

**Industrial Production Status**

Indicators	2017	2018							2019						
	Year	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI*	1.8	4.8	2.3	-0.1	5.7	0.8	1.2	3.6	0.6	-1.3	-2.7	1.5	-3.4	-5.3	-3.2

\* MPI has been adjusted for 2019 under 2009 Thailand Standard Industrial Classification; TSIC 2009, covering 21 sections, 68 industrial categories, and 255 products. The industrial index was formed using the Laspeyres formula based on the 2016 fixed weights, with added value, output value, sales value, and finished-goods inventory value referenced from “The 2017 Business Trade and Industry Census of the National Statistic Office.

When considered from the **Manufacturing Production Index (MPI)**, the industrial economic status in **July 2019 contracted by 3.2 percent from the same period last year**, partly resulting from a 0.4 percent decrease of exports (excluding gold).

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 1.5 percent increase in April, a 3.4 percent decrease in May, and a 5.3 percent decrease in June.

Indicators	2018						2019						
	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI*	-2.8	1.7	-2.7	2.1	0.9	-1.9	4.7	-2.6	9.5	-17.4	9.3	-3.4	-0.7

For the past three months (April, May, and June 2019), the changing rates of MPI (%MoM) were as follows: a decrease of 17.4 percent in April, an increase of 9.3 percent in May, and a decrease of 3.4 percent in June. The changes were in line with the typical seasonality of production which slowed down in April due to less working days.

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

- Automobiles and engines decreased by 6.4 percent from almost all product lists (except for medium-size passenger cars), especially 1-ton pickup truck and small passenger car as a result of strict loan approvals from financial institutions.
- Petroleum refinery decreased by 8.0 percent as some refineries stopped the production for maintenance starting from mid-June to the end of July.
- Iron and steel decreased by 15.2 percent, mainly from flat steel and steel pipe products. The contraction was an effect of low-priced steel imported from various sources and demand from downstream industries that slowed down following the global economy (automobiles), processed agricultural products (pineapples) with reduced outputs. Production of long steel products decreased mainly steel wires and rods, from the temporary production suspension of some manufacturers.

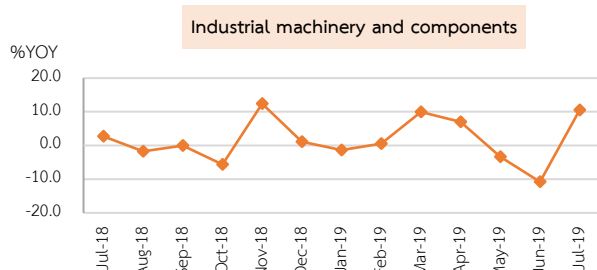
Key industries that contributed to the increase of MPI in July 2019 compared to the same month last year were as follow:

- Spirits increase by 72.0 percent from white and blended spirits. The increase was the result of marketing initiatives. The image of products adjusted, coupled with the launch of new products, which have good responses, resulting in increased purchase orders.
- Air-conditioners increased by 15.7 percent due to continuous demand from the domestic and export markets in the CLMV, especially Vietnam and Myanmar.

# Other Industrial Economic Indicators in July 2019

## Other Industrial Economic Indicators in July 2019

### Imports of Thailand Industrial Sector



Source: Ministry of Commerce

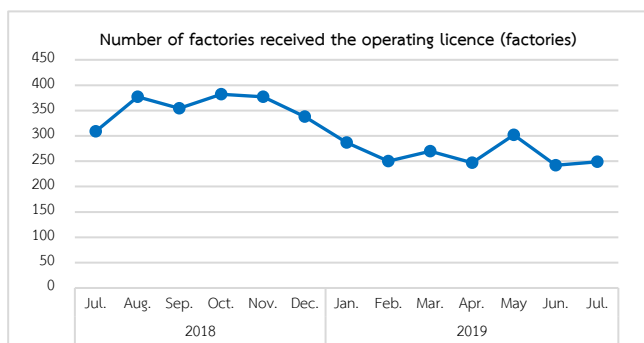


Source: Ministry of Commerce

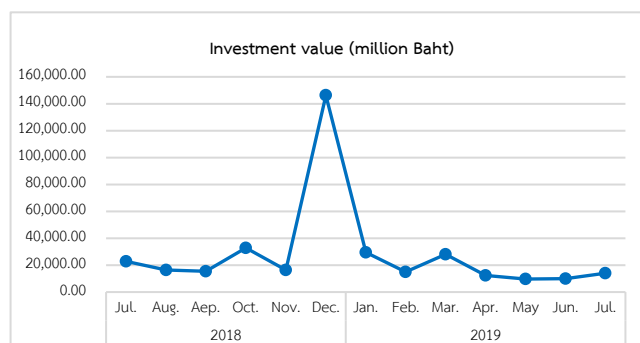
+ **Imports of industrial machinery and components** in July 2019 valued 1,627.2 million USD, an increase of 10.5 percent compared to the same month last year. The increase was from the growth of import of jet turbine and parts, air compressors, fluid pumps, printing machinery, and metal processing machinery and parts thereof.

+ **Imports of raw materials and semi-finished products (excluding gold)** in July 2019 valued 7,886.2 million USD, an increase of 8.4 percent compared to the same month last year, from the growth of imports of iron (metal sheets), plastic products (film and foil), parts and accessories of electrical appliance/electronics such as diodes, transistors, and semiconductors.

## Industrial Operation Status



Source: Department of Industrial Works



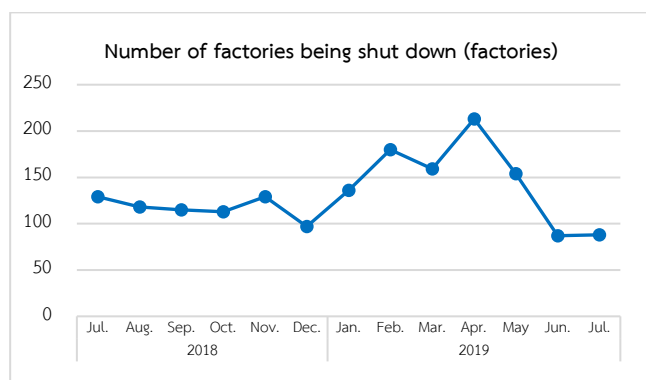
Source: Department of Industrial Works

- + A total of 249 factories were licensed to operate in July 2019. The number of licensed factories increased by 2.9 percent from June 2019 (%MoM) but decreased by 19.4 percent compared to the same month last year (%YoY).
- + The total investment value from the licensed factories to operate in July 2019 was 13,989 million Baht. The value increased by 41.6 percent from June 2019 (%MoM) but decreased by 39.0 percent from same month last year (%YoY).

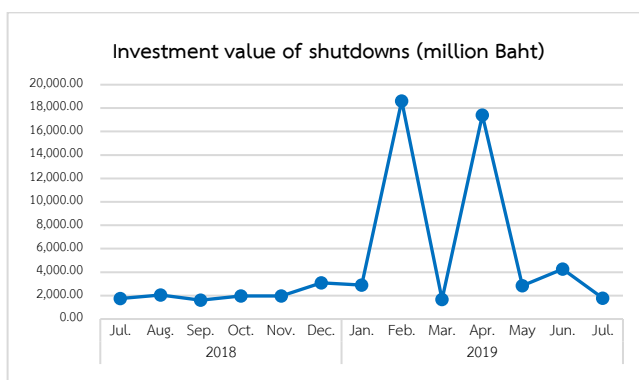
*"The industry which had the highest number of newly licensed factories to operate in July 2019 was the concrete and gypsum concrete product manufacturing industry (28 factories), followed by the motor vehicle repair industry (18 factories)."*

*"The industry which had the highest value of the investment in July 2019 was the electricity generating industry with the investment value of 2,037 million Baht, followed by the industry of crushing, shredding, and washing plastic scraps to produce plastic pellets or other shapes with the investment value of 1,787 million Baht."*

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

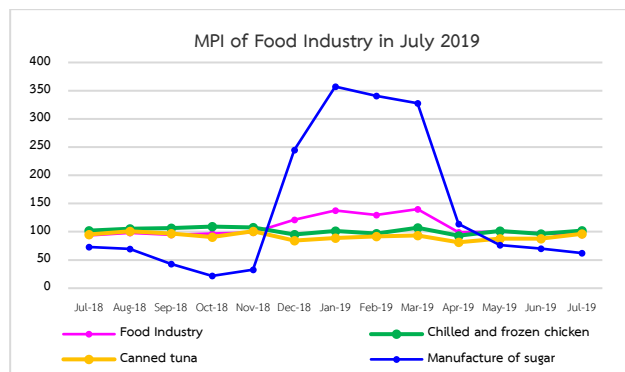
- + A total of 88 factories shut down the operation in July 2019. The number of shutdowns increased by 1.2 percent from June 2019 (%MoM) but decreased by 31.8 percent from the same month last year (%YoY).
- + The lost investment value on shutdowns in July 2019 was 1,766 million Baht, which decreased by 58.5 percent from June 2019 (%MoM) but increased by 0.3 percent from the same month last year (%YoY).

*“The industry with the highest number of shutdowns of factory in July 2019 was the digging and dredging industry of sand, gravel, or soil (8 factories), followed by the concrete and gypsum cement product manufacturing industry (7 factories).”*

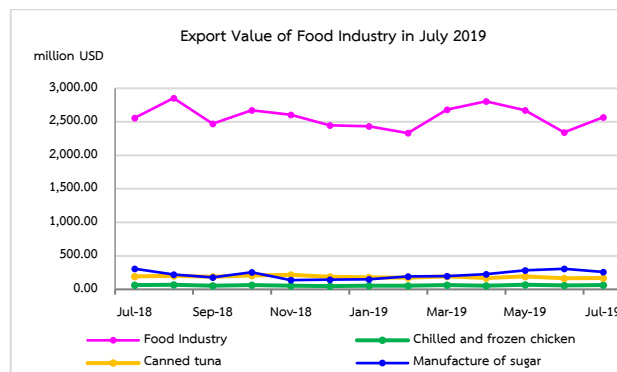
*“The industry which had the highest operation shutdown with the highest value of investment in July 2019 was electricity generating industry with the investment value of 602 million Baht, followed by the tailoring industry of wearing apparels, handkerchiefs, scarf; the investment value was 196 million Baht.”*

## Industrial Economic Status by Industrial Sectors in July 2019

### 1. Food Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

**+** Production of food product in July 2019 increased by 1.4 percent (%YoY), classified as follows:

1) Export-orientated products which increased were:

(1) Chilled and frozen shrimp, whereby the MPI increased by 1.3 percent (%YoY) as major importers such as the US, Japan, and China increased orders. (2) Tapiocas starch grew in MPI by 0.6 percent (%YoY) as major importer, China, increased orders with the price level continuously decreasing. (3) Canned tuna increased by 1.0 percent (%YoY) due to low raw material costs. The price of tuna in this month was 1,200 USD/ton, which decreased by 8 percent, causing operators to increase production capacity, although importers still delayed orders.

2) Domestic-orientated products which increased were crude palm oil, grew as much as 66.1 percent (%YoY) to support increased domestic production. In addition, were government measures to increase consumption and reduce palm oil stocks, such as by promoting the use of B20 diesel. The MPI for instant noodles and dairy products increased by 12.9 percent and 11.9 percent, respectively (%YoY) following increased market demand.

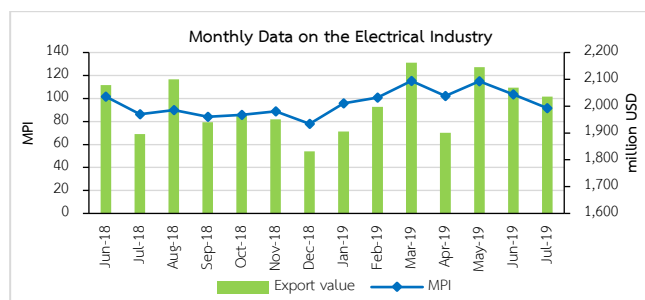
**+** Domestic sales in July 2019 grew by 6.5 percent (%YoY) from increasing both the agricultural income index and the agricultural price index. This resulted in increased domestic consumption, especially ready-to-drink dairy products, palm oil, and instant noodles.

**+** Export markets in July 2019 returned slightly positive by 0.2 percent after two consecutive negative months. Key products such as chilled and frozen shrimp, raw sugar, instant noodle, canned sardines, processed chicken, canned fruit juice, cassava products, canned pineapple, rice products and jasmine rice increased by 25.3 percent, 19.8 percent, 18.4 percent, 17.4 percent, 12.1 percent, 10.6 percent, 9.1 percent, 8.7 percent, 7.3 percent, and 5.2 percent, respectively. Fresh fruit (durian and longan) increased significantly as main markets such as the US, China, Japan, and South Korea expanded. Meanwhile, the demand for essential products such as white rice, canned tuna, canned sweet corn, and chilled and frozen chicken slowed down.

The predicted trend is expected that production and exports of the food industry in August will slightly increase in continuation from last month and the same month last year, with positive factors such as increasing in agricultural production and growing demand in products such as shrimp, pineapple, and cassava. However, there were products such as canned tunam white rice, and chilled and frozen chicken of which exports tend to slow down from uncertainty of the trade war and the slowdown in the global economy.

## 2. Electrical and Electronics Industry

### ■ Electrical Industry



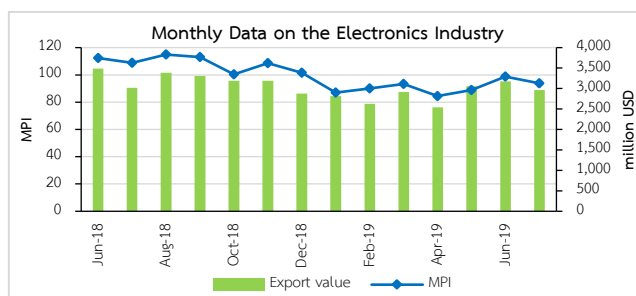
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

**+** Production of electrical appliances reached a production index of 91.7, a 6.1 percent increase compared to the same month last year. Products that increased in production were refrigerators, air-conditioners, microwaves, household fans, electric motors, transformers, and compressors by 20.0 percent, 19.1 percent, 13.9 percent, 13.5 percent, 9.0 percent, 6.9 percent, and 0.1 percent respectively. Air-conditioners, household fans, microwaves, refrigerators, increased in domestic sales and exports. Meanwhile, transformers and compressors increased in overseas orders, whereas electric motors increased in domestic market. However, the production of products e.g. thermos, electric cables, washing machines, rice cookers, decreased by 27.6 percent, 24.8 percent, 23.9 percent, and 16.4 percent respectively. Washing machine decreased in production due to the drop in domestic sales and international orders, while the production of rice cookers, electrical cables, and thermos decreased as the result of falling in domestic sales.

**+** Exports of electrical appliances valued 2,035.1 million USD, an increase of 7.3 percent compared to the same month last year as main markets increased, such as Japan, the US, China, and the EU. Products that increased in exports were air conditioners and components, which valued 435.7 million USD, an increase of 4.2 percent, with growth in the by 29.2 percent in Australia, 11.2 percent in Japan, and 4.8 percent in Vietnam. Exports of refrigerators, freezers, and components valued 168.1 million USD, an increase of 9.2 percent, with growth by 27.5 percent in Japan, 23.8 percent in Vietnam, and 205.8 percent in the US. The exports of refrigerators grew by 16.8 percent compared to the same month last year. Exports increased by 260.5 percent in the US and 45.3 percent in Japan. Meanwhile, washing and dry-cleaning machines and components valued 91.6 million USD, a contraction by 27.1 percent, with a decrease of 87.0 percent in the US due to safeguarding measures that the US has with Thailand.

*"Production forecast in August 2019, the electrical industry is expected to increase slightly by 2.5 percent compared to the same month last year, as a result of increasing orders for air-conditioners and refrigerators from 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 8.0 percent compared to the same month last year, with an MPI of 93.8. Products that decreased in production were semiconductor devices transistor, IC, HDD, and PWB by 29.6 percent, 14.8 percent, 5.8 percent, and 3.3 percent, respectively. The decrease caused by less purchase orders from main markets and the slowdown of demand for electronics products. PCBAs increased in production to replace sold inventory.

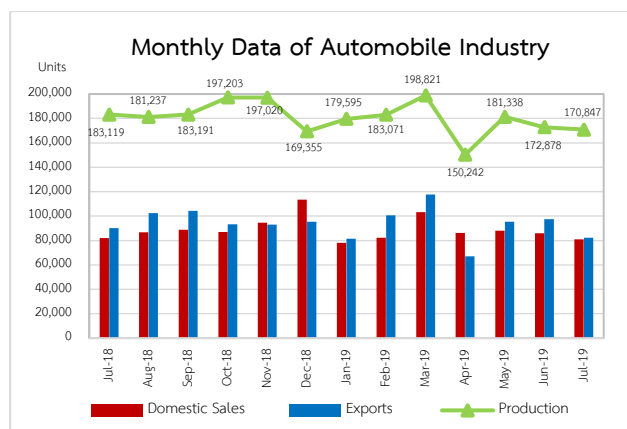
**-** Exports of electronics valued 2,959.5 million USD, a decrease of 2.0 percent compared to the same month last year as the result of contraction of key markets such as the US and Hongkong. Integrated circuits (IC) had an export value of 618.4 million USD, a decrease of 7.8 percent. Computers and components valued 1,133.9 million USD, down 3.3 percent. The value of HDD exports dropped by 2.9 percent.

*"In August 2019, production in the electronics industry is expected to decline by 5.7 percent compared to the same month last year, as a result of decreasing orders from key markets and the slowdown of global demands of electronic products."*



### 3. Automotive Industry

#### ■ Automobile Production Industry



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

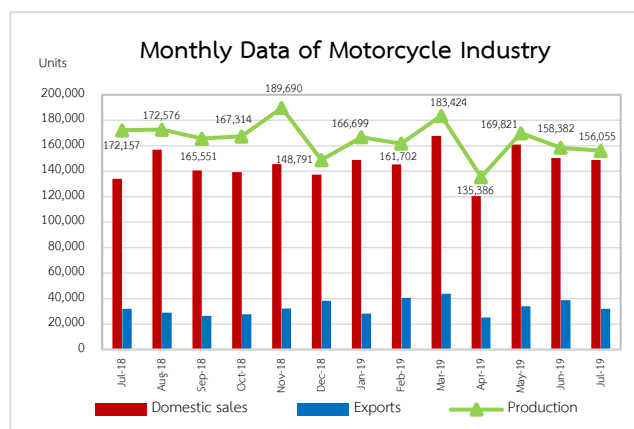
➖ **Automobile production** in July 2019 reached 170,847 units. The production decreased by 1.17 percent and 6.70 percent compared to June 2019 (%MoM) and the same month last year (%YoY) respectively, from the decrease of production of passenger cars, 1-ton pickup trucks and derivatives.

➖ **Domestic sales of automobiles** in July 2019 reached 81,044 units, a contraction from June 2019 by 5.82 percent (%MoM), and 1.10 percent from the same month last year (%YoY), partly due to the decrease in sales of PPV vehicles and SUV cars from strict credit approval.

➖ **Export of automobiles** in July 2019 reached 82,151 vehicles, a contraction from June 2019 by 15.81 percent (%MoM), and 8.87 percent from the same month last year (%YoY). Automobile exports decreased in almost all markets, except for the Middle East and European markets.

*"The outlook for the automotive industry in August 2019 is expected to decrease compared to August 2018 as the domestic market slows down with the fragile global economy."*

#### ■ Motorcycle Production Industry



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

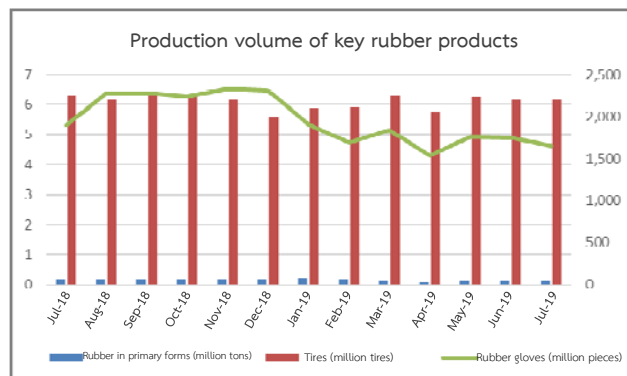
➖ **Motorcycle production** in July 2019 reached 156,055 units. The production decreased by 1.47 percent from June 2019 (%MoM) and 9.35 percent from the same month last year (%YoY), resulting from decreasing production of multi-purpose motorcycles.

➕ **Domestic sales of motorcycles** in July 2019 reached 148,723 units. Sales decreased by 1.12 percent from June 2019 (%MoM) but increased by 10.96 percent compare to the same month last year (%YoY).

➕ **Exports of motorcycles** in July 2019 reached 32,036 units, a decrease of 17.55 percent from June 2019 (%MoM) but a 0.30 percent increase and from the same month last year (%YoY) respectively, whereby exports to the China, Japan, and the UK increased.

*"In August 2019, the outlook for the motorcycle industry is expected to decrease compared to August 2018 due to contraction of domestic market and global economy."*

#### 4. Rubber and Rubber Products Industry



Source: The Office of Industrial Economics

##### Production

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks and latex) decreased by 17.67 percent following the volume of rubber entering the market. Heavy rains at the beginning of the month caused inability to tap rubber.

➖ Tires decreased by 1.90 percent in correlation to the slowdown of the domestic market.

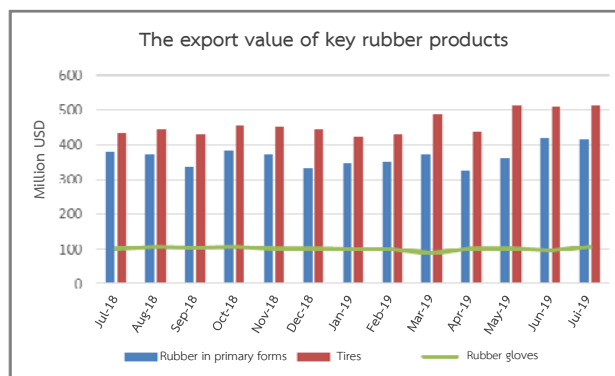
➖ Rubber gloves decreased by 12.93 percent from the domestic price of raw latex, which increased in the past. The Baht also strengthened against the US Dollar, causing businesses to bear a higher cost burden and therefore slow down production.

##### Domestic Sales

➕ Processed rubber in primary forms (smoked rubber sheets, rubber blocks and latex) increased by 1.73 percent in correlation to increased demand.

➕ Tires increased by 1.50 percent in correlation to expansion of Replacement market.

➕ Rubber gloves increased by 3.53 percent in correlation to higher demand of medical uses.



Source: Ministry of Commerce

##### Exports

➕ Processed rubber in primary forms (smoked rubber sheets, rubber blocks and latex) increased in export value by 9.64 percent, as China—a key export market for Thailand—have increased orders for rubber from Thailand by 13.39 percent.

➕ Tires increase in export value by 18.40 percent in correlation to the growth of the US market.

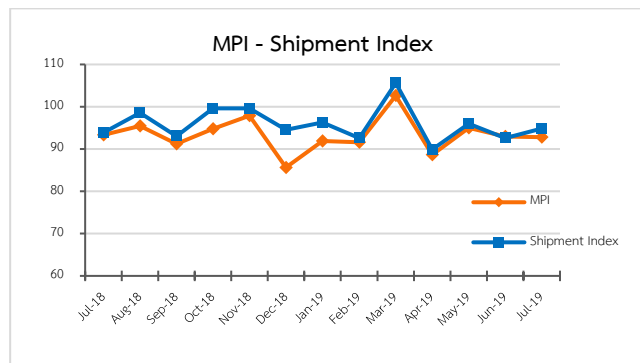
➕ Rubber gloves increased in export value by 3.35 from expansion of the US, the Netherlands, and China markets.

##### Industry Outlook in August 2019

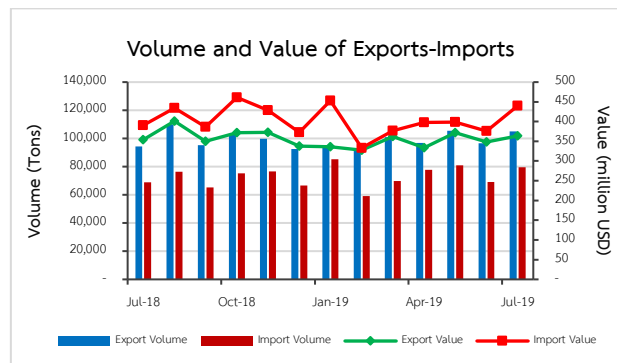
The production and sales of processed rubber in primary forms (smoked rubber sheets, rubber blocks and latex) are expected to grow from the previous month following increased supply to the market due to the rainy season, which supplied a lot of rubber products to the market. The production and domestic sales of tires are expected to increase following the growth trend of the replacement market and major export markets of Thailand, especially the US. Production and local sales of rubber gloves are expected to grow with the growing trend of the market, both domestically and internationally.

Exports of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and latex) is expected to increase as China trend for increased demand for Thai rubber. Exports of automobile tires and rubber gloves are expected to increase in value due to the growth trend of the US and Europe.

## 5. Plastics Industry



Source: The Office of Industrial Economics



Source: Customs Department, Ministry of Finance

### Production and Sales

**- Manufacturing Production Index** in July 2019 decreased by 0.57 percent compared to the same period last year, whereby the MPI of plastic tableware, kitchenware and toilet articles decreased the most by 12.90 percent; however, plastic packaging and other plastic category grew by 7.36 percent.

**+ Shipment Index** in July 2019 grew by 1.04 percent compared to the same period last year, whereby the MPI of plastic packaging and other plastic category increased the most by 7.02 percent, followed by plastic tube and coupling category (4.09 percent).

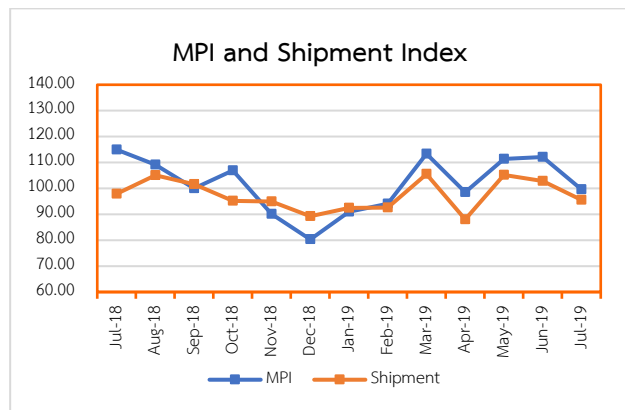
### Marketing

**+ Exports** in July 2019 valued 363.93 million USD, or a 3.02 percent increase compared to the same period last year. Top 3 plastic products that contributed to the increase of export value were packaging products (3923), non-cellular plates, sheets, film, foil and strip of plastics (3920), and cellular plates, sheets, film, foil and strip of plastics (3921), which increased by 6.98 percent, 3.98 percent, and 12.30 percent respectively, compared to the same period last year. This was the result of growing orders from trading partners such as the US, Japan, and ASEAN—the Philippines, Vietnam, and Indonesia.

**+ Imports** in July 2019 valued 439.80 million USD or a 12.57 percent increase compared to the same period last year. The top 3 plastic products with growing import value were other plastics (3926), non-cellular plates, sheets, film, foil and strip of plastics (3920), and cellular plates, sheets, film, foil and strip of plastics (3921), which increased by 17.03 percent, 19.43 percent, and 12.10 percent respectively, compared to the same period last year.

*The plastics industry outlook* in August 2019 is expected that production and marketing will continue to expand. However, the global economic slowdown and impact of the trade war, including fluctuations in oil prices and the Baht value, are factors affecting production, which may adversely affect the market.

## 6. Chemicals Industry

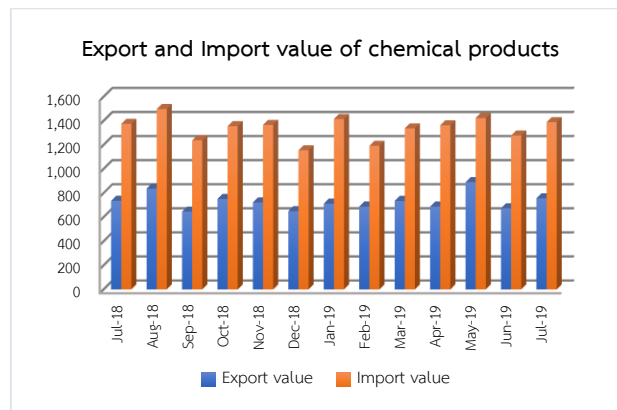


Source: The Office of Industrial Economics

**-** The manufacturing production index of the chemicals industry in July 2019 decreased by 13.32 percent compared to the same period last year. Downstream chemical category had the lowest MPI (17.87 percent), and chemical product which decreased in the production was fertilizer.

**-** Sales in July 2019 dropped by 7.50 percent compared to the same period last year. Basic chemicals category decreased by 11.16 percent, and downstream chemicals category decreased by 6.27 percent. Chemical products which decreased in sales were caustic soda, chemical fertilizer, etc.

**+** Exports in July 2019 reached the total value of 756 million USD, a 2.60 percent increase compared to the same period last year. Exports of downstream chemicals category reached the total value of 382 million USD, an increase of 11.61 percent compared to the same period last year. Main products that contributed to the increase of exports were cosmetics, while basic chemicals category had an export value of 374 million USD, decreasing by 5.23 percent compared to the same period last year. Products that contributed to the decrease in export value from the previous year were organic and inorganic chemical products. Main export markets of chemical products were China, Japan, India, and ASEAN countries.

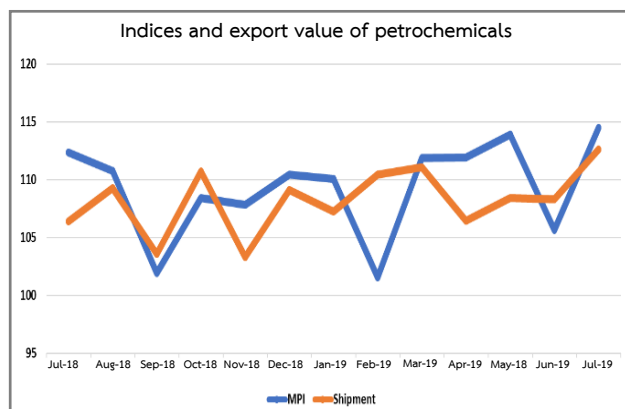


Source: Customs Department, Ministry of Finance

**+** Imports in July 2019 valued 1,389 million USD, an increase of 1.01 percent compared to the same period last year. Downstream chemicals valued 564 million USD, a rise of 8.77 percent compared to the same period the previous year. Products with higher import values were fertilizer, paints, and cosmetics. Upstream chemicals valued 825 million USD, a contraction of 3.68 percent compared to the same period last year. Key products that reduced import value were organic and inorganic compounds, with key import markets being Japan, China, the US, Saudi Arabia, and Singapore, etc.

In August 2019, the chemical industry's exports and imports are expected to continue to contract compared to the same period last year, due to the global economic slowdown from the trade protection policy between the US and China.

## 7. Petrochemicals Industry

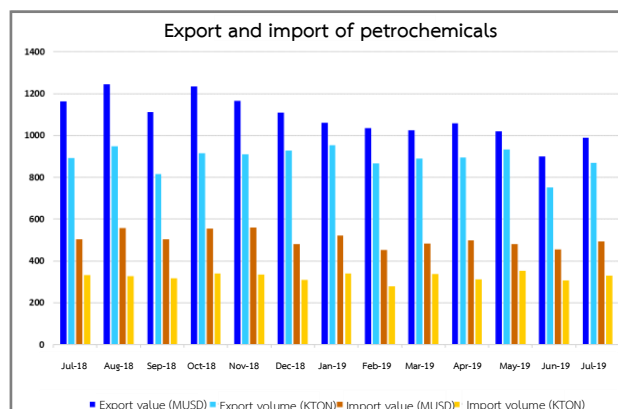


Source: The Office of Industrial Economics

**+** The manufacturing production index in July 2019 grew by 1.88 percent compared to the same period last year. Products which increased in production were upstream petrochemicals, namely Toluene, which is used as a solvent and as a precursor to produce other substances, which increased by 4.95 percent. The MPI of downstream petrochemicals increased, including plastic pellets used to create packaging, namely PVC resin, PET resin, PP resin, and PE resin, which increased by 20.97 percent, 5.73 percent, 5.27 percent, and 4.20 percent respectively.

**+** Shipment index in July 2019 increased by 5.82 percent compared to the same period last year. Products that increased in shipment index among basic petrochemical including Toluene (28.52 percent), whereas downstream petrochemicals including PVC, PE, and PET resin, increased by 20.59 percent, 14.65 percent, and 5.73 percent respectively.

**-** Exports in July 2019 reached 989.20 million USD, a 14.97 percent decrease compared to the same period last year. Basic petrochemical products with decreasing export value were mostly used as precursors in the production of synthetic fibers and solvents, such as Terephthalic Acid, Benzene, Para-Xylene, and Toluene. Downstream petrochemical products with decreasing export value were mostly in plastic pellet category used in packaging industry namely, PE, PP, PC, PET, and PS resin. Overall, the proportion



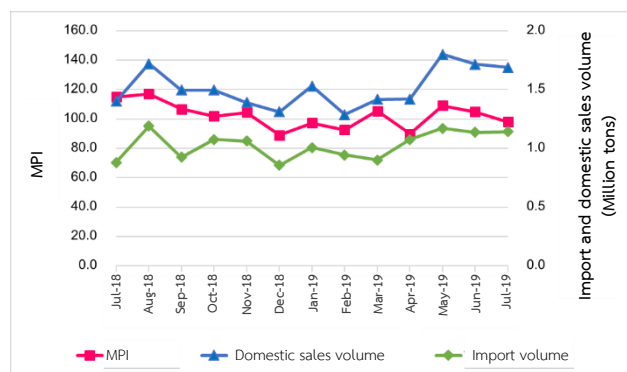
Source: Customs Department, Ministry of Finance

of petrochemical exported to major countries were China (34.19%), Indonesia (9.95%), Vietnam (8.81%), India (8.76%) and Japan (7.52%), etc.

**-** Imports in July 2019 valued 493.33 million USD, a decrease of 2.05 percent compared to the same period last year. Primary petrochemical products with reduced import value were Vinyl Chloride, Acetic Acid, Para-Xylene, and Ethylene Glycol. Downstream petrochemical products with reduced import values, included Nylon resin and PES resin, used in the polyester industry, and BR rubber and SR rubber for use in the automotive parts industry. Overall, the proportion of petrochemical imports from major countries were Japan (16.17 percent), China (14.62 percent), South Korea (12.56 percent), Singapore (11.12 percent) and Malaysia (9.49 percent), etc.

Petrochemical outlook in August 2019, it is expected that the exports will decrease as petrochemical prices continue to fall in line with the direction of crude oil prices. This will result in a weakening price difference of production for petrochemicals. Furthermore, the impact of the trade protection policy of the US and China and the economy of the major trading partners of Thailand is expected to slow down, such as China, Vietnam, Japan, Indonesia, and India.

## 8. Iron and Steel Industry



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

**–** The manufacturing production index in July 2019 reached 97.5, a drop of 15.2 percent compared to the same period last year. Considering essential products, namely long steel, and flat steel, the MPI decreased in both product groups. The long steel categories reached an MPI of 97.8, a contraction by 4.5 percent as the production of steel wires dropped by 40.7 percent. The decrease was due to: (1) Some steel wire factories temporarily shut down production (2) The import of steel wire products from abroad increased in July 2019, whereby the import volume reached 120,767 tons, a growth by 30.0 percent and (3) Businesses in related industries import more products from foreign countries such as steel wires, whereby in July 2019, the volume of imports was 24,713 tons, an increase of 14.6 percent. In terms of products with lower production, this was followed by hot-rolled structural steel and steel rods, which decreased by 14.3 and 6.4 percent, respectively. The flat steel category reached an MPI of 94.0, a drop by 23.7 percent (continued decline for the second month) from the decrease of hot-rolled steel coil production by 40.3 percent, a contraction for the second consecutive month from June to July 2019 due to: (1) The domestic sales price decreased significantly by 4.8 percent, making domestic manufacturers unable to compete in price. In addition, businesses in downstream industries imported substitute products from foreign countries, such as hot-dipped galvanized steel sheets. In July 2019, the import volume of hot-dipped galvanized steel sheets reached 172,456 tons, an increase of 43.7 percent. In terms of flat steel products which decreased, this was followed by tin-plated sheets which decreased by 35.3 percent, contracting for sixteen consecutive months from April 2018 to July 2019 (as businesses in related

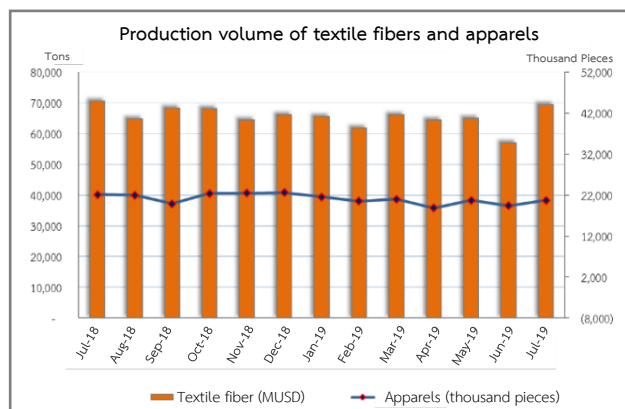
industries increased imports from foreign countries in July 2019, whereby volume of imports was 25,534 tons, an increase of 38.3 percent; key import countries were China and South Korea) and cold-rolled steel sheets which decreased by 8.2 percent

**+** Domestic sales in July 2019 reached 1.7 million tons, an increase of 10.4 percent compared to the same period last year, from the sale of products in the long-formed and flat steel product groups. Long steel products reached a sales volume of 0.6 million tons, an increase of 15.5 percent due to the sale of steel rods and hot-rolled structural steel, which increased by 23.6 percent. Supporting factors were the expansion of construction, especially government construction and the construction of commercial buildings for the private sector. Flat steel products reached a sales volume of 1.0 million tons, an increase of 7.5 percent due to the consumption of galvanized steel sheets (both HDG and EG) which increased by 23.4 percent, followed by hot-rolled steel sheets and cold-rolled steel sheet which grew by 20.2 percent and 17.1 percent respectively.

**+** Imports in July 2019 reached 1.1 million tons, an increase of 29.8 percent compared to the same period last year, from imports of both long-formed and flat steel products. Imports of long steel products reached 0.3 million tons, an increase of 23.6 percent from imports of hot-rolled structural stainless steel which increased by 113.1 percent (key import countries were China and Japan), followed by alloy steel bars and carbon steel wire, which rose 81.0 percent and 51.8 percent respectively. Flat steel products reached an import volume of 0.9 million tons, an increase of 31.8 percent from imports of hot-rolled alloy steel which grew by 361.3 percent (key import countries were China and Japan), followed by thin carbon hot-rolled steel sheets and thick carbon hot-rolled steel sheets which increased 128.6 percent and 67.9 percent respectively.

*"Iron industry outlook in August 2019, the production is expected to decrease compared to the same period last year due to the slowdown in related industries such as the automotive and metal cans packaging industry. However, there are still supporting factors from the expansion of the electrical appliances industry."*

## 9. Textile and Garment Industry



Source: The Office of Industrial Economics

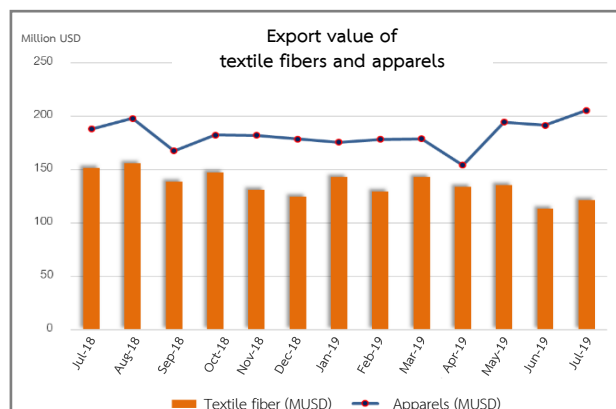
### Production

➖ *Production of textiles fibers, fabrics and apparels* decreased by 1.62 percent, 16.01 percent, and 6.18 percent (%YoY). This decline was the result of declining purchase orders from trading partner countries, together with the expectation that the global trend for textiles and wearing apparels and domestic consumption demand will slow down; therefore, business operators reduced the production of upstream raw materials in order to reduce stock.

### Domestic sales

➕ *Textile fibers* slightly increased by 0.76 percent.

➖ *Fabrics and apparels* contracted by 8.30 percent and 7.54 percent (%YoY) respectively. The decline caused by the decreased demands of raw materials for production of both exports and domestic consumption. There were also imports of both cheap fashion clothes from China and brand-name clothes.



Source: Ministry of Commerce

### Exports

➖ *Textile fiber's* export value decreased by 20.06 percent, especially exports to China. Orders of textile fibers and fabrics from Thailand fell, partly as a result of China's exports of apparel to the world market, especially the US market, have decreased.

➕ *Fabrics and apparel's* export value increased by 0.29 percent and 9.22 percent (%YoY) respectively. The increase caused by the growth of exports of men and women apparels, including infant clothing to the US and Japan.

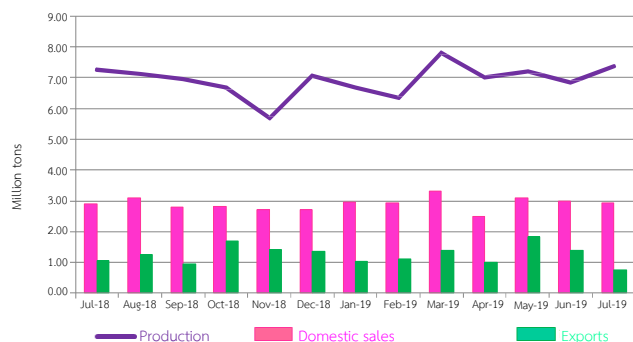
### Forecast in August 2019

The circumstance of textiles and apparels industry, it is expected that the production of textile fibers and fabric will slow down in line with the export trend expected to decline. Due to the political situation of the US and the trade war between the US and China, resulting in trade and investment of such markets to slow down. These will affect production sectors to reduce the demand of raw materials from Thailand. However, apparel is expected to continue to expand in the OEM sector for international brands.

## 10. Cement Industry

### Overall Cement Industry

Volume of Cement Production, Domestic Sales, and Exports



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 July 2019, reached 7.36 million tons, a 7.63 percent increase from June 2019 (%MoM) and a 1.53 percent increase from the same month last year (%YoY).

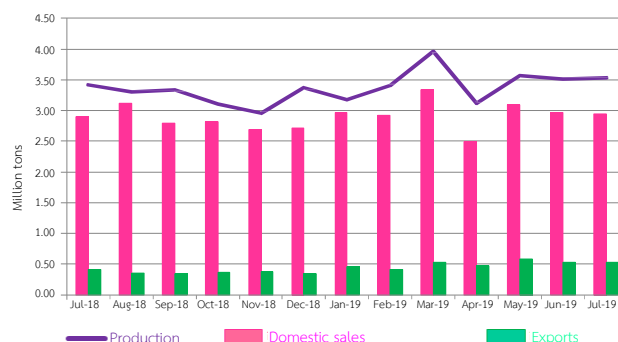
**+** *Overall domestic cement sales* in July 2019 reached 2.94 million tons. The sales volume decreased by 1.22 percent from June 2019 (%MoM) but increased by 1.51 percent compared to the same month last year (%YoY).

**-** *Total exports of cement* in July 2019 reached 0.75 million tons. The volume decreased by 45.54 percent from June 2019 (%MoM) and decreased by 28.71 percent compared to the same month last year (%YoY).

The outlook for overall cement production industry in August 2019 is expected to decrease slightly.

### Cement Industry (excluding clinker)

Volume of Cement Production, Domestic Sales, and Exports (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 July 2019 reached 3.53 million tons. The production increased by 0.75 percent from June 2019 (%MoM) and 3.50 percent from the same month last year (%YoY).

**+** *Domestic sales of cement* (excluding clinker) in July 2019 reached the total volume of 2.94 million tons. The sales volume decreased by 0.92 percent from June 2019 (%MoM) but increased by 1.49 percent from the same month last year (%YoY).

**+** *Export of cement* (excluding clinker) in July 2019 reached the volume of 0.53 million tons. The export volume increased by 1.07 percent from June 2019 (%MoM) and 28.38 percent compared to the same month last year, resulting from increased orders from Cambodia by 46.64 percent.

The outlook of the cement production industry (excluding clinker) in August 2019 is also expected to slow down.