

The Electricity Sales Report of PEA in September 2018



The electricity sale units of PEA in September 2018 has slightly declined at 1.54% YoY and plummeted at 3.04% MoM owing to an easing of electricity demand on manufacturing sector. Electricity demand for Central region sharply plunged at 2.96% YoY following external demands. For example, China, Australia, Japan, Philippines and Hong Kong. Furthermore, manufacturing sector dwindled by the reason of external demands for cars and electronics. There's also trade barrier which caused a reduction of steel. While, agricultural income and tourists, such as Chinese, British and Russian decreased. Moreover, there was high precipitation influenced from tropical storm "Parijet" and typhoon "Mangosteen" in middle of September 2018.

According to the chart, the forecast growth rate in October 2018 is decelerating by negative factors of weather variation causing a downpour and getting into winter season which affected to the growth of electricity sales units.



In September 2018, PEA had total electricity sales 11,303.78 million units. It decreased 1.54% YoY.

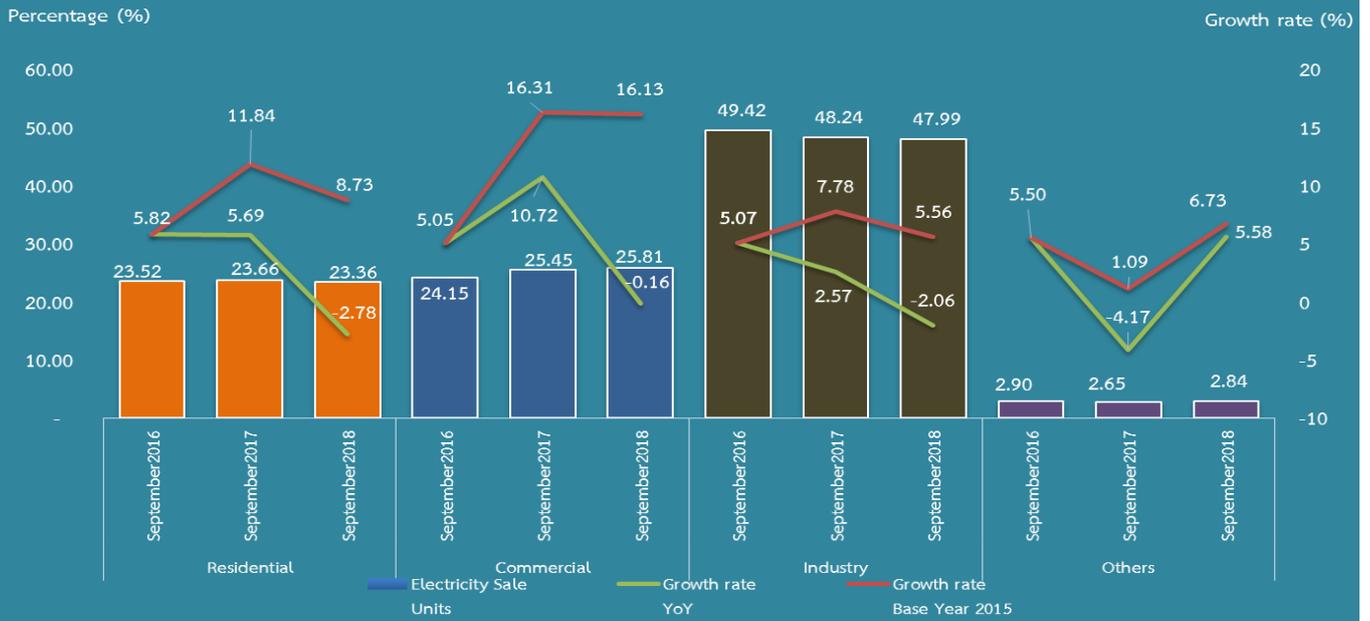
Large (more than 150 units) and small (less than 150 units) residential sectors reduced 3.83% and 2.45% YoY by heavy raining which caused floods in 8 provinces, i.e., Nakhon Phanom, Bueng Kan, Sakon Nakhon, Phetchaburi, Nakhon Nayok, Chaiyaphum, Kalasin and Ubon Ratchathani.

Growth of large and medium Industrial sectors fell by 1.79% and 0.44% YoY causing electricity consumption of Central region dropped at 2.96% YoY.

Specific business declined by 1.26% YoY, resulting from a fall of tourists, according to electrical consumption of hotel dipped 1.84% YoY.

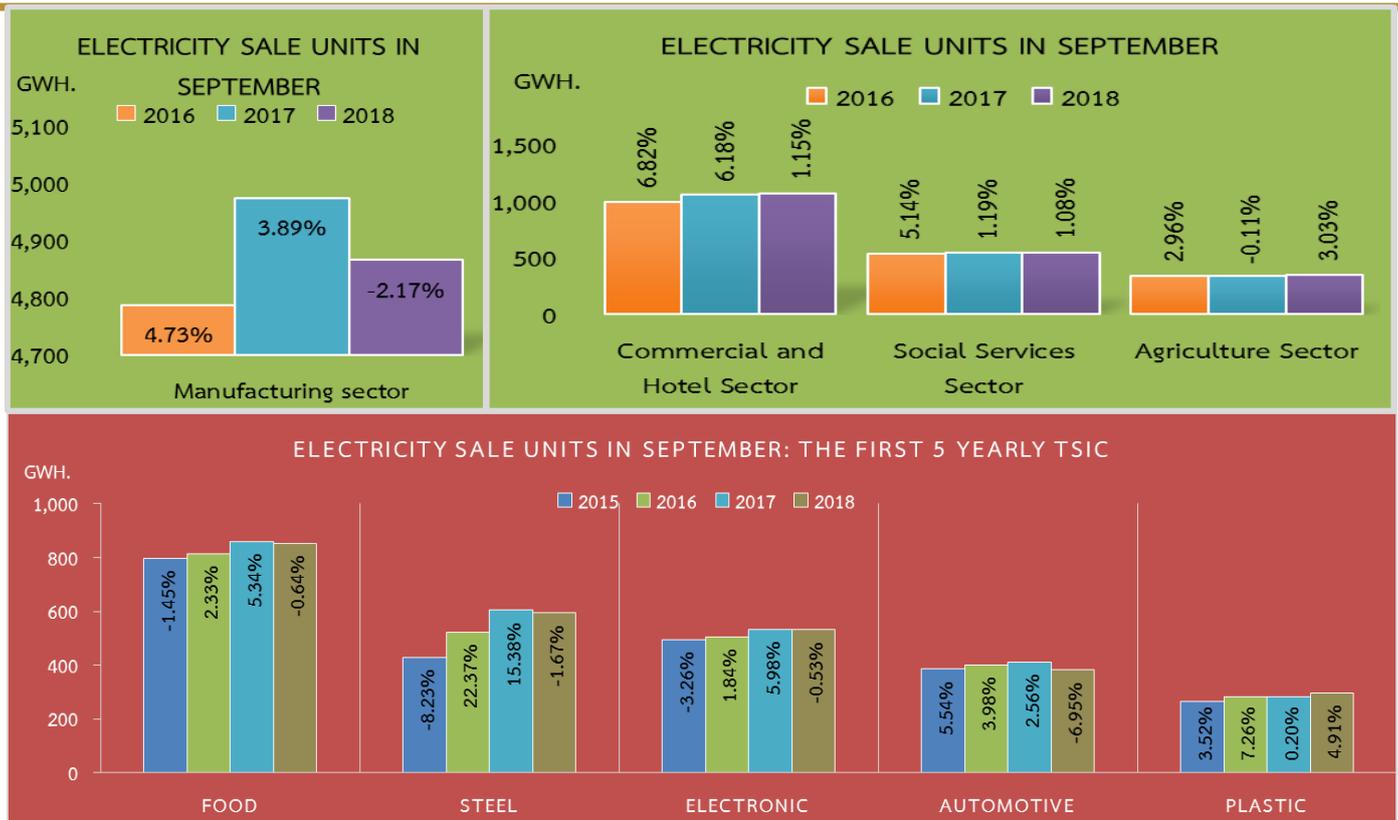
To compare the growth rate between 2018 with base year 2015, it has found that the electricity sales inflated by 8.89% YoY.

ELECTRICITY SALE UNITS: PERCENTAGE OF CUSTOMERS GROUP IN SEPTEMBER



Residential	Commercial	Industry	Others
<p>Growth rate went down 2.78% YoY. Thanks to, the monsoon and abundant rainfall reflected household income in agricultural sector following a drop of agricultural prices. Nonetheless, the electricity sales grew up at 8.73% YoY (compared with base year 2015).</p>	<p>Slightly lessened by 0.16% YoY due to a decline of Chinese travelers from cruise crash at Phuket, Russian travelers from depreciation of Rubles and British tourists. They caused electricity demand for hotel sector easing by 1.84% YoY. The electrical consumption of specific business in Southern region abated 0.28% YoY. To compare with 2015, the electricity sales expanded 16.13% YoY.</p>	<p>Dipped by 2.06% YoY. It resulted from international orders and floods affecting a shipment to Japan, Philippines and Hong Kong. It culminated in a diminution of electrical consumption for manufacturing segments such as electronics, automotive, textiles and cement. The electricity consumption in Central region dropped 2.96% YoY. PEA Area 1 (Central) plunged 4.48% YoY. Besides, PEA Area 2 and 3 (Central) subsided 2.33% and 1.91% YoY. To compare the electricity consumption with 2015 and 2017, the trend was diminishing fell down.</p>	<p>5.58% YoY was escalated in consequence of heavy rainfall in the middle of September from tropical storm “Parijet” and typhoon “Mangosteen”, which affected electricity demand of pumping for agriculture and nonprofit organization segments varied by 122.02% YoY and 36.18% YoY.</p>

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



Manufacturing sector plummeted by 2.17% YoY. There were 5 segments in manufacturing sector.

Food Segment declined by 0.64% YoY. Now that electricity consumption in canned food business and preserving and processing seafood business that market share is 10.73% was down 4.29% YoY, resulting from lack of ingredients particularly shrimps, crabs and squids. In part of, animal feeds business like fish meals that market share is 10.73% dropped 1.32% YoY. Rice mill, market share is 17.22%, fell 7.23% from a decline of China's import.

Steel Segment reduced by 1.67% YoY owing to the U.S.A. trade barrier causing an import of galvanized steel from China and hot-rolled sheet from Indonesia, instead of domestic production.

Electronics segment diminished 0.53% YoY, following an export of components and equipment of computer to China, Japan, Singapore, Mexico and Taiwan markets, including a reduction of internal and external demand for rice cooker, thermos, fan and wire.

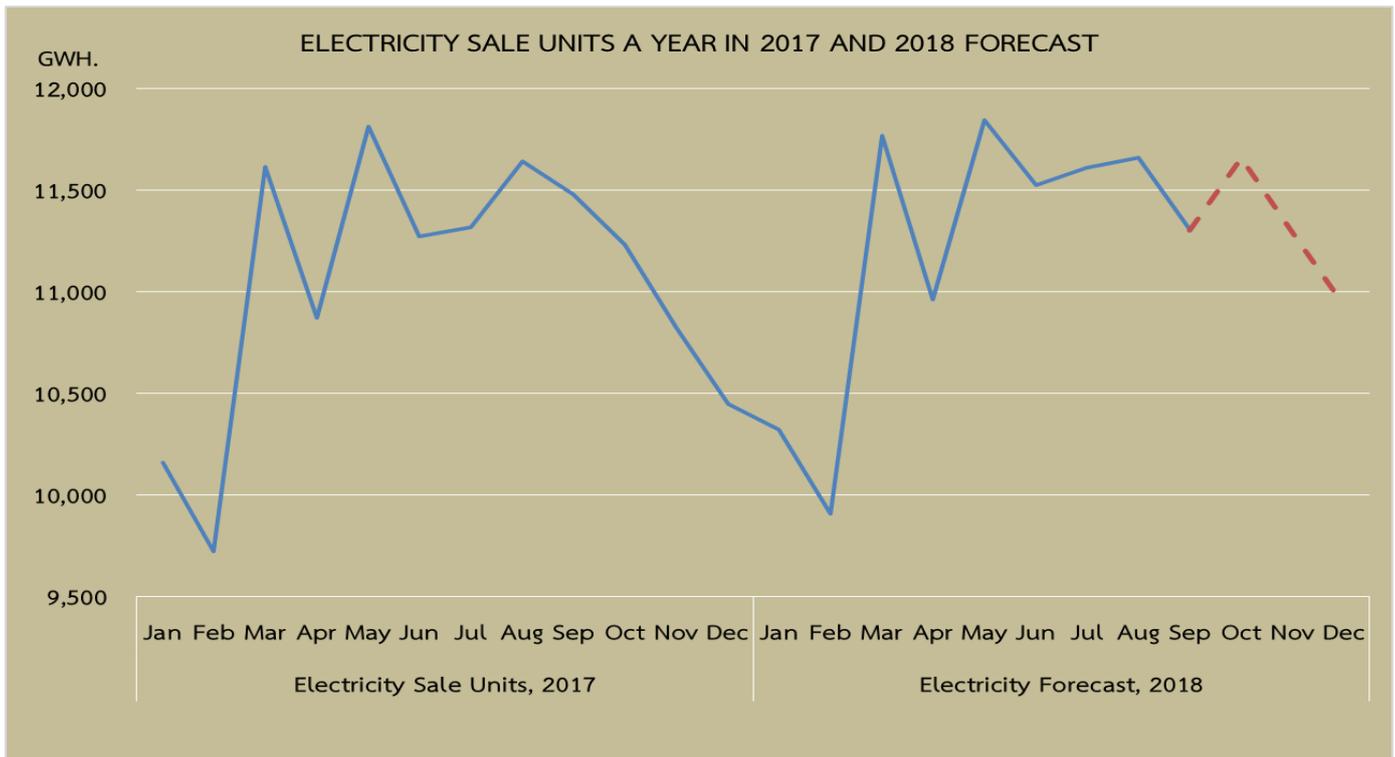
Automotive Industry reduced by 6.95% YoY, resulting from a previously exported passenger cars to Australia that market share is 19.17% plunged 21.04% YoY. While, an export to Philippines, Indonesia, New Zealand, China, Mexico and Saudi Arabia that market share is 23.37% ebbed 30.26% YoY.

Plastic Segment accumulated by 4.91% YoY due to an increase of inventories to support sales at the end of year following a purchasing power of household sector.

Sales & Hotel sector increased by 1.15% YoY from domestic purchasing power that initiated an escalation of wholesale and retail segments' electricity consumption in 3.01% and 2.75% YoY. The cause was a growth of department store's electrical consumption in 1.75% YoY.

The Social Services sector rose 1.08% YoY, on the grounds of electrical consumption in government and education sector. Apart from, a progress of infrastructure projects.

Agricultural sector surged 3.03% YoY, thanks to production of rubber, rice and fruit from weather permitting. In addition, there was cassava's order from China for being an animal feed instead of corn imported from U.S.A.



Electricity Sale Forecast

PEA forecasts the electricity sale situation in 2018 to improve. The committee approximated (approximated in February 2018) the electricity sale situation in 2018 that will be expanded 3.24% YoY. There are many factors to impact the electricity sales 2018.

Positive factors

1. Domestic economics' stability.
2. Investment and private consumption have remained constantly.
3. Excursionists' expansion, particularly Malaysian, Hong Kong, Taiwanese and Indian.
4. Non-agricultural income still increased. Furthermore, there was supportive factors in consumption such as Thongfah project, state welfare card project and citizen's bag application.
5. Low unemployment rate.
6. Government's infrastructure investment was hastily disbursed at the end of fiscal year.
7. An investment trend in special economic zones namely EEC of government and private is more perspicuity.

Negative factors

1. There is heavy precipitation.
2. The shipment to Japan, Philippines and Hong Kong were affected by floods.
3. Fluctuation of appreciate Baht currency.
4. The negative factors affected to tourism:
 - Chinese tourism cruise crash at Phuket.
 - Immigration officer's violent behavior to Chinese tourists.
 - No tourist activities permission at Maya bay, Krabi.
 - A depreciation of Russian's Rubles.
4. International trade barrier between U.S.A. and international.
5. Supportive policies for SPP Cogeneration, which encourage private sector to play a role in generating electricity for distribution.