



### Industrial Production Status

Indicators	2021	2022	2022											2023	
	Year	Year	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.
MPI	5.8	0.4	2.3	0.2	-0.4	-2.3	-0.5	6.0	14.6	3.0	-4.3	-5.3	-8.5	-4.8	-2.7

In February 2023, the Manufacturing Production Index (MPI) contracted by 2.7 percent from the same period last year, with the main factor being the contraction in the export sector due to the impact of the global economic slowdown. However, industries focused on the domestic market, including those related to tourism, such as automobiles, petroleum refineries, motorcycles, shoes, and bags, continued to expand well.

Considering the MPI data for the past three months in terms of the same month last year (%YoY), the MPI in November 2022, December 2022, and January 2023 decreased by 5.3 percent, 8.5 percent, and 4.8 percent, respectively.

Indicators	2022											2023	
	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.
MPI	-2.6	7.9	-17.1	7.7	-0.2	-2.3	4.2	-1.8	-4.2	2.1	-1.8	6.1	-0.5

The Manufacturing Production Index (MPI) for the past three months (November 2022, December 2022 and January 2023) compared to previous month (%MoM) experienced an increase of 2.1 percent in November 2022, a decrease of 1.8 percent in December 2022, and an increase of 6.1 percent in January 2023.

**Key industries that contributed to the MPI contraction in February 2023** compared to the same period last year were:

- **Hard Disk Drive (HDD):** The industry contracted by 35.35 percent primarily due to advancements in capacity technology, leading to reduced production. However, the unit price of HDDs increased as per their capacity. Additionally, the demand for HDDs has decreased, partly because Solid State Drives (SSD) have been increasingly adopted as replacements in various devices. It's worth noting that Thailand doesn't have a production base for SSDs within the country.

- **Furniture:** The industry contracted by 56.55 percent, primarily in wooden and metal furniture. The production of wooden furniture decreased due to reduced purchase orders from major rubber wood furniture manufacturers. This decline reflects a return to the normal state before the COVID-19 outbreak in China, during which China was unable to produce and export products to other countries. As for metal furniture, production returned to normal after receiving special orders from the previous year

- **Plastic pellets:** The industry contracted by 14.47 percent. The contraction was partly due to demand had not yet returned to normal levels, especially from China. The price level also decreased in response to the weak market demand. Furthermore, manufacturers slowed down production to observe the market direction, while some factories remained closed for maintenance.

**Key industries that remained growing in February 2023** compared to the same month last year were:

- **Sugar:** The industry grew by 23.46 percent, mainly from raw and refined sugar, due to increasing domestic and international consumption. According to the economic expansion for use in the downstream industry, especially in the food and beverage industry. In addition, the sugar cane output supplied to the sugar factory in 2022/2023 was higher than last year.

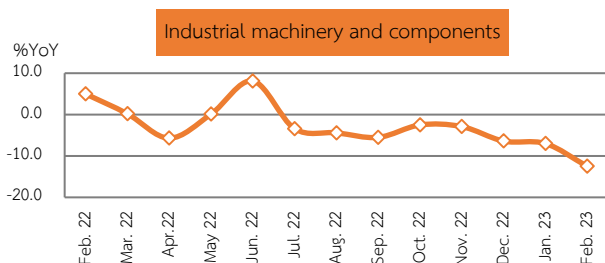
- **Automobiles:** The industry grew by 6.64 percent due to receiving more semiconductor parts, making it possible to increase production.



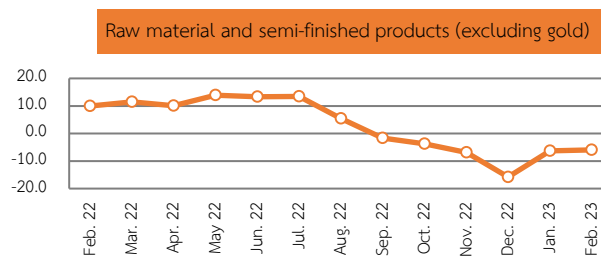
# Other Industrial Economic Indicators in February 2023

## Other Industrial Economic Indicators in February 2023

### ■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

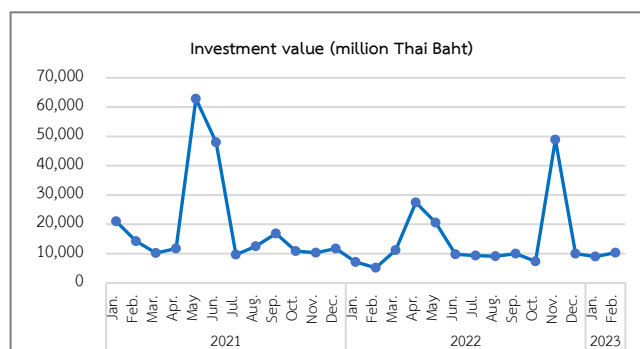
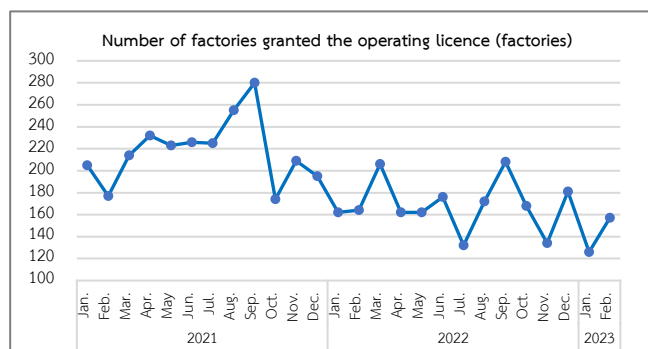


Source: Ministry of Commerce

⊖ **Imports of industrial machinery and components** in February 2023 were valued at 1,307.50 million USD, a contraction of 12.5 percent compared to the same month last year. The decline was mainly due to decreasing imports of wood processing machinery and parts; construction machinery and parts; and textile machinery, for example.

⊖ **Imports of raw and semi-finished goods (excluding gold)** in February 2023 were valued at 8,024.00 million USD, a contraction of 5.9 percent compared to the same month last year. Imports declined among iron, steel, and products thereof; other ores, metal scraps and products thereof, for example.

## Industrial Operation Status



Source: Department of Industrial Works

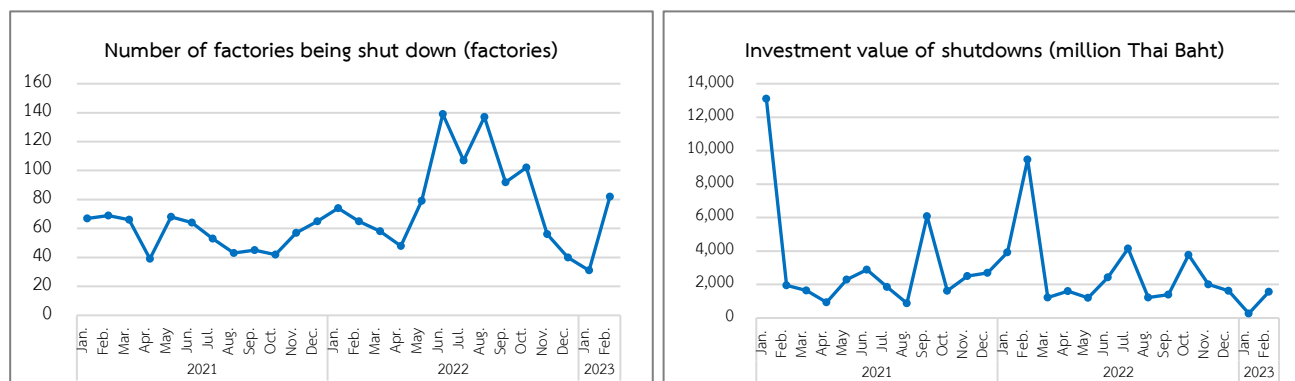
➕ The total number of factories licensed for operation in February 2023 was 157 factories, increasing by 24.6 percent (%MoM) from January 2023 but decreasing by 4.27 percent (%YoY) from the same month last year.

➕ The total investment from factories licensed for operating in February 2023 increased by 13.53 percent (%MoM) from January 2023 to 10,275 million Thai Baht and increased by 98.03 percent (%YoY) from the same month last year.

*"The industry with the highest number of newly licensed factories to operate in February 2023 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (21 factories), followed by the excavation or dredging industry of gravel, sand, or soil (13 factories)."*

*"The industry with the highest investment value in February 2023 was the manufacture of raw sugar or refined sugar (2,230 million Thai Baht), followed by the industry of slicing, mixing, and rolling or cutting natural rubber, which does not involve rubber plantations or forestry. (1,440 million Thai Baht)."*

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works

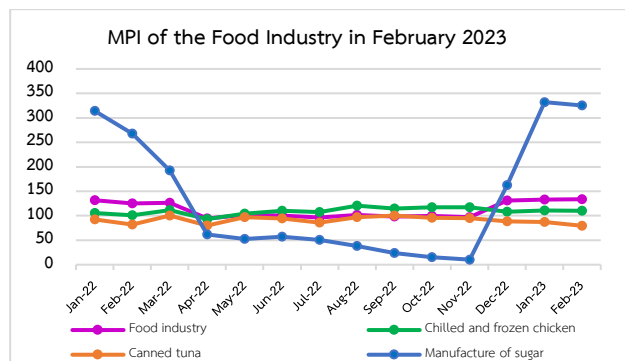
- A total of 82 factories were shut down in February 2023, increasing by 164.52 percent (%MoM) from January 2023 and increasing by 26.15 percent (%YoY) from the same month last year.
- + The lost investment value on shutdown in February 2023 totaled 1,564 million Thai Baht, increasing by 473.19 percent (%MoM) from January 2023 but decreasing by 83.47 percent (%YoY) from the same month last year.

*“The industry with the highest number of factory shutdowns in February 2023 was the excavation or dredging industry of gravel, sand, or soil (20 factories), followed by the manufacture of concrete, ready-mixed concrete articles, and gypsum products (8 factories).”*

*“The manufacturing industry with the highest investment value to shut down in February 2023 was the manufacture of plastic pellets, tubes, pipes, hoses, sheets, strips, powder, or in other shapes, with an investment value of 220 million Thai Baht, followed the excavation or dredging industry of gravel, sand, or soil with an investment value of 183 million Thai Baht.”*

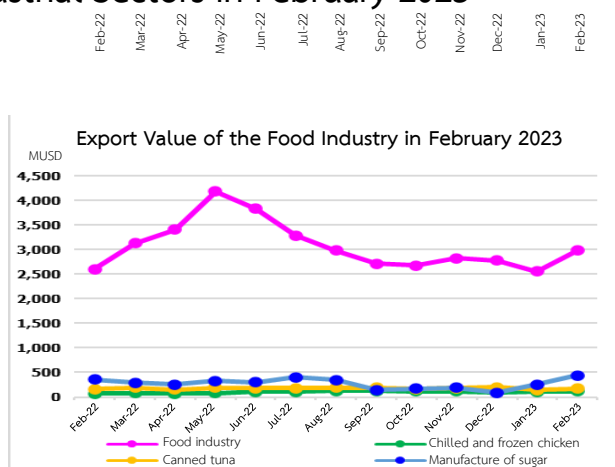
## Industrial Economic Status by Industrial Sectors in February 2023

### 1. Food Industry



Source: The Office of Industrial Economics

➕ The food industry's MPI grew 6.0 percent (%YoY) in February 2023. This increase was driven by several food products, including 1) Palm oil increased by 44.6 percent, with crude palm oil (58.1%) and refined palm oil (30.6%), due to high demand from industries such as biodiesel and food, and increased exports to India; 2) Sugar increased by 23.5 percent, with raw sugar (30.7%) and refined sugar (19.7%), due to higher sugarcane production in 2022/23 and increasing domestic and international demand, particularly from downstream industries in the food and beverage sector. The primary export markets for sugar are Indonesia and South Korea; and 3) Livestock increased by 8.2 percent, with frozen and chilled chicken meat increasing by 9.2 percent, due to ongoing demand from domestic and foreign markets, including new markets such as Saudi Arabia. However, some food products experienced a decline in MPI, including 1) Cassava which decreased by 19.6 percent, mainly from cassava starch (-20.0%) due to lower production compared to the same period last year. This resulted in fewer tubers in the market; 2) Processed vegetables and fruits decreased by 22.5 percent, especially canned pineapples (-47%), due to lower domestic and export demand; 3) Fisheries also contracted by 4.2 percent, mainly from canned tuna (-3.4%); and 4) Beverages declined by 13.8 percent from non-alcoholic drinks (-3.5%), including energy drinks, soft drinks, and sports drinks.



Source: Ministry of Commerce

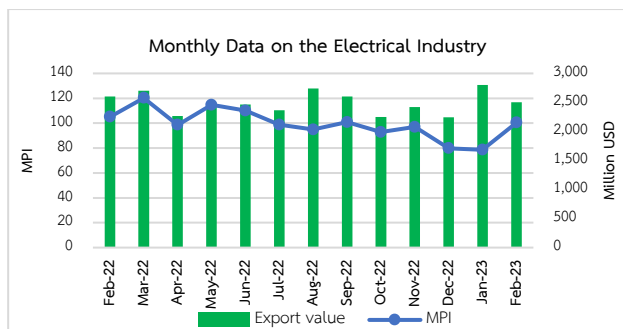
➕ **Domestic sales:** In February 2023, the production volume for domestic sales of food products increased by 1.8 percent (%YoY) from key products, including 1) raw sugar with an increase of 94.1 percent, 2) refined sugar with an increase of 71.7 percent, 3) refined palm oil increased by 36.1 percent, and 4) ready-to-cook food with an increase of 5.9 percent.

➕ **Export markets:** In February 2023, the export of food products increased by 14.8 percent compared to the same period in the previous year. This growth was mainly driven by the export of product categories: 1) Rice and cereal, specifically rice, increased in Indonesia, Bangladesh, and the US markets. 2) Livestock products, specifically chilled and frozen chicken, increased in key markets like China and Malaysia. 3) Sugar and molasse, mainly from sugar which was the key product. 4) Vegetable and animal oils and fats also increased in exports from palm oil exported to India, which was a key market.

**Outlook for March 2023:** The industry, in general, is expected to grow compared to the same period last year. This growth is attributed to the continued expansion of the tourism sector and the opening of China's country, which brings Chinese tourists back to Thailand. In addition, the government's economic stimulus measures resulted in an expansion in domestic consumption. The value of exports is also expected to increase slightly due to the government's efforts to expand exports to potential markets in the Middle East and China's decision to open up, which will positively impact Thai food exports. However, keeping a close watch on the global economic and financial situation, which is still sluggish, is essential.

## 2. Electrical and Electronics Industry

### ■ Electrical Industry



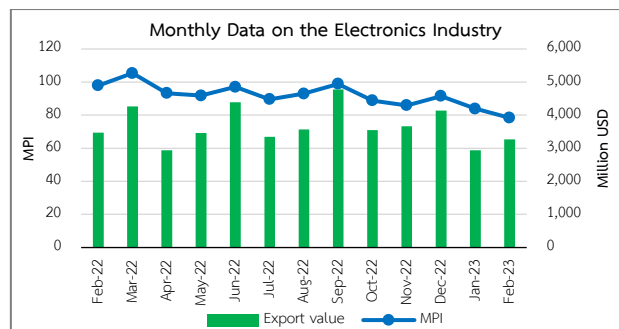
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➔ **Production of electrical appliances** reached an MPI of 100.4 points, a decrease of 2.1 percent compared to the same month last year. Products that contracted in production included refrigerators (-26.4%), microwave ovens (-18.3%), electric motors (-18.3%), household fans (-18.1%), thermo pots (-13.4%), washing machines (-10.2%), rice cookers (-8.8%), and compressors (-3.4%) due to a reduction in both domestic demand and overseas orders. However, products that increased production were electric cables (32.4%), transformers (28.6%), electric wires (5.2%), and air conditioners (1.9%) due to increased domestic sales.

➔ **Exports of electrical appliances** were valued at 2,502.6 million USD, which was 2.9 percent lower than the same month last year. Some products, including motors and generators, experienced reduced orders, resulting in a decline of 29.4 percent in the US, Japan, and Germany. Electric wires and cables also fell by 19.0 percent in the US and ASEAN markets, while refrigerators, freezers, and components decreased by 17.1 percent in Vietnam, Japan, and Europe. Washing machines, dry cleaners, and parts also declined by 9.0 percent in Vietnam, Japan, and South Korea. Electrical switchboards and panels fell by 8.3 percent in China, Vietnam, and Singapore, and circuit breakers and protection devices decreased by 2.4 percent in South Korea, China, and Singapore. On the other hand, electric transformers and components experienced an increase of 39.7 percent in Europe, the US, and ASEAN markets. Air conditioners and components increased by 8.2 percent in the Indian and German markets, while fan sales increased by 6.3 percent in the US and European markets. Microwave ovens also experienced growth of 5.9 percent in the China, Vietnam, and Canada markets.

*"The production forecast for March 2023, the electrical appliances industry is expected to decrease by 2.0-3.0 percent compared to the same month in the previous year. This is attributed to the high inflation rate in many countries."*

### ■ Electronics Industry



Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

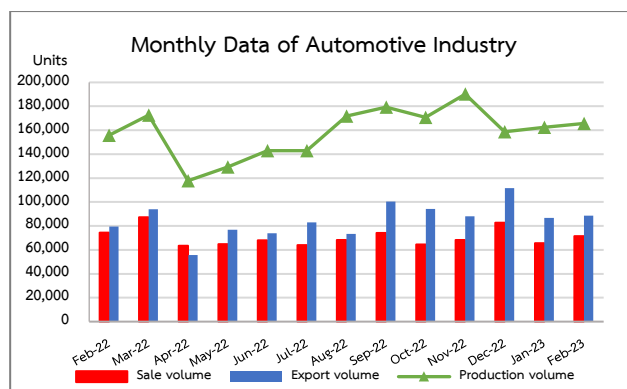
➔ **Production of electronic products** reached an MPI of 78.4 points, a decrease of 5.2 percent compared to the same month last year. Products that contracted in production were HDDs (-35.5%), printers (-30.9%), PWBs (-29.4%), semiconductor device transistors (-16.3%), ICs (-8.8%), and PCBAs (-5.5%). The decrease was mainly due to declining domestic sales and foreign purchase orders.

➔ **Exports of electronic products** amounted to 3,264.6 million USD, a decrease of 6.0 percent compared to the same month last year. Products that experienced a decrease in orders included HDDs, with a value of 516.3 million USD, a decrease of 45.1 percent in the US, Hong Kong, and China markets. The export value of printed circuit boards was 111.9 million US dollars, a decrease of 12.8 percent in the US, Japan, and Vietnam markets. On the other hand, semiconductor devices, transistors, and diodes experienced an increase in orders, with a value of 350.0 million USD, an increase of 60.5 percent in ASEAN and the US markets. Electrical circuit boards also increased in orders, with a value of 752.8 million USD, marking a rise of 4.1 percent in Europe, the US, and Japan markets.

*"The electronics industry's production forecast for March 2023 is expected to continue to decline by 1.0 - 4.0 percent compared to the same period in the previous year. This downturn is attributed to the decrease in domestic demand and foreign orders, as the trading partners' economies are anticipated to enter a recession."*

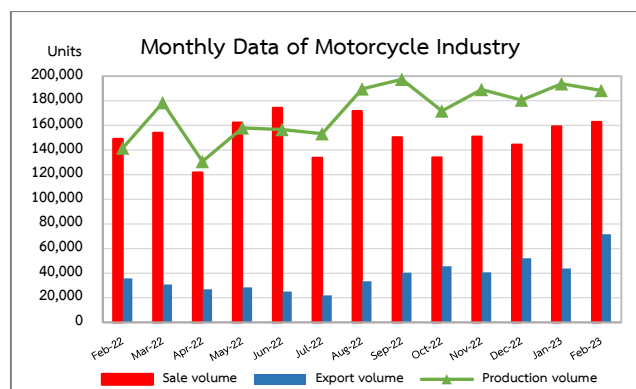
### 3. Automotive Industry

#### ■ Automotive Manufacturing Industry



Source: The Office of Industrial Economics who obtained data from Automotive Division, Federation of Thai Industries.

#### ■ Motorcycle Manufacturing Industry



Source: The Office of Industrial Economics who obtained data from Automotive Division, Federation of Thai Industries.

**+** Production of automobiles in February 2023 reached 165,612 units, an increase of 2.02 percent from January 2023 (%MoM) and an increase of 6.39 percent from the same month last year (%YoY). The growth was attributed to the increase in the production of semiconductor components (chips). This increase was in the production of passenger cars.

**+** Domestic automobile sales in February 2023 reached 71,551 units, an increase of 9.11 percent from January 2023 (%MoM) but a decrease of 3.94 percent compared to the same month last year (%YoY). The decline was primarily driven by decreased sales of 1-ton pickup trucks and commercial vehicles.

**+** Automobile exports in February 2023 reached 88,525 units, an increase of 2.00 percent from January 2023 (%MoM) and an increase of 11.42 percent compared to the same month last year (%YoY). Export markets increased in Asia, Oceania, the Middle East, and Central and South America.

*"The automobile industry outlook for March 2023 is expected to increase compared to March 2022. The increase is due to the expansion of the export markets and the easing of the semiconductor shortage situation."*

**+** Production of motorcycles in February 2023 reached 188,272 units, a decrease of 2.91 percent from January 2023 (%MoM) but an increase of 32.96 percent from the same month last year (%YoY). The growth was driven by increased production of multipurpose and sport motorcycles.

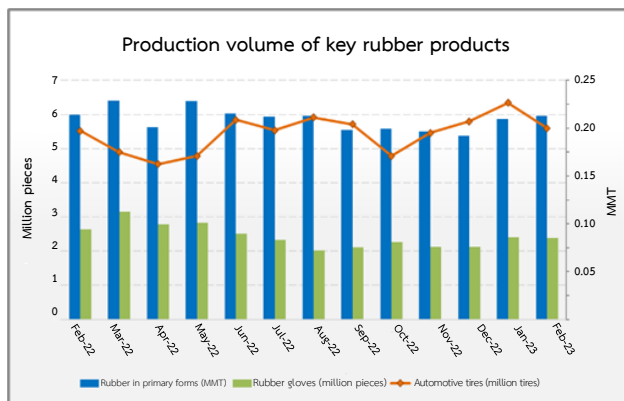
**+** Motorcycle sales in February 2023 reached 162,847 units, an increase of 2.25 percent (%MoM) from January 2023 and an increase of 9.20 percent (%YoY) from the same month last year. The growth was driven by the sales of motorcycles sized between 51-110 cc, 111-125 cc, 126-250 cc, 251-399 cc, ≥400 cc.

**+** Exports of CBU motorcycle in February 2023 reached 46,276 units, an increase of 5.98 percent compared to January 2023 (%MoM) and an increase of 29.77 percent from the same month last year (%YoY). The growth was driven by exports to Japan, China, and Australia.

*"The motorcycle industry outlook for March 2023 is expected to increase compared to March 2022 as export markets are projected to expand."*



## 4. Rubber and Rubber Product Industry



Source: The Office of Industrial Economics

### Production

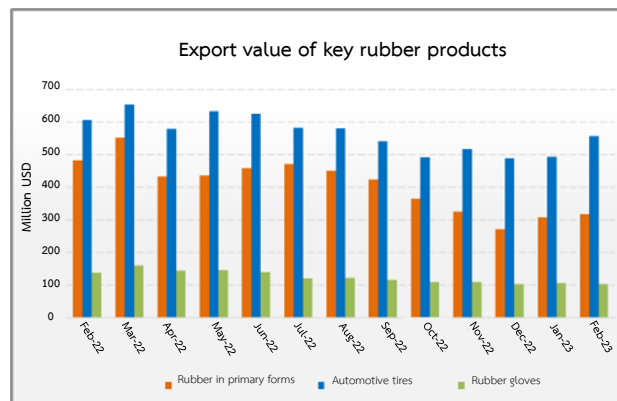
- ➖ Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) decreased by 1.56 percent from the production slowdown of sheet rubber and concentrated latex.
- ➖ Automotive tires decreased by 0.50 percent due to a decrease in tire production for pickups, trucks and passenger cars, and tractors.
- ➖ Rubber gloves decreased by 9.10 percent due to the continued decline in demand for rubber gloves in the global market.

### Domestic Sales

- ➕ Processed rubber in primary forms (rubber sheets, block rubber, and concentrated latex) increased by 7.37 percent due to an increase in demand for sheet rubber and concentrated latex in downstream industries.
- ➖ Automotive tires decreased by 4.35 percent due to the slowdown of the Replacement Equipment Manufacturer (REM) market.
- ➕ Rubber gloves increased by 22.72 percent due to the high level of domestic demand for rubber gloves for disease prevention.

### Exports

- ➖ Processed rubber in primary forms (rubber sheets, block rubber, and concentrated latex) decreased in export value by 32.98 percent which was a result of decreased exports of sheet rubber and block rubber to China and Japan, as well as decreased exports of concentrated latex to Malaysia.
- ➖ Automotive tires decreased in export value by 8.10 percent, mainly due to the slowdown in exports to the US market.
- ➖ Rubber gloves decreased by 25.07 percent as demand for rubber gloves in the global market dropped.



Source: Ministry of Commerce

### Industry outlook for March 2023

The production of processed rubber (rubber sheets, block rubber, and concentrated latex) is expected to expand again to meet the continuous demand from the domestic industry. The production and distribution of automotive tires in the country are expected to grow in line with the continuous growth of the automotive industry in the country and the demand for automotive tires in the REM market, which is likely to increase in early April before the long holiday. As for the production of rubber gloves, it is expected to remain sluggish due to the reduced demand for rubber gloves in the global market. However, in the domestic market, the sales of rubber gloves are expected to expand due to the high-level demand for rubber gloves to prevent diseases.

Export values of processed rubber in primary forms (rubber sheets, block rubber, and concentrated latex) are expected to decrease, mainly due to China delaying purchases of sheet rubber, block rubber, and concentrated latex, which are key export products for Thailand. Additionally, the export of automotive tires is expected to continue to slow down, primarily because of the high export base established last year. Furthermore, the demand for tires in the US market, which is an important export market, has declined since mid-2022. As for rubber gloves, their export value is also expected to continue to decrease due to the declining demand for rubber gloves in the global market.

## 5. Plastics Industry

### MPI and Shipment Index



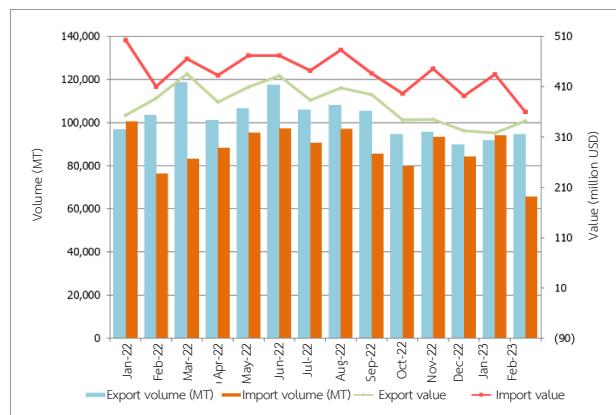
Source: The Office of Industrial Economics

**➔** The Manufacturing Production Index (MPI) in February 2023 contracted by 6.03 percent compared to the same period the previous year. The MPI experienced a decline in many products, such as other plastic packaging (-17.54%), plastic sacks (-11.92%), and plastic sheets (-8.09%) compared to the same period last year.

**➔** The shipment index in February 2023 contracted by 12.38 percent. Products that experienced the contraction were plastic sacks (-24.46%) and other plastic packaging (-22.41%) compared to the same period last year.

**➔** Exports in February 2023 were valued at 342.32 million USD, a decrease of 11.67 percent compared to the same period last year. Products contributing to the decline in exports included monofilament products (HS3916) (-22.81%), self-adhesive plates, sheets, film, foil and strip, of plastics (HS 3920) (-16.99%); and other articles of plastics (HS 3926) (-13.98%) compared to the same period last year.

### Volume and Value of Exports and Imports



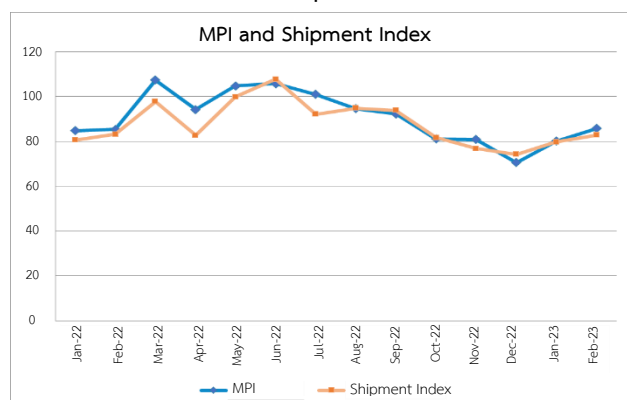
Source: Office of the Permanent Secretary, Ministry of Commerce

**➔** Imports in February 2023 were valued at 360.29 million USD, a decrease of 12.16 percent compared to the same period last year. Key products contributing to the decline in imports were floor coverings of plastics, (HS 3918) (-54.22%); household articles (HS 3924) (-45.75%), and builders' ware of plastics (HS 3925) (-43.42%) compared to the same period last year.

*The plastics industry outlook for March 2023 is expected to decline due to a reduction in production caused by most buyers avoiding inventory stockpiling as demand for end products has not recovered yet. Exports to markets such as the Philippines, Malaysia, Indonesia, and Vietnam, slow down.*

## 6. Chemical products Industry

MPI and Shipment Index



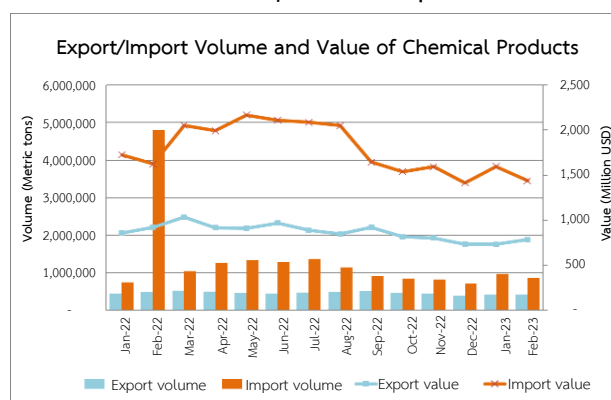
Source: The Office of Industrial Economics

**+** The Manufacturing production index in February 2023 increased by 0.43 percent compared to the same period last year. The MPI of the basic chemical product segment increased by 7.56 percent, with products such as ethanol experiencing an increase of 36.76 percent in production compared to the same period last year. The downstream chemical product segment decreased by 2.18 percent. Products experiencing a decrease in production compared to the same period last year were cleaning agents (-17.77%), fertilizers (-13.48%), and hair shampoos (-10.98%).

**-** The shipment index in February 2023 decreased by 0.42 percent compared to the same period last year. The basic chemical product segment decreased by 4.89 percent, with products such as chlorine (-12.39%), ethanol (-11.35%), and hydrochloric acid (-9.78%), experiencing a decline in shipments. However, downstream chemical product segment increased by 1.02 percent, with products like loose powder (20.27%), emulsion paints (16.31%), and dishwashing liquids (15.64%) experiencing an increase in shipments compared to the same period the last year.

**-** Exports in February 2023 decreased in value by 14.94 percent to 783.90 million USD compared to the same period last year. The basic chemical product segment decreased by 24.44 percent, with an export value of 433.51 million USD. The downstream chemical product segment also decreased by 0.74 percent with an export value of 350.39 million USD.

Volume and Value of Exports and Imports



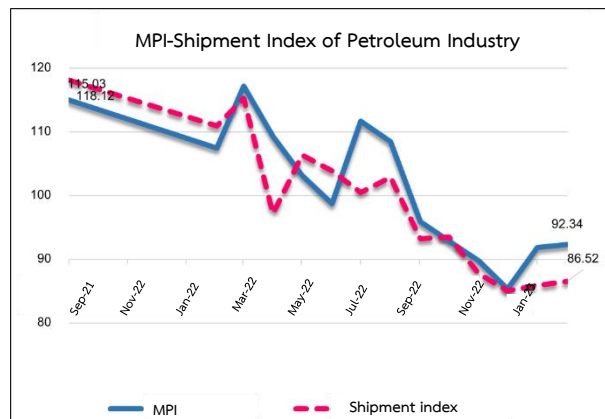
Source: Office of the Permanent Secretary, Ministry of Commerce

The decrease in export value was driven by the contraction of products such as organic chemicals (-46.08%), paints (-7.49%), and surfactants (-4.47%), compared to the same period last year.

**-** Imports in February 2023 decreased in value by 11.61 percent to a total value of 1,436.42 million USD compared to the same period last year. The basic chemical product segment decreased by 13.84 percent, with imports valued of 979.89 million USD. However, imports of the downstream chemical product segment increased by 6.43 percent, with imports valued of 456.54 million USD compared to the same period last year.

*Chemical Industry Outlook for March 2023.* The production is expected to increase as the tourism industry begins to recover. As a result, the production of related chemical industrial products will increase. Meanwhile, exports are projected to slow down due to demand from major trading partners such as China, India, and Vietnam.

## 7. Petrochemical Industry

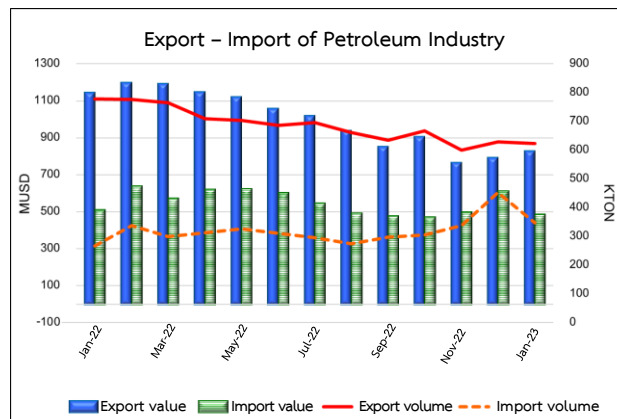


Source: The Office of Industrial Economics

➔ **The Manufacturing Production Index** stood at 92.34 points, a decreased of 14.09 percent compared to the same period last year but an increase of 0.46 percent from last month. Basic petrochemicals such as Propylene and Toluene decreased in the MPI by 22.66 percent and 34.19 percent, respectively, compared to the same period last year. Similarly, downstream petrochemicals such as PP resin also declined by 21.05 percent compared to the same period last year due to the shutdown of gas separation plants for maintenance and a slowdown in production caused by decreasing demand.

➔ **The shipment index** in February 2023 stood at 86.52 points, a decrease of 22.06 percent compared to the same period last year but an increase of 0.70 percent compared to last month. Among the basic petrochemicals, Propylene declined by 37.46 percent compared to the same period last year. Similarly, downstream petrochemicals, such as PE and PP resins, decreased by 22.48 percent and 25.71 percent, respectively, compared to the same period last year.

➔ **Exports** in February 2023 were valued at 831.65 million USD, a decrease of 27.39 percent compared to the same period last year but an increase of 4.74 percent compared to the previous month. The decline was particularly noticeable in downstream petrochemicals, such as PP resin, and basic petrochemicals, such as Propylene. This decline can be attributed to the current speculative market situation, where prices are expected to decrease, as well as a decreased demand for downstream production. Additionally, the US has shifted its focus to exporting to the Asian market, which is belonged to Thailand, as a replacement for the slowdown in demand from the EU.

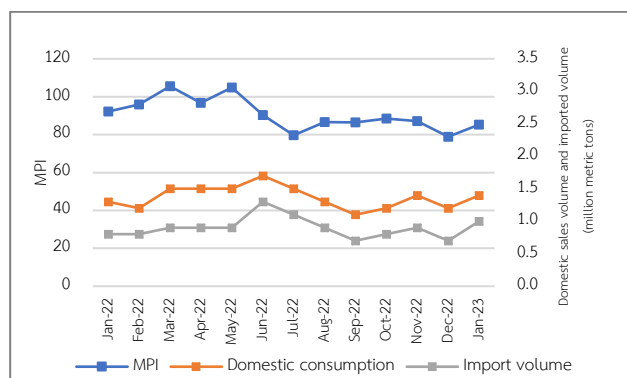


Source: Office of the Permanent Secretary, Ministry of Commerce

➔ **Imports** in February 2023 were valued at 489.09 million USD, a decrease of 10.63 percent compared to the same period last year and a decrease of 20.13 percent compared to last month. The growth was primarily seen in the imports of basic petrochemical, such as Toluene and downstream products like PE resin.

Outlook for March 2023, the industry is expected to slow down compared to the same period last year, which can be attributed to several factors, such as maintenance shutdowns of upstream petrochemical plants; reduced plastic demand; a slowdown in exports, especially of basic petrochemicals such as Ethylene and Propylene; increasing price level in line with crude oil prices that were affected by the production shutdown in many countries; and the prolonged Ukraine-Russia conflict.

## 8. Iron and Steel Industry



Source: The Office of Industrial Economics / Iron and Steel Institute of Thailand

**– The Manufacturing Production Index (MPI)** in February 2023, the industrial production index stood at 90.5 points, contracting by 6.1 percent compared to the same period in the previous year. This decline was primarily due to the prolonged slowdown in many industries, such as construction, electrical appliance manufacturing and canned packaging production. When examining the major product categories, the MPI for long and flat products experienced a contraction. The industrial production index for long products stood at 84.1 points, declining by 13.0 percent. The product with the largest contraction was round bars (-50.0%), followed by hot-rolled structural steel (-30.9%), wire rods (-18.4%), and wires (-16.1%). Regarding flat products, the MPI was 91.3 points, contracting by 8.1 percent. The product with the highest contraction was tinplates (-36.2%), followed by cold-rolled sheets (-18.8%), chrome-coated sheets (-18.8%), and galvanized sheets (-4.9%).

**+ Domestic consumption** in February 2023 reached the volume of 1.4 million metric tons, expanding by 10.7 percent compared to the same period last year. Long product consumption amounted to 0.6 million metric tons, increasing by 18.9 percent from the consumption of structural steel sections. Meanwhile, flat product consumption amounted to 0.8 million metric tons, increasing by 5.9 percent from the consumption of other types of coated sheets, galvanized sheets and hot-rolled plates/coils/sheets.

**+ Imports** in February 2023 reached the volume of 0.9 million metric tons, expanding by 12.2 percent compared to the same period last year. The import volume expanded for both long and flat products. For long products, the import volume reached 0.2 million metric tons, increasing by 15.0 percent. Long products that increased in imports included structural carbon steel sections (the main markets that Thailand imported from were Germany, Oman, and Türkiye) and seamless steel pipes (the main markets that Thailand imported from were Czech Republic, Austria, and the UAE). As for flat products, the import volume reached 0.6 million metric tons, expanding by 11.2 percent. Flat products that increased in imports included hot-rolled Carbon Steel sheets (the main markets that Thailand imported from were China and South Korea); and welded pipes (the main markets that Thailand imported from were Singapore, China, and Denmark).

*"Iron and steel industry outlook for March 2023, the industry is expected to contract compared to the same period last year. The contraction was due to the inflation, and the increase of energy prices. This will cause consumers to delay their purchasing decisions to observe price trends. However, the construction sector will likely benefit from opening the county to tourists. Nevertheless, there are important issues to monitor, including the global economic and trade situation, foreign steel prices, and China's steel industry policies as a major producer and exporter globally. In addition, the cessation of anti-dumping and countervailing (AD) measures for hot-rolled steel products from Brazil, Iran, and Türkiye and cold-rolled aluminum-alloy sheets (GL) from Vietnam may affect the production volume of steel products in Thailand."*

## 9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics

### Production

➕ Textile fibers, fabrics, and garments contracted by 11.36 percent, 23.02 percent, and 14.02 percent (%YoY). When compared to the previous year, fabrics and garments grew by 3.19 percent and 3.15 percent, benefiting from the positive atmosphere of the campaign and election preparation in May 2023, which demands raw materials from the textile industry in the production of printed materials such as advertising banners, and the production of clothing for use in election campaigns. It has also benefited from the trend of Thai school uniforms that are popular among Chinese teenagers and the elephant-print pants trend that is popular with both Thais and foreign tourists, which is becoming one of the soft powers of Thailand at the moment.

### Domestic sales

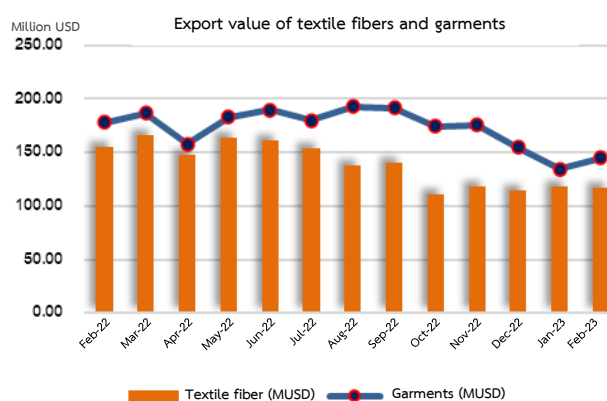
➖ Textile fibers and fabrics sales contracted by 8.48 percent and 26.42 percent (%YoY).

➕ Garment sales increased by 18.54 percent (%YoY) in the woven garments segment for the ninth consecutive month. This growth can be attributed to the positive impact of the government's economic stimulus measures, such as the Shop Dee Mee Kuen (Shop and Payback) project, country opening for tourists, and the rising popularity of elephant-print pants. Consequently, domestic sales saw an increase.

### Imports

➖ Imports of yarns and fibers contracted by 11.79 percent from key markets such as China, Vietnam, and the US, Fabrics contracted by 16.09 percent from major markets such as China, Vietnam, and Taiwan.

➕ Imports of garments expanded by 27.30 percent from key markets such as China, Italy, and Vietnam to support people's spending from the domestic economic recovery.



Source: Ministry of Commerce

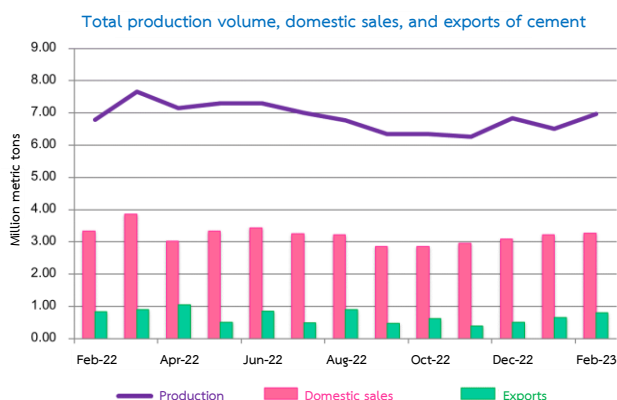
### Exports

➕ Exports of fibers and textiles contracted by 24.39 percent (%YoY) in key markets like Japan, China, and Indonesia. Exports of fabrics also declined by 18.82 percent (%YoY) in key markets, including Vietnam, Cambodia, and Bangladesh. Additionally, the garments also decreased by 18.69 percent (%YoY) due to decreased orders from major trading partners, such as the US, Japan, and Belgium and the ongoing sluggish global economic conditions. However, compared to the previous month (%MoM), fabrics and garments expanded by 5.50 percent and 7.64 percent, respectively, driven by the popularity of Thai school uniforms and elephant-print pants among Thai and foreigners.

### Industry outlook for March 2023

The textiles and wearing apparel industry is expected to grow slightly as the domestic economy recovers. However, inflation in many countries worldwide must be monitored including rising interest rates, conflict, and geopolitics that continue to linger. Additional factors to monitor included exchange rate fluctuations affecting the export sector and power shortages in Europe, which may cause the economy of trading partner countries to slow down.

## 10. Cement Industry



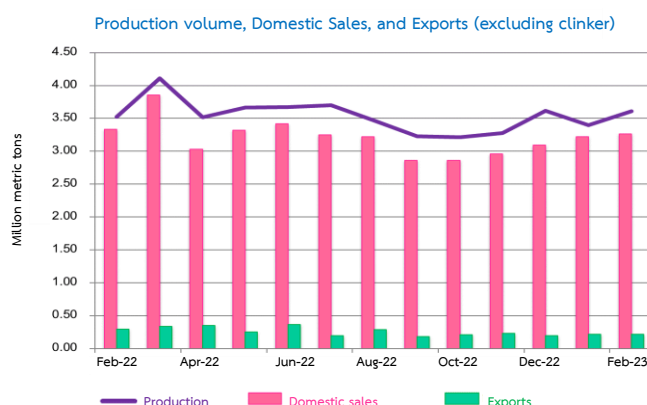
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics  
 2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

**+** *Total production of cement* in February 2023 reached 6.97 million metric tons, a decrease of 2.64 percent from the same month last year (%YoY).

**-** *Total domestic sales of cement* in February 2023 reached 3.27 million metric tons, a decrease of 1.96 percent compared to the same month last year (%YoY).

**-** *Total cement exports* in February 2023 were at 0.80 million metric tons, decreasing from the same month last year by 4.32 percent (%YoY). The decrease resulted from decreased purchase orders from major export markets, such as the Philippines (-100%), Vietnam (-48.9%), Myanmar (-36.19%), Cambodia (-28.33%), and Bangladesh (-22.02%).

Outlook for March 2023, the manufacturing industry is expected to grow slightly despite being affected by the global economic slowdown. This was supported by the government's construction of large-scale infrastructure projects, as well as to support additional exports to markets other than the main export markets.



Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics  
 2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

**+** *Cement production (excluding clinker)* in February 2023 reached 3.61 million metric tons, a decrease 2.35 percent (%YoY) from the same month last year.

**-** *Domestic cement sales (excluding clinker)* in February 2023 amounted to 3.27 million metric tons, decline of 1.96 percent (%YoY) compared to the same period of the previous year. However, the rate of decline was slow as market conditions started to improve following the easing of COVID-19 control measures. Consequently, there was a resurgence of interest in new investments in mid-range priced low-rise housing projects and the condominium sector, particularly from foreign traders.

**-** *Exports of cement (excluding clinker)* in February 2023 amounted to 0.21 million metric tons, decreasing from the same month last year by 27.72 percent (%YoY). The contraction was mainly decreased purchase orders from the Philippines (-100%), Vietnam (-48.89%), Myanmar (-37.70%), and Cambodia (-28.73%).

The cement manufacturing industry (excluding clinker) in March 2023 is expected to grow slightly. In addition to the expansion from the construction of large public utility projects, it is also expected to grow from the real estate sector that began to recover.