



Situation of Industrial Production for the first nine months of 2024



The Manufacturing Production Index (MPI) for the first nine months of 2024 (January-September) fell 1.75 percent compared to the same period last year (YoY). The capacity utilization rate stood at 58.82 percent. In the third quarter of 2024 (July-September), the MPI dropped 1.23 percent compared to the same quarter of the previous year, driven by a slowdown in domestic purchasing power due to household debt issues. However, industries linked to tourism and exports have shown an upward trend. The Office of Industrial Economics projects that the MPI for 2024 will range between -1.0% to 0.00%, while the industrial sector's GDP is expected to contract by -0.5% to 0.5% (YoY). The decline is affected by the downturn of the domestic economy due to high household and business debt, cheap imports, and elevated energy costs.

Industries impacting the MPI in the first 9 months (Jan. - Sep.) of 2024



Industries with positive impacts (YoY)



Petroleum refining: +2.29%YoY

The rise was due to normal production resuming after refinery maintenance in the same period last year.



Prepared animal feed: +9.01%YoY

Expansion continued since early 2024 to support growing export markets, especially for dog and cat food.



Air-conditioners: +6.46%YoY

Due to the global warming, sales volume increased both domestically and internationally.

Industries with negative impacts (YoY)



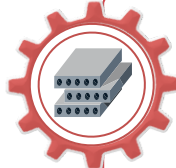
Automobiles: -16.18%YoY

The decline was in line with reduced domestic sales, primarily due to high household debt.



Electronic components: -15.78%YoY

Demand from downstream industries decreased due to global economic downturn.



Concrete products: -9.41%YoY

Production and sales decreased in almost every product due to the slowdown of large-scale government construction projects.

Outlook for the industrial economic situation



In 2024, the MPI is expected to decrease by -1.0% to 0.00%, while the industrial sector's GDP is projected to decline by -0.5% to 0.5%. The decline is affected by the downturn of the domestic economy due to high household and business debt and cheap imports.

	2021	2022	2023	2024 Estimation
Thailand's GDP	+1.6	+2.5	+1.9	2.3 – 2.8
GDP for Industrial Production	+4.7	+0.7	-3.2	(-0.5) – 0.5
MPI (Index)	100.00	101.33	97.50	96.50 – 97.50
MPI (%YoY)	N/A	+1.33	-3.8	(-1.0) – 0.0

Note: N/A = Not Available

Source: GDP by NESDB, MPI by OIE, Data as of October 2024.

2024 Forecasts: - Thailand's GDP by NESDB, Industrial sector's GDP and MPI by OIE

Pressuring Factors



High household and business debt



Cheap imports from overseas



Elevated energy costs

Supporting Factors



Continued growth in tourism



Government budget disbursement



Gradual recovery of the global economy and trade

