

Report on the Industrial Economics Status

October 2023



Industrial Production Status

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

In **October 2023**, the industrial economic situation, as indicated by the **Manufacturing Production Index (MPI)**, **contracted by 4.3 percent compared to the same period last year**. The primary contributing factor to this contraction was a decline in exports of electronic components, Hard Disk Drives, air conditioners, garments, and chilled seafood. Additionally, there was a decrease in exports of automotive products, electric motors, prepared animal feed, plastic packaging, and cassava products.

When considering the MPI data for the past three months compared to the previous year (%YoY), the MPI in July, August, and September 2023 contracted by 4.7 percent, 7.8 percent, and 6.3 percent, respectively.

Indicators	2022			2023									
%MoM	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.
MPI	-4.2	2.1	-1.8	6.1	-0.1	6.3	-21.3	14.3	-2.2	-2.0	0.8	-0.3	-2.2

For the past three months (July, August, and September 2023) the Manufacturing Production Index (MPI), compared to the previous month (%MoM), has shown the following rate of changes: a decrease of 2.0 percent in July, an increase of 0.8 percent in August, and a decrease of 0.3 percent in September.

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

- **Automobile:** The industry contracted by 7.43 percent, mainly driven by pickup trucks and compact cars. The contraction was in line with the slowdown in the domestic car market as a result of income fragility, high levels of household debt, and increased strictness from financial institutions in approving loans. However, consumers delayed their decision to purchase a car due to the anticipation of promotions and discounts at the Motor Expo 2023, taking place from 30 November to 11 December 2023.
- **Electronic components and boards:** The industry contracted by 17.48 percent due to the slowdown in the global electronic component market, prompting manufacturers in the continuous industry to postpone orders or adjust investment plans.
- **Computers and peripherals:** The industry contracted by 32.89 percent from Hard Disk Drives and Printers, in response to decreased demand resulting from changes in data storage technology, which now involves larger and more efficient data storage spaces.

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

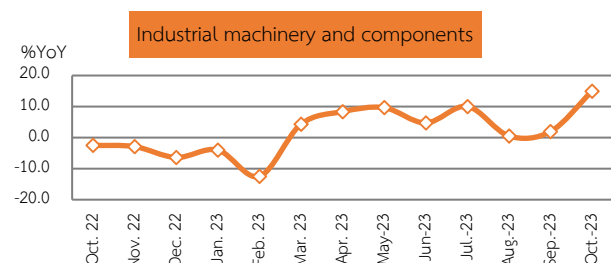
- **Refined petroleum products:** The industry grew by 22.48 percent, driven by an increase in the consumption of high-speed diesel, Gasohol 95, Gasohol 91, and aviation fuel. This growth is attributed to the suspension of maintenance by some refinery manufacturers in the previous year and the continuous recovery of the tourism sector.
- **Plastic and synthetic rubber in primary forms:** The industry grew by 12.49 percent, primarily driven by Polyethylene resin, Ethylene, Propylene, and Toluene. This expansion is a result of continuous maintenance suspensions in the previous year and increased customer demand.



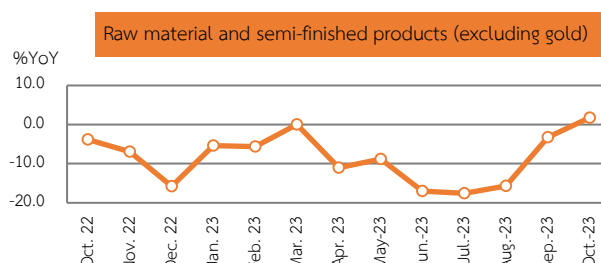
Other Industrial Economic Indicators in October 2023

Other Industrial Economic Indicators in October 2023

Imports of Thailand Industrial Sector



Source: Ministry of Commerce

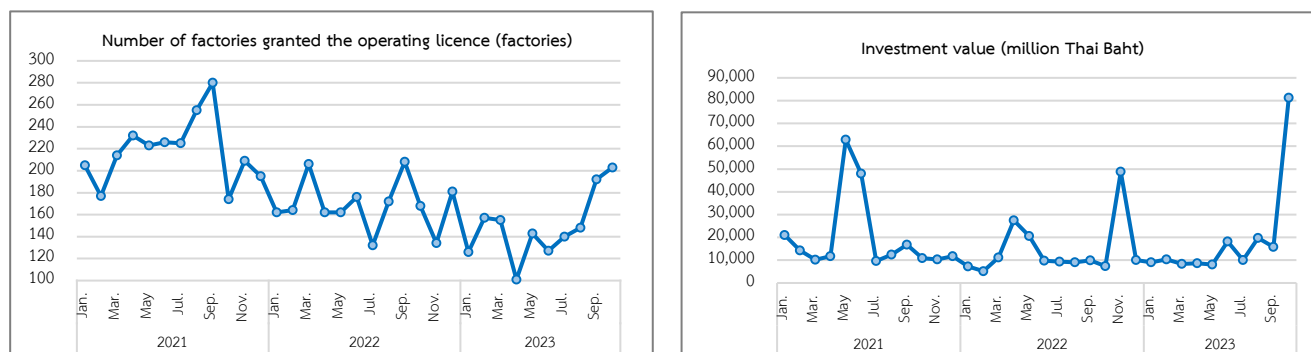


Source: Ministry of Commerce

+ **Imports of industrial machinery and parts** in October 2023 were valued at 1,517.38 million USD, an increase of 14.98 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 October 2023 were valued at 8,655.85 million USD, an increase of 1.77 percent compared to the same month last year. This growth was notable in products such as equipment and components for electrical appliances and electronics, plastic products, iron, steel, and related items.

Industrial Operation Status



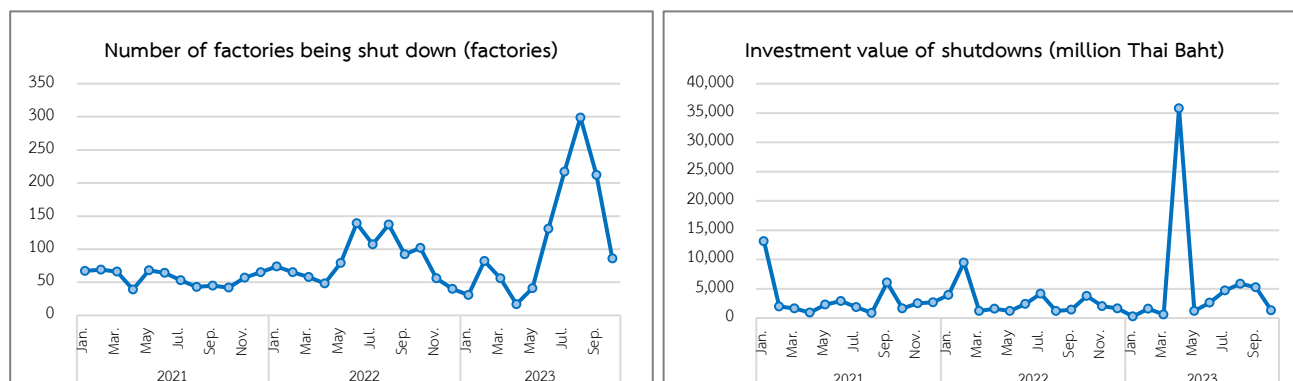
Source: Department of Industrial Works

- ➕ The total number of factories licensed for operation in October 2023 was 203 factories, increasing by 5.73 percent (%MoM) from September 2023 and increasing by 20.83 percent (%YoY) from the same month last year.
- ➕ The total investment from factories licensed for operating in October 2023 increased by 413.63 percent (%MoM) from September 2023 to 81,267 million Thai Baht and increased by 993.92 percent (%YoY) from the same month last year.

“The industry with the highest number of newly licensed factories to operate in October 2023 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (24 factories), followed by the excavation or dredging industry of gravel, sand, or soil (16 factories).”

“In October 2023, the industry with the highest investment value was the production of electrical energy from solar energy, except those installed on roofs and rooftops, with an investment value of 68,993 million Thai Baht, followed by the compression of multilayer plastic into sheets, with an investment value of 1,077 million Thai Baht.”

Industrial Operation Status (cont.)



Source: Department of Industrial Works

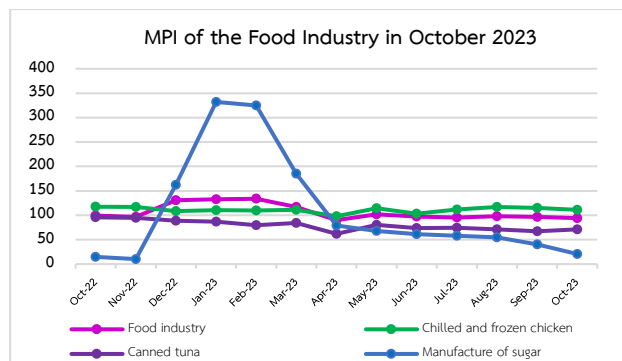
- ❌ A total of 86 factories were shut down in October 2023, decreasing from September 2023 by 59.43 percent (%MoM) and decreasing from the same month last year by 15.69 percent (%YoY).
- ❌ The lost investment value on shutdown in October 2023 totaled 1,306 million Thai Baht, decreasing from September 2023 by 75.02 percent (%MoM) and decreasing from the same month last year by 65.27 percent (%YoY).

“The industry with the highest number of factory shutdowns in October 2023 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (14 factories), followed by the excavation or dredging industry of gravel, sand, or soil (8 factories).”

“The industry with the highest investment value for business shutdown in October 2023 the industry of cutting or polishing diamonds or gemstones, with an investment value of 345 million Thai Baht, followed by the manufacture of concrete, ready-mixed concrete articles, and gypsum products with an investment value of 151 million Thai Baht.”

Industrial Economic Status by Industrial Sectors in October 2023

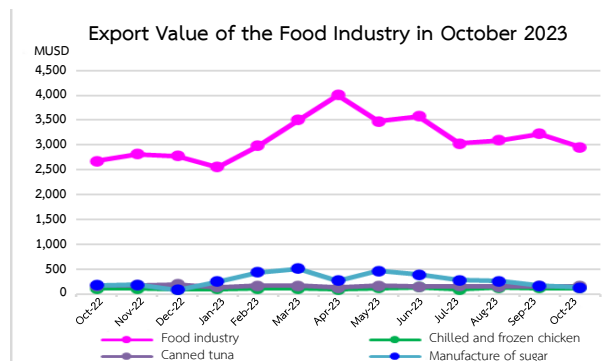
1. Food Industry



Source: The Office of Industrial Economics

➖ The Manufacturing Production Index (MPI) for the food industry in October 2023 decreased by 6.4 percent (%YoY) compared to the same period last year. Food products that slowed down in MPI were: **1) Fishery products**, a decrease of 18.6 percent from canned tuna (-25.9%) and frozen shrimps (-23.7%) due to decreased consumption demand in both the domestic and international markets. **2) Cassava**, a decrease of 15.5 percent, with a decline in key products such as tapioca starch (-15.9%). This decline can be attributed to drought conditions and the outbreak of cassava leaf spot disease in the preceding period. Consequently, farmers shifted to cultivating corn for animal feed, leading to a reduction in both the cultivated area and the overall cassava yield. **3) Processed fruits and vegetables**, a decrease of 8.8 percent, with a significant decline in key products such as canned pineapples (-89.1%). This reduction was due to decreased production in certain areas caused by drought conditions as well as decreased demand for both domestic and international consumption. **4) Beverages**, a decrease of 8.2 percent, with a significant decline in key products such as beer, rice whisky, and fruit-flavored drinks, as the purchasing power of consumers slowed down. **5) Livestock**, a decrease of 1.2 percent, with a decline in key products such as chilled and frozen chicken (-9.0%). The decrease was due to a slowdown in consumer purchasing power, resulting in decreased consumption demand.

However, there was still an expansion in the Manufacturing Production Index (MPI) for food products, with sugar growing by 36.3 percent due to increased production. White sugar expanded by 55.1 percent, and molasses grew by 46.9 percent, responding to the rising consumption demand in the country.



Source: Ministry of Commerce

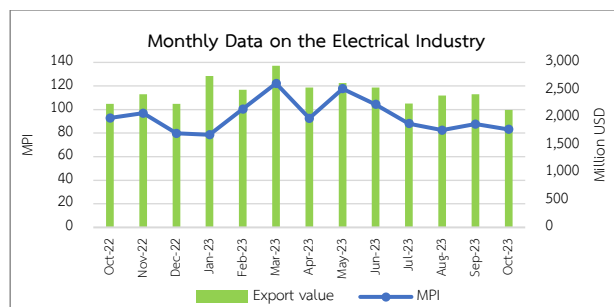
➕ Domestic sales: The production volume for domestically sold food products in October 2023 expanded by 4.4 percent (%YoY) in the food product categories including: **1) Molasses**, an increase of 171.0 percent; **2) Refined sugar**, an increase of 47.6 percent; **3) Soft drinks**, an increase of 21.0 percent; **4) Ready to drink milks**, an increase of 11.4 percent; **5) Pet food**, an increase of 4.8 percent.

➕ Export markets: In October 2023, overall food product exports grew by 10.3 percent compared to the same period last year. The following products contributed to the rise in exports: **1) Rice and grains**, mainly from rice with Indonesia and the US as key markets and cassava products with China (cassava chips) and Japan (tapioca starch) as the key markets; **2) Fruits and vegetables**, mainly fresh, chilled, and frozen fruit with China and the US as key markets; **3) Vegetable and animal oils and fats**, mainly from palm oil, with India being the key palm oil export market. Export value of beverage also grew by 2.0 percent compared to the same period last year.

“Outlook for the Food Industry in November 2023: The industry is anticipated to experience a deceleration compared to the same period in the previous year, primarily influenced by the economic slowdown arising from rising energy prices and inflation rates. Despite this, domestic consumption and the tourism sector remain optimistic, exhibiting positive projections for increased local demand and a rise in the arrival of foreign tourists. Anticipated export growth is predicted, driven by increased orders from trading partners preparing for year-end festivities. Furthermore, the unrest in the Israeli-Palestinian region has prompted several countries to import more products, driven by concerns related to food security.

2. Electrical and Electronics Industry

■ Electrical Industry



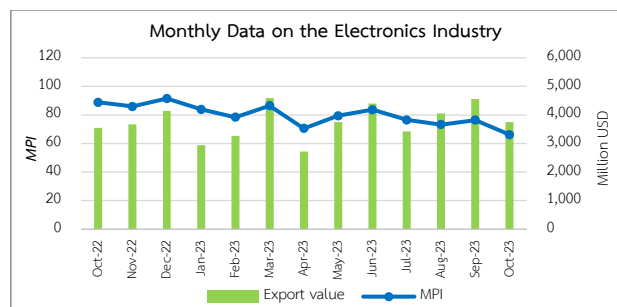
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➖ **Production of electrical appliances:** The MPI stood at 83.2 points, decreasing by 10.3 percent compared to the same month last year, primarily influenced by the rising of production costs. Products with decreased MPI included thermo pots (-46.2%), compressors (-38.7%), electric motors (-30.8%), rice cookers (-20.5%), air conditioners (-17.4%), transformer (-12.6%), microwave ovens (-10.4%), and cables (-9.3%). This was due to decreased domestic demand and overseas orders. However, certain products experienced an increase in production, such as power lines (87.8%), refrigerators (29.3%), washing machines (16.8%), and fan (8.2%) as domestic demand and orders from overseas have increased.

➖ **Exports of electrical appliances:** Exports amounted to 2,133.8 million USD, a decrease of 5.0 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 15.0 million USD, decreasing by 39.6 percent in Japan, the US, and China markets; **air conditioners and components**, valued at 345.3 million USD, decreasing by 34.2 percent in Australia, the US, and Vietnam markets; **fans**, valued at 39.0 million USD, declining by 17.6 percent in the US, Germany, and Portugal markets; **switchboards and control panels** for electricity, valued at 216.8 million USD, decreasing by 8.2 percent in China, Singapore, and Japan markets; **electric motors and generators**, valued at 66.8 million USD, decreasing by 7.9 percent in Germany, Hong Kong, and Vietnam markets. Meanwhile, products with increased orders included **transformers and components**, valued at 396.9 million USD, increasing by 38.5 percent in the US, Europe, and Taiwan markets; **refrigerators, freezers, and components**, valued at 167.0 million USD, increasing by 25.6 percent in the US, Australia, and Saudi Arabia markets; **washing/dry cleaning machines, and components**, valued at 96.7 million USD, increasing by 17.5 percent in the US, South Korea, and Canada markets; **electrical circuit breakers and protectors**, valued at 159.3 million USD, increasing by 2.3 percent in Japan, China, and the US markets; **power lines and cables**, valued at 86.0 million USD, increasing by 0.1 percent in the US, Vietnam, and the Philippines markets.

“Outlook for the Production in November 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

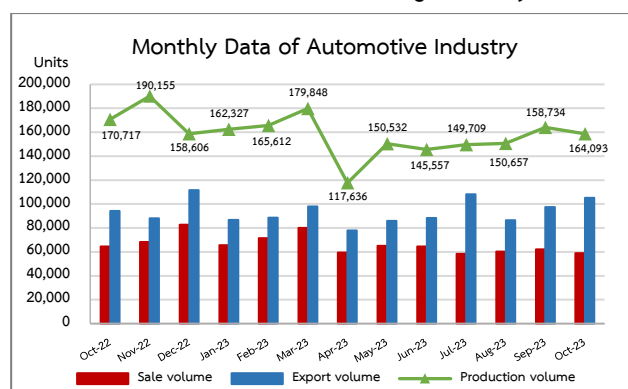
➖ **Production of electronic products** reached an MPI of 66.2 points, decreasing by 25.4 percent compared to the same month last year. Products that contracted in production were semiconductor devices (transistors) (-36.7%), printers (-34.8%), PCBAs (-32.8%), HDDs (-32.6%), ICs (-18.1%), and PWAs (-15.7%). This decline is attributed to reduced domestic demand and decreased international orders, particularly for semiconductor devices and HDDs, due to the global economic conditions. Manufacturers in the industry faced delayed orders and reevaluated investment plans, resulting in reduced overall production.

➕ **Exports of electronic products** reached a value of 3,744.7 million USD, an increase of 5.5 percent compared to the same month last year. This growth is 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 451.4 million USD, growing by 27.3 percent in the markets of the US, China, and Japan. However, products with decreased orders included Hard Disk Drives (HDD), with a value of 394.4 million USD, decreasing by 28.9 percent in the markets of the US, Hong Kong, and China. Printed circuits decreased by 6.0 percent, amounting to 104.5 million USD, in the markets of China, Vietnam, and Germany. Furthermore, electronic circuit boards decreased by 4.6 percent, with a value of 734.8 million USD, in the markets of Singapore, Taiwan, and the US. This decline is due to the decrease of demand worldwide, coupled with the global economic slowdown.

“Outlook for Production in November 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.

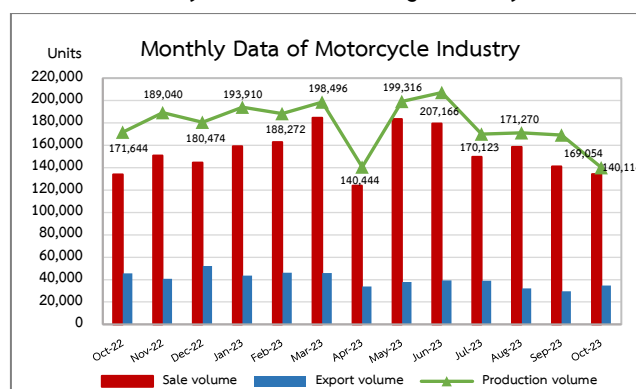
➖ **Production of automobiles** in October 2023 reached 158,734 units, a decrease from September 2023 by 3.27 percent (%MoM) and a decrease from the same month last year by 7.02 percent (%YoY). The decrease was among of the manufacture of passenger cars, one-ton pickup trucks and derivatives, and commercial automobiles.

➖ **Domestic automobile sales** in October 2023 reached 58,963 units, a decrease of 5.03 percent from September 2023 (%MoM) and a decrease from the same month last year by 8.75 percent (%YoY). This decline can be attributed to reduced sales of one-ton pickups and commercial automobiles, primarily due to elevated household debts. As a result, financial institutions have stricter lending processes. Additionally, it was anticipated that interest rates would rise, which in turn affected domestic demand.

➕ **Automobile exports** in October 2023 reached 105,726 units, an increase from September 2023 by 8.46 percent (%MoM) and an increase from the same month last year by 12.02 percent (%YoY). Exports grew in Europe, North America, and Central and South America markets.

“Outlook for Automobile industry in November 2023: The industry is anticipated to slow down compared to November 2022 owing to the slowdown of the domestic market.”

■ Motorcycle Manufacturing Industry



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

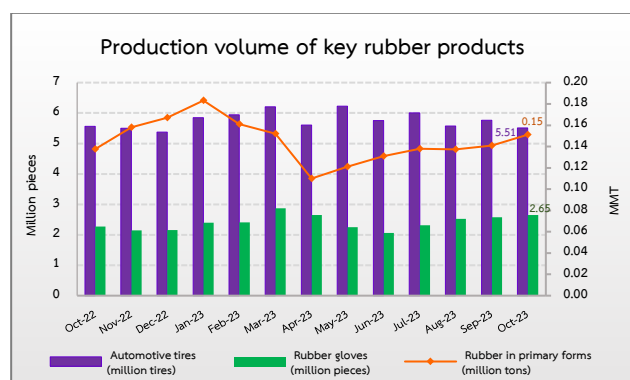
➖ **Production of motorcycles** in October 2023 reached 140,114 units, a decrease from September 2023 by 17.12 percent (%MoM) and a decrease of 18.37 percent from the same month last year (%YoY). The decline was driven by reduced production of multipurpose and sport motorcycles.

➕ **Motorcycle sales** in October 2023 reached 134,978 units, a decrease from September 2023 by 4.58 percent (%MoM) but a slight increase from the same month last year by 0.72 percent (%YoY). The growth was driven by increased sales of motorcycles sized between 111-125 cc, 126 – 250 cc, and 251-399 cc.

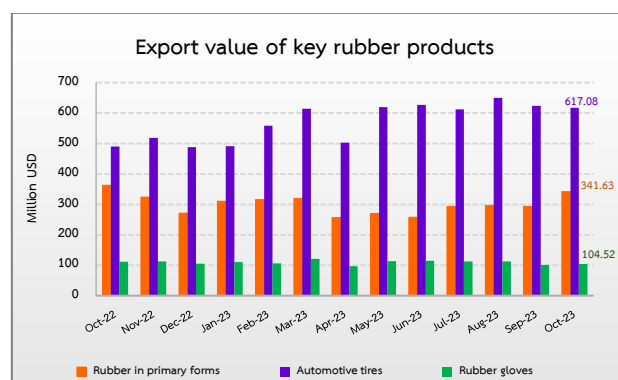
➕ **Exports of CBU motorcycle** in October 2023 reached 35,606 units, an increase from September 2023 by 17.43 percent (%MoM) but a decrease by 22.11 percent from the same month last year (%YoY), as exports dropped in China, the US, and the UK markets.

“Outlook for Motorcycle industry in November 2023: The industry is anticipated to decline compared to November 2022 owing to the slowdown of export markets.”

4. Rubber and Rubber Product Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

➕ Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) increased by 11.28 percent due to the increased production of concentrated latex.

➖ Automotive tires decreased by 1.17 percent due to the decreased production of tires for pickups, trucks, and passenger cars.

➕ Rubber gloves increased by 17.04 percent, primarily from domestic demand.

Domestic Sales

➕ Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) increased by 6.22 percent due to increased demand for sheet rubber, block rubber, and concentrated latex in downstream industries.

➖ Automotive tires decreased by 42.74 percent as per the deacceleration of the domestic automobile industry and the REM (Replacement Equipment Manufacturer) market.

➕ Sales of rubber gloves increased by 31.24 percent due to high demand for medical rubber gloves in the country.

Exports

➖ Processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) decreased in export value by 4.988 percent. This decrease can be attributed to reduced exports of sheet rubber to China and Japan, along with decreased exports of concentrated latex to China.

➕ Automotive tires increased in export value by 25.57 percent due to a good growth of exports to the US market.

➖ Rubber gloves decreased in export value by 3.96 percent as demand in the global market has dropped.

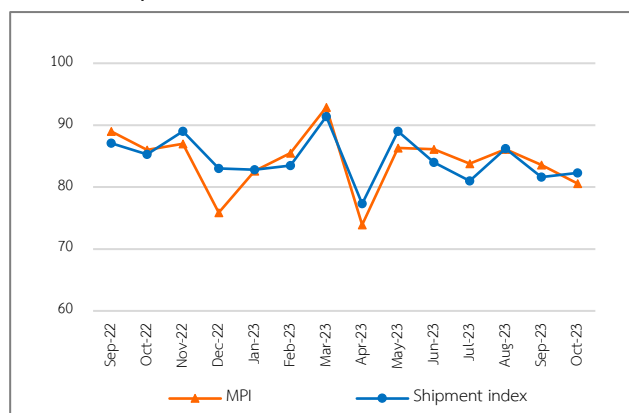
Outlook for the Industry in November 2023

The production of rubber in primary forms (sheet rubber, block rubber, and concentrated latex) is expected to increase, driven by the continuous demand from domestic downstream industries, primarily responding to the needs of the country's ongoing industrial activities. The production of automotive tires is anticipated to expand, particularly in response to the demand from international markets, especially in the US, South Korea, and Japan, which are key export markets for the automotive rubber industry. Regarding the production of rubber gloves, continuous expansion is expected as production caters to both domestic demand and maintains a low base from the previous year. The domestic sales of rubber gloves are expected to grow continuously owing to the increased demand for medical rubber gloves.

The export of processed rubber in primary forms (sheet rubber, block rubber, and concentrated latex) is expected to decrease in value. This decrease is a result of key export markets, such as China, Japan, and the US, which tend to postpone orders for such products from Thailand. As for automotive tires, the export is anticipated to increase in value, driven by a resurgence in demand for automobile tires in key 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



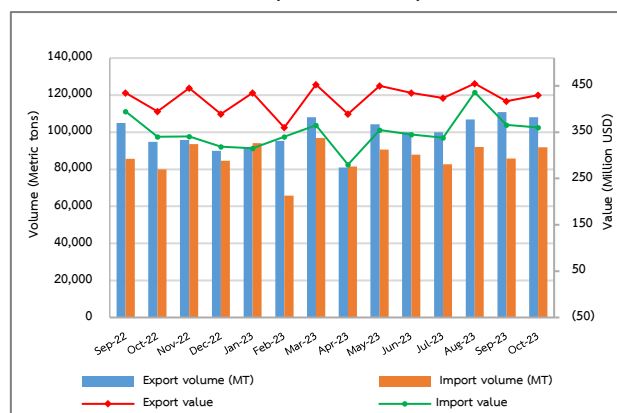
Source: The Office of Industrial Economics

➖ **The Manufacturing Production Index (MPI)** in October 2023 decreased by 5.92 percent compared to the same period last year. Many plastic products decreased in MPI, such as plastic sacks (-11.85%), plastic bags (-8.96%), and other articles of plastics (-7.66%) compared to the same period last year.

➖ **The shipment index** in October 2023 decreased by 3.74 percent. Many plastic products decreased in shipment index, such as plastic sacks (-13.98%), other plastic packaging (-13.16%) and plastic bags (-2.87%), compared to the same period last year.

➕ **Exports** in October 2023 were valued at 361.41 million USD, an increase of 4.96 percent compared to the same period last year. Products contributing to the increase in exports included monofilament (HS3916) (243.33%); floor coverings of plastics (HS3918) (207.54%); plates, sheets, film, foil and other strips of cellular plastics. (HS 3921) (7.21%) compared to the same period last year.

Volume and Value of Exports and Imports

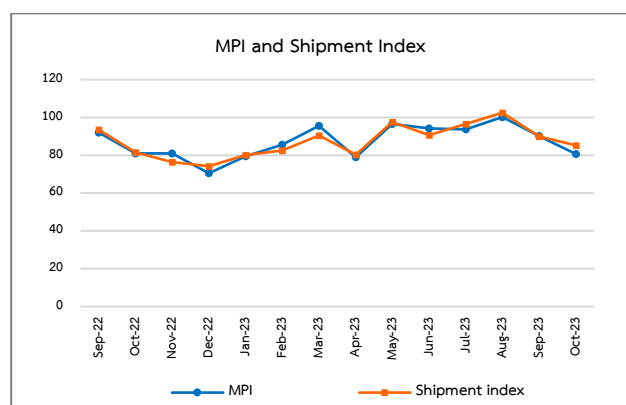


Source: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce, in cooperation with the Customs Department

➕ **Imports** in October 2023 were valued at 430.57 million USD, an increase of 8.64 percent compared to the same period last year. Key products contributing to the decline in imports were floor coverings of plastics (HS3918) (26.40%); builders' ware of plastics (HS3925) (22.77%); plates, sheets, film, foil and other strips of cellular plastics. (HS 3921) (18.04%) compared to the same period last year.

"Outlook for Plastics Industry in November 2023: Production is anticipated to slow down owing to elevated production costs, a decrease in end-user demand, and most buyers waiting to see the situation. Exports shrink in key markets, such as the US, Japan, and Vietnam."

6. Chemical products Industry

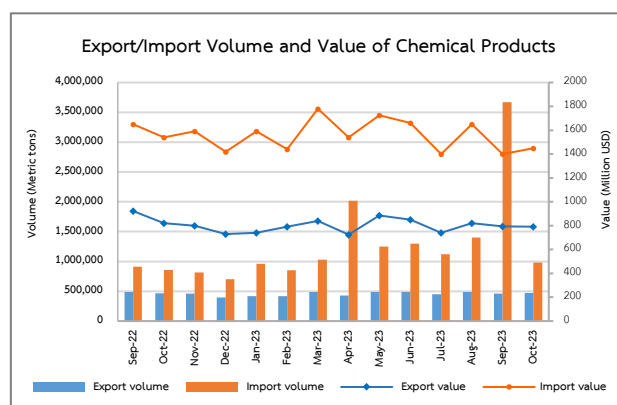


Source: The Office of Industrial Economics

+ Manufacturing Production Index (MPI): In October 2023, the MPI increased by 0.58 percent compared to the same period last year. The basic chemicals grew by 4.12 percent. Among the products that experienced an expansion were enamel paint (21.32%), chemical fertilizers (19.82%) and plastic emulsion paint (19.94%) compared to the same period last year. However, the downstream chemicals faced a decline of 7.99 percent. Among the products produced within this group, the products that experienced a contraction included hydrochloric acid (-18.41%), chlorine (-14.78%), and caustic soda (-7.19%) compared to the same period last year.

+ Shipment Index: In October 2023, the index increased by 4.49 compared to the same period last year. The downstream chemicals' shipment index increased by 9.38 percent. Among the products produced within this group, the products that experienced an increase were chemical fertilizer (84.64%), plastic emulsion paint (17.71%), and enamel paint (9.61%). As for the basic chemicals, there was a decline of 9.39 percent. The products that experienced a contraction were caustic soda (-20.23%), chlorine (-10.68%), and hydrochloric acid (-9.62%) compared to the same period last year.

- Exports: In October 2023, the total export value amounted to 786.74 million USD, a decrease from the same period last year by 3.49 percent. The export value of the basic chemicals was 422.40 million USD, a decrease of 14.27 percent. As for the downstream chemicals, the export value was 364.34 million USD, an increase of 12.97 percent compared to the same period last year. Products contributing to the decrease in export value included inorganic chemicals (-17.50%), organic chemicals (-15.71%), and miscellaneous chemicals (-10.79%) compared to the same period last year.

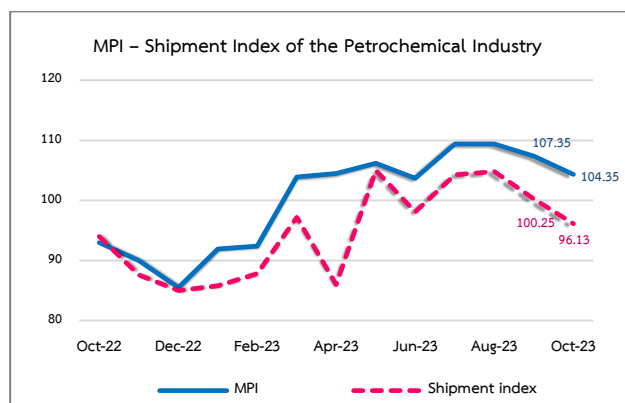


Source: Office of the Permanent Secretary, Ministry of Commerce

- Imports: In October 2023, imports decreased in value by 5.85 percent to a total value of 1,447.98 million USD compared to the same period last year. Imports of basic chemicals decreased in value by 5.02 percent, amounting to 966.69 million USD compared to the same period last year. Additionally, the import value of the downstream chemical products decreased by 7.47 percent to a value of 481.28 million USD compared to the same period last year. Products contributing to the reduced import included chemical fertilizer (-25.48%), inorganic chemicals (-8.06%), and miscellaneous chemicals (-7.90%).

"Outlook for chemical industry in November 2023: It is expected that oil price fluctuations and concerns about the global economic slowdown will cause manufacturers to take a wait-and-see approach for the raw material cost situation. As for exports of oil-related products such as plastic pellets and chemical products, they will decrease in major markets such as China, India, and Vietnam."

7. Petrochemical Industry

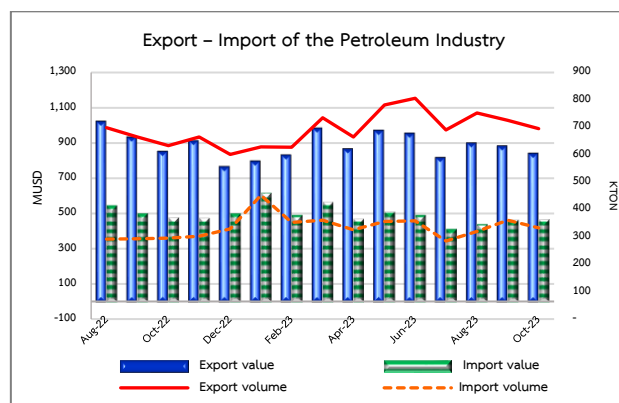


Source: The Office of Industrial Economics

+ The Manufacturing Production Index in October 2023 stood at 104.35, an increase of 12.34 percent compared to the same period last year, but decreased by 3.06 percent compared to the previous month, from basic petrochemicals, namely Propylene, which grew by 23.04 percent compared to last year. In addition, downstream petrochemicals, including PE resin and PP resin, grew by 23.04 percent and 2.53 percent compared to the same period last year. This was a result of slowing down production and waiting for maintenance shutdowns of upstream petrochemical plants during the previous year.

+ The shipment index stood at 96.13 points, an increase of 2.98 percent compared to the same period last year but a decrease of 4.11 percent from the previous month. This growth was observed in both basic petrochemicals, such as Ethylene, which increased by 30.53 percent compared to the same period last year, and in downstream petrochemicals, including PE resin, which increased by 7.0 percent compared to the same period last year.

- Exports in October 2023 were valued at 844.01 million USD, a decrease of 1.15 percent compared to last year and a decrease of 4.33 percent compared to the previous month. The contraction is attributed to a reduction of downstream petrochemicals, such as PC resin, and a decrease in basic petrochemicals, such as Ethylene. This was due to the international market's reduced demand for these products in downstream industries.

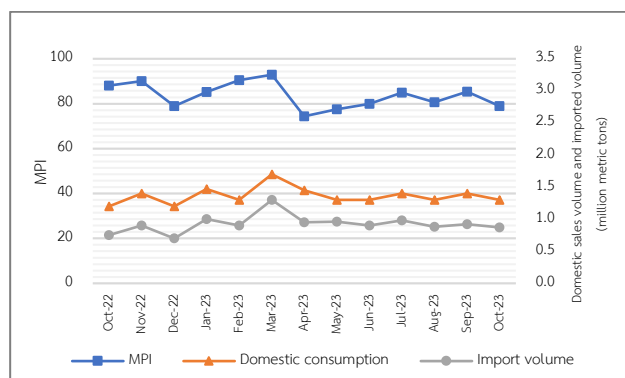


Source: Office of the Permanent Secretary, Ministry of Commerce

- Imports in October 2023 were valued at 468.13 million USD, a decrease of 2.13 percent compared to the same period last year and a decrease from last month by 0.64 percent. The decrease was observed in both basic petrochemicals, such as Propylene, and downstream petrochemicals, such as PP resin.

“Outlook for November 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

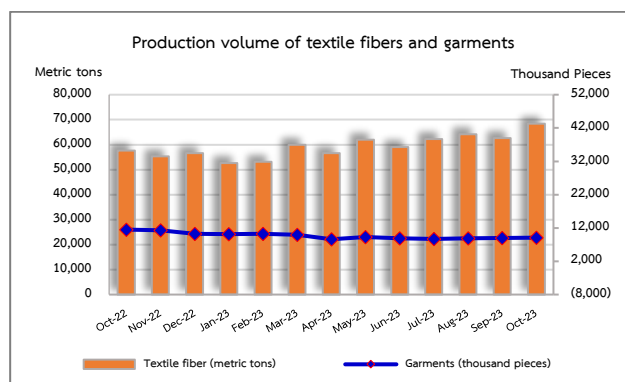
Manufacturing Production Index (MPI): In October 2023, the index stood at 78.9 points, a contraction of 9.4 percent compared to the same period last year. The contraction was due to the slowdown in downstream industries, such as automobile, coupled with the import of low-price steel. When considering the key products, the steel industry MPI of both flat and long products shrank. Among long products with contracted from round bars and wire rods, which contracted by 66.6 and 39.0 percent, respectively. Meanwhile, flat products contracted from tinplates and cold rolled sheets, which contracted by 37.1 and 13.4 percent, respectively.

Domestic consumption in October 2023 amounted to 1.3 million metric tons, increasing by 14.7 percent compared to the same period last year. Consumption of both flat products and long products grew whereby consumption of long products reached 0.5 million metric tons, an increase of 31.6 percent from consumption of rebars and structural steel sections, including wire rods. The consumption of flat products reached 0.8 million metric tons, an increase of 6.3 percent primary from consumption of galvanized sheets.

Imports: In October 2023, the import volume amounted to 0.87 million metric tons, increasing from the same month last year by 12.5 percent. This growth in import volume occurred in both long products and flat products. Import volume of long products amounted to 0.19 million metric tons, an increase of 21.4 percent. Among long products that experienced an increase in imports were carbon steel wire rods (with increased imports primarily from China and South Korea); structural stainless-steel sections (with increased imports primarily from China); structural carbon-steel sections (with increased imports primarily from Indonesia, China and Japan). As for flat products, imports reached 0.68 million metric tons, increasing by 10.3 percent. Flat products that increased in imports were hot rolled stainless-steel sheets (with increased imports primarily from China, Japan, Taiwan, Vietnam, and Malaysia); hot-dip galvanized (HDG) (with increased imports primarily from China, Vietnam, and Taiwan); tinplates (with increased imports primarily from China and South Korean).

“Outlook for Iron Industry in November 2023: Production is anticipated to decrease slightly 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. However, it is expected that the acceleration of constructions of government, state enterprise, and private sectors following the recovery of tourism sector will help stimulate domestic production and consumption. In addition, 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

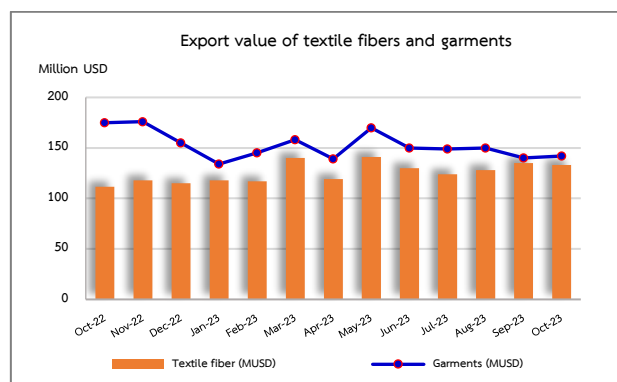
➕ Textile fiber production has expanded for the third consecutive month, growing by 19.31 percent (%YoY) in the category of man-made fibers. This growth is attributed to increased orders, both domestically and internationally, for products such as polyester and rayon fibers. These fibers are utilized 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.

➖ Fabric production decreased by 8.20 percent (%YoY) within woven synthetic fiber fabrics and towels. Garment production also decreased by 21.89 percent (%YoY) within woven and knitted garment due to falling orders from trading partners. However, in contrast to the previous month, textile fiber production across all product groups increased by 8.27 percent.

Domestic sales

➕ Textile fiber sales increased for the first time in six consecutive months of decline by 1.12 percent (%YoY), driven by an increase in sales of man-made fiber yarns.

➖ Fabric and garment sales decreased by 8.68 percent and 9.90 percent (%YoY), respectively. This was an effect of declining purchases of raw materials and production capacity, including a decline in consumer demand. However, when compared to the previous month (MoM), synthetic fiber thread sales expanded by 5.83 percent in the category of man-made fibers. As for garments, there was a growth of 6.97 percent.



Source: Ministry of Commerce

Imports

➖ Yarns and fiber imports contracted by 16.46 percent (%YoY), and fabric imports also contracted by 4.51 percent.

➕ Garment imports expanded by 38.05 percent (%YoY) in key markets, especially in China, where they were considered affordable. This growth is attributed to changes in consumer behavior and adjustments to the economic situation, as people reduce extravagant spending to cut down on daily life expenses.

Exports

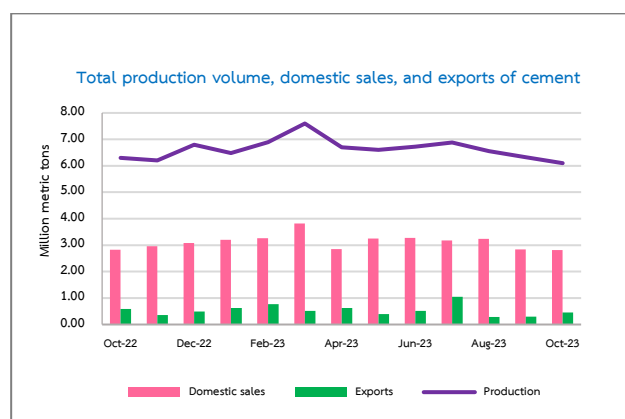
➕ Textile fibers exports grew for the first time in twelve consecutive months of decline, increasing by 20.13 percent (%YoY). This growth was driven by an increase in exports of man-made fiber to key markets, including Turkey and Belgium.

➖ Fabric exports contracted by 7.35 percent (%YoY) in key markets, including Myanmar, Cambodia, and Bangladesh. As for garments, there was a contraction of 18.54 percent (%YoY) in major markets, including the UK, Japan, and Belgium. This decline is a result of reduced orders from key trading partners, coupled with the ongoing global economic slowdown affecting the purchasing power and economic activities of consumers worldwide.

Outlook for Industry in November 2023

The textile and clothing industry is anticipated to expand slightly in November 2023. The expansion was driven by an increase in domestic demand supported by the recovery of the tourism sector and the government's economic stimulus measures. Consequently, they have contributed to the rise in domestic consumption. However, the industry may face the impact of a global economic slowdown and weakened consumer demand due to increased inflation and energy costs and the contraction of international supply chains.

10. Cement Industry



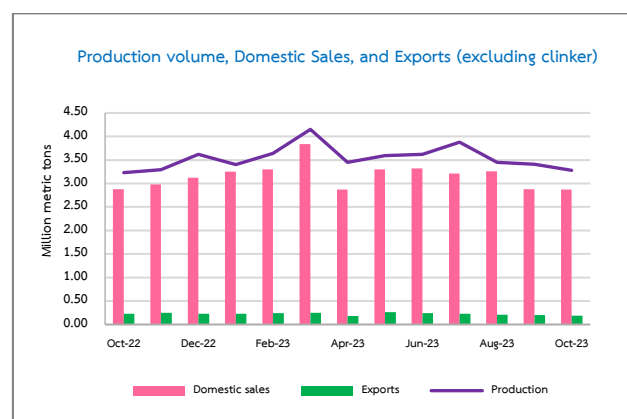
Source: 1. Domestic production and sales volume: Division of Information and Industrial Economic Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce

➖ **Total production of cement:** In October 2023, the production amounted to 6.15 million metric tons, a decrease of 3.07 percent from the same month last year (%YoY) as a result of decreased demand and orders for clinker.

➖ **Total domestic cement sales:** In October 2023, sale volume reached 2.84 million metric tons, a decrease of 0.69 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.

➖ **Total cement exports:** In October 2023, exports reached 0.49 million metric tons, a decrease of 21.68 percent (%YoY) compared to the same month last year. This decrease was influenced by reduced orders from key export markets, including the Bangladesh, the Philippines, Vietnam, and Cambodia.

“Outlook for Cement industry in November 2023: The overall industry is expected to expand due to the acceleration of government project construction at the end of the year and stimulus on the sales of the real estate sector, especially housing developments and condominiums.”



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

➕ **Cement production (excluding clinker):** In October 2023, the production amounted to 3.28 million metric tons, an increase of 2.10 percent (%YoY) from the same month last year from demand of the domestic market.

➖ **Domestic cement sales (excluding clinker):** In October 2023, sale volume reached 2.84 million metric tons, a decrease of 0.69 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 October 2023, exports reached 0.16 million metric tons, a decrease from the same month last year by 23.54 percent (%YoY). This decrease was influenced by reduced orders from key export markets, including the Philippines, Vietnam, and Cambodia.

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



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