



Situation of Industrial Production in

January 2023

Manufacturing Production Index (MPI) in January 2023 **decreased by 4.35% due to**



- The global and Thailand's main trading partners' economic slowdown resulted in decreased foreign orders;
- High inflation and interest rates put pressure on consumers' purchasing power;
- Industries that rely on domestic consumption and tourism, such as palm oil, automobile, petroleum refining, sugar, and medicine, were still able to expand.

Production in January 2023	Index	%YOY
Manufacturing Production Index (MPI)	99.82	-4.35
Capacity utilization rate (CAP-U, %)	62.31	-

Industries affecting the MPI of January 2023

+ Industries that have a positive impact (YOY)

	Petroleum refining +8.96% - an increase in demand for jet fuel and gasohol 95 - the influx of foreign tourists
	Automobiles +6.79% - the expansion of export markets - an increase in the acquisition of semiconductor parts
	Palm oil +69.23% - increasing demand from various industries - increasing demand for imports from Thailand in the Indian market

Industries that have a negative impact (YOY)

	HDD -48.83% - demand fell in line with the global economic slowdown. - the demand for Data Centers and cryptocurrency
	Plastic pellets -23.34% - a continuous decrease in product demand, - some manufacturers shut down the plants for maintenance and stop production temporarily.
	Furniture -48.58% - mainly from wooden and metal furniture - delaying orders because of the dead stock

Industrial economic forecasts



The 2023 MPI and GDP of industrial production are expected to expand by 1.5-2.5%, in line with the recovering domestic economic activities.



(%YOY)	2022				2022	Estimation for 2023
	Q1	Q2	Q3	Q4		
Thailand GDP	+2.2	+2.5	+4.6	+1.4	+2.6	2.7 – 3.7
Industrial Production GDP	+2.0	-0.8	+6.0	-4.9	+0.4	1.5 – 2.5
MPI	+1.44	-1.07	+7.70	-6.04	+0.35	1.5 – 2.5

Source: GDP by NESDB, MPI by OIE, data as of February 2023.

Year 2023 Estimates: Thailand's GDP by NESDB (February 2023);

Industrial production GDP and MPI by OIE (February 2023)

Supporting factors

- Tourism continues to grow
- Economic activities in the country recovered.
- Government expenditure stimulus

Strain factors

- Global economic recession
- Oil prices fluctuation
- Global inflation and interest rate rising

