Situation of Industrial Production in July 2026

In July 2026, the Manufacturing Production index (MPI) increased by 0.46% (YoY).



- Industries aligned with consumer trends and technological advancements continued to expand, particularly the electronics industry, which was supported by the AI trend and investment in digital infrastructure.
- Government measures helped stimulate purchasing power and ease cost-of-living pressures, particularly the "Thai Chuai Thai Plus" program.
- The depreciation of the baht in July 2026 supported export competitiveness by increasing exporters' baht-denominated revenue and improving the price competitiveness of Thai exports.

Production	July 2026
Manufacturing Production Index (MPI, %YOY)	94.80 +0.46
Capacity utilization rate (Cap-U, %)	57.24

Industries impacting the MPI in July 2026

Industries with Positive Contributions (YoY)

Petroleum: +9.12%
Growth was supported by a low base in July–August 2025, when refineries were temporarily shut down for maintenance.

Computers and peripheral equipment: +28.23%
Growth was supported by the expansion of the data center and AI industries, as well as increased orders for small printers.

Sugar: +28.30%
Growth was supported by higher sugarcane crushing volumes, favorable rainfall, and accelerated production to fulfill contractual deliveries.

Industries with Negative Contributions (YoY)

Palm oil: -22.88%
Production declined due to lower fresh palm fruit output, as extremely hot weather and insufficient rainfall earlier in the year reduced yields.

Chemical fertilizers and nitrogen compounds: -41.31%
Production declined due to weaker domestic demand amid slower purchasing power among farmers, as well as weaker export demand resulting from the Thailand–Cambodia border situation.

Primary plastics and synthetic rubber: -12.99%
Production declined as some producers temporarily suspended operations due to lower orders, while others faced raw material shortages caused by the conflict in the Middle East.

For 2026, the MPI is projected to expand by 0.0 - 0.5%, while GDP from industrial production is projected to grow by 0.75 - 1.75% (YoY).
Growth is expected to be supported by continued export expansion, government economic stimulus measures, particularly the Thai Chuai Thai Plus program, and continued private investment growth. However, prolonged geopolitical tensions, uncertainty surrounding U.S. trade policy, and the slow recovery in domestic consumption remain key downside risks.

(%YOY)	2025	2026		Estimate for 2026
		Q1	Q2	
GDP	+2.4	+2.8	+1.9	2.0 – 2.5
Industrial GDP	+0.5	+1.0	+0.1	0.75 – 1.75
MPI	-0.43	+0.9	-0.3	0.0 – 0.5

Source: GDP by NESDC, MPI by OIE, data as of Aug 2026.
Estimation: Thailand's GDP by NESDC, industrial GDP and MPI by OIE

Upside factors

- Continued export expansion
- Government economic stimulus measures
- Continued private investment growth

Downside factors

- Prolonged Middle East conflict
- U.S. import tariff measures
- High household debt and inflation

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