สำนักงานเศรษฐกิจอุตสาหกรรม | OFFICE OF INDUSTRIAL ECONOMICS

กระทรวงอุตสาหกรรม MINISTRY OF INDUSTRY

Report on the Industrial Economics Status

May 2026

OIE embraces a green commitment, earning
“the Carbon Footprint for Organization (CFO) certification.”

Industrial Production Status

Indicators	2024	2025	2025								2026				
%YoY	Year	Year	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
MPI	-0.5	-0.4	2.0	0.3	-3.6	-3.7	1.6	0.5	-3.7	2.6	1.6	-0.2	1.3	0.9	-0.8

The industrial economic situation in **May 2026**, as reflected by the **Manufacturing Production Index (MPI), stood at 101.2, decreasing by 0.8 percent compared with the same month last year.** The decline was mainly attributable to lower production in the automotive industry.

When considering the MPI data for the past three months compared with the same period last year, the index decreased by 0.2 percent in February 2026, increased by 1.3 percent in March 2026, and decreased by 0.9 percent in April 2026.

Indicators	2025								2026				
%MoM	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
MPI	9.6	-3.9	-3.7	-1.4	3.1	0.3	-3.9	2.7	7.1	-4.1	12.0	-15.6	9.7

Over the past three months (February - April 2026), the Manufacturing Production Index (MPI) changes were as follows: the index decreased by 4.1 percent in February, increased by 12.0 percent in March, and decreased by 15.6 percent in April 2026, compared with the previous month.

Key Industries Causing MPI Contraction in May 2026 compared with the same month last year included:

- Air conditioners: The industry decreased by 8.7 percent, as the domestic market slowed due to financial institutions maintaining strict lending conditions. The export market also slowed amid the conflict in the Middle East, resulting in lower automobile exports.
- Palm oil: The industry decreased by 31.1 percent, as extremely hot weather accelerated the ripening of oil palm fruit, causing output to enter the market earlier than usual. As a result, palm oil production declined compared with the same month last year.
- Chemical fertilizers and nitrogen compounds: The industry decreased by 28.0 percent, as manufacturers slowed production due to shortages of raw materials resulting from the conflict in the Middle East.

Key Industries Driving MPI Growth in May 2026 compared with the same month last year included:

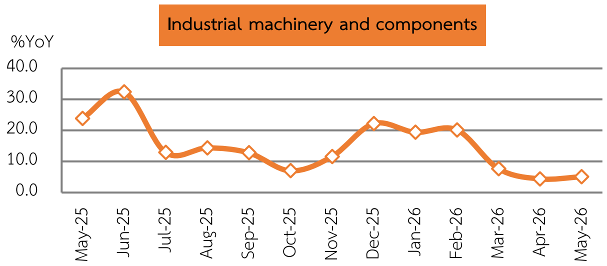
- Air conditioners: The industry increased by 20.0 percent, due to higher orders from both domestic and export markets, driven by extremely hot weather and growing demand for energy-efficient air conditioners.
- Refined petroleum products: The industry increased by 5.3 percent, as manufacturers accelerated production to maintain sufficient fuel inventories to meet demand.
- Sugar: The industry increased by 20.1 percent, as sugar mills accelerated the processing of raw sugar to fulfill contractual deliveries, while a larger volume of sugarcane was crushed compared with the previous year.

Other Industrial Economic Indicators in

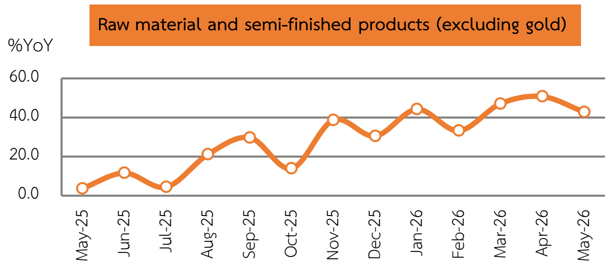
May 2026

Other Industrial Economic Indicators in May 2026

■ *Imports of Thailand Industrial Sector*



Source: Ministry of Commerce



Source: Ministry of Commerce

- **Imports of industrial machinery and parts** in May 2026 were valued at 1,919 million USD, expanding by 5.1 percent compared with the same month last year. The expansion was driven by increased imports of turbojets and parts thereof, air pumps, pumps for liquids, and machinery used for metal processing and parts thereof.
- **Imports of raw materials and intermediate products (excluding gold)** in May 2026 were valued at 14,814 million USD, increasing by 42.8 percent compared with the same month last year. The expansion was mainly driven by higher imports of electrical and electronic equipment and parts thereof, chemical products, and other metal ores and scrap.

Summary of Industrial Economic Conditions in May 2026

In May 2026, several industries showed signs of improvement, particularly the electrical and electronics industry, which benefited from expanding exports, as well as the rubber and rubber products industry, which was supported by stronger domestic sales. Meanwhile, the food, automotive, and cement industries continued to face pressure from sluggish market conditions and weaker demand, resulting in lower production.

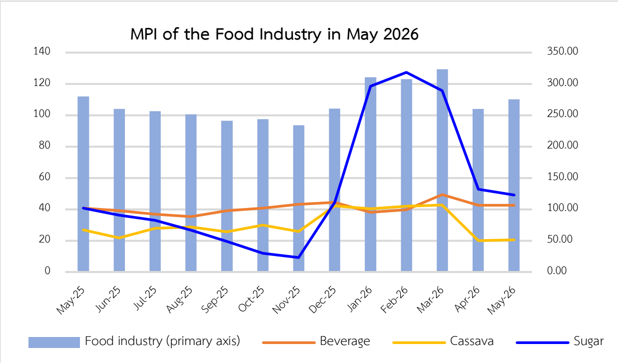
In June 2026, the industrial economy is expected to continue improving, supported by stronger exports and economic recovery in some countries. However, risks arising from global economic uncertainty, volatility in international markets, and production cost pressures should continue to be closely monitored, as these factors could affect the industrial sector.

Industries	MPI (%YoY)	Domestic sales (%YoY)	Exports (%YoY)	Imports (%YoY)	Outlook for June 2026
1. Electrical and Electronics Industry					
1.1 Electrical appliances	+19.8	-	+12.2	+36.1	Increasing
1.2 Electronics	+1.0	-	+24.9	+55.2	Increasing
2. Rubber and rubber products industry					
2.1 Processed rubber in primary forms	+10.7	+6.7	-5.4	-	Decreasing
2.2 Automotive tires	+.01	-11.4	-0.6	-	
2.3 Rubber gloves	+4.6	+53.2	+11.3	-	Increasing
3. Iron and steel industry	+9.5	+8.2		-5.5	Increasing
4. Food industry	-1.8	+3.2	-12.3	-	Increasing
5. Automotive industry					
5.1 Automobile	-11.4	+10.6	-26.7	-	Decreasing
5.2 Motorcycle	+5.8	+3.1	-12.6	-	Decreasing
6. Plastic industry	-1.3	-	+29.4	+14.8	Increasing
7. Chemical products Industry	-2.1	-	+27.2	+21.1	Decreasing
8. Petrochemical industry	-9.0	-	+21.2	+38.7	Increasing
9. Textile and wearing apparel industry					
9.1 Textile and fiber	-1.7	-1.1	+18.4	-	Increasing
9.2 Fabric	-11.9	-1.6	-4.9	-4.4	
9.3 Ready-made garment	-4.4	+6.9	+1.7	+12.2	
10. Cement industry	-3.0	-3.5	-44.7	-11.5	Decreasing

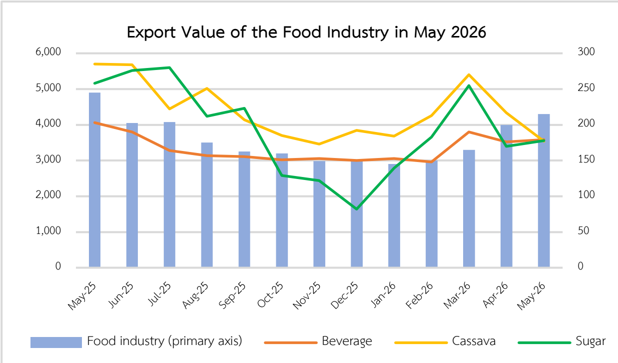
Source: Office of Industrial Economics (OIE) for production and domestic sales;
Office of the Permanent Secretary, Ministry of Commerce, for exports and imports.

Industrial Economic Status by Industrial Sectors in May 2026

1. Food Industry



Source: Domestic production and sales volume, Division of Information and Industrial Economic Indices, The Office of Industrial Economics



Source: Exports and Imports, Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

Manufacturing Production Index (MPI) of the food industry stood at 110.3, decreasing by 1.8 percent compared with the same month last year. Food products contributing to the decline included: (1) palm oil production, which decreased by 31.1 percent, as the supply of raw materials delivered to factories declined due to hot and dry weather, resulting in lower palm yields. In addition, production costs for farmers and manufacturers remained high; and (2) starch and starch product production, which decreased by 21.7 percent due to extremely hot weather and drought, which reduced cassava yields and starch content. This was compounded by cassava mosaic disease, shortages of disease-resistant planting materials, and reduced cultivation areas in some regions, resulting in lower raw material supplies to factories.

However, several major food products recorded production growth. 1) Sugar production increased by 20.1 percent, mainly supported by increased sugarcane deliveries to factories due to favorable weather conditions associated with the La Niña phenomenon since the 2025 planting season, which resulted in sufficient rainfall. Global sugar demand also remained favorable, while Thailand's sugar exports benefited from global trade conditions that were conducive to Thai exports. 2) Prepared animal feed production increased by 6.3 percent, in line with the pet humanization trend both domestically and internationally, together with continued confidence in Thailand's potential as an OEM production base for leading global brands.

Manufacturing Production Index (MPI) of the beverage sector increased by 4.1 percent, driven by major products including non-alcoholic beverages, mineral water, and other bottled drinking water, which increased by 6.9 percent. Production of instant coffee beverages increased by 23.0 percent as production returned to normal following a low base in the previous year. Carbonated soft drinks increased by 26.7 percent, while purified drinking water increased by 4.8 percent, supported by hot weather, the recovery of the tourism sector, and increased outdoor consumption activities, which continued to boost demand for beverages. In addition, white spirits increased by 23.7 percent in line with the recovery of domestic consumption.

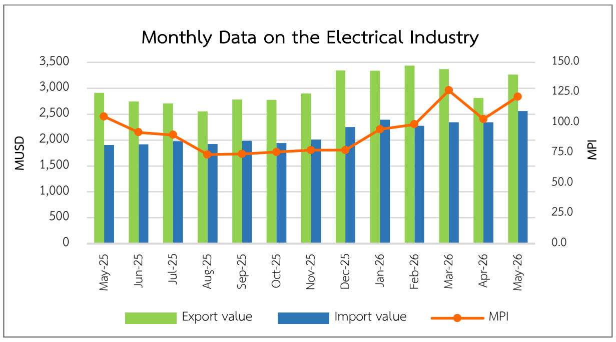
Domestic Market: Production of food products for domestic sale increased by 3.2 percent compared with the same month last year, driven by major products including frozen shrimp (+33.5%); frozen prepared foods (+23.8%); carbonated soft drinks (+19.3%); and frozen and chilled pork (+13.5%).

Overseas Market: Overall food exports decreased by 12.3 percent compared with the same month last year. Products contributing to the decline included vegetable and animal oils and fats (palm oil and soybean oil), which decreased by 94.9 percent. Exports declined to India, Malaysia, and Myanmar but increased to China and South Korea. Cassava products decreased by 38.4 percent, marking the 11th consecutive month of contraction, with declines in China and Japan but increases in the U.S., Taiwan, and Indonesia. Sugar exports decreased by 31.6 percent, marking the second consecutive month of contraction, with declines in Cambodia, Indonesia, and South Korea but increases in Malaysia and Sudan. Fresh, chilled, and frozen chicken decreased by 26.2 percent, marking the fifth consecutive month of contraction, with declines in Japan, Malaysia, and China but an increase in the Netherlands. However, fresh, chilled, frozen, and dried fruit exports increased by 5.1 percent, marking the second consecutive month of growth, supported by higher exports to China, Hong Kong, and Indonesia. Processed chicken exports increased by 4.6 percent, marking the sixth consecutive month of growth, with increases in Japan, the U.K., and the Netherlands. Pet food exports increased by 3.1 percent, marking the ninth consecutive month of growth, driven by higher exports to the U.S., Japan, Australia, and the Philippines.

*"**Food Industry Outlook for June 2026:** The MPI is expected to increase slightly compared with the same month last year, supported by improving domestic demand following government economic stimulus measures, together with continued growth in food exports. However, manufacturers should continue to monitor pressures from raw material, energy, transportation, and packaging costs, which remain elevated, as well as consumer purchasing power, which is recovering gradually and may constrain the growth of the food industry going forward."*

2. Electrical and Electronics Industry

■ Electrical Industry



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

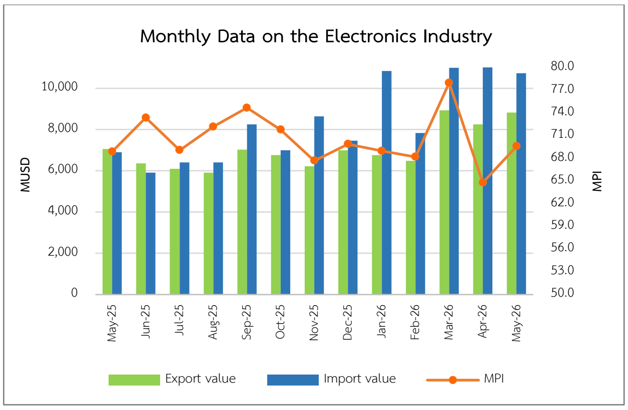
Electrical Appliance Production: The Manufacturing Production Index (MPI) for electrical appliances stood at 121.6, increasing by 19.8 percent compared with the same month last year, driven by higher export orders, particularly from the U.S., China, and Japan. Products recording increased production included window air conditioners (+48.6%), household fans (+45.1%), and thermo pots (+41.2%). In contrast, production of microwave ovens (-20.2%), washing machines (-9.6%), and fan coil unit air conditioners (-3.8%).

Electrical appliance exports: Exports reached a value of 3,267 million USD, increasing by 12.2 percent compared with the same month last year. Products recording increased exports included household fans, valued at 15 million USD, up 42.3 percent, with growth in ASEAN, Europe, China, the U.S., and Japan; electric wires and wire harnesses, valued at 120 million USD, up 63.4 percent, with growth in ASEAN, Europe, China, the U.S., and Japan; and refrigerators, freezers, and other refrigeration equipment, valued at 27 million USD, up 3.0 percent, with growth in the ASEAN, Europe, the U.S., and Japan. In contrast, exports of washing machines were valued at 94 million USD, decreasing by 14.3 percent in Japan and Europe, while microwave ovens were valued at 14 million USD, decreasing by 9.6 percent in Japan and China.

Electrical Appliance Imports: Imports reached a value of 2,561.8 million USD, increasing by 36.1 percent compared with the same month last year. Products recording increased imports included refrigerators, freezers, and other refrigeration equipment, valued at 43.0 million USD, up 73.1 percent, with imports from ASEAN, Europe, China, U.S., and Japan; air conditioners, valued at 72 million USD, up 63.4 percent, with imports from ASEAN, Europe, China, and Japan; and refrigerators, valued at 16 million USD, up 59.2 percent, with imports from ASEAN and China. In contrast, microwave oven imports were valued at 3 million USD, decreasing by 18.8 percent, with lower imports from Europe, the U.S, and Japan.

*"**Electrical Appliance Industry Outlook for June 2026:** The industry is expected to expand in June 2026, driven by increasing demand for electrical appliances, particularly smart appliances, together with continued investment in data centers both domestically and internationally. This is expected to boost demand for electrical system equipment, such as transformers. However, developments in the conflict between the U.S. and countries in the Middle East should be closely monitored, as they could cause volatility in energy prices and logistics costs, thereby increasing operating costs for manufacturers."*

Electronics Industry



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

Electronics production: The Manufacturing Production Index (MPI) stood at 69.6, increasing by 1.0 percent compared to the same month last year, driven by the growth of Internet of Things (IoT) and artificial intelligence (AI) technologies, which supported higher demand for electronic components and equipment. Products recording increases included printers and semiconductors, which increased by 29.9 percent and 23.3 percent, respectively. Meanwhile, products recording declines included PCBAs and integrated circuits (ICs), which decreased by 15.1 percent and 2.4 percent, respectively.

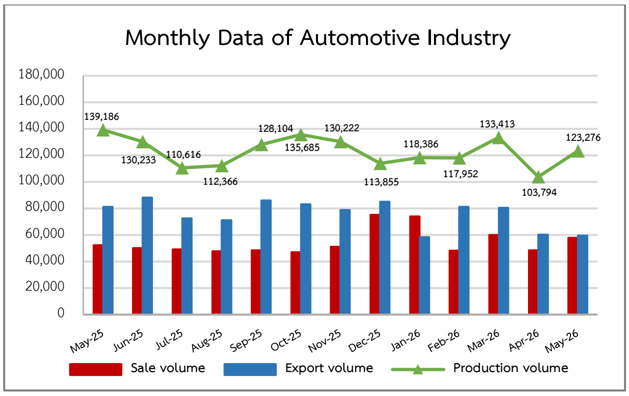
Electronics exports: Exports reached a value of 8,823 million USD, increasing by 24.9 percent compared with the same month last year. Products recording higher exports included printed circuits, valued at 167 million USD, increasing by 44.3 percent in ASEAN, China, the U.S., and Japan; and integrated circuits, valued at 1,090 million USD, increasing by 20.4 percent in ASEAN, Europe, China, the U.S., and Japan. Meanwhile, products recording lower exports included hard disk drives (HDDs), valued at 559 million USD, decreasing by 2.1 percent in Japan; and electrical capacitors, valued at 53 million USD, decreasing by 2.6 percent in ASEAN and Japan.

Electronics imports: Imports of electronic products totaled 10,729 million USD, increasing by 55.2 percent compared to the same month last year. Products recording higher imports included parts of apparatus for the transmission or reception of voice, images, or other data, including switching and routing apparatus, valued at 1,139 million USD, increasing by 255.4 percent from ASEAN, Europe, China, and the U.S.; and integrated circuits, valued at 6,637 million USD, increasing by 135.8 percent from the ASEAN, Europe, China, the U.S., and Japan. Meanwhile, HDD imports decreased by 9.5 percent, with a value of 5 million USD, mainly from China and Japan.

*"**Electronics Industry Outlook for June 2026**: The electronics industry is expected to expand compared to the same month last year, supported by overseas demand driven by the growth of emerging technologies such as AI, 5G, and data centers, which is expected to benefit Thailand's electronic products. However, the situation involving the conflict between the U.S. and countries in the Middle East should continue to be closely monitored, as it could contribute to volatility and upward pressure on global crude oil prices."*

3. Automotive Industry

■ Automotive Manufacturing Industry



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

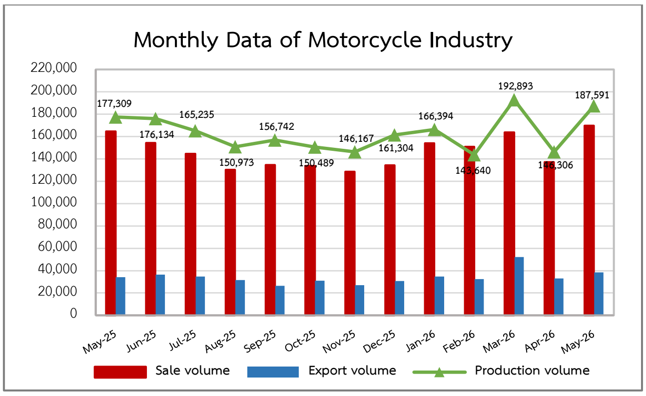
Automobile production totaled 123,276 units, decreasing by 11.4 percent compared with the same month last year. The decline was driven by slower production of passenger cars and pickup trucks. For the first time, production for the domestic market exceeded production for export due to the impact of the conflict in the Middle East. Meanwhile, automobile production increased by 18.8 percent compared with the previous month.

Domestic automobile sales reached 57,765 units, representing an increase of 10.6 percent compared with the same month last year. This growth was driven by the delivery of battery electric vehicles (BEVs), amid fluctuations in oil prices resulting from the conflict in the Middle East. Domestic automobile sales also increased by 19.4 percent compared with the previous month.

Automobile exports totaled 59,434 units, decreasing by 26.7 percent compared with the same month last year. The decline was primarily driven by the conflict involving the U.S., Israel, and Iran, which reduced exports to the Middle East. In addition, stricter regulations on vehicle carbon emissions led to lower exports to Australia and Oceania. Automobile exports also decreased by 1.3 percent compared with the previous month.

*"**Automobile Industry Outlook for June 2026:** The industry is projected to decrease slightly compared with June 2025, due to a high base in the previous year and continued weakness in demand for certain vehicle segments, particularly passenger cars and alternative-energy vehicles."*

■ Motorcycle Manufacturing Industry



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

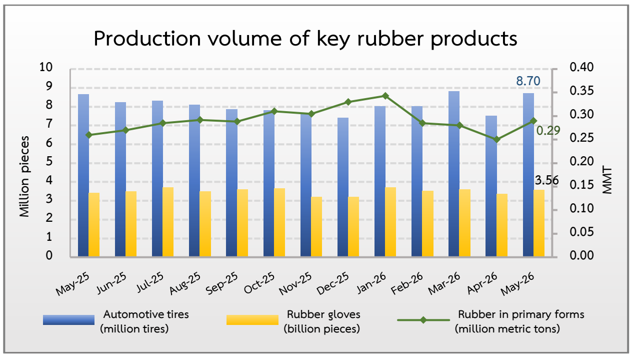
Production of motorcycles totaled 187,591 units, increasing by 5.8 percent compared with the same month last year. The increase was driven by higher production of multi-purpose motorcycles and electric motorcycles. Motorcycle production increased by 28.2 percent compared with the previous month.

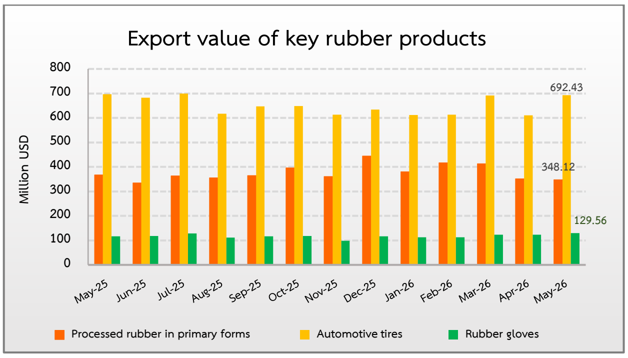
Motorcycle sales reached 169,724 units, increasing by 3.1 percent compared with the same month last year. The increase was driven by higher sales of motorcycles in the 111–125 cc and 400 cc and above engine displacement categories. Motorcycle sales also increased by 23.9 percent compared with the previous month.

Exports of completely built-up (CBU) motorcycles totaled 38,296 units, increasing by 12.6 percent compared with the same month last year. Meanwhile, exports of completely knocked-down (CKD) motorcycle kits for assembly in destination countries increased by 30.4 percent compared with the same month last year. Exports of CBU motorcycles also increased by 16.3 percent compared with the previous month.

*"**Motorcycle Manufacturing Industry Outlook for June 2026:** The motorcycle manufacturing industry is expected to contract slightly compared with June 2025. The contraction is anticipated to be gradual amid prolonged weakness in domestic purchasing power and continued volatility in global oil prices."*

4. Rubber and Rubber Product Industry





Production

- Processed rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex) increased by 10.7 percent, driven primarily by higher production volumes of rubber blocks and concentrated latex.
- Automotive tire production increased by 0.1 percent, supported by higher output across passenger car, truck, and bus tire segments.
- Rubber glove production also increased by 4.6 percent, reflecting a recovery in overseas orders.

Domestic Sales

- Sales of processed rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex) increased by 6.7 percent, driven by demand for rubber sheets, rubber blocks, and concentrated latex in downstream industries.
- Sales of automotive tires decreased by 11.4 percent, mainly due to weaker domestic purchasing power and higher tire prices, which prompted consumers to postpone tire replacement.
- Sales of rubber gloves increased by 53.2 percent, driven by increased market demand and the expansion of production capacity by new producers.

Exports

- Export value of processed rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex) decreased by 5.4 percent, mainly due to lower exports of rubber blocks and concentrated latex to the China.
- Export value of automotive tires decreased by 0.6 percent, due to increased competition from countries with lower production costs, which reduced Thailand's competitiveness.
- Export value of rubber gloves increased by 11.3 percent, driven by stronger global demand, particularly for applications in the medical and healthcare sectors.

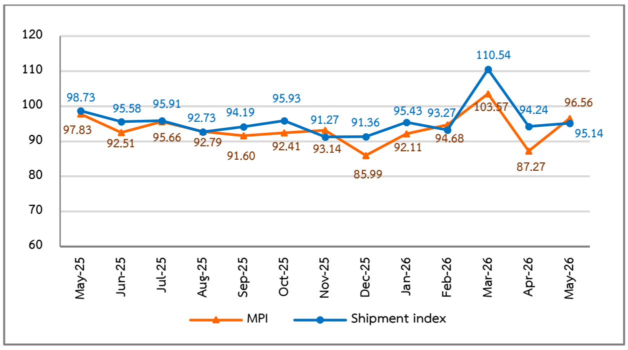
"Rubber and Rubber Product Industry Outlook for June 2026:

The production of processed rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex) is expected to remain stable to slightly contract due to the impact of the El Niño phenomenon, which is expected to reduce the supply of latex entering the market. Meanwhile, domestic sales are expected to expand, driven by stronger global demand for natural rubber and buyers' efforts to build up inventories amid concerns over the impact of El Niño toward the end of the year. Rubber glove production is expected to improve in line with the recovery of domestic and export orders, particularly from the medical and service sectors. Domestic sales of rubber gloves are also expected to continue expanding, supported by rising demand from the industrial and service sectors.

However, exports of processed rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex) are expected to remain stable as price competition has resulted in Thailand losing market share to competing countries with lower production costs. Meanwhile, tire exports are expected to remain stable amid pressure from U.S. tariff measures affecting Thailand's tire exports, prompting manufacturers to accelerate efforts to expand into other markets. Rubber glove exports are expected to expand, benefiting from production and cost challenges faced by manufacturers in some countries, which could provide Thailand with opportunities to secure additional orders."

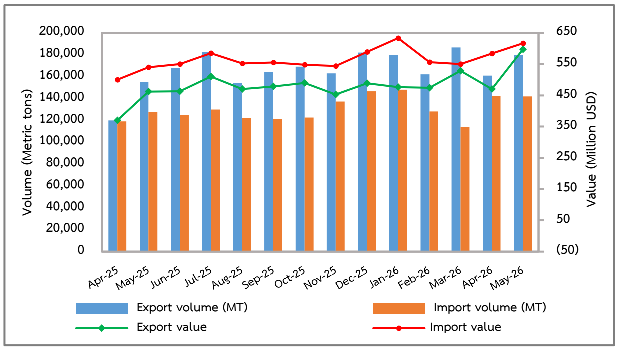
5. Plastics Industry

MPI and Shipment Index



Source: The Office of Industrial Economics

Volume and Value of Exports and Imports



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

Manufacturing Production Index (MPI): The plastics industry decreased by 1.3 percent compared with the same month last year. Products recording lower production included plastic films (-30.7%), plastic sheets (-11.7%), and other plastic packaging (-2.1%). The decline was mainly due to a slowdown in the packaging and consumer goods industries, both domestically and internationally. In addition, manufacturers continued to face volatility in raw material prices and high energy costs, prompting them to reduce production capacity while awaiting further developments.

Shipment index of the plastics industry: The index decreased by 3.6 percent compared with the same month last year. Products recording declines included plastic films (-34.4%), plastic sheets (-16.0%), and other plastic packaging (-2.8%). The decline was mainly due to slower domestic consumption and spending, prompting manufacturers to clear existing inventories.

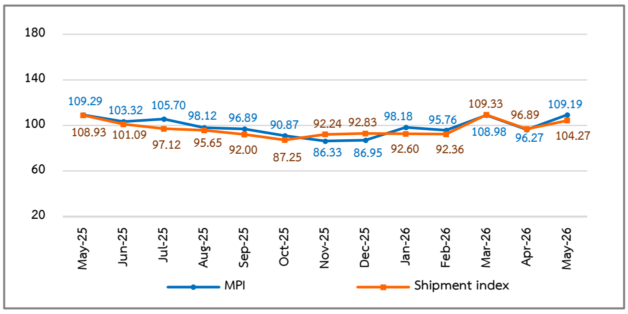
Exports: The industry exports were valued at 597 million USD, increasing by 29.4 percent compared with the same month last year. Products contributing to the overall increase included plastic floor coverings (+51.6%), bathtubs (+45.4%), and kitchen and toilet articles (+25.7%). The main supporting factor was stronger orders from major trading partners, including the U.S., Germany, and Japan.

Imports: Import value of plastic industry totaled 616.5 million USD, increasing by 14.8 percent compared with the same month last year. Products contributing to the overall increase included plastic sheets, films, foil, and other strips and sheets (non-cellular and not reinforced), (+37.0%); other articles of plastic (+25.4%); and plastic sheets, films, foil, and tapes (+25.3%). The increase was mainly driven by higher demand for semi-finished raw materials to support the expansion of domestic infrastructure construction and export-oriented manufacturing, together with greater adoption of innovative specialty plastic materials from overseas.

*"**Plastic Industry Outlook for June 2026**: The plastics industry is expected to expand, as most manufacturers are expected to continue adjusting production capacity in line with orders, while focusing on cost control and efficient inventory management. Exports are expected to recover, supported by demand from markets in Asia and some countries where economic conditions have begun to improve. However, risks from trade barriers and price competition from major producing countries remain and should be closely monitored."*

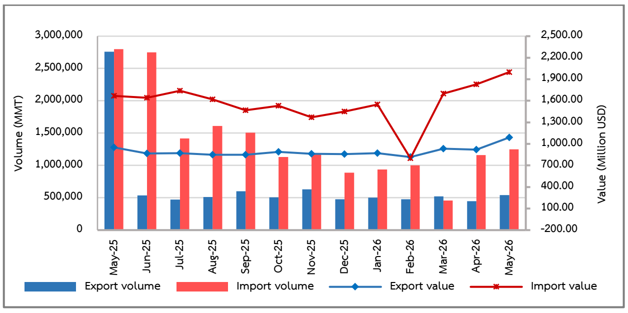
6. Chemical products Industry

Manufacturing Production Index (MPI) — Shipment Index



Source: The Office of Industrial Economics

Export/Import Volume and Value of Chemical Products



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

Manufacturing Production Index (MPI) of the chemical products industry decreased by 0.1 percent compared with the same month last year. Production in the downstream chemicals segment decreased by 2.1 percent, with fertilizer production (-23.6%) and detergent production (-4.5%). The decline was mainly attributable to geopolitical conflicts and war-related disruptions, which affected exports of key upstream raw materials, including petrochemical feedstocks and chemicals. Export restrictions resulted in shortages and volatility in raw material prices, prompting domestic manufacturers to slow production while monitoring production costs and market conditions. In contrast, production in the basic chemicals segment increased by 4.8 percent, driven by higher production of hydrogen gas (+59.0%), chlorine (+16.0%), and caustic soda (+15.8%), compared with the same month last year. The increase was driven by the impact of war and geopolitical tensions in several regions, which caused global energy and petrochemical raw material prices to remain volatile and elevated, encouraging domestic manufacturers to accelerate production.

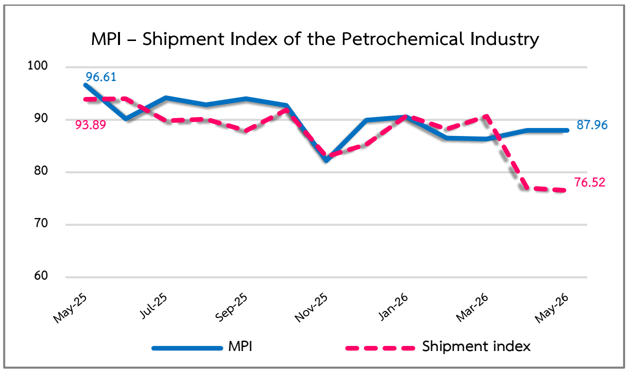
Shipment Index of chemical products industry decreased by 4.3 percent compared with the same month last year. Shipments in the downstream chemicals segment decreased by 2.4 percent, with fertilizers (-26.1%) and detergents (-10.9%). The decline was due to uncertainty arising from the war situation, together with higher energy and raw material prices, prompting manufacturers to delay purchasing decisions while monitoring prices and market conditions before planning production for the next period. In contrast, shipments in the basic chemicals segment increased by 12.7 percent, driven by higher shipments of hydrogen gas (+33.7%), methyl ester (biodiesel) (+22.2%), and caustic soda (+19.7%). The increase was mainly attributable to the war and geopolitical tensions, which prompted several countries to accelerate stockpiling and diversify their sources of chemical raw materials, resulting in increased export orders.

Exports of chemical products increased by 27.2 percent compared with the same month last year. Exports of basic chemicals increased by 12.0 percent, while exports of downstream chemicals increased by 17.5 percent. Products contributing to the overall increase included inorganic chemicals (+40.8%), cosmetics (+26.4%), and organic chemicals (+19.9%). The increase was supported by continued growth in global demand for chemical products amid the war and energy-related uncertainty, which prompted several countries to accelerate imports of raw materials for downstream industries. As a result, Thailand's exports of basic chemicals continued to expand.

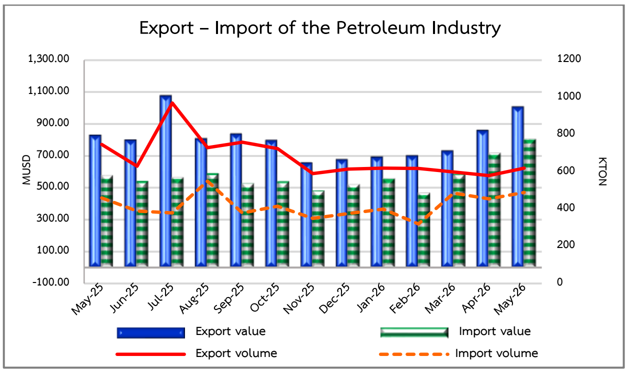
Imports of chemical products increased by 21.1 percent compared with the same month last year, with imports of basic chemicals increasing by 31.2 percent and imports of downstream chemicals increasing by 2.5 percent. Products contributing to the overall increase included miscellaneous chemical products (+41.6%), inorganic chemicals (+27.4%), and surfactants (+22.5%). The increase was driven by higher domestic demand for chemical products in line with consumption, together with the impact of war and geopolitical tensions, which increased uncertainty in global supply chains. Manufacturers therefore accelerated imports of raw materials and chemical products to build inventories and support production in the next period.

*"**Chemical Products Industry Outlook for June 2026:** The industry is expected to contract slightly due to the ongoing war and geopolitical tensions, which have caused continued high volatility in upstream petrochemical feedstock prices. This has created challenges for manufacturers in managing production costs and securing raw materials. Manufacturers are expected to adjust by reducing production, drawing down existing inventories, and monitoring market conditions before planning production for the next period."*

7. Petrochemical Industry



Source: The Office of Industrial Economics



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

Manufacturing Production Index: The MPI stood at 88.0, decreasing by 9.0 percent compared with the same month last year and by 0.02 percent compared with the previous month. In the downstream petrochemical segment, production of PP resin and PE resin decreased by 20.9 percent and 10.3 percent, respectively. In the basic petrochemical segment, ethylene production decreased by 12.6 percent compared with the same month last year. The decline was mainly due to basic petrochemical plants reducing or suspending production as a result of the conflict in the Strait of Hormuz, which disrupted shipments of raw materials, most of which are imported from the Middle East.

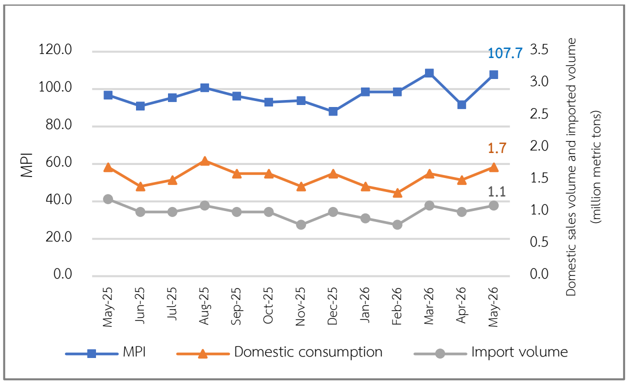
Shipment index: The Petrochemical Shipment Index stood at 76.5, decreasing by 18.5 percent compared with the same month last year and by 0.1 percent compared with the previous month. In the basic petrochemical segment, propylene shipments decreased by 34.4 percent compared with the same month last year. In the downstream segment, PP resin shipments decreased by 29.2 percent compared with the same month last year. However, inventories increased by 9.1 percent compared with the previous month, while decreasing by 4.14 percent compared with the same month last year.

Exports: The industry exports were estimated at 1,009 million USD, increasing by 21.2 percent compared with the same month last year and by 17.0 percent compared with the previous month. The increase was driven by higher exports in the basic petrochemical segment, particularly toluene, which increased by 133.1 percent, as well as in the downstream petrochemical segment, particularly PE resin, which increased by 22.3 percent. The increase was supported by higher prices in line with rising raw material costs.

Imports: Imports: Petrochemical imports totaled 804.3 million USD, increasing by 38.7 percent compared with the same month last year and by 8.8 percent compared with the previous month. The increase was driven by higher imports in the basic petrochemical segment, particularly ethylene, which increased by more than 100 percent, and in the downstream petrochemical segment, particularly PET resin, which increased by more than 500 percent.

*"**Petrochemical Industry Outlook for June 2026:** The overall petrochemical manufacturing industry is expected to improve compared with the same month last year, as the situation surrounding the conflict in the Strait of Hormuz is expected to ease, allowing greater shipments of crude oil and natural gas feedstocks to global markets. In particular, naphtha, a product derived from crude oil refining and a key feedstock for more than 60 percent of petrochemical production, is expected to resume exports, although the recovery is expected to take approximately two weeks. Basic petrochemical plants that primarily use naphtha as feedstock are expected to gradually resume production. However, production costs are expected to remain higher than before the conflict, and the situation remains subject to risks."*

8. Iron and Steel Industry



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

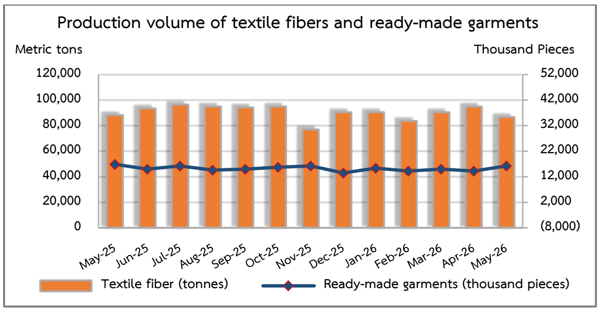
Manufacturing Production Index (MPI): The MPI stood at stood at 107.7, increasing by 9.5 percent compared with the same month last year. Production increased in both long and flat products. Production of long products increased by 18.2 percent, with steel wire recording the largest increase at 58.7 percent, followed by deformed steel bars and hot-rolled structural steel sections, which increased by 21.2 percent and 18.0 percent, respectively. Production of flat products increased by 6.7 percent, driven mainly by hot-rolled coils, which increased by 21.3 percent, followed by cold-rolled sheets and tinplate, which increased by 3.5 percent and 3.0 percent, respectively. Meanwhile, steel pipe production decreased by 0.2 percent.

Domestic Consumption: Domestic steel consumption totaled 1.7 million tonnes, increasing by 8.2 percent compared with the same month last year, driven by higher consumption of long steel products. Long steel consumption totaled 0.7 million tonnes, increasing by 53.7 percent, supported by higher consumption of rebars, structural steel, and wire rods. In contrast, flat product consumption totaled 1.0 million tonnes, decreasing by 10.4 percent, due to lower consumption of tin-free sheets, cold-rolled sheets, and hot-rolled coils.

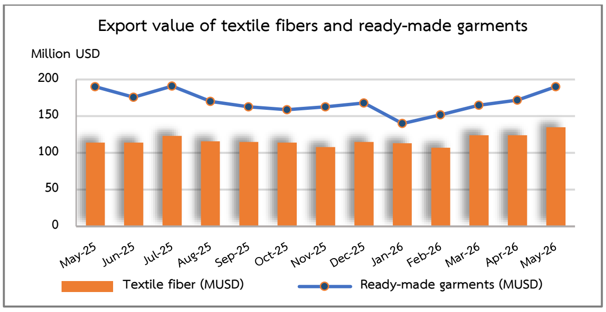
Imports: Steel imports totaled 1.1 million tonnes, decreasing by 5.5 percent compared with the same month last year, mainly due to lower imports of flat products. Imports of flat products totaled 0.8 million tonnes, decreasing by 13.3 percent. Products recording lower imports included hot-rolled alloy steel sheets, mainly due to lower imports from China and Japan; pickled and oiled hot-rolled carbon steel sheets, mainly due to lower imports from Japan and South Korea; and cold-rolled carbon steel sheets, mainly due to lower imports from Taiwan, Japan, China, and South Korea. Meanwhile, long products imports totaled 0.3 million tonnes, increasing by 22.3 percent. Products recording higher imports included carbon steel wire rods, mainly from Malaysia, China, and Japan; seamless steel pipes, mainly from Japan and China; and cold-finished steel bars, mainly from China.

*"**Iron and Steel Industry Outlook for June 2026**: The manufacturing is expected to expand compared with the same month last year, with several key factors to monitor, including: (1) rising energy costs, which could affect the economy and the real estate sector, thereby affecting steel demand; (2) the expansion of government infrastructure investment projects, which could stimulate steel production and consumption; and (3) the increasing use of trade protection measures on steel products, which could result in lower steel imports."*

9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

- Textile fiber production contracted by 1.7 percent compared with the same month last year, due to lower orders from the domestic and overseas markets.
- Fabric production contracted by 11.9 percent compared with the same month last year, particularly woven synthetic fabrics and towels.
- Ready-made garment production contracted by 4.4 percent compared with the same month last year, particularly woven and knitted garments, including outerwear such as sportswear, polo shirts, and baby clothing, as well as men's and women's underwear. The decline was attributed to the conflict in the Middle East, which caused energy costs and petrochemical raw material prices to rise sharply. Some manufacturers therefore slowed production to monitor the situation or reduced production capacity. In addition, the economic impact prompted some manufacturers to discontinue production lines and switch to importing products from suppliers for distribution instead.

Domestic sales

- Sales of textile fibers decreased by 1.1 percent, particularly man-made fibers, cotton yarn, and man-made fiber yarn.
- Sales of fabrics decreased by 1.6 percent, particularly woven synthetic fabrics and towels.
- Sales of ready-made garments increased by 6.9 percent, particularly woven and knitted garments.

"Textile and Wearing Apparel Industry Outlook for June 2026: The overall textile and wearing apparel industry is expected to recover compared with June 2025, supported by recovering domestic demand, including 'Thai Chuay Thai Plus' co-payment scheme, a government economic stimulus measure under which the government subsidizes part of consumers' spending on goods and services, together with recovering overseas demand. As a result, production, domestic sales, and exports are expected to expand moderately. However, manufacturers continue to face pressure from price competition, production costs, and global economic uncertainty. They therefore need to focus on developing higher value-added products, environmentally friendly products, and textile innovations to enhance competitiveness and maintain export markets over the long term."

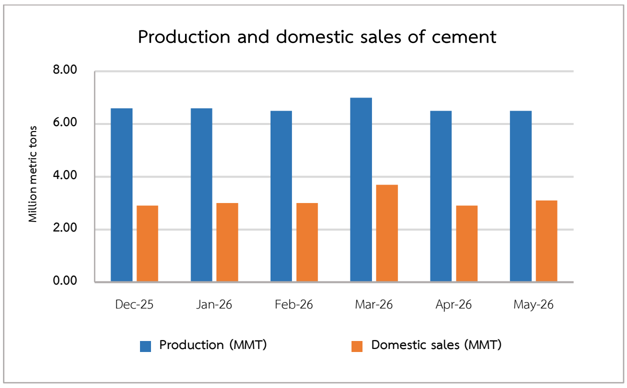
Imports

- Imports of yarn and fibers increased by 7.5 percent compared with the same month last year, particularly fibers used for weaving, weaving yarn, fine yarn, and other textile materials.
- Imports of fabrics decreased by 4.4 percent compared with the same month last year, particularly cotton fabrics and other woven fabric.
- Imports of ready-made garments increased by 12.2 percent compared with the same month last year, particularly trousers and skirts, men's and women's underwear and sleepwear, and other clothing. Most imports were low-priced products from China, Vietnam, and Sri Lanka, as they were cheaper than domestic production and had lower minimum order quantities. This increase was also driven by changes in consumer behavior, with consumers increasingly choosing fast fashion and affordable products.

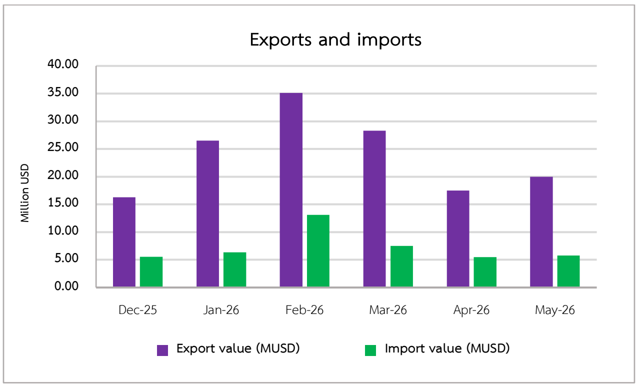
Exports

- Exports of textile fibers increased by 18.4 percent compared with the same month last year, driven by higher exports of man-made fibers to major trading partners, including China, Indonesia, and India. Meanwhile, exports to the U.S. and Pakistan decreased.
- Exports of fabrics decreased by 4.9 percent compared with the same month last year, including both man-made fiber fabrics and fabrics made from other textile materials. The decline was due to lower exports to major trading partners, including Vietnam and Cambodia, while exports to Myanmar and India increased.
- Exports of ready-made garments increased by 1.7 percent compared with the same month last year, driven by higher exports of cotton garments and garments made from other textile materials to major trading partners, including Belgium and the U.K. Meanwhile, exports to the U.S. decreased, reflecting the gradual delivery of products under orders that had been produced in the previous period.

10. Cement Industry



Source: Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics



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

Total cement production: Production totaled to 6.5 million tonnes, decreasing by 3.0 percent compared with the same month last year. Manufacturers reduced production due to seasonal factors associated with the onset of the rainy season, as bulk handling and storage of cement became more difficult, increasing the risk of deterioration in cement quality. In addition, manufacturers slowed production to manage risks amid economic and security conditions, particularly tensions in the Middle East, which have directly contributed to higher energy prices.

Domestic cement sales: Cement sales totaled 3.1 million tonnes, decreasing by 3.5 percent compared with the same month last year. The decline was affected by the slowdown in the real estate sector, affecting both developers and consumers, particularly the low-rise residential property segment, which experienced a significant slowdown. This was reflected in the decline in applications for permits for new residential land allocation projects in Bangkok and its surrounding provinces. In addition, rising household debt has affected the ability of financial institutions to provide loans to various real estate projects.

Cement exports: Cement exports totaled 0.4 million tonnes, decreasing by 44.7 percent compared with the same month last year. The top three export destinations were Bangladesh, Myanmar, and Australia, accounting for 38.8 percent, 24.0 percent, and 13.8 percent, respectively.

Cement imports: Cement imports totaled 0.1 million tonnes, decreasing by 11.5 percent compared with the same month last year. The top three import sources were Lao PDR, China, and India, accounting for 94.4 percent, 2.3 percent, and 0.9 percent, respectively. Most imports were sourced from major Thai manufacturers that have invested in cement production plants in Lao PDR.

*"**Cement Industry Outlook for June 2026:** Cement production and consumption are expected to slow due to the overall macroeconomic conditions and rising energy costs, which have made it difficult for cement manufacturers to plan production appropriately and prompted them to reduce production. The industry also continues to face pressure from the ongoing slowdown in the real estate sector. In addition, the cement industry is affected by seasonal factors during the rainy season, when moisture increases the risk of cement quality deterioration and makes bulk handling and storage for construction purposes more difficult."*

สำนักงานเศรษฐกิจอุตสาหกรรม | OFFICE OF INDUSTRIAL ECONOMICS

The Office of industrial Economics

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

Website: www.oie.go.th

OIE embraces a green commitment, earning
"the Carbon Footprint for Organization (CFO) certification."