





Situation of Industrial Production in

March 2025




In March 2025, the Industrial Production Index (MPI) **decreased by 0.66% (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.
- The U.S. trade policy shows a tendency to impose higher import duties.




Production	March 2025
 Manufacturing Production Index (MPI, %YOY)	105.03 (-0.66)
 Capacity utilization rate (CAP-U, %)	63.68

Industries impacting the MPI in March 2025

+ Industries with positive impact (YoY)

	Sugar: +19.94% 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.
	Computers and peripherals +15.93% The increase was mainly driven by Hard Disk Drive (HDD) production, following the demand that began to return after slowing down in the previous period. This increased purchase orders, especially for high-capacity HDDs.
	Other rubber products: +7.40% Growth was supported by auto/motorcycle parts, rubber blocks, and compound rubber. Some manufacturers increase production capacity to support increasing orders from China, the US, and Europe.

Industries with a negative impact (YoY)

	Refined petroleum products: -7.88% The decline was primarily due to reduced production of high-speed diesel and jet fuel, driven by a slowdown in transportation demand, particularly in the tourism sector.
	Automobiles: -12.71% The decrease was in line with the slowdown in the domestic market due to high household debt and stricter credit approval by financial institutions, as well as the continued contraction of the export market.
	Coffee, tea, and herbal drinks: -82.62% The decline was mainly due to a drop in instant coffee production, as major manufacturers are currently involved in legal disputes. This has led to a contraction in both the domestic market (-78.81%) and exports (-69.41%).



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



This growth is supported by strong growth in tourism, ongoing government economic stimulus measures, and continued export expansion. However, challenges such as the influx of low-cost imported goods and US trade policy remain key concerns 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

