

Industrial Production Status

| Indicators | 2021 | 2022 | 2022 | | | | | | | | | 2023 | | | |
|------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| %YoY | Year | Year | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. |
| MPI | 5.8 | 0.4 | -0.4 | -2.3 | -0.5 | 6.0 | 14.6 | 3.0 | -4.3 | -5.3 | -8.5 | -4.8 | -2.4 | -3.9 | -8.1 |

In April 2023, the Manufacturing Production Index (MPI) contracted by 8.1 percent from the same period last year. The main factor contributing to this decline was the contraction in exports due to the impact of the global economic slowdown. However, the domestic economy has been gradually recovering, supported by the tourism sector's rebound from the expansion of domestic and international tourists.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in January, February, and March 2023 contracted by 4.8, 2.4, and 3.9 percent, respectively.

| Indicators | 2022 | | | | | | | | | 2023 | | | |
|------------|-------|-----|------|------|------|------|------|------|------|------|------|------|-------|
| %MoM | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. |
| MPI | -17.1 | 7.7 | -0.2 | -2.3 | 4.2 | -1.8 | -4.2 | 2.1 | -1.8 | 6.1 | -0.1 | 6.2 | -20.8 |

For the past three months (January, February, and March 2023) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: an increase of 6.1 percent in January 2023, a slight decline of 0.1 percent in February, and an increase of 6.2 percent in March 2023.

Key industries that contributed to the MPI contraction in April 2023 compared to the same period last year were:

- Hard Disk Drives (HDDs): The industry decreased by 41.59 percent due to advancements in storage capacity technology, leading to reduced production volume. However, there has been an increase in the unit price driven by the higher storage capacity, while the demand for HDDs has decreased. Furthermore, Solid State Drives (SSDs) have gained significant market share, gradually replacing HDDs in various devices. It's worth noting that Thailand currently lacks a manufacturing base for SSDs.

- Iron and steel: The industry decreased by 23.36 percent, primarily attributed to the decrease in long and flat products. This decline can be attributed to the slowdown in downstream industries, including construction, automobile manufacturing, electrical appliance production, and can packaging. Additionally, the fluctuation in prices has led to a slowdown in purchasing orders.

- Furniture: The industry decreased by 36.03 percent from the production of wooden and metal furniture. Specifically, the production of wooden furniture has been on a continuous decline for 14 consecutive months. This decline can be attributed to a decrease in foreign orders from rubberwood furniture manufacturers.

Key industries that remained growing in April 2023 compared to the same month last year were:

- Sugar: The industry increased by 19.15 percent, driven by rising domestic and foreign consumption demand. This was in line with the economy's expansion and utilization in downstream industries. Furthermore, this year's average sugar yield per ton of cane was higher. The main export market for sugar was Indonesia.

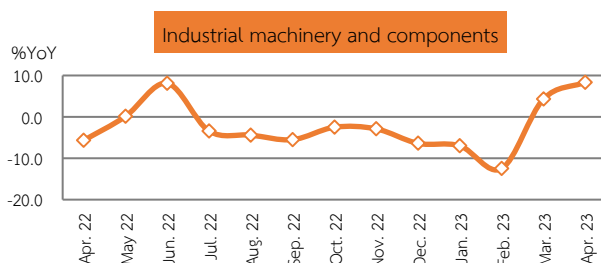
- Petroleum refining: The industry increased by 1.87 percent in line with the increased volume of international tourist travel, reaching a level similar to the first quarter of 2020. Additionally, domestic travel also returned to normal levels.



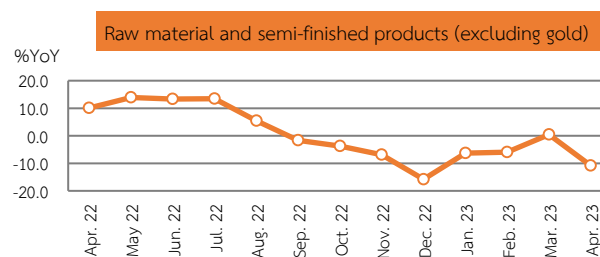
Other Industrial Economic Indicators in April 2023

Other Industrial Economic Indicators in April 2023

■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

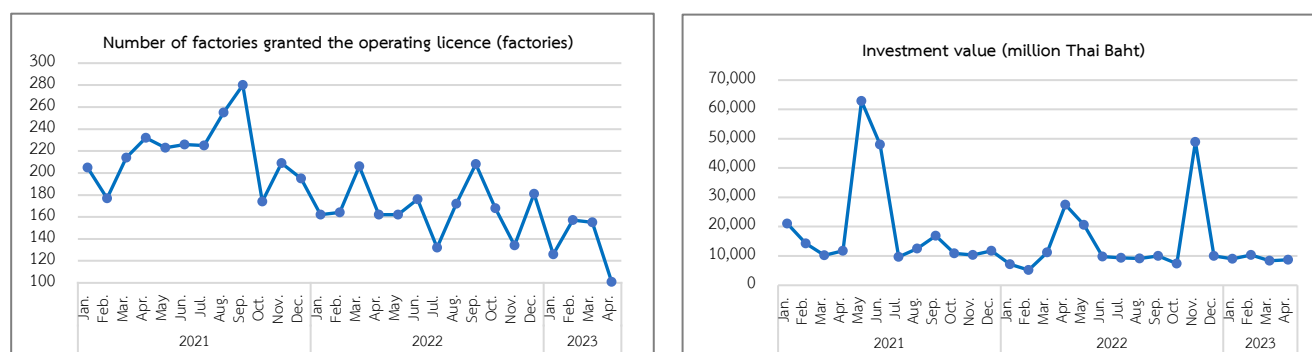


Source: Ministry of Commerce

➡ **Imports of industrial machinery and components** in April 2023 were valued at 1,439.80 million USD, an increase of 8.36 percent compared to the same month last year. The increase was from imports of jet turbines and parts, machinery for other industries and parts, for example.

➡ **Imports of raw and semi-finished goods (excluding gold)** in April 2023 were valued at 8,632.30 million USD, a contraction of 10.83 percent compared to the same month last year. Imports declined among chemical products, iron, and steel and product thereof, for example.

Industrial Operation Status



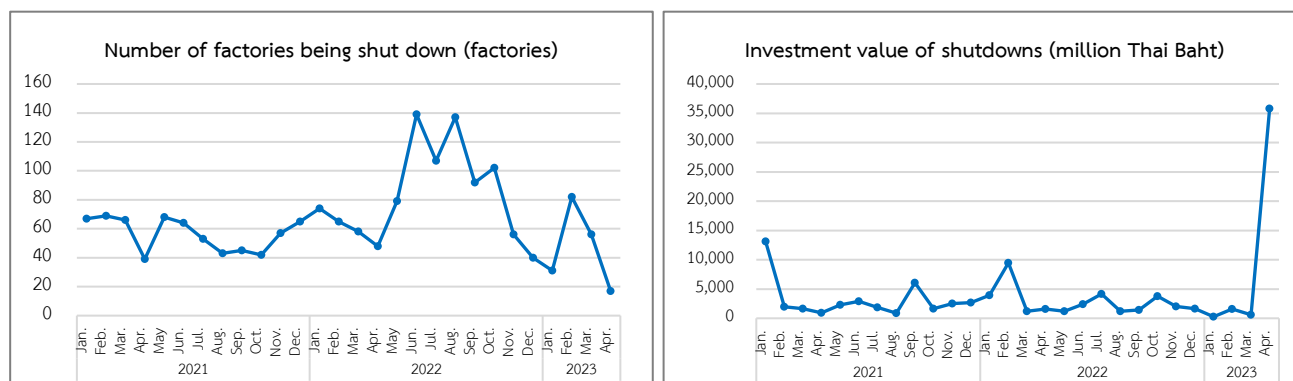
Source: Department of Industrial Works

- The total number of factories licensed for operation in April 2023 was 101 factories, decreasing by 34.84 percent (%MoM) from March 2023 and decreasing by 37.65 percent (%YoY) from the same month last year.
- + The total investment from factories licensed for operating in April 2023 increased by 4.34 percent (%MoM) from March 2023 to 8,674 million Thai Baht but decreased by 68.43 percent (%YoY) from the same month last year.

"The industry with the highest number of newly licensed factories to operate in April 2023 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (12 factories), followed by the excavation or dredging industry of gravel, sand, or soil (11 factories)."

"The industry with the highest investment value in April 2023 was the production industry of substances recognized by pharmacopeias notified by the Minister of Public Health, with a capital investment of 2,254 million Thai Baht. This was followed by the wheat flour production industry, with a capital investment of 2,250 million Thai Baht."

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works

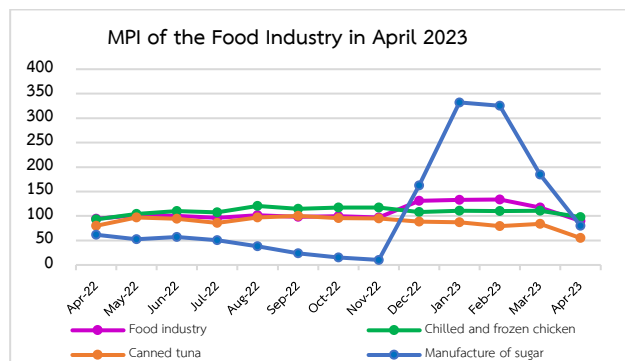
- + A total of 17 factories were shut down in April 2023, decreasing by 69.64 percent (%MoM) from March 2023 and decreasing by 64.58 percent (%YoY) from the same month last year.
- The lost investment value on shutdown in April 2023 totaled 35,797 million Thai Baht, decreasing by 5,912.06 percent (%MoM) from March 2023 and increasing by 2,135 percent (%YoY) from the same month last year.

“The industry with the highest number of factory shutdowns in April 2023 was the excavation or dredging industry of gravel, sand, or soil (2 factories), followed by the sawmilling, planning, slicing, grooving or wood processing industry (2 factories).”

The industry with the highest investment value for business shutdown in April 2023 was the plastic manufacturing industry, specifically in the production of plastic pellets, rods, pipes, tubes, sheets, pieces, powders, or various shapes, with an investment value of 35,601 million Thai Baht, followed by the rice milling, winnowing, or polishing industry, with an investment value of 70 million Thai Baht.

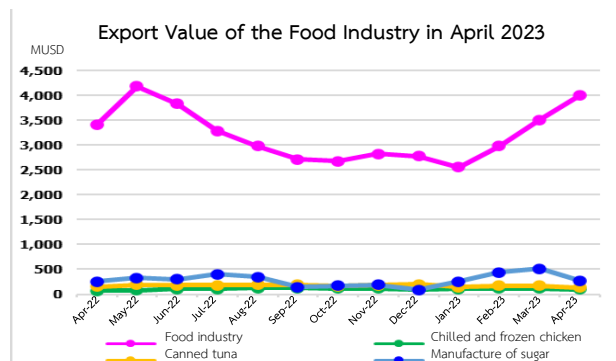
Industrial Economic Status by Industrial Sectors in April 2023

1. Food Industry



Source: The Office of Industrial Economics

➖ The Manufacturing Production Index (MPI) of the food industry in April 2023 decreased by 5.8 percent (%YoY) compared to the same period of the previous year. Food product categories with a decrease in MPI were as follows: 1) Cassava decreased by 35.6 percent, primarily due to a decline in cassava production and a resulting decrease in cassava tubers entering the market. 2) Processed vegetables and fruits decreased by 16.8 percent from canned pineapple (-36.7%) due to lower domestic and export demand. 3) Prepared animal feeds contracted 15.5 percent from prepared pet food (-25.5%), driven by decreased demand from major trading partners. 4) The fisheries sector also declined, with the index contracting by 10.0 percent, particularly in canned tuna (-21.9%). However, some food indexes continued to expand during this period, including 1) Sugar increased in the index by 19.1 percent from refined sugar (40.6%) and white sugar (40.1%). The growth was supported by increasing demand for domestic and international consumption in line with economic expansion for use in the downstream industry. Moreover, the average sugar yield per ton of cane was also higher, and the main export market was Indonesia. 2) Beer increased in the index by 17.6 percent, primarily due to increased consumption demand during the Songkran festival and higher foreign tourist arrivals. 3) Palm oil increased in the index by 7.9 percent, with refined palm oil (18.8%) and crude palm oil (0.1%) contributing to the expansion. The increase was due to increased oil palm production, resulting in lower crude and refined palm oil prices and higher domestic market demand. 4) Livestock increased in the index by 0.3 percent from frozen and chilled chicken meat (0.8%), attributed to domestic and international consumption demand, with China and Japan being the main export markets for livestock products.



Source: Ministry of Commerce

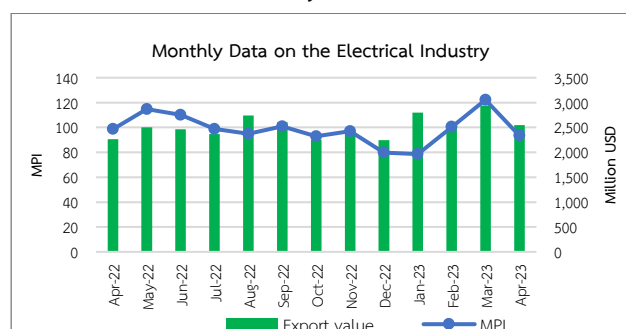
➕ Domestic sales: In April 2023, the production volume for domestic sales of food products increased by 3.2 percent (%YoY) from key products, including 1) soft drinks with an increase of 36.6 percent, 2) crude palm oil with an increase of 32.6 percent, 3) beer with an increase of 24.7 percent, 4) white sugar with an increase of 15.5 percent, and 6) refined palm oil with an increase of 9.5 percent.

➕ Export markets: In April 2023, overall food exports increased by 17.2 percent compared to the same period last year (%YoY), driven by the following products: 1) Fruits and vegetables increased from key products including fresh, chilled, frozen, and dried fruits exported to China and Hong Kong. 2) Rice and grains increased from rice exported to major markets, namely, Iraq and South Africa markets. 3) Livestock increased from fresh and frozen chicken exported to China and Japan, and 4) Sugar increased from sugar exported to Indonesia. As for beverages, export value grew by 2.4 percent compared to the same period last year.

Industry Outlook: In May 2023, the overall food industry is projected to expand compared to the same period last year due to the growth of the domestic consumption and tourism sector which increased in the number of foreign tourists who gradually visit Thailand continuously. The value of exports is projected to expand due to the demand for food products from trading partners, the recovery of China, and expansion of exports to new markets. Nevertheless, it is important to monitor the ongoing slowdown in the global economy and financial conditions.

2. Electrical and Electronics Industry

■ Electrical Industry



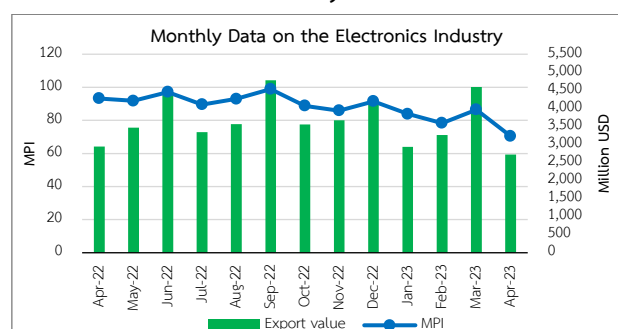
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➖ **Production of electrical appliances** reached an MPI of 93.5 points, a decrease of 5.1 percent compared to the same month last year. The production of certain products experienced decreases, such as fans (-34.6%), electric motors (-33.6%), refrigerators (-20.3%), and rice cookers (-17.1%), which can be attributed to reduced domestic sales. However, there was an increase in the production of air conditioners (11.2%) and washing machines (-11.5%) due to an increase of domestic sales.

➕ **Exports of electrical appliances** were valued at 2,545.7 million USD, an increase of 12.4 percent compared to the same month of the previous year. Products that increased in orders included fans, valued at 10.5 million USD, an increase of 4.1 percent in Japan and ASEAN markets. Exports of electrical transformers were valued at 5.40 million USD, an increase of 0.6 percent in the Chinese market. On the other hand, products with a decline in orders were refrigerators, valued at 117.9 million USD, a decrease of 24.7 percent in ASEAN, Europe, and Japan markets; microwave ovens, valued at 14.3 million USD, a decrease of 22.8 percent in the US and Japan markets; air conditioners, valued at 460.1 million USD, a decrease of 8.3 percent in ASEAN market.

"Outlook for May 2023: The electrical appliance industry is expected to decline compared to the same month last year. Since it is the beginning of the rainy season, the weather is less hot, causing the demand for air conditioners to decrease."

■ Electronics Industry



Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

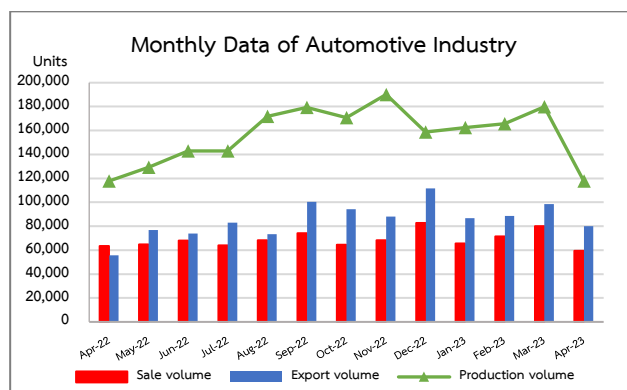
➖ **Production of electronic products** reached an MPI of 70.5 points, a decrease of 24.5 percent compared to the same month last year. Products that contracted in production were HDDs (57.5%) PWBs (-21.5%), Semiconductor devices Transistor (-18.4%), and PCBAs (-13.6%) due to decreased domestic sales and foreign purchase orders.

➖ **Exports of electronic products** reached a value 2,718.4 million USD, showing a contraction of 7.5 percent when compared to the same month of the previous year. Products that experienced a decrease in orders included HDDs, with a value of 189.5 million USD, declining by 47.2 percent in the markets of ASEAN, the US, and Japan. Printed Circuit had a value of 99.6 million USD, decreasing by 14.7 percent in the US, ASEAN, and Europe markets. Diodes, transistors, semiconductor devices, and related components had a value of 54.7 million USD, declining by 14.0 percent in the US, ASEAN, and Japan markets. Integrated circuits had a value of 715.8 million USD, decreasing by 0.8 percent in the ASEAN market.

"Outlook for May 2023: The electronics industry is expected to decline continuously compared to the same month last year. The decline is due to rising production costs and market share with neighboring countries such as Malaysia, Vietnam, India, etc."

3. Automotive Industry

■ Automotive Manufacturing Industry



Source: The Office of Industrial Economics who obtained data from Automotive Division, Federation of Thai Industries.

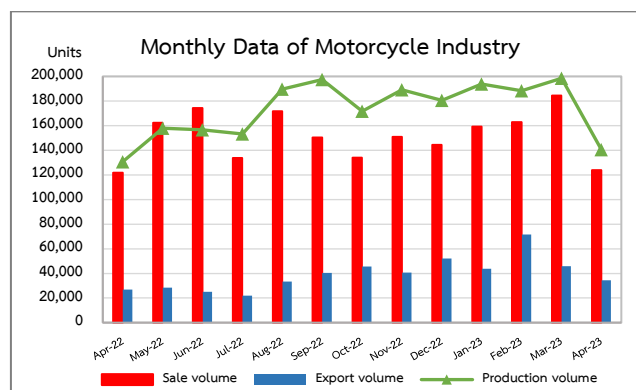
➖ **Production of automobiles** in April 2023 reached 117,636 units, a decrease of 34.59 percent from March 2023 (%MoM) and a slight decrease of 0.13 percent from the same month last year (%YoY). This decrease in production can be attributed to a reduction in the manufacturing of 1-ton pickup trucks and commercial vehicles, primarily caused by a decrease in the number of working days.

➖ **Domestic automobile sales** in April 2023 reached 59,530 units, a decrease of 25.53 percent from March 2023 (%MoM) and a decrease of 6.14 percent compared to the same month last year (%YoY). This decline in sales was from passenger cars, 1-ton pick-up trucks, and commercial vehicles, which resulted from stricter loan approval processes by financial institutions due to high household debt levels and increasing interest rates.

➕ **Automobile exports** in April 2023 reached 79,940 units, a decrease of 18.74 percent from March 2023 (%MoM) but an increase of 43.53 percent compared to the same month last year (%YoY). Export markets showed an increase in Asia, Oceania, the Middle East, Africa, and Europe due to the low base last year resulting from a shortage of semiconductor components.

"Automotive Industry outlook for May 2023: The industry is expected to grow in May 2023 compared to May 2022 due to an expansion of export markets and the easing of the semiconductor shortage situation."

■ Motorcycle Manufacturing Industry



Source: The Office of Industrial Economics who obtained data from Automotive Division, Federation of Thai Industries.

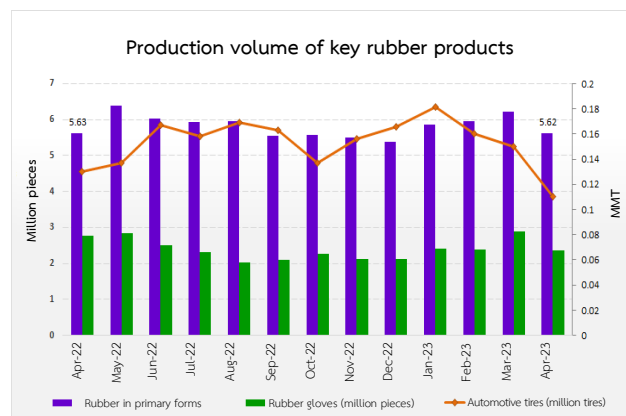
➕ **Production of motorcycles** in April 2023 reached 140,444 units, a decrease of 29.25 percent from March 2023 (%MoM) but a decrease of 7.42 percent from the same month last year (%YoY). The growth was driven by increased production of multipurpose and sport motorcycles.

➕ **Motorcycle sales** in April 2023 reached 123,959 units, a decrease of 32.80 percent (%MoM) from March 2023 but an increase of 1.73 percent (%YoY) from the same month last year. The growth was driven by increased sales of motorcycles sized between 51-110 cc and 251-399 cc.

➕ **Exports of CBU motorcycle** in April 2023 reached 34,526 units, a decrease of 24.70 percent compared to March 2023 (%MoM) but an increase of 28.58 percent from the same month last year (%YoY). The growth was driven by increased exports to Japan, the US, Australia, and the Netherlands.

"Motorcycle Industry outlook for May 2023: The industry is expected to grow in May 2023 compared to May 2022, driven by an increasing domestic market and an expanding export market."

4. Rubber and Rubber Product Industry



Source: The Office of Industrial Economics

Production

➔ *Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex)* decreased by 13.37 percent from the production growth of sheet rubber and concentrated latex.

➔ *Automotive tires* decreased by 0.18 percent due to a decrease in tire production for pickups, trucks and bus, and tractors.

➔ *Rubber gloves* decreased by 13.42 percent due to the continued decline in demand for rubber gloves in the domestic and global markets.

Domestic Sales

➔ *Processed rubber in primary forms (rubber sheets, block rubber, and concentrated latex)* increased by 2.20 percent due to a decrease in demand for block rubber in downstream industries.

➔ *Automotive tires* decreased by 6.42 percent due to the slowdown of domestic automobile industry.

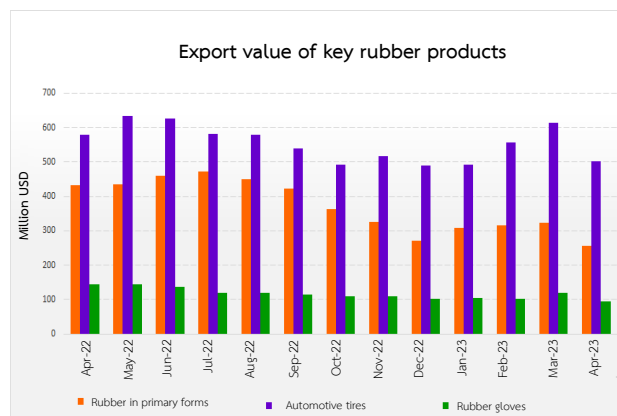
➔ *Rubber gloves* decreased by 8.88 percent because the domestic demand for rubber gloves in disease prevention dropped.

Exports

➔ *Processed rubber in primary forms (rubber sheets, block rubber, and concentrated latex)* decreased by 39.91 percent in export value. This decrease can be attributed to reduced exports of sheet rubber to Japan, block rubber to the US, along with decreased exports of concentrated latex to Malaysia.

➔ *Automotive tires* decreased by 13.16 percent in export value, mainly due to the slowdown in exports to the US market.

➔ *Rubber gloves* decreased by 34.44 percent as demand for medical gloves in the global market has dropped.



Source: Ministry of Commerce

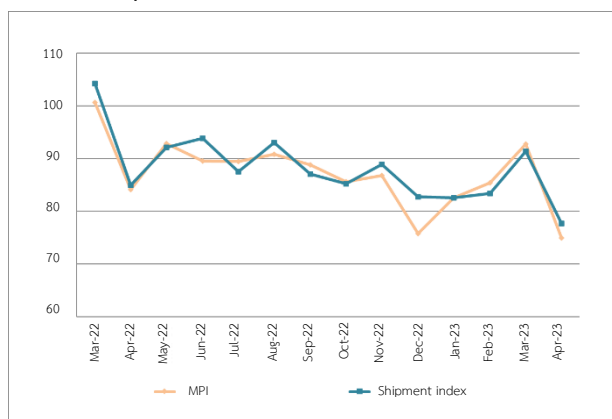
Industry Outlook for May 2023

The production of processed rubber in primary forms (rubber sheets, block rubber, and concentrated latex) is expected to slow down due to decreased demand in foreign markets, especially in key export markets such as Japan, the US, Malaysia, and China. The production of automotive rubber products is expected that there will be a recovery in demand for automotive rubber products in the Replacement Equipment Manufacturer (REM). The production of rubber gloves is expected to remain sluggish compared to the high production levels of the previous year and the declining demand for rubber gloves in the global market. However, the domestic sales of rubber gloves are expected to expand due to the increased demand for medical gloves, particularly during the rainy season when the spread of diseases caused by viruses such as the flu easily occurs.

Export values of processed rubber in primary forms (rubber sheets, block rubber, and concentrated latex) are expected to decrease. This results from key export markets such as Japan, the US, and Malaysia tend to reduce orders of these products from Thailand. Regarding the export of automotive tires, it is anticipated that there will be an increase in value due to the growing demand for the products in secondary markets such as South Korea, Saudi Arabia, and Australia. However, the export value of rubber gloves is expected to decline continuously due to global demand for rubber gloves, and prices have dropped.

5. Plastics Industry

MPI and Shipment Index



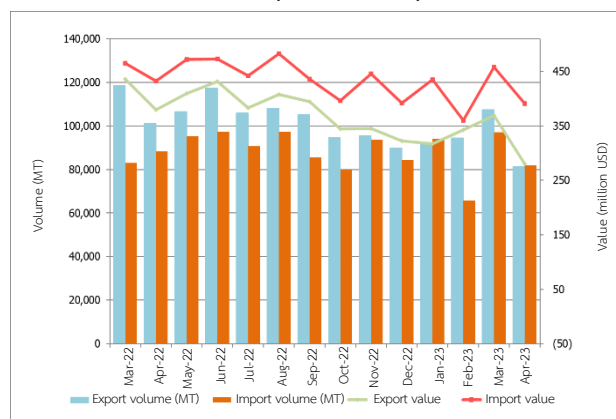
Source: The Office of Industrial Economics

❌ **The Manufacturing Production Index (MPI)** in April 2023 contracted by 10.94 percent compared to the same period the previous year. Many plastic products experienced a decline in MPI, such as plastic film (-28.72%), plastic sheet (-21.50%), and plastic sacks (-15.22%) compared to the same period last year.

❌ **The shipment index** in April 2023 contracted by 8.5 percent. Many plastic products experienced the decline in shipment index, such as plastic sheets (-27.95%), other plastic film (-15.14%), plastic sacks (-15.04%) compared to the same period last year.

❌ **Exports** in April 2023 were valued at 280.41 million USD, a decrease of 26.15 percent compared to the same period last year. Products contributing to the decline in exports included plastic sanitary ware (HS 3922) (-42.40%), articles for the conveyance or packing of goods (HS3923) (-31.71%), and floor coverings of plastics (HS 3918) (-31.69%) compared to the same period last year.

Volume and Value of Exports and Imports



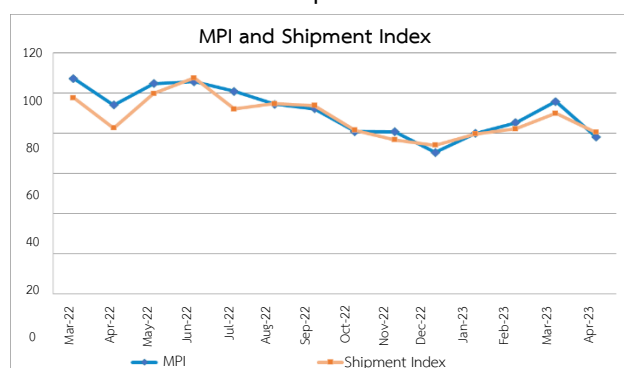
Source: Office of the Permanent Secretary, Ministry of Commerce

❌ **Imports** in April 2023 were valued at 391.31 million USD, a decrease of 9.52 percent compared to the same period last year. Key products contributing to the decline in imports were household articles (HS 3924) (-27.28%); monofilament (HS 3916) (-24.24%), and builders' ware of plastics (HS 3925) (-23.14%) compared to the same period last year.

Plastics Industry Outlook: In May 2023, the industry is projected to decline in production due to fluctuating oil prices, leading to reduced trading activity in the market. Some plastic prices are starting to stabilize, but overall regional trading remains sluggish. Buyers are adopting a cautious approach, closely monitoring the situation and prices of producers. Exports will decrease in line with major markets such as Japan, the US, Vietnam, China, etc.

6. Chemical products Industry

MPI and Shipment Index



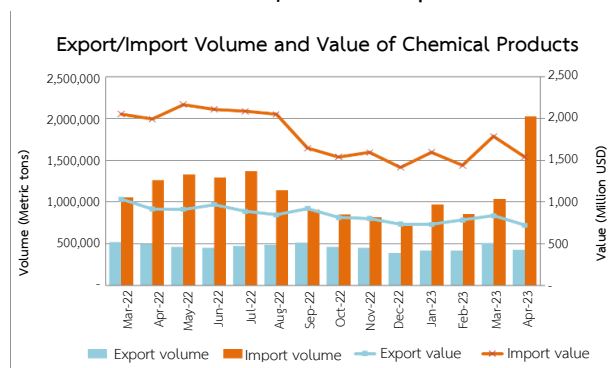
Source: The Office of Industrial Economics

➡ **The Manufacturing production index** in April 2023 experienced a significant contraction of 16.89 percent compared to the same period last year. Within the basic chemicals segment, there was a decrease of 4.24 percent. The products that experienced a contraction included hydrochloric acid (-12.06%), ethanol (-8.13%), and caustic soda (-2.61%) compared to the same period last year. Moreover, the downstream chemicals group also faced a decline of 21.78 percent. Among the products produced within this group, the products that experienced a contraction included cleaning agents (-56.27%), chemical fertilizers (-49.30%), and talcum powder (-39.71%) compared to the same period last year.

➡ **The shipment index** in April 2023 decreased by 2.59 percent compared to the same period last year. Within the basic chemicals segment, there was a decline of 3.27 percent. The products that experienced a contraction included hydrochloric acid (-17.64%), caustic soda (-8.70%), and chlorine (-8.17%) when compared to the same period last year. As for the downstream chemicals group, it contracted by 2.36 percent, with products that experienced a decline, including cleaning agents (-49.11%), talcum powder (-37.96%), and dishwashing liquid (-13.34%) when compared to the same period the previous year.

➡ **Exports** in April 2023, the total export value amounted to 722.69 million USD, experiencing a contraction of 21.11 percent compared to the same period the previous year. The export value of the basic chemicals segment was 410.74 million USD, which declined by 28.92 percent. As for the downstream chemicals group, the export value was 311.95 million USD, contracting by 7.77 percent compared to the same period the previous year. The products that contributed to the decrease in export value included organic chemicals (-42.57%), dyes (-20.51%), and miscellaneous chemicals (-16.31%) compared to the same period the previous year.

Volume and Value of Exports and Imports

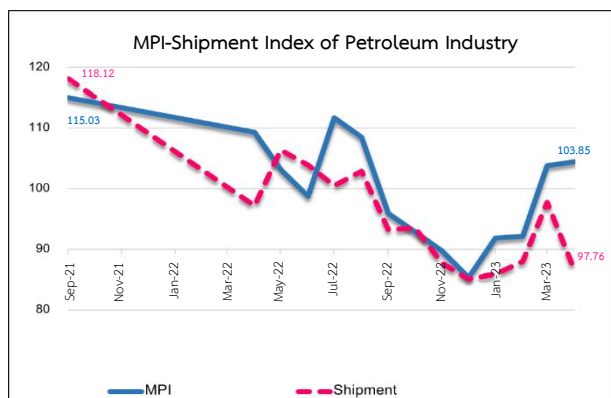


Source: Office of the Permanent Secretary, Ministry of Commerce

➡ **Imports** in April 2023 decreased in value by 22.68 percent to a total value of 1,539.23 million USD compared to the same period last year. The basic chemical product segment decreased by 20.08 percent, with imports valued of 1,026.29 million USD. Imports of the downstream chemical product segment also decreased by 27.40 percent, with imports valued of 512.94 million USD compared to the same period last year.

Chemical Industry Outlook for May 2023. The industry is expected to be impacted by fluctuating crude oil prices and economic uncertainties worldwide. These factors are likely to result in a slowdown in the production of goods. Regarding exports, oil-related products, such as plastic pellets and chemicals, are expected to contract from major markets like China, Japan, India, and Vietnam.

7. Petrochemical Industry

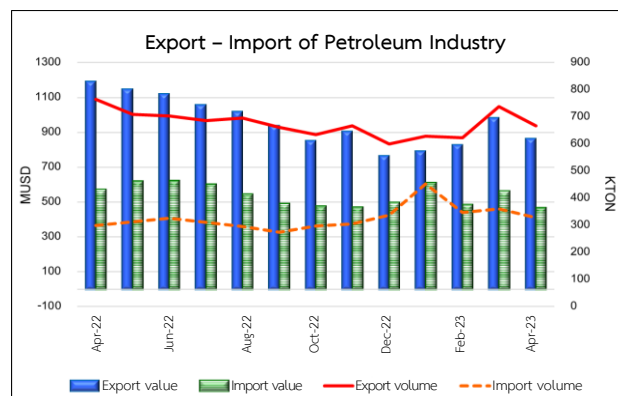


Source: The Office of Industrial Economics

+ The Manufacturing Production Index stood at 104.48, a contraction of 4.44 percent compared to the same period the previous year but an increase of 0.23 percent compared to last month. This decline was primarily seen in the basic petrochemicals, such as Propylene, which contracted by 6.27 percent compared to the same period the previous year, and in the downstream petrochemicals, including ABS resin and PS resin, which shrank by 26.46 percent and 18.04 percent, respectively, when compared to the same period the previous year. The slowdown in production resulted from maintenance shutdowns at gas separation plants and a decrease in demand.

- The shipment index in April 2023 stood at 86.59, a decrease of 10.92 percent compared to the same period last year and a decrease of 10.81 percent compared to the previous month. This decline was observed in basic petrochemicals, such as Propylene, which contracted by 11.92 percent compared to the same period the previous year, and in advanced petrochemicals, including PE resin, which decreased by 16.55 percent compared to the same period last year.

- Exports in April 2023 were valued at 865.72 million USD, a decrease of 27.47 percent compared to the same period last year and a contraction of 12.05 percent compared to the previous month. This contraction was observed in the downstream petrochemicals sector, such as PP resin, and in the basic petrochemicals sector, such as Propylene and PET. The market situation is characterized by speculation and waiting for prices to decrease. Additionally, there has been a decrease in demand for downstream production. Moreover, the US has shifted its focus to exporting to the Asian market, which has become the primary market for Thailand, as demand from the EU has slowed down.

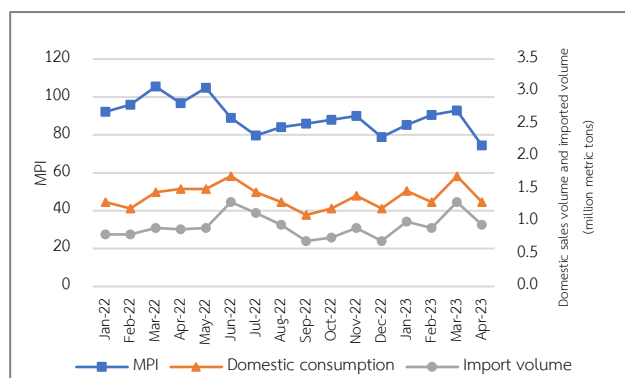


Source: Office of the Permanent Secretary, Ministry of Commerce

- Imports in April 2023 were valued at 469.2 million USD, a decrease of 18.33 percent compared to the same period last year and a decrease of 16.72 percent compared to last month. The decrease was primarily seen in the imports of basic petrochemical, such as Styrene and downstream products like PE and PP resins.

Outlook for May 2023. The overall industry is projected to slow down compared to the same period of the previous year. This is primarily attributed to the decreased demand for plastic, driven by the sluggishness in exports, particularly in basic petrochemicals like Ethylene and Propylene. The decline in demand is further exacerbated by the fluctuating prices in line with crude oil prices, which have been affected by production halts in many countries due to the prolonged Ukrainian-Russian conflict.

8. Iron and Steel Industry



Source: The Office of Industrial Economics / Iron and Steel Institute of Thailand

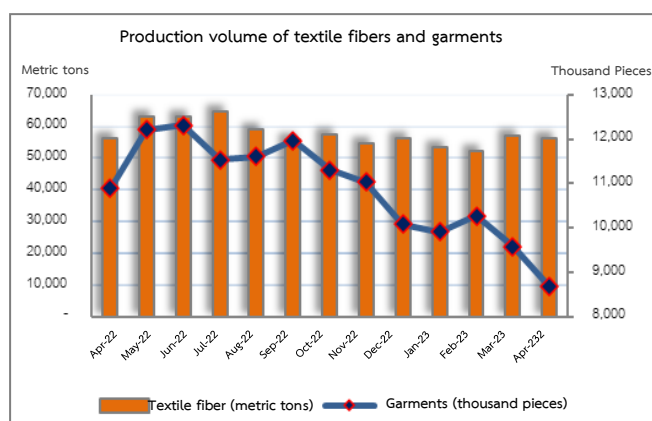
❌ The Manufacturing Production Index (MPI) in April 2023 stood at 74.4 points, contracting by 23.4 percent compared to the same period last year. This slowdown is mainly due to the prolonged sluggishness in continuous industries such as construction and automotive, delayed orders caused by price volatility, and the import of cheaper products. When considering the key products, the industrial production index for long products declined by 69.1 percent, with the most affected product being wire rods (-51.4%), followed by hot-rolled structural steel (-47.0%), round bars (-36.4%), wires (-19.3%), and cold-rolled structural steel (-17.5%). As for flat products, the industrial production index stood at 74.3 points, a decrease of 27.9 percent. The most affected product in this category was hot-rolled coils (-45.2%), followed by tinplate (-25.1%), cold-rolled sheets (-23.6%), and galvanized color-coated sheets (-7.8%).

❌ Domestic consumption in April 2023 reached the volume of 1.3 million metric tons, a decrease of 11.6 percent compared to the same period last year. Long product consumption amounted to 0.5 million metric tons, decreasing by 13.2 percent from the consumption of rebars, structural steel sections, and wire rods. Meanwhile, flat product consumption amounted to 0.8 million metric tons, decreasing by 10.5 percent from the decreased consumption of chromium-coated sheets, tinplates, cold rolled sheets, and hot rolled coils/sheets.

➕ Imports in April 2023 reached the volume of 0.95 million metric tons, an increase of by 6.0 percent compared to the same period last year. The increase in imports was observed in the long steel group, while the flat products experienced a slight shrinkage. For long products, imports reached 0.26 million tons, an increase of 29.8 percent. Long products that increased in imports included carbon structural steel sections (major markets that Thailand's imports decreased were Malaysia, China, Saudi Arabia, and the US); alloy steel rebars (major markets that Thailand's imports decreased were China), and alloy steel wire rods (major markets that Thailand's imports decreased were China and Taiwan). As for flat products, the import volume reached 0.69 million metric tons, a decrease of 0.7 percent. chromium-coated sheet (major markets that Thailand's imports decreased were China, South Korea, and Japan), cold-rolled carbon steel sheets (major markets that Thailand's imports decreased were Taiwan, South Korea, and India), hot-rolled steel sheets (coil/sheets) of Stainless Steel (mainly from China, Indonesia, and Malaysia), and hot-rolled stainless-steel plates (major markets that Thailand's imports decreased were Japan and China).

"Iron and steel industry outlook for May 2023. The industry is expected to contract compared to the same period last year due to the declining prices of raw materials (Billet and iron scrap) in the global market, leading consumers to delay purchasing to assess price directions. In addition, there is anticipated to be an increase in imports of low-priced steel from overseas. Nevertheless, there are important issues to monitor, including the progress of state and private sector construction projects in the country, the economic and trade situation globally, foreign steel prices, and China's steel industry policy, as it is a major producer, consumer, and exporter of steel in the world."

9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics

Production

➕ Textile fibers, fabrics, and garments decreased by 1.17, 26.02, and 20.48 percent (%YoY), respectively. However, when compared to the previous month (%MoM), there was a growth of 1.24 percent in polyester fiber products. This increase can be attributed to the growing demand for raw materials that align with environmental conservation trends and consumer environmental awareness. Moreover, polyester fibers are increasingly used as raw materials in producing technical textiles with specialized functional properties, such as waterproof and fireproof woven fabrics, which are innovative products in the industrial sector.

Domestic sales

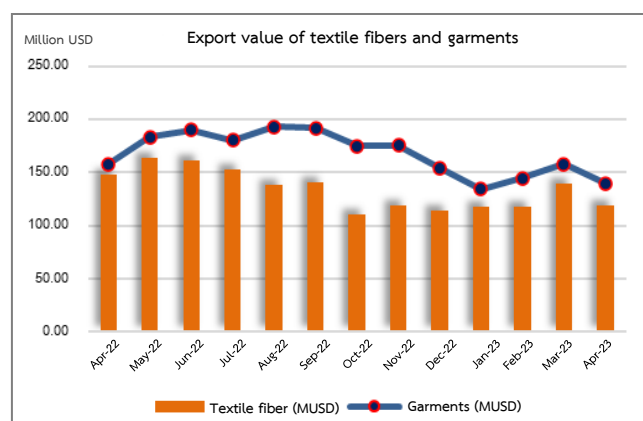
➖ Textile fibers and fabrics sales contracted by 6.70 percent and 34.13 percent (%YoY).

➕ Garment sales increased for the eleventh consecutive month, an increase of 12.05 percent (YoY) in woven and knitted garments categories. This growth was driven by the demand surge during the Songkran Festival in April 2023, the election atmosphere, and preparations for the school reopening in May 2023.

Imports

➖ Yarns and fiber imports contracted by 10.22 percent (YoY). Fabric imports also contracted by 19.49 percent.

➕ Garment imports increased by 2.79 percent in key markets such as China, Italy, and Vietnam to support people's spending from domestic demand, which continued to recover in line with the recovery of people's income according to the domestic economic situation. This, along with lower inflation, contributed to the increase in consumption.



Source: Ministry of Commerce

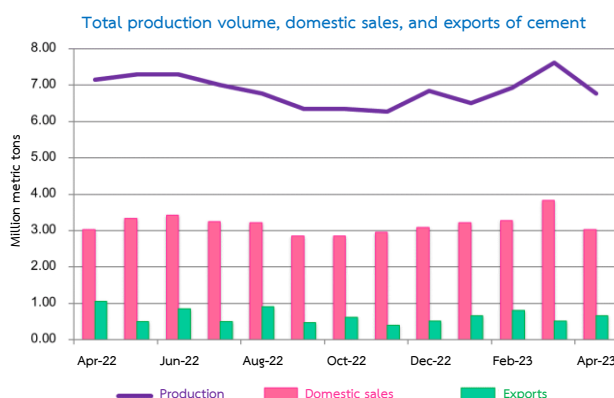
Exports

➖ Exports of textile fibers to key markets such as Japan, China, and India experienced a decline of 19.85 percent (%YoY). Similarly, fabric exports to key markets, including Vietnam, Myanmar, and Cambodia, decreased by 29.63 percent (%YoY). Garment exports to major markets like the US, Japan, and Belgium also decreased by 11.49 percent (%YoY). These declines can be attributed to reduced purchase orders from major trading partners, partly influenced by environmental trends. Furthermore, the apparel retail sector in the US is gradually decreasing its reliance on apparel imports from Asian countries, resulting in a contraction of Thai textile and apparel exports throughout the supply chain. These factors were further exacerbated by the global economic slowdown, which has impacted consumer purchasing power and economic activity worldwide.

Industry Outlook for May 2023

The textile and wearing industry is anticipated to experience growth in line with the ongoing recovery of the domestic economy. However, it is crucial to monitor inflation issues prevalent in many countries worldwide, prolonged geopolitical conflicts, and fluctuations in exchange rates. These may be strain factors affecting the economies of trading partners. Additionally, production costs have risen due to adjustments in automatic variable electricity (FT) rates and increases in the minimum wage, which have implications for production costs and Thailand's competitiveness.

10. Cement Industry



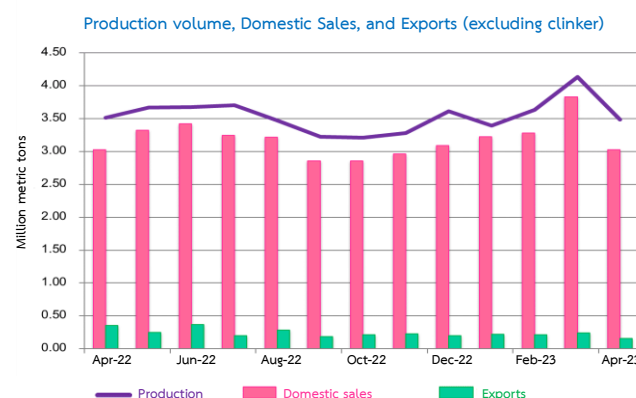
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➖ **Total production of cement** in April 2023 reached 6.78 million metric tons, a decrease of 5.30 percent from the same month last year (%YoY). This decline can be attributed to the presence of fewer working days compared to regular months, mainly due to the extended holiday period during the Songkran Festival.

➕ **Total domestic sales of cement** in April 2023 reached 3.03 million metric tons, an increase of 0.03 percent compared to the same month last year (%YoY). This growth can be attributed to the positive impact of the real estate sector, which has benefited from the country's reopening to tourists, allowing full-scale entry of visitors.

➖ **Total cement exports** in April 2023 were at 0.66 million metric tons, decreasing from the same month last year by 37.43 percent (%YoY). This decrease was primarily attributed to a lack of orders from Sri Lanka, and there was a reduction in orders from many key export markets, including the Philippines (-98.50%), Vietnam (-66.96%), Cambodia (-54.95%), Myanmar (-39.49%), and Bangladesh (-36.78%).

The outlook for the cement manufacturing industry in May 2023 is expected to stabilize. Positive factors contributing to this include the resumption of normal working days, while negative factors include the impact on export markets due to the global economic slowdown.



Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➖ **Cement production (excluding clinker)** in April 2023 reached 3.49 million metric tons, a decrease 0.85 percent (%YoY) from the same month last year.

➕ **Domestic cement sales (excluding clinker)** in April 2023 reached 3.03 million metric tons, an increase of 0.03 percent (%YoY) compared to the same period last year. This growth can be attributed to the country's economic improvement resulting from the reopening to tourists, allowing full-scale entry of visitors.

➖ **Exports of cement (excluding clinker)** in April 2023 reached 0.15 million metric tons, a decrease of 56.08 percent (%YoY) compared to the same month last year. This decrease was primarily attributed to a lack of orders from Bangladesh and Sri Lanka markets. Additionally, there was a reduction in orders from key export markets, including Vietnam (-66.96%), Cambodia (-55.10%), and Myanmar (-40.02%).

The outlook for the cement manufacturing industry (excluding clinker) in May 2023 is expected to stabilize. Positive factors contributing to this include the resumption of regular working days and advancements in large-scale government construction projects. However, negative factors such as the impact on export markets due to the global economic slowdown and the cautious approach of real estate developers in making additional investment decisions while awaiting the policies of the new government.