

The Electricity Sales Report of PEA in July 2018



The electricity sale units of PEA in July 2018 has stably surged at 2.59% YoY and sharpened at 0.75% MoM from supportive factors following a continual raise of export. According to external demand, including a growth of manufacturing sector impacted the industry confidence reaching a peak round 62 months. There was reflection in electricity sales units of PEA Area 3 (Central) and PEA Area 2 (Central) mounting 3.46% YoY and 2.93% YoY. Furthermore, agricultural sector accreting from their products caused a higher domestic purchasing power, which had an effect on consumer confidence index peaking round 42 months. On the part of, private consumption and investment magnified in the same way as government was still rising. Whereas, the main factor for electricity sales units was the fluctuated weather that has a heavy rains in the middle of July 2018 from tropical storm Son-Tinh.

According to the chart, the forecast growth rate in August 2018 is constantly increasing by supportive factors of manufacturing and tourism sectors' electrical demand. While negative factor was unstable rainy climate that affected to the growth of electricity sales units.



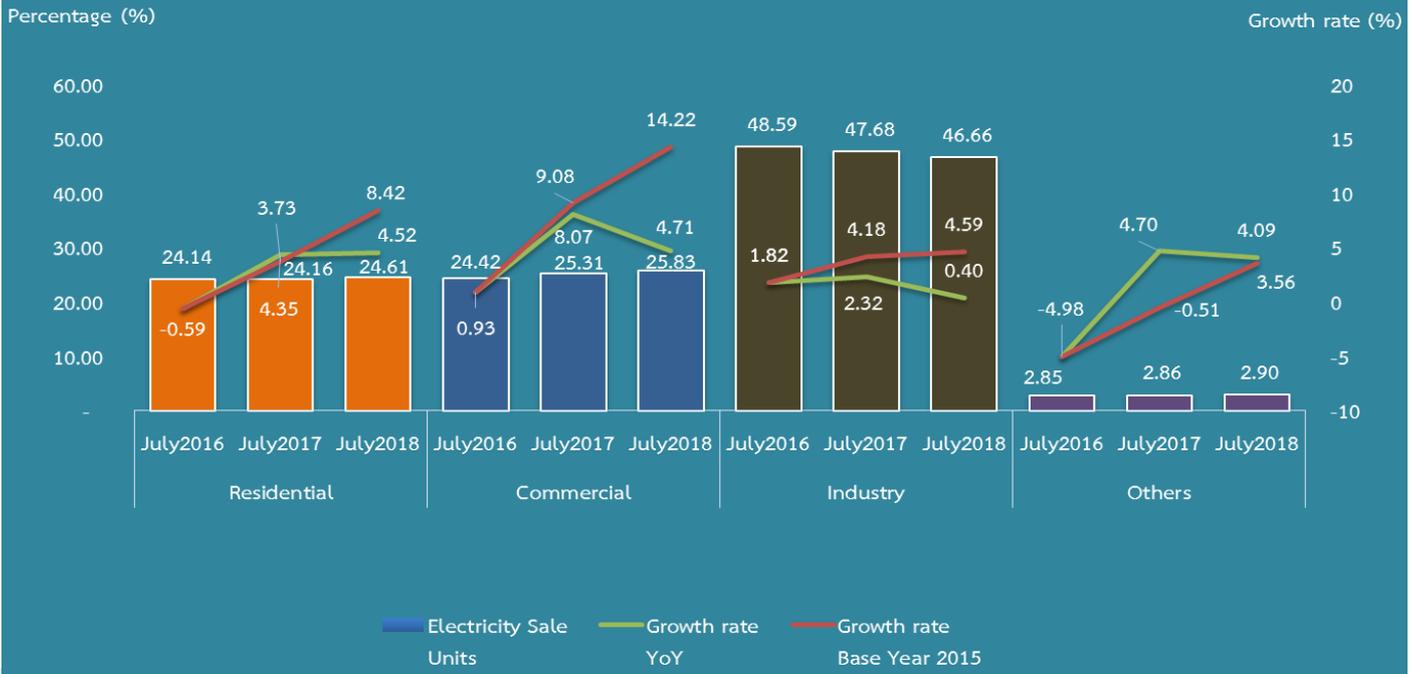
In July 2018, PEA had total electricity sales 11,610.04 million units. It increased 2.59% YoY. While industrial sector surged 0.40% YoY by domestic and international orders. The main cause was an escalation of electricity consumption at 2.00% YoY in central region. Besides, agricultural and manufacturing segments went up 3.13% and 0.91% YoY, in order.

Commercial sector's growth expanded by 4.71% YoY from tourists impacting electricity demand in sales and hotel segments, which grew at 5.44% YoY. Also, electricity demand of specific business and hotel business accreted at 4.30% YoY and 3.47% YoY.

Furthermore, residential segment's electricity consumption has risen 4.52% YoY following the household's consumption.

To compare the growth rate between 2018 with base year 2015, it has found that the electricity sales inflated by 7.85% YoY by consumer in medium business soaring 4.41% YoY.

ELECTRICITY SALE UNITS: PERCENTAGE OF CUSTOMERS GROUP IN JULY



Residential	Commercial	Industry	Others
<p>Growth rate heightened by 4.52% YoY. Thanks to, World Cup festival influencing a surge of household’s electricity demand to follow the matches. Besides, the household income continually augmented from a variation of consumer confidence in economy.</p>	<p>Grew by 4.71% YoY due to a growth of goods and services consumption in World Cup festival that related to electricity demand in wholesale and retail multiplying 7.76% YoY and 5.36% YoY. Along with, the expansion of travelers, such as Hong Kong, Taiwanese, Indian, Vietnamese and Japanese particular Malaysian. It reflected on electrical consumption of commercial and hotel sector swelling up 5.44% YoY.</p>	<p>Escalated by 0.40% YoY. It resulted from domestic and external demand for main manufacturing segments such as steel, electronic, automotive and plastic. On account of, administration investment in construction of Royal Irrigation Department and mega infrastructure investment including, the development of special economic zones. Conversely, the growth wasn’t as an expectation since textiles and cement segments dipped by 9.37% YoY and 6.96% YoY, respectively.</p>	<p>4.09% YoY was increased in consequence of heavy rainfall in the middle of July from tropical storm “Son-Tinh” that affected electricity demand of pumping for agriculture and nonprofit organization segments varied by 53.371% YoY and 3.10% YoY.</p>

Growth (Up/Down) of electricity sale units compare with previous years



Manufacturing sector surged by 0.19% YoY. There were 5 segments in manufacturing sector.

Steel Segment expanded by 2.63% YoY owing to the demand of flat bar steel and billet in seafood industry and construction.

Electronics segment accelerated by 2.71% YoY, following fan and thermos' domestic orders. Furthermore, there was an escalation in the demand of wire used for infrastructure development. Whereas, there were an export of components and equipment of computer to China, ASEAN, Japan and U.S.A. markets, including integrated circuits (IC) orders to use for Smart phone and Tablet's components.

Automotive Industry went up by 1.19% YoY, resulting from an increase sales of passenger cars, a ton of pick-up, PPV cars and SUV cars. In addition, there was an export to Asia, Middle East, Africa, North America, Central America and South America markets. There was also gearbox's exportation to China market.

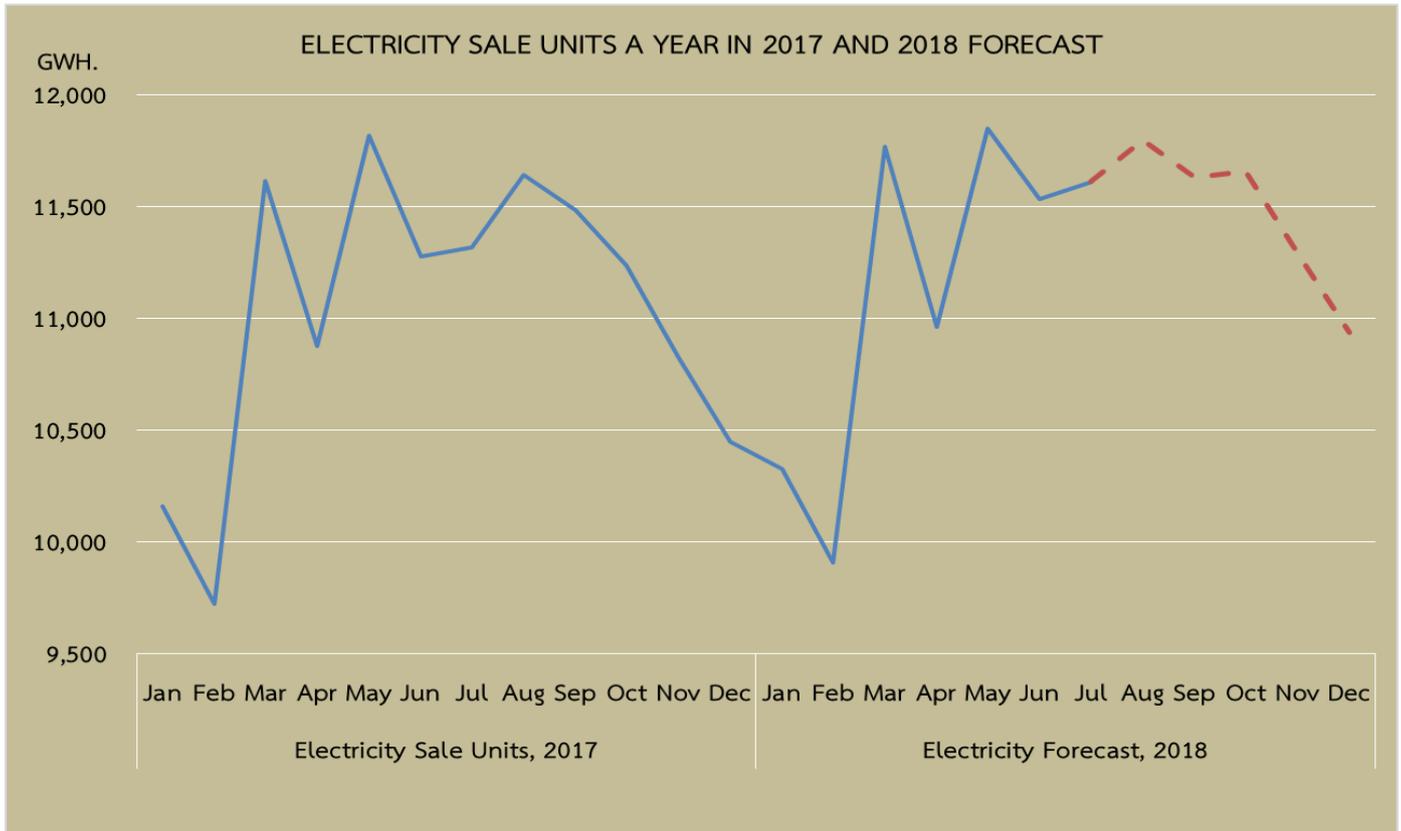
Plastic Segment accumulated by 6.61% YoY resulting from an increase of plastic production to support internal and external demand.

Textiles segment declined 9.37% YoY as a result of a drop of domestic demand for cotton cloth.

Sales & Hotel sector increased by 5.44% YoY from Hong Kong, Taiwanese, Indian, Vietnamese, Japanese and Malaysian tourists. In a part of, the growth of sales segments mounted from World Cup festival that shown in 4.55% YoY escalating of restaurant's electricity consumption.

The Social Services sector rose 3.89% YoY, on the grounds of elevated electrical consumption in offices following the higher average temperature.

Agricultural sector grew 3.13% YoY, owing to an acceleration of rubber product and frozen chicken. There were an export to China market. Furthermore, there was amplification the growing areas of sugarcane and the weather was also good for cultivating vegetables, fruits and horticultures.



Electricity Sale Forecast

PEA forecasts the electricity sale situation in 2018 to improve. The committee approximated (approximated in June 2018) the electricity sale situation in 2018 that will be expanded 2.15% YoY. There are many factors to impact the electricity sales 2018.

Positive factors

1. Domestic and International economics' stability can underlie the fluctuation of world economic.
2. Investment and private consumption have continually improved.
3. Expansion of excursionists, particularly Malaysian tourists.
4. An increase of non-agricultural income and minimum wages. Furthermore, there is a variation of consumer confidence index.
5. Low unemployment rate.
6. Government's Infrastructure investment.
7. Sales and Services segments have surged from World cup festival.
8. An investment trend in special economic zones namely EEC of government and private is more perspicuity.

Negative factors

1. The electrical consumption of industrial sector has a low expansion from Disruptive Technology.
2. Natural disasters such as floods.
3. Fluctuation of appreciate Baht currency.
4. There were an easing of Chinese travelers by reason of tourism cruise crash at Phuket, including a deceleration of Russian excursionists from World Cup festival.
5. International trade barrier between U.S.A. and international, especially steel industry, which has the highest risk.
6. Supportive policies for SPP Cogeneration, which encourage private sector to play a role in generating electricity for distribution.