

Report on the Industrial Economics Status

March 2024





Industrial Production Status

Indicators	2022	2023	2023										2024		
	Year	Year	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
MPI	1.3	-3.8	-2.8	-8.0	-2.8	-4.2	-3.9	-5.9	-5.9	-2.5	-1.5	-4.7	-2.9	-2.8	-5.1

In March 2024, the industrial economic status, when considered from the **Manufacturing Production Index (MPI)**, decreased by 5.1 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 ASEAN (5) and CLMV led to a decrease in exports, particularly in automobiles and electronic components.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in December 2023, January and February 2024 contracted by 4.7, 2.9, and 2.8 percent, respectively.

Indicators	2023										2024		
	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
MPI	7.4	-20.4	14.4	-2.1	-2.8	2.0	-1.2	-1.6	2.8	-4.9	7.6	0.2	4.8

For the past three months (December 2023 and January and February 2024) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: a decrease of 4.9 percent in December, an increase of 7.6 percent in January and an increase of 0.2 in February 2024.

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

- Automobiles shrank 22.63 percent, mainly from pickup trucks, compact cars, full-size cars, and diesel engine cars, following the contraction of the domestic market (-33.15%) due to weak consumer purchasing power. Household debt is high, and debt repayment problems persist. In addition, financial institutions are strict in granting loans.
- Sugar shrank 25.26 percent, mainly from raw sugar, molasses, and white sugar, as the production of fresh sugar cane was less than last year due to droughts, where the lack of rain has affected some areas of cultivation.
- Electronic components and circuit boards shrank 15.33 percent, mainly from integrated circuits (IC), following the global economic slowdown that affected consumption and investment.

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

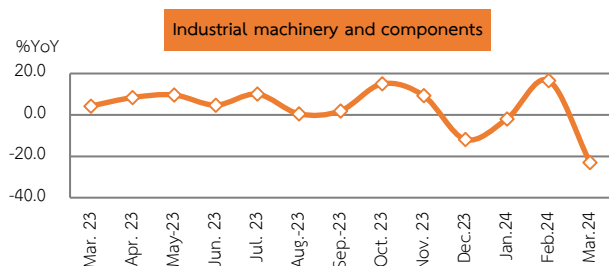
- Refined petroleum products grew by 5.32 percent, mainly from jet fuel, cooking gas, and gasohol 91, following the continued growth of travel demand, especially in the tourism sector.
- Cassava starch grew by 47.65 percent following the number of cassava tubers entering the factory, which was higher than last year after the problem of cassava mosaic disease began to resolve. Cassava tubers were good prices, and farmers expanded cultivation areas.
- Prepared animal feeds grew by 8.45 percent, mainly from pet food and prepared pig feed. Pet food grew from the export market (+33.62%) following the popularity of raising dogs and cats. Meanwhile, pig feed increased as the amount of pigs raised by farmers increased.



Other Industrial Economic Indicators in March 2024

Other Industrial Economic Indicators in March 2024

Imports of Thailand Industrial Sector



Source: Ministry of Commerce

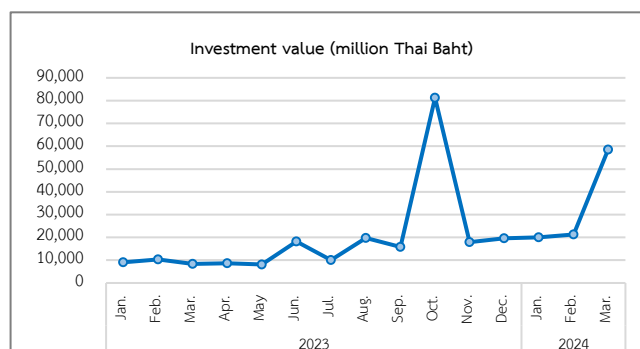
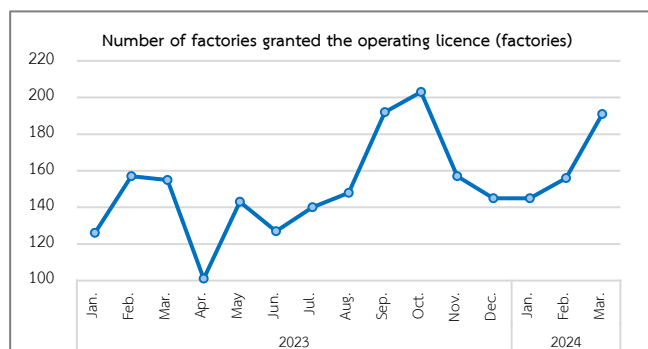


Source: Ministry of Commerce

➔ **Imports of industrial machinery and parts** in March 2024 were valued at 1,285.51 million USD, a decrease of 23.02 percent compared to the same month last year. This was attributed to decreased imports of products such as jet turbines and parts; construction machinery and parts; and metal processing machinery and parts.

➔ **Imports of raw and semi-finished goods (excluding gold)** in March 2024 were valued at 9,510.48 million USD, a decrease of 6.08 percent compared to the same month last year. This was attributed to decreased imports of products such as chemical products and plastic products.

Industrial Operation Status



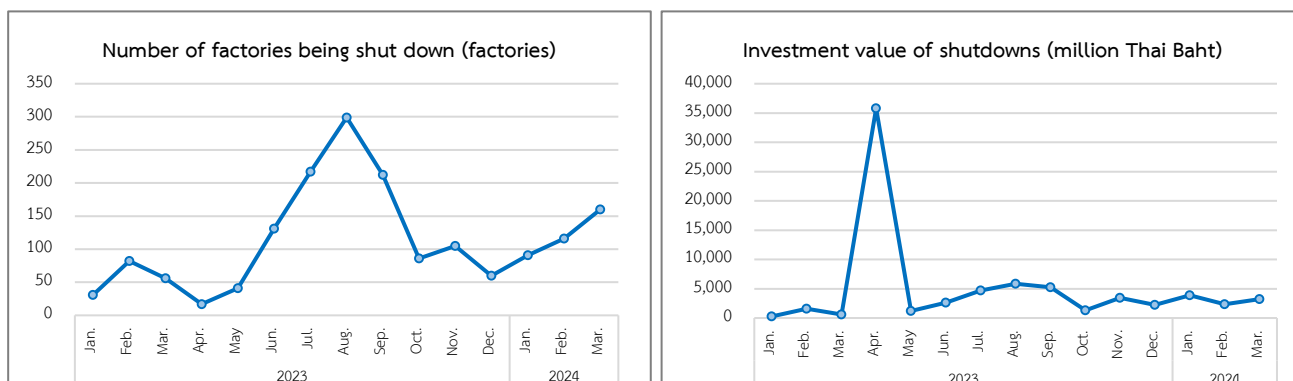
Source: Department of Industrial Works

- + The total number of factories licensed for operation in March 2024 remained at 191 factories, increasing from February 2024 by 22.44 percent and 23.23 percent from the same month last year (%YoY).
- + The total investment from factories licensed for operating in March 2024 were valued at 58,444 million Thai Baht, increasing from February 2024 by 175.24 percent (%MoM) and 603.05 percent from the same month last year (%YoY).

“The industry with the highest number of newly licensed factories to operate in March 2024 was the excavation or dredging industry of gravel, sand, or soil (20 factories), followed the manufacture of concrete, ready-mixed concrete articles, gypsum and plaster products by (19 factories).”

“In March 2024, the industry with the highest investment value was the mixed or prepared animal feed industry, with an investment amount of 16,906 million Thai Baht. Following this was the manufacture of fertilizers or pesticide or herbicide industry, with an investment amount of 15,229 million Thai Baht.”

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works

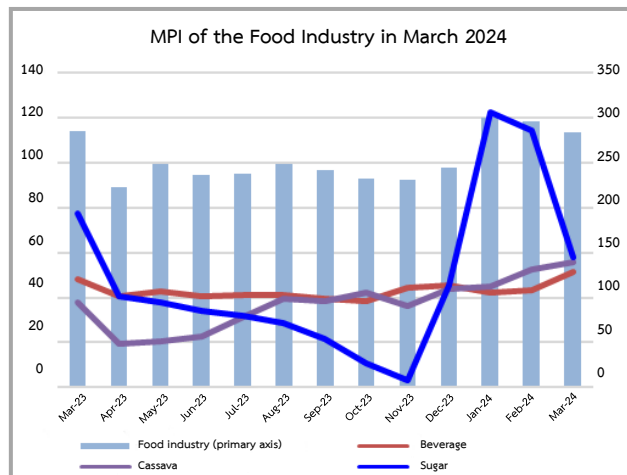
- A total of 160 factories were shut down in March 2024, increasing from February 2024 by 37.93 percent (%MoM) and 185.71 percent (%YoY) from the same month last year.
- The total investment value lost due to business shutdowns in March 2024 was 3,206 million Thai Baht, which increased by 37.84 percent (%MoM) from February 2024 and 438.78 percent (%YoY) from the same month last year.

“In March 2024, the industry with the highest number of factory shutdowns was the excavation or dredging industry of gravel, sand, or soil (23 factories), followed by the industry of manufacturing plastic pellets, rods, tubes, sheets, pieces, powders, or various forms (10 factories).”

“In March 2024, the industry with the highest business investment cessation was the manufacturing industry of components for building construction, with an investment cessation valued at 339 million Thai Baht, followed the manufacturing of tools, appliances, furniture, and plastic products, with an investment cessation valued at 330 million Thai Baht.”

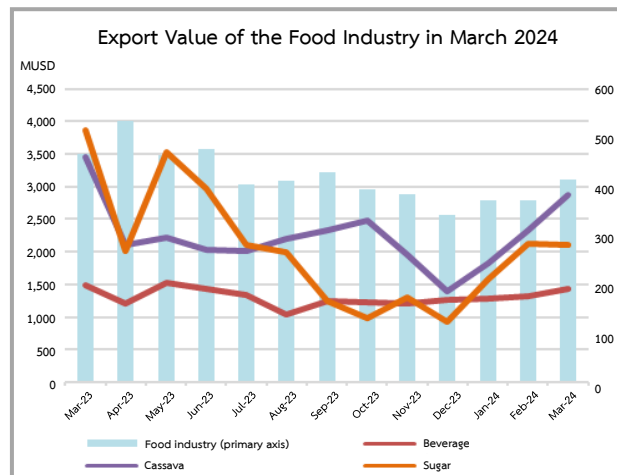
Industrial Economic Status by Industrial Sectors in March 2024

1. Food Industry



Source: The Office of Industrial Economics

➖ In March 2024, the MPI of the food industry decreased by 0.7 percent (%YoY) compared to the same period last year. The slowdown in MPI was seen in several products, including sugar slowed down by 25.3 percent from raw sugar (-57.3%), and white sugar (-11.7%). The production of raw sugar and white sugar has decreased due to lower demand for consumption in both domestic and international markets. This decline is especially notable in reduced sugar exported to Indonesia, a major trading partner. However, products that saw an increase in MPI were 1) Cassava, increased by 47.6 percent from the essential products being cassava starch, which grew by 50.9 percent due to increased cassava production from the increased demand in the domestic market for continuous industries (the food and beverage industry, and paper industry). Furthermore, the demand for imported products grew among important trading partners such as China and the demand from new markets such as Indonesia. 2) Prepared animal feed increased by 8.4 percent, mainly from pet food, which grew by 14.5 percent due to increased production following increased orders from foreign markets. The important pet food markets include America, Japan, and Italy. 3) Processed fruits and vegetables increased by 3.2 percent, driven by key products such as fruit and vegetable juices, which grew by 6.5 percent, and dried fruits and vegetables, which increased by 2.6 percent. This growth was due to rising demand for both domestic and international consumption. 4) Fishery products increased by 2.1 percent, from key products such as frozen fish which grew by 8.5 percent due to increased consumption demand from both domestic and international markets. 5) Livestock increased by 1.1 percent, from key products such as chilled and frozen pork which grew by 18.0 percent due to increased consumption demand from domestic market.



Source: Ministry of Commerce

➕ The MPI of the beverage sector increased by 6.5 percent, driven by key products such as rice whisky, beers, carbonated drinks, and purified water. This increase in production was in response to growing demand both domestically and internationally. Manufacturers produced goods to stock up for the Songkran Festival in April. Hot weather conditions also escalated the increase, stimulating consumer beverage consumption.

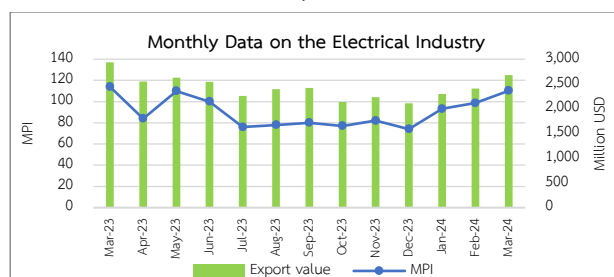
➕ **Domestic markets:** The production volume for food products for domestic sale in March 2024 increased by 14.2 percent (%YoY). This expansion included: 1) Frozen ready meal, increasing by 14.2 percent; 2) Chilled and frozen pork, increasing by 13.3 percent; 3) Cassava starch, increasing by 8.40 percent; 4) Ready-to-drink milk, increasing by 7.5 percent.

➖ **International markets:** In March 2024, overall food exports decreased by 11.6 percent compared to the same period last year, mainly due to declines in the sugar and palm oil sectors. However, exports of certain products continued to increase, such as rice, with key markets including Indonesia, the USA, and the Philippines. Additionally, the value of beverage exports decreased by 3.4 percent compared to the same period last year, with major markets being Myanmar, Cambodia, and Vietnam.

“Outlook for the Food Industry in April 2024: The overall food industry is expected to slow down compared to the same period last year following economic conditions that affect the purchasing power of consumers. However, the tourism sector is anticipated to see an increase in tourists during the Songkran festival. Export values are expected to expand due to growing concerns about food security, leading to increased import demands from partner countries. Nevertheless, attention must be paid to the continued economic slowdown in partner countries and the geopolitical conflicts that may impact the economic system.”

2. Electrical and Electronics Industry

■ Electrical Industry



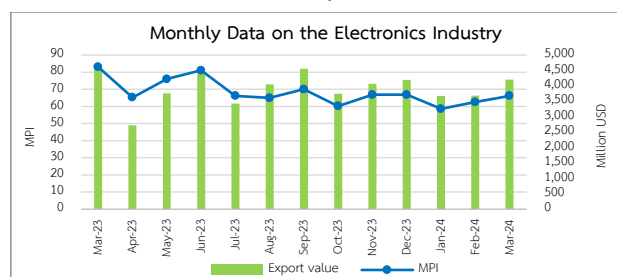
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➔ **Production of electrical appliances:** The Manufacturing Production Index (MPI) for electrical appliances was 110.3, a decrease of 3.9 percent compared to the same month last year. This decrease was attributed to a slowdown in line with the global economic situation. Products that experienced decreases in MPI included cables (-39.6%), microwaves (-31.4%), compressors (-24.3%), thermo pots (-13.6%), electric motors (-11.4%), and rice cookers (-6.7%). The decline was due to reduced domestic demand and overseas purchasing orders. Conversely, products with increasing MPI included electrical cables (38.4%), electrical transformers (34.9%), washing machines (11.0%), air conditioners (3.5%), and refrigerators (3.2%). The increase was attributed to growing demand for products in the world market and domestic sales, particularly electrical cables and electrical transformers, which expanded in line with demand for production and infrastructure construction in the country.

➔ **The export value of electrical appliances** amounted to 2,679.3 million USD, reflecting a decrease of 8.8 percent compared to the same month last year. This decline was driven by reduced orders for products such as microwave ovens, which dropped by 20.7 percent to 15.5 million USD in the markets of Japan, the UK, and Taiwan; circuit breakers and protection devices, which dropped by 15.8 percent to 153.1 million USD in the markets of Japan, Hong Kong, and China; air conditioners and components, which dropped by 12.7 percent to 741.3 million USD in the markets of the USA, Italy, and France; fans, which dropped by 9.9 percent to 50.8 million USD in the markets of China, Vietnam, and Germany; and motors and generators, which dropped by 6.2 percent to 77.1 million USD in the markets of the USA, Japan, and Germany. However, there were increases in orders for transformers and components, which grew by 3.9 percent to 395.0 million USD in the markets of the USA, the Netherlands, and Taiwan; washing machines, dryers, and components, which grew by 1.6 percent to 123.8 million USD in the markets of Mexico, Malaysia, and Canada; switchboards and control panels, which grew by 12.9 percent to 291.9 million USD in the markets of the USA, Singapore, and Malaysia; and electrical wires and cables, which grew by 0.8 percent to 94.2 million USD in the markets of the USA and Hong Kong.

“Outlook for Production in April 2024: The electrical appliances industry is expected to slow down continuously compared to the same month last year due to a decrease in demand, which is in line with the global economic situation.”

■ Electronics Industry



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

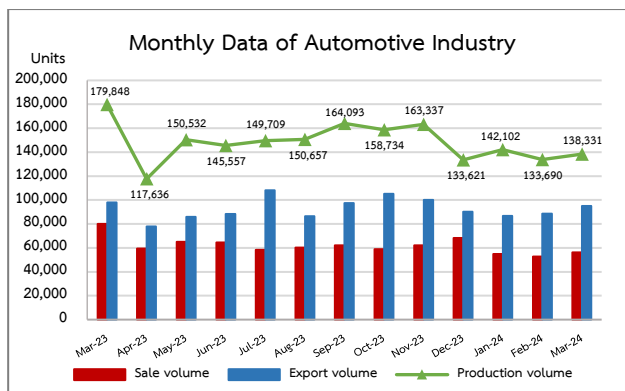
➔ **The production index for electronic products** stood at 66.2, a decrease of 20.0 percent compared to the same month last year. The products that declined include HDDs, semiconductor devices and transistors, ICs, and PWBs, with decreases of 38.5 percent, 27.0 percent, 26.4 percent, and 26.4 percent, respectively. The decline in HDD production is mainly due to reduced global market demand and technological advancements that increase storage capacity per unit. However, the demand for HDDs in data centers continues to grow gradually. On the other hand, products that saw an increase included printers and PCBAs, which rose by 4.9 percent and 0.4 percent, respectively. The growth in printer production was driven by the diversity of printing technology functions, which has increased demand among domestic consumers, particularly in the SME sector.

➔ **Exports of electronic products were valued at** 4,206.3 million USD, a decrease of 8.4 percent compared to the same month last year. This decline was attributed to a slowdown in global market demand. Products with reduced orders included HDDs, which were valued at 899.6 million USD, a decrease of 36.2 percent in the US, Hong Kong, and the Netherlands markets. Electrical circuit boards were valued at 663.4 million USD, a decrease of 18.2 percent in the Hong Kong, Singapore, and Japan markets. Semiconductor devices, transistors, and diodes were valued at 391.3 million USD, a decrease of 16.1 percent in the India, Vietnam, and Japan markets. Printed circuits were valued at 105.0 million USD, a decrease of 15.6 percent in the US, Japan, and China markets.

“Outlook for Production in April 2024: The electronics industry is projected to remain stable compared to the same month last year. This stability is attributed to increased production costs and the gradual growth of the industry, which is driven by the demands of the digital global market.”

3. Automotive Industry

■ Automotive Manufacturing Industry



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

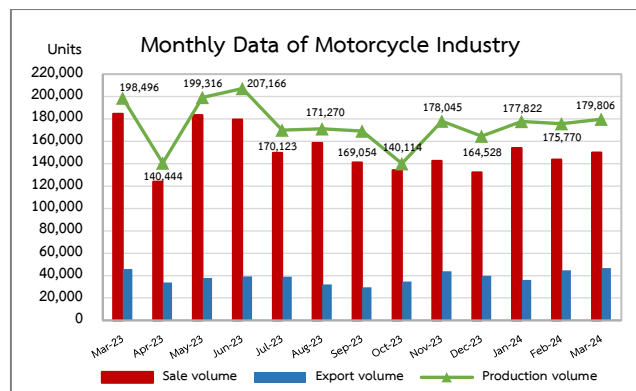
➖ **Production of automobiles** in March 2024 reached 138,331 units, a decrease of 23.08 percent (%YoY) compared to the same month in the previous year. This decline was attributed to reduced production of passenger cars and 1-ton pickup trucks. Furthermore, the production increased by 3.47 percent (%MoM) from February 2024.

➖ **Domestic automobile sales** in March 2024 reached 56,099 units, a decrease of 29.83 percent (%YoY) compared to the same month the previous year. This decline was observed in sales of passenger cars and 1-ton pickup trucks, attributed to high household debt levels and tightened loan approval by financial institutions. Additionally, inclining interest rates have impacted domestic demand. Sales also increase by 6.16 percent from February 2024 (%MoM).

➖ **Automobile exports** in March 2024 reached 95,089 units, a decrease of 3.35 percent compared to the same month last year (%YoY). However, exports grew by 7.18 percent from February 2024 (%MoM) and growing for the third consecutive month due to the recovery of international markets.

“Outlook for Automobile industry in April 2024: The industry is estimated to decline compared to April 2023 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.

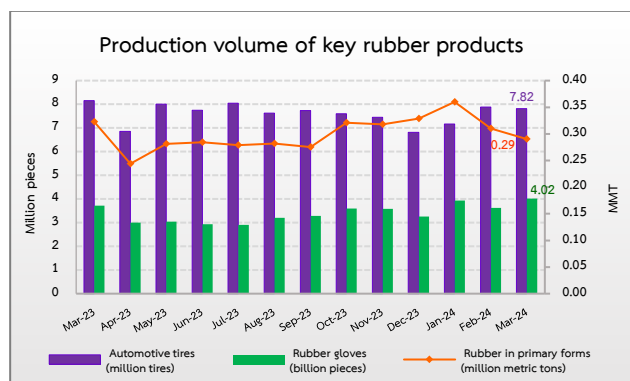
➖ **Production of motorcycles** in March 2024 reached 179,806 units, a decrease of 9.42 percent from the same month last year (%YoY). The decline was driven by reduced production of multi-purpose and sport motorcycles. However, the production increased from February 2024 by 2.30 percent (%MoM).

➖ **Motorcycle sales** in March 2024 reached 149,938 units, a decrease of 18.72 percent (%YoY) from the same month of the previous year. The decline was driven by decreased sales of motorcycles with engine sizes of 51-110 cc, 111-125 cc, 126-250 cc, 251-399 cc, and over 400 cc. Nevertheless, motorcycle sales increased from February 2024 by 4.37 percent (%MoM).

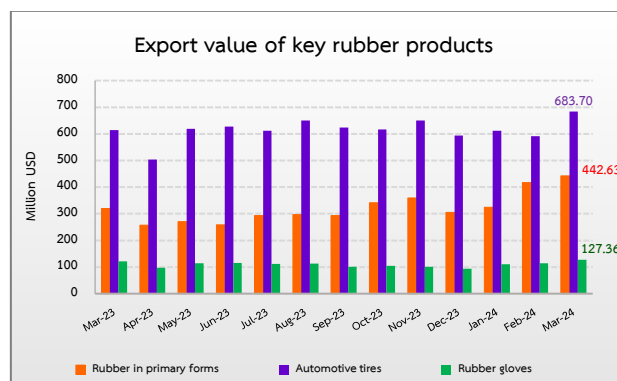
➕ **Exports of Complete Built-Up (CBU) motorcycle** in March 2024 reached 46,611 units, a slight increase of 1.66 percent from the same month last year (%YoY) and 4.40 percent from February 2024 (%MoM).

“Outlook for Motorcycle industry in April 2024: The industry is estimated to decline compared to April 2023 owing to the 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) decreased by 10.32 percent due to the slowdown of rubber sheet and rubber block production.

➖ Automotive tires decreased by 4.26 percent from the increased production of tires for passenger cars, trucks and pickups, and tractors.

➕ Rubber gloves increased by 8.76 percent to meet demand from both domestic and international markets.

Domestic Sales

➖ Sales of processed rubber in primary forms (rubber sheet, rubber block, and concentrated latex) decreased by 2.88 percent due to reduced demand for rubber blocks and concentrated latex in downstream industries.

➕ Sales of automotive tires increased by 2.14 percent, primarily due to increased demand for automotive tires in the REM (Replacement Equipment Manufacturer) market.

➕ Sales of rubber gloves increased 3.55 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 36.88 percent. This growth can be attributed to the increased exports of rubber sheets and rubber blocks to the USA markets.

➕ Automotive tires increased in export value by 11.29 percent due to a good growth of exports to the USA and China, and Vietnam markets.

➕ Rubber gloves increased in export value by 7.16 percent as demand in the global market has increased.

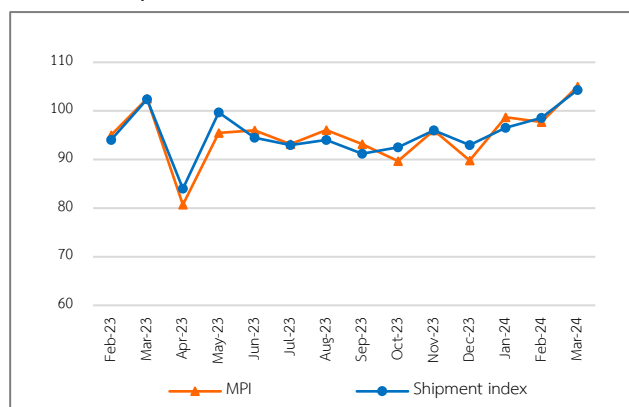
Outlook for the Industry in April 2024

The production of rubber in primary forms (rubber sheet, rubber block, 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 international markets. As for the production of rubber gloves, it is expected to continue expanding primarily to meet demand from both domestic and international markets. 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 block, and concentrated latex) is projected to increase in value. This increase is a result of key export markets, such as the USA, China, and Japan, which tend to increase orders for such products from Thailand, particularly rubber blocks. As for automobile tires, the export value is anticipated to increase due to the continued increase in demand for tires in key markets. Furthermore, the exports of rubber gloves are expected to increase in value from the recovery in demand for rubber gloves in the global market and the low base of export figures last year.

5. Plastics Industry

MPI and Shipment Index



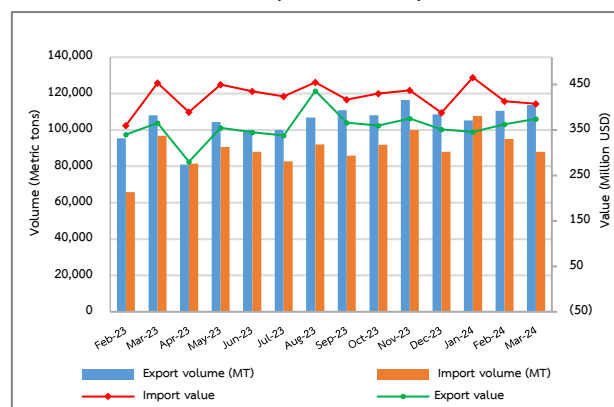
Source: The Office of Industrial Economics

+ The Manufacturing Production Index (MPI) in March 2024 increased by 3.19 percent compared to the same period last year. Many plastic products increased in MPI, such as plastic sheets (25.21%), plastic bags (7.54%), plastic films (4.85%), compared to the same period last year.

+ The shipment index in March 2024 increased by 1.90 percent. Products increased in shipment index, such as tableware, kitchenware, and toilet articles, of plastics (34.41%), plastic bags (10.13%), and plastic sheets (4.04%) compared to the same period last year.

+ Exports in March 2024 were valued at 374.42 million USD, an increase of 1.50 percent compared to the same period last year. Key products contributing to the increase in exports included floor covering products (HS 3918) (163.68%); sanitary ware, of plastics (HS 3922) (77.42%); and self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics (HS 3919) (23.28%) compared to the same period last year.

Volume and Value of Exports and Imports

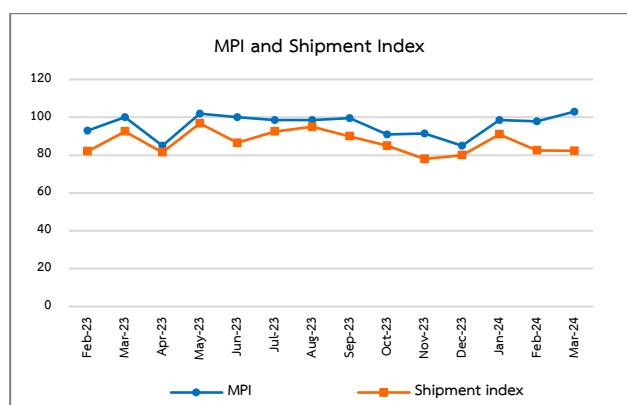


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

- Imports in March 2024 were valued at 407.89 million USD, a decrease of 10.90 percent compared to the same period last year. Key products contributing to the decrease in imports included monofilament products (HS 3916) (-25.06%), floor covering products (HS 3918) (-21.62%), and other plates, sheets, film, foil and strip, of plastics, non-cellular (HS 3920) (-18.47%) compared to the same period last year.

“Outlook for the plastic industry in April 2024: The industry is expected to experience increased production due to improved domestic consumption and expanding exports to major markets such as the USA, the Philippines, and India.”

6. Chemical products Industry

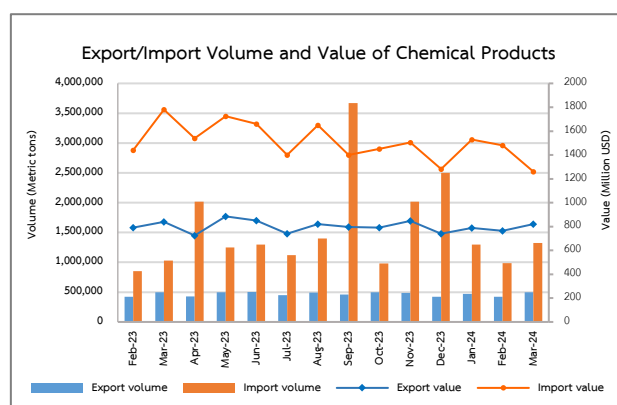


Source: The Office of Industrial Economics

+ **Manufacturing Production Index (MPI):** In March 2024 increased by 2.27 percent compared to the same period last year. The production of basic chemicals group grew by 1.82 percent. Products with increased production include nitrogen gas (12.67%), hydrogen gas (11.48%), and caustic soda (7.95%) compared to the same period last year. In the downstream chemicals group, production expanded by 2.48 percent. Products with increased production include chemical fertilizers (30.33%); detergents (9.83%), and cleaning liquids (8.91%) compared to the same period last year.

- **Shipment Index:** In March 2024, the index decreased by 11.06 percent compared to the same period last year. The shipment index of basic chemical products decreased by 12.65 percent, driven by methyl ester (biodiesel) (-20.39%), chlorine (-20.35%), and oxygen (-12.84%) compared to the same period last year. As for downstream chemicals, the shipment index decreased by 10.08 percent, driven by emulsion paint (-21.10%), hair shampoo (-6.86%), and dishwashing liquid (-5.63%) compared to the same period last year.

- **Exports of chemical products:** In March 2024, the total exports were valued at 820.90 million USD, a decrease of 1.77 percent compared to the same period last year. Exports of basic chemical products were valued at 429.26 million USD, a decrease of 10.99 percent. As for downstream chemical products, exports were valued at 391.63 million USD, an increase of 10.80 percent compared to the same period last year. Products contributing to the decline in export value were miscellaneous chemicals (-30.45%), fertilizers (-19.71%), and organic chemicals (-8.03%).

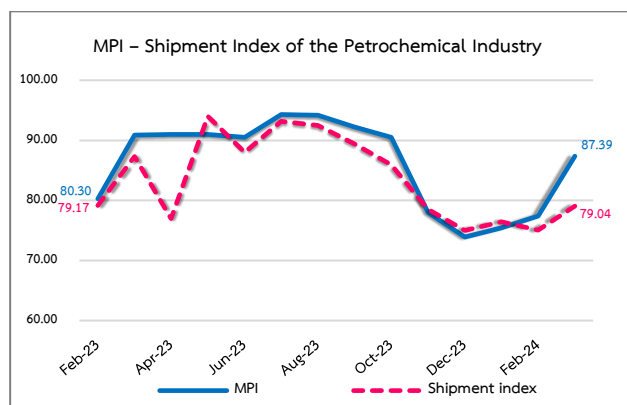


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

- **Imports:** In March 2024, the total imports were valued at 1,260.08 million USD, a decrease of 29.37 percent compared to the same period last year. Imports of basic chemicals were valued at 664.53 million USD, a decrease of 42.84 percent compared to the same period last year. Imports of downstream chemical products were valued at 595.55 million USD, a decrease of 4.20 percent compared to the same period last year. Products contributing to the decreased import were cosmetics (-24.43%), miscellaneous chemicals (-18.98%), and inorganic chemicals (-16.22%).

"The chemical industry outlook for April 2024 anticipates a decline in production due to the rising trend in crude oil prices. Manufacturers are slowing down production to monitor the oil market situation. Exports of oil-related products, such as plastic pellets and chemicals, are also expected to slow down due to the increased cost of raw materials used in production."

7. Petrochemical Industry

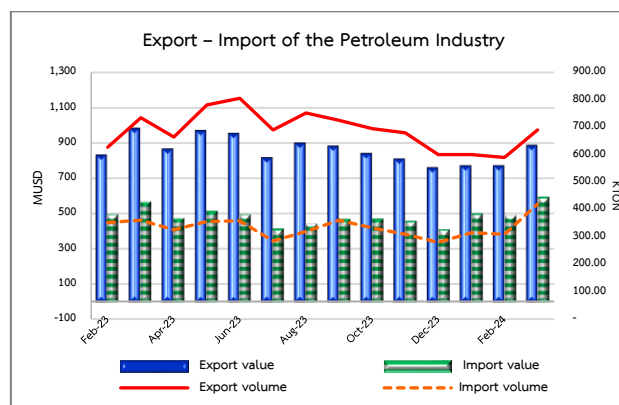


Source: The Office of Industrial Economics

🚫 **The Manufacturing Production Index** in March 2024 was 87.39, a decline of 3.91 percent compared to the same period last year. The MPI for downstream petrochemicals, including PP and PE resins, decreased by 18.11 percent and 7.49 percent, respectively. Upstream petrochemicals, such as Propylene, also declined by 4.49 percent. This decrease was attributed to the factory's maintenance shutdown last year. However, overall production improved by 8.82 percent compared to the previous month. Meanwhile, the production of Polylactic acid (PLA) pellets decreased by 14.49 percent due to a shortage of raw materials.

🚫 **The shipment index** in March 2024 was 79.02, a decline of 8.92 percent compared to the same period last year. This decrease was driven by basic petrochemicals, such as Benzene which contracted by 51.55 percent, and downstream petrochemicals, such as PP resin which decreased by 16.52 percent (%YoY). Additionally, the shipment index declined by 3.92 percent compared to the previous month.

🚫 **Exports** in March 2024 amounted to USD 885.28 million, a decrease of 13.11 percent compared to the same period last year. This decline was primarily seen in downstream petrochemicals, such as PE resin which dropped by 22.73 percent, and in basic petrochemicals, such as Propylene which fell by 62.47 percent. The decrease was due to reduced demand for downstream industrial production in the international market. However, when compared to the previous month, exports increased by 11.12 percent.

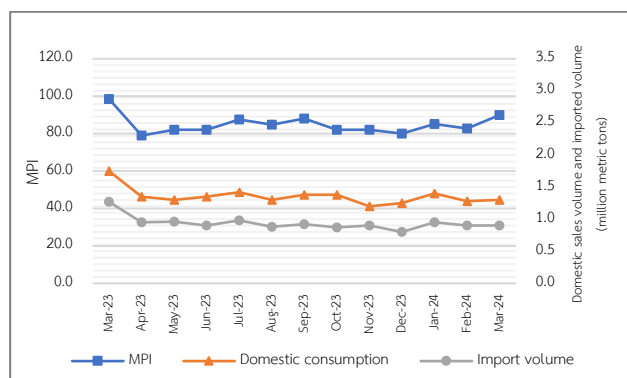


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

⊕ **Imports** in March 2024 were valued at 589.15 million USD, an increase of 4.39 percent compared to the same period last year. This increase was seen in basic petrochemicals such as Ethylene, for which imports grew by 24.26 percent, and downstream petrochemicals such as PE resin, for which imports grew by 14.96 percent. Furthermore, petrochemical imports increased by 20.92 percent compared to the previous month.

“Outlook for the Petrochemical Industry in April 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 many countries.”

8. Iron and Steel Industry



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

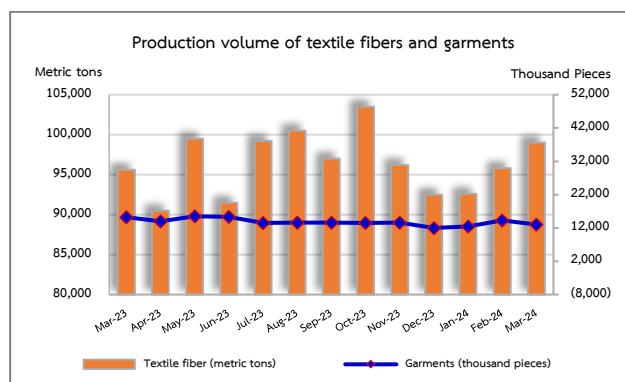
Manufacturing Production Index (MPI): In March 2024, the index was at 89.9, contracting 8.8 percent compared to the same period last year due to a slowdown in downstream industries such as the construction industry. When considering the main products, the MPI contracted in all product groups. The production of long products decreased by 4.6 percent. Products which production shrank included round bars, hot-rolled structural steel sections, and prestressed concrete steel wire strand. Production of flat products decreased by 7.8 percent. Products which production shrank included galvanized sheets and hot-rolled coils. Steel pipe production also decreased by 17.3 percent.

Domestic consumption: In March 2024, domestic consumption amounted to 1.3 million metric tons, a decrease of 25.1 percent compared to the same period last year. Consumption decreased for both long products and flat products. Long product consumption was 0.5 million metric tons, contracting by 11.4 percent compared to the same period last year, mainly due to the decline in rebars and structural steel consumption. Additionally, flat product consumption amounted to 0.8 million metric tons, contracting by 31.5 percent compared to the same period last year, mainly due to the decline in consumption of hot-rolled plates, hot-rolled sheets, cold-rolled sheets, galvanized sheets, and tinplate.

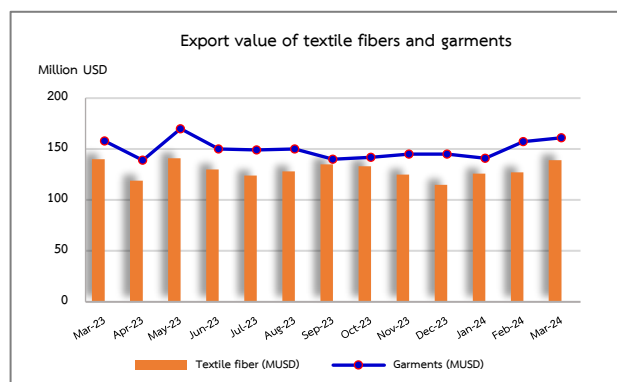
Imports: In March 2024, imports reached a total volume of 0.9 million metric tons, decreasing by 26.8 percent compared to the same period last year. The decrease was primarily in the flat products, with flat steel imports amounting to 0.7 million metric tons, decreasing by 33.0 percent. The flat products that decreased in import were hot-rolled alloy steel sheets (with decreased imports mainly from Japan, China, and South Korea); hot-rolled carbon steel sheets (with decreased imports mainly from Japan, China, and Vietnam); and cold-rolled alloy steel sheets (with decreased imports mainly from China, Japan, and South Korea). Meanwhile, long-product imports amounted to 0.2 million metric tons, increasing by 2.4 percent. Long products that increased in imports included carbon structural steel (with increased imports mainly from China); carbon steel wire rods (with increased imports mainly from Malaysia and China); alloy steel wire rods (with reduced imports mainly from China).

“Outlook for Iron Industry in April 2024: Production is forecasted to remain stable compared to the same period last year due to the tendency of global steel prices to decline, leading consumers to delay orders to observe price trends. Additionally, there is an expectation of increased imports of cheaper steel from abroad. Key issues to monitor include the global economic and trade situation, foreign steel prices, and the progress of various government construction projects anticipated to resume following the disbursement of government budgets. These factors will affect 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 eighth consecutive month, increasing by 3.66 percent (%YoY) in the category of man-made fibers and threads made from man-made fibers, 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 17.61 percent (%YoY), while garments shrank by 9.68 percent (%YoY). However, compared to the previous month (MoM), textile fibers and fabrics continued to expand due to economic recovery and positive impacts from the Songkran Festival. This resulted in an increase in textile fiber production by 3.58 percent from polyester fiber and man-made yarn products. Meanwhile, fabrics expanded by 6.72 percent.

Domestic sales

⊖ Textile fiber sales increased for the seventh consecutive month by 3.48 percent (%YoY). The growth was observed in man-made fiber yarns and cotton yarns.

⊖ Fabrics sales decreased by 17.56 percent (%YoY). 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.

Imports

⊖ Yarn and fiber imports decreased by 21.48 percent (%YoY), and fabric imports decreased by 19.82 percent (%YoY) in all product categories. This decline was due to declined orders for fabric and clothing both domestically and internationally, which reduced the volume of imported raw materials in upstream and midstream sectors. Additionally, there was an increase in the use of domestic yarn and textile fiber substitutes.

⊕ Garment imports expanded by 12.51 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.

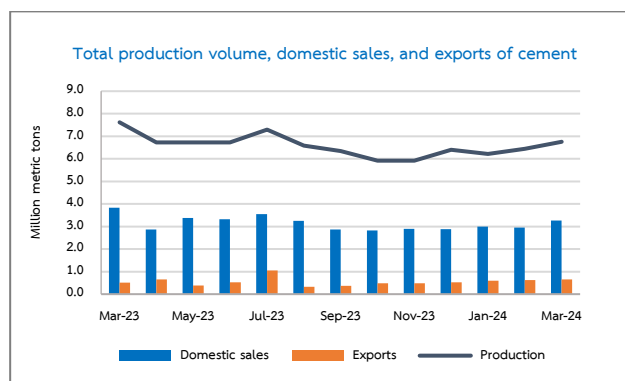
Exports

⊖ Textile fiber exports contracted by 0.56 percent (%YoY).
 ⊖ Fabric exports decreased by 9.10 percent (%YoY) in all product categories.

⊕ Garment exports have increased for third consecutive months, growing by 2.57 percent (YoY). This growth is mainly due to the exports of garments made from other textile materials to major markets such as the USA, Japan, and Belgium. Compared to the previous month, exports of textile fibers, fabrics, and garments increased across the entire textile and garment product chain. The growth rates were 8.81 percent, 8.13 percent, and 2.91 percent respectively. These increases were attributed to the recovery of the global economy and trade.

“The outlook for the textile and wearing apparel industry is expected to continue expanding in April 2024, driven by improved domestic demand supported by the recovery of the tourism sector and government economic stimulus measures. However, the industry may face challenges from the global economic slowdown, which could impact consumer confidence and demand. Additionally, the import of cheap, substandard goods from abroad may pressure the competitiveness of Thai manufacturers.”

10. Cement Industry



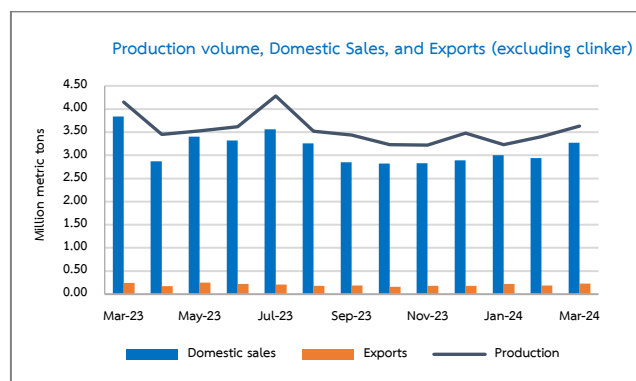
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
 2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➔ Total cement production: In March 2024, production volume reached 6.75 million metric tons, a decrease of 11.58 percent compared to the same month last year (%YoY). This decrease was influenced by the decreased orders from domestic and export markets with key trading partners.

➔ Total domestic cement sales: In March 2024, sales reached 3.27 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 in government construction projects and real estate.

➕ Total cement exports: In March 2024, exports reached 0.65 million metric tons, an increase of 25.58 percent (%YoY) compared to the same month last year. The growth was influenced by increased orders of cement in many key export markets, including Australia, Lao PDR, and the USA.

“Outlook for cement industry in April 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.”



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 March 2024 amounted to 3.63 million metric tons, a decrease of 12.66 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 March 2024 reached a total volume of 3.27 million metric tons, a decrease of 15.09 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 March 2024 reached 0.23 million metric tons, a decrease of 3.23 percent compared to the same month last year (%YoY), driven by decreased orders from Bangladesh and Myanmar, where demand decreased numerously for the construction of large projects and public utility sectors.

“Outlook for cement industry (excluding clinker) in April 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 number of orders and the various promotion measures from the government.”



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The Office of industrial Economics

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

Website:www.oie.go.th