

Report on the Industrial Economics Status

November 2023



Industrial Production Status

Indicators	2021	2022	2022		2023										
%YoY	Year	Year	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
MPI	5.8	0.4	-5.3	-8.5	-4.8	-2.4	-3.9	-8.7	-3.1	-5.0	-4.7	-7.8	-6.3	-4.3	-4.7

In **November 2023**, the industrial economic status in November 2023, when considered from **the Manufacturing Production Index (MPI)**, **decreased by 4.7 percent from last year**. Key factors were issues of household debt and high-interest rates. As a result, domestic consumption, especially for semi-durable and durable goods, decreased, such as automobiles, upstream iron, and steel, concrete, cement, and plaster. In addition, the economies of important trading partners, such as China, Japan, and the EU, resulted in a slowdown in the export of products such as electronic components, circuit boards, and air conditioners.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in August, September, and October 2023 contracted by 7.8, 6.3, and 4.3 percent, respectively.

Indicators	2022		2023										
%MoM	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.
MPI	2.1	-1.8	6.1	-0.1	6.3	-21.3	14.3	-2.2	-2.0	0.8	-0.3	-2.2	1.6

For the past three months (August, September, and October 2023) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: an increase of 0.8 percent in August, a decrease of 0.3 percent in September, and a decrease of 2.2 percent in August.

Key industries that contributed to the MPI contraction in November 2023 compared to the same period last year included:

- **Automobile:** The industry contracted by 14.13 percent, mainly driven by pickup trucks and compact cars. The contraction was in line with the slowdown in the domestic automobile market as a result of income fragility, high levels of household debt, and increased strictness from financial institutions in approving loans.
- **Electronic components and boards:** The industry contracted by 16.38 percent from the trend of the global electronic components market that slowed down, coupled with the industry switching the types of products produced from home-use products (electronic components in household electrical equipment) for sale during COVID to industrial products, such as automobiles and IoT. The changes caused the production volume to decrease, but the price per unit increased.
- **Basic iron and steel:** The industry decreased by 14.19 percent due to maintenance shutdowns of some manufacturers, and customers had no orders. Furthermore, some customers choose to buy cheaper imported steel from abroad instead.

Key industries continued to expand in November 2023 compared to the same month last year included:

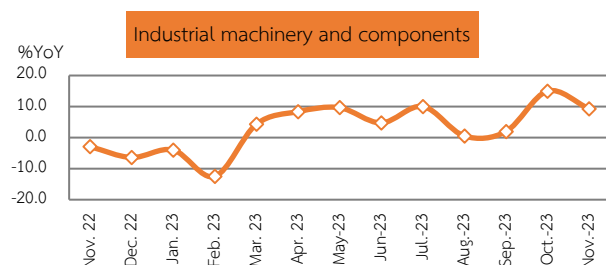
- **Refined petroleum products:** The industry expanded by 29.91 percent, mainly from gasohol 91, gasohol 95, lubricating oil, gasoline, and high-speed diesel. This is because in the previous year, there was a shutdown for maintenance at the refinery, but this year, production returned to normal. In addition, the tourism sector recovered and continued to grow.
- **Gemstone jewelry:** The industry expanded by 12.91 percent, mainly from necklaces and rings. This is because a large manufacturer received an order from their parent company to produce more of these two products. In addition, manufacturers had more raw materials for production this year compared to previous years.



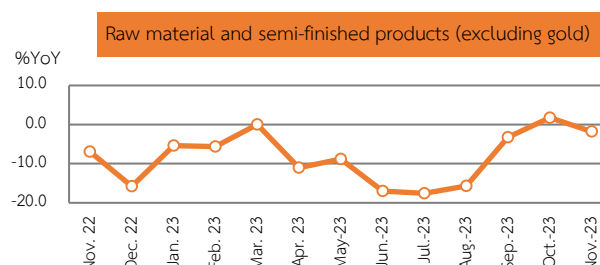
Other Industrial Economic Indicators in November 2023

Other Industrial Economic Indicators in November 2023

Imports of Thailand Industrial Sector



Source: Ministry of Commerce

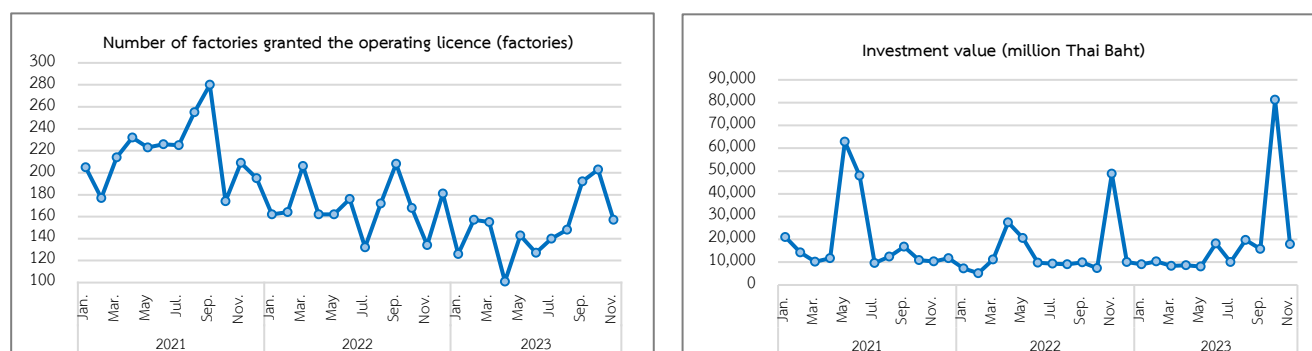


Source: Ministry of Commerce

+ **Imports of industrial machinery and parts** in November 2023 were valued at 1,604.31 million USD, an increase of 9.29 percent compared to the same month last year. This growth was attributed to increased imports of products such as jet turbines and parts, construction machinery and parts, metal processing machinery and parts.

- **Imports of raw and semi-finished goods (excluding gold)** in November 2023 were valued at 8,469.70 million USD, a decrease of 1.75 percent compared to the same month last year. This decline was notable in products such as iron, steel, and products thereof, and chemical products.

Industrial Operation Status



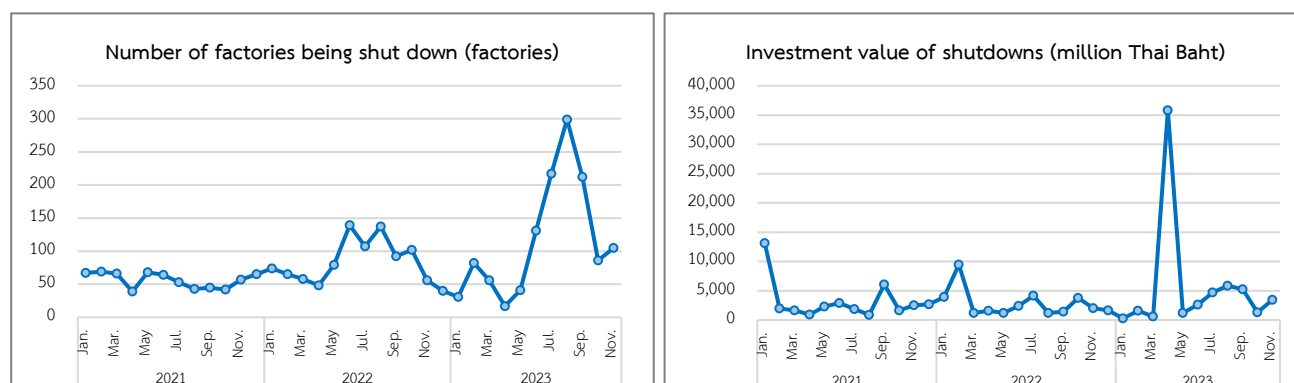
Source: Department of Industrial Works

- ❌ The total number of factories licensed for operation in November 2023 was 157 factories, decreasing by 22.66 percent (%MoM) from October 2023 but increasing by 17.16 percent (%YoY) from the same month last year.
- ❌ The total investment from factories licensed for operating in November 2023 decreased by 78.04 percent (%MoM) from October 2023 to 17,850 million Thai Baht and decreased by 63.48 percent (%YoY) from the same month last year.

“The industry with the highest number of newly licensed factories to operate in November 2023 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (13 factories), followed by the excavation or dredging industry of gravel, sand, or soil (12 factories).”

“In November 2023, the industry with the highest investment value was the electric power generation from thermal energy, with an investment value of 5,196 million Thai Baht, followed factories engaged in the production, assembly, or modification of tools or electrical appliances, with an investment value of 1,863 million Thai Baht.”

Industrial Operation Status (cont.)



Source: Department of Industrial Works

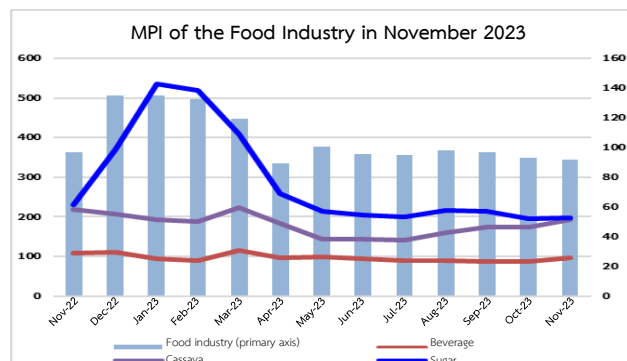
- A total of 105 factories were shut down in November 2023, increasing from October 2023 by 22.09 percent (%MoM) and increasing from the same month last year by 87.50 percent (%YoY).
- The total investment value lost due to business shutdowns in November 2023 was 3,444 million Thai Baht, which increased by 163.76 percent (%MoM) from October 2023 and by 72.11 percent (%YoY) from the same month last year.

"In November 2023, the industry with the highest number of factory shutdowns was the excavation or dredging industry of gravel, sand, or soil (26 factories), followed by the manufacture of concrete, ready-mixed concrete articles, and gypsum products (8 factories)."

"In November 2023, the industry with the highest business investment cessation was the manufacture of chemical products, chemicals, and chemical materials. This sector experienced an investment cessation valued at 902 million Thai Baht. Following closely behind were factories involved in waste separation or landfilling, with an investment cessation valued at 659 million Thai Baht."

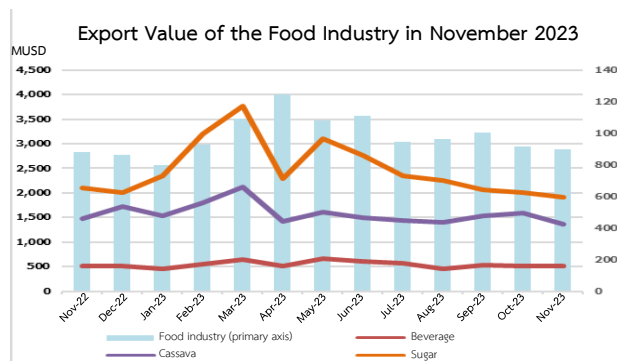
Industrial Economic Status by Industrial Sectors in November 2023

1. Food Industry



Source: The Office of Industrial Economics

➖ In November 2023, the MPI of the food industry contracted by 5.5 percent (%YoY) compared to the same period last year. Several food products experienced declines in MPI, including 1) **Sugar** saw a decrease of 45.7 percent, driven by declines in refined sugar and white sugar by 46.3 and 45.3 percent, respectively, as businesses and consumers rushed to stock up ahead of an anticipated mid-November price increase. 2) **Cassava products** also experienced a decrease of 21.0 percent, particularly tapioca starch, which contracted by 22.8 percent due to drought conditions and an outbreak of cassava leaf spot disease, prompting farmers to switch to corn cultivation for animal feed. 3) **Fishery** saw a decrease of 13.2 percent, particularly canned tuna and frozen shrimp, which contracted by 19.6 and 14.2 percent, respectively, due to reduced consumption demand in both domestic and international markets. 4) **Processed fruits and vegetables** saw a decline of 4.4 percent, mainly driven by a significant contraction in canned pineapple by 62.3 percent due to droughts in some planting areas. However, other canned fruits grew by 25.0 percent due to demand from domestic and international consumers. 5) **Livestock** saw a decrease of 1.9 percent. The decreased was driven by chilled and frozen chicken, which contracted by 5.6 percent, due to a slowdown in consumer purchasing power, leading to reduced consumption demand.



Source: Ministry of Commerce

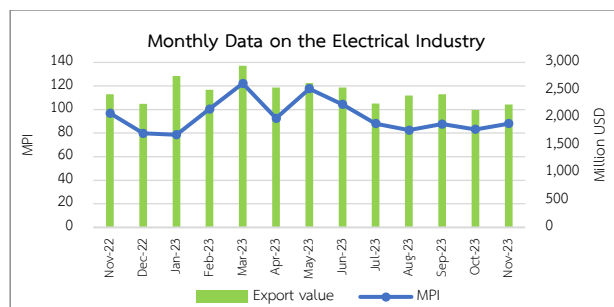
➕ **Domestic sales:** The production volume for domestically sold food products in November 2023 expanded by 2.5 percent (%YoY) in the food product categories including: 1) Soy-milk, an increase of 13.9 percent; 2) Instant noodles, an increase of 8.7 percent; 3) Cake, an increase of 8.0 percent; 4) Table seasoning, an increase of 7.7 percent; and 5) Pet food, an increase of 5.3 percent.

➕ **Export markets:** In November 2023, food exports increased by 2.5 percent compared to the same period last year. This growth was primarily driven by the rice and cereal products, particularly rice, with key markets including Indonesia and the USA. Additionally, cassava products also contributed to this growth, with major markets being Indonesia, the Philippines, and the USA. Regarding beverage exports, there was a 0.3 percent increase in value compared to the same period last year.

"Outlook for the Food Industry in December 2023: The industry is expected to see an overall slight growth compared to the same time last year as domestic consumption and the tourism sector have positive trends from growing domestic demand during the New Year festival. In addition, there are government economic stimulus measures and an increased number of foreign tourists inbound. The value of exports is expected to grow due to product orders from trading partners that are likely to increase in preparation for the festive season. However, it is still necessary to monitor the global economic situation that continues to slow down, including the Israeli-Palestinian unrest that may affect energy prices."

2. Electrical and Electronics Industry

■ Electrical Industry



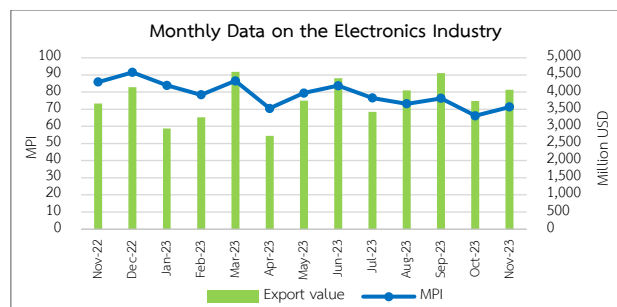
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➖ **Production of electrical appliances:** The MPI stood at 88.0 points, decreasing by 9.1 percent compared to the same month last year, primarily influenced by the rising of production costs. Products with decreased MPI included thermo pots (-58.6%), compressors (-39.1%), transformer (-34.0%), rice cookers (-27.4%), electric motors (-20.5%), air conditioners (-13.1%), and microwave ovens (-7.5%). This was due to decreased domestic demand and overseas orders. However, certain products experienced an increase in production, such as power lines (41.8%), refrigerators (19.6%), washing machines (17.7%), fan (10.4%), and cables (0.8%) as domestic demand and orders from overseas have increased.

➖ **Exports of electrical appliances:** Exports amounted to 2,233.0 million USD, a decrease of 7.8 percent compared to the same month of the previous year, primarily influenced by the slowdown of global economy. Among products that decreased in orders were **microwave ovens**, valued at 17.2 million USD, decreasing by 29.5 percent in Japan, the USA, and the UK markets; **air conditioners and parts**, valued at 404.2 million USD, decreasing by 26.1 percent in Australia, the USA, and Vietnam markets; **fans**, valued at 39.6 million USD, declining by 16.2 percent in the USA, China, and Germany markets; **electric motors and generators**, valued at 77.7 million USD, decreasing by 7.3 percent in Japan, the USA, and Germany markets; **switchboards and control panels** for electricity, valued at 222.8 million USD, decreasing by 0.8 percent in Japan, China, and Singapore markets;. However, products with increased orders included **transformers and parts**, valued at 374.7 million USD, increasing by 24.8 percent in the USA, the Netherlands, and Taiwan markets; **refrigerators, freezers, and parts**, valued at 175.0 million USD, increasing by 20.6 percent in the USA, Australia, and Malaysia markets; **power lines and cables**, valued at 89.1 million USD, increasing by 14.9 percent in Japan, the USA, and the Philippines markets **washing/dry cleaning machines, and parts**, valued at 100.8 million USD, increasing by 11.1 percent in Vietnam, South Korea, and Australia markets; **electrical circuit breakers and protectors**, valued at 161.0 million USD, increasing by 6.7 percent in Japan, China, and the USA markets.

“Outlook for the Production in December 2023: The electrical appliances industry is expected to continue contracting compared to the same month last year due to the ongoing decrease in global demand and the sluggish recovery of the global economy.”

■ Electronics Industry



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

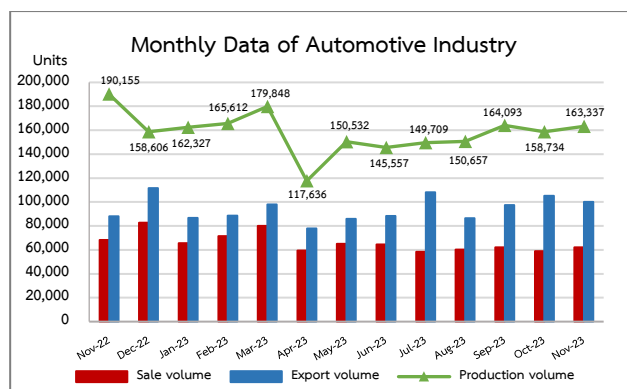
➖ **Production of electronic products** reached an MPI of 71.3, a contraction of 17.0 percent compared to the same month last year. Products with decreased MPI included PCBAs (-27.1%), semiconductor devices (transistors) (-23.5%), printers (-21.3%), ICs (-20.0%), and PWBs (-9.8%) due to a decrease in demand for domestic products and orders from abroad. Meanwhile, products that increased included HDDs, which grew by 2.5 percent due to continued growth in response to global market demand, used as a basic component for large data storage.

➕ **Exports of electronic products** reached a value of 4,064.5 million USD, an increase of 10.9 percent compared to the same month last year. This growth was attributed to the continuous demand for products to advance technology and innovation in the global market. Products with increased orders included semiconductor devices (transistors and diodes), with a value of 490.7 million USD, growing by 40.5 percent in the markets of the USA, China, and South Korea. However, products with decreased orders included electronic circuit boards, with a value of 762.5 million USD, decreasing by 6.6 percent in Hong Kong, Singapore, and the USA markets. Printed circuits decreased by 2.0 percent, amounting to 111.2 million USD, in China, Malaysia, and Indonesia markets. Hard Disk Drives (HDDs), with a value of 677.6 million USD, decreased by 0.9 percent in Hong Kong, China, and Mexico markets. This decline was due to the reduced demand worldwide, coupled with the global economic slowdown.

“Outlook for Production in December 2023: It is expected that the electronics industry is expected to continue decreasing compared to the same month in the previous year. This contraction is primarily attributed to high production costs and a shortage of raw materials to meet global market demand.”

3. Automotive Industry

■ Automotive Manufacturing Industry



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

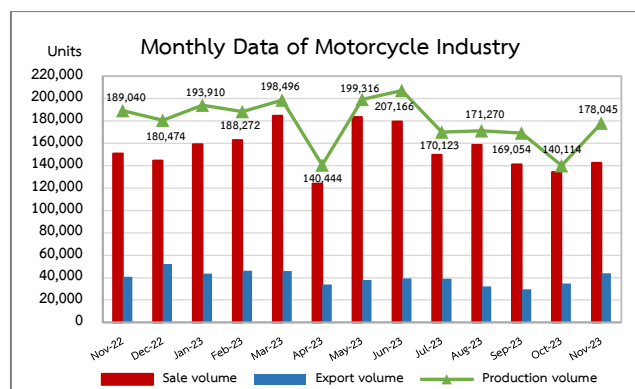
➖ **Production of automobiles** in November 2023 reached 163,337 units, a decrease from the same month last year by 14.10 percent (%YoY). The decrease was among of the manufacture of passenger cars and one-ton pickups. However, the production increased from October 2023 by 2.90 percent (%MoM).

➖ **Domestic automobile sales** in November 2023 reached 61,621 units, a decrease of 9.76 percent from the same month of the previous year (%YoY). This decrease can be attributed to reduced sales of 1-ton pickups and commercial vehicles due to high household debt and stricter lending practices by financial institutions, including interest rates that are likely to increase and affect domestic demand. However, sales grew from October 2023 by 4.51 percent (%MoM).

➕ **Automobile exports** in November 2023 reached 99,609 units, an increase of 13.22 percent (%YoY) from the same month last year. Exports grew in Oceania, the Middle East, Europe, North America, and Central and South America markets. However, exports decreased from October 2023 by 5.79 percent (%MoM).

“Outlook for Automobile industry in December 2023: The industry is anticipated to slow down compared to December 2022 owing to the slowdown of the domestic and export markets.”

■ Motorcycle Manufacturing Industry



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

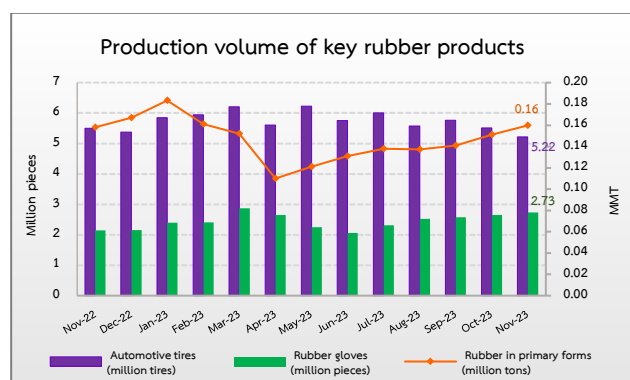
➖ **Production of motorcycles** in November 2023 reached 178,045 units, a decrease of 5.82 percent from the same month last year (%YoY). The decline was driven by reduced production of multipurpose motorcycles. However, the production increased from October 2023 by 27.07 percent (%MoM).

➖ **Motorcycle sales** in November 2023 reached 143,121 units, a decrease of 5.21 percent (%YoY) from the same month last year. The decline was driven by decreased sales of motorcycles sized between 51 – 110 c.c. However, sales were increased by 6.03% (%MoM) from October 2023.

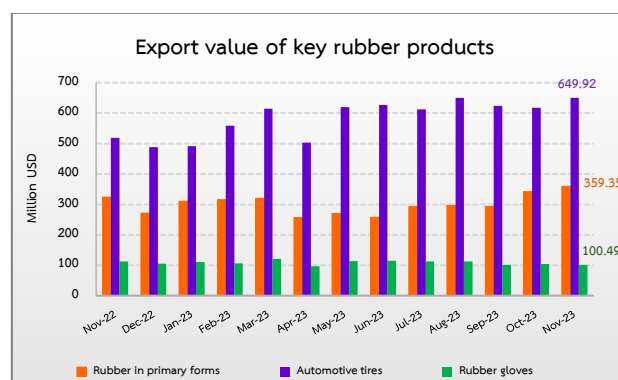
➕ **Exports of CBU motorcycle** in November 2023 reached 43,374 units, an increase of 6.51 percent from the same month last year (%YoY). Export markets grew in China, the USA, and the UK. Moreover, exports increased from October 2023 by 21.74 percent (%MoM).

“Outlook for Motorcycle industry in December 2023: The industry is anticipated to decline compared to December 2022 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 bale, and concentrated latex) increased by 0.22 percent due to the increased production of rubber sheet sheets and rubber bales.

➖ Automotive tires decreased by 5.17 percent due to the decreased production of tires for automobiles, pickups, trucks, passenger cars and tractors.

➕ Rubber gloves increased by 28.23 percent, primarily from domestic demand.

Domestic Sales

➕ Sales of processed rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) increased by 22.82 percent due to increased demand for rubber sheets, rubber bales, and concentrated latex in downstream industries.

➖ Sales of automotive tires decreased by 36.84 percent as per the deceleration of the domestic automobile industry and the REM (Replacement Equipment Manufacturer) market.

➕ Sales of rubber gloves increased by 37.17 percent due to high demand for medical rubber gloves in the country.

Exports

➕ Processed rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) increased in export value by 11.56 percent. This growth can be attributed to the increased exports of rubber sheets to China and Japan, the U.S. markets.

➕ Automotive tires increased in export value by 25.71 percent due to a good growth of exports to the USA and South Korea market.

➖ Rubber gloves decreased in export value by 8.10 percent as demand in the global market has dropped.

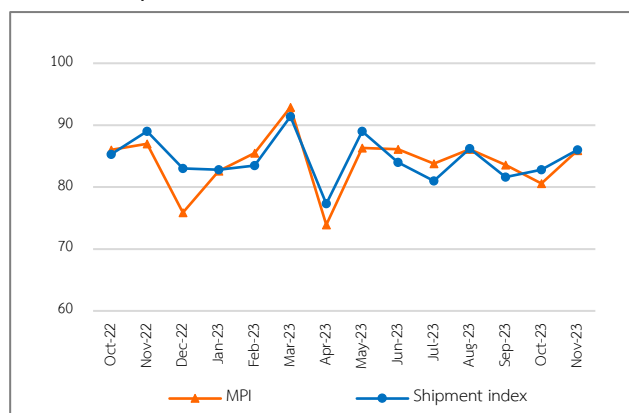
Outlook for the Industry in December 2023

The production of rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) is expected to increase in order to meet continuous demand from downstream industries both domestically and internationally. The production of automobile tires is anticipated to expand, particularly in response to the demand from international markets, especially in the USA, South Korea, and Japan, which are key export markets for the automobile tire industry. As for the production of rubber gloves, it is anticipated to continue expanding to meet domestic demand, coupled with a low base from the previous year. Sales of rubber gloves within the country are expected to expand further, driven by the high demand for medical gloves, which remains at a high level.

The export of processed rubber in primary forms (rubber sheet, rubber bale, and concentrated latex) is expected to increase in value. This increase is a result of key export markets, such as China, Japan, and the USA, which tend to increase orders for such products from Thailand, particularly rubber bales. As for automobile tires, the export is anticipated to exports are expected to increase in value due to the continued increase in demand for tires in important markets. However, the export value of rubber gloves is predicted to decline due to lower demand in global markets compared to previous periods.

5. Plastics Industry

MPI and Shipment Index



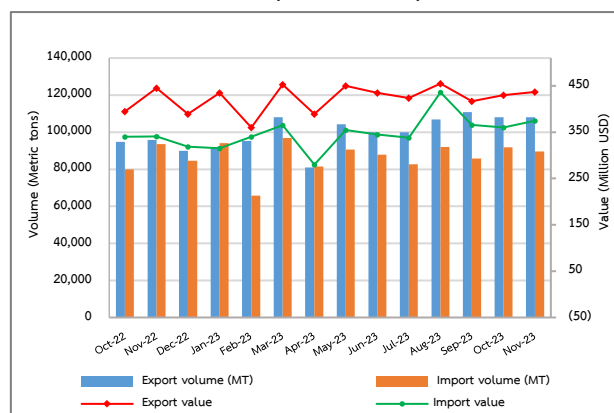
Source: The Office of Industrial Economics

- The Manufacturing Production Index (MPI) in November 2023 decreased by 1.03 percent compared to the same period last year. Many plastic products decreased in MPI, such as pipes and joints (-15.50%), other articles of plastics (-10.04%), and plastic sacks (-3.79%) compared to the same period last year.

- The shipment index in November 2023 decreased by 3.01 percent. Products decreased in shipment index, such as other plastic packaging (-12.75%), plastic sacks (-7.42%), and plastic bags (-4.56%) compared to the same period last year.

+ Exports in November 2023 were valued at 374.42 million USD, an increase of 8.58 percent compared to the same period last year. Products contributing to the increase in exports included floor coverings of plastics (HS3918) (388.63%); monofilament (HS3916) (204.26%); sanitary ware of plastics. (HS 3922) (32.75%) compared to the same period last year.

Volume and Value of Exports and Imports

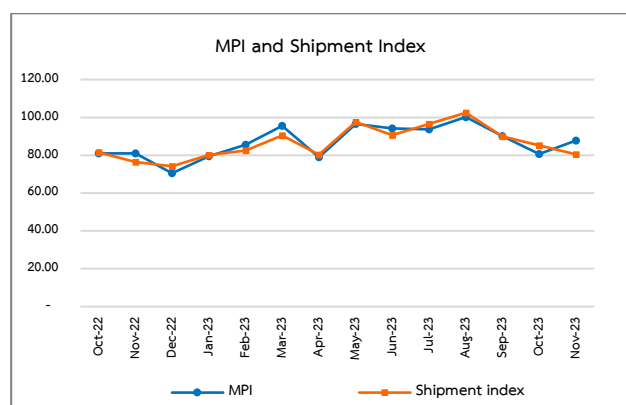


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

- Imports in November 2023 were valued at 441.23 million USD, a decrease of 1.02 percent compared to the same period last year. Key products contributing to the decline in imports were household articles (HS 3924) (-8.98%); articles for the conveyance or packing of goods of plastics (HS 3923) (-6.26%); other articles of plastics (HS 3926) (-3.16%) compared to the same period last year.

“Outlook for the plastic industry in December 2023, the world crude oil price situation is likely to increase. Since crude oil serves as the starting material for plastic pellets, the cost of raw materials for plastic industry products has risen correspondingly with the oil price surge. Consequently, business operators are slowing down production, opting to wait and assess the evolving price situation.”

6. Chemical products Industry

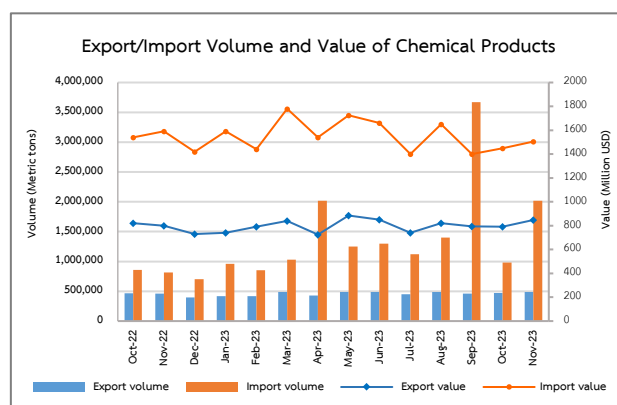


Source: The Office of Industrial Economics

➕ Manufacturing Production Index (MPI): In November 2023, the MPI increased by 8.27 percent compared to the same period last year. The basic chemical products grew by 19.08 percent. Among the products that experienced an expansion were chlorine (32.08%), caustic soda (21.25%), and ethanol (13.78%) compared to the same period last year. Furthermore, the MPI of downstream chemicals also increased by 5.24 percent. Among the products produced within this group, the products that experienced an expansion included chemical fertilizers (19.16%), dishwashing liquid (17.20%), and industrial paints (15.29%) compared to the same period last year.

➕ Shipment Index: In November 2023, the index increased by 5.25 compared to the same period last year. The basic chemical products increased by 8.01 percent. Among the products produced within this group, the products that experienced an increase were chlorine (20.54%), ethanol (11.88%), and caustic soda (6.33%). As for downstream chemical products, there was an increase of shipment index by 4.51 percent. The products that increased in the index were chemical fertilizers (73.73%), dishwashing liquid (10.05%) and shampoo (5.48%) compared to the same period last year.

➕ Exports: In November 2023, the total export value amounted to 846.61 million USD, an increase from the same period last year by 5.43 percent. Exports of basic chemical products were valued at 479.34 million USD, an increase of 2.96 percent. As for downstream chemical products, the export value was 367.27 million USD, an increase of 8.83 percent compared to the same period last year. Products contributed to the increase in export value including miscellaneous chemicals (18.96%), cosmetics (17.89%), and paints (9.62%).

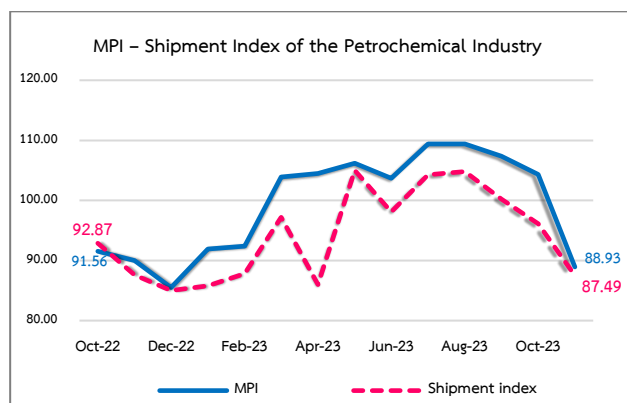


Source: Office of the Permanent Secretary, Ministry of Commerce

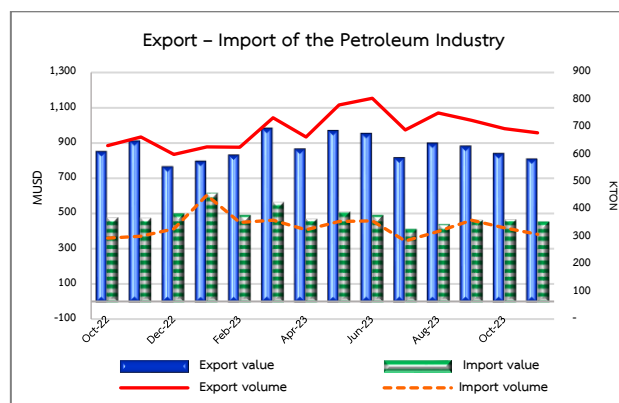
➖ Imports: In November 2023, import value totaled 1,504.44 million USD, a decrease of 5.49 percent compared to the same period last year. Imports of basic chemicals decreased in value by 12.33 percent, amounting to 996.08 million USD compared to the same period last year. Nevertheless, the import value of the downstream chemical products grew by 11.57 percent to a value of 508.37 million USD compared to the same period last year. Products contributing to the reduced import included inorganic chemicals (-16.02%), miscellaneous chemicals (-11.48%), and organic chemicals (-11.09%).

"Outlook for the chemical industry in December 2023: The tourism industry is forecasted to return to active at the end of the year, and the number of tourists is increasing. As a result, chemicals used in tourist attractions, hotels, and various stores will grow following consumer demand."

7. Petrochemical Industry



Source: The Office of Industrial Economics



Source: Office of the Permanent Secretary, Ministry of Commerce

The Manufacturing Production Index in November 2023 stood at 88.93, a decrease of 0.64 percent compared to the same period last year and a decreased of 8.88 percent compared to the previous month. The decline was from basic petrochemicals, namely PP resin and PE resin, which dropped by 13.24 and 7.06 percent, respectively, compared to the same period last year, which was a result of production slowdown.

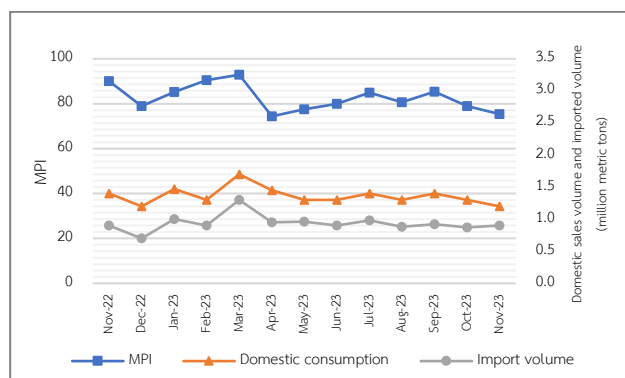
The shipment index stood at 87.49 points, a decrease of 0.50 percent compared to the same period last year and a decrease of 8.88 percent from last month. This decrease was observed in both basic petrochemicals, such as Propylene, which decreased by 17.02 percent compared to the same period last year, and in downstream petrochemicals, including PE resin, which decreased by 13.18 percent compared to the same period last year.

Exports in November 2023 were valued at 808.41 million USD, a decrease of 10.93 percent compared to the same period last year and a decrease of 4.72 percent from last month. The contraction was attributed to a reduction of downstream petrochemicals, such as PE resin (-18.62%), and a decrease in basic petrochemicals, such as Propylene (-9.42%). This was due to the international market's reduced demand for these products in downstream industries.

Imports in November 2023 were valued at 457.74 million USD, a decrease of 3.62 percent compared to the same period last year and a decrease from last month by 2.22 percent. The decrease was observed in both basic petrochemicals, such as Propylene (-89.75%), and downstream petrochemicals, such as PP resin.

"Outlook for Petrochemical Industry in December 2023: The overall manufacturing industry is expected to show signs of improvement compared to the same period last year. This improvement is attributed to the resumption of production following maintenance activities earlier in the year. However, production expansion in the petrochemical industry remains limited due to a decrease in demand for plastics; the slowdown of exports, especially basic petrochemicals such as Ethylene and Propylene; the price fluctuations following the crude oil prices affected by production halts in many countries; and from the on-going conflict between Ukraine and Russia."

8. Iron and Steel Industry



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

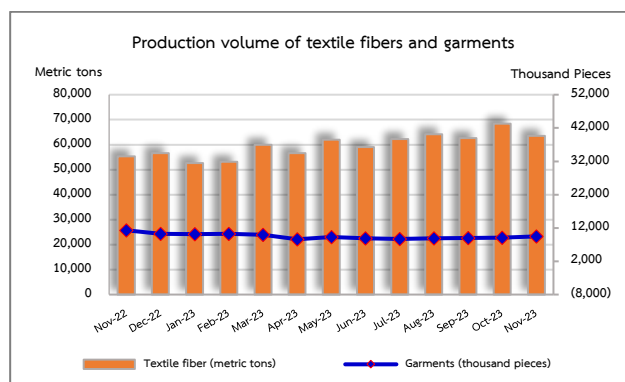
Manufacturing Production Index (MPI): In November 2023, the index stood at 75.4 points, a contraction of 14.2 percent compared to the same period last year. When considering the key products, the steel industry MPI of both flat and long products shrank. Long products that decrease in the production included round bars, wire rods, and deformed bars, which contracted by 31.0, 29.3, and 17.4 percent, respectively. Meanwhile, the production of flat products contracted from hot-rolled coils and galvanized sheets, which contracted by 39.4 and 11.6 percent, respectively.

Domestic consumption in November 2023 amounted to 1.2 million metric tons, decreasing by 13.7 percent compared to the same period last year as the slowdown of downstream industries such as automobiles and electrical appliances. Consumption of both flat products and long products decreased whereby consumption of long products reached 0.4 million metric tons, a decrease of 25.5 percent from rebars and structural steel sections, including wire rods. The consumption of flat products reached 0.8 million metric tons, a decrease of 5.1 percent primary from consumption of hot-rolled sheets and cold-rolled sheets.

Imports: In November 2023, the import volume amounted to 0.9 million metric tons, decreasing from the same month last year by 5.8 percent. This decrease in import volume occurred in long products which import volume amounted to 0.2 million metric tons, a decrease of 30.9 percent. Among long products that experienced a decrease in imports were seamless steel pipes (with decreased imports primarily from China, Japan, and South Korea); wires (with decreased imports primarily from Japan, South Korea, and Taiwan); carbon steel wire rods (with decreased imports primarily from China, Vietnam, and Japan). As for flat products, imports reached 0.7 million metric tons, increasing by 4.3 percent. Flat products that increased in imports were hot-rolled carbon steel plates (with increased imports primarily from South Korea); hot-rolled carbon steel sheets (with increased imports primarily from China and Japan); hot-dip galvanized (HDG) (with increased imports primarily from China and South Korea).

“Outlook for Iron Industry in December 2023: Production is anticipated to decrease compared to the same period last year. This is because the global market's raw material prices (billets, iron ore, and scrap iron) are expected to decline, leading consumers to delay orders to assess price directions. In addition, it is expected that there will be an increase in imports of low-price steel. Nevertheless, there are important issues that should be followed such as the global economic and trade situation, international steel prices, and China's steel industry policies, as China is a major global producer, consumer, and exporter of steel.”

9. Textile and Wearing Apparel Industry



Source: The Office of Industrial Economics

Production

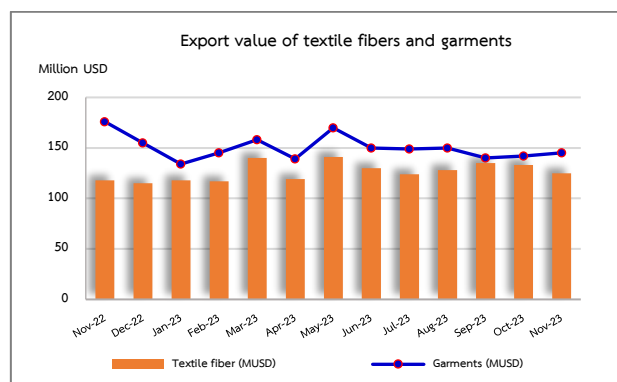
➕ Textile fiber production has expanded for the fourth consecutive month, growing by 14.96 percent (%YoY) in the category of man-made fibers such as polyester and rayon fibers. This growth is attributed to increased orders, both domestically and internationally. These fibers are utilized as raw materials in the production of diverse products, particularly in the manufacturing of sportswear and automotive components, owing to their special properties, including flexibility, wrinkle resistance, no need for ironing, easy washing, and quick drying.

➖ The production of fabric experienced an 18.54 percent contraction (%YoY) across all product categories. Garments within the woven and knitted clothing category decreased by 16.38 percent (%YoY) due to reduced orders from trade partners. However, in comparison to the previous month (MoM), fabrics within the synthetic and woven fiber fabric category grew by 3.31 percent, driven by growing domestic demand. Additionally, Garments expanded by 5.11 percent due to increased orders from trade partners in preparation for the Christmas and New Year celebrations.

Domestic sales

➕ Textile fiber sales increased for the second consecutive month by 3.54 percent (%YoY), driven by an increase in sales of man-made fiber yarns.

➖ Fabric and garment sales decreased by 15.81 and 11.43 percent (%YoY), respectively. The decrease was an effect of decreasing production capacity, including a decline in consumer demand. However, when compared to the previous month (%MoM), domestic sales of fabric increased by 6.02 percent among synthetic fiber fabrics.



Source: Ministry of Commerce

Imports

➖ Yarns and fiber imports contracted by 20.56 percent (%YoY), and fabric imports also contracted by 4.39 percent.

➕ Garment imports expanded by 14.10 percent (%YoY) from the importation of low-cost goods from China as consumers adjusted their behavior to sluggish economic conditions by reducing purchases of luxury items to cut down on daily expenses.

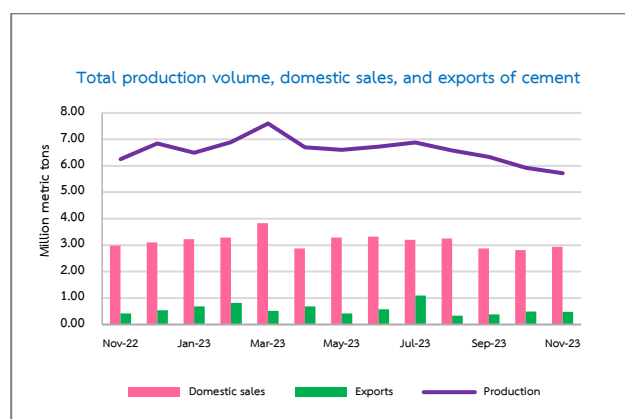
Exports

➕ Textile fiber exports grew by 5.80 percent (%YoY) for the second consecutive month due to an increase in exports of man-made fiber to key markets, including Belgium.

➖ Exports of fabric and garments decreased by 12.08 and 16.92 percent (YoY), respectively, particularly in major markets such as the UK, Japan, and Belgium, mainly due to reduced orders from key trading partners. Additionally, the global economic slowdown has negatively impacted consumer purchasing power and economic activities worldwide. However, compared to the previous month (MoM), ready-to-wear clothing, including garments made from cotton, man-made fibers, other textile materials, and infant clothing, saw a growth of 2.47 percent.

The textiles and garments industry is projected to experience modest growth in December 2023, mainly due to an increase in domestic demand. This growth is supported by the recovery of the tourism sector and government economic stimulus initiative, coupled with the onset of the festive season, which are expected to boost tourism and end-of-year spending. Nevertheless, the industry may face challenges from a potential global economic slowdown and reduced consumer demand attributed to rising energy costs.

10. Cement Industry



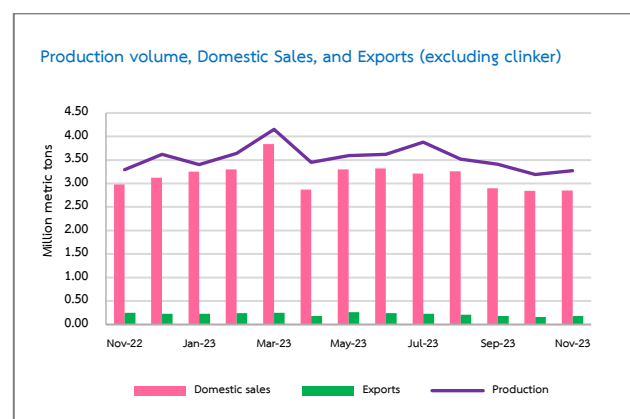
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➡ **Total production of cement:** In November 2023, the production amounted to 5.74 million metric tons, a decrease of 8.46 percent (%YoY) from the same month last year as a result of decreased demand and orders for clinker and cement.

➡ **Total domestic cement sales:** In November 2023, reached 2.92 million tons, a contraction of 1.51 percent (%YoY) compared to the same month last year, mainly due to decreased demand for cement from the slowdown of the domestic economy.

➡ **Total cement exports:** In November 2023, exports reached 0.44 million metric tons, an expansion of 12.08 percent (%YoY) compared to the same month last year. The growth was influenced by increased orders from key export markets, including the Bangladesh, Vietnam, and Cambodia.

“Outlook for cement industry in December 2023: The overall production is expected to grow from the acceleration of government construction projects in the last month of the year and the stimulation of sales in the real estate sector, especially housing developments and condominiums, welcoming the beginning of 2024.”



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

➡ **Cement production (excluding clinker):** In November 2023, the production amounted to 3.27 million metric tons, a slight decrease of 0.04 percent (%YoY) due to lower domestic demand.

➡ **Domestic cement sales (excluding clinker):** In November 2023, sale volume reached 2.85 million metric tons, a decrease of 3.75 percent compared to the same month last year (%YoY). This decrease was influenced by the slowdown of government construction projects and the beginning of the rainy season in the southern region.

➡ **Exports of cement (excluding clinker):** In November 2023, exports reached 0.18 million tons, a decrease of 20.85 percent (%YoY) compared to the same month last year from fewer orders in several main export markets, including the Philippines, Vietnam, and Cambodia, in line with demand and the slowdown in the economy.

“Outlook for cement industry (excluding clinker) in December 2023: The production is anticipated to grow from the acceleration of construction in the real estate sector, including housing developments, commercial buildings, and condominiums, to stimulate the market at the end of the year and increase the number of orders from key markets.”



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