

**Industrial Production Status**

Indicators	2017	2018								2019					
%YoY	Year	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.
MPI*	1.8	4.9	4.8	2.3	-0.1	5.7	0.8	1.2	3.6	0.6	-1.3	-2.7	1.5	-3.1	-5.5

\* 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 **June 2019 contracted by 5.5 percent from the same period last year**, partly resulting from exports (excluding gold) which decreased by 8.7 percent.

Considering MPI data for the past three months compared to the previous year (% YoY), it is evident that industrial production tends to slow down, i.e., decreasing by 2.7 percent in March, increasing slightly by 1.5 percent in April, and decreasing by 3.1 in May 2019.

Indicators	2018							2019					
%MoM	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.
MPI*	-1.5	-2.8	1.7	-2.7	2.1	0.9	-1.9	4.7	-2.6	9.5	-17.4	9.3	-3.7

For the past three months (February, March, and April 2019), the changing rates of MPI (%MoM) were as follows: an increase of 9.5 percent in March, a decrease of 17.4 percent in April, and an increase of 9.3 percent in May. The changes were in line with the typical seasonality of production which slowed down in April due to fewer working days.

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

- Automobiles and engines: The production decreased by 8.3 percent in correlation to the slowdown of the domestic market and the global economy, including higher level of trade barriers.
- Rubber products that are non-tires rubber: The production decreased by 23.4 percent mainly from block rubber and sheet rubber. This resulted from severe hot weather causing less raw material (latex) supplied to the market.
- Petroleum: The production decreased by 7.1 percent as some refineries stopped production for maintenance starting from mid-June to the end of July for major turnaround maintenance.

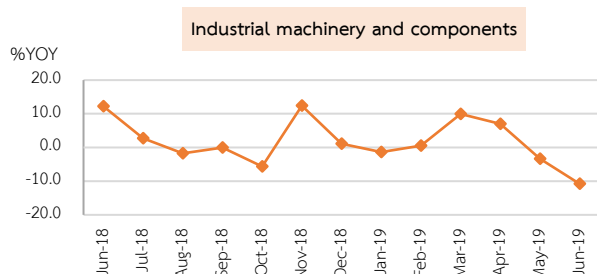
Key industries that contributed to the increase of MPI in June 2019 compared to the same month last year were as follow:

- Palm oil: The production increased by 44.8 percent, mainly from crude and refined palm oil. The increase was in line with the signing of the contract for the purchase of crude palm oil of the Electricity Generating Authority of Thailand and promotion measures to increase the use of B20 biodiesel.
- Air-conditioners and parts: The production increased by 12.6 percent from domestic market sales due to severe hot weather, including export markets have received orders from Vietnam, the US, and Japan.

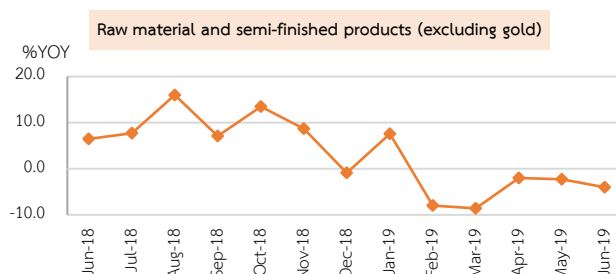
# Other Industrial Economic Indicators in June 2019

## Other Industrial Economic Indicators in June 2019

### ■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

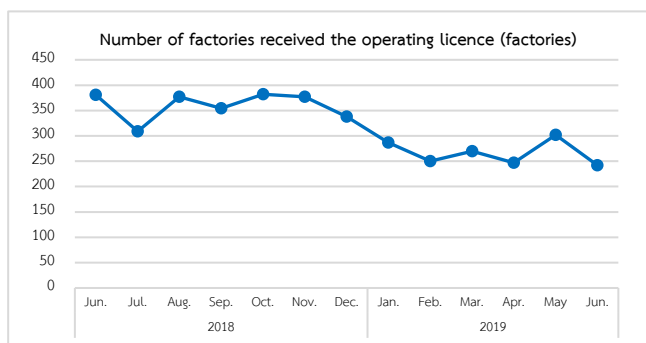


Source: Ministry of Commerce

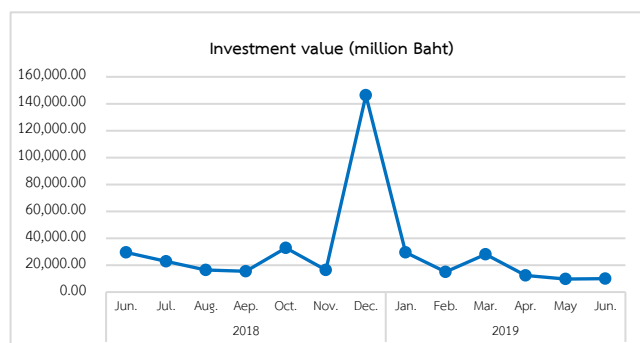
**⊖ Imports of industrial machinery and components** in June 2019 valued 1,370.9 million USD, a decrease of 10.8 percent compared to the same month last year. The decline was from the import of engine, transmission shaft and other parts; jet turbine and parts; air compressors and fluid pumps, etc.

**⊖ Imports of raw materials and semi-finished products (excluding gold)** in June 2019 valued 7,152.6 million USD, a decrease of 4.0 percent compared to the same month last year. Products of which imports have decreased including copper, aluminium and products thereof, organic chemicals, plastic pellets, circuit boards, etc. However, imports of iron, steel and products thereof, and cement have increased.

## Industrial Operation Status



Source: Department of Industrial Works



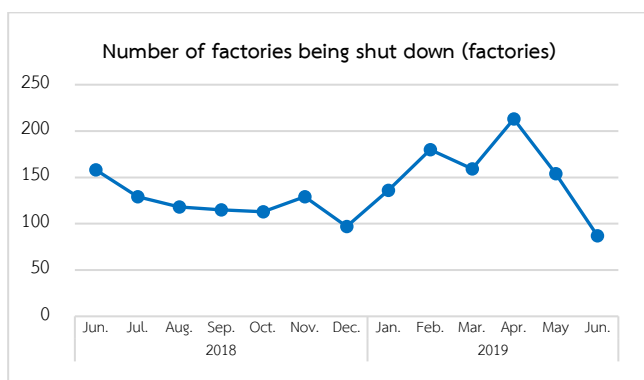
Source: Department of Industrial Works

- ⊘ A total of 242 factories were licensed to operate in June 2019. The number of licensed factories decreased by 19.9 percent from May 2019 (%MoM) and decreased by 36.5 percent compared to the same month last year (%YoY).
- ⊘ The total value of investment from the licensed factories for operation in June 2019 was 9,881 million Baht. The value decreased by 2.0 percent and 66.5 percent from May 2019 (%MoM) and the same month last year (%YoY) respectively.

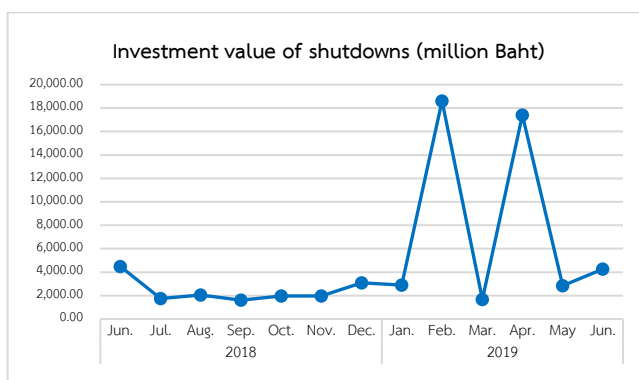
*"The industry with the highest number of newly licensed factories for operation in June 2019 was the concrete product and gypsum concrete products industry (13 factories), followed by the motor vehicle repair industry (12 factories)."*

*"The industry with the highest value of the investment in June 2019 was the cold storage industry with the investment value of 911 million Baht, followed by the manufacturing, assembling, modification or repairing industry of boiler with the investment value of 902 million Baht."*

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

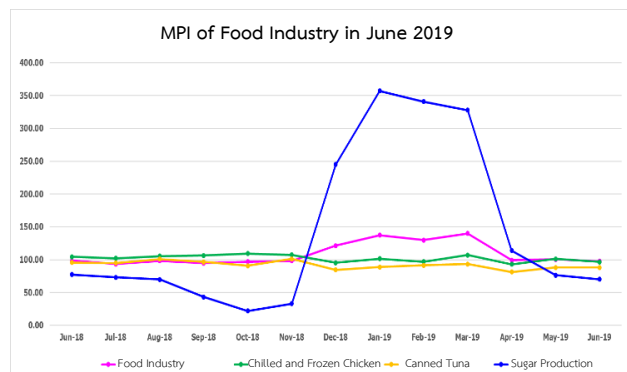
- A total of 87 factories shut down the operation in June 2019, which decreased by 43.5 percent and 44.9 percent from May 2019 (%MoM) and from the same month last year (%YoY) respectively.
- The lost investment value on shutdowns in June 2019 was 4,260 million Baht, which increased by 20.1 percent and 5.0 percent from May 2019 (%MoM) and from the same month last year (%YoY) respectively.

“The industry with the highest number of shutdowns of factory in June 2019 was the concrete product, cement-gypsum mixed products, and plaster industry (12 factories), followed by the sand dredging industry (6 factories).”

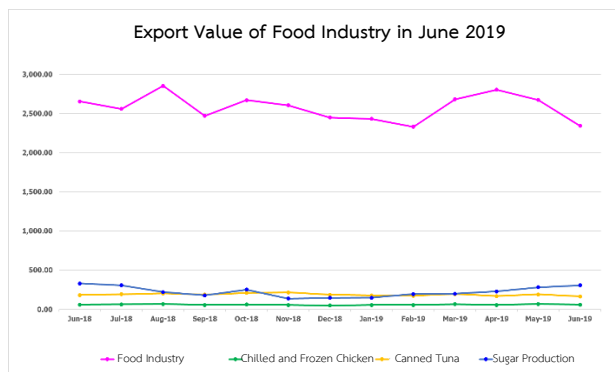
“The industry with the highest value of investment with factory shutdowns in June 2019 was the ribbed smoked sheet rubber, crepe rubber, block rubber, and latex industry with the investment value of 1,803 million Baht, followed by the manufacturing industry of rubber products from natural and synthetic rubber—with the investment value of 930 million Baht.”

## Industrial Economic Status by Industrial Sectors in June 2019

### 1. Food Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

**Production** of food product in June 2019 decreased by 1.1 percent (%YoY), classified as follows:

1) Export-orientated products, i.e., (1) sugar products such as raw sugar which the MPI dropped 100 percent (%YoY) as the result of sugar mill stop the milling processes earlier than last year; white and refined sugar—the MPI dropped 7.5 percent (%YoY) as Myanmar and Sudan slowed down the imports; (2) canned pineapple—the MPI declined by 48.2 percent (%YoY) due to raw materials contraction from droughts and a relatively high base in the previous year which had oversupply; as a result, farmers reduced plantation area this year. In addition, the international market continued to shrink; (3) Canned tuna—the MPI decreased by 8.0 percent (%YoY) as importers slowed down orders to wait and observe a price drop following raw material prices; (4) tapioca starch—the MPI dropped 7.4 percent (%YoY) from China and Taiwan markets; (5) processed chicken—the MPI dropped by 1.0 percent (%YoY) from Japan market; and (6) chilled and frozen shrimp—the MPI decreased by 3.4 percent (%YoY) from Japan, Taiwan, South Korea, and Malaysia markets

2) Domestic-orientated products: the MPI of chilled and frozen chicken decreased by 7.5 percent (%YoY) as a result of the slowdown of domestic purchasing power.

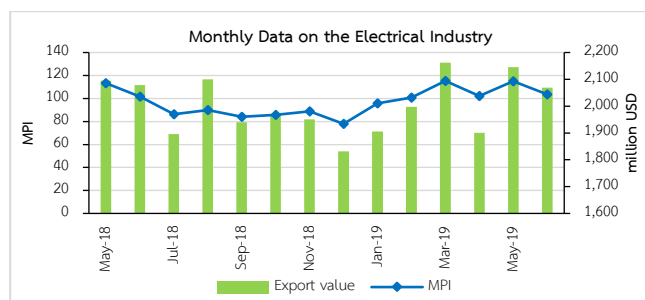
**Domestic sales** of food products in June 2019 contracted slightly by 0.7 percent (%YoY).

**Export markets:** In June 2019, overall value of food exports shrank for the second month by 11.7 percent (%YoY) from key products such as white sugar, rice, tapioca flour, canned pineapple, canned sweet corn, canned tuna, chilled and frozen shrimp, processed chicken and durian, which decreased by 37.1 percent, 33.1 percent, 20.3 percent, 15.7 percent, 13.6 percent, 8.8 percent, 8.4 percent, 2.7 percent and 52.3 percent, respectively. The decrease was due to the slowing global economy and the uncertainty of the trade war between the US and China, despite continued demand for key products such as chilled and frozen chicken, canned sardines, rice products, wheat products, and other instant foods and seasonings, including fruits (mangosteen and longan).

**The predicted trend** is expected that production and exports of the food industry in July will contract in continuation from last month and the same month the previous year, with negative factors such as agricultural production declining due to droughts and slowing demand in products such as shrimp and pineapple. This is coupled with the slowing down of orders to wait and observe the situation of raw tuna prices, and a slowdown in Thai rice exports from a shift to imports of rice from Vietnam and Cambodia. Furthermore, there are high costs and Baht appreciation, including uncertainty from the trade war and the slowdown in the global economy.

## 2. Electrical and Electronics Industry

### ■ Electrical Industry



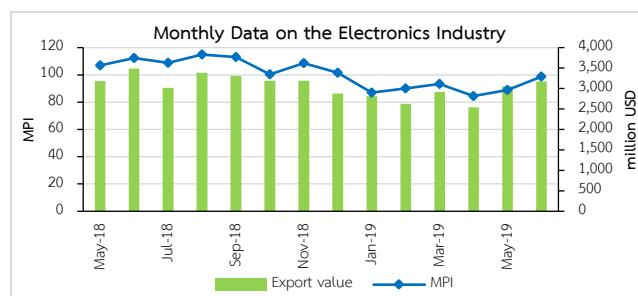
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

**+** Production of electrical appliances reached a production index of 103.5, which increased by 1.7 percent compared to the same month last year. Products that increased in production were air-conditioners, refrigerators, household fans, compressors, and electric motors by 14.2 percent, 6.4 percent, 5.4 percent, 2.4 percent, and 0.2 percent respectively. Air-conditioners, refrigerators, and electric motors increased in domestic sales and exports. Meanwhile, household fans increased in overseas orders, whereas compressors have been increased in the production to replace inventories which were distributed. However, the production of products e.g. thermos, electric cables, washing machines, rice cookers, transformers, and microwaves have decreased by 30.6 percent, 29.8 percent, 23.2 percent, 20.9 percent, 19.6 percent, and 15.6 percent respectively. Washing machine, microwaves, thermos, rice cookers, and electrical cables decreased in production due to the drop in domestic sales and international orders, while transformers decreased in the production due to less orders from overseas.

**-** Exports of electrical appliances valued 2,068.6 million USD, a slight decrease by 0.5 percent compared to the same month last year. The products that contracted were washing machines valued 81.2 million USD, a reduction of 33.8 percent, whereby declining 87.0 in the US market. Meanwhile, products that increased were air-conditioners with an export value of 459.8 million USD, an increase by 16.0 percent, with an increase in the Japanese market by 34.0 percent, Vietnam by 22.0 percent and Australia by 23.8 percent. Refrigerator reached an export value of 142.1 million USD, a growth by 1.2 percent, with increases in the Japanese market by 17.6 percent and the US by 285.4 percent. Switch panels and electrical control panels reached an export value of 153.9 million USD, an increase of 6.9 percent compared to the same month last year.

*"Production forecast in July 2019, the electrical industry is expected to increase slightly by 1.6 percent compared to the same month last year as a result of increasing orders for air-conditioners and refrigerators from ASEAN and the US".*

### ■ Electronics Industry



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

**-** Production of electronics reached a production index of 98.8 percent, a decrease of 9.1 percent from the same month last year. Products that contracted were semiconductor devices transistor, HDDs, and ICs, which decreased by 27.3 percent, 16.9 percent, and 5.3 percent respectively, as a result of decreased orders from key markets and the slowdown of global demands of electronic products.

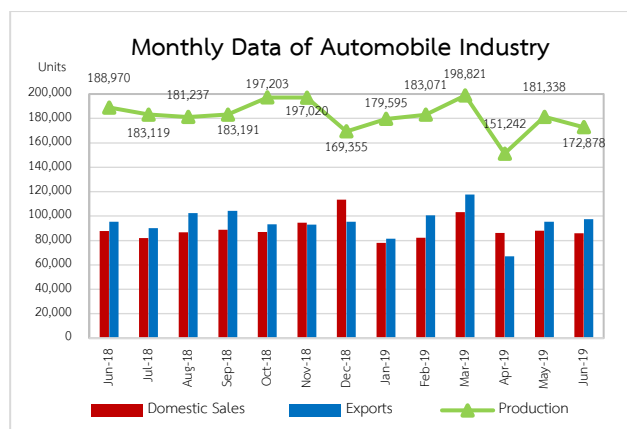
**-** Exports of electronics valued 3,174.5 million, a decline of 9.1 percent compared to the same month last year. The main markets that contracted were the US, EU, China, Japan, and ASEAN. Integrated circuits (IC) had an export value of 635.5 million USD, a decrease of 17.8 percent due to trade countermeasures between the US and China, which affects the production chain and exports of Thailand. Computers and components valued 1,195.1 million USD, down 14.8 percent. The value of HDD exports dropped by 6.6 percent in China, Japan, and the US.

*"In July 2019, production in the electronics industry is expected to decline by 4.2 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

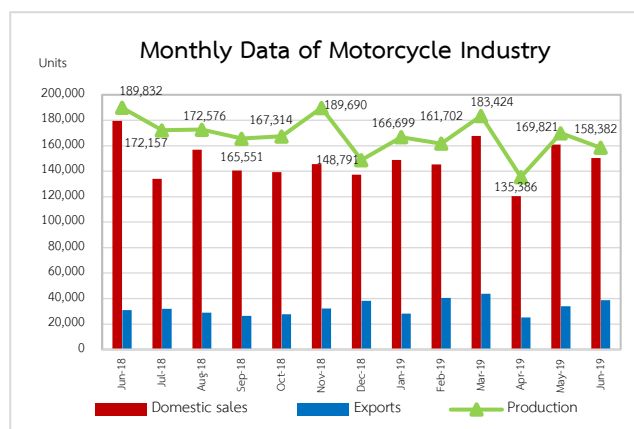
➖ **Automobile production** in June 2019 reached 172,878 units. The production decreased by 4.67 percent and 8.52 percent compared to May 2019 (%MoM) and the same month last year (%YoY) respectively from the decrease of production of passenger cars, 1-ton pickup trucks and derivatives, and commercial purposes automobiles.

➖ **Domestic sales of automobiles** in June 2019 reached 86,048 units, which decreased by 2.33 percent and 2.06 percent compared to May 2019 (%MoM) and the same month of the previous year (%YoY) respectively, as a result from the decrease in sales of passenger cars and 1-ton pickup trucks as the result of the domestic economy slowdown.

➕ **Automobile exports** in June 2019 reached 97,575 units, which increased by 2.35 percent and 2.40 percent from May 2019 (%MoM) and from the same month last year (%YoY). The export increased in countries around Asia and Europe.

*"The outlook for the automotive industry in July 2019 is expected to decrease compared to July 2018 as a result of the slowdown of domestic market growth."*

#### ■ Motorcycle Production Industry



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

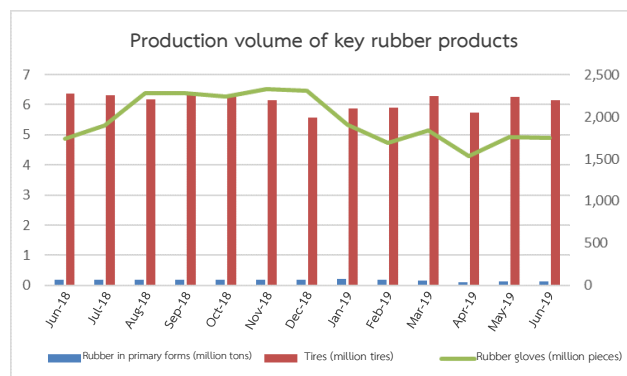
➖ **Motorcycle production** in June 2019 reached 158,382 units. The production decreased by 6.74 percent and 16.57 percent from May 2019 (%MoM) and from the same month last year (%YoY), resulting from decreasing production of multi-purpose motorcycles.

➖ **Domestic sales of motorcycles** in June 2019 reached 150,401 units. The sales decreased by 6.58 percent and 16.22 percent from May 2019 (%MoM) and the same month last year (%YoY) respectively, resulting from the decrease in sales volume of 51 - 110 cc, 111 - 125 cc, 126 - 250 cc, and ≥400 cc motorcycles.

➕ **Exports of motorcycles** in June 2019 reached 38,853 units, an increase of 14.64 percent and 25.52 percent from May 2019 (%MoM) and from the same month last year (%YoY) respectively, whereby exports to the Netherlands, France, and the US increased.

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

## 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 28.92 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 3.30 percent in correlation to the slowdown of the domestic market.

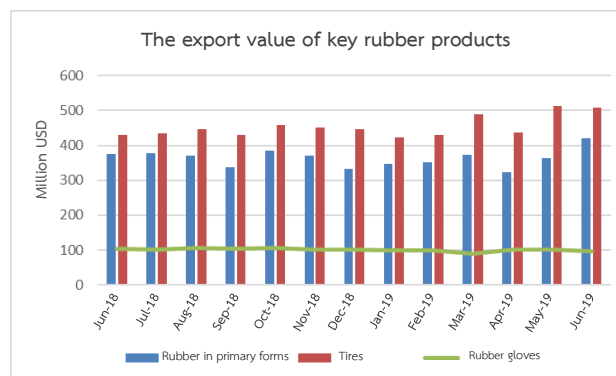
➕ Rubber gloves increased by 0.18 percent from the improvement of the domestic market, which, although contracted compared to the same period last year, the rate of decline reduced.

### Domestic Sales

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks and latex) decreased by 17.67 percent as a result of fewer rubber volume entering the market.

➖ Tires decreased by 8.72 percent as the result of the slowdown of the automobile industry and Replacement market.

➖ Rubber gloves dropped by 9.00 percent, as some major Thai manufacturers adjusted their market plan to concentrate more on exports.



Source: Ministry of Commerce

### Exports

➕ Processed rubber in primary forms (smoked rubber sheets, rubber blocks and latex) decreased in value by 11.83 percent, as China—a key export market for Thailand—have increased orders for rubber from Thailand by 48.73 percent.

➕ Tires value grew by 17.76 percent in correlation to the growth of the US market.

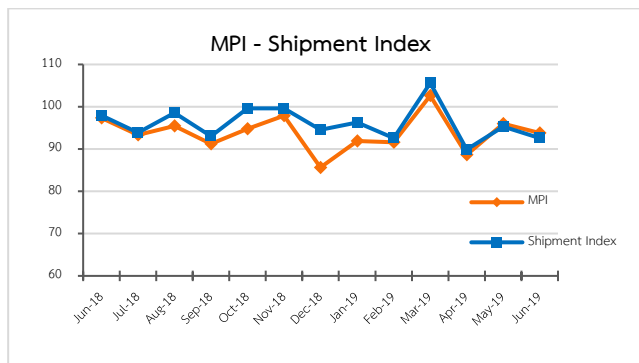
➖ Rubber gloves value dropped by 5.76 percent as a result of the decrease of Belgium, the US, Germany, and Japan markets.

### Industry Outlook in July 2019

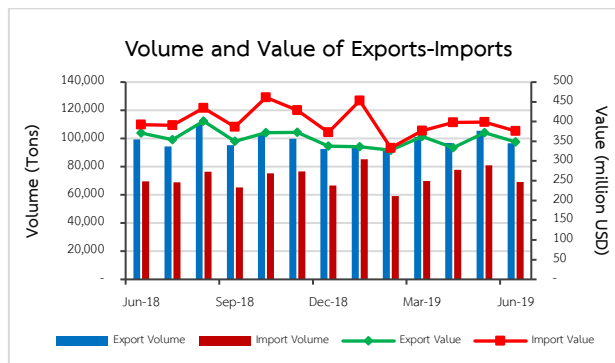
Production and sales of processed rubber in primary forms (smoked rubber sheets, rubber blocks and latex) is expected to increase from the previous month following the rise of supply in the market from the start of the harvesting season. Production and domestic sales of tires are expected to increase in line with the expansion of the automotive industry and key export markets, especially the US. Production of rubber gloves is likely to grow with the growth of the international market. Meanwhile, domestic sales of rubber gloves are expected to continue to slow as some major manufacturers adjusted their market plan to concentrate more on exports.

Exports of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and latex) is expected to increase as China as a trend for increased demand for Thai rubber. Exports of automobile tires and rubber gloves are expected to increase in value due to the excellent 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 June 2019 decreased by 4.83 percent compared to the same period last year, whereby the MPI of plastic tableware, kitchenware and toilet articles decreased the most by 15.61 percent, followed by plastic plates (10.51 percent).

**Shipment Index** in June 2019 was the same direction as MPI; the index decreased by 4.25 percent compared to the same period last year, whereby the MPI of plastic tableware, kitchenware and toilet articles decreased the most by 22.27 percent, followed by plastic plates (6.70 percent).

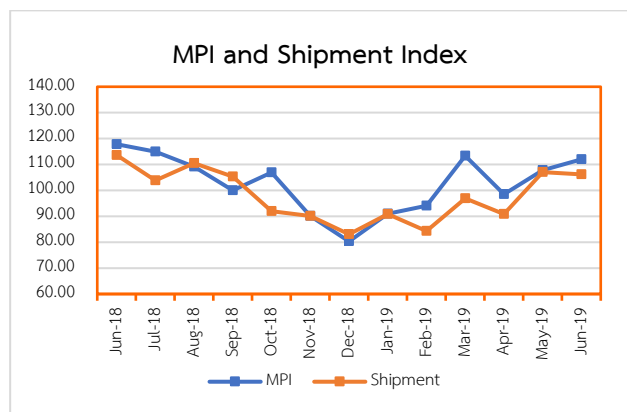
### Marketing

**Exports** in June 2019 valued 348.53 million USD, or a decrease of 6.04 percent compared to the same period last year. Plastic products that resulted in a decrease in export value were mainly plates, sheets, film, foil and strip, of plastics, non-cellular (3920), articles for packing of goods (3923); other articles of plastics (3926), which decreased by 10.15 percent, 6.98 percent, and 6.07 percent respectively, compared to the same period last year. This resulted of decreasing orders from trading partners such as Japan, Australia, China, and ASEAN—Malaysia, Cambodia, and Indonesia.

**Imports** in June 2019 valued 375.58 million USD or a decrease of 4.30 percent compared to the same period last year. The first three plastic products with decreasing import value were articles for packing of goods (3923), plates, sheets, film, foil and strip, of plastics, non-cellular (3920); plates, sheets, film, foil (3919), which decreased by 14.19 percent, 15.24 percent, and 9.91 percent respectively, compared to the same period last year.

*The plastics industry outlook* in July 2019 predicts that production and marketing will remain stable from the global economic slowdown. Additionally, the trade war between the US-China and Japan-South Korea may have adverse effects on the market. Furthermore, there are factors affecting production costs, including fluctuations in oil prices and Thai Baht.

## 6. Chemicals Industry

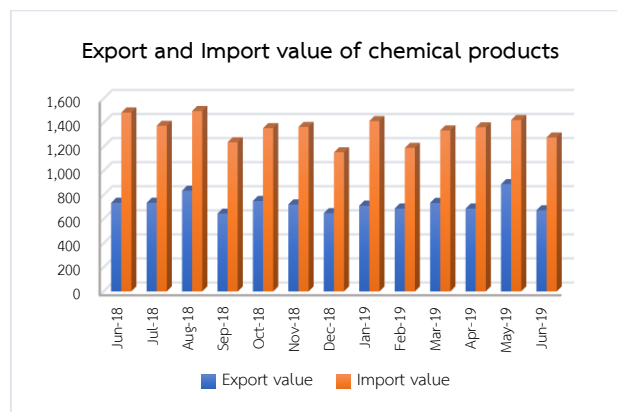


Source: The Office of Industrial Economics

➔ **The manufacturing production index** of the chemicals industry in June 2019 reached 111.96, down 4.97 percent compared to the same period last year. Basic chemicals decreased by 6.10 percent and the downstream chemicals contracted by 4.64 percent compared to the same period the previous year. Chemical products which decreased in production were caustic soda and fertilizer.

➔ **Sales** in June 2019, the shipping index dropped by 7.77 percent compared to the same period last year. Basic chemicals decreased by 6.69 percent, and downstream chemicals decreased by 8.06 percent. Chemical products which decreased in sales were caustic soda, chemical fertilizer, and detergent.

➔ **Exports** in June 2019 valued 674 million USD, a decrease of 8.47 percent compared to the same period last year. Basic chemicals had an export value of 336 million USD, decreasing by 18.91 percent compared to the same period last year. Key products that contributed to the decrease in export value from the previous year were organic and inorganic chemical products, which were exported China, Japan, India, and ASEAN countries.

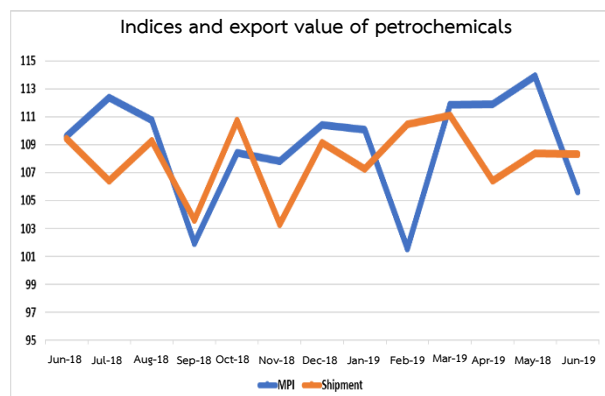


Source: Customs Department, Ministry of Finance

➔ **Imports** in June 2019 valued 1,278 million USD, a decrease of 14.03 percent compared to the same period last year. The import of basic chemical products valued 760 million USD, a decrease of 14.85 percent compared to the same period last year, whereby key products that contributed in a contracted import value were organic, inorganic and miscellaneous chemicals. Meanwhile, the total imported value of downstream chemicals was 518 million USD, a decrease of 12.80 percent compared to the same period last year, whereby chemical products that resulted in a lower import value included fertilizer—imported from Saudi Arabia, Russia, and China—and surfactants which imported from Japan, China, the US, Singapore, etc.

In July 2019, the chemical industry's exports and imports are expected to continue declining compared to the same period last year, due to the global economic slowdown and uncertainty of trade barriers between the US and China. There are also factors from the exchange rate of the Baht appreciation which may affect the export of Thai chemicals.

## 7. Petrochemicals Industry

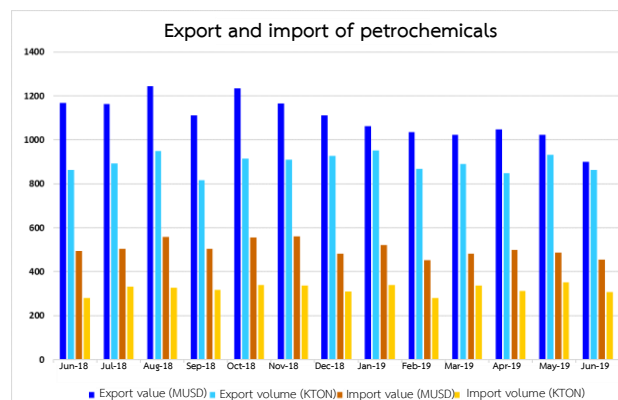


Source: The Office of Industrial Economics

**–** The manufacturing production index in June 2019 declined by 3.62 percent compared to the same period last year. Products which contracted in production were upstream petrochemicals, namely Benzene and Toluene which decreased by 19.14 percent and 5.72 percent respectively. The downstream products were SAN resin, ABS resin and Polypropylene resin (PP), which fell by 18.78 percent, 15.31 percent, and 12.33 percent respectively, used in the automotive and electrical appliance industries and general packaging.

**–** Sales in June 2019 decreased by 1.20 percent compared to the same period last year. Upstream petrochemical products with declining sales including Toluene and Benzene decreased by 11.74 percent and 10.78 percent respectively. Downstream petrochemicals including Expandable Polystyrene (EPS) and ABS resin decreased by 22.18 percent and 18.02 percent respectively.

**–** Exports in June 2019 reached 900.70 million USD, a drop of 22.89 percent compared to the same period last year. Upstream products with lower export value were mostly used as precursors in the production of synthetic fibers and solvents, such as Terephthalic Acid and Methyloxirane (Propylene Oxide), down 8.54 percent and 16.51 percent respectively. The downstream petrochemical



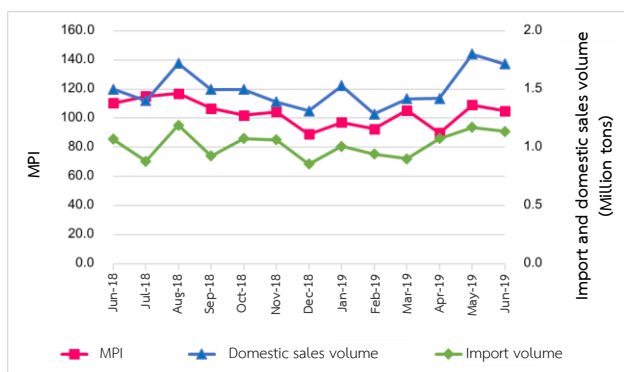
Source: Customs Department, Ministry of Finance

products including PE resin, PP resin, PC resin, PET resin which were plastic pellets used to produce packaging and in the automotive and electrical components industry decreased by 11.38 percent, 9.80 percent, 38.93 percent, and 23.55 percent, respectively. In general, petrochemicals were exported to main countries such as China, Indonesia, Japan, India, and Vietnam, etc.

**–** Imports in June 2019 reached 455.55 million USD, a drop by 7.65 percent compared to the same period in the previous year (%YoY), mostly from imported products in the synthetic rubber group, including SR rubber and BR rubber which dropped by 13.99 percent and 8.70 percent; these are products used in the automotive parts industry. Nylon resin, PES resin, and PMMA resin products decreased by 8.37 percent, 11.35 percent, and 9.53 percent respectively, to produce synthetic fibers, for example. In general, petrochemicals were imported from main countries such as Japan, South Korea, China, Singapore, and the US, etc.

In July 2019, the industry is expected contract, due to fluctuations in oil prices in the world market that affects Thailand's petrochemical exports, including the impact of protection policies of the US and China. Also, the economy of Thailand's major trading partners is expected to slow, e.g., China, Vietnam, Japan, Indonesia, and India.

## 8. Iron and Steel Industry



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

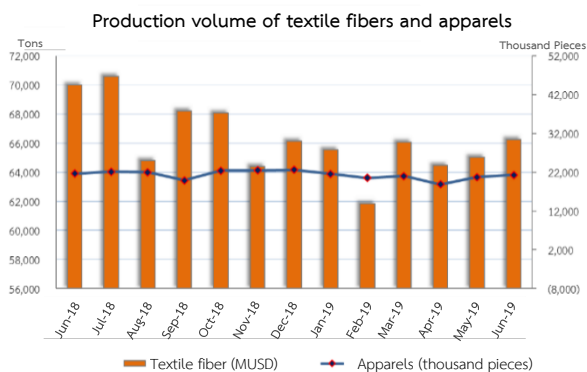
**–** The manufacturing production index in June 2019 reached 104.9, a drop by 4.9 percent compared to the same period last year. Considering essential products, namely flat steel products and long steel products, the MPI decreased in the flat steel products. The flat steel products reached an MPI of 106.5, a drop by 10.8 percent, due to a decrease in tin-plated steel sheets by 48.1 percent, contracting for the fifteenth consecutive month from April 2018 to June 2019. The contraction is due to less domestic consumption of tin-plated and chromium-plated steel sheets by 30.7 percent and 10.3 percent, respectively, from the slowdown of downstream industries such as the metal cans packaging industry. This was followed by chromium-plated steel sheets and hot-rolled coiled steel sheets which decreased by 26.3 percent and 15.1 percent respectively. However, products in the long steel products reached an MPI of 102.4, a growth by 3.1 percent as the production of steel wires increased by 35.3 percent. This was followed by cold-rolled structural steel and round bars which increased by 13.0 percent and 7.9 percent respectively, from the growth of related industries such as the construction industry, especially government construction projects.

**+** Domestic sales in June 2019 reached 1.7 million tons, a 2.9 percent increase compared to the same period in the previous year. Flat steel products reached 1.1 million tons, an increase of 10.6 percent from the consumption of zinc-coated steel sheets (both HDG and EG) which increased by 32.6 percent, followed by hot-rolled steel sheets and hot-rolled steel plates by 10.7 percent and 10.5 percent respectively. However, long-formed steel reached a sales volume of 0.6 million tons, a decrease of 9.9 percent due to the sales of rebar and hot-rolled structural steel, which decreased by 16.3 percent.

**+** Imports in June 2019 reached 1.1 million tons, an increase of 6.3 percent compared to the same period in the previous year from flat steel products. Flat steel products reached an import volume of 0.9 million tons, an increase of 16.3 percent from imports of hot-rolled alloy steel plates which grew by 79.3 percent (main source of imports was China), followed by cold formed structural steel and hot-rolled alloy steel plate which increased by 78.2 percent and 70.0 percent respectively. However, long steel products reached an import volume of 0.2 million tons, a decrease of 21.4 percent as the import of hot-rolled structural alloy steel dropped by 67.7 percent (main source of imports was China) followed by stainless steel bars and alloy steel bars which decreased by 51.9 percent and 42.3 percent respectively.

*"Iron industry outlook in July 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



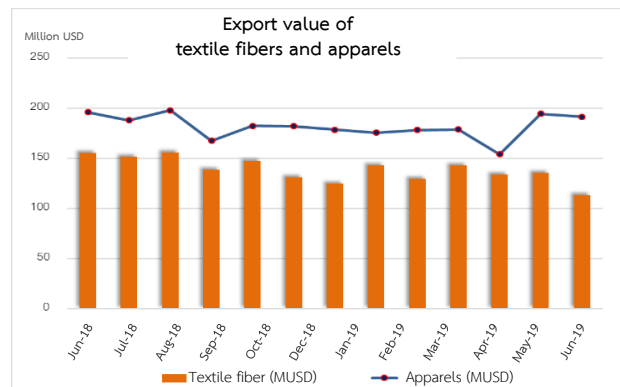
Source: The Office of Industrial Economics

### Production

Production of textiles fibers, fabrics and apparels decreased by 5.31 percent, 0.06 percent, and 1.41 percent (%YoY) as a result of declining purchase orders from trading partner countries, together with the expectation that the global trend for textiles and wearing apparels will slow down. Also, domestic consumption demand slowed down; therefore, businesses reduced the production of upstream raw materials in order to reduce stock.

### Domestic sales

Textile fibers, fabrics, and apparels contracted by 22.28 percent, 19.79 percent, and 9.62 percent (%YoY) respectively, as a result of the decrease in demands for 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 with stores located in Thailand.



Source: Ministry of Commerce

### Exports

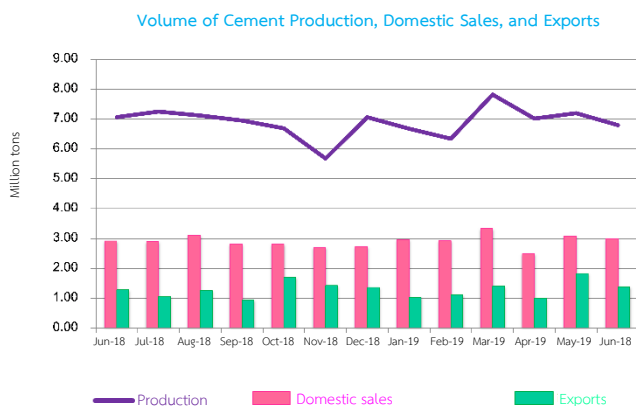
Textile fibers, fabrics, and apparels export value decreased by 27.25 percent, 5.15 percent and 2.31 percent (%YoY), especially exports to China. Orders of textile fibers and fabrics from Thailand fell, partly as a result of China's exports of apparel to the world market, especially the US market, have decreased.

### Forecast in July 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.

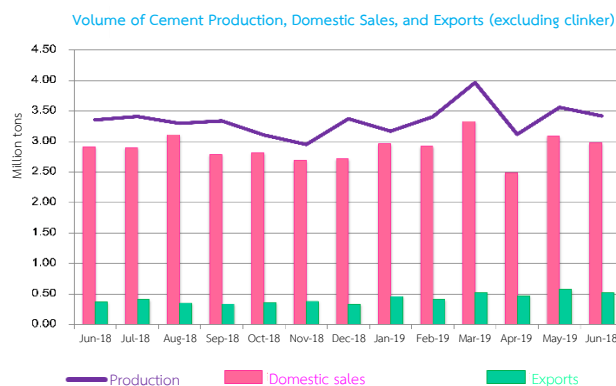
## 10. Cement Industry

### 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.

### 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.

➖ **Overall cement production** in June 2019, reached 6.79 million tons, a decrease of 5.56 percent from May 2019 (%MoM) and a slight decrease from the same month last year by 3.83 percent (%YoY). This was due to the shutdown of some manufacturers for cement kiln maintenance.

➕ **Overall domestic cement sales** in June 2019 reached 2.99 million tons. The sales volume decreased by 3.26 percent from May 2019 (%MoM) but increased by 2.48 percent compared to the same month last year (%YoY).

➕ **Total exports of cement** in June 2019 reached 1.39 million tons. The volume decreased by 24.20 percent from May 2019 (%MoM) but increased by 8.32 percent (YoY) compared to the same month of last year, as main export markets increase orders, such as from Cambodia by 60.15 percent, due to the development of infrastructure and facilities in the country.

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

➕ **Cement production** (excluding clinker) in June 2019 reached 3.42 million tons. The production decreased by 3.94 percent from May 2019 (%MoM) but increased by 1.97 percent from the same month last year (%YoY).

➕ **Domestic sales of cement** (excluding clinker) in June 2019 reached the total volume of 2.98 million tons. The sales decreased by 3.57 percent from May 2019 (%MoM) but increased by 2.15 percent from the same month last year (%YoY).

➕ **Export of cement** (excluding clinker) in June 2019 reached the volume of 0.52 million tons. The export volume decreased by 10.19 percent from May 2019 (%MoM) but increased by 41.49 percent compared to the same month last year, resulting from increased orders from Cambodia by 60.14 percent.

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