

Report on the Industrial Economics Status

January 2024





Industrial Production Status

Indicators	2022	2023	2023												2024
			Year	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	
MPI	1.3	-3.8	-2.8	-0.6	-2.8	-8.0	-2.8	-4.2	-3.9	-5.9	-5.9	-2.5	-1.5	-4.7	-2.9

In January 2024, the industrial economic status, when considered from the **Manufacturing Production Index (MPI)**, decreased by 2.9 percent from the same month last year. The primary factors contributing to the decline were household debt and high interest rates, resulting in a decline in domestic consumption, especially semi-durable and durable goods such as automobiles, electronics components, etc. Additionally, the economic slowdown in major trading partners such as Japan and the Middle East led to a decrease in exports, particularly in automobiles and air conditioners.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in October, November, and December 2023 contracted by 2.5, 1.5, and 4.7 percent, respectively.

Indicators	2023													2024
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	
MPI	5.7	0.01	7.4	-20.4	14.4	-2.1	-2.8	2.0	-1.2	-1.6	2.8	-4.9	7.6	

For the past three months (October, November, and December 2023) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: a decrease of 1.6 percent in October, an increase of 2.8 percent in November, and a decrease of 4.9 percent in December.

Key industries that contributed to the MPI contraction in January 2024 compared to the same month last year included:

- Automobile: The industry declined by 9.63 percent, primarily due to decreased demand for compact cars. This contraction was in the domestic market (-27.90 %) due to the economic slowdown, worsened by high household debt, leading financial institutions to tighten loan approvals and contracted from export markets (-3.92%).
- Refined petroleum products: The industry declined by 6.45 percent mainly from high-speed diesel fuel and Gasoline 95.
- Electronic components and boards: The industry declined by 17.71 percent, which was in line with the global electronics market's recovery from the previous year's contraction.

Key industries continued to expand in January 2024 compared to the same month last year included:

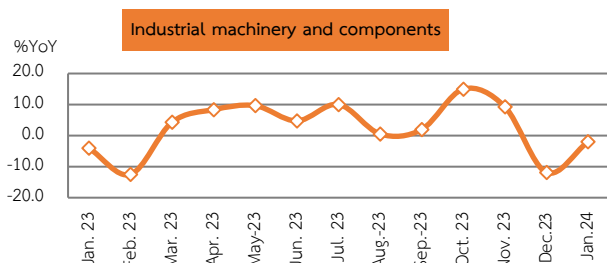
- Non-alcoholic drinks, mineral water, and bottled water: The industry expanded by 14.16 percent from soft drinks, fruit-flavored drinks, and energy drinks, especially during warmer weather, including the launch of new products to match customer consumption behavior.
- Chemical fertilizers and nitrogen compounds: The industry expanded by 58.68 percent due to decreased fertilizer prices and reasonable prices for agricultural products. As a result, farmers were able to purchase more fertilizer, leading to increased demand.
- Genuine gemstone jewelry: The industry expanded by 19.00 percent following the expansion of the domestic market (+54.38%) and the export market (+15.08%), particularly with key trading partners (Hong Kong, the UK, and the UAE), which continued to show positive trends, including a low base from the previous year due to global economic inflation issues.



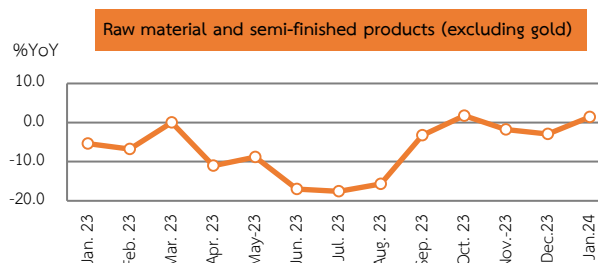
Other Industrial Economic Indicators in January 2024

Other Industrial Economic Indicators in January 2024

Imports of Thailand Industrial Sector



Source: Ministry of Commerce

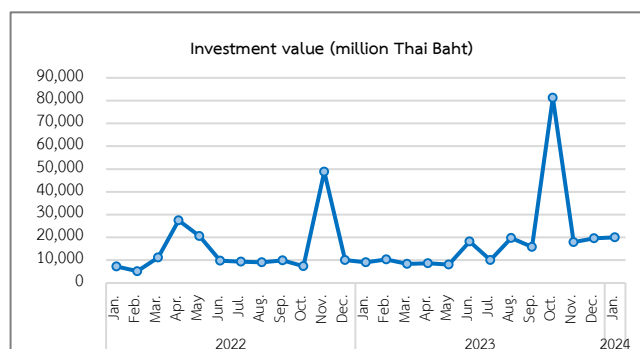
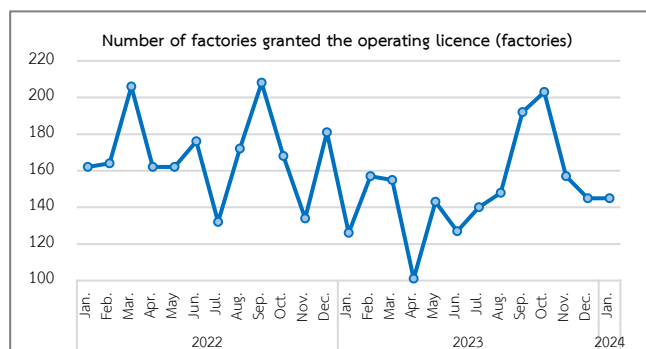


Source: Ministry of Commerce

⊖ Imports of industrial machinery and parts in January 2024 were valued at 1,462.47 million USD, a decrease of 1.97 percent compared to the same month last year. This decline was attributed to decreased imports of products such as textile machinery and machinery and equipment for rubber or plastic processing.

⊕ Imports of raw and semi-finished goods (excluding gold) in January 2024 were valued at 9,296.52 million USD, an increase of 1.42 percent compared to the same month last year. This growth was particularly notable in products such as electronics and electrical equipment and parts, jewelry, gemstones, and silver and gold bars.

Industrial Operation Status



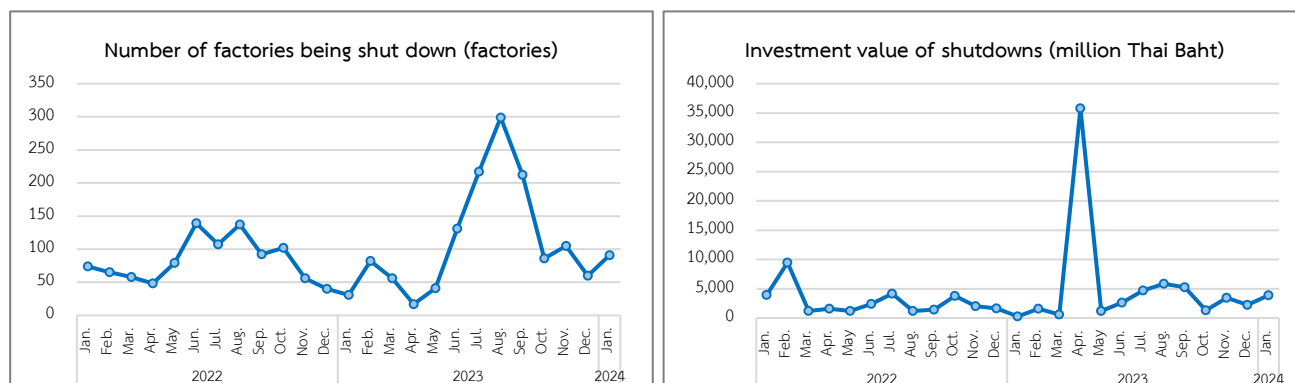
Source: Department of Industrial Works

- + The total number of factories licensed for operation in January 2024 remained at 145 factories, the same as in December 2023, and increased from the same month last year by 15.08 percent (%YoY).
- + The total investment from factories licensed for operating in January 2024 increased by 2.13 percent (%MoM) from December 2023 to 20,067 million Thai Baht and increased by 121.73 percent (%YoY) from the same month last year.

“The industry with the highest number of newly licensed factories to operate in January 2024 was the excavation or dredging industry of gravel, sand, or soil (18 factories), followed by the manufacture of concrete, ready-mixed concrete articles, gypsum and plaster products (13 factories).”

“In January 2024, the industry with the highest investment value was the electric power generation from solar cells, except those installed on rooftops, with an investment value of 12,098 million Thai Baht, followed by the industry producing, assembling or repairing of radio receivers, televisions, and semiconductor devices, with an investment value of 4,516 million Thai Baht.”

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works

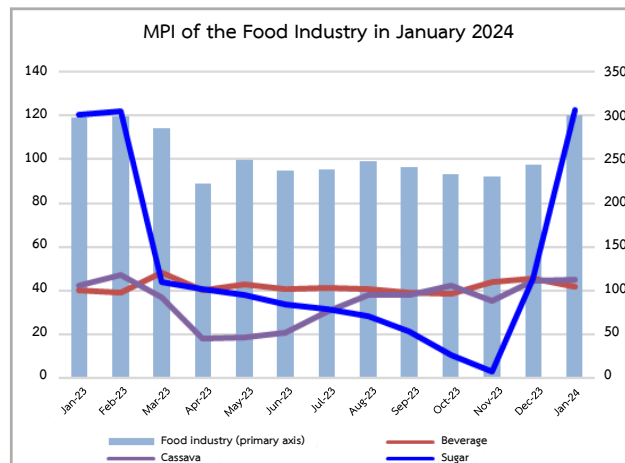
- ➕ A total of 91 factories were shut down in January 2024, increasing from December 2023 by 51.67 percent (%MoM) and increasing from the same month last year by 193.55 percent (%YoY).
- ➕ The total investment value lost due to business shutdowns in January 2024 was 3,886 million Thai Baht, which increased by 74.04 percent (%MoM) from December 2023 and increased by 1,328.65 percent (%YoY) from the same month last year.

“In January 2024, the industry with the highest number of factory shutdowns was the excavation or dredging industry of gravel, sand, or soil (16 factories), followed by the sand dredging (9 factories).”

“In January 2024, the industry with the highest business investment cessation was the thermal power generation, with an investment cessation valued at 2,000 million Thai Baht, followed by the manufacturing industry of plastic pellets, bars, pipes, tubes, sheets, pieces, powder, or various shapes with an investment cessation valued at 276.5 million Thai Baht.”

Industrial Economic Status by Industrial Sectors in January 2024

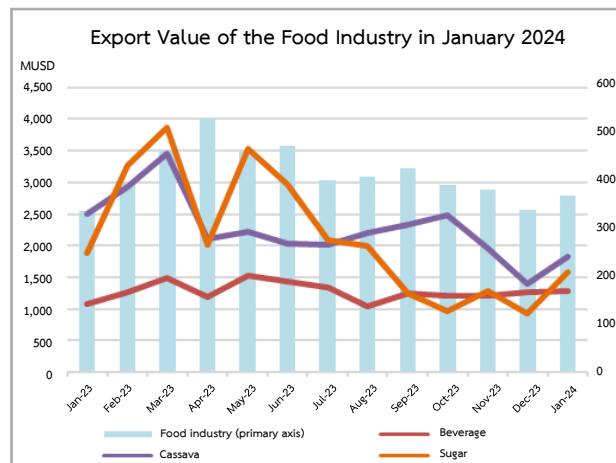
1. Food Industry



Source: The Office of Industrial Economics

+ In January 2024, the MPI of the food industry increased by 0.9 percent compared to the same period last year. The growth was driven by specific food product groups, namely: 1) Cassava expanded by 5.3 percent, with cassava starch growing by 5.8 percent due to increased cassava production compared to the previous year, which was impacted by drought, including the outbreak of Cassava Mosaic Disease (CMD). The growth was also boosted by demand for consumption in the international market (Indonesia and Taiwan). 2) Sugar production also expanded by 1.9 percent, with refined sugar and white sugar growing by 13.0 and 10.2 percent, respectively, driven by increased production of white sugar, refined sugar, and molasses, as well as heightened import demand from neighboring countries (Lao PDR and Cambodia). However, certain food product categories experienced declines, including 1) Fisheries production decreased by 1.0 percent, with canned tuna production declining by 13.2 percent due to reduced consumption demand in domestic and international markets; 2) Livestock production decreased by 0.8 percent, mainly driven by a decline of 0.8 percent in chilled and frozen chicken meat production, which was attributed to decreased consumer purchasing power; 3) Processed fruits and vegetables decreased by 0.3 percent, primarily due to a decline of 20.0 percent in canned pineapple production caused by drought and reduced demand in domestic and international markets.

+ The MPI of the beverage sector expanded by 4.3 percent, driven by key non-alcoholic beverages such as carbonated drinks, energy drinks, fruit-flavored beverages, and purified water. This increase in production was in response to growing demand both domestically and internationally, escalated by hot weather conditions that stimulated consumer beverage consumption.



Source: Ministry of Commerce

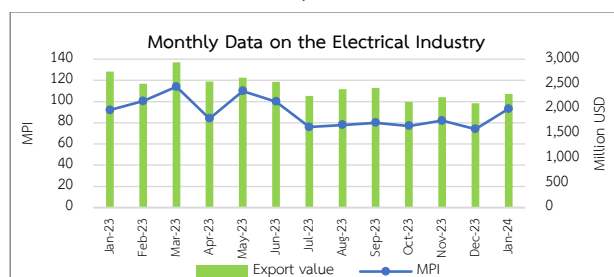
+ **Domestic markets:** The production volume for food products for domestic sale in January 2024 expanded by 8.4 percent (%YoY). This expansion included: 1) Ready-to-drink milk, expanding by 22.5 percent. 2) Frozen prepared meals, expanding by 17.5 percent. 3) Drinking yogurt, expanding by 11.4 percent. 4) Instant noodles, expanding by 7.0 percent. 5) Instant coffee, expanding by 8.0 percent.

+ **Export markets:** Food exports in January 2024 expanded by 9.0 percent compared to the same period last year. Among the key products exported was rice, with primary markets including Indonesia, the Philippines, and the USA. Additionally, beverage exports expanded by 18.6 percent compared to the same period last year, with key markets including Myanmar, Vietnam, and Laos.

“Outlook for the Food Industry in February 2024: The overall food industry is anticipated to expand compared to the same period last year. This can be attributed to positive trends in domestic consumption and the tourism sector, with supportive measures from the government’s economic stimulus packages, a rise in the number of foreign tourists, and increased demand during the Chinese New Year festival. The value of exports is anticipated to continue expanding due to food security concerns, which are expected to drive increased demand for imported goods from trading partners. However, it remains crucial to monitor the ongoing global economic slowdown and geopolitical conflicts in many countries that could have adverse effects on the economic system.”

2. Electrical and Electronics Industry

■ Electrical Industry



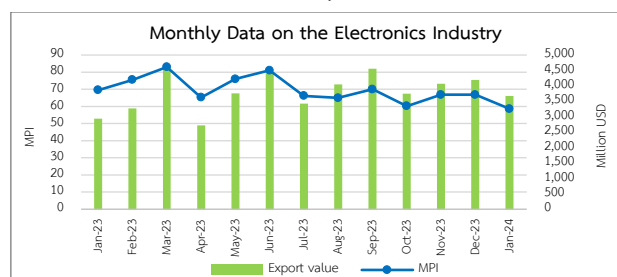
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

+ **Production of electrical appliances:** The MPI stood at 93.2, an increase of 1.3 percent compared to the same month last year. This growth was attributed to the gradual expansion of global market demand. Among the products that saw an increase were electrical cables (63.4%), electrical transformers (49.0%), refrigerators (17.9%), washing machines (14.0%), air conditioners (12.7%), and fans (11.7%). This growth was driven by heightened demand in the world market and increased domestic sales, particularly for electrical cables, driven by infrastructure development demands within the country. Conversely, certain products experienced decreases in production, including thermo pots (-49.2%), compressors (-34.2%), cables (-28.9%), microwave ovens (-28.7%), rice cookers (-21.3%), and electric motors (-8.4%). These declines were due to reduced domestic demand and declined international orders for these products.

- Exports of electrical appliances: Exports were valued at 2,297.6 million USD, a decline of 16.6 percent compared to the same month last year. Products that experienced decreased orders include microwave ovens valued at 13.5 million USD, down by 34.4 percent in markets such as Japan, the USA, and the UK; air conditioning and components valued at 597.0 million USD, down by 10.5 percent in markets such as the USA, Italy, and India; circuit breakers and protectors valued at 132.8 million USD, down by 8.6 percent in markets such as Japan, Indonesia, and China; electrical wires and cables valued at 74.6 million USD, down by 2.5 percent in markets such as Cambodia, China, and Hong Kong; and motors and generators valued at 76.5 million USD, down by 1.8 percent in markets such as the USA, Vietnam, and Hong Kong. However, products with increased orders included electrical transformers and components valued at 337.1 million USD, up by 13.0 percent in markets such as the Netherlands, Taiwan, and the UK; switch panels and electrical control panels valued at 200.9 million USD, up by 5.3 percent in markets including China, Singapore, and Malaysia; washing machines, dry cleaning machines, and components valued at 112.9 million USD, up by 2.5 percent in markets such as South Korea, Colombia, and Indonesia; and fans valued at 44.8 million USD, up by 0.41 percent in markets such as China, Japan, and Mexico.

“Outlook for Production in February 2024: The electrical appliances industry is projected to continue slowing down compared to the same month last year due to uncertainty about global market demand and the global economy.”

■ Electronics Industry



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

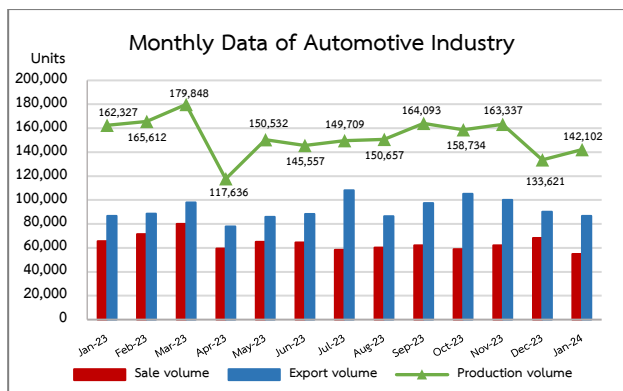
- Production of electronic products reached an MPI of 58.6, a decrease of 14.3 percent compared to the same month last year. This decrease was due to lower production of several items, including semiconductor devices (transistors) (-35.7%), ICs (-22.6%), HDDs (-15.5%), PCBAs (-9.1%), and PWBs (-7.1%). However, the production of printers increased by 4.2 percent due to the rising domestic demand among small and medium-sized entrepreneurs (SME), which can be attributed to advanced printing technology and a variety of functional features.

+ **Exports of electronic products were valued at 3,669.2 USD**, increasing by 25.7 percent compared to the same month of the previous year, driven by the recovery of the electronics product cycle. HDD exports, valued at 569.1 million USD, increased by 39.7 percent in the USA, China, and Hong Kong markets. Conversely, circuit boards experienced a decrease of 1.9 percent to 721.8 million USD in Singapore, Germany, and the USA markets. Semiconductor equipment, including transistors and diodes, decreased by 9.5 percent to 322.5 million USD in India, Vietnam, and Singapore markets. Additionally, printed circuits decreased by 1.8 percent to 103.4 million USD in the USA, China, and Vietnam markets due to reduced global market demand.

“Outlook for Production in February 2024: The electronics industry is expected to remain stable compared to the same month of the previous year. This is due to heightened production costs and the trend of gradually growing the electronics industry according to the needs of the digital world market.”

3. Automotive Industry

■ Automotive Manufacturing Industry



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

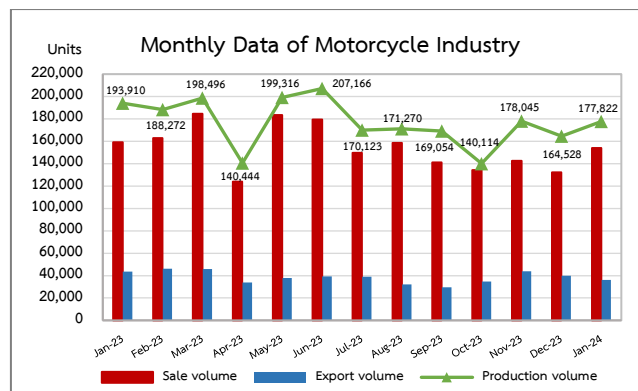
Production of automobiles in January 2024 reached 142,102 units, a decrease of 12.46 percent compared to the same month in the previous year. This decline was attributed to reduced production of passenger cars and 1-ton pickup trucks. However, the production increased by 6.35 percent (%MoM) compared to December 2023.

Domestic automobile sales in January 2024 reached 54,814 units, a decrease of 16.42 percent compared to the same month of the previous year (%YoY). This decline was due to a reduction in sales of 1-ton pickup trucks as the result of high levels of household debt and tightened loan approval by financial institutions, including a tendency for interest rates to rise, which could impact domestic demand. Additionally, sales decreased by 19.78 percent from December 2023 (%MoM).

Automobile exports in January 2024 reached 86,716 units, a decrease of 0.08 percent compared to the same month last year. This decline was due to shipping limitations by sea, resulting in the ability to export 91.17 percent of total production (95,110 units). Exports also decreased by 3.97 percent compared to December 2023 (%MoM).

“Outlook for Automobile industry in February 2024: The industry is estimated to decrease compared to February 2023 owing to the slowdown of the domestic markets.”

■ Motorcycle Manufacturing Industry



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

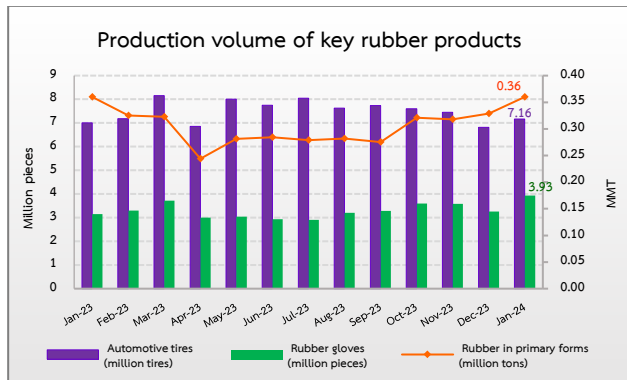
Production of motorcycles in January 2024 reached 177,822 units, a decrease of 8.30 percent from the same month last year (%YoY). The decline was driven by reduced production of multi-purpose and sport motorcycles. However, the production increased from December 2023 by 8.08 percent (%MoM).

Motorcycle sales in January 2024 reached 154,003 units, a decrease of 3.30 percent (%YoY) from the same month of the previous year due to decreased sales of motorcycles with engine sizes of 51-110 cc and 126-250 cc, but sales increased from December 2023 by 16.34 percent (%MoM).

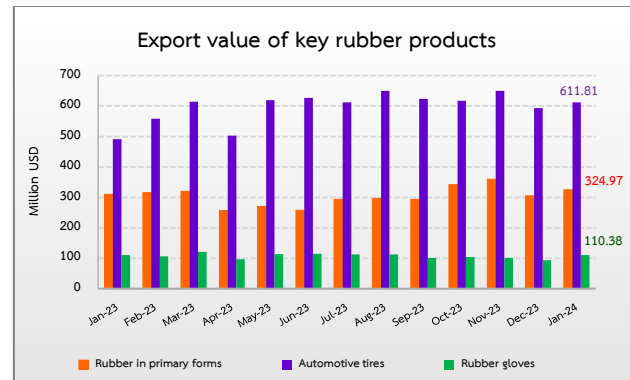
Exports of Complete Built-Up (CBU) motorcycle in January 2024 reached 36,086 units, a decrease of 17.35 percent from the same month last year (%YoY). Export markets decreased in China, the USA, and the UK. Moreover, exports decreased from December 2023 by 9.72 percent (%MoM).

“Outlook for Motorcycle industry in February 2024: The industry is estimated to decline compared to February 2023 owing to the slowdown of domestic and international markets.”

4. Rubber Industry and Natural Rubber Products



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

➖ Processed rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) decreased by 0.28 percent due to the slowdown of rubber sheet and rubber bale production.

➕ Automotive tires increased by 2.25 percent from the increased production of tires for pickup trucks.

➕ Rubber gloves increased by 25.40 percent to meet demand from both domestic and international markets.

Domestic Sales

➕ Sales of processed rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) increased by 0.75 percent due to high demand for rubber sheets and concentrated latex in downstream industries.

➕ Sales of automotive tires increased by 5.82 percent due to demand for pickup truck tires in the REM (Replacement Equipment Manufacturer) market.

➕ Sales of rubber gloves increased 19.16 percent due to increased domestic demand for medical gloves.

Exports

➕ Processed rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) increased in export value by 5.52 percent. This growth can be attributed to the increased exports of rubber bales to the USA, Japan, and Türkiye markets.

➕ Automotive tires increased in export value by 24.26 percent due to a good growth of exports to the USA and South Korea markets.

➕ Rubber gloves increased in export value by 4.55 percent as demand in the global market has increased.

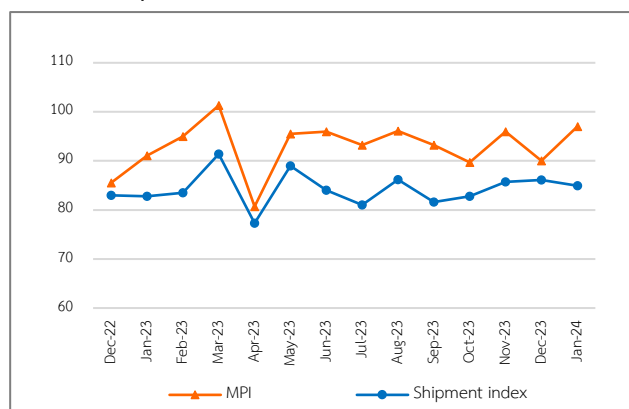
Outlook for the Industry in February 2024

The production of rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) is expected to increase in order to meet continuous demand from downstream industries both domestically and internationally. The production of automobile tires is anticipated to expand, particularly in response to the demand from domestic and international markets. As for the production of rubber gloves, it is expected to continue expanding primarily to meet domestic demand. Additionally, the sale of rubber gloves within the country is anticipated to increase due to the rising demand for medical rubber gloves starting in the middle of 2023.

The export of processed rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) is projected to increase in value. This increase is a result of key export markets, such as the USA, Japan, and Malaysia, which tend to increase orders for such products from Thailand, particularly rubber bales. As for automobile tires, the export value is anticipated to increase due to the continued increase in demand for tires in key markets such as the USA, Japan, South Korea, and Australia. Furthermore, the exports of rubber gloves are expected to increase in value from the recovery in demand for rubber gloves in the world market and the low base of export numbers last year.

5. Plastics Industry

MPI and Shipment Index



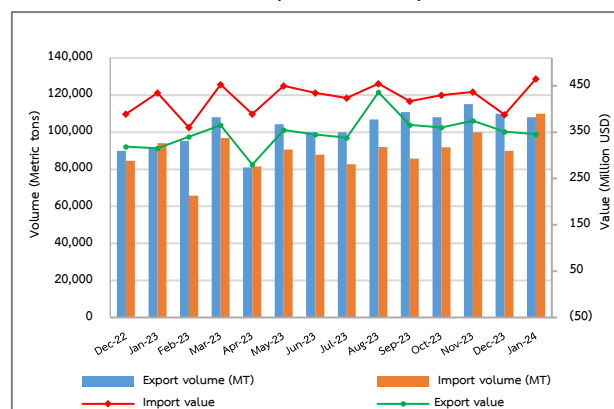
Source: The Office of Industrial Economics

+ The Manufacturing Production Index (MPI) in January 2024 increased by 6.51 percent compared to the same period last year. Many plastic products increased in MPI, such as plastic film (10.05%), plastic bags (7.72%), and plastic sacks (6.76%) compared to the same period last year.

+ The shipment index in January 2024 increased by 2.57 percent. Products increased in shipment index, such as tableware, kitchenware, and toilet articles (32.70%), plastic film (14.93%), and plastic bags (6.54%) compared to the same period last year.

+ Exports in January 2024 were valued at 345.80 million USD, an increase of 8.92 percent compared to the same period last year. Key products contributing to the increase in exports included monofilament products (HS 3916) (244.22%); floor covering products (HS 3918) (151.27%); and plastic sanitary ware (HS 3922) (67.22%) compared to the same period last year.

Volume and Value of Exports and Imports

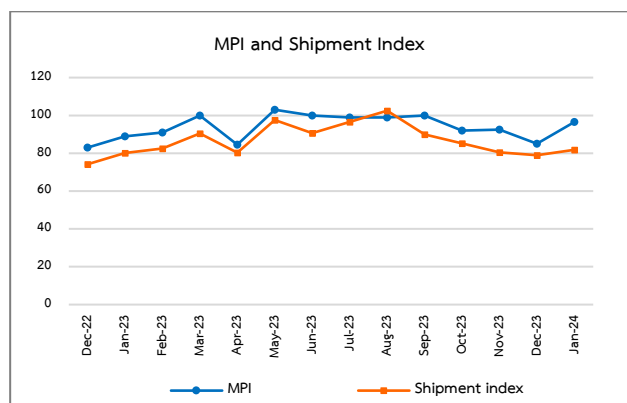


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

+ Imports in January 2024 were valued at 456.52 million USD, an increase of 7.03 percent compared to the same period last year. Key products contributing to the increase in imports included plastic sanitary ware (HS 3922) (45.75%), builders' ware of plastics (HS 3925) (30.45%); and household articles (HS 3924) (28.93%) compared to the same period last year.

“Outlook for the plastic industry in February 2024: The production situation is expected to begin improving due to increased domestic consumption, and exports are likely to expand further from key markets, including the USA, Vietnam, Indonesia, and China.”

6. Chemical products Industry

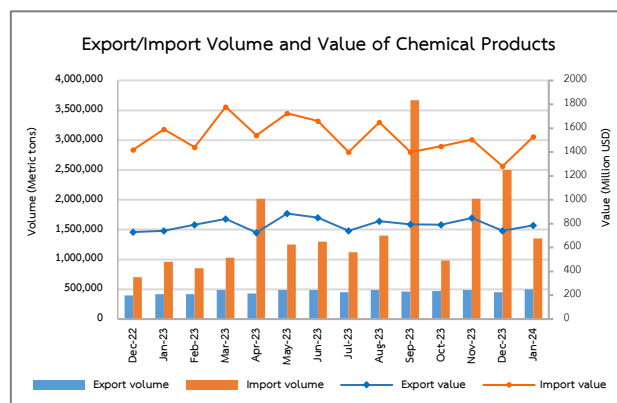


Source: The Office of Industrial Economics

+ **Manufacturing Production Index (MPI):** In January 2024, the MPI increased by 8.56 percent compared to the same period last year. The basic chemical products grew by 1.35 percent. Among the products that experienced an expansion were Hydrochloric acid (3.48%), caustic soda (2.81%), and chlorine (0.39%) compared to the same period last year. Furthermore, the MPI of downstream chemicals also increased by 12.09 percent. Products that increased in MPI included chemical fertilizers (58.11%), dishwashing liquid (29.00%), and cleaning liquid (23.17%) compared to the same period last year.

+ **Shipment Index:** In January 2024, the index increased by 2.02 percent compared to the same period last year. The downstream chemical products, there was an increase of shipment index by 4.38 percent. The products that increased in the index were chemical fertilizers (57.54%), cleaning liquid (8.58%) and industrial paint (6.42%) compared to the same period last year. As for basic chemical products, the shipment index decreased by 5.02 percent. The products that decreased in the index were talcum (-30.47%), fabric softener (-15.11%), and washing powder (-14.10%).

+ **Exports:** In January 2024, the total export were valued at 787.10 million USD, an increase of 7.44 percent compared to the same period last year. Exports of basic chemical products were valued at 377.37 million USD, an increase of 7.13 percent. As for downstream chemical products, exports were valued at 369.17 million USD, an increase of 14.73 percent compared to the same period last year. Products contributed to the increased export value such as cosmetics (21.72%), paints (16.85%), and inorganic chemicals (10.56%).

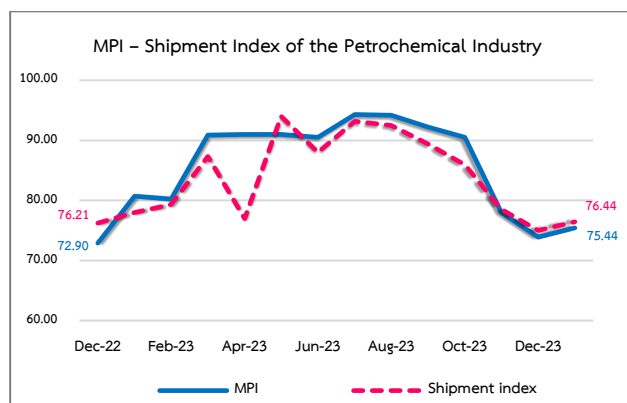


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

- Imports: In January 2024, the total imports were valued at 1,528.64 million USD, a decrease of 4.20 percent compared to the same period last year. Imports of basic chemicals decreased in value by 14.56 percent, amounting to 968.57 million USD compared to the same period last year. Furthermore, the import value of the downstream chemical products increased by 21.27 percent to a value of 559.67 million USD compared to the same period last year. Products contributed to the decreased import included inorganic chemicals (-13.67%) and miscellaneous chemicals (-17.00%).

“Outlook for the chemical industry in February 2024: Manufacturing production is projected to expand from heightened consumer demand, resulting in the expansion of some chemical products compared to the same period last year. As for the export situation, there are positive signs of improvement in exports, particularly in major markets such as India, Japan, Vietnam, and the USA.”

7. Petrochemical Industry

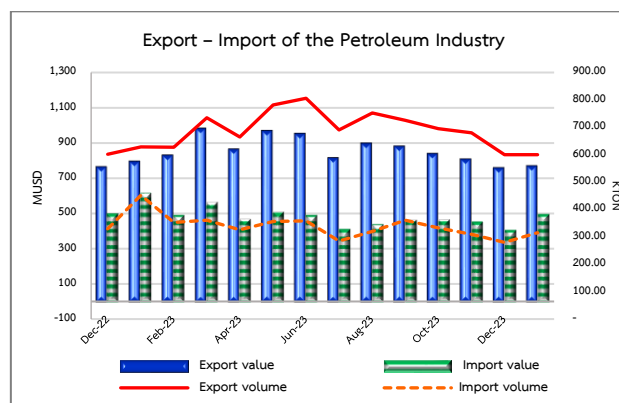


Source: The Office of Industrial Economics

➊ **The Manufacturing Production Index** in January 2024 stood at 75.44, a decrease of 6.50 percent compared to the same period last year but an increase of 2.13 percent compared to the previous month. Downstream petrochemicals, including PP and PE resins, experienced declines of 11.28 percent and 4.18 percent, respectively. Additionally, the MPI of upstream petrochemicals like propylene also decreased compared to the same period last year. However, the production of PLA bioplastic pellets showed continuous growth during this period.

➋ **The shipment index** stood at 76.44, a decrease of 2.25 percent compared to the same month last year but an increase of 1.61 percent compared to last month. Shipment of upstream petrochemicals, including benzene decreased by 51.55 percent compared to the same period last year and downstream petrochemicals like PVC resin decreased by 18.83 percent compared to the same period last year.

➌ **Exports** in January 2024 were valued at 769.74 million USD, a decrease of 3.06 percent compared to the same period last year but an increase of 1.39 percent from last month. The contraction was attributed to a reduction of downstream petrochemicals, such as PE resin (-5.40%), and a decrease in basic petrochemicals, such as ethylene (-77.75%). This was due to the international market's reduced demand for these products in downstream industries.

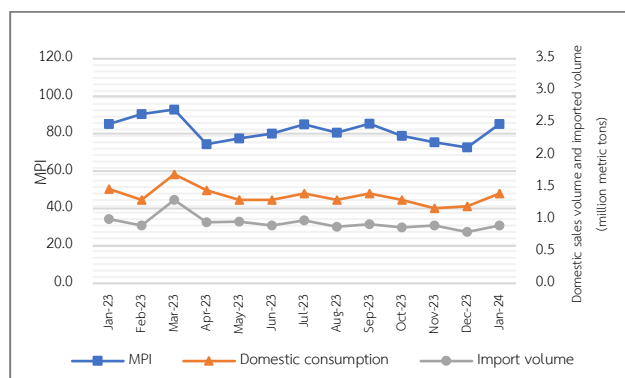


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

➍ **Imports** in January 2024 were valued at 496.27 million USD, a decrease of 18.59 percent compared to the same period last year but an increase from last month by 22.21 percent. The decrease was observed in both basic petrochemicals, such as Ethylene (-76.30%), and downstream petrochemicals, such as PET resin.

“Outlook for the Petrochemical Industry in February 2024: The overall manufacturing industry is projected to slow down compared to the same period last year. This can be attributed to the resumption of production following maintenance activities conducted from the end of last year to the beginning of this year. However, production remained sluggish primarily due to lower demand for plastics resulting from a slowdown in exports, particularly basic petrochemicals like ethylene and propylene, arising from volatile price fluctuations aligned with crude oil prices. This was worsened by the prolonged geopolitical conflicts, leading to production slowdown in several nations.”

8. Iron and Steel Industry



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

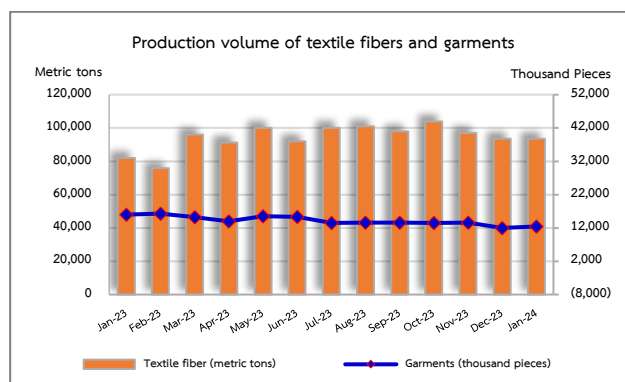
Manufacturing Production Index (MPI): In January 2024, the index was at 85.2, contracting 1.3 percent compared to the same period last year due to a slowdown in downstream industries such as the construction industry. When considering the key products, it was found that the Industrial Production Index contracted among the steel pipe products, with steel pipes decreasing by 18.5 percent, while the long products expanded by 2.2 percent. Products whose production has expanded include deformed bars and high-tensile steel wire. The flat products expanded by 8.5 percent. Products with expanded production include hot-rolled coils, cold-rolled sheets, and chrome-plated sheets.

Domestic consumption in January 2024, domestic steel consumption amounted to 1.4 million metric tons, declining by 3.3 percent compared to the same period last year. Consumption decreased in both long products and flat products. The consumption of long products amounted to 0.5 million metric tons, a contraction of 8.0 percent compared to the same period last year, driven by reduced consumption of both rebars and structural steel sections. The consumption of flat products amounted to 0.9 million metric tons, a slight contraction of 0.2 percent compared to the same period last year, driven by reduced consumption of hot rolled plates, hot rolled sheets, tinplates, and galvanized sheets.

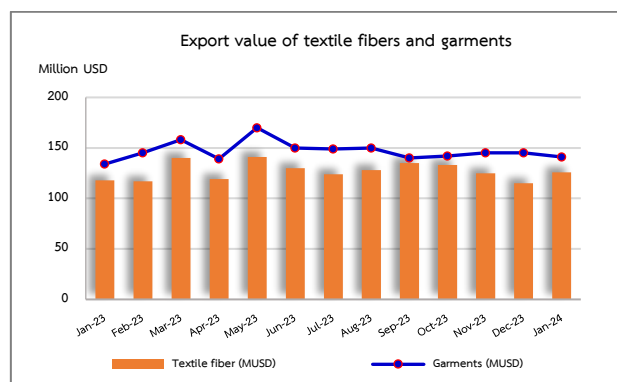
Imports: In January 2024, imports reached a total volume of 0.9 million metric tons, contracting by 0.7 percent compared to the same period last year. The contraction was primarily in the flat products, with flat steel imports amounting to 0.7 million metric tons, declining by 5.0 percent. The flat products that decreased in import were hot-rolled alloy steel sheets (with reduced imports mainly from China), hot-rolled carbon steel sheets (with reduced imports mainly from Japan and South Korea), and cold-rolled sheets (with reduced imports mainly from Japan and Vietnam). Meanwhile, long-product imports amounted to 0.2 million metric tons, expanding by 13.1 percent. Long products that experienced import expansion included alloy-steel wire rods (with increased imports mainly from China and Japan), structural carbon steel (with increased imports mainly from China and India), and seamless steel pipes (with increased imports mainly from China and Japan).

“Outlook for Iron Industry in February 2024: Production is estimated to decrease compared to the same period last year. This is because the global market’s raw material prices are expected to decline, leading consumers to delay orders to assess price directions. In addition, there will likely be an increase in imports of low-price steel. Nevertheless, there are important issues that should be monitored, such as the global economic and trade situation and international steel prices. However, there are important issues to monitor, such as the global economic and trade situation, international steel prices, and the progress of various state construction projects expected to resume based on government budget disbursements. These factors will impact the production and consumption of steel in Thailand.”

9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

➕ Textile fiber production has expanded for the sixth consecutive month, increasing by 12.54 percent (%YoY) in the category of man-made fibers and threads, such as polyester and rayon fiber products. The growth stemmed from heightened orders, both domestically and internationally, as these fibers were employed as raw materials in manufacturing various products such as sportswear, household textiles, and automobile parts.

➖ Fabric production decreased by 7.64 percent (%YoY) across all product groups. As for garments, the production was down by 20.35 percent (%YoY), specifically in woven and knitted clothing. The decrease was attributed to reduced orders from trading partners. However, compared to the previous month, textile fibers, fabrics, and garment expanded across all product groups by 0.30, 0.97, and 7.73 percent respectively. The growth was driven by increased demand both domestically and internationally, as well as economic recovery facilitated by government stimulus measures.

Domestic sales

➕ Textile fiber sales increased for the fifth consecutive month by 10.86 percent (%YoY), driven by an increase in sales of man-made fiber yarns and cotton yarns.

➖ Fabrics and garments contracted by 9.02 percent and 11.84 percent (%YoY), respectively. This was a result of a reduction in production capacity combined with a slowdown in consumer demand and a change in behavior by choosing to buy cheaper products from China. However, compared to the previous month (%MoM), there was expansion throughout the production chain for textile fibers (9.55%), fabrics (1.65%), and garments (1.01%), driven by the recovery of the tourism sector supported by government measures.

Imports

➖ Yarns and fiber imports contracted by 18.15 percent (%YoY), and fabric imports also contracted by 5.68 percent.

➕ Garment imports expanded by 25.37 percent (%YoY) from the importation of low-cost products from China as consumers adjusted their behavior to sluggish economic conditions by reducing purchases of luxury items to cut down on daily expenses.

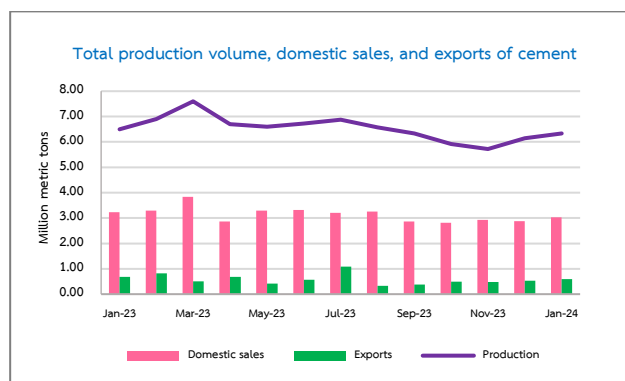
Exports

➕ Textile fibers expanded by 6.55 percent (%YoY) and 11.40 percent compared to the previous month (%MoM). The growth was driven by exports of artificial fibers to key trading partners such as Pakistan, where they were used as raw materials in textile and clothing production. However, the fabric sector contracted by 7.23% (%YoY).

➕ Exports of garments expanded by 5.15 percent (%YoY) in key markets such as the USA, Japan, and Belgium.

“The outlook for the textile and wearing apparel industry in February 2024 is expected to show slight expansion, driven by improved domestic demand supported by the recovery of the tourism sector and government economic stimulus measures. However, there is a possibility of a slowdown in the global economy, which could impact consumer confidence, leading to declining consumer demand. Additionally, the importation of cheap and substandard products from abroad may further pressure the competitiveness of Thai product manufacturers.”

10. Cement Industry



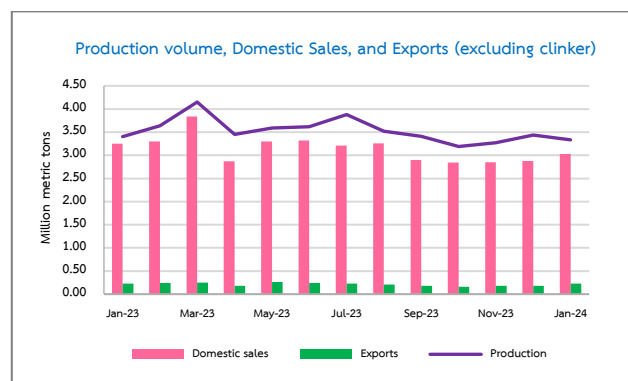
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
 2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➔ Total cement production: In January 2024, sale volume reached 6.33 million metric tons, a decrease of 3.06 percent compared to the same month last year (%YoY). This decrease was influenced by the decreased orders from domestic and international markets.

➔ Total domestic cement sales: In January 2024, reached 3.03 million tons, a contraction of 6.74 percent (%YoY) compared to the same month last year. This decline aligned with decreased demand for cement, which correlated with the slowdown of the domestic economy.

➔ Total cement exports: In January 2024, exports reached 0.59 million metric tons, a decreased of 11.15 percent (%YoY) compared to the same month last year. The decline was influenced by decreased orders of clinker in many key export markets, including CLMV countries, Bangladesh, the Philippines, and Sri Lanka.

“Outlook for cement industry in February 2024: The overall production is expected to grow from the acceleration of government construction projects and the market stimulation in the real estate sector, especially housing developments and condominiums at the beginning of 2024.”



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 January 2024, the production amounted to 3.33 million metric tons, a decrease of 2.36 percent (%YoY) compared to the same month last year. This decline can be attributed to reduced demand from the domestic market.

➔ Domestic cement sales (excluding clinker): In January 2024, sale volume reached 3.03 million metric tons, a decrease of 6.60 percent compared to the same month last year (%YoY). This decline was attributed to the slowdown in large government construction projects and real estate such as housing developments and condominiums.

➕ Exports of cement (excluding clinker): In January 2024, exports reached 0.23 million tons, an increase of 3.53 percent compared to the same month last year (%YoY). This growth was driven by increased orders from Lao PDR, where demand surged for the construction of large projects in the public and infrastructure sectors.

“Outlook for cement industry (excluding clinker) in February 2024: The production is anticipated to grow from the acceleration of construction in the real estate sector, including housing developments, commercial buildings, and condominiums, to stimulate the market at the beginning of 2024.”



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