



Situation of Industrial Production in

October 2024

In October 2024, the Industrial Production Index (MPI) decreased by 0.91% (YoY).



- Automotive production decreased for the 15th consecutive month in both domestic and export markets due to stricter credit approvals and reduced demand from trading partners.
- The US election caused entrepreneurs to prepare for potential shifts in US economic and trade policies following the election.
- High household debt as a result of liquidity challenges in household spending has weakened domestic purchasing power.
- The problem of cheap imported goods is likely to grow, especially products through online platforms.

Production	Oct. 2024	Jan. – Oct. 2024
Manufacturing Production Index (MPI, %YOY)	-0.91	-1.63
Capacity utilization rate (CAP-U, %)	57.75	58.72

Industries impacting the MPI in October 2024

Industries with positive impact (YoY)

Air-conditioners: +28.98%
Global warming and rising temperatures have significantly increased the demand for air conditioners. Exports also grew as manufacturers adapted to meet Indian market standards.

Computers and peripheral equipment: +39.18%
The growth was primarily driven by a recovery in demand for Hard Disk Drives following a prolonged slowdown. Consumer demand also rose for replacing out-of-warranty products.

Canned aquatic animals: +39.24%
The industry expanded in both domestic and export markets, including the US, Europe, Australia, the Middle East, and Asia. Production was accelerated to meet year-end demand.

Industries with a negative impact (YoY)

Automobiles: -22.19%
The sector experienced a slowdown in both domestic and export markets due to stricter credit approvals and declining demand from trading partners.

Palm oil: -32.60%
The decline was attributed to an earlier harvest season (May–July) compared to the previous year (August–October), resulting in lower production during this period.

Electronics components: -13.02%
Production of ICs and PCBA declined due to the global economic slowdown, particularly in the automotive sector, a key customer group with fewer orders.

Industrial economic forecasts

In 2024, the estimated MPI is projected to decrease by 1.0%, and the industrial GDP is expected to decline by 1.6%.

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

This anticipated growth is supported by factors such as the expansion of tourism and exports, along with government measures expected to stimulate the economy and boost domestic consumption.



(%YOY)	2024			Estimation	
	Q1	Q2	Q3	2024	2025
GDP	+1.6	+2.2	+3.0	2.6	2.3 – 3.3
Industrial GDP	-2.9	0.3	0.1	-1.0	1.5 – 2.5
MPI	-3.58	-0.24	-1.12	-1.6	1.5 – 2.5

Source: GDP by NESDB, MPI by OIE, data as of November 2024.

2024 - 2025 Forecasts: GDP by NESDB, Industrial GDP and MPI by OIE.

Supporting factors

- International trade with key trading partners continues to grow
- Tourism sector maintains an upward trend
- Government economic stimulus measures

Pressuring factors

- Geopolitical tensions.
- Uncertainty in the US economic policies.
- High production costs and elevated household debts.

