



Industrial Production Situation in 2025

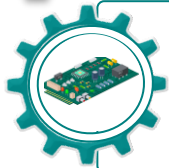


The Manufacturing Production Index (MPI) for January–December 2025 **declined by 0.78 percent** year-on-year, while the capacity utilization rate stood at 58.67 percent. The contraction was driven by several factors, including U.S. trade policies and import tariff measures, high household debt and weak consumption recovery, and tight credit conditions imposed by financial institutions. In addition, further pressures stemmed from the influx of imported goods, rising production costs, the closure of the Thailand–Cambodia border, geopolitical tensions, the appreciation of the Thai baht alongside other currencies, and flooding, all of which weighed on Thailand’s industrial sector. To mitigate these impacts, the Office of Industrial Economics (OIE) is formulating measures to restructure Thailand’s industrial sector, focusing on enhancing Green Productivity, strengthening competitiveness, and promoting sustainable growth.

Industries Influencing the MPI in 2025 (Jan. – Dec.)

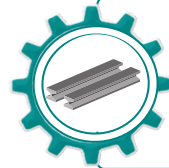


Industries with Positive Impact (YoY)



Electronic components and boards: +5.16% YoY

Growth was driven by PCBA, electronic components, and semiconductors, in line with the continued recovery of the global electronics market.



Basic iron and steel: +6.87% YoY

Expansion was supported by stronger demand following lower product prices, in line with declining imported raw material costs amid the appreciation of the Thai baht.



Prepared pet food: +3.89% YoY

Growth was driven by continued demand expansion, with some manufacturers increasing cat food production capacity and expanding dog food production lines.

Industries with Negative Impact (YoY)



Petroleum: -4.18% YoY

The contraction was driven by refinery maintenance shutdowns, as well as the rising adoption of electric vehicles (EVs) in the domestic market.



Air conditioners: -8.05% YoY

The contraction was driven by weaker domestic and export demand and high inventory levels, although demand shifted toward higher-BTU units.



Non-alcoholic beverage: -9.55% YoY

The contraction was driven by temporary production suspensions by some manufacturers.

Industrial Economic Outlook



In 2025, the MPI and industrial GDP are estimated to grow by 1.0 - 2.0%. Supporting factors include government economic stimulus measures, continued growth in international trade with key trading partners, and the trend toward easing policy interest rates.

(%YoY)	Q1/2025	Q2/2025	Q3/2025	Q4/2025	2025	2026 Estimation
Thailand’s GDP	3.2	2.8	1.2	N/A	+2.0 ^F	1.2 – 2.2
Industrial GDP	0.9	1.7	-1.6	N/A	0.5 ^F	1.0 – 2.0
MPI (Index)	100.18	96.70	93.42	92.95	95.81	96.77 – 97.73
MPI (%YoY)	-1.64	1.41	-2.34	-0.47	-0.78	1.0 -2.0

Note: F = Estimation, N/A = No information is available.
Estimation: Thailand’s GDP by NESDC, industrial GDP and MPI by OIE
Source: GDP by NESDC, MPI by OIE, data as of January 2026.

Supporting Factors



Government economic stimulus measures.



Continued expansion in trade with key trading partners.



An easing trend in policy interest rates

Downside Factors



Uncertainty surrounding U.S. import tariff policies.



High household debt and weak consumption recovery.



Geopolitical tensions

