

Report on the Industrial Economics Status

May 2024





Industrial Production Status

Indicators	2022	2023	2023								2024				
	Year	Year	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
MPI	1.3	-3.8	-2.8	-4.2	-3.9	-5.9	-5.9	-2.5	-1.5	-4.7	-2.9	-2.8	-4.9	2.7	-1.5

In May 2024, the industrial economic conditions, when considered from the **Manufacturing Production Index (MPI)**, was **98.34, a contraction of 1.5 percent from last year**. The main factors included the continuous decline in car production, resulting from the decrease in the domestic consumer market, liquidity issues in household spending, the continuously high cost of living, and the strictness of financial institutions in car loan approval. However, the tourism sector continued to expand well, including industries related to tourism that continued to benefit, such as food and beverages and petroleum refining.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in February, and March 2024 contracted by 2.8, and 4.9 percent, respectively, but an increase of 2.7 percent in April 2024.

Indicators	2023								2024				
	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
MPI	14.3	-2.1	-2.8	2.0	-1.2	-1.6	2.8	-4.9	7.6	0.2	5.0	-14.0	9.6

For the past three months (February, March, and April 2024) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: an increase of 0.2 percent in February 2024, and an increase of 5.0 in March 2024, but a decrease of 14.0 percent in April.

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

- Manufacture of automotive contracted by 14.22 percent from pickup trucks, compact cars, and diesel engines following the contraction of the domestic market. Consumers had less purchasing power, and financial institutions remained strict in approving loans.
- Manufacture of electronic components and boards contracted by 17.16 percent, mainly from Integrated Circuits (ICs), following the slowdown in the global electronics market and product manufacturers with higher unit value, resulting in lower production volumes.
- Manufacture of concrete, cement, and plaster products contracted by 11.97 percent from concrete piles, precast concrete floors, and ready-mixed concrete, as modern trade customers and distributors still had high levels of inventory, causing them to delay purchase orders.

Key industries that grew in May 2024 compared to the same month last year included:

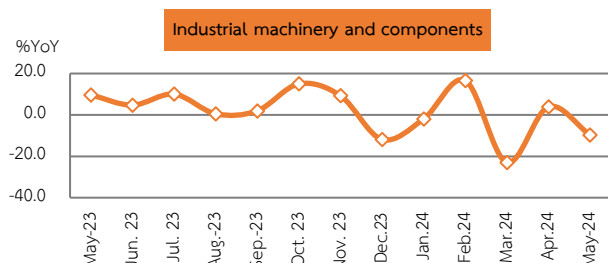
- Manufacture of palm oil grew by 19.88 percent, mainly from crude palm oil and refined palm oil, following an increase in the amount of palm fruit entering factories after palms ripened quickly due to the hot weather in the previous period.
- Manufacture of prepared animal feed grew by 10.55 percent, following increased purchase orders from Middle Eastern customers, Bahrain, Japan, and outsourced manufacturing to foreign customers.
- Manufacture of basic iron and steel grew by 8.18 percent, mainly from hot-rolled sheets and deformed bars. As China is investigating some steel producers who evaded export taxes, its steel exports have slowed down.



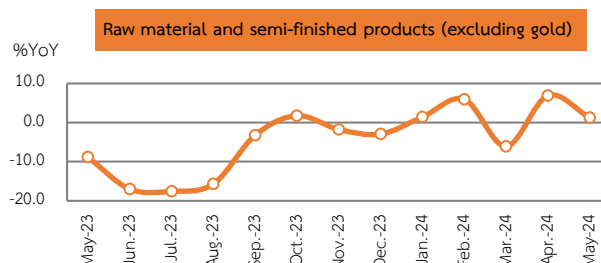
Other Industrial Economic Indicators in May 2024

Other Industrial Economic Indicators in May 2024

Imports of Thailand Industrial Sector



Source: Ministry of Commerce

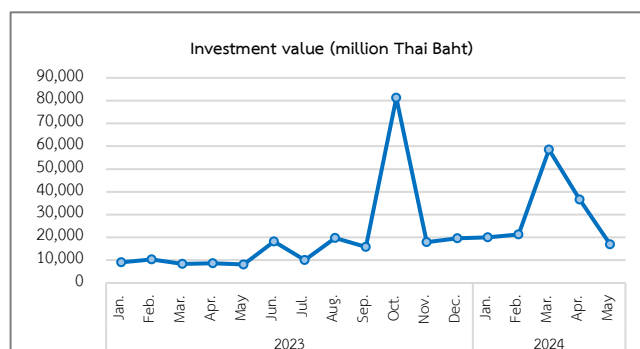
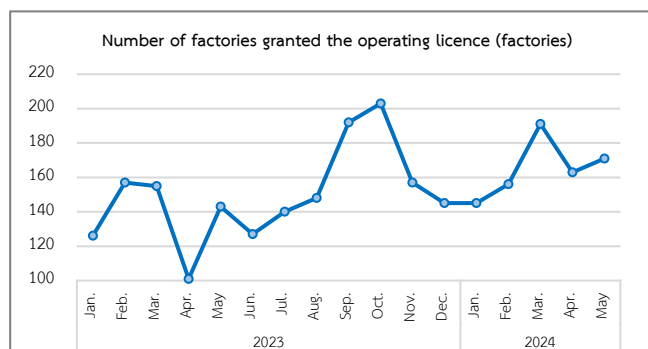


Source: Ministry of Commerce

- **Imports of industrial machinery and parts** in May 2024 were valued at 1,473.08 million USD, a decrease of 9.67 percent compared to the same month last year. The decline was from the imports of products such as jet turbines and components, textile machinery, engines, transmission shafts, and other components.

- + **Imports of raw and semi-finished goods (excluding gold)** in May 2024 were valued at 9,999.89 million USD, an increase of 1.28 percent compared to the same month last year. The growth was from the imports of equipment, electrical and electronic components, jewelry, gemstones, silver bars, and gold.

Industrial Operation Status



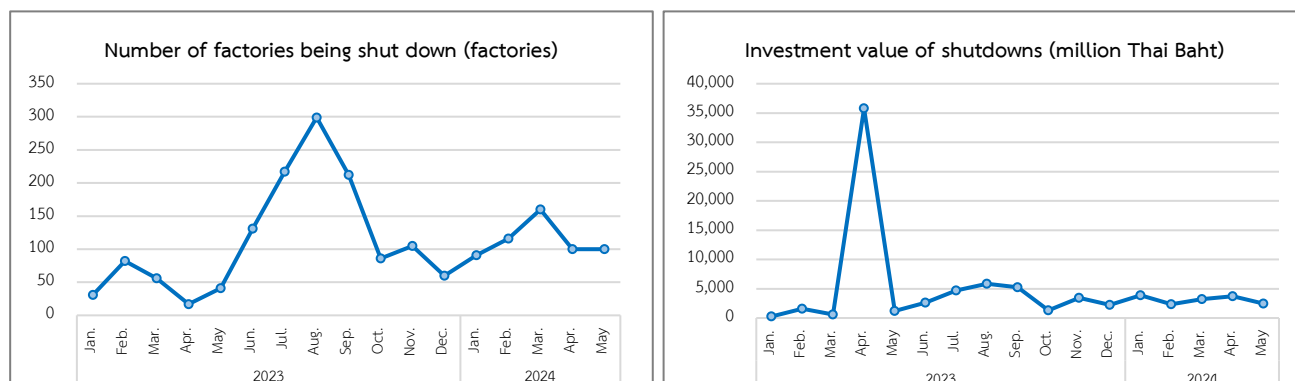
Source: Department of Industrial Works

- + The total number of factories licensed for operation in May 2024 remained at 171 factories, increasing by 19.58 percent from the same month last year (%YoY) and increasing by 4.91 percent from April 2024 (%MoM).
- + The total investment from factories licensed for operating in May 2024 were valued at 16,889 million Thai Baht, increasing from the same month last year by 107.84 percent (%YoY) but decreasing from April 2024 by 53.88 percent (%MoM).

“The industry with the highest number of newly licensed factories to operate in May 2024 was the manufacture of concrete, ready-mixed concrete articles, gypsum and plaster products (20 factories), followed by the excavation or dredging industry of gravel, sand, or soil (17 factories).”

“In May 2024, the industry with the highest investment value was the manufacturing, assembling, or repairing of calculators, accounting machines, or electronic devices, with an investment amount of 4,042 million Thai Baht. Following this was the production of containers, such as bags or sacks, with an investment amount of 1,339 million Thai Baht.”

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works

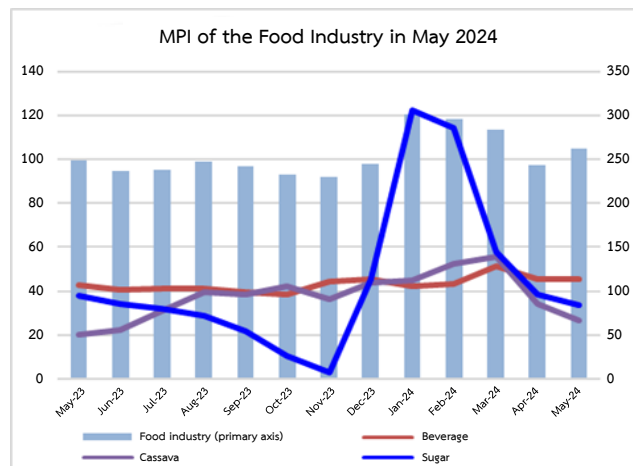
- ➕ A total of 100 factories were shut down in May 2024, increasing from the same month last year by 143.90 percent (%MoM) and the same number as April 2024 percent (%YoY).
- ➕ The total investment value lost due to business shutdowns in May 2024 was 2,445 million Thai Baht, increasing from the same month last year by 98.61 percent (%MoM) but decreasing from April 2024 by 34.07 percent (%YoY).

“In May 2024, the industry with the highest number of factory shutdowns was the excavation or dredging industry of gravel, sand, or soil (15 factories), followed by the sand dredging industry (9 factories) and the plastic manufacturing industry, including pellets, rods, pipes, tubes, sheets, pieces, powder, or various forms (9 factories).”

“In May 2024, the industry with the highest business investment cessation was the manufacturing, assembling, modifying, or repairing of radio receivers and televisions, with an investment cessation valued at 484 million Thai Baht, followed the manufacturing, assembling, modifying, or altering of motorcycles and tricycles, with an investment cessation valued at 287.5 million Thai Baht.”

Industrial Economic Status by Industrial Sectors in May 2024

1. Food Industry



Source: The Office of Industrial Economics

+ In May 2024, the MPI of the food industry's manufacturing production index for May 2024 expanded by 5.4 percent (%YoY) compared to the same period last year. The food product groups with increased production indices include 1) Palm Oil, which expanded by 19.9 percent, which was driven by key products such as crude palm oil (29.9%), and refined palm oil (3.2%). This growth was due to an increase in the volume of palm fruit entering factories and rising consumption demand both domestically and internationally, including increased import demand from key markets like India. 2) Cassava expanded by 29.6 percent, which was driven by key products such as tapioca starch (31.4%). This was due to an increase in tapioca starch production in response to growing import demand from key trading partners like China and emerging markets like Indonesia. 3) Processed Animal Feed expanded by 10.5 percent, which was driven by key products such as prepared pet food (18.7%). The growth was due to increased production in response to rising orders from international markets, with key markets for processed pet food being the USA, Japan, and Malaysia. 4) Processed Vegetables and Fruits expanded by 2.5 percent, driven by key products such as dried fruits and vegetables (15.7%) due to increased consumption demand from international markets. 5) Fisheries expanded by 4.9 percent, driven by key products such as frozen fish (14.0%), due to increased consumption demand from both domestic and international markets. However, there was a slowdown in the food production index, particularly in 1) Sugar, which decreased by 11.9 percent, with white sugar shrinking by 28.7% and refined white sugar by 4.0%. This contraction was due to a decrease in the production of white and refined white sugar, affected by drought conditions that resulted in a lower volume of sugarcane being processed compared to the previous season, as well as reduced import demand from major trading partners like Indonesia. 2) Livestock contracted by 2.1 percent, with key products being chilled and frozen chicken, which contracted by 5.8 percent due to reduced production driven by lower consumption demand in the domestic market.



Source: Ministry of Commerce

+ The beverage sector's MPI increased by 5.7 percent, driven by key products such as rice whisky, beers, carbonated drinks, and energy drinks. This increase in production was in response to the growing domestic and overseas demand. In addition, the extremely hot weather resulted in increased demand for beverage consumption.

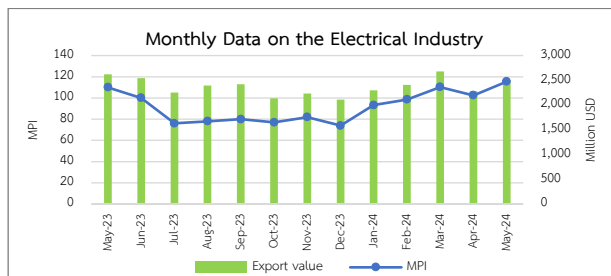
- Domestic markets: The production volume for food products intended for domestic sale in May 2024 decreased by 6.6 percent (%YoY). This decline was seen in several categories: 1) White sugar, which contracted by 28.4 percent; 2) Cake, which contracted by 10.1 percent; 3) Chilled and frozen chicken meat, which contracted by 5.8 percent; and 4) Frozen food, which contracted by 2.6 percent.

+ **International markets:** Overall, food exports in May 2024 expanded by 19.1 percent compared to the same period last year. This includes vegetables and fruits, with China as the key market, and palm oil, with India and Malaysia as the key markets. However, the export value of beverages slowed down by 1.4 percent compared to the same period last year, due to decreased demand from key markets such as Vietnam, Cambodia, and Myanmar.

"Food Industry Outlook for June 2024: The Manufacturing MPI of the overall food industry in June 2024 will grow compared to the same period last year as the tourism sector has experienced a positive recovery trend. Furthermore, the La Nina approaching in the second half of the year (heavy rain) will have a positive effect on agricultural production. The export value is expected to grow because of concerns about food security, causing the demand for imports from trading partners to increase. However, it is still necessary to monitor the situation of uncertainty in the global economy, including geopolitical conflicts that may affect the economic system."

2. Electrical and Electronics Industry

■ Electrical Industry



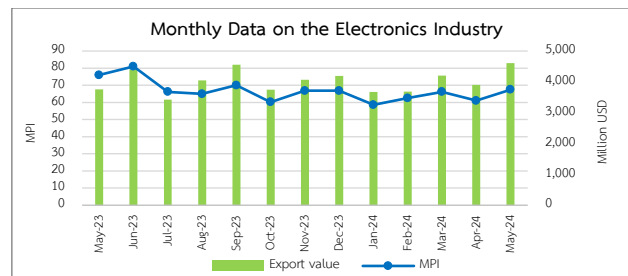
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➕ The Manufacturing Production Index (MPI) for electrical appliances stood at 115.4, an increase of 5.1 percent compared to the same month last year. The products that showed growth included electrical wires (53.4%), washing machines (20.9%), electric motors (19.9%), household fans (13.1%), air conditioners (8.8%), and refrigerators (7.1%). This growth was driven by increased global market demand and higher domestic sales, particularly for electrical wires and electric motors, which expanded due to the rising demand for manufacturing and infrastructure construction within the country. On the other hand, products that experienced a decline included rice cookers (-16.7%), microwave ovens (-12.4%), cables (-12.3%), compressors (-11.3%), thermo pots (-10.8%), and electric transformers (-2.6%). The decrease was primarily due to reduced domestic demand for these products.

➖ Exports of electrical appliances were valued at 2,501.2 million USD, a decrease of 4.7 percent compared to the same month last year. Products with declining orders included 1) microwave ovens (14.6 million USD, down 16.7%) in markets such as Japan, Taiwan, and Hong Kong; 2) electrical wires and cables (92.1 million USD, down 15.8%) in Japan, the USA, and China; 3) circuit breakers and protectors (139.2 million USD, down 10.3%) in Japan, Indonesia, and China; 4) air conditioners and components (610.1 million USD, down 7.7%) in the USA, Japan, and Taiwan; 5) transformers and components (354.9 million USD, down 5.3%) in the USA, Japan, and China; 6) washing and drying machines and components (117.9 million USD, down 4.9%) in the USA, South Korea, and Japan; and 7) fans (50.2 million USD, down 2.8%) in China, Vietnam, and Germany. However, products with increasing orders included switchboards and control panels (262.3 million USD, up 7.5%) in Singapore, Malaysia, and Vietnam, as well as motors and generators (87.5 million USD, up 11.6%) in Japan, China, and the Philippines.

“Production Outlook for June 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

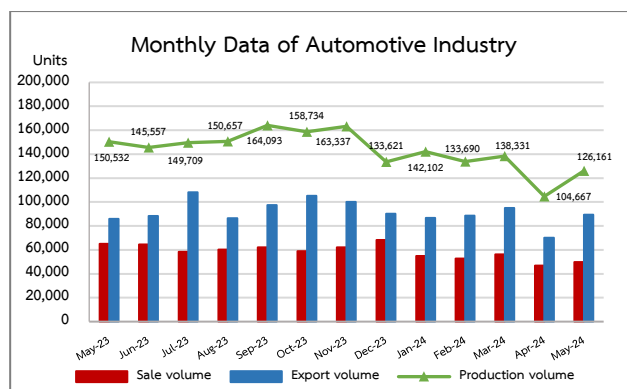
➖ The Manufacturing Production Index (MPI) of electronic products stood at 67.5, a decrease of 9.9 percent compared to the same month last year. Products that declined in MPI were as follows: ICs (-25.9%), semiconductor devices (transistors) (-14.5%), PWB (-8.5%), PCBAs (-7.2%), and HDDs (-1.2%). This decline was attributed to the slowdown in the global market for high-tech products such as ICs and PCBAs. On the other hand, products that saw an increase included printers, which grew by 25.4 percent, driven by rising demand due to advancements in printing technology and wide-range applications, leading to higher consumer demand.

➕ Exports of electronic products were valued at 4,613.1 million USD, an increase of 22.9 percent compared to the same month last year. This growth was driven by the expansion in key markets such as the USA, the EU, and China. Products with increasing orders included HDDs, valued at 816.0 million USD, up 30.9 percent in markets like the USA, Hong Kong, and China. This was driven by the demand for Data Centers and the need for expanded data storage capacity, along with technological advancements pushing industry growth. However, products with declining orders included semiconductors, transistors, and diodes, valued at 339.4 million USD, down 27.6 percent in the USA, Hong Kong, and Vietnam; printed circuit boards, valued at 720.0 million USD, down 11.9 percent in Singapore, China, and Japan; and printed circuits, valued at 111.1 million USD, down 3.3 percent in the USA, China, and Vietnam.

“Production Outlook for June 2024: The industry is expected to slow down compared to the same month last year. This is due to a decrease in the production volume of products such as computer components and integrated circuits. However, the value of goods sold per unit has increased, leading to a rise in both sales and export value.”

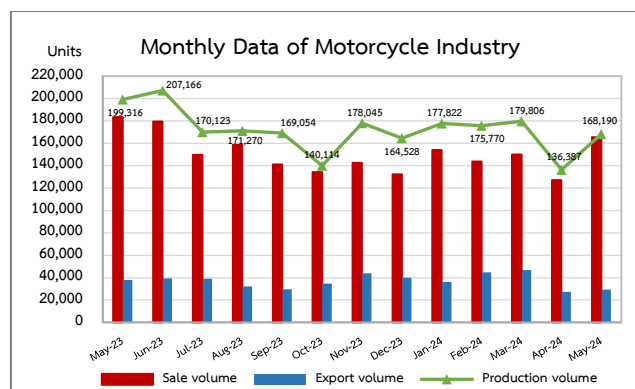
3. Automotive Industry

■ 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 May 2024** reached 126,161 units, a decrease of 16.19 percent (%YoY) compared to the same month last year. This decline was attributed to reduced production of passenger cars and one-ton pickup trucks. However, production increased by 20.54 percent (%MoM) from April 2024 due to long holidays during the Songkran festival (Water festival).

➖ **Domestic automobile sales** in May 2024 reached 49,871 units, a decrease of 23.38 percent (%YoY) compared to the same month last year. This decline was attributed to reduced sales of passenger cars and one-ton pickup trucks due to high household debt levels and tightened loan approval by financial institutions. Additionally, inclining interest rates have impacted domestic demand. However, sales increased by 6.70 percent from April 2024 (%MoM).

➕ **Automobile exports** in May 2024 reached 89,284 units, an increase of 3.39 percent compared to the same month last year (%YoY) and 27.26 percent from April 2024 (%MoM).

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

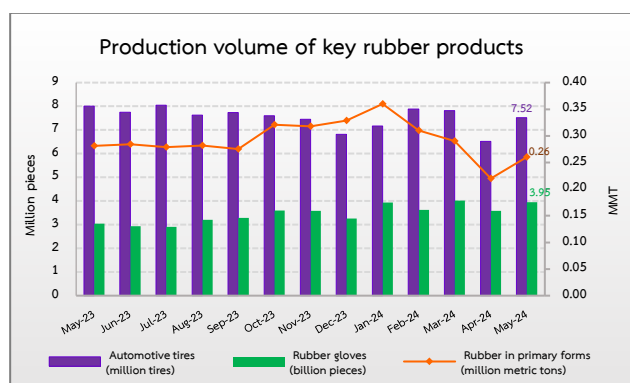
➖ **Production of motorcycles** in May 2024 reached 168,190 units, a decrease of 15.62 percent from the same month last year (%YoY). The decline was driven by reduced production of multi-purpose and sport motorcycles. However, production increased by 23.32 percent (%MoM) from April 2024 due to long holidays during the Songkran festival.

➖ **Motorcycle sales** in May 2024 totaled 165,339 units, a decrease 10.19 percent compared to the same month last year (%YoY). This decline was driven by reduced sales of motorcycles with engine sizes of 111-125 cc, 126-250 cc, and 251-399 cc. However, sales increased by 30.14 percent from April 2024 (%MoM).

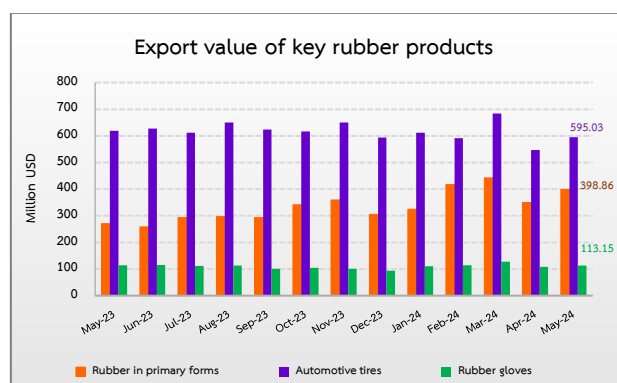
➖ **Exports of Complete Built-Up (CBU) motorcycle** in May 2024 reached 29,325 units, a decrease of 23.08 percent from the same month last year (%YoY). However, exports increased by 7.63 percent from April 2024 (%MoM).

“Motorcycle industry Outlook for June 2024: The industry is expected to decline compared to June 2023 due to a slowdown in the 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 5.29 percent due to the slowdown of rubber block and concentrated latex production.

➖ Automotive tires decreased by 6.37 percent from the decreased production of tires for one-ton pickup truck, trucks and buses.

➕ Rubber gloves increased by 30.21 percent to meet demand from domestic markets.

Domestic Sales

➖ Sales of processed rubber in primary forms (rubber sheet, rubber block, and concentrated latex) increased by 7.11 percent due to increased demand for rubber blocks in downstream industries.

➕ Sales of automotive tires increased by 8.37 percent, primarily due to increased demand for automotive tires in the REM (Replacement Equipment Manufacturer) market.

➕ Sales of rubber gloves increased 2.22 percent due to high domestic demand for medical gloves.

Exports

➕ The export value of processed rubber in primary forms (such as rubber sheets, rubber blocks, and concentrated latex) increased by 46.94 percent. This growth was due to higher exports of rubber sheets to Japan, rubber blocks to China, and concentrated latex to Malaysia.

➖ The export value of automotive tires decreased by 2.78 percent, mainly because of declined exports to the USA, South Korea, and Australia.

➖ The export value of rubber gloves decreased by 0.70 percent, primarily due to reduced demand in the USA.

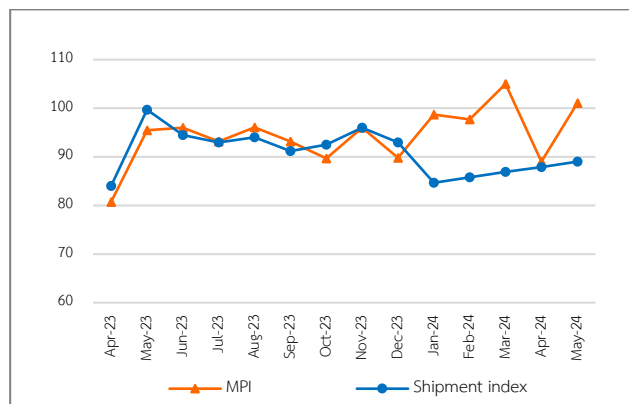
Industry Outlook for June 2024

The production of rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex) is expected to increase in response to the growing demand from downstream industries both domestically and internationally. The production of automotive tires is anticipated to expand, primarily to meet the demand from international markets. Similarly, the production of rubber gloves is expected to continue growing, driven by increasing demand both domestically and internationally. The domestic sales of rubber gloves are projected to rise due to the ongoing increase in demand for medical gloves since mid-2023.

The export value of primary processed rubber (including rubber sheets, block rubber, and concentrated latex) is expected to increase due to growing orders from key export markets such as China, Japan, and Malaysia. However, the export of automotive tires is predicted to slow down as the demand for tires in key markets like the USA, South Korea, and Australia is likely to decrease. On the other hand, the export value of rubber gloves is expected to rise because of the recovery in global demand for medical rubber gloves, especially in the European market.

5. Plastics Industry

MPI and Shipment Index



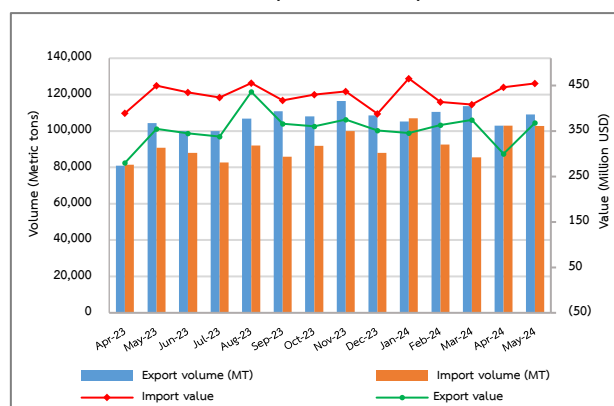
Source: The Office of Industrial Economics

+ The Manufacturing Production Index (MPI) in May 2024 increased by 5.86 percent, with growth observed in several products such as tableware, kitchenware, and bathroom items (34.39%), plastic sheets (22.03%), and plastic films (14.64%) compared to the same period last year.

+ The shipment index in May 2024 increased by 2.61 percent, with notable growth in products like plastic sheets (20.91%), tableware, kitchenware, and bathroom articles (15.29%), and plastic films (10.45%) compared to the same period last year.

+ Exports in May 2024 reached a total value of 368.18 million USD, an increase of 3.16 percent compared to the same period last year. The products driving this export growth included floor coverings of plastics (HS 3918) (119.41%), sanitary ware of plastic (HS 3922) (39.50%), and builders' ware of plastics (HS 3925) (25.81%).

Volume and Value of Exports and Imports

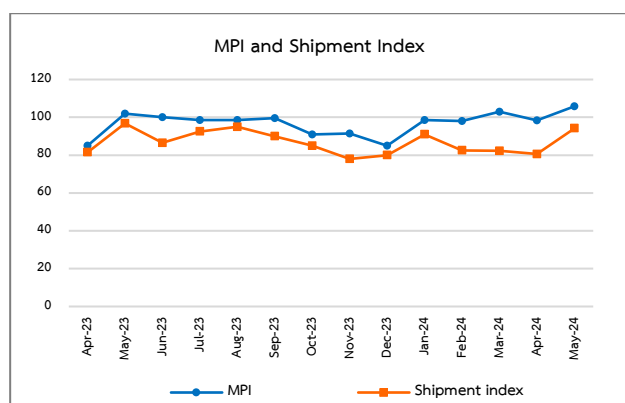


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

+ Imports in May 2024 reached a total value of 454.89 million USD, an increase of 0.26 percent compared to the same period last year. Key products contributing to the import growth included tableware, kitchenware, and other household items of plastic (HS 3924) (21.58%), floor coverings (HS 3918) (15.88%), and tubes or pipes of plastics (HS 3917) (9.22%) compared to the same period last year.

“Plastic industry Outlook for June 2024: The global economic recovery is expected to boost consumer demand, leading to increased production in the plastic industry, driven by higher domestic consumption compared to the same period last year. Both imports and exports are projected to grow, particularly with key trading partners such as the USA, Vietnam, and the Philippines.”

6. Chemical products Industry

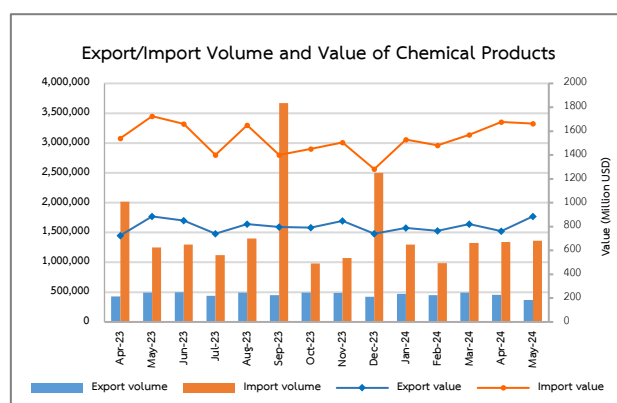


Source: The Office of Industrial Economics

+ Manufacturing Production Index (MPI): In May 2024, the MPI increased by 3.82 percent compared to the same period last year. The basic chemicals group grew by 0.48 percent, with products such as hydrogen gas increasing by 27.67 percent, oxygen gas by 2.17 percent, and caustic soda by 0.17 percent compared to the same period last year. The downstream chemicals group expanded by 5.21 percent, with products such as talcum powder increasing by 30.36 percent, chemical fertilizers by 20.15 percent, and cleaning agents by 10.28 percent compared to the same period last year.

- Shipment Index: In May 2024, the index decreased by 2.59 percent compared to the same period last year. The basic chemicals group saw a decrease of 7.91 percent, with products like methyl ester (biodiesel) contracting by 17.99 percent, caustic soda by 13.97 percent, and chlorine by 13.15 percent compared to the same period last year. On the other hand, the downstream chemicals group expanded by 1.64 percent, with products such as talcum powder increasing by 26.02 percent, chemical fertilizers by 14.28 percent, and cleaning agents by 9.66 percent compared to the same period last year.

+ Exports of chemical products: In May 2024, the total export value was 885.37 million USD, an increase of 0.10 percent compared to the same period last year. Exports of downstream chemicals were valued at 404.45 million USD, an increase of 0.97 percent compared to the same period last year. Meanwhile, exports of basic chemicals were valued at 482.92 million USD, a contraction of 0.79 percent. The products that contributed to the growth in export value include inorganic chemicals, which grew by 14.05 percent, organic chemicals by 10.82 percent, and paints by 7.25 percent.

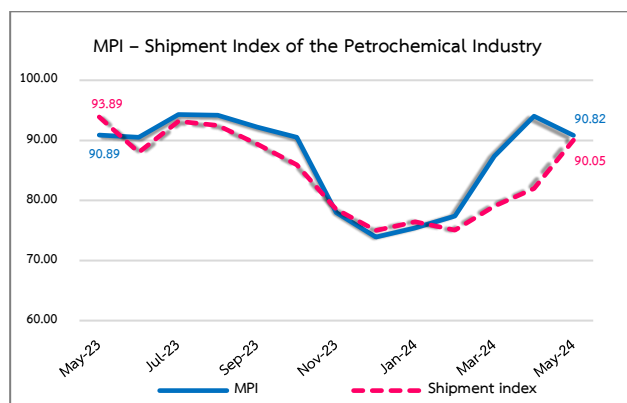


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

- Imports: In May 2024, the total import value was 1,663.05 million USD, a decrease of 3.44 percent compared to the same period last year. Imports of basic chemical products were valued at 1,020.30 million USD, a decrease of 6.67 percent compared to the same period last year. However, imports of downstream chemicals were valued at 642.75 million USD, an increase of 2.19 percent compared to the same period last year. Products contributing to the increased import were miscellaneous chemical, paints, and inorganic chemical, which decreased by 13.26 percent, 2.59 percent, and 1.01 percent, respectively.

“Chemical Industry Outlook for June 2024: Production is expected to increase, driven by rising domestic consumer demand for certain chemical products compared to the same period last year. The export situation is also anticipated to improve, particularly in key markets such as India, Indonesia, and Taiwan.”

7. Petrochemical Industry

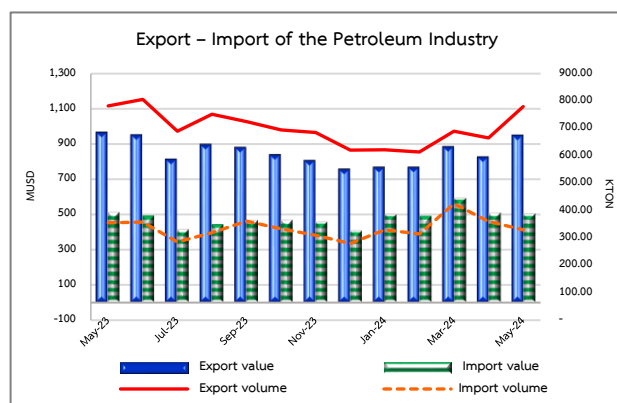


Source: The Office of Industrial Economics

➔ **The Manufacturing Production Index** in May 2024 was 90.05, a decrease of 0.92 percent compared to the same period last year and 4.53 percent compared to the previous month. The decline was driven by downstream petrochemicals, including PP and PE resins, which decreased by 12.07 percent and 5.60 percent, respectively. Upstream petrochemicals, such as ethylene, also saw a decrease of 5.21 percent compared to the same period last year. Additionally, the production of polylactic acid (PLA) pellets decreased by 4.91 percent from the previous year as a result of the reduction of raw materials affected by drought.

➔ **The shipment index** for May 2024 was at 90.82, a decrease of 3.27 percent compared to the same period last year but an increase of 11.20 percent from last month. This decline was evident in upstream petrochemicals like propylene, which contracted by 1.50 percent compared to the same month last year, and in downstream petrochemicals like PE resin, which saw a decrease of 12.86 percent.

➔ **Exports** in May 2024 were valued at 950.42 million USD, decreased by 2.01 percent compared to the same period last year but increased by 14.88 percent from the previous month. The decline in exports was primarily in the downstream petrochemicals sector, with PE resin decreasing by 16.74 percent, and in the upstream sector, with propylene exports dropping significantly by 90.25 percent. This decrease was due to reduced demand in downstream industrial production in international markets.

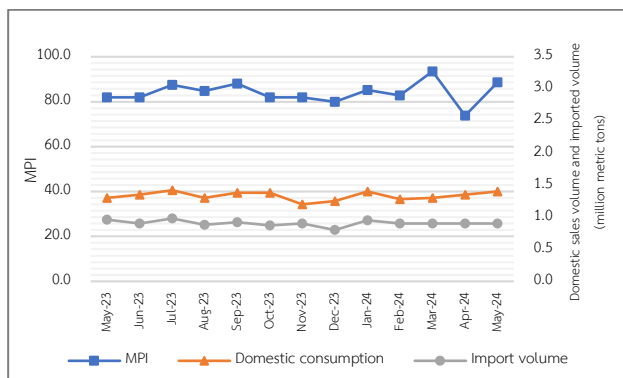


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

➔ **Imports** in May 2024 were valued at 500.31 million USD, a decrease of 3.56 percent compared to the same period last year and a decrease of 1.16 percent compared to the previous month. This decrease was primarily in the downstream petrochemicals, such as PC resin, which decreased by 3.71 percent, and there was a decrease in the upstream petrochemicals, such as toluene, which contracted by over 90 percent.

“Outlook for the Petrochemical Industry in June 2024, the petrochemical industry is expected to improve in production compared to the same period last year. This is because production resumed after maintenance at the end of last year and the beginning of the year, and there will be demand from abroad to compensate as petrochemical plants in ASEAN countries begin to shut down for maintenance after the production trend has continued to slow down.”

8. Iron and Steel Industry



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

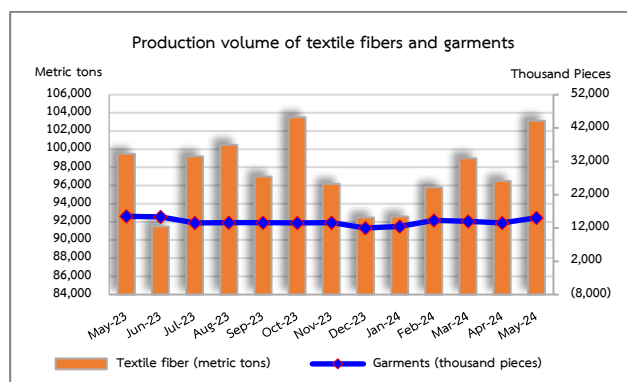
+ **Manufacturing Production Index (MPI):** The Manufacturing Production Index (MPI) for May 2024 stood at 88.6, an increase of 8.2 percent compared to the same period last year. This growth was driven by the expansion of downstream industries, such as the metal packaging and construction sectors, especially the government sector construction. The MPI saw gains across all major product categories. The production of long products, including deformed bars, round bars, and hot-rolled structural steel, expanded by 8.4 percent. The production of flat products, such as chromium-coated sheets, hot-rolled coils, and tinplate, increased by 4.0 percent. Additionally, steel pipe manufacturing grew by 13.3 percent.

+ **Domestic consumption:** In May 2024, domestic consumption amounted to 1.4 million metric tons, increasing by 6.6 percent compared to the same period last year. This growth was driven by the consumption of both long products and flat products. Consumption of long products reached 0.5 million metric tons, expanding by 5.0 percent from the same period last year, driven by the increase in rebar consumption. Flat product consumption reached 0.9 million metric tons, expanding by 7.6 percent compared to the same period the previous year due to higher consumption of hot-rolled plates, chrome-coated sheets, and hot-rolled sheets.

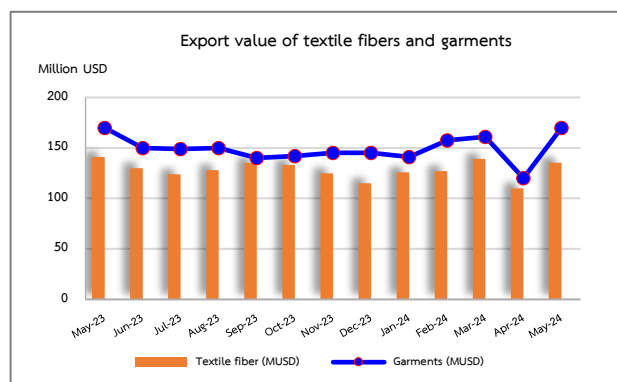
+ **Imports:** In May 2024, imports totaled 0.9 million metric tons, a decrease of 1.6 percent compared to the same period last year. This decline was primarily seen in flat products, with imports of these products totaling 0.7 million metric tons, a reduction of 4.8 percent. The flat products that experienced decreased imports included hot-rolled alloy steel sheets (with reduced imports mainly from Japan and China), hot-rolled carbon steel sheets (with reduced imports primarily from Japan, Vietnam, and South Korea), and tinplate (with reduced imports mainly from South Korea and China). On the other hand, imports of long products reached 0.2 million metric tons, reflecting an 8.5 percent increase. The long products that saw a rise in imports included alloy steel wire rods (with increased imports mainly from China), carbon steel wire rods (with higher imports primarily from Malaysia and China), and cold-drawn bars (with increased imports mainly from China, South Korea, and India).

“The steel industry outlook for June 2024 is expected to see slight growth in production compared to the same period last year. Key factors to keep an eye on include international steel prices, economic and trade policies from other countries (such as the United States’ announcement of increases in trade tariffs on Chinese imports) and the progress of various government construction projects, which are expected to resume in line with government budget disbursements. These factors will have an impact on steel production and consumption in Thailand.”

9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

Textile fibers have experienced growth for ten consecutive months, expanding by 3.66 percent (%YoY) in categories such as man-made fibers, cotton yarn, and yarn made from man-made fibers. This includes products like polyester fibers and rayon fibers, driven by increased orders both domestically and internationally. These fibers are used as raw materials in the production of a wide range of products, including sportswear, home textiles, and automotive components.

Fabric production decreased by 7.74 percent (%YoY) in the woven cotton fabric and woven synthetic fabric.

Garment production decreased by 2.69 percent (%YoY) in the category of knitted apparel, including outerwear and underwear for both men and women.

Domestic sales

Textile fiber sales increased for the ninth consecutive month by 10.50 percent (%YoY). The growth was observed in man-made fiber thread and cotton yarns.

Fabric sales decreased by 6.68 percent (YoY) in the woven cotton fabric and woven synthetic fabric.

Garment sales expanded by 0.29 percent (%YoY). Meanwhile, compared to the previous month (%MoM), textile fibers, fabric, and garments grew by 11.09 percent, 22.88 percent, and 2.90 percent, respectively. This growth benefited from the start of the new school term.

Imports

Yarn and fiber imports contracted by 13.19 percent (%YoY), particularly those used in weaving, which saw a decline of 3.35 percent. The decline was due to reduced fabric orders both domestically and internationally, leading to a decrease in the import of upstream and midstream raw materials. Additionally, there was an increase in the use of domestic textile yarns and fibers as substitutes.

Garments increased by 7.21 percent (%YoY) due to the import of cheap goods from China and Vietnam, aligning with consumer behavior adapting to the economic slowdown.

Exports

Textile fiber exports contracted by 4.13 percent (%YoY) driven by reduced exports of man-made fibers to the USA and China.

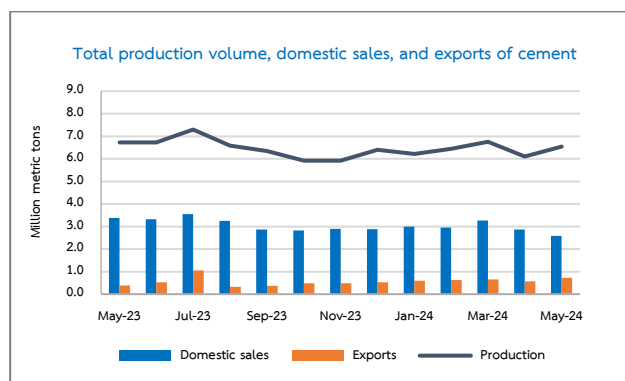
Fabric contracted by 1.50 percent (%YoY), mainly because of reduced exports of cotton fabrics to Myanmar.

Garment contracted by 0.05 percent (%YoY) because of reduced orders from key trading partners such as Japan and Belgium.

Meanwhile, compared to the previous month (%MoM), growth was observed throughout the entire supply chain. Textile fibers expanded by 11.32 percent, driven by increased exports of man-made fibers to the USA. Fabric grew by 12.77 percent, particularly fabric made from synthetic fibers and other textiles, with growth stemming from exports to Myanmar and Vietnam to be used as raw materials in textile and garment production. Ready-made garments saw a significant increase of 21.30 percent, primarily due to exports to the USA.

“The textile and apparel industry outlook for June 2024 is expected to continue growing in June 2024, driven by improved domestic demand supported by the recovery of the tourism sector. However, the industry may face challenges due to a global economic slowdown, which could affect consumer confidence and reduce consumer demand. Additionally, the importation of low-cost, substandard products from abroad may put pressure on the competitiveness of Thai manufacturers.”

10. Cement Industry



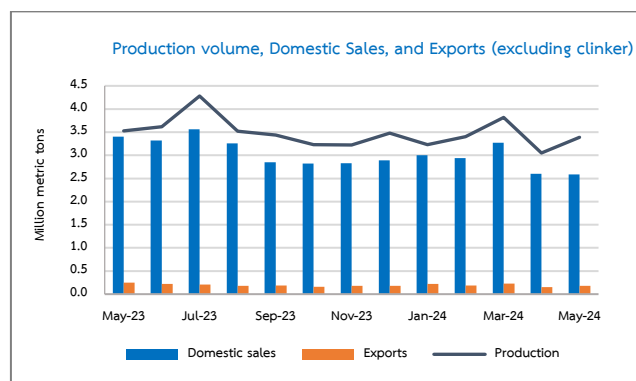
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
 2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➔ **Total cement production** in May 2024 reached a volume of 6.54 million metric tons, a decrease of 3.06 percent compared to the same month last year (%YoY). This decrease was mainly influenced by the decreased orders from domestic.

➔ **Total domestic cement sales** in May 2024 reached 2.59 million metric tons, a decrease of 6.74 percent (%YoY) compared to the same month of the previous year. This was mainly due to lower demand for cement due to the slowdown in the domestic economy in government construction projects and real estate, which have not yet been able to clear existing stocks, such as houses and condominiums.

➔ **Total cement exports** in May 2024 reached 0.72 million metric tons, an increase of 78.41 percent (%YoY) compared to the same month last year. This growth was driven by numerous orders from key export markets, including Bangladesh, Lao PDR., and Taiwan.

“Cement industry outlook for June 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 in cooperation with the Customs Department

➔ **Cement production (excluding clinker)** in May 2024 reached 3.39 million metric tons, a decrease of 4.48 percent compared to the same month last year (%YoY). This decline was due to reduced demand from the domestic market.

➔ **Domestic cement sales (excluding clinker)** in May 2024 totaled 2.59 million metric tons, a decrease of 23.81 percent compared to the same month last year (%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 May 2024 totaled 0.18 million metric tons, a decrease of 24.41 percent (%YoY) compared to the same month last year. This decline was mainly due to reduced orders from Australia and Myanmar, especially in large construction projects and the public utility sector.

“Cement industry (excluding clinker) outlook for June 2024: The industry is expected to see increased growth, driven by accelerated construction activities in the real estate sector, including housing developments, commercial buildings, and condominiums, aimed at boosting orders and supported by various government incentive measures.”



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