





# Situation of Industrial Production in

January 2025

In January 2025, the Industrial Production Index (MPI) **decreased by 0.85% (YOY)**.

- Production slightly declined due to weak domestic purchasing power, pressured by high household debt and cost of living.
- The influx of low-priced imported goods undermined the price competitiveness of Thai manufacturers.
- Concerns over U.S. economic and trade policies also contributed to market uncertainty.

Production	Jan. 2025
 Manufacturing Production Index (MPI, %YOY)	98.89 <b>(-0.85)</b>
 Capacity utilization rate (CAP-U, %)	60.38

## Industries impacting the MPI in January 2025



### Industries with positive impact (YoY)



#### Refined petroleum products: +8.87%

mainly driven by jet fuel, diesel, and gasoline 95, following a low base last year due to maintenance shutdowns at some refineries



#### Plastic and primary rubber Sugar: +21.05%

Growth supported by the normalization of operations and rising market demand for products such as polyethylene (PE), ethylene, and styrene butadiene rubber (SBR)



#### Computers and peripheral equipment: +31.60%

Growth was led by increased production of Hard Disk Drives (HDD), particularly Enterprise HDDs, as global demand began to recover after a period of slowdown.



### Industries with a negative impact (YoY)



#### Automobiles: -18.30%

The decrease was due to weak domestic purchasing power, high household debt, tighter loan approvals, and continued contraction in export markets.



#### Palm oil: -31.98%

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.



#### Non-alcoholic beverages: -10.19%

Some manufacturers scaled back the production of sugary drinks in favor of healthier options, such as vitamin-infused water.



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

This growth is anticipated to be driven by the expansion of tourism and the government's economic support measures that are expected to be continuously rolled out. As a result, consumption and investment are likely to recover, along with a continued expansion in exports.



(%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 February 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 debt.



An influx of cheap imports flooding the market.



Volatility in the global economic and trade systems

