

## Industrial Production Status

Indicators	2021	2022	2022					2023							
%YoY	Year	Year	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.
MPI	5.8	0.4	14.6	3.0	-4.3	-5.3	-8.5	-4.8	-2.4	-3.9	-8.7	-3.1	-5.0	-4.7	-7.5

In August 2023, the industrial economic situation, as measured by the **Manufacturing Production Index (MPI)**, contracted by 7.5 percent compared to the same period the previous year. This contraction was primarily influenced by the fragile global economic conditions and a slow recovery in the domestic economy with risk factors from high levels of household debt and escalating interest rates on loans. This resulted in increased financial costs and debt burdens for entrepreneurs. Nevertheless, there were supportive factors from the expansion of the tourism sector to support domestic consumption, including the decline of the inflation rate.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in May, June, and July 2023 contracted by 3.1 percent, 5.0 percent, and 4.7 percent respectively.

Indicators	2022					2023							
%MoM	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.
MPI	4.2	-1.8	-4.2	2.1	-1.8	6.1	-0.1	6.2	-21.3	14.3	-2.2	-2.0	1.1

For the past three months (May, June, and August 2023) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: an increase of 14.3 percent in May, a decrease of 2.2 percent in June, and a decrease of 2.0 percent in July.

**Key industries that contributed to the MPI contraction in August 2023** compared to the same period last year included:

- **Automobiles:** The industry contracted by 11.39 percent contraction mainly due to the shrinkage of the domestic market from increased strictness in loan approval by financial institutions and consumers postponing purchases to wait for promotions from year-end car exhibitions.
- **Electronic components:** The industry contracted by 13.65 percent contraction following the slowdown in the global market. Most manufacturers decreased in production and sales. Some produced products with high value but smaller production volume.
- **Hard Disk Drives (HDDs):** The industry contracted by 32.36 percent due to advancements in capacity technology, resulting in decreased production volume. However, the unit price increased based on capacity, while demand for HDDs decreased. Additionally, Solid State Drives (SSDs) are increasingly replacing HDDs in various devices. However, Thailand still lacks a domestic SSD production base.

**Key industries continued to expand in August 2023** compared to the same month last year included:

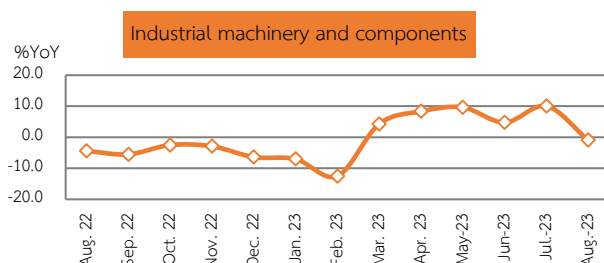
- **Sugar:** The industry grew by 40.5 percent in line with increased consumption demand in both domestic and export markets. Particularly, refined sugar increased in line with orders from the domestic market, driven by orders from supermarkets aiming to meet the needs of customers in the food, beverages, condiments, cosmetics, and medical supplies and export markets in ASEAN, South Korea, and Taiwan.
- **Chemical fertilizer:** The industry grew by 29.52 percent growth as fertilizer prices decreased from the previous year, coupled with promotions to stimulate sales, caused products to be continuously released.



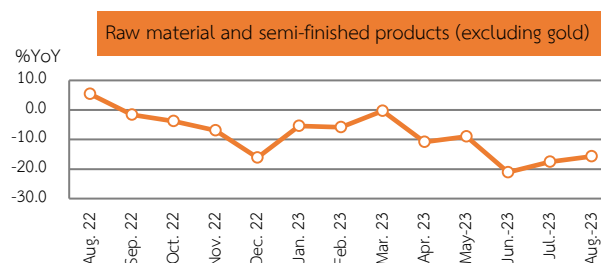
# Other Industrial Economic Indicators in August 2023

## Other Industrial Economic Indicators in August 2023

### ■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

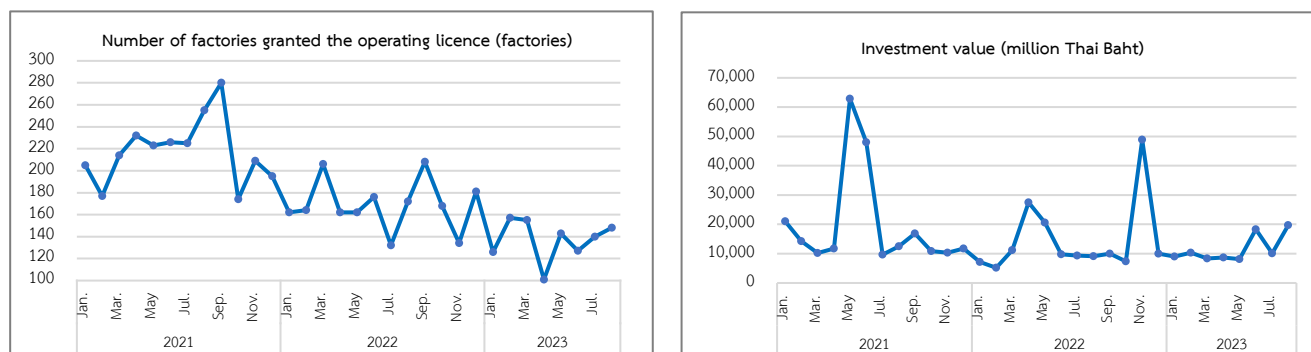


Source: Ministry of Commerce

**+** **Imports of industrial machinery and parts** in August 2023 were value at 1,605.33 million USD, an increase of 0.94 percent compared to the same month last year. This growth was attributed to increased imports of products such as machinery for processing wood and components, jet turbines and components, machinery and equipment for processing rubber or plastic, for example.

**-** **Imports of raw and semi-finished goods (excluding gold)** in August 2023 were valued at 8,716.22 million USD, a decrease from the same month in last year by 15.70 percent. The decline in imports was particularly notable in products such as chemical products, iron, steel and related products.

## Industrial Operation Status



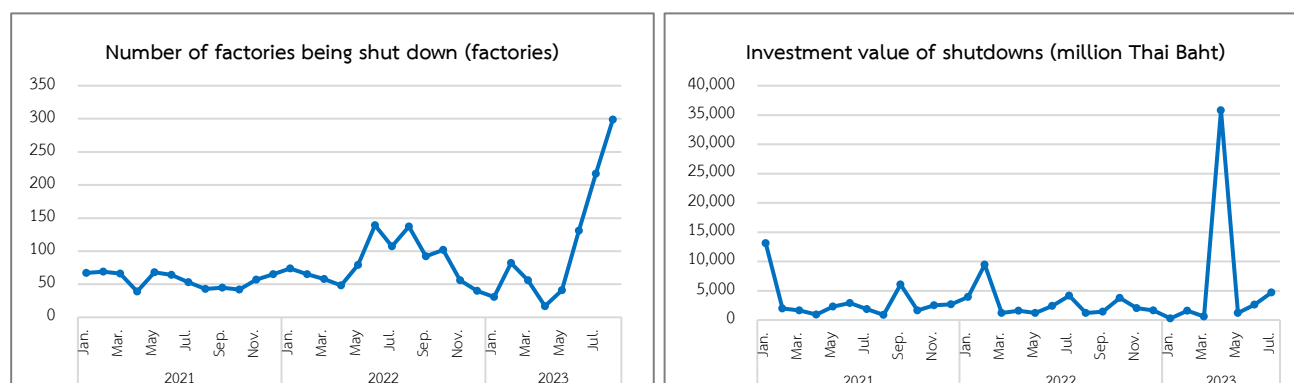
Source: Department of Industrial Works

- ➕ The total number of factories licensed for operation in August 2023 was 148 factories, increasing by 5.71 percent (%MoM) from July 2023 but decreasing by 13.95 percent (%YoY) from the same month last year.
- ➕ The total investment from factories licensed for operating in August 2023 increased by 78.45 percent (%MoM) from July 2023 to 19,740 million Thai Baht and increased by 117.05 percent (%YoY) from the same month last year.

"The industry with the highest number of newly licensed factories to operate in August 2023 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (21 factories), followed by the excavation or dredging industry of gravel, sand, or soil (19 factories)."

"In August 2023, the industry with the highest investment value was the manufacturing industry of raw sugar or white sugar, with an investment value of 8,600 million Thai Baht, followed by the manufacturing, assembling, and repairing of calculators, accounting machinery, or electronic machines, with an investment value of 4,482 million Thai Baht."

## Industrial Operation Status (cont.)



Source: Department of Industrial Works

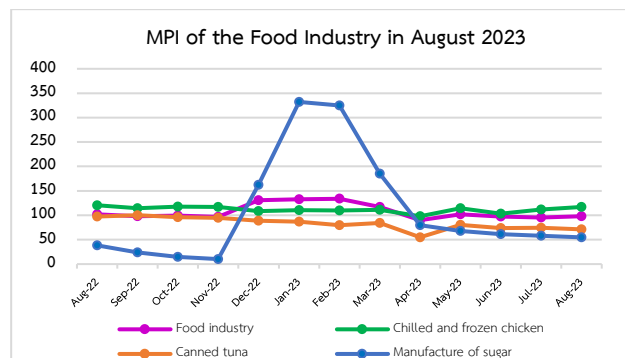
- ➡ A total of 299 factories were shut down in August 2023, increasing from July 2023 by 37.79 percent (%MoM) and increasing from the same month last year by 118.25 percent (%YoY).
- ➡ The lost investment value on shutdown in August 2023 totaled 5,823 million Thai Baht, increasing from July 2023 by 24.52 percent (%MoM) and increasing from the same month last year by 375.84 percent (%YoY).

*“The industry with the highest number of factory shutdowns in August 2023 was the excavation or dredging industry of gravel, sand, or soil (47 factories), followed by the sand dredging industry (17 factories).”*

*“The industry with the highest number of business closures in August 2023 was the production of wooden furniture and building decorations, with an investment value of 644 million Thai Baht, followed by the industry engaged in manufacturing components for the construction of bridges, sluice gates, and water tanks, with an investment value of 458 million Thai Baht.*

## Industrial Economic Status by Industrial Sectors in August 2023

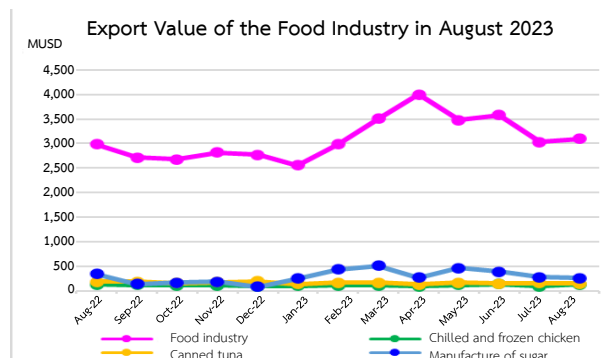
### 1. Food Industry



Source: The Office of Industrial Economics

**➖ The Manufacturing Production Index (MPI) for the food industry in August 2023** In August 2023, the Manufacturing Production Index (MPI) for the food industry decreased by 3.7 percent (%YoY) compared to the same period last year. Food product categories experienced a slowdown in MPI, including 1) Fisheries, which contracted by 13.4 percent. Key products, such as canned tuna, decreased by 25.8 percent due to reduced consumption demand both domestically and internationally. 2) Livestock, with a contraction of 4.6 percent. Key products such as chilled and frozen chicken meat decreased by 2.9 percent, owing to extremely hot weather conditions leading to a reduction in the quantity of chicken being processed in factories. Additionally, consumer purchasing power slowed down, contributing to decreased demand. 3) Beverages, with a decrease of 1.7 percent in key products such as rice whisky, drinking water, and energy drinks, as a result of the decline in consumers' purchasing power.

However, certain food products experienced an increase in MPI: 1) Sugar, which grew by 40.5 percent, driven by the increase of MPI in refined sugar (48.0%) and white sugar (32.2%). Optimal production conditions this year enhanced the quantity and quality of sugar output, coupled with increased consumption demand from both domestic and international markets. 2) Cassava, an increase of 12.1 percent, especially from tapioca starch (13.0%) due to improved production conditions. Moreover, an outbreak of cassava leaf spot disease during the same period last year resulted in lower production. 3) Processed fruits and vegetables, an increase of 3.2 percent from canned sweet corn (128.6 percent). 4) Fruit juice, an increase of 16.2 percent due to consumption demand in both domestic and international markets, with the US and China as key export markets.



Source: Ministry of Commerce

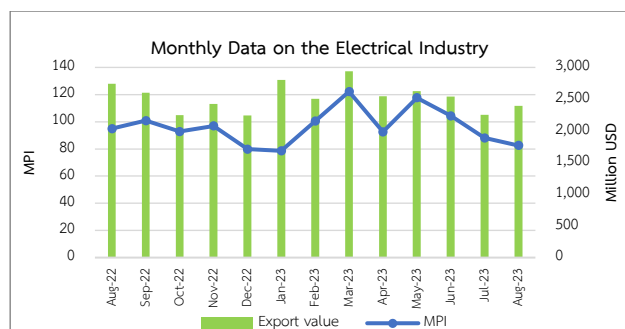
**➕ Domestic sales:** The production volume for domestically sold food products in August 2023 expanded by 5.1 percent (%YoY) in the food product categories including 1) Soft drink, an increase of 25.5 percent, 2) Fruit juice, an increase of 13.8 percent, 3) Canned sweet corn kernels, an increase of 182.0 percent, 4) Beer, an increase of 11.3 percent, and 5) Refined white sugar, an increase of 9.6 percent.

**➕ Export markets:** In August 2023, overall food product exports grew by 3.9 percent compared to the same period last year in the food product categories, including 1) Rice, with the US and Indonesia as key markets, 2) Fresh, chilled, and frozen fruits, with China as the key market, 3) Fresh, chilled and frozen vegetables, with Japan and Taiwan as the key markets, 4) Food seasoning, with the US and Australia as the key markets.

**Industry Outlook for September 2023:** *The overall industry is likely to slow down compared to the same period last year because the economic situation is trending slowly, including concerns about the Thai agricultural sector entering the El Niño condition. However, domestic consumption and the tourism sector still have positive trends from growing domestic demand and an increasing number of foreign tourists. The value of exports is expected to grow from product orders from trading partners on an increasing trend in preparations for the year-end festivities.*

## 2. Electrical and Electronics Industry

### ■ Electrical Industry



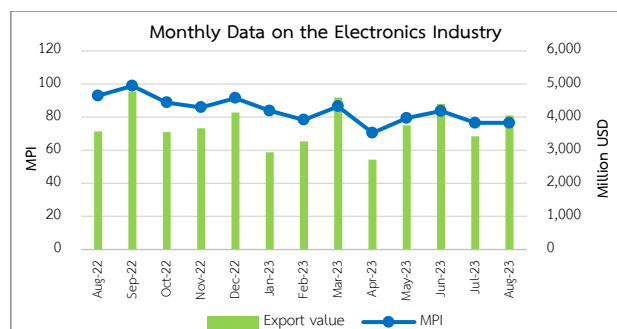
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➖ **Production of electrical appliances** reached an MPI of 82.5 points, decreasing by 13.0 percent compared to the same month last year. Among products that decrease in production included compressors (-37.2%), electric motors (-25.8%), air-conditioners (-20.7%), refrigerators (-5.4%), fans (-2.4%), microwaves (-0.7%), and thermo pots (-0.6%). This was due to decreased domestic demand and overseas orders. However, certain products increased in production, such as washing machines (25.0%), power cables (21.8%), transformers (20.4%), cables (11.9%), and rice cookers (8.4%) due to the increase of domestic demand and orders from abroad.

➖ **The export of electrical appliances** reached a value of 2,396.0 million USD, a decrease of 12.6 percent compared to the same month last year. Among products that decrease orders included microwave ovens, with an export value of 15.4 million USD, decreasing by 31.1 percent; motors and generators, with an export value of 13.1 million USD, decreasing by 24.2 percent; air-conditioners and components, with an export value of 422.7 million USD, decreasing by 23.4 percent; power lines and cables, with an export value of 96.4 million USD, decreasing by 3.7 percent; switchboards and power control panels, with an export value of 248.7 million USD, decreasing by 1.2 percent; fans with an export value of 44.6 million USD, decreasing by 1.2 percent. However, products with an increase in orders included transformers and parts, with a value of 474.1 million USD, increasing by 59.1 percent; washing and dry-cleaning machines, with a value of 118.4 million USD, an increase of 29.5 percent; circuit breakers and protection devices, with a value of 173.2 million USD, an increase of 3.2 percent; refrigerators, freezers, and parts, with a value of 186.5 million USD, an increase of 2.6 percent in the US, Canada and India markets.

*"Production Outlook for September 2023: The electrical appliances industry is expected to contract compared to the same month last year due to the decline in global demand and the global economy that has yet to recover."*

### ■ Electronics Industry



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

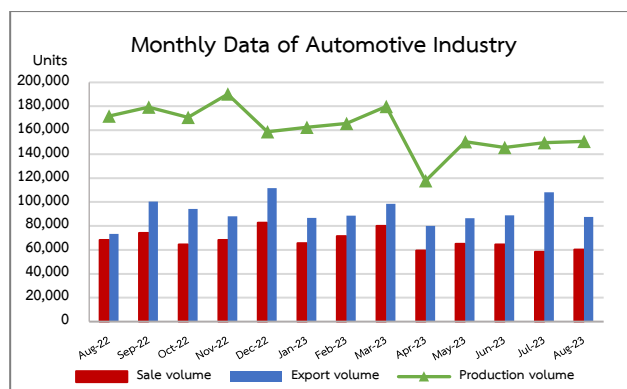
➖ **Production of electronic products** reached an MPI of 76.5 points, decreasing by 14.6 percent compared to the same month last year. Products that contracted in production were semiconductor devices (transistors) (-29.3%), printers (-27.4%), ICs (-20.3%), HDDs (-10.8%), and PCBAs (-5.0%) due to a decrease in domestic demand and international orders.

➕ **Exports of electronic products** reached a value of 4,049.3 million USD, an increase of 13.5 percent compared to the same month last year. Products that experienced an increase in orders were semiconductor devices (transistors and diodes), valued at 481.4 million USD, an increase of 74.5 percent in the US, China, and South Korea markets. Circuit boards, valued at 1,117.8 million USD, increased 39.8 percent in Japan, Taiwan, and China markets. Nevertheless, products with decreased orders were Hard Disk Drives (HDDs), valued at 436.2 million USD, a decrease of 48.4 percent, mainly in the US, China, and Taiwan markets; PCBAs, with a value of 111.7 million USD, a decrease of 12.3 percent in China, the US, and Japan markets.

*"Production Outlook for September 2023: It is expected that the electronics industry will experience a decline in production compared to the same month in the previous year due to high production costs and insufficient raw materials meeting the global market demand."*

## 3. Automotive Industry

### ■ Automotive Manufacturing Industry



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

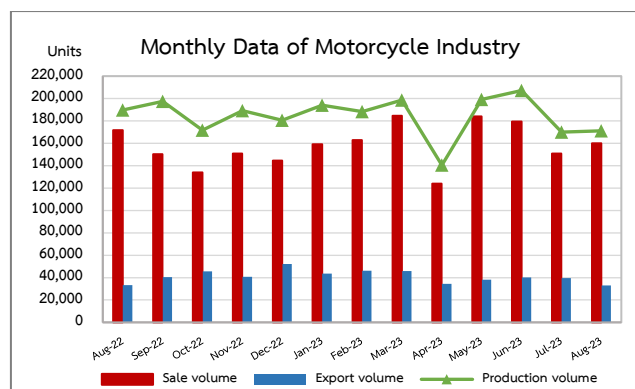
**+** **Production of automobiles** in August 2023 reached 150,657 units, a slight increase from July 2023 by 0.63 percent (%MoM) but a decrease from the same month last year by 12.27 percent (%YoY). The decrease was among of the manufacture of passenger cars, one-ton pickup trucks and derivatives, and commercial-purpose automobiles.

**+** **Domestic automobile sales** in August 2023 reached 60,234 units, an increase of 3.11 percent from July 2023 (%MoM) but a decrease from the same month of the previous year by 11.69 percent (%YoY). This decline can be attributed to reduced sales of one-ton pickup trucks, due to elevated household debts. As a result, financial institutions have stricter lending processes. Additionally, it was anticipated that interest rates would rise, which in turn affected domestic demand.

**+** **Automobile exports** in August 2023 reached 87,555 units, decreasing from July 2023 by 18.97 percent (%MoM) but increasing from the same month last year by 19.41 percent (%YoY). Exports experienced growth in Oceania, the Middle East, Europe, North America, and Central and South America.

*“Automobile industry outlook for September 2023: The industry is anticipated to slow down compared to September 2022 owing to the slowdown of the domestic market.”*

### ■ Motorcycle Manufacturing Industry



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

**+** **Production of motorcycles** in August 2023 reached 171,270 units, a slight increase from July 2023 by 0.67 percent (%MoM) but a decrease from the same month last year by 9.72 percent (%YoY). The decline was driven by decreased production of multipurpose and sport motorcycles.

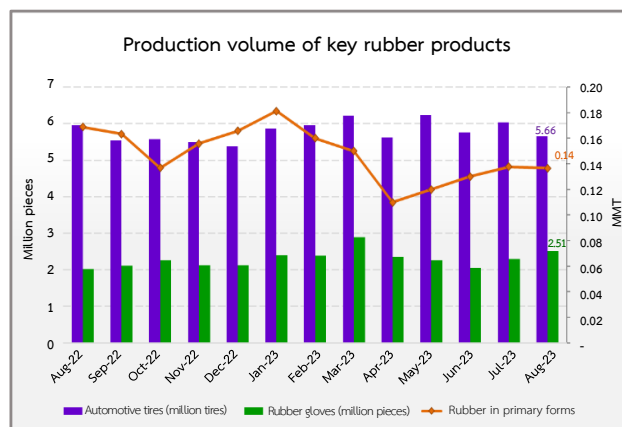
**+** **Motorcycle sales** in August 2023 reached 160,123 units, an increase from July 2023 by 6.20 percent (%MoM) but a decrease from the same month last year by 6.82 percent (%YoY). The decline was driven by decreased sales of motorcycles sized between 51-110 cc and 111-125 cc.

**-** **Exports of CBU motorcycle** in August 2023 reached 33,098 units, a decrease from July 2023 by 16.39 percent (%MoM) and a slight decrease from the same month last year by 0.63 percent (%YoY). The decline was driven by decreased exports to China, Belgium, and the US.

*“Motorcycle industry outlook for September 2023: The industry is anticipated to slow down compared to September 2022 owing to the slowdown of the domestic 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 19.14 percent from the decreased production of sheet rubber, block rubber, and concentrated latex.

➖ *Automotive tires* decreased by 5.11 percent from the production for passenger cars, pickups, trucks and buses, and tractors.

➕ *Rubber gloves* increased by 23.96 percent primary from domestic demand.

### Domestic Sales

➕ *Processed rubber in primary form sales (sheet rubber, block rubber, and concentrated latex)* decreased by 30.21 percent due to a high demand for sheet rubber, block rubber, and concentrated latex in downstream industries.

➖ *Automotive tire sales* decreased by 45.36 percent following the slowdown of domestic automobile industry and demand in the REM (Replacement Equipment Manufacturer) market.

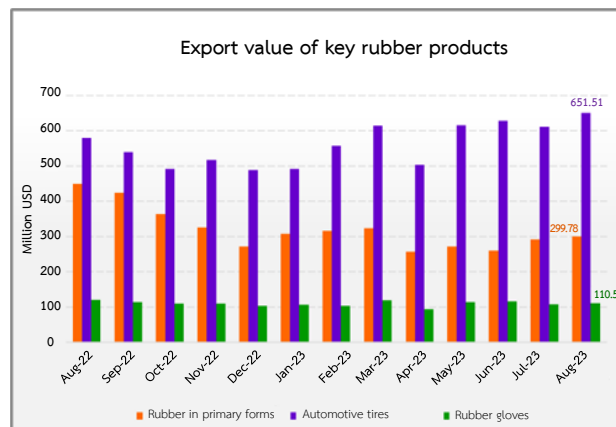
➕ *Rubber glove sales* increase by 15.66 percent due to high demand for medical rubber gloves in the country.

### Exports

➖ *Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex)* decreased in export value by 32.24 percent. This decrease can be attributed to reduced exports of sheet rubber to Japan and the US, along with decreased exports of concentrated latex to China market.

➕ *Automotive tires* increased in export value by 12.32 percent due to the growth of exports to the US and Australia markets.

➖ *Rubber gloves* decreased in export value by 8.54% due to a recent drop in global demand.



Source: Ministry of Commerce

### Industry Outlook for September 2023

The production of primary processed rubber (rubber sheets, rubber blocks, and concentrated latex) is expected to slow down due to decreasing demand in major export markets such as the US, Japan, China, and Malaysia. However, tire production is expected to expand again to meet the needs of overseas markets, especially in the US and Australia which are showing signs of recovery. On the other hand, the production of rubber gloves is expected to grow, mainly to meet domestic demand. In addition, the base was low last year. Domestic sales of rubber gloves are expected to grow from the continued increase in demand for medical rubber gloves. The domestic sales of rubber gloves are expected to grow due to the increased demand for medical rubber gloves.

The export value of processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) is expected to experience a decrease. This decrease is due to slowing purchases from major export markets, such as the US, Japan, China, and Malaysia. Conversely, the export value of automotive tires is anticipated to increase, driven by a resurgence in demand for automobile tires in key markets, such as the US and Australia. However, the export value of rubber gloves is predicted to decline due to lower demand in global markets, including the US, China, and European countries, compared to previous periods.

## 5. Plastics Industry

MPI and Shipment Index



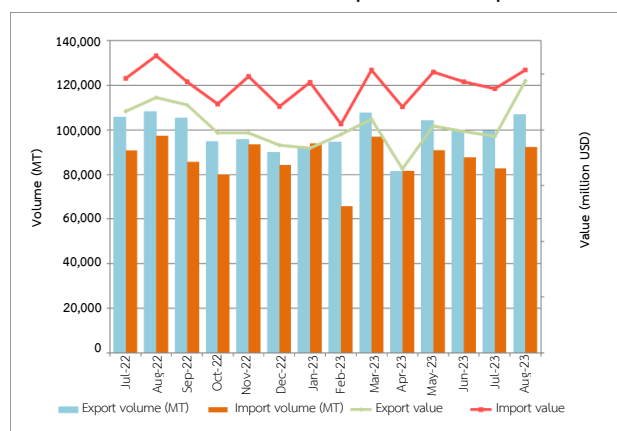
Source: The Office of Industrial Economics

➡ **The Manufacturing Production Index (MPI)** in August 2023 contracted by 5.07 percent compared to the same period last year. Many plastic products experienced a decline in MPI, such as plastic sacks (-14.39%), plastic film (-13.50%), and plastic bags (-12.82%) compared to the same period last year.

➡ **The shipment index** in August 2023 contracted by 9.95 percent. Many plastic products experienced the decline in shipment index, such as plastic sheets (-20.05%), plastic films (-17.82%), and plastic bags (-17.30%), compared to the same period last year.

➡ **Exports of plastic products** in August 2023 were valued at 438.31 million USD, a decrease of 14.80 percent compared to the same period last year. Key products contributing to the decline in exports included articles for the conveyance or packing of goods (HS 3923) (-20.73%); sanitary ware of plastics (HS 3922) (-19.39%); other articles of plastics (HS 3926) (-19.15%) compared to the same period last year.

Volume and Value of Exports and Imports



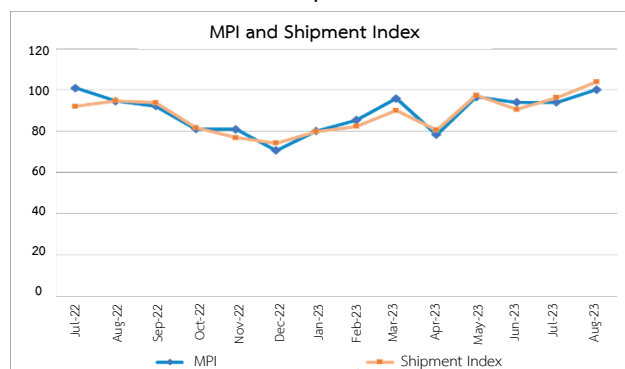
Source: Office of the Permanent Secretary, Ministry of Commerce

➡ **Imports** in August 2023 were valued at 457.47 million USD, a decrease of 5.26 percent compared to the same period last year. Key products contributing to the decline in imports were household articles (HS 3924) (-31.45%); sanitary ware of plastics (HS 3922) (-28.43%), and articles for the conveyance or packing of goods (HS 3923) (-20.94%) compared to the same period last year.

*Plastics Industry Outlook:* In September 2023, production is expected to slow down due to various factors, such as increased production costs and a decrease in end-user demand. Additionally, most buyers are taking a wait-and-see approach to the situation. However, exports to key markets such as the US, Vietnam, and China will decrease.

## 6. Chemical products Industry

MPI and Shipment Index



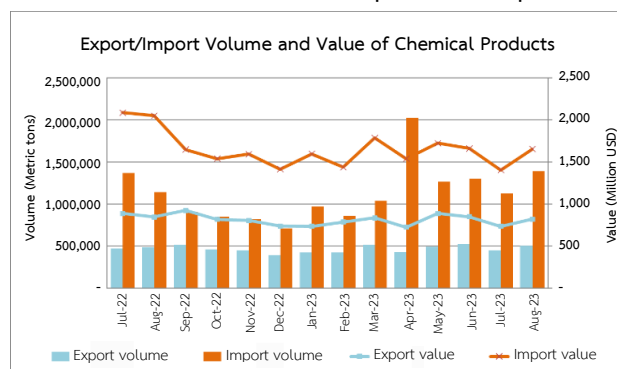
Source: The Office of Industrial Economics

**+** The Manufacturing Production Index in August 2023 increased by 5.93 percent compared to the same period last year. Within the basic chemical products, there was an increase of 1.53 percent. The products that experienced the growth included caustic soda (+3.58%) and ethanol (+0.05%) compared to the same period last year. Moreover, the downstream chemical products also increased by 7.30 percent. Among the products produced within this group, the products that experienced the increase of MPI included chemical fertilizers (+29.52%), fabric softeners (+18.36%), and plastic emulsion paints (+16.63%) compared to the same period last year.

**+** The shipment index in August 2023 increased by 9.69 percent compared to the same period last year. Within basic chemical products, the segment expanded by 4.22 percent. Among the products produced within this group, the products that experienced an expansion included chlorine (+12.59%) and caustic soda (+9.17%). As for the downstream chemical products, there was an increase of 11.13 percent. The products that experienced the increase included chemical fertilizers (+60.41%), plastic emulsion paints (+27.20%), and fabric softeners (+21.03%) compared to the same period last year.

**-** Exports in August 2023, the total export value amounted to 821.93 million USD, a decrease from the same period last year by 2.83 percent. The export value of the basic chemical products was 446.51 million USD, a decrease of 7.45 percent. As for the downstream chemical products, the export value was 357.42 million USD, an increase of 3.32 percent compared to the same period last year. Products contributing to the decrease in export value included chemical fertilizers (-28.95%), inorganic chemicals (-21.79%), and organic chemicals (-14.71%) compared to the same period last year.

Volume and Value of Exports and Imports

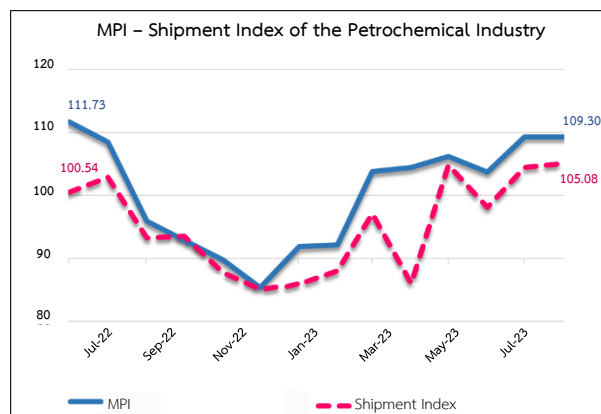


Source: Office of the Permanent Secretary, Ministry of Commerce

**-** Imports in August 2023, the total import value amounted to 1,595.42 million USD, a decrease from the same period last year by 22.17 percent. The import value of the basic chemical products was 1,010.48 million USD, a decrease of 24.21 percent. As for the downstream chemical products, the import value was 585.25 million USD, a decrease of 18.38 percent compared to the same period last year. Products contributing to the decrease of import included inorganic chemicals (-30.18%), organic chemicals (-28.16%), and chemical fertilizers (-25.63%).

*Chemical industry outlook for September 2023:* It is anticipated that the volatility in oil prices and concerns about the global economic recession will result in manufacturers slowing down production and focusing only on meeting the order demands during this period. As for oil-related products, such as plastic pellets and chemicals, exports to key markets, such as China, India, and Japan, will decrease.

## 7. Petrochemical Industry

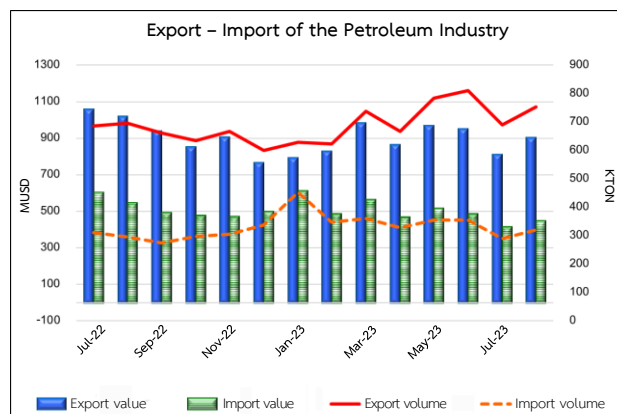


Source: The Office of Industrial Economics

**+** The **Manufacturing Production Index** in August 2023, stood at 109.30 points, an increase of 0.75 percent compared to the same period last year but a decrease of 0.01 percent from last month. Basic petrochemicals such as Propylene increased in MPI by 3.58 percent compared to the same period last year. Downstream petrochemicals, such as PP and PET resins, also experienced an expansion of 5.11 percent and 5.60 percent, respectively, compared to the same period last year. This expansion was attributed to demand, yet to recover fully from the sluggish economic situation of importing countries.

**+** The **shipment index** in August 2023, stood at 105.08 points, an increase of 2.10 percent compared to the same period last year and an increase from the previous month by 0.57 percent. This growth was observed in both basic petrochemicals, such as Ethylene, which increased by 1.00 percent compared to the same period last year, and in downstream petrochemicals, including PP resin, which increased by 14.88 percent compared to the same period last year.

**+** **Exports** in August 2023, were valued at 905.31 million USD, a decrease of 11.45 percent compared to the same period last year. This contraction was observed in both downstream petrochemicals, such as PP resin, and in the basic petrochemicals, including Toluene. Nevertheless, exports of petrochemicals increased by 11.25 percent compared to the previous month.

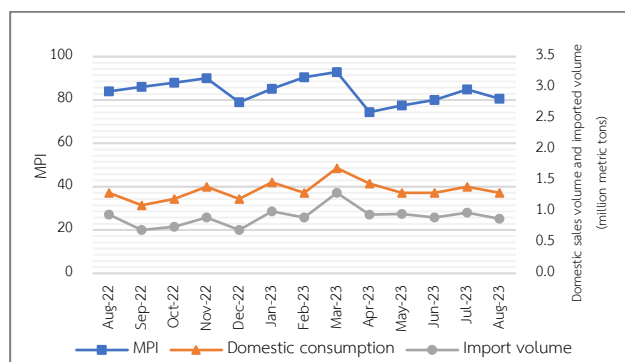


Source: Office of the Permanent Secretary, Ministry of Commerce

**+** **Imports** in August 2023, were valued at 449.06 million USD, a decrease of 18.21 percent compared to the same period last year. This contraction was observed in basic petrochemicals such as propylene and in downstream petrochemicals such as PE resin. However, imports increased by 7.92 percent compared to the previous month.

**Outlook for September 2023:** It is anticipated that the overall petrochemical industry will begin to improve compared to the previous month, as production resumed after maintenance work at the beginning of the year. However, the demand for plastics has decreased due to the slowdown in exports, particularly for basic petrochemicals such as ethylene and propylene. This slowdown is a result of fluctuating price levels in response to crude oil prices, which in turn is influenced by production halts in many countries due to the prolonged Ukraine-Russia conflict. As a result, production still cannot expand much.

## 8. Iron and Steel Industry



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

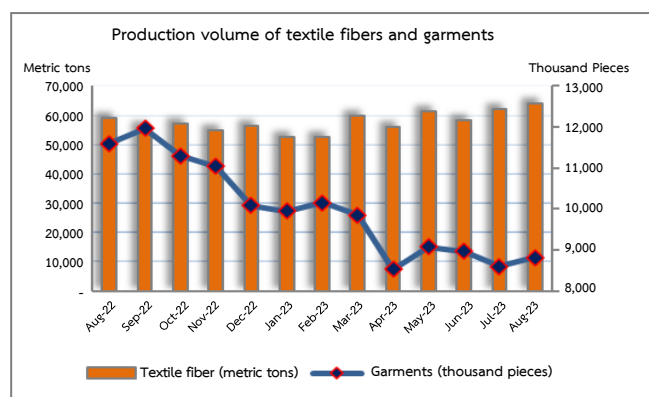
**The Manufacturing Production Index (MPI)** in August 2023, the MPI stood at 80.6 points, a decrease of 6.1 percent compared to the same period last year due to the slowdown of downstream industries such as the construction, automotive, and food packaging industries. In addition, orders were delayed due to price fluctuations. Considering the key products, the MPI of the steel industry decreased in both long and flat products. The MPI for long products was at 77.1, contracting 0.1 percent, from wire rods, which shrank 44.5 percent, followed by high-tensile steel wire and deformed steel bars, which shrank 4.7 percent and 1.0 percent, respectively. The MPI for flat products was 83.8, contracting 5.4 percent. Products that contracted the most were tinplate, which shrank 43.4 percent, followed by Chromium-coated sheets, cold-rolled sheets, and hot-rolled sheets, which shrank 41.3 percent, 3.6 percent, and 3.5 percent, respectively.

**Domestic consumption:** In August 2023, the consumption amounted to 1.3 million metric tons, a decrease of 0.5 percent compared to the same period last year. In particular, there was a contraction in the consumption of flat products while the consumption of long steel expanded. The consumption of flat products decreased by 6.4 percent to 0.8 million metric tons, driven by reduced consumption of coated sheets (Chromium-coated sheets and other coated sheets), hot-rolled steel plates/coils/sheets, and cold-rolled steel sheets. On the other hand, the consumption of long products increased by 11.1 percent to 0.5 million metric tons, driven by a rise in the consumption of rebars and structural steel sections.

**Imports:** In August 2023, the import volume amounted to 0.88 million metric tons, decreasing from the same month last year by 8.8 percent. This decrease in import volume occurred in both flat and long products. Imports of long products reached 0.20 million metric tons, decreasing by 8.4 percent. Long products that decreased in imports included stainless steel wire rods (with decreased imports primarily from China, Japan, and India); stainless steel rebars (with decreased imports primarily from Japan, India, and Taiwan); seamless steel pipe (with decreased imports primarily from China and Japan). As for flat products, the import volume amounted to 0.68 million metric tons, a decrease of 9.0 percent. Among flat products that experienced a decrease in imports including hot-rolled Carbon steel plates (with decreased imports primarily from Japan, China, and South Korea); other coated sheets (with decreased imports primarily from Japan, China, and South Korea); hot-rolled Carbon steel sheets (with increased imports primarily from Japan, China, and Taiwan); welded pipe (with increased imports primarily from China, South Korea, and Japan).

*"Iron Industry outlook for September 2023: The production is anticipated to decrease slightly compared to the same period last year. This is because the global market's raw material prices (billets, iron ore, and scrap iron) are expected to decrease, leading consumers to delay orders to assess price directions. However, there is an expectation that construction projects will be accelerated and completed by the end of the budget year, which should help stimulate production. There are important issues that should be followed, such as private sector construction activities within the country, the global economic and trade situation, international steel prices, and China's steel industry policies, as China is a major global producer, consumer, and exporter of steel."*

## 9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics

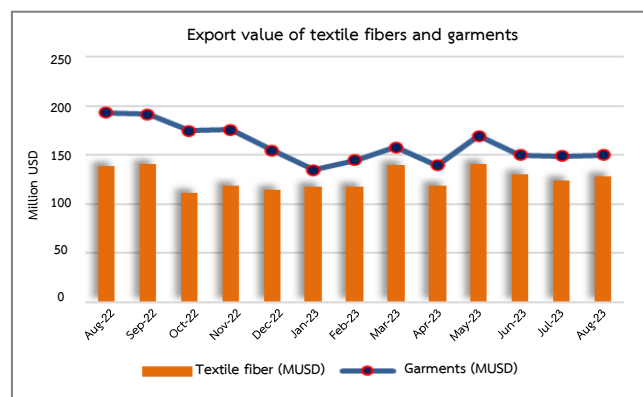
### Production

➕ Production of textile fibers grew for the first time in four months, expanding 8.13 percent (%YoY) among man-made fibers and polyester fiber products. The increase resulted from rising orders in domestic and overseas markets, to be used as raw materials for producing products following the eco-friendly products trend. Production of textile fibers grew for the first time in four months, expanding 8.13 percent (%YoY) among man-made fibers and polyester fiber products. The increase resulted from rising orders in domestic and overseas markets. These fibers served as crucial raw materials for producing goods aligned with the eco-friendly trend, possessing distinctive qualities such as flexibility, wrinkle resistance, minimal ironing needs, ease of washing, and quick drying.

➕ Production of fabrics contracted by 18.47 percent (%YoY) in the woven fabrics (cotton), fabrics (synthetic fibers), and towel product groups. Meanwhile, apparel contracted by 23.22 percent (%YoY). Compared to the previous month (%MoM), textile fiber production grew by 3.19 percent in man-made fibers, man-made fiber threads such as polyester fibers, and other man-made fibers. Fabrics grew by 5.60 percent in the synthetic fiber woven fabric group, and apparel grew by 2.59 percent in the woven clothing group.

### Domestic sales

➖ Textile fibers sales contracted by 4.74 percent (%YoY). Fabrics contracted by 18.12 percent (%YoY), and apparel contracted by 11.70 percent (%YoY) in the woven clothing group as consumer demand slowed down.



Source: Ministry of Commerce

### Imports

➖ Yarns and fiber imports contracted by 31.23 percent (%YoY), and fabric imports also contracted by 18.06 percent.

➕ Imports of garments grew by 11.44 percent (%YoY) in key markets, including China, Vietnam, and Italy, due to a rebound in domestic demand aligning with the economic recovery. This growth was further driven by decreased inflation and the influx of domestic and international tourists, resulting in increased consumption.

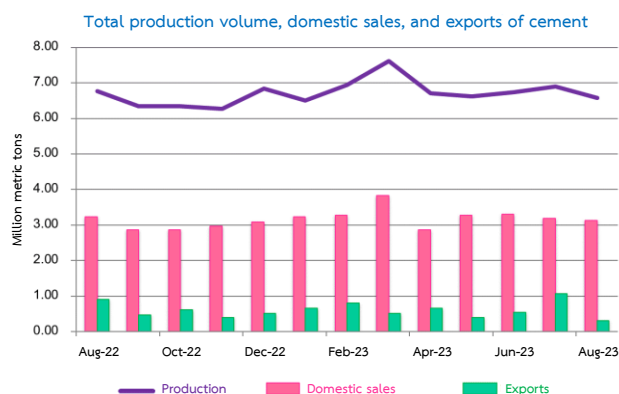
### Exports

➖ Exports of textile fibers contracted by 7.65 percent (%YoY) in key markets, including Japan, India, and China. Fabric exports also contracted by 12.25 percent (%YoY) in key markets such as Vietnam, Cambodia, and Myanmar. Apparel contracted by 22.20 percent (%YoY) in major markets, including the US, Japan, and Hong Kong. This decline is primarily due to reduced orders from key trading partners, partly driven by environmental concerns. The Danish and Nordic clothing manufacturing and importing sectors prioritize the utilization of biodegradable and waste materials in clothing production. By introducing innovative practices in the manufacturing process, the industry aims to drive a shift towards sustainability, resulting in a reduction in Thai textile and wearing apparel exports across the entire supply chain.

### Industry Outlook for September 2023

The textile and wearing apparel manufacturing industry is expected to slow down in line with the world economy. However, the geopolitical conflict situation remains protracted, coupled with energy shortages in Europe, which may be a pressure factor that causes the trading partners' economies to slow down. In addition, the production costs are still high. Energy prices, electricity prices, production of raw materials, tight financial conditions, and rising loan interest rates still affect Thailand's competitiveness.

## 10. Cement Industry



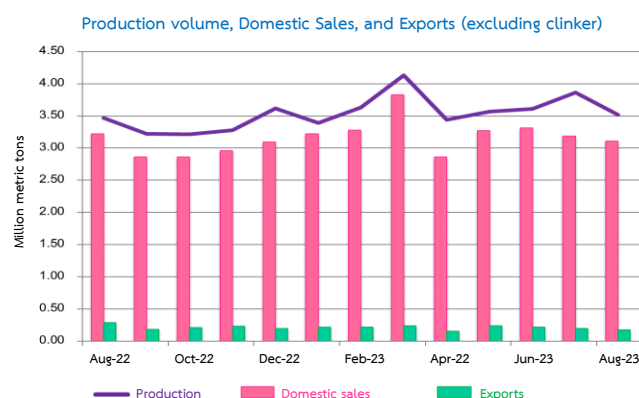
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics  
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➖ **Total production of cement** in August 2023 reached 6.58 million metric tons, a decrease of 2.79 percent from the same month last year (%YoY).

➖ **Total domestic cement sales** in August 2023 reached a sales volume of 3.13 million tons, a decrease of 3.01 percent (%YoY) compared to the same month last year. The shrinkage was due to the market being concerned about economic uncertainty and investors waiting to see the direction of economic trends during the government change.

➖ **Total cement exports** in August 2023 reached 0.31 million metric tons, a decrease of 65.90 percent (%YoY) compared to the same month last year. This was primarily attributed to the decline in orders from key export markets, including the Bangladesh (-88.32%), the Philippines (-86.12%), Vietnam (-54.65%), and Cambodia (-45.36%).

**Cement industry outlook:** In September 2023, production in the cement industry is expected to decline as the export market is affected by the global economic slowdown. Furthermore, Thailand will face rain and frequent flooding in some areas, which is an obstacle to construction.



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 August 2023 reached 3.52 million metric tons, an increase of 1.35 percent (%YoY) from the same month last year.

➖ **Domestic cement sales (excluding clinker)** in August 2023, reached a sales volume of 3.11 million tons, a decrease of 3.45 percent (%YoY) compared to the same period last year. The shrinkage was due to lower confidence in the economic situation during the transition of the government. In addition, Thailand has entered the full rainy season, which hampered construction.

➖ **Exports of cement (excluding clinker)** in August 2023 reached 0.18 million metric tons, a decrease from the same month last year by 37.59 percent (%YoY). This was primarily attributed to the decrease in orders from key export markets, including the Philippines (-86.12%), Vietnam (-54.65%), and Cambodia (-45.83%).

**Cement industry (excluding clinker) outlook:** In September 2023, the cement industry production (excluding clinker) is expected to begin to slow down. Although it is a period of acceleration in the government utility construction projects during the closing of the fiscal year, construction will be hindered by heavy rain. In addition, it is a period of changing governments. As a result, manufacturers are unaware of the new government's economic stimulus policy. Therefore, investment in new projects may be delayed.