



Situation of Industrial Production in

November 2023

Manufacturing Production Index (MPI) in November 2023 decreased by 4.71% (YoY).



- The global economy and trading partners' economies remain sluggish due to the high-interest rate policies maintained by foreign countries.
- The automotive industry has sustained negative growth for the fourth consecutive month, primarily due to domestic orders remaining sluggish. However, automotive exports continue to show strong growth.
- The domestic economy is still recovering slowly, with the impact of rising interest rates on borrowing costs. This has led to increased financial burdens for businesses and higher consumer debt, undermining domestic purchasing power.

Production	Nov. 2023	Jan. – Nov. 2023
Manufacturing Production Index (MPI, %YOY)	-4.71	-5.01
Capacity utilization rate (CAP-U, %)	57.87	59.38

Industries affecting the MPI in November 2023



Positive impact industries (YoY)



Petroleum refining: +29.91%

The increase was from Gasohol, Gasoline, and jet fuel driven by sustained growth in tourism and the temporary shutdown of some refinery plants for maintenance last year.



Gemstone jewelry: +12.9%

The industry was primarily driven by increased orders for necklaces and rings due to major manufacturers receiving additional orders during the end-of-year festivities.



Power lines: +24.89%

The expansion was driven by sustained orders within the power sector, including MEA, PEA, and EGAT.

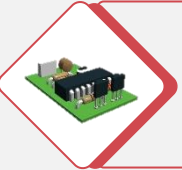


Negative impact industries (YoY)



Automobile: -14.13%

The decline was mainly from the domestic market, particularly in the manufacturing and distribution of pickups. This was due to the strict approval of loans by financial institutions.



Electronic components: -16.38%

The industry shifted from producing home-use items to industrial products, such as automobiles and IoT devices.



Iron and steel: -14.19%

The decrease was due to the maintenance shutdowns of some manufacturers and the continued shrinking demand in line with the economic situation. Additionally, some consumers imported cheaper steel from abroad.

Industrial economic forecasts



In 2023, the MPI is expected to decrease by 4.8% (YoY) and GDP of industrial sector is expected to decrease by 3.0% (YoY).

In 2024, the MPI and GDP of industrial sector are expected to increase by 2.0 - 3.0% (YoY)



(%YOY)	2023			Estimation	
	Q1	Q2	Q3	2023	2024
GDP	2.6	1.8	1.5	2.5	2.7 - 3.7
Industrial Production GDP	-3.0	-3.0	-4.0	-3.0	2.0 - 3.0
MPI	-3.70	-5.51	-6.27	-4.8	2.0 - 3.0

Source: GDP by NESDB, MPI by OIE, data as of November 2023.
2023 - 2024 Forecasts: GDP by NESDB, industrial GDP, MPI by OIE.

Supporting factors



Exports are starting to recover gradually.



Domestic consumption is likely to grow.



Private investment is likely to continue to rise.

Strain factors



Protracted geopolitical disputes.



Production costs, living expenses, business and household debts are at a high level.



Climate change due to drought

