



Industrial Production Status

Indicators	2021	2022	2022						2023						
	Year	Year	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	5.8	0.4	6.0	14.6	3.0	-4.3	-5.3	-8.5	-4.8	-2.4	-3.9	-8.7	-3.1	-5.0	-4.4

Industrial Production Status in July 2023, when considering the **Manufacturing Production Index (MPI)**, decreased by **4.4 percent compared to the same period last year**. The primary factor contributing to this decline is the slowdown of export sector due to the weak economic conditions of trading partners. Nevertheless, the country's economy continues to be driven by the tourism sector, which supports domestic consumption and spending. This is reflected in the Industrial Production Index, which continues to expand, particularly in the food and beverage sector.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in April, May, and June 2023 contracted by 8.7 percent, 3.1 percent, and 5.0 percent respectively.

Indicators	2022						2023						
	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	-2.3	4.2	-1.8	-4.2	2.1	-1.8	6.1	-0.1	6.2	-21.3	14.3	-2.2	-1.7

For the past three months (April, May, and June 2023) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: a decrease of 21.3 percent in April, an increase of 14.3 percent in May, but a decrease of 2.2 percent in June.

Key industries that contributed to the MPI contraction in July 2023 compared to the same period last year included:

- Hard Disk Drive (HDDs) decreased by 39.13 percent due to advancements in capacity technology, resulting in decreased production volume. However, the unit price increased based on capacity, while demand for HDDs decreased. Additionally, Solid State Drives (SSDs) are increasingly replacing HDDs in various devices, and Thailand currently lacks a domestic SSD production base.
- Furniture industry decreased by 44.93 percent, particularly in wooden and metal furniture. This contraction is attributed to the global economic slowdown, decrease orders from customers, and a high base from the previous year when some orders were redirected to Thailand after China temporarily closed its borders. Additionally, there were special orders for shelves in department stores last year. Wooden furniture production has declined for the seventeenth consecutive month.
- Electronic components decreased by 9.73 percent due to a slowdown in global market demand and the escalating trade war tension between China and the US in the tech product sector. This situation has led to a shortage of raw materials used in production.

Key industries that continued to increase in July 2023 compared to the same month last year included:

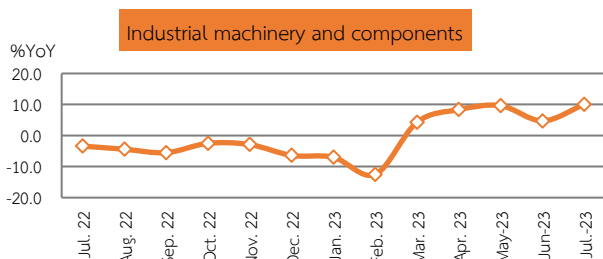
- Automobile industry grew by 5.34 percent, driven by expanding export markets. Nevertheless, domestic sales faced a decline due to elevated household debt. Consequently, financial institutions have adopted stricter credit policies, coupled with the potential for rising interest rates, which has impacted domestic demand.
- Petroleum refining grew by 4.99 percent as demand returned to normal with the continued expansion of the tourism sector.



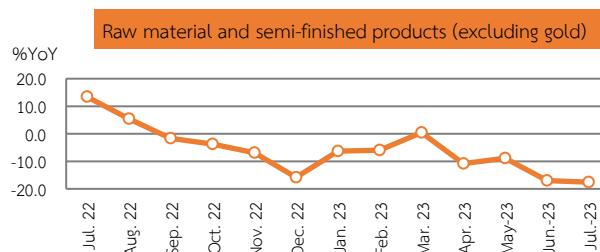
Other Industrial Economic Indicators in July 2023

Other Industrial Economic Indicators in July 2023

■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

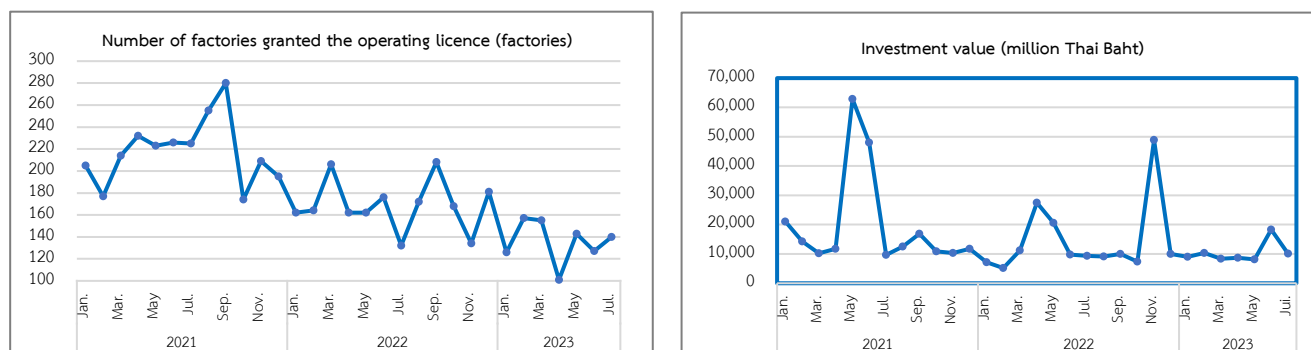


Source: Ministry of Commerce

+ **Imports of industrial machinery and parts** in July 2023 were value at 1,532.35 million USD, an increase of 10.04 percent compared to the same month last year. This growth was attributed to increased imports of products such as jet turbines and parts, engines, and transmission shafts and other parts, for example.

- **Imports of raw and semi-finished goods (excluding gold)** in July 2023 were valued at 8,708.85 million USD, a decrease from the same month in last year by 17.58 percent. The decline in imports was particularly notable in products such as chemical products, iron, steel and related products.

Industrial Operation Status



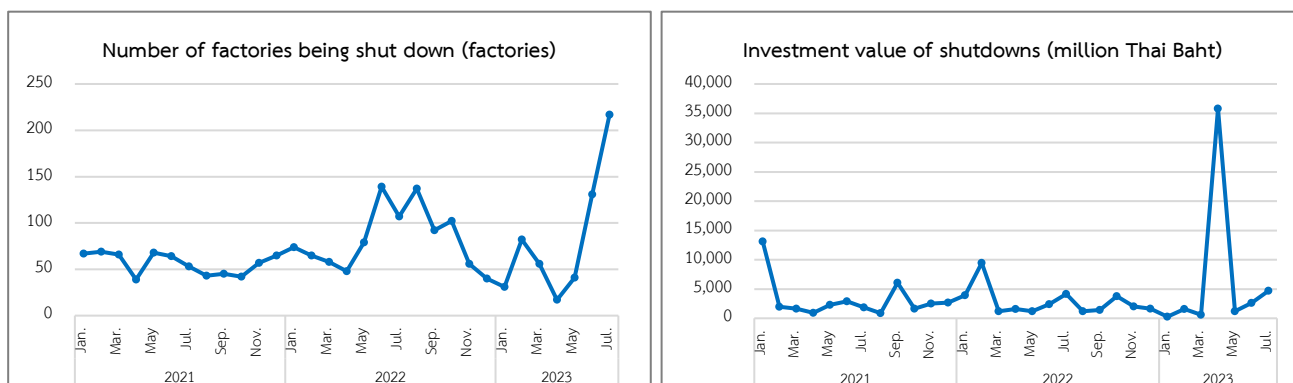
Source: Department of Industrial Works

- + The total number of factories licensed for operation in July 2023 was 140 factories, increasing by 10.24 percent (%MoM) from June 2023 and increasing by 6.06 percent (%YoY) from the same month last year.
- + The total investment from factories licensed for operating in July 2023 decreased by 39.42 percent (%MoM) from June 2023 to 10,062 million Thai Baht but increased by 18.01 percent (%YoY) from the same month last year.

"The industry with the highest number of newly licensed factories to operate in July 2023 was the excavation or dredging industry of gravel, sand, or soil (14 factories), followed by the manufacture of concrete, ready-mixed concrete articles, and gypsum products (13 factories)."

"In July 2023, the industry with the highest investment value was the manufacturing industry of food product and beverages from vegetables, plants, or fruits and packaging in sealed and airtight containers, with an investment value of 1,320 million Thai Baht, followed by the industry of manufacturing, assembling, and repairing solar power panels, with an investment value of 1,015 million Thai Baht."

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works

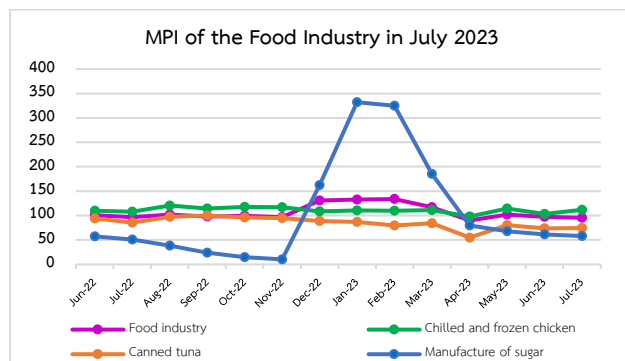
- ❌ A total of 217 factories were shut down in July 2023, increasing from June 2023 by 65.65 percent (%MoM) and increasing from the same month last year by 102.8 percent (%YoY).
- ❌ The lost investment value on shutdown in July 2023 totaled 4,676 million Thai Baht, increasing from June 2023 by 78.32 percent (%MoM) and increasing from the same month last year by 12.4 percent (%YoY).

“The industry with the highest number of factory shutdowns in July 2023 was the excavation or dredging industry of gravel, sand, or soil (34 factories), followed by the sand dredging industry (15 factories).”

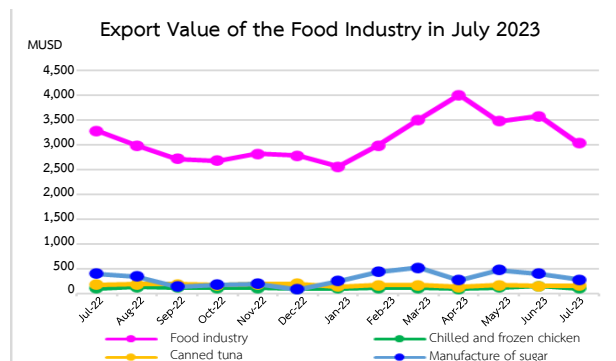
“The industry with the highest investment value for business shutdown in July 2023 was the manufacturing industry of food from aquatic animals and packaging it in sealed and airtight containers, with an investment value of 830 million Thai Baht, followed by the repair of vehicles powered by engines, with an investment value of 607 million Thai Baht.”

Industrial Economic Status by Industrial Sectors in July 2023

1. Food Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

⊖ The Manufacturing Production Index (MPI) for the food industry in July 2023 decreased by 1.6 percent (%YoY) compared to the same period last year. This decrease was seen in several food product categories. 1) The processed vegetables and fruits category saw a significant decline of 7.5 percent, primarily driven by canned pineapple (-52.4%). This decline is attributed to reduced domestic and international consumption and decreased pineapple production due to drought conditions. 2) Cassava production decreased by 4.5 percent. This was mainly due to a decrease in tapioca starch (-4.5%) caused by continuous rainfall in cultivation areas, resulting in lower production and starch content in cassava tuber. Consequently, the amount of cassava tubers in the market decreased. 3) Fisheries decreased by 0.2 percent from key products such as canned tuna (-13.3%) as market demand for consumption declined.

However, Nonetheless, there were food product categories that experienced growth in their production indices, such as sugar which saw a substantial expansion of 15.4 percent, driven by increases in white sugar (64.1%), molasse (29.8%), along with a growth of 2.5 percent in refined sugar. These improvements can be attributed to enhanced production conditions, including higher yields and improved quality of sugar production this year. Additionally, livestock and poultry production increased by 1.9 percent, particularly in key products such as frozen and chilled chicken (3.6%), responding to the rising consumer demand within the country.

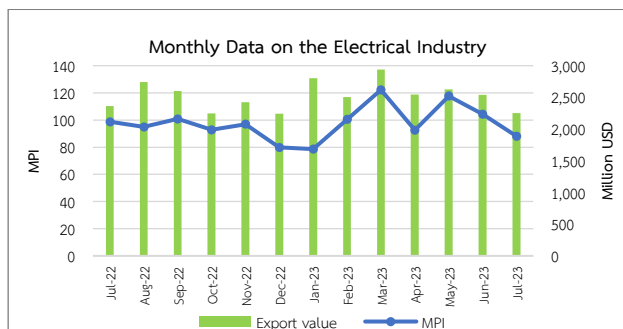
⊕ Domestic sales: The production volume for domestically sold food products in July 2023 expanded by 7.2 percent (%YoY) in the food product categories including: 1) Rice whiskey, an increase of 38.0 percent, 2) Refined palm oil, an increase of 36.6 percent, 3) Raw sugar, an increase of 18.1 percent, 4) Sausage, an increase of 13.0 percent, and 5) Soft drink, an increase of 8.8 percent.

⊖ Export markets: In July 2023, overall food product exports declined by 7.7 percent compared to the previous year from decreasing demand for fats and oils from plants and animals, especially palm oil. This was due to the global expansion of palm oil production, leading to reduced demand for palm oil imports from Thailand. Despite this, there were certain products that continue to show significant growth. This included rice, with Indonesia and South Africa as key markets, as well as chilled and frozen fruits, with China being a key market.

Industry Outlook for August 2023: *The overall industry is expected to slow down compared to the same period last year. This is primarily due to the global economic and financial situation showing signs of deceleration and concerns about Thailand's agricultural sector entering El Niño conditions. However, domestic consumption within the country and the tourism sector still show positive trends. This is driven by increased domestic demand and a growing number of tourists visiting Thailand.*

2. Electrical and Electronics Industry

■ Electrical Industry



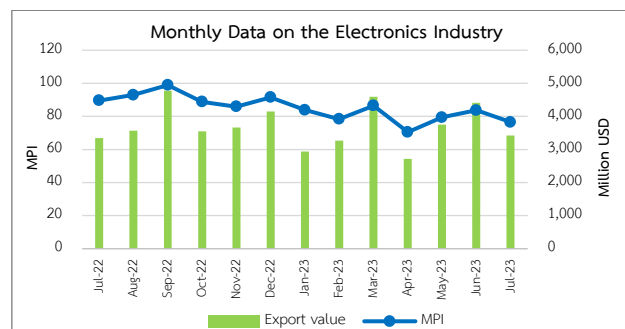
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➔ **Production of electrical appliances** reached an MPI of 88.1 points, decreasing by 10.7 percent compared to the same month last year. Among products that decrease in production included compressors (-36.3%), electric motors (-28.5%), air-conditioners (-12.5%), refrigerators (-7.4%), and transformers (-1.5%). This was due to decreased domestic demand and overseas orders. However, certain products experienced an increase in production, such as washing machines (32.4%), cables (25.9%), thermo pots (12.0%), power cables (6.3%), fans (4.5%), rice cookers (3.9%), and microwave ovens (1.1%) due to rising domestic demand.

➔ **The export of electrical appliances** reached a value of 2,253.8 million USD, a decrease of 4.7 percent compared to the same month last year. Products with reduced orders included microwave ovens, with a value of 13.7 million USD, down by 34.5 percent; air-conditioners and components, valued at 420.0 million USD, down by 24.7 percent; motors and generators, with a value of 67.0 million USD, down by 24.2 percent; refrigerators, freezers, and components, valued at 171.1 million USD, down by 11.9 percent; and circuit breakers and protection devices, with a value of 151.4 million USD, down by 2.8 percent. However, products with an increase in orders included transformers and their parts, with a value of 378.5 million USD, increasing by 29.4 percent; washing and dry-cleaning machines, with a value of 112.8 million USD, an increase of 13.3 percent; fans, with a value of 48.6 million USD, an increase of 5.7 percent; power cables, with a value of 99.9 million USD, an increase of 2.6 percent, and switchboards and power control panels, with a value of 219.8 million USD, an increase of 0.6 percent.

“Production Outlook for August 2023: The electrical appliances industry is expected to contract compared to the same month last year due to the decline in global demand and the global economy that has yet to recover.”

■ Electronics Industry



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

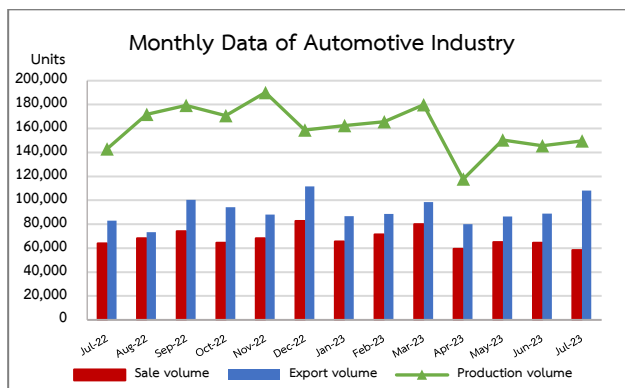
➔ **Production of electronic products** reached an MPI of 76.5 points, decreasing by 14.6 percent compared to the same month last year. Products that contracted in production were semiconductor devices (transistors) (-29.3%), printers (-27.4%), ICs (-20.3%), HDDs (-10.8%), and PCBAs (-5.0%) due to a decrease in domestic demand and international orders.

➕ **Exports of electronic products** reached a value of 3,426.3 million USD, an increase of 2.5 percent compared to the same month last year. Products that experienced an increase in orders were semiconductor devices (transistors and diodes), valued at 444.4 million USD, an increase of 82.9 percent in the US, Vietnam, and India markets. Circuit boards, valued at 756.5 million USD, increased 3.2 percent in Taiwan, China, and Germany. Nevertheless, products with decreased orders were Hard Disk Drives (HDDs), valued at 355.2 million USD, a decrease of 46.3 percent, mainly in the US, China, and Europe; printed circuit boards, with a value of 110.5 million USD, a decrease of 2.8 percent in China, Japan, and Germany.

“Production Outlook for August 2023: The electronics industry is expected to decline compared to the same month last year. This is due to rising production costs and the conflict between China and the US, which may affect the production of electronics products, especially semiconductor devices.”

3. Automotive Industry

■ Automotive Manufacturing Industry



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

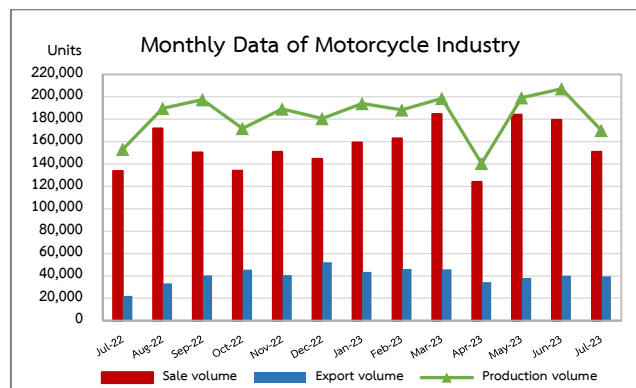
+ Production of automobiles in July 2023 reached 149,709 units, an increase from June 2023 by 2.85 percent (%MoM) and an increase from the same month last year by 4.72 percent (%YoY). The increase was among of the manufacture of passenger cars, one-ton pickup trucks and derivatives.

- Domestic automobile sales in July 2023 reached 58,419 units, a decrease of 9.34 percent from June 2023 (%MoM) and a decrease from the same month of the previous year by 8.77 percent (%YoY). This decline can be chiefly attributed to reduced sales of one-ton pickup trucks, primarily due to elevated household debts. As a result, financial institutions have stricter lending processes. Additionally, it was anticipated that interest rates would rise, which in turn affected domestic demand.

+ Automobile exports in July 2023 reached 108,052 units, an increase from June 2023 by 21.64 percent (%MoM) and an increase from the same month last year by 30.05 percent (%YoY). Exports experienced growth in nearly all markets as trading partner's economies increased, except for North America, where exports declined.

Automotive Industry "Outlook for the: In August 2023, the industry is anticipated to experience growth compared to August 2022, driven by expansion of export markets."

■ Motorcycle Manufacturing Industry



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

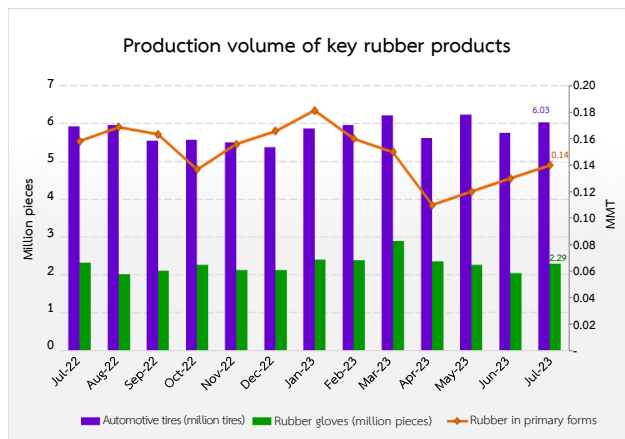
+ Production of motorcycles in July 2023 reached 107,123 units, a decrease from June 2023 by 17.88 percent (%MoM) but an increase from the same month last year by 11.07 percent (%YoY). The growth was driven by increased production of multipurpose and sport motorcycles.

+ Motorcycle sales in July 2023 reached 150,779 units, a decrease from June 2023 by 15.94 percent (%MoM) but an increase from the same month last year by 12.68 percent (%YoY). The growth was driven by increased sales of motorcycles sized between 51-110 cc, 126 – 250 cc, and 251 – 399 cc and ≥ 400 cc.

+ Exports of CBU motorcycle in July 2023 reached 39,588 units, a decrease from June 2023 by 1.28 percent (%MoM) but an increase from the same month last year by 79.69 percent (%YoY). The growth was driven by increased exports to Japan, Belgium, and the Netherlands.

"Outlook for the Motorcycle Industry: In August 2023, the industry is anticipated to experience growth compared to August 2022, driven by expansion of domestic and export markets."

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 12.93 percent from the decreased production of sheet rubber, block rubber, and concentrated latex.

➕ Automotive tires increased by 1.66 percent from the production for passenger cars and pickup trucks.

➖ Rubber gloves decreased by 1.17 percent due to the continued decline in demand in the global markets.

Domestic Sales

➕ Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) decreased by 20.32 percent due to an increase in demand for concentrated latex and block rubber in downstream industries.

➖ Automotive tires decreased by 45.58 percent, mainly from a slowdown in demand for passenger car tires in the REM (Replacement Equipment Manufacturer) market.

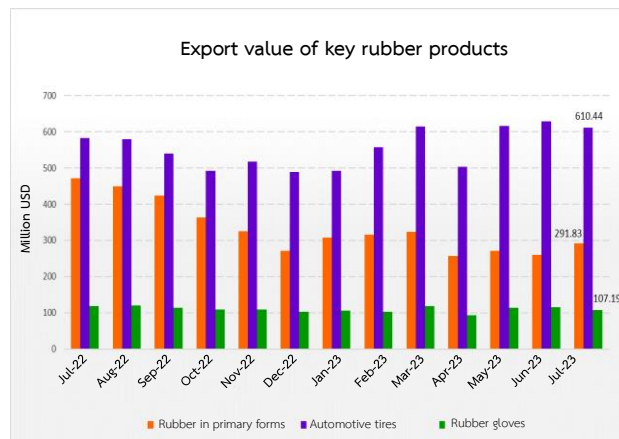
➕ Sales of rubber gloves increase by 10.24 percent due to high demand for medical rubber gloves in the country.

Exports

➖ Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) decreased in export value by 37.29 percent. This decrease can be attributed to reduced exports of sheet rubber and block rubber to the US, along with decreased exports of concentrated latex to China and Malaysia.

➕ Automotive tires increased in export value by 4.85 percent due to the growth of exports to the US and Australia markets.

➖ Rubber gloves decreased in export value by 10.07 percent as demand in the global market has dropped.



Source: Ministry of Commerce

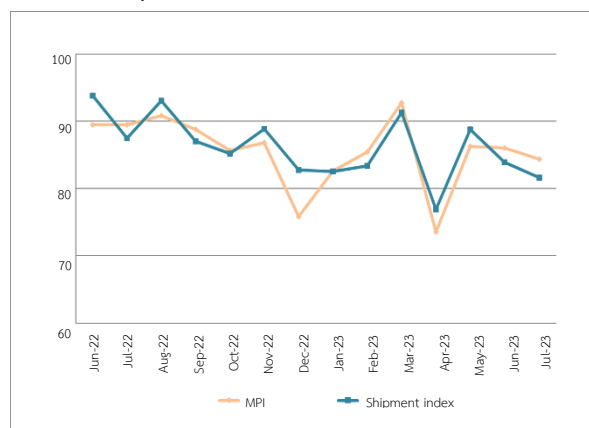
Industry Outlook for August 2023

The production of processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) is anticipated to decelerate, primarily because demand for these products overseas has declined. This decrease is especially notable in key export markets like the US, Japan, China, and Malaysia. Domestic production and distribution of automotive tires are projected to grow primarily to meet overseas demand, particularly in the US market, a key export market for the tire industry, and shows signs of recovery. In terms of rubber glove production, global demand for rubber gloves is expected to continue declining. However, domestic sales of rubber gloves are expected to expand due to the high demand for medical gloves.

Exports of processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) are expected to decrease in value due to major export markets such as the US, Japan, China and Malaysia showing a trend of slowing down their purchases of these products from Thailand. Regarding the export of automotive tires, the value is anticipated to increase, driven by a resurgence in demand for automobile tires in key markets such as the US, Australia, South Korea, which have been consistently growing. On the other hand, the export value of rubber gloves is predicted to decrease due to lower demand for rubber gloves in the global markets, including the US, China, and European countries compared to previous periods.

5. Plastics Industry

MPI and Shipment Index



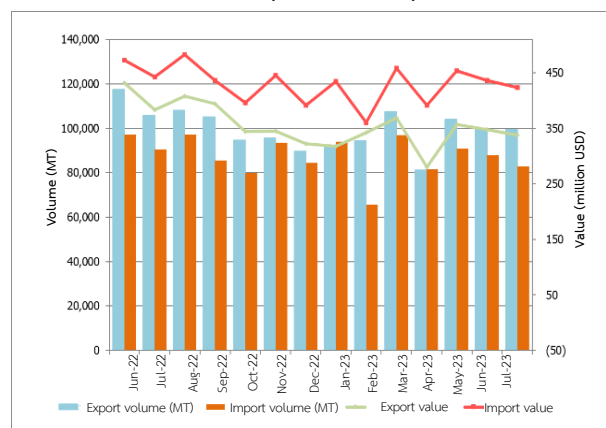
Source: The Office of Industrial Economics

❌ **The Manufacturing Production Index (MPI)** in July 2023 contracted by 5.67 percent compared to the same period last year. Many plastic products experienced a decline in MPI, such as plastic film (-16.96%), other articles of plastics (-12.82%), and plastic bags (-10.77%) compared to the same period last year.

❌ **The shipment index** in July 2023 contracted by 6.69 percent. Many plastic products experienced the decline in shipment index, such as plastic bags (-15.39%), other plastic packaging (-9.79%), and plastic films (-6.85%) compared to the same period last year.

❌ **Exports** in July 2023 were valued at 338.20 million USD, a decrease of 11.71 percent compared to the same period last year. Products contributing to the decline in exports included household articles (HS 3924) (-22.69%); articles for the conveyance or packing of goods (HS 3923) (-19.40%); self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics (HS 3920) (-14.01%) compared to the same period last year.

Volume and Value of Exports and Imports



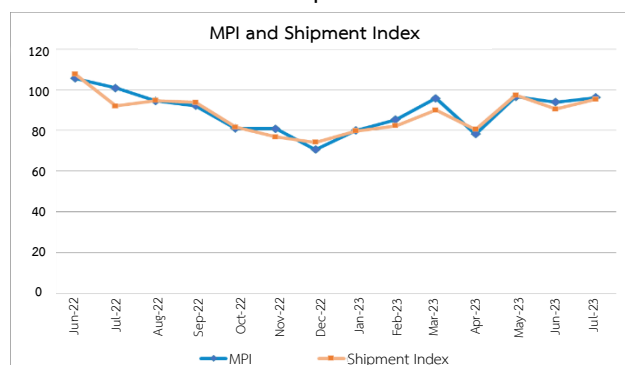
Source: Office of the Permanent Secretary, Ministry of Commerce

❌ **Imports** in July 2023 were valued at 436.24 million USD, a decrease of 7.66 percent compared to the same period last year. Key products contributing to the decline in imports were household articles (HS 3924) (-32.75%); builders' ware of plastics (HS 3925) (-22.48%), and articles for the conveyance or packing of goods (HS 3923) (-20.54%) compared to the same period last year.

Outlook for Plastics Industry: In August 2023, production is anticipated to slow down due to a decrease in end-user demand. Buyers are making purchases based on necessity. Exports are shrinking in key markets such as the US, Japan, and Vietnam. Domestic purchases primarily drive the industry to minimize the risk associated with exchange rate fluctuations.

6. Chemical products Industry

MPI and Shipment Index



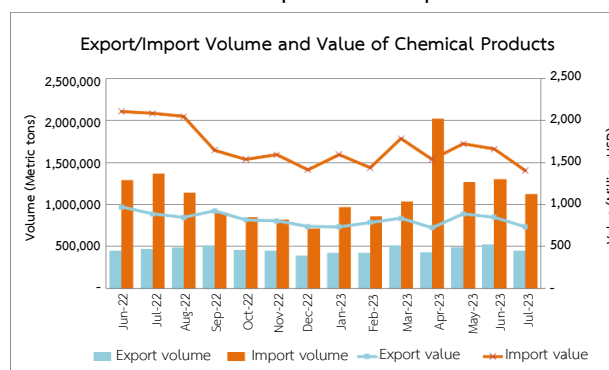
Source: The Office of Industrial Economics

➖ **The Manufacturing production index** in July 2023 experienced a contraction of 4.61 percent compared to the same period last year. Within the basic chemicals segment, there was a decrease of 7.99 percent. The products that experienced a contraction included ethanol (-20.1%), hydrochloric acid (-7.30%), and chlorine (-2.87%) compared to the same period last year. Moreover, the downstream chemicals group also faced a decline of 3.38 percent. Among the products produced within this group, the products that experienced a contraction included talcum powder (-22.10%), chemical fertilizers (-8.82%), and cleaning liquid (-8.96%) compared to the same period last year.

➕ **The shipment index** in July 2023 increased by 5.28 percent compared to the same period last year. Within downstream chemicals, the segment expanded by 6.10 percent. Among the products produced within this group, the products that experienced an expansion included plastic emulsion paints (28.76%), Enamel paints (16.58%), and chemical fertilizers (15.29%) compared to the same period last year. As for the basic chemicals segment, there was a decline of 5.36 percent. The products that experienced a contraction included ethanol (-14.20%), hydrochloric acid (-6.35%), and caustic soda (-3.50%) compared to the same period last year.

➖ **Exports** in July 2023, the total export value amounted to 733.73 million USD, a decrease from the same period last year by 17.30 percent. The export value of the basic chemicals segment was 382.47 million USD, a decrease of 26.31 percent. As for the downstream chemicals segment, the export value was 351.26 million USD, a decrease of 4.59 percent compared to the same period last year. Products contributing to the decrease in export value included organic chemicals (-43.20%), surfactant (-12.50%), and paints (-9.83%) compared to the same period last year.

Volume and Value of Exports and Imports

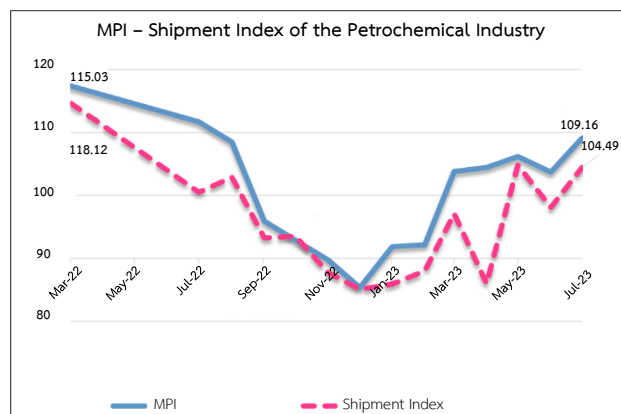


Source: Office of the Permanent Secretary, Ministry of Commerce

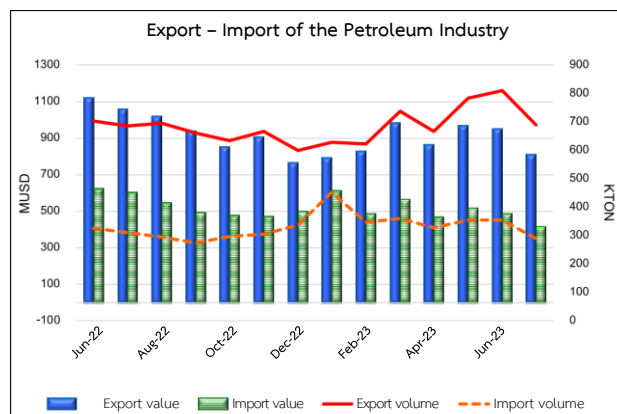
➖ **Imports** in July 2023 decreased in value by 32.68 percent to a total value of 1,403.87 million USD compared to the same period last year. Specifically, imports of basic chemicals decreased in value by 31.06 percent, amounting to 897.84 million USD. Additionally, the import value of the downstream chemical products decreased by 35.36 percent to a value of 506.03 million USD compared to the same period last year. Products contributing to the decreased import included chemical fertilizers (-55.29%), organic chemicals (-34.04%), and inorganic chemicals (-47.22%).

Outlook for chemical industry: In August 2023 predicts that manufacturers will delay production and focus on fulfilling orders due to oil price fluctuations and concerns about a global economic recession. As for the exports of oil-related products such as plastic pellets and chemical products, they have contracted in major markets such as India, China, and Vietnam.

7. Petrochemical Industry



Source: The Office of Industrial Economics



Source: Office of the Permanent Secretary, Ministry of Commerce

➔ **The Manufacturing Production Index** in July 2023 stood at 109.16 points, a contraction of 2.30 percent compared to the same period last year. This decline affected both basic petrochemicals, like Propylene, which saw an 8.35 percent decrease compared to the same period last year, and downstream petrochemicals, namely PP and PET resins, which experienced contractions of 2.06 percent and 1.78 percent, respectively, compared to the same period last year. This was due to demand that has yet to recover from the sluggish economic situation of importing countries.

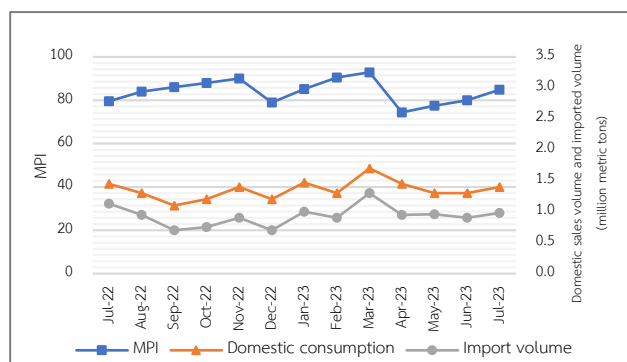
➕ **The shipment index** stood at 104.49 points, an increase of 3.93 percent compared to the same period last year and an increase from the previous month by 6.07 percent. This growth was observed in both basic petrochemicals, such as Ethylene, which increased by 22.68 percent compared to the same period last year, and in downstream petrochemicals, including PP resin, which increased by 7.96 percent compared to the same period last year.

➔ **Exports** in July 2023 were valued at 813.75 million USD, a contraction of 23.24 percent compared to the same period last year and a decrease of 14.64 percent compared to the previous month. This contraction was observed in both downstream petrochemicals, such as PP resin, and basic petrochemicals, including Ethylene. The contraction was observed in both downstream petrochemicals, such as PP resin, and basic petrochemicals, including Ethylene. This contraction was due to the market conditions characterized by profit speculation and the reduced demand for production in the downstream industry.

➔ **Imports** in July 2023 were valued at 416.72 million USD, a decrease of 31.11 percent compared to the same period last year and a decrease from last month by 14.64 percent. The decrease was observed in both basic petrochemicals, such as Ethylene, and downstream petrochemicals, such as PP resin.

Outlook for August 2023: The overall manufacturing industry is expected to show signs of improvement compared to the same period last year. This improvement is attributed to the resumption of production following maintenance activities earlier in the year. However, production expansion in the petrochemical industry remains limited due to a decrease in demand for plastics; the slowdown of exports, especially basic petrochemicals such as Ethylene and Propylene; the price fluctuations following the crude oil prices affected by production halts in many countries; and from the on-going conflict between Ukraine and Russia.

8. Iron and Steel Industry



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

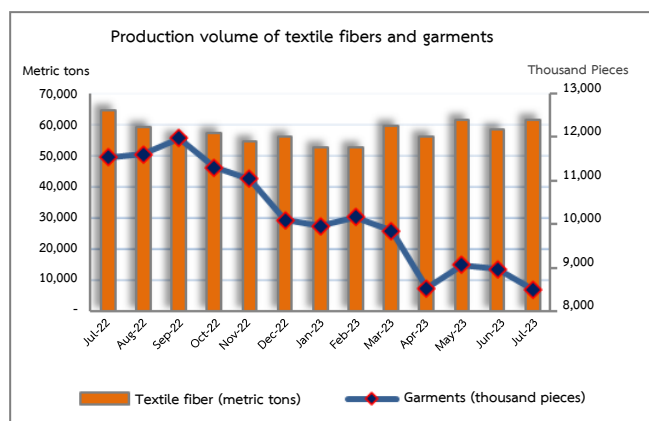
+ **The Manufacturing Production Index (MPI)** in July 2023 stood at 84.9, an expansion of 7.1 percent compared to the same period last year. This growth marks the first month of expansion after contracting for 19 consecutive months, primarily due to a low base in the previous year. Industries contributing to this recovery include construction and steel pipe manufacturing, which have experienced expansion, leading to increased orders. When considering the main product categories, the MPI of iron industrial expanded in the flat products but decreased among long products. The MPI of flat product stood at 83.8 points, an increase of 10.6 percent. This growth is primarily driven by hot-rolled sheets (68.0%). Conversely, the MPI of long products stood at 82.3 points, a decrease of 4.0 percent. Among products within this category, products with the highest contraction were wire rods (-31.6%), followed by wires (-19.3%) and Prestressed Concrete Wire (-1.0%).

- **Domestic consumption** in July 2023 amounted to 1.4 million metric tons, a decrease of 3.0 percent compared to the same period last year. Consumption of flat products reached 0.9 million metric tons, a decrease of 7.6 percent from reduced consumption of hot-rolled plates, other coated sheets (chromium and others), and cold-rolled sheets. Nonetheless, the consumption of long products reached 0.6 million metric tons, an increase of 4.9 percent due to increased consumption of wire rods, rebars, and structural steel sections.

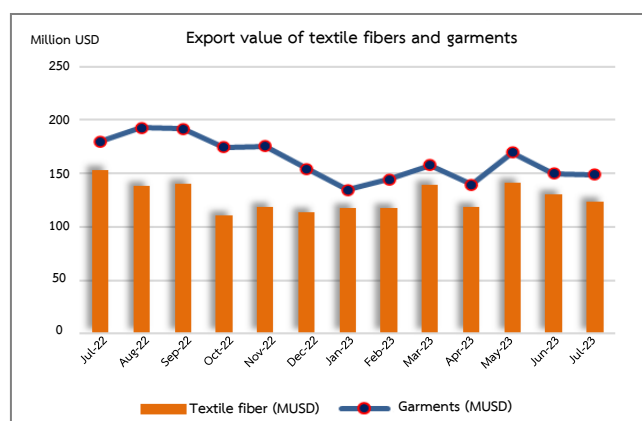
- **Imports** in July 2023, the import volume amounted to 0.98 million metric tons, decreasing from the same month last year by 10.2 percent. This decrease in import volume occurred in the flat products, but import of long products increased. Imports of flat products reached 0.71 million metric tons, decreasing by 18.1 percent. Flat products that decreased in imports included: hot-rolled alloy steel plates (with decreased imports primarily from China, Japan, and Sweden); Chromium-coated sheets (with decreased imports primarily from China, Vietnam, and Taiwan); hot-rolled stainless-steel sheets (with decreased imports primarily from China, Japan, and Malaysia). As for long products, the import volume amounted to 0.27 million metric tons, an increase of 19.7 percent. Among long products that experienced an increase in imports included: alloy steel wire rods (with increased imports primarily from China, South Korea, Vietnam, and Taiwan); carbon steel wire rods (with increased imports primarily from Indonesia, China, and Taiwan); alloy steel rebars (with increased imports primarily from China, India, and Taiwan.)

"Iron Industry outlook for August 2023: Production is anticipated to stabilize compared to the same period last year. This is because the global market's raw material prices (billets, iron ore, and scrap iron) are expected to decrease, leading consumers to delay orders to assess price directions. However, construction is expected to be accelerated to completion for disbursement at the end of the fiscal year, which should help stimulate production. There are important issues that should be followed such as private sector construction activities within the country, the global economic and trade situation, international steel prices, and China's steel industry policies, as China is a major global producer, consumer, and exporter of steel."

9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

➕ Production decreased throughout the supply chain. Textile fibers decreased by 5.44 percent (%YoY) in cotton and man-made fiber yarn. Fabrics decreased by 20.22 percent (%YoY) in the woven cotton fabrics, woven synthetic fiber fabrics, and towel groups. Garment dropped 26.77 percent (%YoY) from decreased orders from trading partners due to the global economic slowdown, leading to a decline in the clothing industry, as well as consumer concern for sustainable products. At the same time, production of textile fibers expanded from the previous month by 4.86 in the product group of polyester fibers and other man-made fibers to be used as raw materials for producing products according to the needs of the green trend and consumers' environmental concerns.

Domestic sales

➖ Textile fibers contracted by 13.18 percent, and fabric decrease by 22.49 percent (%YoY). Domestic sales of garment, however, decreased for the first time after consecutive growth for thirteen months by 8.31 percent (%YoY) in woven clothing and wearing apparel categories.

Imports

➖ Yarns and fiber imports contracted by 32.24 percent (%YoY), and fabric imports also contracted by 18.06 percent.

➕ Imports of garments grew by 11.44 percent (%YoY) in key markets, including China, Vietnam, and Italy, due to a rebound in domestic demand aligning with the economic recovery. This growth was further driven by decreased inflation and the influx of domestic and international tourists, resulting in increased consumption.

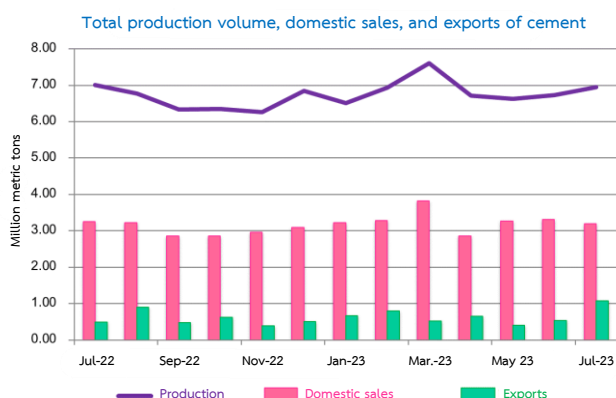
Exports

➖ Textile fibers contracted by 19.19 percent (%YoY) in key markets, including China, Japan, and India. Fabric production also decreased by 24.69 percent (%YoY) in key markets such as Vietnam, Myanmar, and Cambodia. Garment saw a decline of 17.26 percent (%YoY) in major markets, including the US, Japan, and Belgium. This decline is primarily due to reduced orders from key trading partners, partly driven by environmental concerns. In response to the sustainability trend, textile manufacturers and clothing importers, particularly in Denmark and Nordic countries, have been emphasizing the use of biodegradable and recycled materials in clothing production. As a result, textile and clothing exports contracted throughout the supply chain.

Industry Outlook for August 2023

The textile and wearing apparel manufacturing industry is anticipated to slow down in line with the global economic situation. However, the ongoing geopolitical tensions, fluctuating exchange rates affecting exports, and energy shortages in Europe may be pressing pressure, causing a slowdown in the economies of trading partner countries.

10. Cement Industry



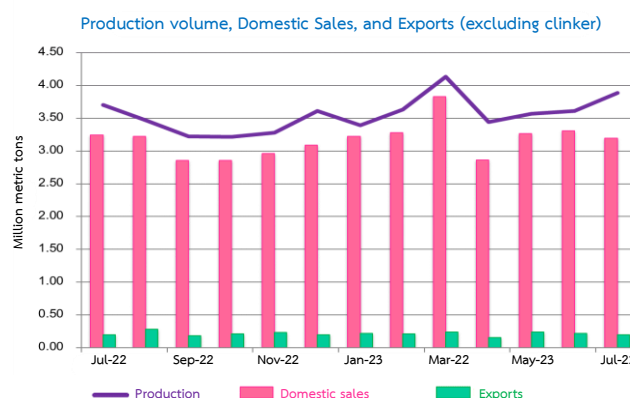
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➖ **Total production of cement** in July 2023 reached 6.94 million metric tons, a decrease of 0.87 percent from the same month last year (%YoY).

➖ **Total domestic cement sales** in July 2023 reached 3.19 million metric tons, a decrease of 1.71 percent compared to the same month of the previous year (%YoY). The decline was in line with the slowdown of the domestic market caused by the uncertain formation of a new government, which prevented the implementation of economic stimulus measures to boost purchasing power. Consequently, industrial sentiment has decreased, leading to a sluggish market situation due to reduced consumption during this period.

➕ **Total cement exports** in July 2023 reached 1.08 million metric tons, an increase of 117.91 percent (%YoY) compared to the same month last year. This was primarily attributed to the increase in orders from key export markets, including the Bangladesh (245.1%), Lao P.D.R. (162.80%), and Myanmar (8.16%).

Cement industry outlook: In August 2023, the overall industry is expected to increase slightly to facilitate the growing 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 July 2023 reached 3.88 million metric tons, an increase of 4.89 percent (%YoY) from the same month last year.

➖ **Domestic cement sales (excluding clinker)** in July 2023 reached 3.19 million metric tons, a decrease of 1.67 percent (%YoY) compared to the same period last year. This decline can be attributed to consumer confidence in the current economic situation, which has decreased due to the uncertainty surrounding the formation of a new government. Consequently, economic stimulus measures to boost purchasing power have not yet been implemented.

➖ **Exports of cement (excluding clinker)** in July 2023 reached 0.20 million metric tons, a decrease from the same month last year by 0.91 percent (%YoY). This was primarily attributed to the decrease in orders from key export markets, including the Philippines (-87.80%), Vietnam (-54.73%), and Cambodia (-28.40%).

Cement industry (excluding clinker) outlook: In August 2023, the industry is anticipated to expand slightly to facilitate the growing exports and the acceleration of public infrastructure projects towards the end of the fiscal year.