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	Source	1/15/2014	7/14/2017	1/12/2018	Trend
Dow Jones Industrial Average (DJI)	Yahoo Finance	16481.939	17055.42	25803.189	
Stock Exchange of Thailand Index (SET)	WSJ;Eikon	1277.03	1574.66	1810.19	
USDTHB (Open Price)	Eikon	32.78	33.93	32	
EURTHB (Open Price)	Eikon	44.8100	38.6780	38.4960	
USDJPY (Open Price)	Eikon	104.20	113.26	111.25	
Gold Bullion THB (15.244 g)	Eikon (TGA)	19,200	19500	20,050	
Brent Crude Spot FOB Sullom Voe North Sea USD (BRT-)	Eikon	108.84	47.99	70.47	

The key prices from the table shown above reflects the general economic condition of the Thai and global economy.

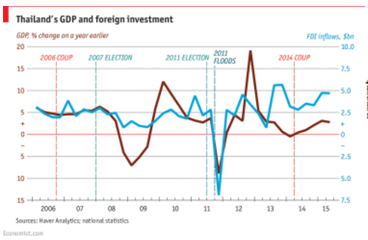
Stock Indexes

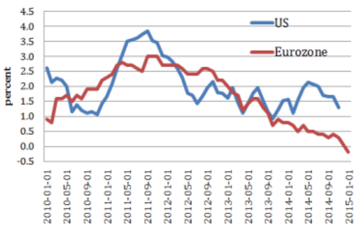
From stock indexes, it can be inferred that the economy is growing since the growth in output will result in increased profitability which makes investments more attractive because they can give greater returns to shareholders. The above table shows the DJI and SET indexes. It can be seen that the DJI has been growing slightly faster than the SET Index at 11.86% vs 9.11% over the past 4 years. The general increase in stock indexes may be attributed to a recovering economy and increased investment levels from previous events in the past such as the flood, political turmoil and the passing of King Bhumibol.

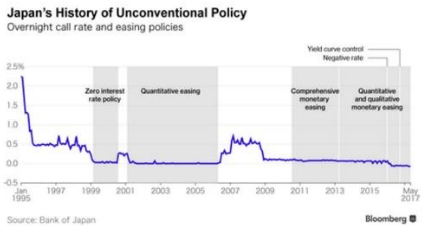
International Exchange Rates

For international exchange rates, it can be seen that the Thai Baht has been appreciating against both the USD and EUR. This could have been attributed to a stronger Thai economy which makes the Baht stronger. However, we can see that this is not the case since the GDP growth of Thailand had been relatively slow for the past year since the passing of King Bhumibol and various political turmoil. Generally, slower economic growth should result in currency depreciation since investors are taking their money elsewhere ie. less demand for THB. Therefore, it can also be argued that this was a result of the QE policies of the US and EU, which increases the market money supply of money through bond purchase which puts a downward pressure on market interest rate, effectively depreciating the USD and EUR. However USD appeared to be appreciating against JPY suggesting that the effect of Japan's long-lasting QE policy is quite strong.

The exchanges rates can tell us the relative price for exports and imports. A stronger THB means that Thai exports has become less attractive in the global markets, relative to other countries. Therefore, demand may be shifted elsewhere where cost is lower and the exchange rate is better.







Gold Price

Gold, on the other hand, can also be used as barometer for economic health. Higher gold prices signals growing expectations of negative economic outlook. This is because high prices means higher demand. Consumers usually have higher demand for gold in order to hedge risks against inflation or an economic crisis. In normal economic condition, they may invest in other assets with higher returns such as bonds and stocks. The increased gold price in Thailand may have been a result of both the global economic sentiment from various events such as the election of Donald Trump and Brexit as well as domestic events such as the passing of King Bhumibol and the coup which increases economic uncertainty. However, it should be noted that the stock indexes has been rising as well, which may mean that while consumers may have more fear, the economy is still recovering.

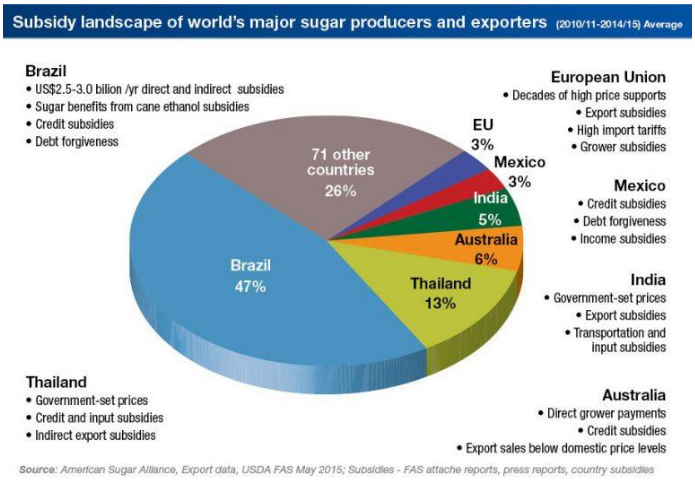
Oil Price

Lastly, the oil price is a key influencer of the national economy since countries rely on oil as a key source of energy. Low oil price will reduce the cost of production, transportation and other energy which will make countries more competitive. Hence consumers will have more disposable income and businesses will have more retained earnings for reinvestment. It is expected by analyst that 10% fall in oil prices should lead to a 0.1% increase in economic output. Low oil price may have a positive affect on the stock indexes since it help increase economic performance. This also may explain why Thailand's inflation is quite low since oil is a major part of core inflation rate.

In addition to the previously mentioned key prices, there are also other key prices that affect the living conditions of Thais.

Sugar Price

Sugar is an important commodity for Thailand for both domestic consumption and export. Thailand's global market share has been gradually rising. However, since sugar is quite important for the national economy, historically it has been regulated and subsidized by the government. It is also a key component of inflation in Thailand. Rising sugar price will mean high inflation. However, there are now plans to float the sugar price with the world price soon.

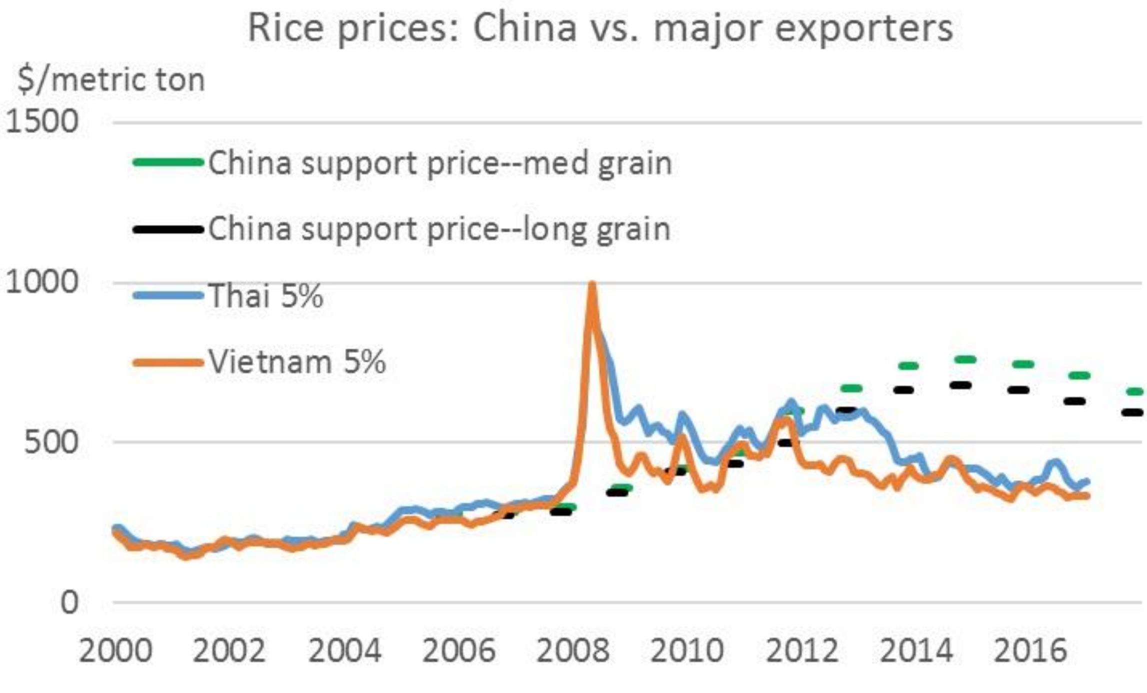


Rice Price

Rice price is a very important price for Thais since it has long been an important food staple, with an annual consumption of 11.2m tonnes estimated by USDA. The rice consumption per-capita consumption range up to 80 kg per year in urban households, up to around 155 kg per year per rural household and up to 125 kg per year in low-income households. Domestic consumption is dominated by medium-quality rice. The domestic consumption of rice generally accounts for more than half of annual production in Thailand. Rising rice price will mean higher inflation in Thailand.

Furthermore, the rice industry employs a significant portion of the labor force, which has been at the center of Thai politics, influencing policy decisions.

In 2015, Thailand earned BT155.9bn ($4.7bn) from rice exports, accounting for 29% of all agricultural exports, albeit it is still the second-most valuable agricultural export product behind rubber. China has been a major market for Thai high quality rice. Despite the overall volume growth, the revenue for Thai rice has been declining due to lower global price from factors such as substantial global stockpiles and a global economic slow down.



How does democracy affect economic development?

It is quite difficult to gauge the affect of democracy on development as a whole. A number of countries such as China, South Korea and Singapore had been able to prosper under authoritarian regimes. Without the frequent discontinuity in public policy, these countries have been able to grow at a stable rate and enabled the countries to invest in education and innovation, resulting in the East Asian Economic Miracles.

The economic development in Thailand has been stifled by the democracy per se since there has been various political coups, resulting in negative global sentiment about the Thai economy, chasing investments away to other countries such as Singapore. Furthermore, in the strive to retain power, politicians have been concentrating their policies on grassroots without truly developing the industries. For example, compared to New Zealand, Thailand's agricultural based economy has a significantly lower value added since there is generally lower investment in technology, lower human capital, insufficient technical policies to support exports and higher unnecessary bureaucracy.

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