

Industrial Production Status

Indicators	2017	2018			2019										
	Year	Nov.	Dec.	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
MPI*	1.8	0.8	1.2	3.6	0.6	-1.3	-2.7	1.5	-3.4	-5.3	-3.3	-4.4	-5.1	-8.2	-8.3

When considered from the **Manufacturing Production Index (MPI)**, the industrial economic status in **November 2019 contracted by 8.3 percent from the same period last year**, partly resulting from a decrease of 7.4 percent in exports.

Considering MPI for the past three months compared to the previous year (% YoY), it is evident that industrial production tends to slow down, i.e., a decrease of 4.4 percent, 5.1 percent, and 8.2 percent in August, September, and October, respectively.

Indicators	2018		2019										
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
MPI*	0.9	-1.9	4.7	-2.6	9.5	-17.4	9.3	-3.4	-0.8	0.6	-3.4	-1.2	0.8

During the past three months (August, September, and October 2019), the MPI change rates (%MoM) were a slightly increase of 0.6 percent in August, and a decrease of 3.4 percent and 1.2 percent in September and October, respectively.

Key industries that contributed to the MPI decrease in November 2019 compared to the same month last year were as follows:

- Automobiles and engines contracted by 21.6 percent from almost every product item (except large-sized passenger cars and SUV). The main reason was due to economic slowdown of partner countries resulting in the decrease of exports. Furthermore, domestic purchasing power weakened, and financial institutions became strict in granting loans.
- Petroleum refining contracted 18.5 percent because of the suspension of some refineries for maintenance. As a result, domestic sales and exports were lower than usual.
- Other non-rubber tire and tube products contracted by 11.1 percent, from block rubber and rubber sheets following the global economic slowdown. The contraction was especially from China with decreased demand and the effect of the Baht appreciation, causing some manufacturers to delay production because of cost-ineffective.

Key industries that contributed to the MPI growth in November 2019 compared to the same month last year were as follows:

- Air-conditioners increased by 10.2 percent from production planning to store inventory for sale in the first quarter of 2020.
- Chemical products increased by 18.1 percent from the production of ethanol and caustic soda, which had a low base from the maintenance shutdown of many manufacturers in the previous year; this year, production was normal.

Other Industrial Economic Indicators in November 2019

Other Industrial Economic Indicators in November 2019

Imports of Thailand Industrial Sector



Source: Ministry of Commerce

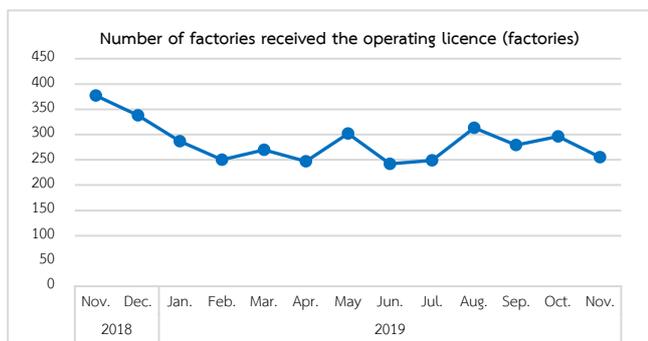


Source: Ministry of Commerce

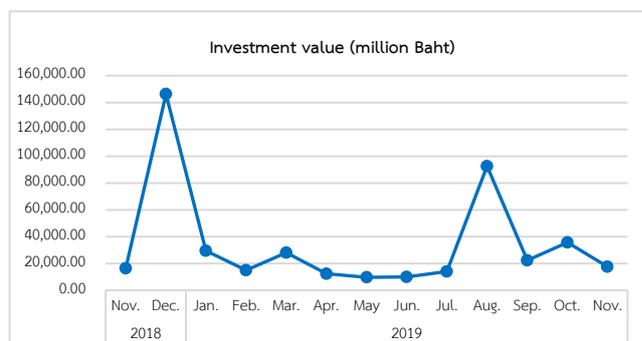
Imports of industrial machinery and components in November 2019 dropped 7.5 percent compared to the same month of the previous year to a value of 1,520.5 million USD. Products that decrease in the production were engines, transmission shafts and other parts, jet turbines and parts, machinery and parts used in construction.

Imports of raw materials and semi-finished products (excluding gold) in November 2019 decreased by 9.3 percent compared to the same month of the previous year to a value of 7,167.8 million USD. Products that decreased in imports included plastic pellets, organic chemicals, iron, steel and products thereof—metal sheets and stainless-steel sheets, etc.

Industrial Operation Status



Source: Department of Industrial Works



Source: Department of Industrial Works

- A total of 255 factories were licensed to operate in November 2019. The number of licensed factories decreased by 13.9 percent from October 2019 (%MoM) and by 32.4 percent from the same month last year (%YoY).

- + The total investment value from the licensed factories to operate in November 2019 was 17,619 million Baht. The value decreased by 50.6 percent from October 2019 (%MoM) but increased by 7.7 percent from the same month last year (%YoY).

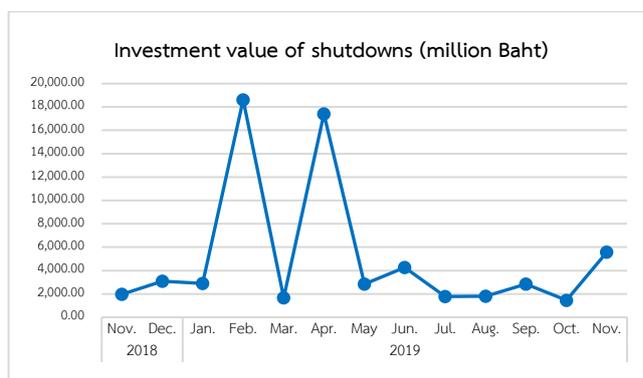
"The industry which had the highest number of newly licensed factories to operate in November 2019 was the digging and dredging industry of sand, gravel, or soil (15 factories), followed by the separation or landfill industry of waste or unusable materials (14 factories)."

"The industry which had the highest value of the investment in November 2019 was the thermal power generation industry with the investment value of 1,924.81 million Baht, followed by the chemical assembling or repairing industry of radio, televisions, and electronic parts with the investment value of 1,443.00 million Baht."

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

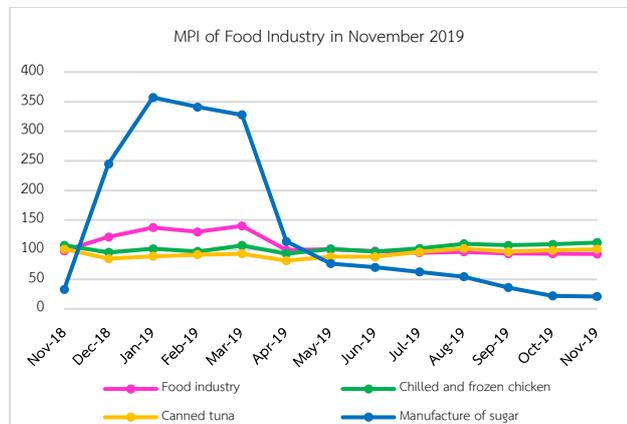
- ⊖ A total of 188 factories shut down the operation in November 2019. The number of shutdowns increased by 118.6 percent from October 2019 (%MoM) and by 45.7 percent from the same month last year (%YoY).
- ⊖ The lost investment value on shutdowns in November 2019 was 5,571 million Baht, which increased by 342.6 percent from October 2019 (%MoM) and by 182.5 percent from the same month last year (%YoY).

“The industry with the highest number of shutdowns of factory in November 2019 the engine-powered vehicle repairing industry (46 factories), followed by the digging and dredging industry of sand, gravel, or soil (13 factories).”

“In November 2019, the industry which had the highest operation shutdown with the highest value of investment was the engine-powered vehicle repairing industry with the investment value of 1,992 million Baht, followed by the manufacturing, assembling, or repairing industry of water pump, refrigerators/parts, lifting machines, cranes, lifts, elevators, trucks, trackers, and industrial with the investment value of 1,087 million Baht.”

Industrial Economic Status by Industrial Sectors in November 2019

1. Food Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production of food product in November 2019 decreased by 5.7 percent (%YoY), classified as follows:

1) Export-orientated products that contracted were: (1)

Canned pineapples—The MPI dropped by 45.1 percent because less raw materials from the reduction of planting areas as the result of unattractive prices and the effect of drought. Moreover, orders from key importers such as the US slowed down considerably (2) Sugar—The index dropped by 37.0 percent as raw materials declined because of the starting of sugar cane processing in the sugar season of 2019/2020 (1 December 2019) slower than the production season of 2018/19 (20 November 2018), although the export value increased by 145.2 percent from the increase in orders from major importers such as Indonesia, Sudan, and China. (3) Tapioca starch—The MPI dropped 25.9 percent as production declined because of droughts and epiphytotic disease. In addition, major importers, e.g. China slowed down their orders; (4) Canned tuna—The MPI decreased by 0.3 percent because of the lower cost of raw materials, together with the slowdown of the US and Libya markets.

2) Domestic market-orientated products, namely palm oil, decreased in MPI by 24.8 percent. This was due to the reduction of palm oil raw materials, the effect of drought, and low palm oil price; thus, farmers had no interest in maintaining palm trees.

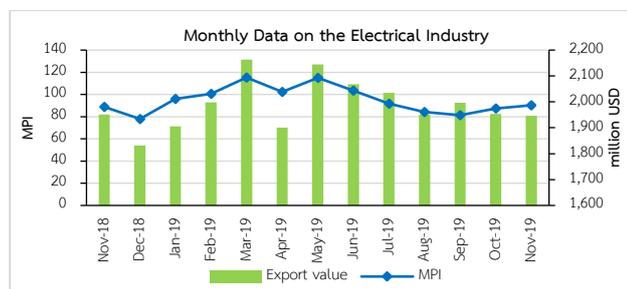
Domestic sales of food: Sales volume in November 2019 increased by 1.8 percent from the increase of farmers' income index over the previous year. Because the agricultural product price index rose, resulting in a slight increase in purchasing power.

Export markets: The overall value of food exports in November 2019 dropped 1.1 percent for the fourth consecutive month. This was due to the decline of exports to CLMV, the EU, Japan, and ASEAN (5) markets. However, exports to the US and China markets continued to grow. Key products that contracted were cassava products—cassava chip and tapioca starch (37.1%), rice—white and jasmine rice (31.4%), canned tuna (12.1%), canned sardines (9.5%), rice products (3.5%), processed chicken (1.0%), and canned pineapple (1.0%). However, key exported products such as sugar (raw and white sugar), chilled and frozen chicken, canned sweet corn, milk and dairy products, instant noodles, and fresh fruit (fresh Longan and frozen Durian) continued to increase.

The forecasted trend predicts that the overall production and export value for the food industry in December may decrease slightly from the same period last year, with negative factors such as the global economic slowdown and effects of the Baht causing Thailand's price competitiveness to drop. In addition, the volume of raw materials for agricultural products decreased, such as rice, cassava, sugar, coconut, and pineapples, despite the positive factors from the African Swine Fever outbreak, causing chicken, which is a substitute product, to increase in demand. Furthermore, factories (nine additional factories from the previous seven factories) producing and processing of poultry meat and by-products of frozen chicken in Thailand have been approved by China. The exports will be allowed from October 22, 2019, onwards.

2. Electrical and Electronics Industry

■ Electrical Industry



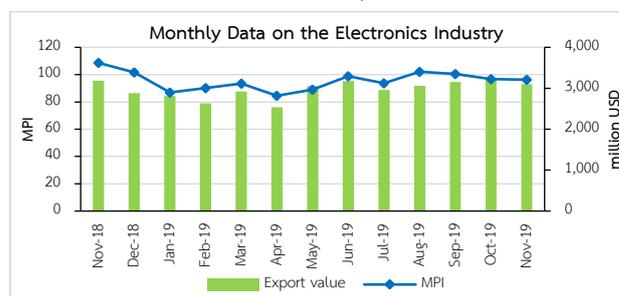
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

+ Production of electrical appliances grew by 1.7 percent compared to the same month last year, reaching an MPI of 90.4. Products that increased in the production included electrical wires (10.8%), cables (5.2%), refrigerators (3.0%), and rice cookers (0.7%). Rice cookers increased in production because of the growth of inventory release for domestic and overseas sales. Meanwhile, refrigerators and cables increased from the domestic market expansion. On the other hand, products that decreased in the production were thermos (34.5%), washing machines (26.3%), microwave ovens (21.4%), air-conditioners (11.0%), transformers (8.9%), compressors (6.9%), household fans (2.2%), and electric motors (1.9%). The production of air-conditioners, compressors, thermos, and washing machines decreased because of the reduction of sales in domestic market and exports. Thermos contracted in production because of fewer sales in the domestic market, and the production of microwave ovens and electric motors decreased from lower demand from overseas markets.

- Exports of electrical appliances dropped slightly by 0.3 percent compared to the same month last year to 1,946.4 million USD. The decrease was due to the contraction of key markets, including ASEAN, the US, and the EU. Products that decreased in exports were air-conditioners and parts (a decrease of 1.9 percent to 378.8 million USD); washing/dry cleaning machines and parts thereof (a decrease of 12.4 percent to 92.5 million USD). Exports of refrigerator, on the other hand, increased by 5.8 percent to 162.5 million USD, of which grew in the US, Japan and the EU markets.

“Electrical appliances production forecast in December 2019: It is expected that the industry will drop slightly by 0.6 percent compared to the same month last year. This was due to the decrease in domestic sales and exports of air-conditioners, washing machines, household fans, and microwave ovens, as the result of global economic slowdown. Refrigerators, on the other hand, increased in domestic sales and exports to the EU, Japan, and the US.”

■ Electronics Industry



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

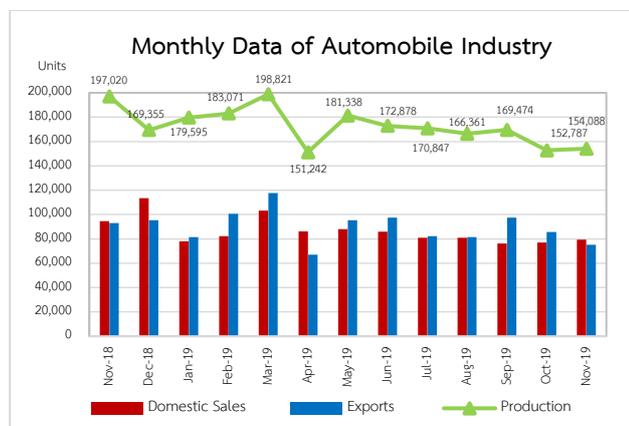
+ Production of electronics dropped by 4.4 percent compared to the same month last year, whereby MPI reached 96.3. Products that contracted were PWBs, transistors (semiconductor devices), ICs, HDDs and PCBAs, by 19.0 percent, 9.9 percent, 7.0 percent, 2.1 percent and 2.0 percent, respectively. The contraction of HDD products was a result of rapidly changing technology. In addition, consumers are turning to use more SSDs, thus reducing the demand for production. Meanwhile, electronics that increased were printers, which increased by 5.1 percent from the production to replace inventories.

+ Exports of electronics valued 3,103.1 million USD, a decrease of 2.3 percent compared to the same month last year. HDD and IC reached the export value of 1,004.7 and 677.4 million USD, decreasing by 1.7 percent and 2.4 percent, respectively, as orders from the US, the EU, and Japan markets increased.

“In December 2019, production in the electronics industry is expected to decline by 4.7 percent compared to the same month last year, from the production by HDD manufacturers which is expected to decrease, due to the rapidly changing technology, as well as more consumers turning to SSDs.”

3. Automotive Industry

■ Automobile Production Industry



Source: The Office of Industrial Economics; data collected from Automotive Division, Federation of Thai Industries

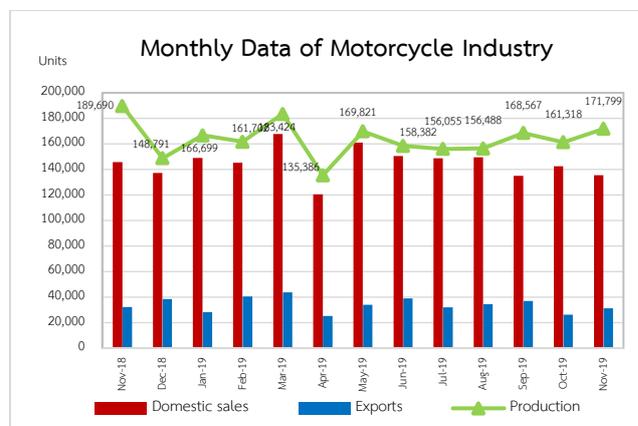
+ **Automobile production** in November 2019 reached 154,088 units. The production slightly increased by 0.85 percent compared to October 2019 (%MoM) but decreased by 21.79 percent from the same month last year (%YoY). This was the result of the lowering production of passenger cars, 1-ton pickup trucks and derivatives, and commercial purpose cars.

+ **Domestic sales of automobiles** in November 2019 reached 79,229 units, an increase of 2.82 percent from October 2019 (%MoM) but a decrease of 16.21 percent from the same month last year (%YoY), as the result of the decrease in sales of passenger cars, 1-ton pickup trucks and derivatives, commercial cars, and PPVs and SUVs causing by the slowdown of domestic economy.

- **Export of automobiles** decreased by 12.12 percent from October 2019 (%MoM) to 75,185 units in November 2019 and decreased by 19.25 percent from the same month last year (%YoY). The decrease was in Asia, Oceania, Europe, North America, and Central and South America markets because of the economic slowdown of trading partners.

"Automotive industry outlook in December 2019 is expected to decrease compared to December 2018, as the global economic slowdown and the decrease of domestic sales from the economic slowdown."

■ Motorcycle Production Industry



Source: The Office of Industrial Economics; data collected from Automotive Division, Federation of Thai Industries

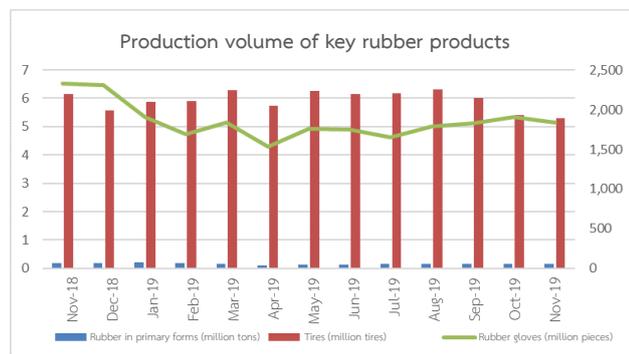
- **Motorcycle production** in November 2019 reached 171,799 units. The production increased by 6.50 percent from October 2019 (%MoM) but decreased by 9.43 percent from the same month last year (%YoY), as the result of the decrease in production of multi purposes and sport motorcycles.

- **Domestic sales of motorcycles** in November 2019 reached 135,458 units. Sales decreased by 4.90 percent from October 2019 (%MoM) and by 6.99 percent compare to the same month last year (%YoY) which resulted from increasing sales of 51-110 cc., 111-125 cc., 126-250 cc., 251-399 cc., and ≥ 400 cc. motorcycles.

+ **Exports of motorcycles** in November 2019 reached 31,277 units, an increase of 20.03 percent from October 2019 (%MoM) but a decrease of 2.79 percent from the same month last year (%YoY), which slowed down in the US, Japan, and Myanmar markets.

"Production outlook for motorcycle industry in December 2019, the Thai automotive sector is project to grow compared to December 2018 because of growing exports some trading partner countries."

4. Rubber and Rubber Products Industry



Source: The Office of Industrial Economics

Production

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) decreased by 10.52 percent.

➖ Automotive tires decreased by 13.79 percent in correlation to the contraction of the Replacement market and domestic automobile industry.

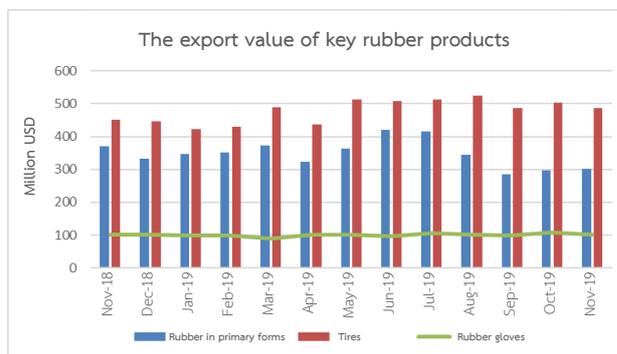
➖ Rubber gloves decreased by 20.98 percent as the Baht continued to strengthen from the previous month, causing business operators to have a higher cost burden and inability to compete on price.

Domestic Sales

➕ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) increased by 3.01 percent. The increase was in the rubber sheet and rubber block products.

➖ Automotive tires decreased by 7.89 percent in correlation to the contraction of the Replacement market and the domestic automobile industry.

➕ Rubber gloves grew by 28.79 percent following the increase in demands for medical uses.



Source: Ministry of Commerce

Exports

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) decreased in export value by 18.44 percent. This was due to China, which is a main export market of Thailand, has reduced orders for rubber from Thailand by 25.95 percent.

➕ Automotive tires increased in export value by 7.87 percent as the US market was still in a good growth (14.24%).

➖ Rubber gloves decreased in export value by 2.18 percent from the contraction of the US and Germany markets.

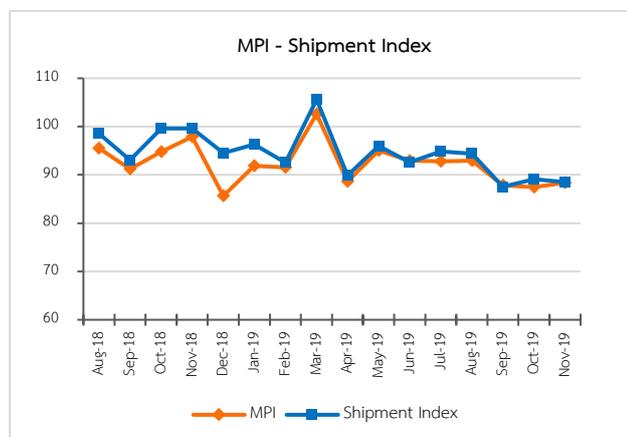
Industry Outlook in December 2019

The production and sales of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) are expected to slow down from the previous month because of an epiphytotic (*Phytophthora leaf fall disease*) in rubber plantations in the south. The production and domestic sales of automotive tires are expected to drop following the slowdown the Replacement market and automobile industry. The production of rubber gloves is expected to slow down following the increased cost burden, such as the strengthening Baht compared with the US Dollar. Meanwhile, the domestic sales of rubber gloves are expected to grow following the trend of higher domestic demands.

Exports of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) are expected to decrease in value, in line with the projected slowdown of rubber orders from China. Exports of automotive tires are likely to increase in the value following the growth trend of the US market. However, exports of rubber gloves are expected to decrease because of Thai business operators cannot compete on price.

5. Plastics Industry

MPI and Shipment Index



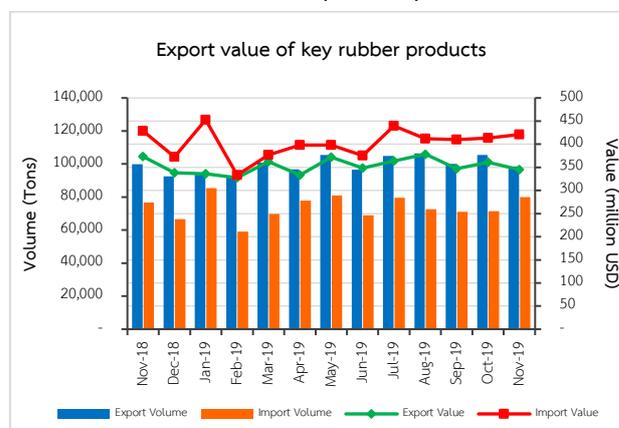
Source: The Office of Industrial Economics

❌ **The Manufacturing Production Index** in November 2019 was 88.37 point; a decrease of 9.65 percent compared to the same period last year. The MPI of many products, e.g., plastic gunny bag; plastic tableware, kitchenware, and toilet articles; and plastic film decreased by 26.22 percent, 24.05 percent, and 20.57 percent, respectively, as the result of economic slowdown causing a decrease in the demand for products.

❌ **The Shipment Index** in November 2019 was 88.49 point, a decrease of 8.71 percent compared to the same period last year. The MPI of plastic tableware, kitchenware, and toilet article category decreased by 31.07 percent, followed by plastic gunny bag and plastic film, which decreased by 30.14 percent and 21.14 percent, respectively.

❌ **Exports** in November 2019 decreased by 7.42 percent compared to the same period last year to 345.31 million USD. Plastic product that had the highest decrease in export was floor coverings (HS 3918), a decrease of 26.98 percent. Exports contracted in key markets such as Japan, Vietnam and Indonesia.

Volume and value of exports-imports

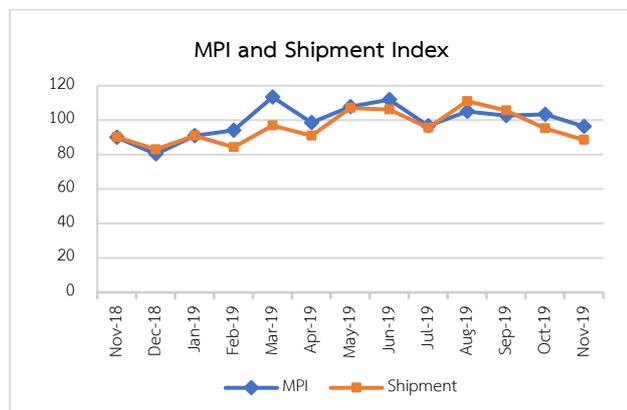


Source: The Office of Industrial Economics

❌ **Imports** in November 2019 valued 420.94 million USD or a decrease of 7.42 percent compared to the same period last year. Plastic products that contributed in the decreased in import value were self-adhesive plastic plates, sheets, film, foil, tape, strip and other flat shapes, whether or not in rolls (HS 3919); other articles of plastics (HS 3926); articles for the conveyance or packing of goods (HS 3923) which decreased by 12.46 percent, 15.33 percent, and 6.95 percent, respectively.

The plastics industry outlook in December 2019: it is expected that production and exports will continue to contract as the result of economic slowdown and the decrease in demand for plastic products, both domestic and overseas markets.

6. Chemical Industry

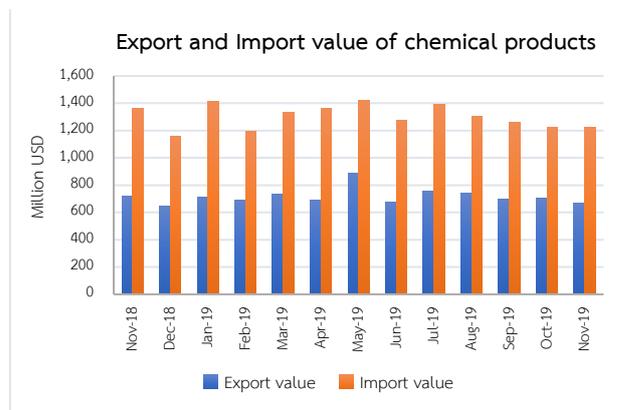


Source: The Office of Industrial Economics

+ The manufacturing production index of the chemical industry in November 2019 was 96.21 point, an increase of 6.8 percent compared to the same period last year. The production of both basic and downstream chemical categories grew by 18.07 percent and 3.51 percent, respectively. The product with the highest product was ethanol (39.11%). This was due to exports of cassava to China had decreased significantly resulting in the increase of raw materials to produce ethanol.

- Sales of the chemical industry in November 2019, reached a shipment index of 88.49 point, a decrease of 1.81 percent compared to the same period last year. The shipment index of the basic chemical products dropped by 1.97 percent in all product categories. As for downstream chemical products, the shipment index decreased by 1.76 percent which was mainly in fertilizer.

- Exports in November 2019 dropped 7.42 percent compared to the same period last year to 669.03 million USD. The decrease was in the basic chemical products, which export value reached the total value of 327.72 million USD, a decrease of 17.71 percent compared to the same period last year. Key products that contributed to the decline in exports were organic chemicals (25.23%), fertilizer (17.53%), and inorganic chemical (11.77%). Exports to key markets such as China, Indonesia, and Vietnam decreased.

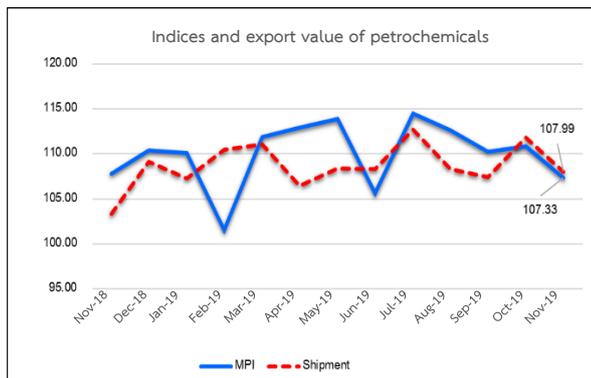


Source: Customs Department, Ministry of Finance

- Imports in November 2019 decreased 10.39 percent compared to the same period last year to 1,223.86 million USD. Basic chemicals category reached an import value of 761.53 million USD, a decrease of 15.38 percent from the same period last year. Downstream chemicals decreased by 0.74 percent to the import value of 462.32 million USD. Products that decreased in import value were organic and inorganic chemicals, paints, etc.

In December 2019, production of the chemical industry is expected to be stable, but exports are projected to decline continuously. However, some factors need to be monitored, e.g., global economic condition and the economic slowdown of trading partners, including the Thai baht's value, which is projected to appreciate. Such factors may affect the production and export of Thai chemicals.

7. Petrochemicals Industry

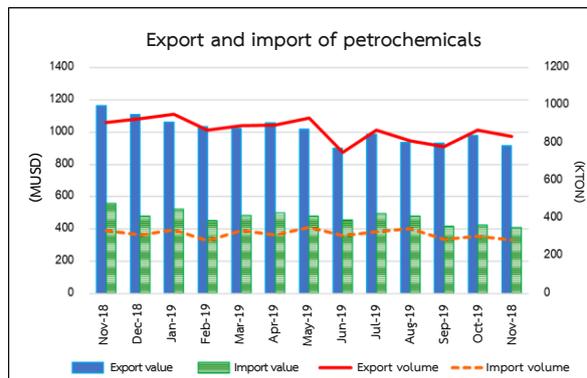


Source: The Office of Industrial Economics

- The manufacturing production index in November 2019 decreased 0.46 percent from to the same period last year to 107.33 point. The production of basic petrochemicals—Benzene and Propylene—used as precursors of solvents and plastic pellets, decreased by 2.79 percent and 0.91 percent, respectively. Meanwhile, downstream petrochemical products, e.g. EPS, PP, and PS resins, used to produce various types of packaging and plastic products, fell by 8.68 percent, 5.43 percent, and 0.20 percent, respectively.

+ The shipment index in November 2019 increased 4.53 percent from the same period last year to 107.99 point. The shipment of basic petrochemicals—Toluene and Ethylene—used as precursors of plastic pellets and solvents, increased by 2.47 percent and 1.18 percent, respectively. Downstream petrochemical products, e.g., SAN and PS resins, used to produce various types of plastic packaging and products, increased by 27.15 percent and 25.96 percent, respectively.

- Exports in November 2019 fell by 21.56 percent compared to the same period last year to 914.58 million USD. Basic petrochemical products with decreasing export value were Para-Xylene, Terephthalic Acid, Benzene, and Toluene, which mainly used as precursors in the synthetic fibers and solvent production. Downstream petrochemical products with decreasing export value were PE, PP, PC, PVC, and PET resins, which mostly used in the packaging, plastic products, construction products, and drinking water bottles industry.

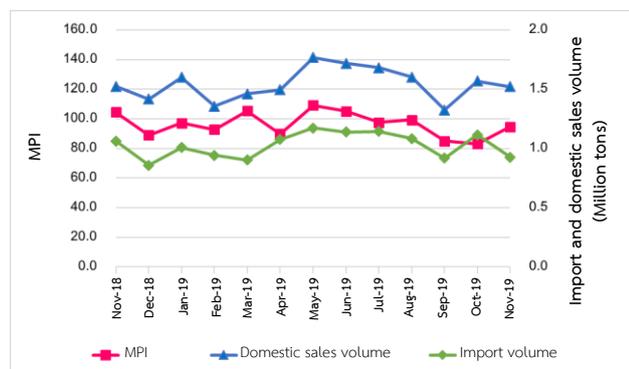


Source: Customs Department, Ministry of Finance

- Imports in November 2019 valued 406.96 million USD, a decrease of 27.33 percent compared to the same period last year. Basic petrochemical products with decreasing import value were products mostly used as precursors in the production of PVC, PE, synthetic fibers, and additive such as Vinyl Chloride, Para-Xylene, and Phthalic Anhydride. Meanwhile, downstream petrochemical products with decreasing import value were PE rein, PP resins, BR rubber, and SR rubber, which mostly used in the production of plastic packaging, plastic products, and synthetic rubbers.

Outlook in December 2019, exports and imports are expected to slow down compared to the same period last year, from fluctuations of global oil prices and the global economy that is likely to enter a recession, including the effect of the US-China trade war.

8. Iron and Steel Industry



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

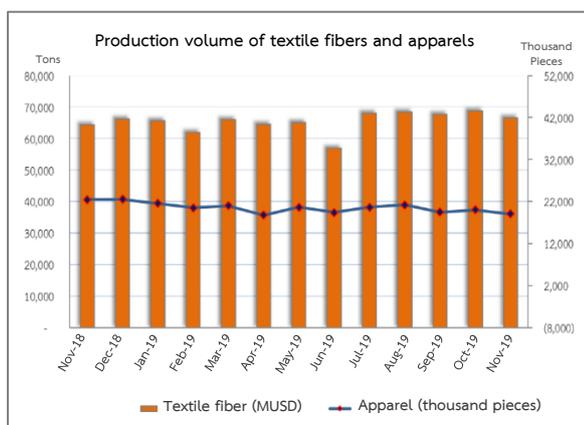
– The manufacturing production index in November 2019 reached 94.6 point, a drop by 9.4 percent (contracting for the sixth consecutive month) compared to the same period last year. Considering essential products, namely flat-formed steel, and long-formed steel, the MPI of both product groups decreased. The MPI of long-formed steel was 94.5, a drop by 8.1 percent (contracting for the fifth consecutive month), from the production of hot-rolled structural steel, which decreased by 30.6 percent, followed by steel wires and high tensile steel wires which decreased by 15.5 percent and 11.0 percent, respectively. The MPI of flat-formed steel products was 89.6, down 13.7 percent (declining for the sixth consecutive month), from the production of tin-coated steel sheets, which decreased by 55.1 percent due to a decrease in domestic demand, following the slowdown of the related industries. This was followed by chromium-coated steel sheets which decreased by 44.4 percent (as manufacturers in related industries imported cheaper products from foreign countries such as South Korea, China, and Japan, whereby in November 2019, the import volume reached 16,766 tons, an increase of 70.9 percent) and cold-rolled steel sheets which decreased by 29.8 percent.

– Domestic sales in November 2019 reached 1.5 million tons, a decrease of 0.1 percent compared to the same period last year. Domestic sales decreased in the flat-formed steel product group. Sales of flat-formed steel products reached 0.9 million tons, a decrease of 4.7 percent from the sales of tin-coated steel sheets, which decreased by 39.4 percent, followed by cold-rolled steel sheets and other coated steel sheets which dropped by 22.5 percent and 12.9 percent. Meanwhile, long-formed steel products reached a sales volume of 0.6 million tons, an increase of 7.9 percent due to the sales of steel rods and hot-rolled structural steel, which increased by 6.3 percent.

– Imports in November 2019 decreased 14.4 percent from the same period last year to a total of 0.9 million tons. The imports decrease in both long-steel and flat-steel products. Long products increased by 17.4 percent to 0.2 million ton from the imports of hot-rolled carbon steel structural sections which decreased by 85.6 percent (Japan was the major country from which imports have decreased.), followed by seamless steel pipe (34.8%) and carbon steel round bars (30.9%). Products of flat steel products decreased 13.4 percent to a total volume of 13.4 million ton, from the imports of hot-rolled carbon steel sheets which decreased by 41.2 percent (Japan was the major country from which imports have decreased.), followed by hot-rolled stainless-steel sheets (38.6%), and Tin plate (32.7%).

“Outlook for steel industry in December 2019. It is expected that production will be stable compared to the same period last year with the supporting factors from the growth of related industries, e.g., the construction industry, especially the construction of government’s infrastructures.”

9. Textile and Garment Industry



Source: The Office of Industrial Economics

Production

+ Production of textile fibers increased by 3.33 percent. The increase was partly due to the relatively low base of last year's figures because of the closure of large-scale factories.

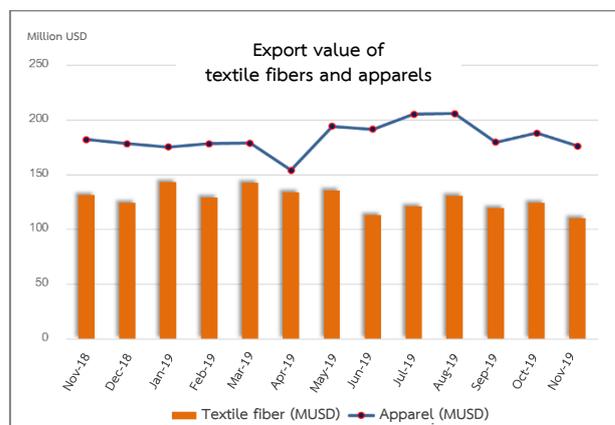
- Fabrics and wearing apparel decreased by 18.04 percent and 15.21 percent, respectively, as a result of declining trend in orders from trading partner countries, together with the slowdown of domestic consumption demands. Therefore, business operators reduced the production of upstream raw materials, which will be used as stocks

Domestic sales

- Textile fibers, fabrics, and wearing apparel decreased by 9.29 percent, 19.09 percent, and 26.23 percent, respectively, because of the slowdown of demand for raw materials for export and the slowdown of domestic purchasing power.

Exports

- Textile fibers, fabrics, and wearing apparel decreased by 15.77 percent, 3.71 percent, and 3.19 percent. This was partly due to uncertainty in the economic conditions of trading partners, especially the US, EU, and Japan markets, resulting in fewer purchase orders for both raw materials and finished garments.



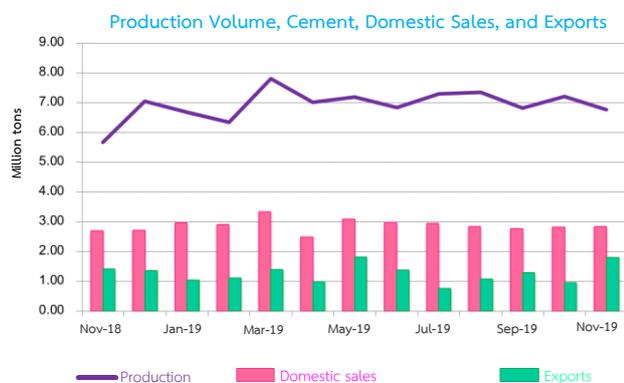
Source: Ministry of Commerce

December 2019 outlook

Textiles and apparel industrial situations the production of textile fibers, fabric, and wearing apparel are expected to slow down following exports, which are expected to decrease because of the US-China trade war. As a result, trade and investment in these markets are projected to slow down, affecting the manufacturing sector, which would reduce the demand for raw materials from Thailand.

10. Cement Industry

Overall Cement Industry



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

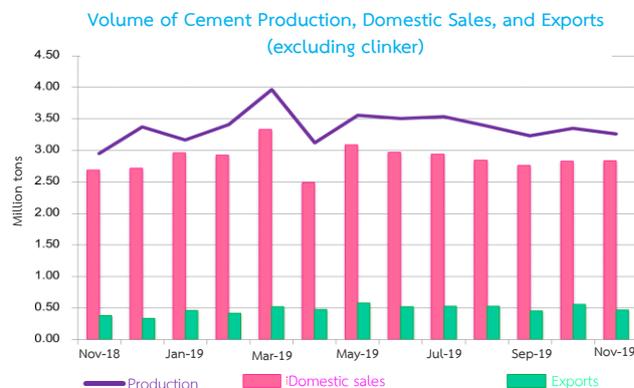
+ *Overall cement production* in November 2019, reached 6.77 million tons, a decrease of 6.15 percent from October 2019 (%MoM) but an increase of 19.17 percent from the same month last year (%YoY).

+ *Overall domestic cement sales* in November 2019, reached 2.84 million tons, an increase of 0.46 percent from October 2019 (%MoM) and 5.09 percent (%YoY) from the same month last year. This was due to the acceleration of government’s large-scale projects—both new and old projects.

+ *Total exports of cement* in November 2019 reached 1.80 million tons, an increase of 87.00 percent from October 2019 (%MoM) and 26.14 percent from the same month last year (%YoY). This was a result of key export markets, e.g., Myanmar and Cambodia increased orders compared to the same period last year.

Outlook for cement industry in December 2019 compared to the same period last year, is forecasted to expand following the demand of the domestic market. However, there are still issues that need to be monitored. Positive factors include the stimulus measures for the new real estate sector and the acceleration of large government projects. Negative factors include the impact of the LTV measures, high household debt, and termination of employment among businesses, affecting purchasing power.

Cement Industry (excluding clinker)



Source: 1. Domestic production and sales volume: Division of Industrial Economics Information and 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 November 2019 reached 3.26 million tons. The production decreased by 2.45 percent from October 2019 (%MoM) but increased by 10.53 percent from the same month last year (%YoY).

+ *Domestic sales of cement* (excluding clinker) in November 2019 reached 2.84 million tons, an increase of 0.42 percent from October 2019 (%MoM) and 5.61 percent from the same month last year (%YoY).

+ *Export of cement* (excluding clinker) in November 2019 fell by 16.56 percent (%MoM) from October 2019 to 0.47 million tons. However, exports increased by 22.76 percent from the same month last year (%YoY), as the result of growing orders from neighboring countries such as Cambodia and Myanmar.

Outlook for cement production (excluding clinker) in December 2019, when compared to the same period last year, is likely to expand following demands from the domestic market and the acceleration of large-scale government projects, including continuously increasing orders from neighboring countries such as Cambodia and Myanmar, which are during the development phase.

