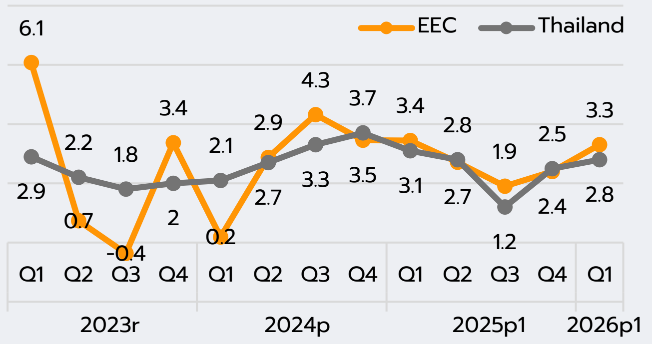
EEC Quarterly Economic Report

Q1 2026 Developments and Outlook

In Q1 2026, the EEC economy expanded 3.3 percent year-on-year, accelerating from the preceding quarter. Growth was primarily driven by the industrial sector, where investment value rose markedly, led by capacity expansion and technology upgrading among incumbent operators in the area, alongside sustained growth in the labor market and rising industrial employment. Nonetheless, the economy continued to face headwinds from declining tourist arrivals and tourism receipts, and from the agricultural sector exposed to adverse weather conditions and softening farm gate prices, while consumer confidence moderated reflecting heightened household caution. Overall, the EEC economy maintained momentum underpinned by industrial investment, while tourism and agriculture remained drag factors warranting close monitoring.

GPCP (%YoY)

Gross Provincial Cluster Product Growth Rate

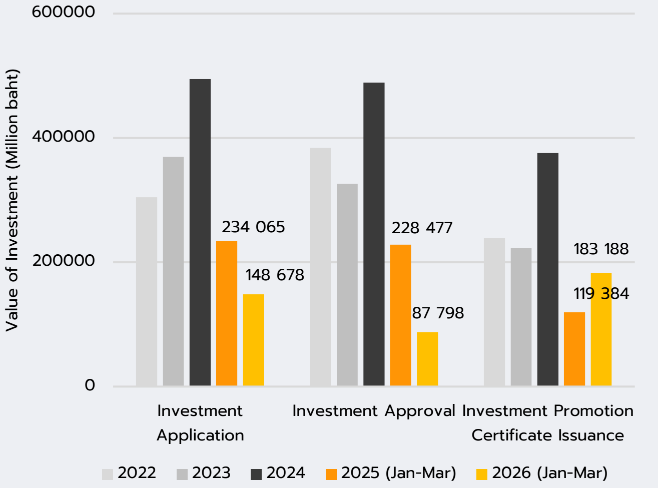


Growth Outlook

2025p1	2026p1	2027f
2.5	**2.4**	**2.4**

Source : Quarterly compilation by the Overall Planning Division, EECO
Note : 2023 data revised per NESDC GPP
r: Revised p: Preliminary (Based on Annual Figures)
p1: Preliminary (Without Annual Figures)

Value of Investment Promotion in the EEC



Source: Board of Investment (BOI)

Key Factors Affecting the EEC Economy

Compared with the same period of the previous year

Industrial Investment	Tourism	Agriculture	Consumption	Labor Market	Gov. Budget Disbursement	Real Estate Investment
Expanding	**Moderating**	**Stable**	**Moderating**	**Expanding**	**Rising**	**Expanding**

Tailwinds

1. China+1 strategy by multinationals coupled with domestic political stability supports investors in electronics, EVs, and green industries to select EEC as the preferred regional production base.
2. Continued momentum in industrial estate investment demand, evidenced by rising land prices and shrinking available area.
3. Investment promotion policies and accelerated government budget disbursement continue to underpin economic activity in the EEC area.

Headwinds

1. Protracted Middle East tensions may disrupt global energy transport routes, adding upward pressure on production costs, freight rates, and domestic inflation.
2. Uncertainty surrounding US import tariff measures may disrupt supply chains in the export/manufacturing sector.
3. Elevated household debt and agricultural income pressures may constrain the recovery of private consumption and the services sector.

Key Factors Affecting the EEC Economy
Expansion in Industrial Investment

Industrial Plant Openings and Closures

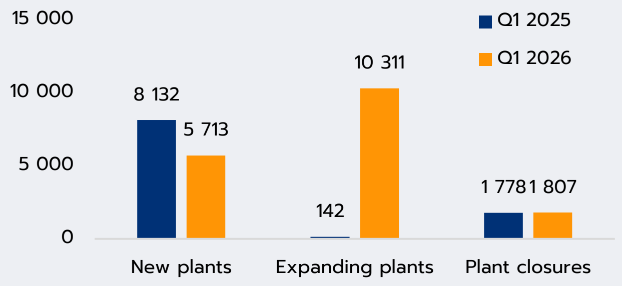
Factories granted operating and expansion licenses totaled 71 establishments with combined investment of THB 16,024 million. Most of the investment was concentrated in plastics, metals, machinery, electrical appliances, and vehicles, accounting for 79.4 percent of total licensed factory investment value in the quarter.

Meanwhile, 35 factories ceased operations with investment value of THB 1,807 million, leaving net factory count and net investment value in positive expansion territory.

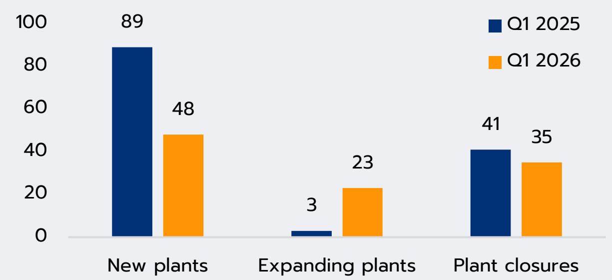
Year-on-year, investment value of licensed and expanding factories rose 93.7 percent even as the number of factories declined by 22.8 percent.

This reflects continued industrial investment expansion in value terms, through capacity expansion among existing operators, while new factory establishment moderated year-on-year.

Investment Value (million baht)

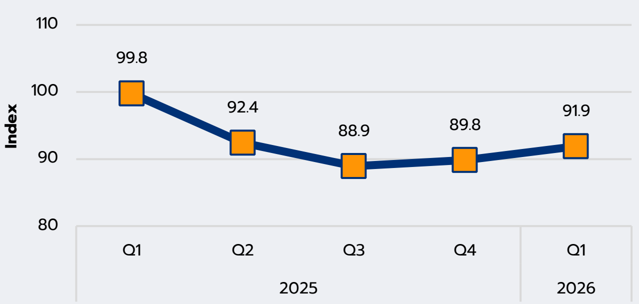


Number of Plants (units)



Source: Department of Industrial Works
Note: Includes only plants classified under the Factory Act (No. 2), 2019, with a size of 50 employees/horsepower and above.

Eastern Industries Sentiment Index



Source: The Federation of Thai Industries

The Eastern Industries Sentiment Index stood at 91.9 in Q1, declining nearly 8 percent year-on-year, reflecting operator concerns over the protracted Middle East conflict and its associated pressures on production costs, freight rates, and supply chains, which dampened export orders for automobiles, processed food, and wood products. Nonetheless, electronics and components exports from the EEC continued to expand in line with rising global technology demand, underpinning manufacturing activity and sustaining business confidence.

Industrial Estate Land Availability

Summary of Land Use Approvals in Industrial Estates (as of Q1 2026)

Province	No. of Industrial Estates (units)	Total Land Area for Sale/Lease (rai)	Remaining Land Area Available for Sale/Lease (rai)	Remaining Land Area (%)
Chachoengsao	6	10,825	2,615	24.2%
Chonburi	27	40,651	8,366	20.6%
Rayong	19	60,573	7,166	11.8%
EEC	**52**	**112,050**	**18,147**	**16.2%**

Source: Industrial Estate Authority of Thailand (IEAT); compiled by EECO.

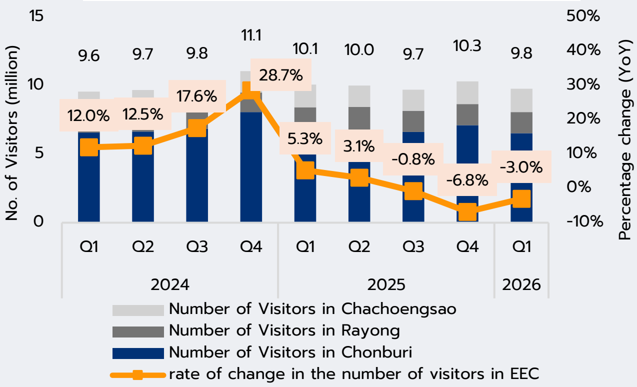
The EEC remains the most concentrated industrial estate hub in Thailand with over 50 estates. Currently approximately 18,147 rai remains available for sale or lease:

General Industrial Zone (GIZ) = 15,886 rai
Industrial Free Zone (IFZ) = 566 rai
Commercial Zone (CM) = 1,695 rai

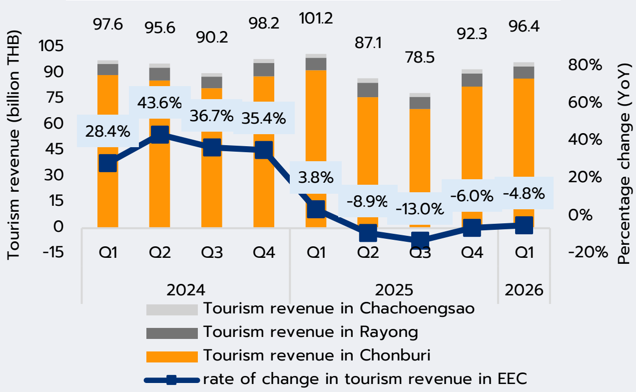
Tourism Sector: Moderating

Tourism in the EEC moderated, with total visitor arrivals of 9.8 million, down 3.0 percent year-on-year representing 10.5 percent of national arrivals. Tourism revenue stood at THB 96.4 billion, down 4.8 percent year-on-year and accounting for 12.9 percent of national receipts. Chonburi remained the primary destination with 66.9 percent of EEC arrivals and 90.2 percent of revenue. The slowdown reflected Middle East tensions raising travel costs and disrupting flight routes, reducing long-haul inflows, while global uncertainty prompted more cautious tourist spending. Nonetheless, EEC tourism was supported by recovering Chinese and Indian visitors underpinned by government promotion measures, together with the Honda LPGA Thailand 2026 and events including the Pattaya Music Festival, International Kite Festival, and Pala Run 2026.

Tourist Arrivals in the EEC Area



Tourism Revenue in the EEC Area



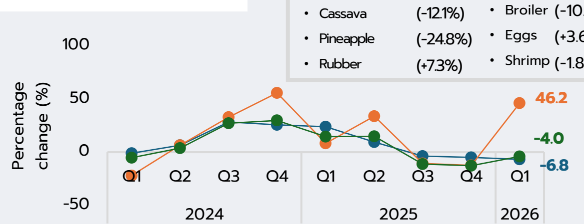
Source: Ministry of Tourism and Sports

Agricultural Sector: Stable

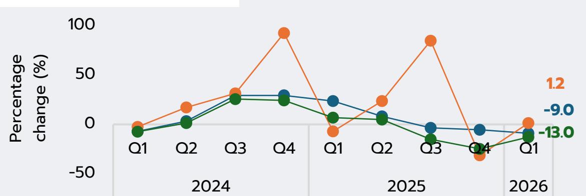
Agricultural Output Index

Key Agricultural Commodities (Volume)

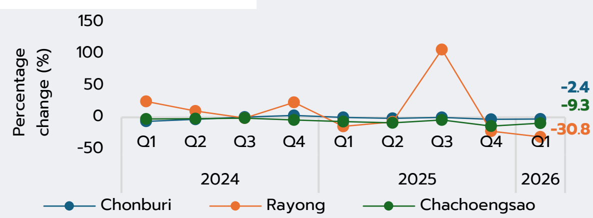
- Rice (-36.3%)
- Cassava (-12.1%)
- Pineapple (-24.8%)
- Rubber (+7.3%)
- Durian (+542%)
- Swine (-4.9%)
- Broiler (-10.1%)
- Eggs (+3.6%)
- Shrimp (-1.8%)



Farm Income Index



Farm Gate Price Index



Source: Provincial Finance Offices of Chonburi, Rayong, and Chachoengsao; analyzed by EECO.

The EEC Agricultural Output Index expanded 11.8 percent year-on-year, while the Farm Gate Price Index and Farm Income Index contracted 17.7 percent and 6.9 percent respectively, reflecting continued pressure from softening commodity prices despite higher output volumes.

Marked provincial divergence was evident: Rayong posted strong output expansion in rubber, durian, and swine on favorable weather and expanded cultivated areas, while Chonburi and Chachoengsao faced headwinds from erratic weather, crop and livestock diseases, and elevated production costs resulting in output declines.

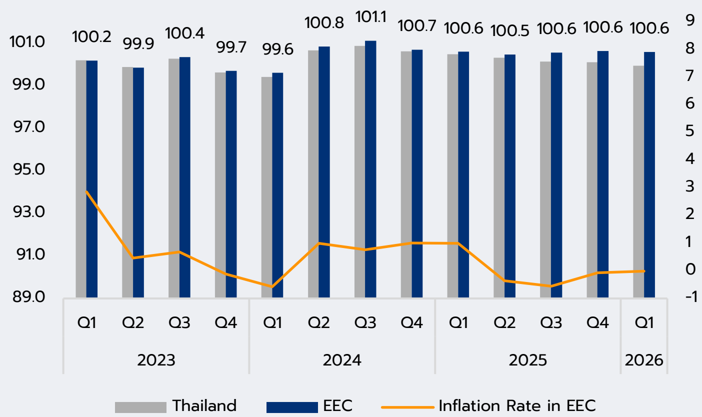
Farm income broadly tracked output trends, with Rayong recording income growth while Chonburi and Chachoengsao reported declining farm income from lower output compounded by falling commodity prices.

Key risks to the agricultural outlook include increasingly volatile weather, spread of crop and livestock diseases, and persistently elevated production costs — particularly animal feed and energy — which may constrain output, farm income, and the agricultural recovery in the EEC.

Consumption: Moderating

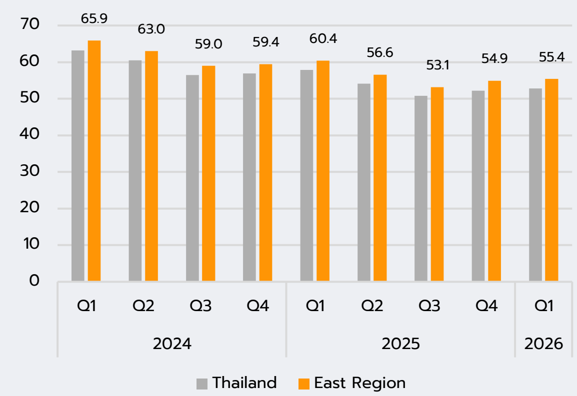
The EEC CPI averaged 100.59 in Q1 2026, broadly unchanged year-on-year (100.60), supported by government cost-of-living measures moderating electricity and fuel price increases alongside stable personal goods prices. The Eastern Region CCI declined to 55.4 from 60.4 in the same period last year, reflecting concerns over lower agricultural prices eroding farmer purchasing power, elevated household debt and goods prices, baht depreciation affecting import costs, and broader global economic uncertainty.

Consumer Price Index (CPI)



Source: Ministry of Commerce

Eastern Region Consumer Confidence Index (CCI)



Source: Economic and Business Forecasting Center, UTCC

Labor Market: Expanding

Total employed persons stood at 2.7 million, up 7.9 percent year-on-year, reflecting the expansion of economic activity and employment, as follows:

Services (51.8%): Employment rose 0.5 percent, driven by wholesale and retail trade, arts and entertainment, and administrative services, while health, accommodation, transport, and education declined.

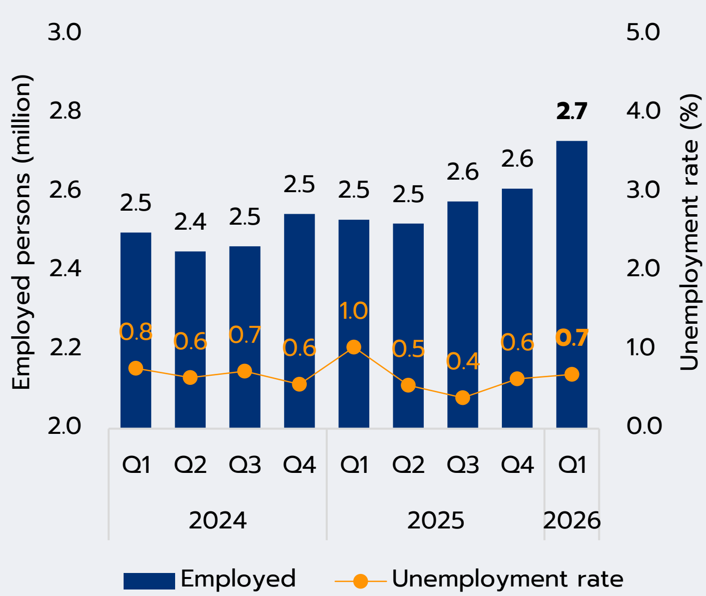
Industry (36.8%): Employment rose 12.8 percent, driven by increased hiring in manufacturing — the largest employment sector in the EEC.

Agriculture (11.0%): Employment rose 38.6 percent, consistent with the expansion in agricultural output in the area.

Labor structure: Employment gains were distributed across education levels — 50,000 university-educated, 160,000 secondary, and 70,000 primary and below — reflecting rising demand across all skill levels.

The unemployment rate stood at 0.7 percent (18,000 persons), declining from the prior year and below the national average of 0.9 percent, reflecting EEC labor market expansion.

Employment and Unemployment Rate



Source: Labor Force Survey, National Statistical Office (NSO)

Government Budget Disbursement: Rising

Disbursement Outturn: Q2 Fiscal Year 2026

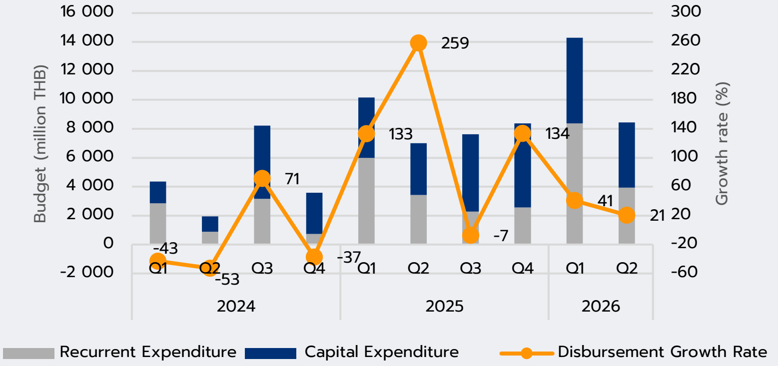
Total Budget

8,438.15

million baht

Up 21% year-on-year

- Recurrent Expenditure: THB 3,924.80 million
  Up 15% year-on-year
- Capital Expenditure: THB 4,513.35 million
  Up 26% year-on-year



Source: GFMIS System, Comptroller General's Department

**Note: Chart uses fiscal year data, 1 October 2025 to 30 September 2026*

Government expenditure for EEC development in Q2 of Fiscal Year 2026 (January–March 2026) totaled THB 8,438.15 million, up 21 percent year-on-year. Of this, recurrent expenditure amounted to THB 3,924.80 million (+15% yoy) and capital expenditure reached THB 4,513.35 million (+26% yoy), reflecting continued budget disbursement acceleration measures under FY2026 to channel resources into the economy efficiently and stimulate national economic activity.

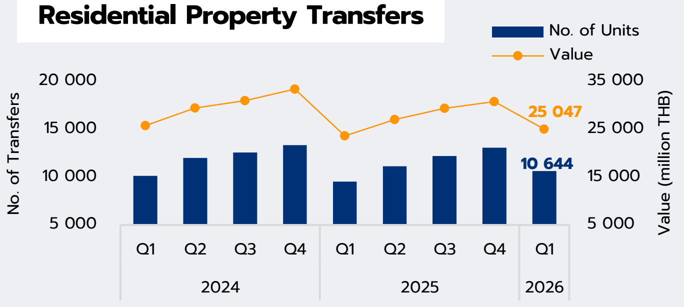
Real Estate Investment: Expanding

Residential property transfers totaled 10,644 units, up 11.6 percent year-on-year, with combined value of THB 25,047 million, up 6.0 percent. The housing subdivision price index stood at 126.4 (+1.3%), while the condominium price index stood at 101.9 (-1.0%).

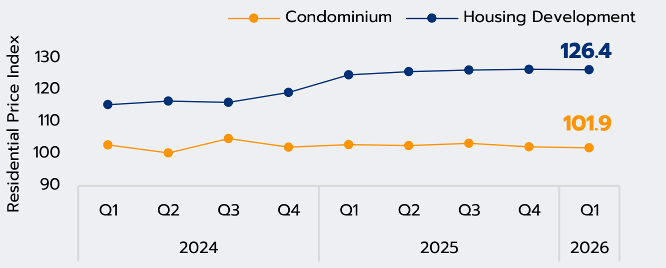
The undeveloped land price index stood at 435.2, up 31.0 percent year-on-year and at its highest level since inception. Top-appreciating locations include Mueang Rayong, Bang Lamung, Ban Khai, Phan Thong, and Si Racha districts.

The overall picture reflects a recovery in EEC residential demand supported by LTV relaxation and reduced transfer and mortgage fees. Nonetheless, residential prices remained broadly stable amid elevated unsold inventory, prompting developers to adopt pricing strategies to clear stock against softening purchasing power. The sustained appreciation in undeveloped land prices reflects demand for land in high-potential areas to accommodate future residential, commercial, and industrial development.

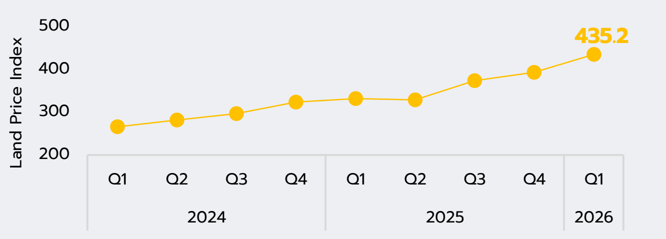
Residential Property Transfers



Residential Price Index



Underdeveloped Land Price Index



Source: Real Estate Information Center (REIC), Government Housing Bank