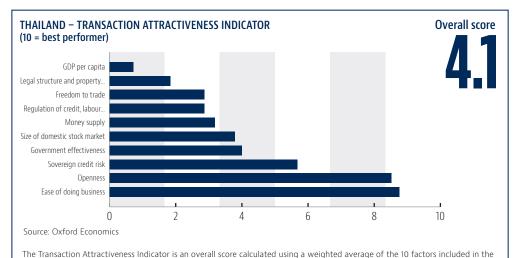


chart above. The score reflects the attractiveness of a country's current environment for M&A and IPO activity on a scale from 0 to 10. It's based on past transaction activity in that country and data on key economic, financial and regulatory factors that drive M&A and IPO activity, such as a country's sovereign credit risk, level of trade restrictions and ease of doing business rating by the World Bank. Because many of these factors change slowly over time, a country's current score is a strong indicator of

whether it will have the right features to attract transactional activity in the future.

THAILAND - M&A AND IPO TRANSACTIONS 2016 2017 2018 2019 2020 2021 2022 Total M&A transactions (US\$bn) 10.3 7.5 10.8 6.3 8.3 8.9 % of Global M&A transactions 0.3 0.2 0.2 0.4 0.3 0.3 0.3 Domestic (US\$bn) 8.2 35 58 5.0 6.5 71 70 2.1 Cross-border, inbound (US\$bn) 2.1 1.7 3.6 1.3 1.8 1.9 Total volume of M&A transactions (Number of deals) 127 117 100 89 82 90 97 67 Domestic (Number of deals) 58 49 46 48 52 Cross-border, inbound (Number of deals) 42 40 36 Total IPO transactions (US\$bn) 1.3 3.6 2.5 1.3 1.2 2.3 2.9 % Global IPO transactions 0.9 1.8 1.2 0.9 0.5 1.2 1.3 Domestic (US\$bn) 1.1 2.5 1.3 1.2 2.1 2.7 3.4

Source: Oxford Economics, Reuters

Cross-border (US\$bn)

THAILAND – FORECAST FOR THE ECONOMY									
	2016	2017	2018	2019	2020	2021	2022		
Macroeconomic drivers									
Real GDP growth (% yoy)	3.4	4.0	4.1	3.1	3.2	3.1	3.0		
CPI (% yoy)	0.2	0.7	1.1	1.0	1.3	1.5	1.9		
Merchandise trade (% of GDP)	110%	113%	115%	109%	109%	109%	110%		
Financial drivers									
10-year government bond yield (%)	2.2	2.5	2.6	2.2	2.0	2.3	2.7		
Equity prices (LCU, end of year % change)	19.8	13.7	-10.8	12.2	-8.2	9.6	6.9		
Stock market capitalisation (US\$bn)	433.0	548.8	500.7	590.7	543.8	597.5	640.0		

0.2

0.2

0.0

0.0

0.0

0.1

0.1

Source: Oxford Economics

IPO calculations account for the tentative Aramco listing in 2020 that has the potential to raise up to US 100 billion.