





# Situation of Industrial Production in

February 2025




In February 2025, the Industrial Production Index (MPI) **decreased by 3.91% (YOY)**.

- Production slightly declined due to weak domestic purchasing power, pressured by high household debt and cost of living.
- The automotive industry continues to face challenges in both domestic and international markets.
- Concerns over U.S. economic and trade policies.




Production	February 2025
 Manufacturing Production Index (MPI, %YOY)	96.18 <b>(-3.91)</b>
 Capacity utilization rate (CAP-U, %)	59.01

## Industries impacting the MPI in February 2025

### + Industries with positive impact (YoY)

	<b>Sugar: +4.70%</b> Growth was primarily due to increased output of refined and raw sugar. This was driven by a higher volume of sugarcane crushed compared to the previous year, as well as favorable sugarcane prices in the 2023/24 production season, which encouraged farmers to expand cultivation.
	<b>Other rubber products: +5.41%</b> Growth was supported by rubber blocks, compound rubber, and rubber sheets. Many manufacturers produce EUDR-certified products to support increasing orders from China, America, and Europe.
	<b>Canned aquatic animals: +31.60%</b> Growth was driven by canned tuna, with accelerated production to stockpile products due to declining tuna prices.

### - Industries with a negative impact (YoY)

	<b>Automobiles: -12.71%</b> The decrease was due to weak domestic purchasing power, high household debt, tighter loan approvals, and continued contraction in export markets.
	<b>Refined petroleum products: -7.88%</b> The decrease was mainly driven by reduced production of high-speed diesel, gasoline 95, and jet fuel due to maintenance shutdowns at some refineries from 22 Feb. – 9 Mar. 2025.
	<b>Palm oil: -28.58%</b> The decrease was driven by reduced output of crude and refined palm oil following the decline in palm fruit yield due to drought conditions and flooding in the southern region. As a result, the price of oil palm fruit is still high.



In 2025, the MPI and GDP of industrial production are projected to grow by 1.5 – 2.5% (YOY).

This growth is supported by the continued expansion of the tourism sector, ongoing government economic stimulus measures, and a sustained upward trend in exports. However, challenges remain, particularly from increased imports of low-priced goods and U.S. trade policies, which are key risk factors that require close monitoring.



(%YOY)	2024			2024	Estimation for 2025
	Q2	Q3	Q4		
GDP	+2.3	+3.0	+3.2	+2.5	2.3 - 3.3
Industrial GDP	+0.4	+0.3	+0.2	-0.5	1.5 - 2.5
MPI	+0.19	-0.76	-1.75	-1.32	1.5 - 2.5

Source: GDP by NESDC, MPI by OIE, data as of March 2025.

Estimation: Thailand's GDP by NESDC, GDP of industrial production and MPI by OIE

### Supporting factors

-  Tourism sector grows continuously.
-  Government economic stimulus measures.
-  Exports to major trading partners expand continuously.

### Pressuring factors

-  High household and business debts.
-  An influx of cheap imports flooding the market.
-  The potential for increased import tariffs imposed by the US on its trading partners

