

Household Debt

and

Financial Vulnerability



Thailand Focus 2025

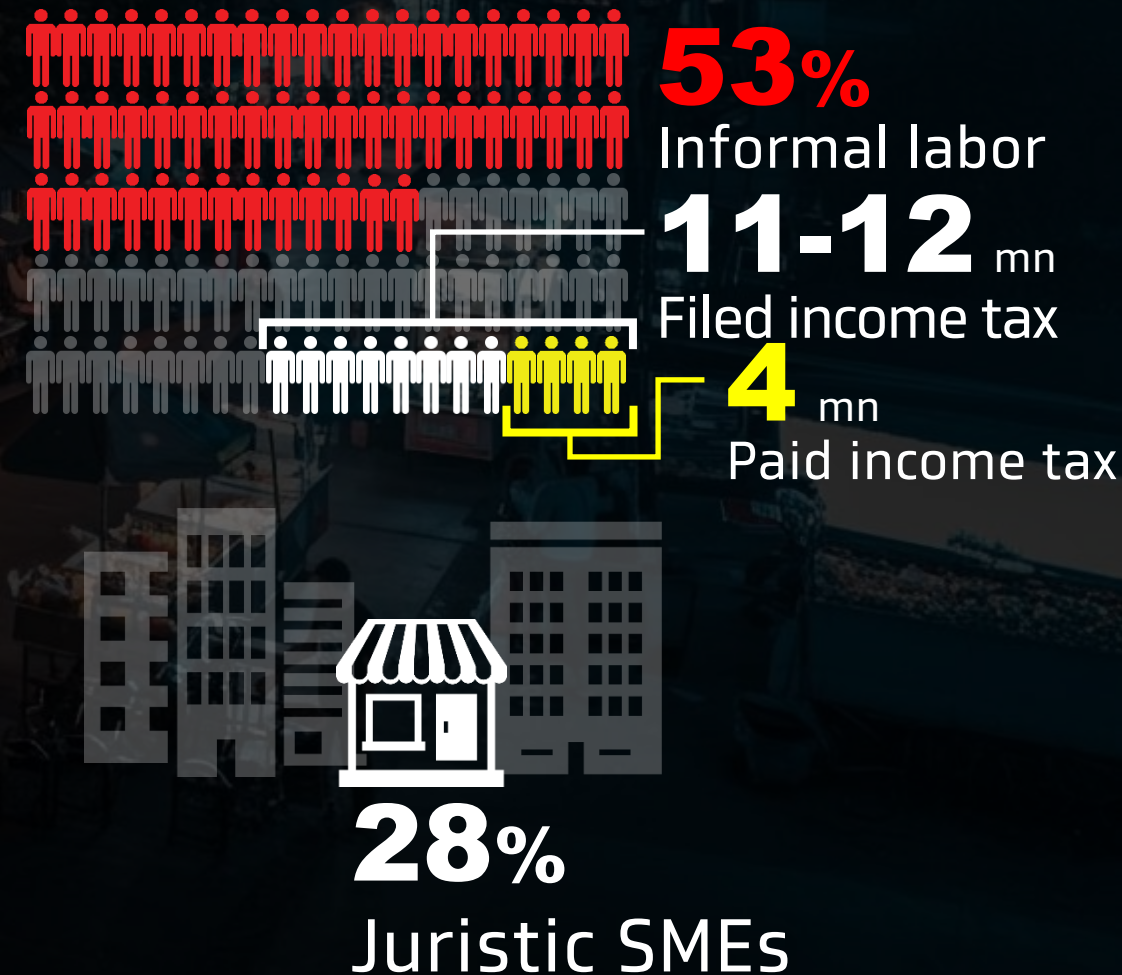
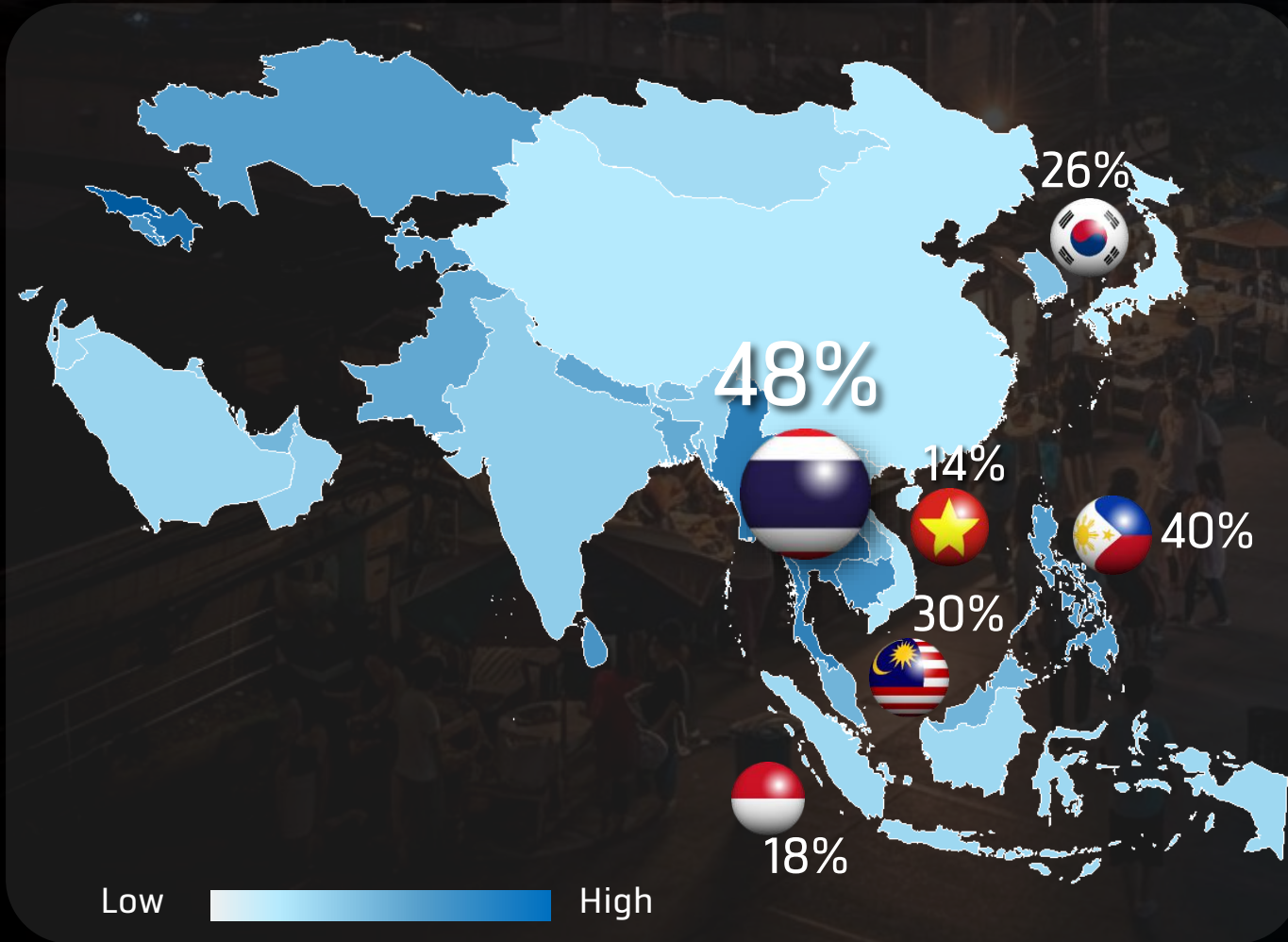
August 27, 2025

Payong Srivanich

Chairman, The Thai bankers' association
Chief Executive Officer, Krungthai Bank

Thailand has large informal economy

Informal economy in Asia (% of GDP)



6 Challenges of large Informal Economy



Corporate responsibility is required

“Fair treatment of small suppliers in the supply chain”

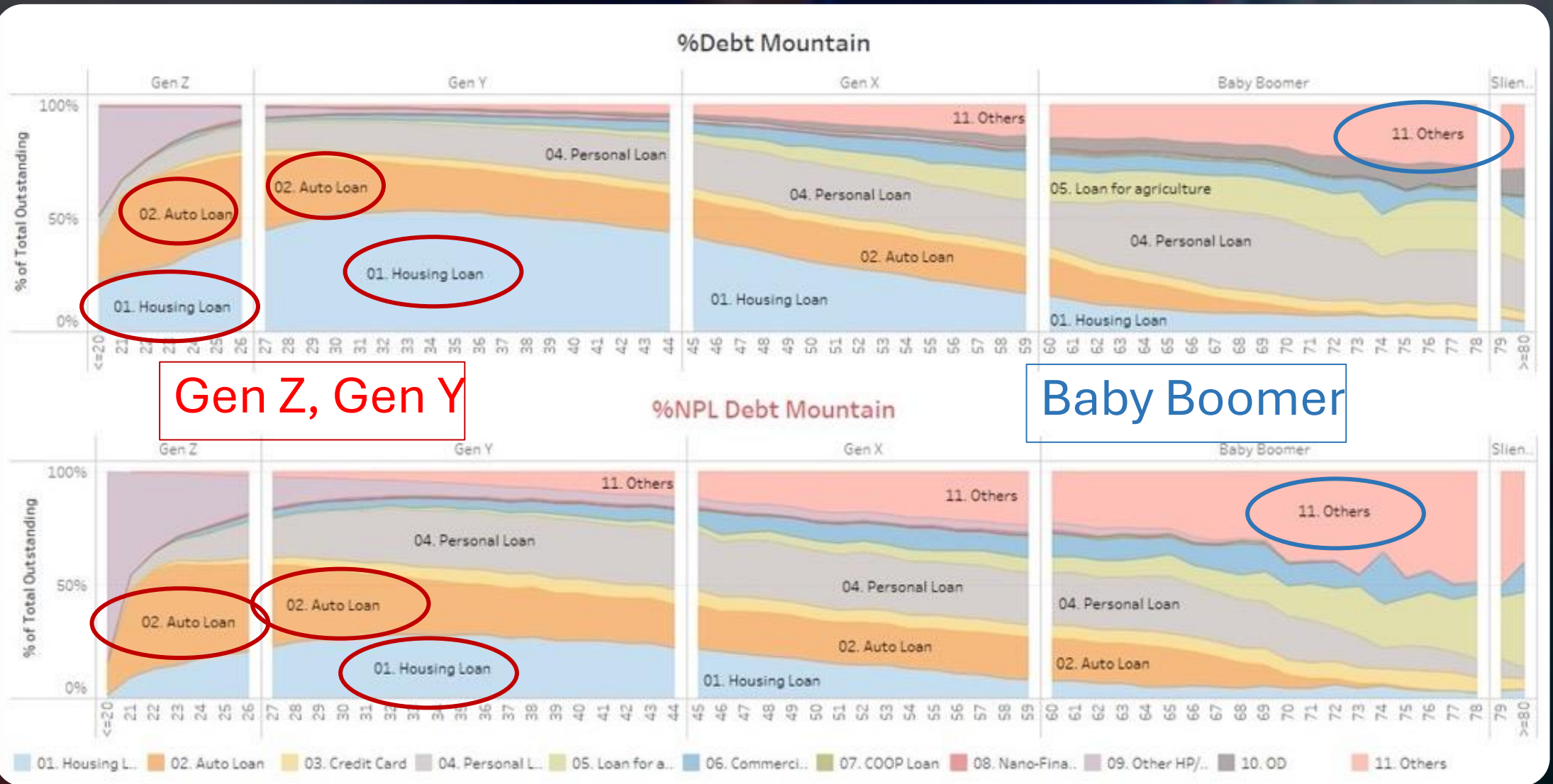
Income is concentrated in large corporates



Numerous credit and financial service providers; Some lacking transparency

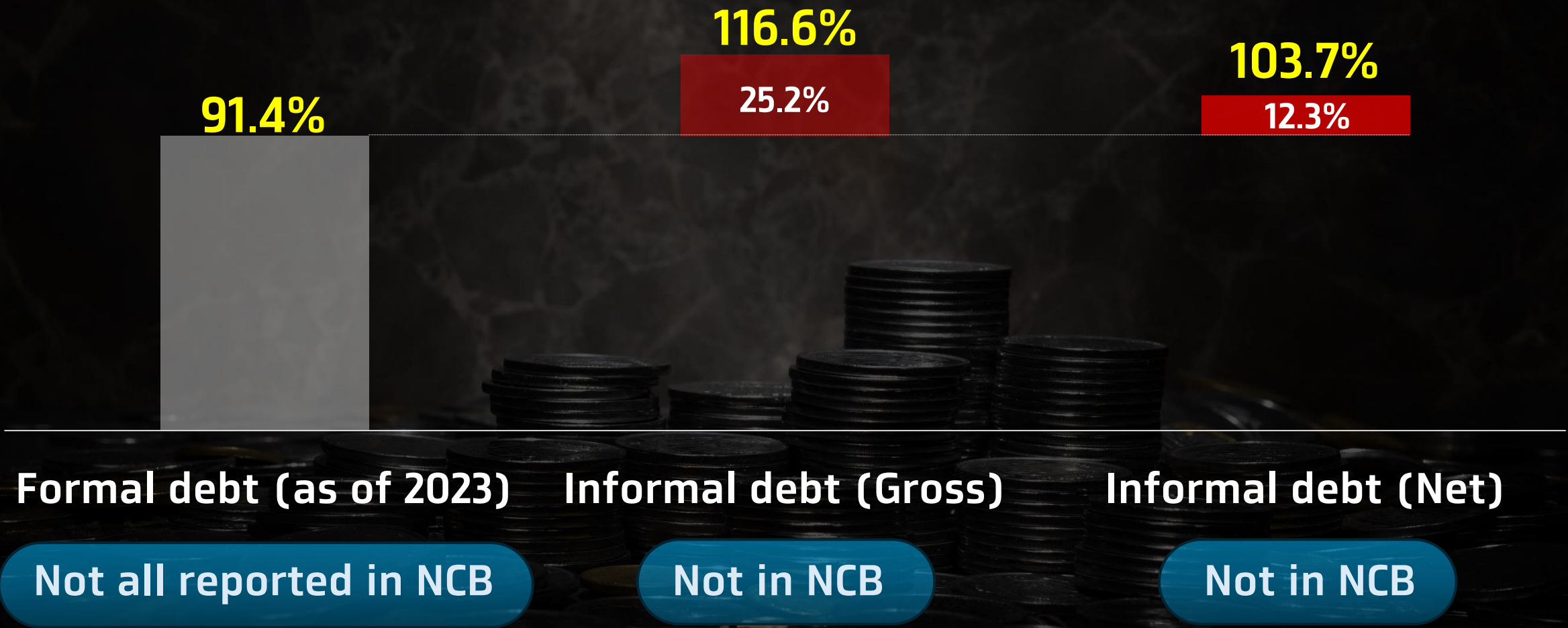
Financial institutions	Non-bank	Cooperatives	Credit Union	Pawnshop	Total
39	122	1,460	633	783	3,037

Vulnerability among the young and the old

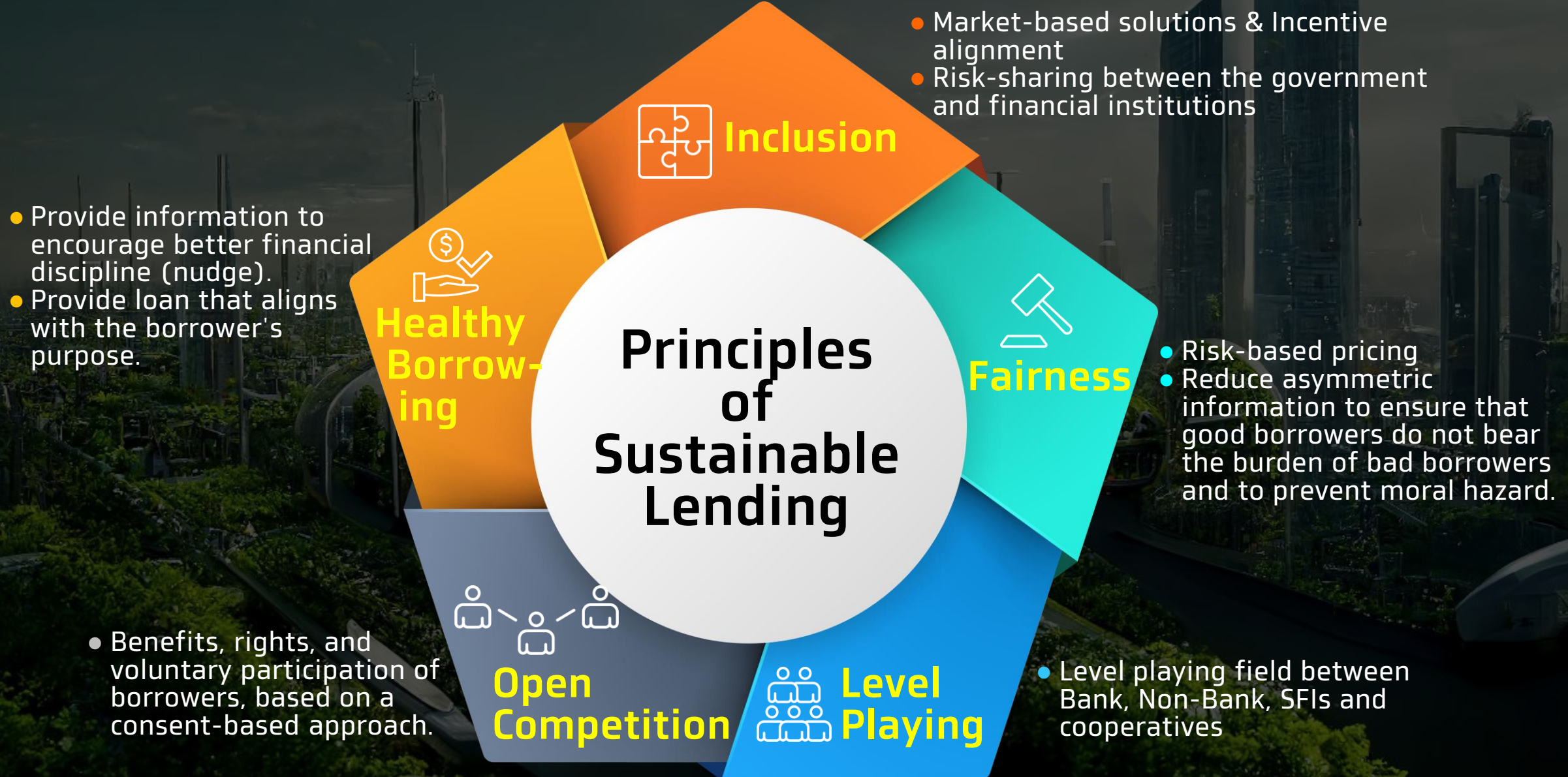


Household debt could surpass 100% of GDP.

Household debt to GDP



Sustainable lending for sustainable future



Transition from debt relief to “structural reform”

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01



Targeted welfare uplift & full formal inclusion

02



Enhance national data (e.g., NCB) for better decisions & less distortion

03



Boost competitiveness & household income

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2024

Next

TBA Chairman

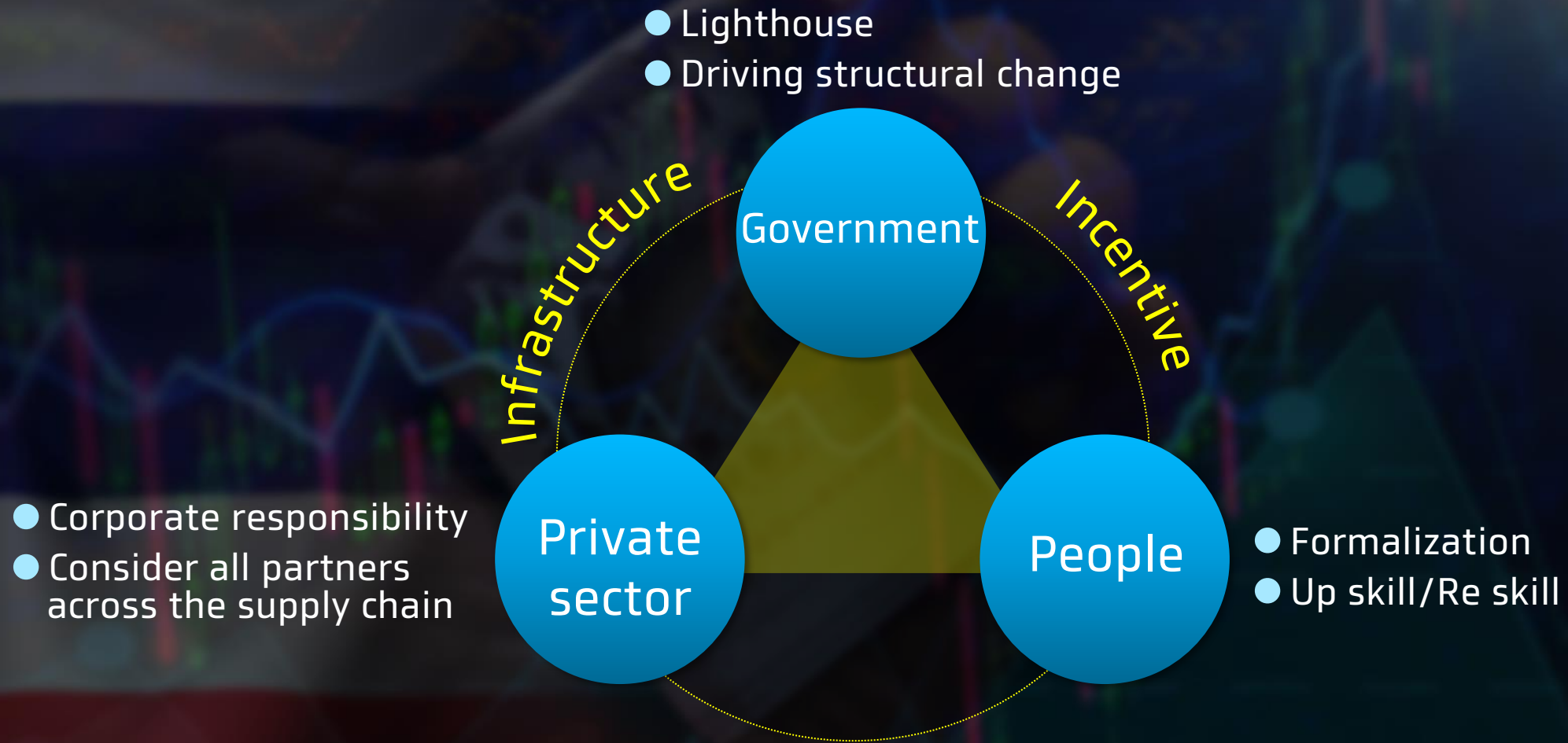
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Negative Income Tax
to be applied for all
Thai workers by 2027

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Permanent Secretary,
Ministry of Finance

The government must be the lighthouse.



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