

Report on the Industrial Economics Status

JULY 2024





Industrial Production Status

Indicators	2022	2023	2023						2024						
	Year	Year	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	1.3	-3.8	-3.9	-5.9	-5.9	-2.5	-1.5	-4.7	-2.9	-2.8	-4.9	2.7	-1.5	-1.6	1.8

In July 2024, the industrial economic conditions, when considered from the **Manufacturing Production Index (MPI)**, was **96.74, an increase of 1.8 percent from the same period last year**. This growth was primarily driven by the recovery of the global economy and most key trading partners, as well as the continuous expansion of Thailand's tourism sector, which benefited related industries such as food and petroleum refining.

When comparing the MPI data for the past three months to the same months in the previous year (%YoY), the MPI increased by 2.7 percent in May and contracted by 1.5 percent and 1.6 percent in June and July, respectively.

Indicators	2023						2024						
	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	-2.8	2.0	-1.2	-1.6	2.8	-4.9	7.6	0.2	5.0	-14.0	9.7	-2.3	0.6

For the past three months (April, May, and July 2024), the Manufacturing Production Index (MPI) compared to the previous month (%MoM), has shown the following rate of changes: a decrease of 14.0 percent in April, an increase of 9.7 in May, but a decrease of 2.3 percent in July 2024.

Key industries contributing to the increase of the MPI in July 2024, compared to the same month last year, included:

- **Palm oil:** The industry expanded by 35.29 percent, primarily from increases in crude and refined palm oil production, driven by higher volumes of palm fruit entering factories and continuous growth in export markets to India, China, Pakistan, and Europe.
- **Other rubber products:** The industry expanded by 14.70 percent, primarily driven by medical rubber gloves, rubber used in automotive and motorcycle parts, and primary rubber products. This growth is attributed to increased orders from European markets (due to certification under the EU Deforestation Regulation - EUDR), as well as from India and China.
- **Air conditioners:** The industry expanded by 26.91 percent, driven by rising global temperatures and improvements in product quality, such as the integration of technology like remote control via IoT and PM 2.5 filtration systems.

Key industries that contracted in July 2024, compared to the same month last year, included:

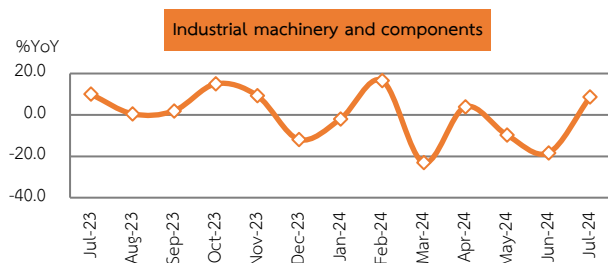
- **Automotive:** The industry contracted by 11.11 percent, mainly caused by decreases in the production of pickup trucks and compact cars. This decline was a result of the domestic market's contraction (-39.45%) due to high household debt, decreased consumer purchasing power, and strictness in loan approval by financial institutions. The industry also experienced a contraction in exported markets (-11.17%).
- **Electronic components and boards:** The industry contracted by 11.96 percent, mainly due to reductions in Integrated Circuits (ICs), in line with the global electronics market downturn. Export volume decreased by 21.48 percent as affected by changes in technologies rapidly.
- **Concrete, cement, and plaster products:** The industry contracted by 11.02 percent, primarily due to a decline in demand for concrete piles and precast concrete floors, driven by the slowdown in the real estate sector.



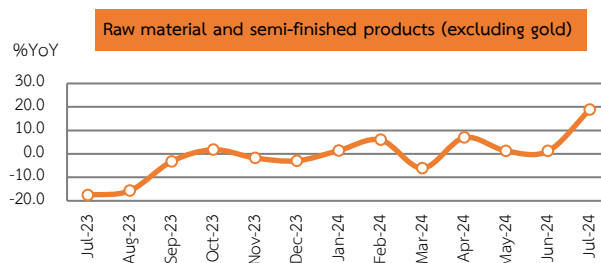
Other Industrial Economic Indicators in July 2024

Other Industrial Economic Indicators in July 2024

Imports of Thailand Industrial Sector



Source: Ministry of Commerce

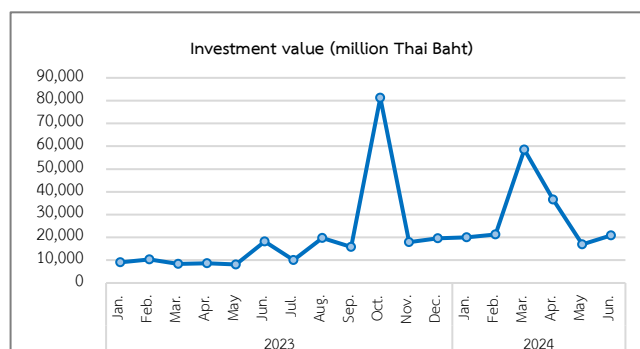
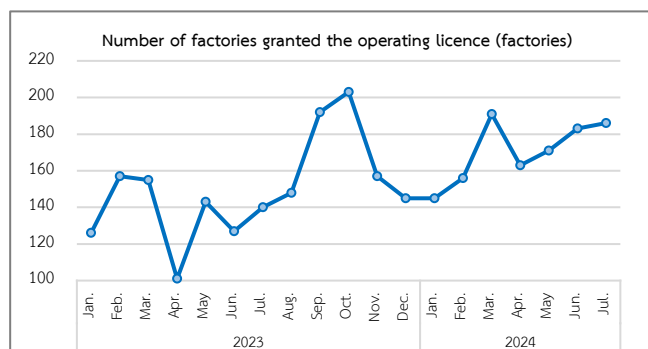


Source: Ministry of Commerce

- + **Imports of industrial machinery and parts** in July 2024 were valued at 1,664.57 million USD, an increase of 8.63 percent compared to the same month last year. This decline was primarily due to increased imports of wood processing machinery and parts.

- + **Imports of raw and semi-finished goods (excluding gold)** in July 2024 were valued at 10,363.21 million USD, an increase of 18.80 percent compared to the same month last year. This growth in imports was driven by products such as electrical and electronic equipment components, metal ores, particularly tin, and chemicals.

Industrial Operation Status



Source: Department of Industrial Works

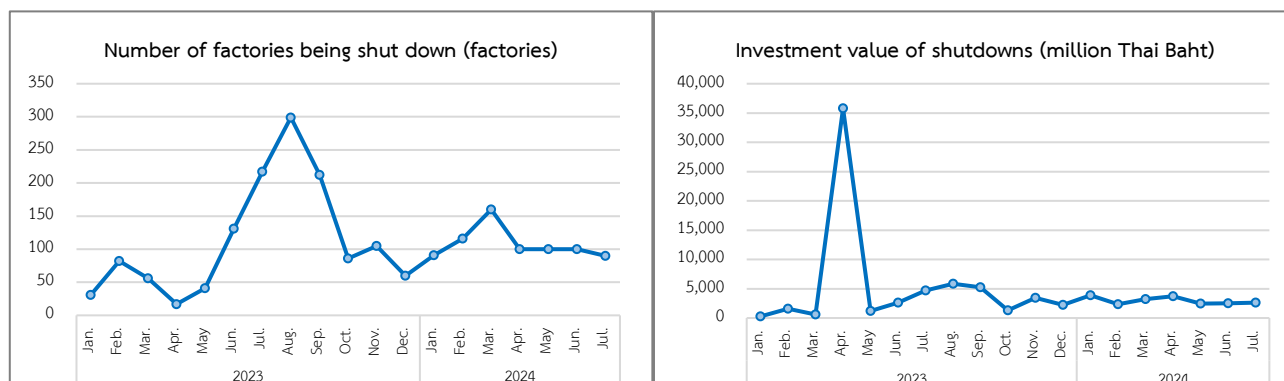
- + The total number of factories licensed for operation in July 2024 remained at 186 factories, increasing by 32.86 percent from the same month last year (%YoY) and 1.64 percent from June 2024 (%MoM).

- + The total investment from factories licensed for operating in July 2024 were valued at 14,379 million Thai Baht, increasing from the same month last year by 29.99 percent (%YoY) but decreasing from June 2024 by 31.10 percent (%MoM).

“The industry with the highest number of newly licensed factories to operate in July 2024 was the manufacture of concrete, ready-mixed concrete articles, gypsum, and plaster products (17 factories), followed by the excavation or dredging industry of gravel, sand, or soil (13 factories).”

“In July 2024, the industry with the highest investment value was the manufacturing, assembly, or repair of radio receivers, television receivers, and semiconductor products, with an investment of 6,413 million Thai Baht. Following this was the general packaging industry, with an investment amount of 1,079 million Thai Baht.”

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works

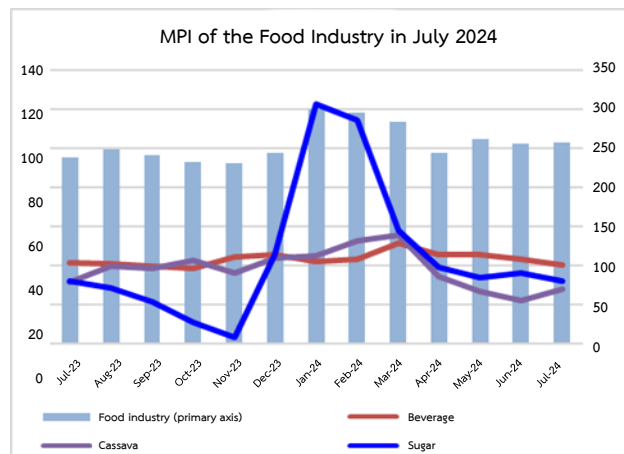
- A total of 90 factories were shut down in July 2024, decreasing from the same month last year by 58.53 percent (%YoY) and decreasing from June 2024 by 10.00 percent (%MoM).
- + The total investment value lost due to business shutdowns in July 2024 was 2,624 million Thai Baht, decreasing from the same month last year by 43.88 percent (%YoY) but increasing from June 2024 by 4.08 percent (%MoM).

“In July 2024, the industry with the highest number of factory shutdowns was the excavation or dredging industry of gravel, sand, or soil (11 factories), followed by sand dredging industry (5 factories) and the repair of motor vehicles (5 factories).”

“In July 2024, the industry with the highest business investment cessation was the central waste treatment plant, with an investment value of 814 million Thai Baht, followed by the manufacturing, assembly, or repair of water pumps, refrigerators, or refrigerator components, with an investment value of 169 million Thai Baht.”

Industrial Economic Status by Industrial Sectors in July 2024

1. Food Industry



Source: The Office of Industrial Economics

+ **MPI of the food industry:** In July 2024, the MPI increased by 8.2 percent compared to the same period last year. Key food product categories contributed to this growth, including: 1) Palm oil (35.3%): Expansion was seen in key products such as crude palm oil (45.2%) and refined palm oil (19.8%) due to increased demand domestically and internationally, particularly from major markets like India. 2) Prepared animal feed (17.8%): The growth was driven by significant increases in pet food (32.0%) due to rising demand in both domestic and international markets, with key export destinations being the USA, Italy, and Australia. 3) Sugar (0.9%): Growth was driven by molasses (20.8%) due to an increase in production to stock up as a raw material for related industries like animal feed. 4) Livestock (1.8%): Growth was driven by frozen and chilled pork (5.5%) to meet the demand for domestic consumption following growth in the tourism sector. 5) Fisheries (6.6%): Frozen fish production grew by 22.9 percent due to higher demand in both domestic and international markets. 6) Processed vegetables and fruits (0.4%): An expansion of canned pineapple production (58.5%) resulted from increased domestic demand. However, the MPI of some foods decreased, namely cassava (-11.7%), driven by a decline in the production volume of cassava starch (-14.9%). This decrease was caused by farmers harvesting immature crops prematurely, leading to lower-quality cassava flour that failed to meet the required standards by domestic processing plants. Additionally, there was a decline in demand from key export markets, including China, Japan, Taiwan, Malaysia, and the Philippines.



Source: Ministry of Commerce

+ **Beverage sector's MPI:** The index contracted by 2.4 percent overall. Key products such as rice whisky, blended spirits, purified water, and fruit-flavored beverages experienced a decline due to decreased demand in both domestic and international markets.

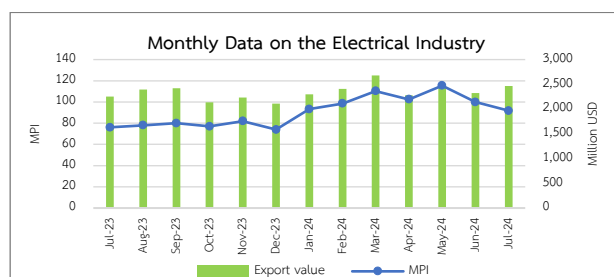
+ **Domestic markets:** The production volume for sale in July 2024 expanded by 11.8 percent (%YoY). This growth was seen in several categories, such as frozen and chilled pork (11.4%), frozen and chilled chicken (1.0%), frozen shrimp (9.2%), crude palm oil (16.1%), refined white sugar (3.8%), and pet food (17.8%).

+ **International markets:** In July 2024, overall food exports grew by 5.4 percent compared to the same period last year. This growth was driven by an expansion in the export of canned seafood (27.3%) due to strong demand from major markets like the USA, Malaysia, and Hong Kong; fresh and frozen chicken (16.5%), with key markets being Japan, the UK, and the Netherlands; rice (15.9%), supported by demand from Iraq and the USA; and pet food (26.6%), driven by rising demand in the USA and Italy. However, the export value of beverages declined by 10.4%, primarily due to reduced demand in major markets such as Cambodia, Vietnam, and Myanmar.

"Food Industry Outlook for August 2024: The overall food industry manufacturing production index in August 2024 is expected to increase compared to the same period in the previous year. This growth is driven by higher domestic consumption from the expanding tourism sector and increased import demand from Thailand's primary markets. Additionally, the export value is projected to grow due to heightened concerns about food security, leading to increased import demand from trading partners."

2. Electrical and Electronics Industry

■ Electrical Industry



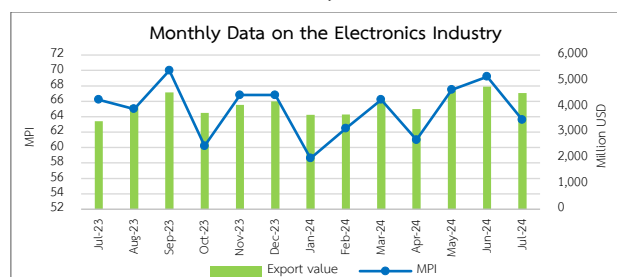
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➕ **The Manufacturing Production Index (MPI)** for electrical appliances stood at 91.7, an increase of 20.6 percent compared to the same month last year. Products that showed growth included electric motors, transformers, air conditioners, cables, compressors, electrical wires, rice cookers, washing machines, household fans, and refrigerators, which increased by 36.1 percent, 33.5 percent, 27.5 percent, 26.6 percent, 26.1 percent, 25.1 percent, 18.9 percent, 13.9 percent, 13.8 percent, and 11.6 percent, respectively. This growth was driven by increased demand in global markets and higher domestic sales. Meanwhile, products that saw a decline included thermo pots and microwave ovens, which decreased by 18.3 percent and 9.7 percent, respectively, due to reduced domestic demand.

➕ **Exports of electrical appliances:** In July 2024, exports of electrical appliances reached 2,467.2 million USD, an increase of 9.5 percent compared to the same month last year. Several products saw a rise in orders, including electric motors and generators, which grew by 36.2 percent to 91.3 million USD in markets such as the USA, Japan, and China. Air conditioners and parts increased by 27.8 percent to 531.6 million in the USA, Australia, and Vietnam. Switchboards and control panels rose by 19.2 percent to 259.7 million USD in the USA, Singapore, and China markets, electrical wires and cables increased by 16.1 percent to 116.2 million USD in Malaysia, Japan, and Vietnam. Transformers and parts grew by 15.1 percent to 435.8 million USD in the USA, the Netherlands, and Taiwan. Electric fans increased by 6.3 percent to 51.7 million in the USA, China, and Japan, and microwave ovens increased by 3.2 percent to 14.2 million USD in the USA, India, and the UK. However, orders for certain products decreased, including circuit breakers and protectors, which fell by 9.4 percent to 137.2 million USD in Japan, China, and Indonesia. Washing machines, dryers, and parts also declined by 4.5 percent to 107.7 million USD in South Korea, Vietnam, and Japan.

“Production outlook for August 2024: The electrical appliances industry is expected to remain stable compared to the same month last year due to the uncertainty of the global economic situation.”

■ Electronics Industry



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

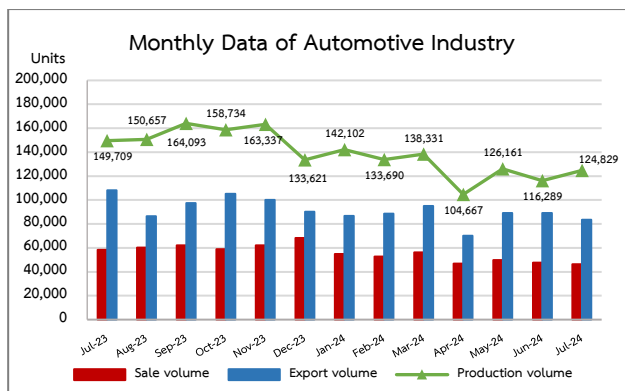
➖ **The Manufacturing Production Index (MPI)** of electronic products was at 63.6, a decline of 2.7 percent compared to the same month last year. Some of the products that experienced declines include IC, PCBA, semiconductor devices (transistors), and PWBs, which decreased by 15.9 percent, 11.3 percent, 1.9 percent, and 1.2 percent, respectively. This downturn followed the domestic market’s slowdown. However, there were some products that saw growth, such as printers and HDDs which increased by 37.2 percent and 20.9 percent, respectively. The expansion of HDDs was driven by the rising demand for large-scale and mass data storage technology development.

➕ **Exports of electronic products** reached a value of 4,515.8 million USD, increasing by 31.8% compared to the same month last year. This growth is attributed to global demand and the recovery of the electronic components sector. Products with rising orders included printed circuits, valued at USD 119.6 million, up by 8.3 percent in China, Japan, and India, and HDDs, valued at 655.9 million USD, increasing by 84.6 percent in the USA, China, and the Netherlands, due to demand from data centers and the need for large data storage. On the other hand, there were declines in orders for electrical circuit boards, valued at 690.5 million USD, decreasing by 8.7 percent in Singapore, Taiwan, and China, and semiconductors, transistors, and diodes, valued at 370.6 million USD, decreasing by 16.6 percent in the USA, Singapore, and Vietnam.

“Production outlook for August 2024: The electronics industry is expected to slow down compared to the same month last year, mainly due to reduced production volumes of products such as computer components and integrated circuits. However, the sales value per unit has increased, leading to higher overall sales and export value.”

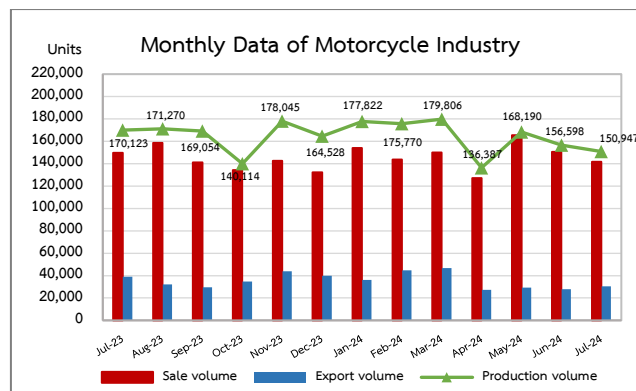
3. Automotive Industry

■ Automotive Manufacturing Industry



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

■ Motorcycle Manufacturing Industry



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

➔ **Automobile production:** In July 2024, automobile production totaled 124,829 units, representing a decrease of 16.62 (%YoY) compared to the same month last year. This drop was primarily due to reduced production of passenger cars and one-ton pickup trucks, driven by stricter lending practices from financial institutions in response to high household debt and a slowing economy. However, compared to June 2024, automobile production increased by 7.34 percent (MoM).

➔ **Domestic automobile sales** in July 2024 reached 46,394 units, a decrease of 20.58 percent (%YoY) compared to the same month last year and 2.66 percent from June 2024 (%MoM). This decline was observed in sales of passenger cars and one-ton pickup trucks, attributed to high household debt levels and tightened loan approval by financial institutions.

➔ **Automobile exports** in July 2024 reached 83,527 vehicles, a decrease from the same month of the previous year by 22.70 percent (%YoY) due to the impact of the Israeli-Hamas war, which caused a drop in vehicle transportation to the Middle East and Europe. Exports decreased from June 2024 by 6.22 percent (%MoM).

“Automobile industry Outlook for August 2024: The industry is expected to decline compared to August 2023 due to a slowdown in the domestic market.”

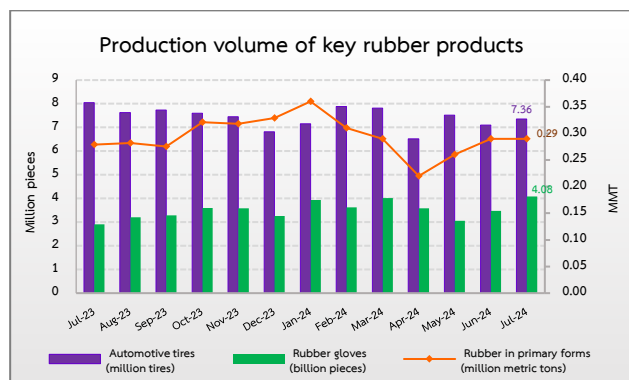
➔ **Production of motorcycles** in July 2024 reached 150,947 units, a decrease of 11.27 percent from the same month last year (%YoY). This decline was driven by reduced production of multi-purpose and sport motorcycles. Furthermore, compared to June 2024, the production decreased by 3.61 percent (MoM).

➔ **Motorcycle sales** in July 2024 totaled 141,557 units, a decrease 6.12 percent compared to the same month last year (%YoY). This decline was driven by reduced sales of motorcycles with engine sizes of 51-110 cc, 126-250 cc, and 251-399 cc. Sales also decreased by 5.97 percent from June 2024 (%MoM).

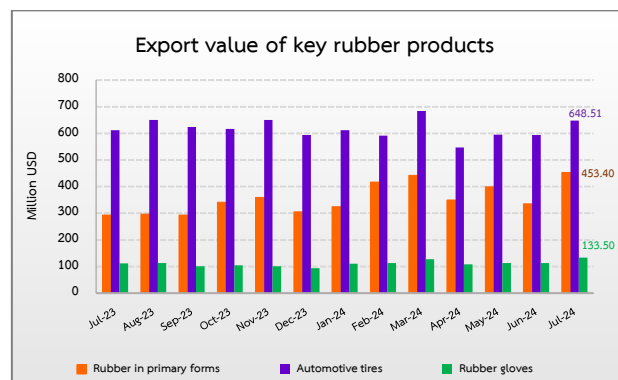
➔ **Exports of Complete Built-Up (CBU) motorcycle** in July 2024 reached 30,528 units, a decrease of 22.89 percent from the same month last year (%YoY). However, compared to June 2024, exports increased by 9.87 percent (%MoM).

“Motorcycle industry Outlook for August 2024: The industry is expected to decline compared to August 2023 due to a slowdown of domestic market.”

4. Rubber and Rubber Product Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

➕ Processed rubber in primary forms (rubber sheet, rubber block, and concentrated latex) increased by 2.12 percent due to the increase of rubber block and concentrated latex production.

➖ Automotive tires decreased by 8.97 percent from the decreased production of tires for passenger cars, pickup trucks, trucks, and buses.

➕ Rubber gloves increased by 40.53 percent to meet demand in both domestic and overseas markets.

Domestic Sales

➖ Sales of processed rubber in primary forms (rubber sheet, rubber block, and concentrated latex) decreased by 11.78 percent due to continuously decreased demand for rubber blocks and concentrated latex in downstream industries.

➕ Sales of automotive tires increased by 5.46 percent, primarily due to increased demand for automotive tires in the REM (Replacement Equipment Manufacturer) market.

➕ Sales of rubber gloves increased by 9.31 percent due to high domestic demand for medical gloves.

Exports

➕ Processed rubber in primary forms (rubber sheet, rubber block, and concentrated latex) increased in export value by 55.36 percent. This growth was attributed to higher exports of rubber sheets to Japan, rubber blocks to China and concentrated latex to Malaysia.

➕ Automotive tires decreased in export value by 6.24 percent, driven by the exports of automotive tires to secondary markets such as Malaysia and Saudi Arabia.

➕ Rubber gloves increased in export value by 24.55 percent, primarily due to rising demand in global market like the USA and the Netherlands.

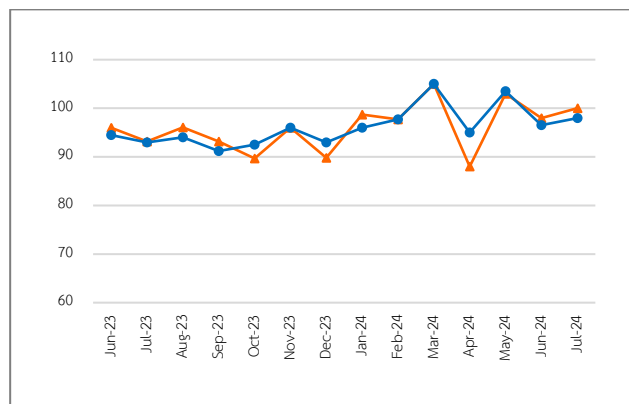
Industry Outlook for August 2024

The production of rubber in primary forms (rubber sheet, rubber block, and concentrated latex) is expected to continue expanding to meet the demands of downstream industries both domestically and internationally. Automobile tire production is anticipated to grow, driven by increased demand in the domestic market. Similarly, rubber glove production is expected to continue expanding to meet both domestic and international demands. The domestic distribution of rubber gloves is projected to grow as demand for medical-grade gloves increases.

The export value of processed rubber in primary forms (rubber sheet, rubber block, and concentrated latex) is expected to increase as major export markets such as China, Japan, and Malaysia tend to purchase more of these products from Thailand, coupled with higher prices than in the past. However, the export of automobile tires is projected to decline due to decreasing demand in major markets such as the USA, South Korea, and Australia. On the other hand, the value of rubber glove exports is expected to continue increasing due to the rising demand for rubber gloves in the world market, especially in the USA and European countries.

5. Plastics Industry

MPI and Shipment Index



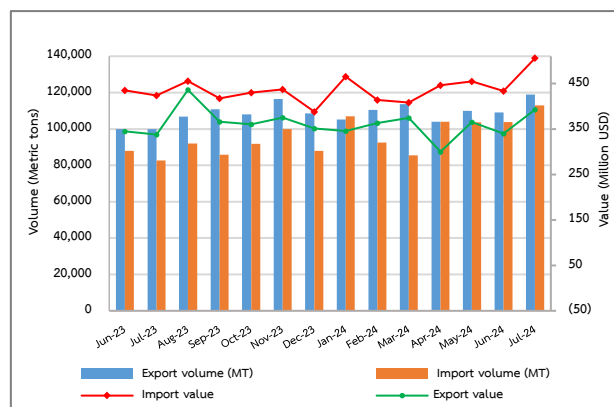
Source: The Office of Industrial Economics

+ The Manufacturing Production Index (MPI) in July 2024 increased by 6.5 percent plastic films (10.52%) compared to the same period last year. Products increased in MPI, such as plastic sheets (28.62%), tableware, kitchenware, and toilet articles, of plastics (25.82%), plastic sheets (21.62%), and plastic films (10.52%) compared to the same period last year.

+ The shipment index in July 2024 increased by 5.40 percent. Products increased in shipment index, such as tableware, kitchenware, and toilet articles, of plastics (33.93%), plastic sheets (21.62%), and plastic bags (11.07%) compared to the same period last year.

+ Exports in July 2024 reached a total value of 392.39 million USD, an increase of 16.02 percent compared to the same period last year. Products contributing to the increase in exports included floor coverings of plastics (HS 3918) (74.04%), sanitary ware of plastics (HS 3922) (30.90%), and builders' ware of plastics (HS 3925) (29.85%), compared to the same period last year.

Volume and Value of Exports and Imports

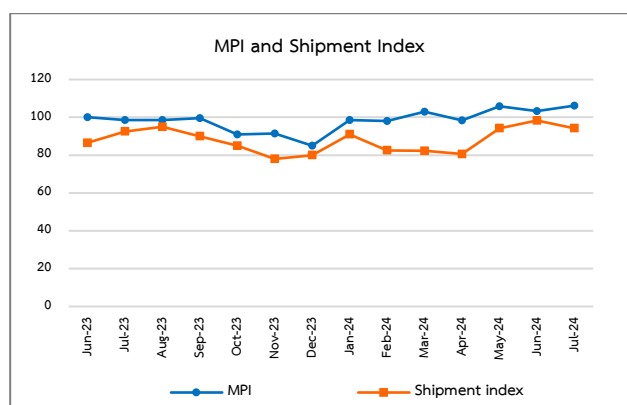


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

- Imports in July 2024 reached a total value of 505.84 million USD, an increase of 19.36 percent compared to the same period last year. Products contributing to the increase in imports included builders' ware of plastics (HS 3925) (58.82%), tableware, kitchenware, other household articles and hygienic or toilet articles, (HS 3924) (57.92%), other plates, sheets, film, foil and strip, of plastics, non-cellular (HS 3920) (30.32%) compared to the same period last year.

"Plastic industry Outlook for August 2024: "The industry is expected to improve as the global economy recovers, as the global economy is projected to recover, leading to an increase in consumer demand. Production in the plastic industry is expected to rise due to higher domestic consumption compared to the same period last year. However, imports and exports are anticipated to decrease from key trading partners such as the USA, Japan, and China."

6. Chemical products Industry

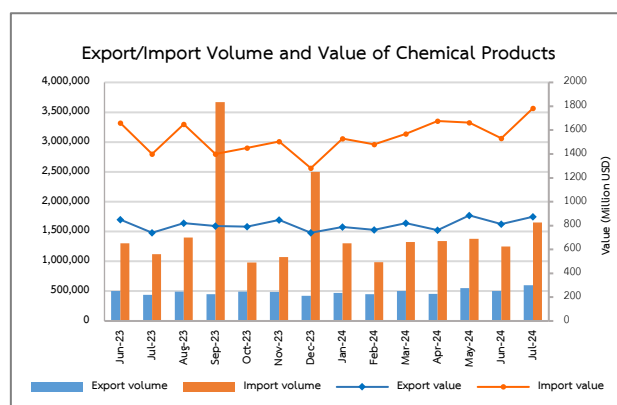


Source: The Office of Industrial Economics

+ Manufacturing Production Index (MPI): In July 2024, the index expanded by 7.79 percent compared to the same period last year. Basic chemical products grew by 4.16 percent, with notable increases in hydrochloric acid (18.01%), oxygen gas (10.43%), and hydrogen gas (9.75%). Downstream chemical products also saw growth, expanding by 9.52 percent, with products like chemical fertilizers (29.01%), talcum (18.76%), detergent powder (11.64%), compared to the same period last year.

+ Shipment Index: The shipment index in July 2024 increased by 1.82 percent compared to the same period last year. Downstream chemical products expanded by 2.27 percent, driven by growth in products such as talcum (24.08%), industrial paints (13.41%), and detergent (13.09%). Basic chemical products also grew by 0.82 percent, led by increased production of hydrochloric acid (16.59%), nitrogen gas (3.30%), and methyl ester (biodiesel) (3.94%) compared to the same period last year.

+ Exports of chemical products: In July 2024, the total export value was 87310.99 million USD, an increase of 19.06 percent compared to the same period last year. Exports of basic chemical products were valued at 500.83 million USD, an increase of 30.95 percent. As for downstream chemical product, export value reached 372.77 million USD, an increase of 6.12 percent compared to the same period last year. Products contributing to the increase in export value were organic chemicals (53.64%), miscellaneous chemical products (17.12%), and inorganic chemicals (11.06%).

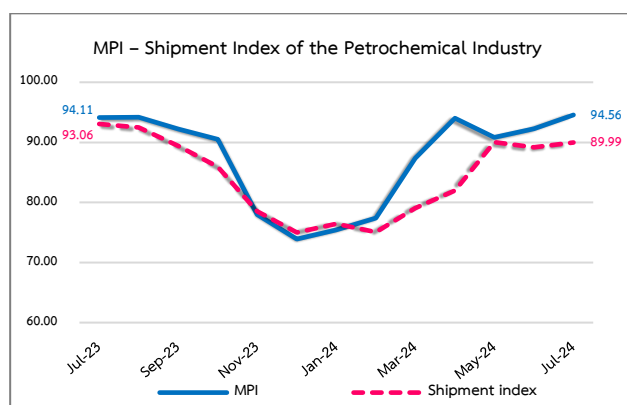


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

+ Imports: In July 2024, import value totaled 1,783.16 million USD, an increase of 27.02 percent compared to the same period last year. Imports of basic chemicals were valued at 1,066.69 million USD, a rise of 18.81 percent compared to the same period last year. As for downstream chemical products, import value reached 716.46 million USD, an increase of 41.59 percent compared to the same period last year. Products contributing to the increase in imports were miscellaneous chemical products (25.02%), fertilizers (58.91%), organic chemicals (39.63%), and cosmetics (39.51%).

"The chemical industry outlook for August 2024 is forecasted to experience growth in production due to increased domestic consumer demand for certain chemical products compared to the same period last year. In terms of the export situation, there is an improvement in key markets, including India, China, and Japan."

7. Petrochemical Industry

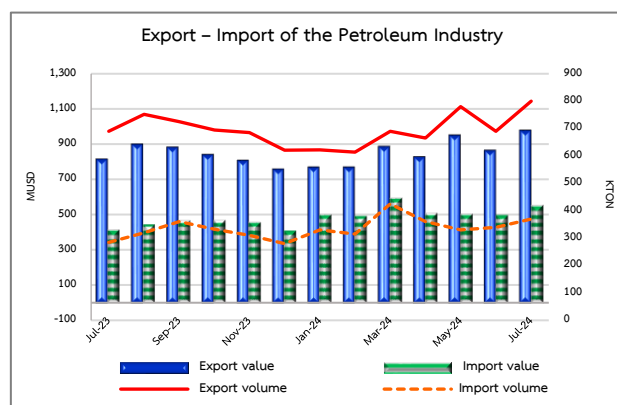


Source: The Office of Industrial Economics

➕ **The Manufacturing Production Index** in July 2024 was 94.56, an increase of 0.47 percent compared to the same period last year and an increase of 2.50 percent from last month. Downstream petrochemicals such as PET and PC resins increased by 13.34 percent and 3.98 percent, respectively. Upstream petrochemicals, such as Benzene, also saw an increase of 46.50 percent compared to the same period last year. In addition, the production of polylactic acid (PLA) pellets increased by 363.04 percent from the previous year due to the resumption of normal raw material production.

➖ **The shipment index** in July 2024 was 89.99, a decrease of 3.30 percent increase from the same period last year but an increase of 0.85 percent from the previous month. Upstream petrochemicals, such as Propylene decreased by 18.07 percent compared to the same period; downstream petrochemicals, namely PE resin decrease by 12.89 percent compared to the previous year.

➕ **Exports** in July 2024 were valued at 977.18 million USD, an increase of 20.08 percent compared to the same period last year and an increase of 13.10 percent compared to the previous month. This rise was mainly driven by the downstream petrochemical sector, such as PP resin (16.07%), and the upstream petrochemical sector, such as ethylene (210.12%), due to higher demand in international markets for downstream industries following factory maintenance shutdowns in several countries.

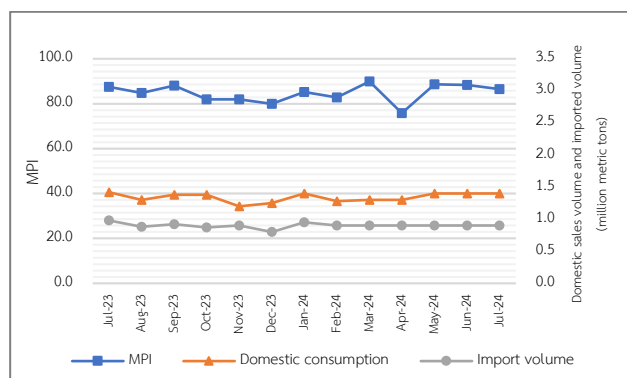


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

➕ **Imports** in July 2024 were valued at 550.14 million USD, an increase of 32.21 percent compared to the same period last year and an increase of 11.38 percent from the previous month. This growth was driven by the downstream petrochemical sector, such as PE resin (46.41%), and a significant rise of over 500 percent in the upstream petrochemical sector, such as styrene.

“Petrochemical Industry Outlook for August 2024: The industry is expected to see an improvement in production compared to the same period last year, as production has resumed following maintenance from late last year to early this year. Additionally, foreign demand will increase to compensate for domestic petrochemical plants, which are beginning to undergo maintenance after a continuous slowdown in production.”

8. Iron and Steel Industry



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

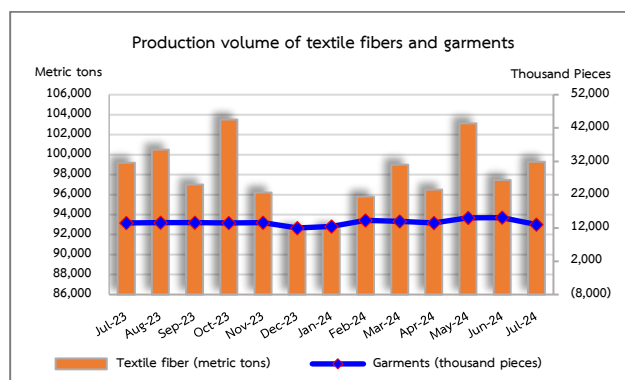
+ Manufacturing Production Index (MPI): In July 2024, the index stood at 86.5, an increase of 1.3 percent compared to the same period last year. However, both long and flat steel product categories experienced contractions. Long steel production decreased by 6.3 percent, with declines in products like wire rods, round bars, and hot-rolled structural steel. Flat steel production also contracted by 1.2 percent, particularly in galvanized sheets. On the other hand, there was significant growth in the production of hot-rolled coils, cold-rolled sheets, tinplate, chromium-coated sheets, and steel pipes, which increased by 19.5 percent.

- Domestic consumption: In July 2024, domestic steel consumption totaled 1.4 million metric tons, reflecting a 4.0 percent decrease compared to the same period last year. This decline was primarily driven by reduced demand for long products, which saw consumption of 0.5 million metric tons, a decrease of 13.8 percent due to weaker demand for rebars and hot-rolled structural steel sections. On the other hand, consumption of flat products increased by 2.5 percent to 0.9 million metric tons, driven by higher demand for tinplates, chromium-coated sheets, and galvanized sheets.

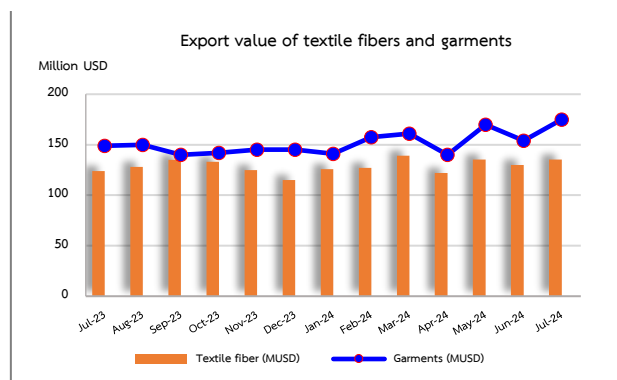
+ Imports: In July 2024, steel import volume was 0.9 million tons, a contraction of 2.6 percent compared to the same period of the previous year, due to the import of products in the long steel category, with long steel imports of 0.2 million metric tons, a contraction of 15.4 percent. Products with import contractions include alloy steel wire rods (the main countries from which Thailand imported decreased were Japan and South Korea), alloy steel rebars (the main countries from which Thailand imported decreased were Japan and China), and carbon steel wire rods (the main countries from which Thailand imported decreased were China and Indonesia). In contrast, flat steel imports increased by 2.3 percent, reaching 0.7 million metric tons. Products that saw an increase in imports included hot-rolled carbon steel plates (the main countries from which Thailand imported increased were Japan and China), hot-dip galvanized (HDG) sheets (the main country from which Thailand imported increased was China), and other coated steel sheets (the main country from which Thailand imported increased was China).

“Iron Industry Outlook for August 2024: The industry is expected to maintain production levels comparable to the same period last year. Key factors to monitor include global steel prices and the implementation of various countries’ economic and trade policies. For instance, China has announced a suspension of new steel plant licenses to control excess production. Additionally, government infrastructure projects will play a significant role in influencing steel production and consumption 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 twelfth consecutive month, increasing by 1.96 percent (%YoY) in categories such as man-made fibers, cotton yarn, and man-made fiber yarn, including polyester and rayon fiber products. This growth resulted from heightened orders, both domestically and internationally, as these fibers were used as raw materials in manufacturing various products such as sportswear, household textiles, and automobile parts.

➖ Fabric production decreased by 5.78 percent (%YoY) with a drop in woven fabrics, especially those made from cotton and synthetic fibers.

➖ Garment production decreased by 3.20 percent (%YoY) in the woven apparel category, which included both men’s and women’s outerwear and underwear. This decrease was primarily driven by reduced demand in domestic markets.

Domestic sales

➕ Textile fiber sales have increased for the eleventh consecutive month by 3.31 percent (%YoY). This growth was primarily in the categories of man-made fiber yarns and cotton yarns, driven by increased domestic use of raw materials by textile industry manufacturers.

➖ Fabric sales decreased by 1.42 percent, with a significant drop in woven fabrics (cotton) and towels.

➖ Garment sales shrank by 2.28% year-over-year (%YoY) as manufacturers relied on imported raw materials. In addition, consumers chose to buy imported garments, which were more affordable.

Imports

➖ Yarn and fibers contracted by 8.13 percent (%YoY), particularly in woven yarn and fine yarn. However, fabric production expanded by 16.01 percent (%YoY), mainly driven by imports from China and Vietnam to be used as raw materials for midstream and downstream products.

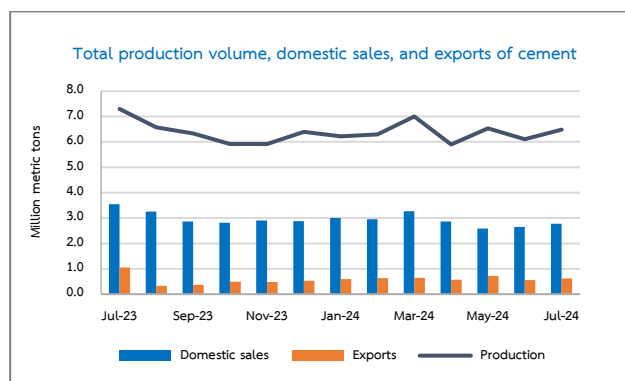
➕ Garments increased by 9.73 percent (%YoY), driven by the import of low-cost products from China and Vietnam, in line with consumer behavior adjustments to the slowing economic conditions.

Exports

➕ Exports expanded across all product categories. Textile fibers grew by 5.74 percent (%YoY), driven by exports of man-made fibers to Vietnam, Japan, and India. Fabric exports increased by 1.10 percent (%YoY), with key markets being Vietnam, Cambodia, and Bangladesh. Garment exports increased by 16.29 percent (%YoY), particularly for garments made from man-made fibers, with major export destinations including the USA, Japan, and Germany. This growth is attributed to the recovery in global economic and trade conditions.

“The outlook for the textile and apparel industry in August 2024 is expected to continue expanding due to improved domestic demand, supported by the recovery of the tourism sector. However, the industry may face challenges from a global economic slowdown, which could affect consumer confidence and reduce demand. Additionally, the import of low-quality, cheap goods from abroad is likely to pressure the competitiveness of Thai manufacturers.”

10. Cement Industry



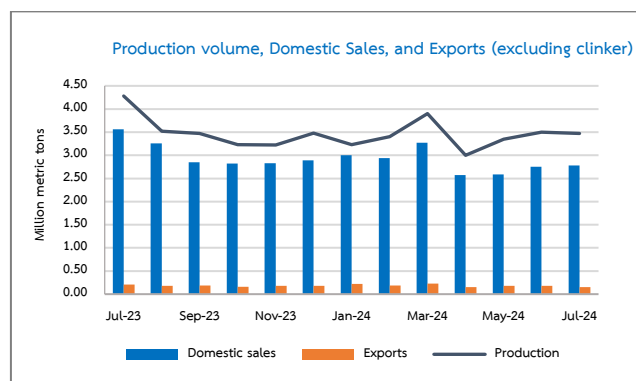
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➔ **Total cement production** in July 2024 reached a volume of 6.49 million metric tons, a decrease of 11.09 percent (%YoY). This decline was attributed to reduced orders from the domestic market and key importing countries, including Bangladesh, Myanmar, and Cambodia.

➔ **Total domestic cement sales** in July 2024 reached 2.78 million metric tons, a decline of 6.74 percent (%YoY). This decline was primarily due to reduced demand for cement, driven by the slowdown in the domestic economy, particularly in government construction projects and real estate, where existing stocks, such as residential homes and condominiums, has not yet been sold.

➔ **Total cement exports** totaled 0.62 million metric tons, representing a significant decline of 42.80 percent (%YoY). This sharp drop was primarily attributed to a substantial reduction in orders from key markets, including Bangladesh, Lao PDR, and Cambodia.

The outlook for the cement production industry in August 2024 is expected to see growth, driven by the development of more sustainable construction materials to meet environmental demands."



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 in cooperation with the Customs Department

➔ **Cement production (excluding clinker)** in July 2024 reached 3.47 million metric tons, a decrease of 18.55 percent (%YoY). This decline was driven by reduced demand from the domestic and export markets.

➔ **Domestic cement sales (excluding clinker)** in July 2024 totaled 2.78 million metric tons, a decrease of 22.33 percent (%YoY). This reduction was attributed to the slowdown in large government construction projects and the real estate sector, including housing developments and condominiums.

➔ **Exports of cement (excluding clinker)** in July 2024 amounted to 0.15 million metric tons, a contraction of 25.39 percent (%YoY). This decline was mainly due to a significant reduction in orders from Myanmar, as demand for large-scale construction and infrastructure projects slowed. Key markets included ASEAN countries such as Lao PDR, Cambodia, and Myanmar.

"The outlook for the cement production industry (excluding clinker) in August 2024 is expected to see growth, driven by accelerated construction activities in the real estate sector, including housing developments, commercial buildings, and condominiums. This growth is anticipated in response to increased orders and various government stimulus measures introduced in July."



สำนักงาน | OFFICE
เศรษฐกิจอุตสาหกรรม | OF INDUSTRIAL ECONOMICS

The Office of industrial Economics

75/6, Rama VI Road, Ratchathewi, Bangkok 10400

Website:www.oie.go.th