

Report on the Industrial Economics Status

**Q1/2025
and Outlook for Q2/2025**



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Executive Summary

Summary of Thai Industrial Economic Status for Q1/2025

Thailand's industrial economy in Q1/2025, as measured by the Manufacturing Production Index (MPI), stood at 100.21, representing a decline of 1.61 percent compared to the same quarter of the previous year. This is the third consecutive quarter of contraction since the third quarter of 2024. The decline was primarily driven by industries with an export share of 30–60 percent and those focused on the domestic market. **Key sectors that experienced a slowdown in the first quarter** included the **automotive industry**, particularly in pickup trucks, hybrid vehicles, and compact cars. This was mainly due to weakening domestic demand caused by reduced purchasing power and stricter lending by financial institutions. The export market also declined, reflecting the economic slowdown in major trading partner countries. **Palm oil** production also declined as a result of a prolonged drought that led to underdeveloped palm fruit. Additionally, flooding in late 2024 in southern Thailand, the country's primary palm-growing region, further reduced the volume of palm fruit entering the market. **Refined petroleum products** experienced a decline in production due to reduced fuel consumption compared to the previous year, particularly for diesel, which had surged in 2024 as a result of increased tourism and transportation activity. However, jet fuel production expanded in line with ongoing growth in the tourism sector. On the positive side, **industries experienced growth in Q1/2025**. **Plastic pellets**, particularly Polypropylene (PP) resin, rebounded as some manufacturers resumed normal operations after previous machinery shutdowns. Production of Ethylene and Propylene pellets also returned to normal levels. The sugar industry recorded higher production and sales, mainly in raw sugar and molasses, supported by rainfall and high sugarcane prices during the last planting season, which encouraged farmers to increase cultivation. Additionally, **other rubber product industry** also experienced increased production as some manufacturers expanded capacity to meet rising orders, particularly those meeting EUDR-certified standards, which in turn boosted international orders.

Key Industries Outlook for Q2/2025

↓ Iron and Steel: Production is expected to decline compared to the same period last year due to temporary production suspensions for corrective measures at factories whose production processes and steel products do not meet standards. In addition, the US has announced an increase in import tariffs on steel and aluminum from all countries worldwide to protect domestic manufacturers.

↓ Electrical Appliances: The MPI is expected to contract due to global economic uncertainty and geopolitical tensions, which may lead to higher production costs and slowdowns in manufacturing. Export value is also expected to decline, partly because of early inventory stocking in Q1/2025. However, close monitoring of the US trade policy is recommended.

↓ Electronics: Both the MPI and export value are expected to decrease due to global economic uncertainty, particularly in key trading partners such as China and the US. Additionally, early inventory stocking in Q1/2025 and slower economic recovery have reduced orders for electronics used in downstream industries.

↑ Automobiles: Production is expected to reach around 360,000 units, showing a slight increase from Q2/2024. Growth is supported by possible government support measures such as relaxation of lending conditions, which help revive the domestic market. Production is expected to be 40–45 percent for domestic sales and 55–60 percent for exports.

↑ Motorcycles: Production is expected to exceed 480,000 units, slightly increasing from Q2/2024, driven by possible government support measures and a recovering domestic economy. About 80–85 percent of production will be for domestic sales, and 15–20 percent for exports.

↑ Pulp, Paper, and Printed Matter: Production of pulp, paper, and products used to produce packaging boxes is expected to grow in line with domestic consumption, and expansion is expected throughout the supply chain. Pulp exports to China are expected to remain positive due to end-user demand. However, exports of books and printed materials may grow only slightly due to declining demand in import markets such as Hong Kong and the US. Nonetheless, after the U.S. announced a Reciprocal Tariff policy, the impact on Thailand's pulp and printing industry is expected to be minimal.

↑ Wood and Furniture: Production and sales of wooden furniture are expected to remain stable due to mixed domestic and international factors. Domestic demand for wood is expected to persist, especially in construction and furniture industries, supported by government policies promoting local materials. At the same time, the sector may face challenges from U.S. trade policies, which affects the production sector of the Thai economy. In terms of wood and wood product exports are expected to continue expanding, driven by the demand of major trading partners, especially the demand for products in the wood and wood-based panels.

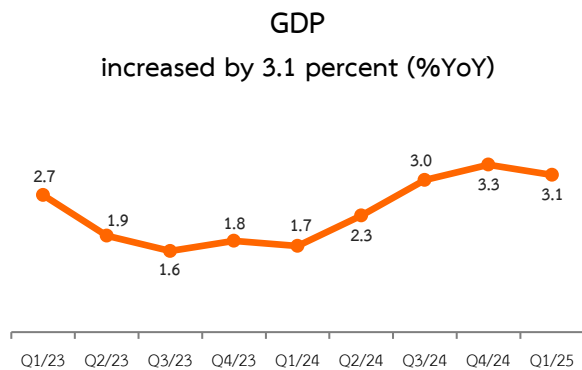
↑ Rubber and Rubber Products: Production of primary processed rubber (rubber sheets, rubber blocks, and concentrated latex) is expected to expand across all three product types due to both domestic and international demand. However, tire production may slow down, in line with the recovery of the automotive industry. Production of rubber gloves is also expected to decelerate as major export markets shift to cheaper products from competing countries.

↑ Gems and Jewelry: The production is expected to grow slightly, supported by rising domestic and international demand from tourism and trade exhibitions. There has also been a surge in raw material and product imports in several countries, including the US, ahead of the implementation of retaliatory tariff measures. Nevertheless, manufacturers need to closely monitor government policy and adjust strategies by integrating more technology to reduce production costs without compromising product quality, expanding to new markets and boosting exports to high-potential markets by focusing on fine jewelry with high value, specially designed, using gems that are certified for their origin. With Thailand's strengths in quality and craftsmanship, there remains an opportunity for further improvement.

↑ Food: The overall MPI and export value are expected to remain stable compared to the same quarter last year due to concerns over economic policy uncertainties in key trading partners such as the US and China, as well as ongoing geopolitical conflicts.

Part 1 Thailand Economic and Industrial Overview for Q1/2025

1 Thailand's Economic and Industrial Overview for Q1/2025



Source: Office of the National Economic and Social Development Council



Source: Office of the National Economic and Social Development Council

The Gross Domestic Product (GDP) in Q1/2025 expanded by 3.1 percent, decreasing from the previous quarter, which recorded a 3.3 percent increase. When compared to the same period in 2024, the GDP grew by 1.7 percent.

The industrial sector's GDP expanded by 0.6 percent, continuing from the previous quarter, which expanded by 0.3 percent, and expanded when compared to the same period last year (2024), which contracted by 2.8 percent.

Key factors of GDP growth



Agricultural production increased by 5.7%.



Industrial production increased by 0.6%.



The service sector increased by 4.2%.



Private consumption and expenditure increased by 2.6%.



Total investment increased by 4.7%.



Exports of goods and services increased by 12.3%.

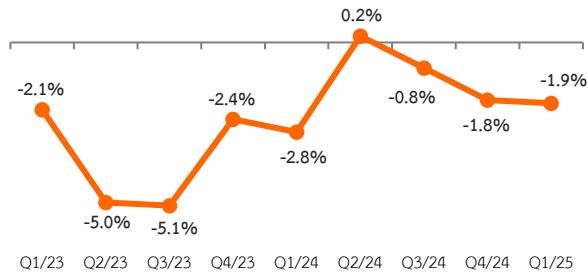
Thailand's Gross Industrial Product (GIP) in the first quarter of 2025 expanded by 0.6 percent, marking the fourth consecutive quarter of growth. The expansion was primarily driven by export-oriented manufacturing sectors, such as the production of computers and peripheral equipment, canned seafood, and rubber products.

In Q1/2025, agricultural production increased by 5.7 percent, industrial production by 0.6 percent, the service sector by 4.2 percent, private consumption expenditure by 2.6 percent, total investment by 4.7 percent, and exports of goods and services by 12.3 percent.

Key Industrial Index

Manufacturing Production Index

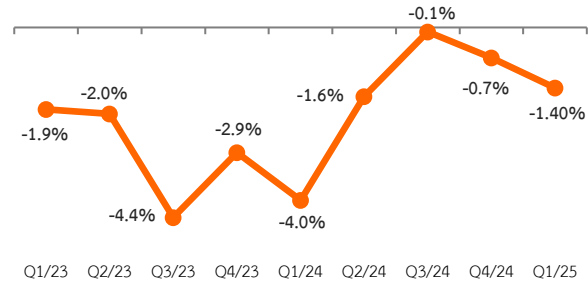
decreased by 1.9 percent (%YoY)



Source: The Office of Industrial Economics

Shipment Index

decreased by 1.4 percent (%YoY)



Source: The Office of Industrial Economics

In Q1/2025, the Manufacturing Production Index (MPI) stood at 99.6, an increase of 7.0 percent from the previous quarter (93.39) but a decrease of 1.9 percent from the same quarter of 2024 (101.86).

Industries contributing to the decrease of the MPI from the previous quarter were the manufacture of sugar, air conditioners, and automobiles.

Industries contributing to the decrease of the MPI from the same quarter last year were the manufacture of automobiles, palm oil, and refined petroleum products.

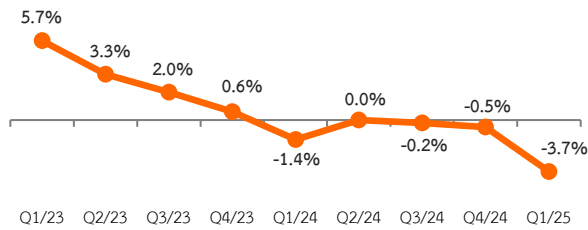
In Q1/2025, the Shipment Index stood at 98.43, an increase of 1.5 percent from the previous quarter (97.0) but a decrease of 1.4 percent from the same quarter of 2024 (99.80).

Industries contributing to the decrease in the Shipment Index from the previous quarter were the manufacture of air conditioners, sugar, and tobacco products.

Industries contributing to the decrease of the shipment index from the same quarter last year were the manufacture of automobiles, palm oil, non-alcoholic beverages, and mineral waters and other bottled waters.

Finished Goods Inventory Index

decreased by 3.7 percent. (%YoY)



Source: The Office of Industrial Economics

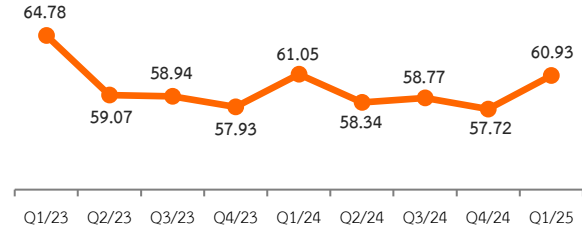
In Q1/2025, the finished goods inventory index stood at 101.50, an increase of 2.0 percent from the previous quarter (99.54) but a decrease of 3.7 percent from the same quarter of 2024 (105.36).

Industries that contributed to the increase in the finished goods inventory index from the previous quarter included the manufacture of sugar; non-alcoholic beverages, mineral water, and other bottled waters; and the production of starch and starch products.

Industries contributing to the decrease of the finished goods inventory index from the same quarter last year (2024) were the manufacture of automobiles, refined petroleum products, and palm oil.

Capacity Utilization Rate

stood at 60.93 percent.



Source: The Office of Industrial Economics

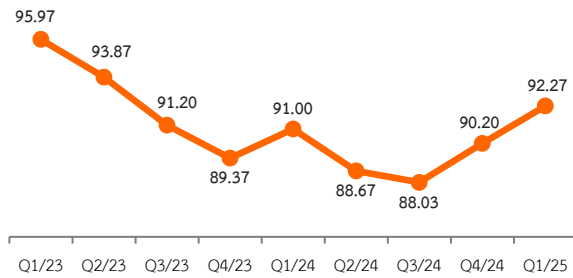
In Q1/2025, the capacity utilization rate stood at 60.93 percent, increasing from the previous quarter (57.72%) but decreasing from the same quarter of 2024 (61.05%).

Industries that contributed to the increase of capacity utilization rate from the previous quarter were the manufacture of sugar, air conditioners, and automobiles.

Industries that contributed to the decrease of capacity utilization rate from the same quarter last year were the manufacture of automobiles, palm oil, coffee, tea, and herb infusions.

Industrial Sentiment Index

in Q1 stood at 92.3



Source: The Federation of Thai Industries

In Q1/2025, the industry sentiment index was 92.27, increasing from last quarter (90.20) and increasing from the same quarter of 2024 (91.0). Meanwhile, the three-month forecast for the sentiment index was at 96.50, decreasing from the same quarter of 2024 (99.73).

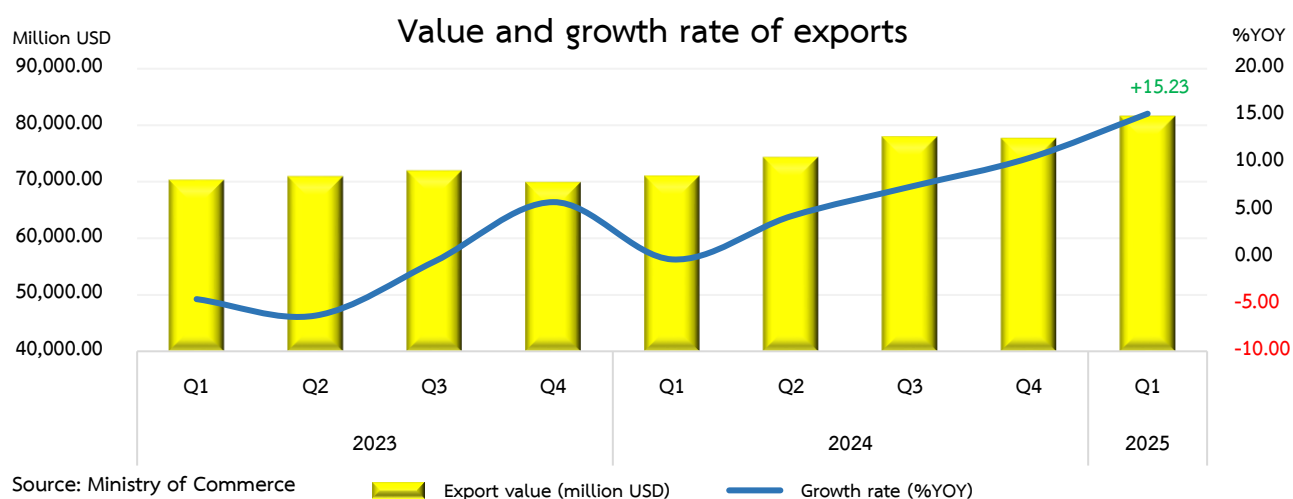
Factors contributing to the rise in industrial confidence in Q1/2025 stemmed from both external and internal developments. Externally, export growth was supported by increasing demand from key trading partners, particularly the US. Internally, several government stimulus measures played a significant role, including the Easy-Receipt 2.0 program (16 January 2025 - 28 February 2025), which enhanced domestic liquidity, and a purchasing power scheme that provided a 10,000-baht transfer to citizens aged 60 and over. The government also eased energy expenses through price controls by capping diesel prices at 33 baht per liter (1 January 2025 - 31 March 2025) and reducing electricity rates from 4.18 to 4.15 baht per unit (January - April). Furthermore, a surge in tourism, especially an increase in Chinese visitors during the New Year and Lunar New Year holidays, further reinforced industrial sentiment.

Thailand's International Trade

“Thailand’s international trade in Q1/2025 grew by 11.22 percent compared to the same period last year (%YoY), continuing to grow from the previous quarter.” This growth was primarily driven by accelerated exports to key markets such as the US, China, and the European Union ahead of the US government's announcement of reciprocal tariffs. In addition, major trading partner’s markets continued to expand, while public investment surged significantly from a low base in Q1/2024, and private consumption improved.

Thailand’s international trade in Q1/2025 reached a total value of 161,983.68 million USD, with exports valued at 81,532.34 million USD, increasing by 15.23 percent (%YoY) compared to the same period last year, and imports valued at 80,451.34 million USD, expanding by 7.43 percent (%YoY) compared to the same period last year. This resulted in a trade surplus of 1,081.00 million USD for the first quarter of 2025.

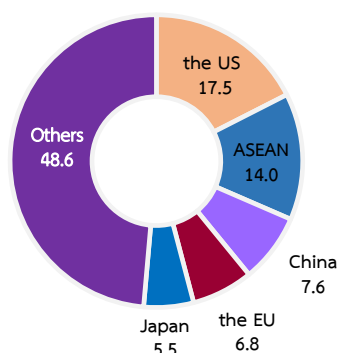
Export Structure



In Q1/2025, Thailand’s exports were valued at 81,532.34 million USD, an increase of 15.23 percent compared to the same period last year (%YoY). The key product categories saw the following changes: Agricultural products reached an export value of 6,226.53 million USD, a decrease of 1.39 percent (%YoY). Agro-industrial products reached an export value of 5,730.14 million USD, an increase of 1.99 percent (%YoY). Industrial goods reached an export value of 67,267.83 million USD, an increase of 19.37 percent (%YoY). Ores and fuel products reached an export value of 2,307.84 million USD, a decrease of 6.55 percent (%YoY).

Export Markets

Export proportions (%)



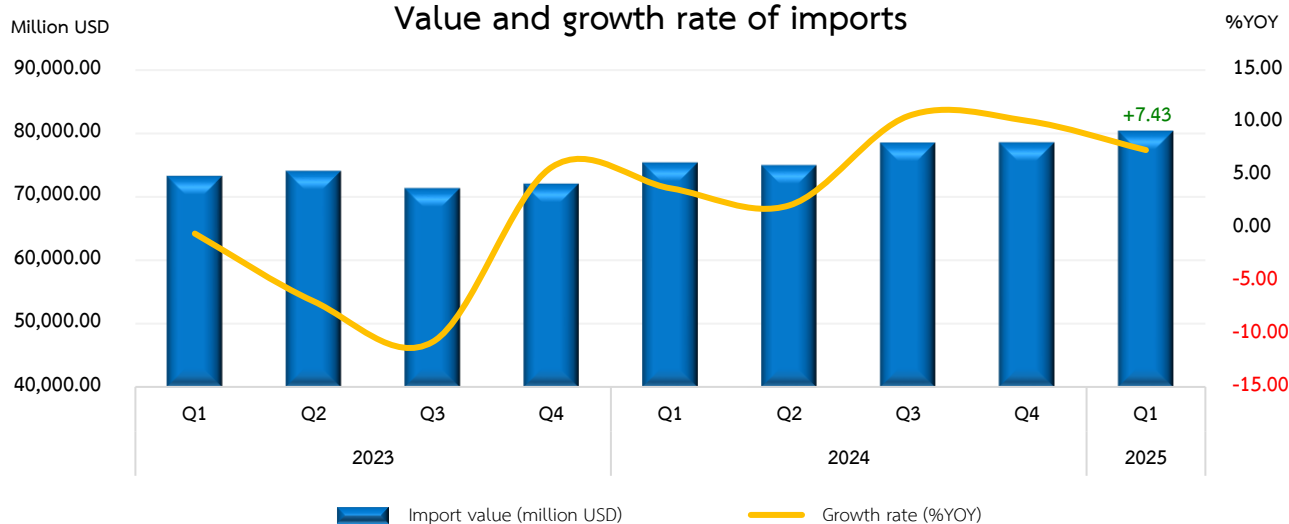
In Q1/2025, Thailand's exports to five major trading partners, including the US, ASEAN, China, the EU (27 countries), and Japan, accounted for 51.40 percent of total exports. Exports to other markets represented 48.0 percent of total exports. The details are as follows:

Source: Ministry of Commerce

- The export value to the US, ASEAN, China, the EU (27 countries), and Japan were 17.50 percent, 14.00 percent, 7.60 percent, 6.80 percent, and 5.50 percent, respectively.
- Thailand's export value was 81,532.34 million USD, an increase of 15.23 percent compared to the same period last year (%YoY). Among the major trading partners, exports to the US experienced the most significant expansion (26.60 %), followed by China (24.18 %), ASEAN (9) (8.98%), and the EU (27 countries) (6.76%). However, exports to Japan decreased by 1.34 percent.

Import Structure

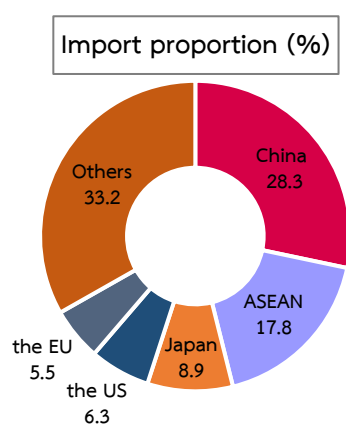
Value and growth rate of imports



Source: Ministry of Commerce

In Q1/2025, Thailand's goods imports were valued at 80,451.34 million USD, an increase of 7.43 percent compared to the same period last year (%YoY). The changes in key imported products were as follows: Fuel products reached an import value of 12,239.11 million USD, a decrease of 1.21 percent (%YoY); Capital goods reached an import value of 20,585.87 million USD, an increase of 6.97 percent (%YoY); Raw materials and semi-finished products reached an import value of 32,780.05 million USD, an increase of 8.65 percent (%YoY); Consumer goods reached an import value of 9,884.77 million USD, an increase of 12.59 percent (%YoY); Vehicles and transportation equipment reached an import value of 3,046.78 million USD, a decrease of 3.35 percent (%YoY); and Weapons, military supplies, and other goods reached an import value of 1,914.77 million USD, an increase of 66.31 percent (%YoY).

Import markets



In Q1/2025, Thailand's imports from five major trading partners, including China, ASEAN, Japan, the US, and the EU (27 countries) accounted for 66.80 percent of total imports. Imports from other markets represented 33.20 percent of total imports. The details are as follows:

Source: Ministry of Commerce

- The imports from China, ASEAN, Japan, the US, and the EU (27 countries) were 28.30 percent, 17.80 percent, 8.90 percent, 6.30 percent, and 5.50 percent, respectively.
- Thailand's imports value was 80,451.34 million USD, an increase of 7.43 percent compared to the same period last year (%YoY). Among the major trading partners, imports from China experienced the most significant expansion (24.95%), followed by ASEAN (16.67%), the US (12.46%), and Japan (0.77%). However, imports from the EU (27 countries) decreased by 7.49 percent.

2 Global Economy in Q1/2025

The global economy in Q1/2025 showed signs of expansion at a slower pace. The services and tourism sectors remained key drivers of growth. Many countries benefited from improved manufacturing performance, supported by a surge in exports ahead of the implementation of trade protection measures. Additionally, central banks in several countries appeared likely to delay policy interest rate cuts in an effort to support economic expansion and mitigate risks arising from protectionist trade policies.

Summary of Key Economic Indicators in Q1/2025

Quarterly Growth (%YoY)

	GDP	Inflation	MPI	Export	Unemployment Rate	Policy Rate
the US	↓ 2.0	★ 2.7	↑ 1.7	↑ 3.6	↑ 4.4	★ 4.25-4.50
China	★ 5.4	↓ 0.1	↑ 7.7	↓ 5.8	↑ 5.2	★ 3.1
Japan	↑ 1.7	↑ 3.8	↑ 1.1	↑ 5.0	↑ 2.4	↑ 0.5
Malaysia	↓ 4.4	↑ 2.1	↓ 2.3	↓ 10.9	↓ 3.1	★ 3.0
Vietnam	↓ 6.9	↑ 3.1	↑ 8.7	↓ 10.5	★ 2.2	★ 3.0
Thailand	↓ 3.1	↑ 1.1	↑ 8.7	↑ 15.0	N.A.	↓ 2.0

Source: ceicdata, <https://www.nesdc.go.th>, and <https://tradingeconomics.com>

Remarks

↑ Increased from the previous quarter
↓ Decreased from the previous quarter
★ No changes
N.A. - Data not available

In the first quarter of 2025, global crude oil prices declined compared to the same period last year but increased from the previous quarter. The rise in prices was mainly driven by U.S. sanctions on Iran, a major oil producer. However, several factors restrained oil prices from rising sharply, including: (1) Concerns over trade protectionist measures that could slow global demand for crude oil; (2) A potential increase in oil supply following a 30-day temporary ceasefire agreement between Russia and Ukraine, which may lead to higher oil exports from Russia, along with increased oil production in the US.

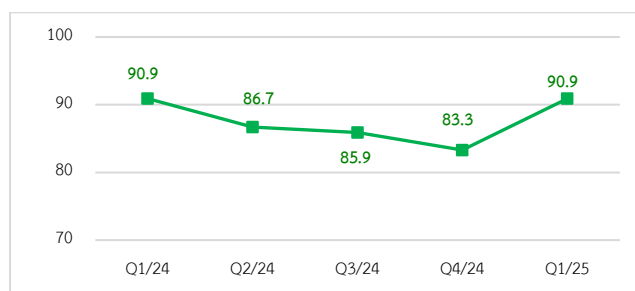
The global economy in 2025 is expected to slow down compared to 2024, primarily due to U.S. trade protectionist policies and retaliatory measures from major economies such as China, the EU, and Canada. These actions are affecting several countries interconnected through global supply chains, leading to rising import costs. While inflation has begun to ease, this has supported central banks in continuing to lower policy interest rates. The easing of monetary policy is expected to stimulate consumption further.

Part 2 Thai Industrial Economic Sectors in Q1/2025
and the Outlook for Q2/2025

Iron and Steel Industry

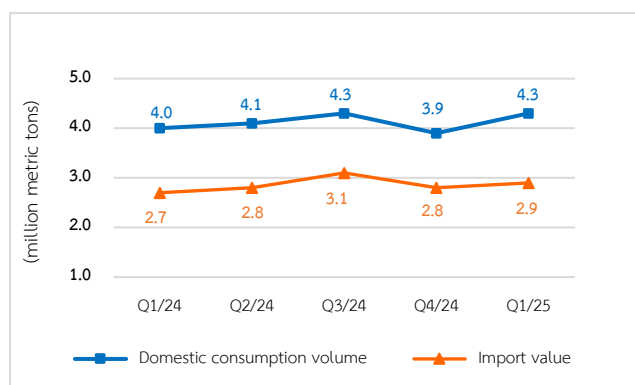
The iron industry's MPI in Q1/2025 remained stable compared to the same period last year. This was supported by the production of steel products such as steel pipes and chrome-coated steel sheets. Domestic steel consumption expanded, driven by increased usage of steel products including rebar and structural steel, hot-rolled plates, and chrome-coated steel sheets.

Manufacturing Production Index (MPI)



Source: The Office of Industrial Economics

Domestic consumption and import value



Source: Iron and Steel Institute of Thailand

Production: In Q1/2025, the Manufacturing Production Index (MPI) stood at 90.9, remaining unchanged compared to the same period last year (0.0%YoY) but expanding by 9.1 percent compared to the previous quarter (%QoQ). When compared to Q1/2024, growth was driven by an increase in the production of steel pipes (+7.6%) and flat steel products (+5.5%). The highest growth in production was seen in chrome-coated steel sheets, which increased by 18.7 percent, followed by hot-rolled coils (+12.4%) and tinplate (+6.4%). However, the production of long products declined by 7.5 percent. The sharpest declines were recorded in deformed bars and wire (-17.4%), followed by high-tensile wire (-6.4%) and round bars (-3.0%).

Domestic steel consumption in Q1/2025 reached 4.3 million metric tons, expanding by 9.2 percent (%YoY) and increasing by 10.1 percent (%QoQ) from the previous quarter. Compared to the same quarter of the previous year, consumption of long products and flat products increased. Long products consumption expanded by 15.0 percent, driven by increased usage of rebar and structural steel. Flat products consumption increased by 5.9 percent, supported by higher demand for hot-rolled thick sheets, hot-rolled thin sheets, cold-rolled sheets, tin-coated sheets, chrome-coated sheets, and other coated steel sheets.

Imports in Q1/2025 reached the volume of 2.9 million metric tons, expanded from the same quarter of the previous year by 4.4 percent (%YoY), and expanded from the previous quarter by 7.8 percent (%QoQ). When compared with the same quarter of the previous year, imports of long products expanded by 7.5 percent. The product with the highest import growth was stainless steel wire rods, which expanded by 69.9 percent (the main countries from which Thailand increased imports were China, South Korea, and Japan). Next were structural carbon steel and stainless-steel rebars, which expanded by 64.5 percent and 49.2 percent, respectively. Flat product imports expanded by 3.4 percent. The product with the highest import growth was hot-rolled alloy steel plates, which expanded by 438.0 percent (the main countries from which Thailand increased imports were stainless steel China, South Korea, and Japan). Next were tin-coated sheet and hot-rolled coil, type, which expanded by 88.1 percent and 61.6 percent, respectively.

Iron and Steel Industry Outlook for Q2/2025

The steel and iron industry is expected to experience a decline in production in the second quarter of 2025. This contraction is primarily attributed to temporary production halts for corrective actions at facilities where production processes and steel products failed to meet required standards. Additionally, the US has announced higher import tariffs on steel and aluminum from all countries in an effort to protect its domestic manufacturers.

Electrical appliance Industry

In Q1/2025, the production of electrical appliances declined by 14.7 percent compared to the same period of the previous year. This was primarily due to a decrease in domestic sales volume. Products that experienced reduced production included cables, air conditioners, thermo pots, and washing machines.

MPI, Import and Export Value, and Domestic Sales of Electrical Appliances



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

Production of electrical appliances: In Q1/2025, the Manufacturing Production Index (MPI) stood at 85.9, representing an increase of 4.11 percent from the previous quarter (%QoQ) but a decline of 14.7 percent compared to the same quarter of the previous year (%YoY). Electrical appliances with decreased production included cables (-26.1%), air conditioners (-25.2%), thermo pots (-15.6%), and washing machines (-13.1%), primarily due to a decline in domestic sales volume. On the other hand, appliances with increased production included compressors (+24.5%), electric motors (+10.2%), and rice cookers (+2.9%).

Domestic sales: In Q1/2025, products that decreased compared to the same quarter of the previous year included microwave ovens (-356%), thermo pots (-12.9%), and air conditioners (-10.7%). Meanwhile, products that increased included refrigerators (22.9%), rice cookers (14.1%), compressors (12.8%), and electric fans (11.3%).

Imports of electrical appliances: In Q1/2025, imports were valued at 5,487.6 million USD, decreasing from the previous quarter by 1.4 percent (%QoQ) and increasing from the same quarter of the previous year by 22.6 percent (%YoY). The main products with increased imports included air conditioners (59.1%), washing machines (41.7%), and refrigerators (10.8%).

Exports of electrical appliances: In Q1/2025, exports were valued at 7,599.4 million USD, a decrease of 5.3 percent from the previous quarter (%QoQ) but an increase of 2.9 percent compared to the same period of the previous year (%YoY). Products that saw export growth included air conditioners (+29.1%), microwave ovens (+19.3%), and rice cookers (+15.2%), driven primarily by accelerated shipments to the US ahead of the enforcement of its new import tariff policy.

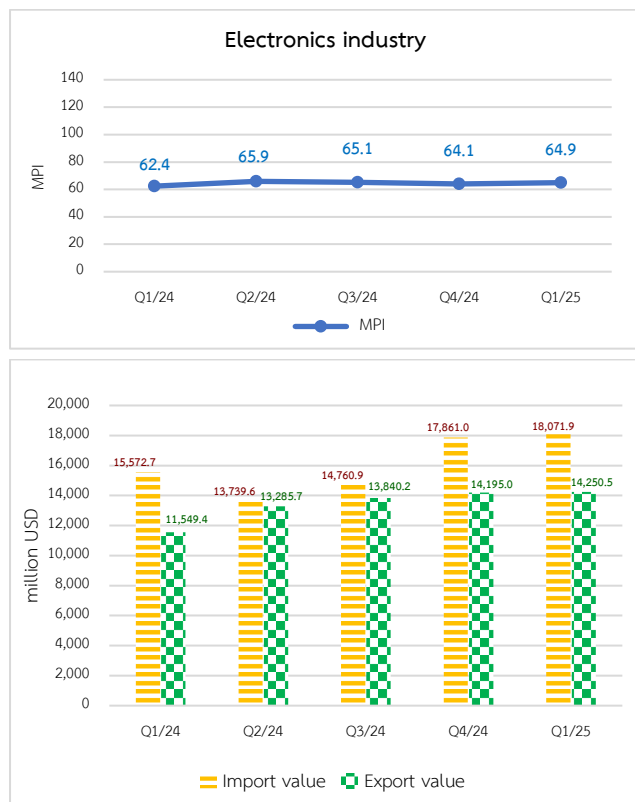
Electrical Appliance Industry Outlook for Q2/2025

The electrical appliances industry in Q2/2025 is expected to experience a contraction in the production index, due to the uncertainty in global economic conditions and geopolitical tensions, which may lead to higher production costs and a slowdown in industrial output. Export value is also expected to decline, as many businesses had already stockpiled products in advance during the Q1/2025. However, close monitoring of the U.S. tariff policy developments is recommended.

Electronics Industry

Electronics production in Q1/2025 increased by 3.9 percent compared to the same quarter of the previous year, due to accelerated production to ensure timely exports before the US import tariff policy comes into effect. Products with increased production included HDDs, semiconductor device transistors, and printers.

MPI, Import and Export Value of Electronics



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

Electronics product production: In Q1/2025, the Manufacturing Production Index (MPI) stood at 64.9, increasing by 1.2 percent from the previous quarter (%QoQ) and 3.9 percent compared to the same quarter of the previous year (%YoY). Electronics products that saw an increase in production included HDDs (+30.7%), semiconductor device transistors (+26.1%), and printers (+6.2%). The increase was driven by accelerated production aimed at ensuring timely exports before the US import tariff policy comes into effect. Meanwhile, some electronic products experienced a decline in production, including printed circuit board assemblies (PCBA) (-7.8%), integrated circuits (IC) (-4.3%), and printed wiring boards (PWB) (-3.5%).

Imports of electronics products: In Q1/2025, the value of electronics imports reached 18,071.9 million USD, representing an increase of 1.2 percent from the previous quarter (%QoQ) and 16.0 percent (%YoY) compared to the same quarter of the previous year. Key products that saw an increase in imports included switchboards and control panels (+21.9%), HDDs (+19.5%), and electric capacitors and resistors (+11.9%).

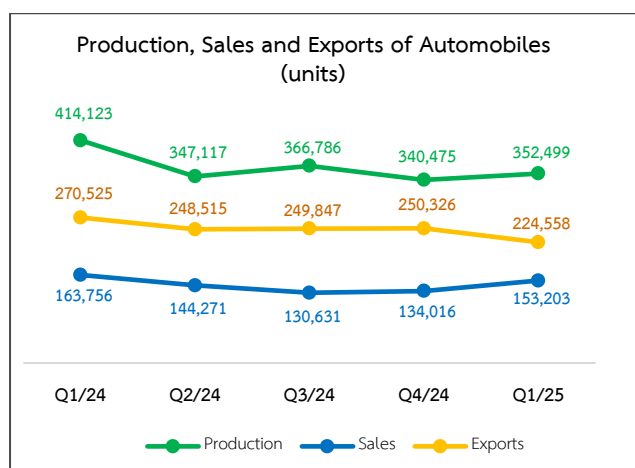
Exports of electronics products: In Q1/2025, exports were valued at 14,250.5 million USD, representing an increase of 0.4 percent (%QoQ) and 23.4 percent (%YoY) compared to the same period of the previous year. Key products that saw an increase included integrated circuits (+25.7%), semiconductor devices (19.5%), and printed circuit boards (+15.1%). The growth was driven by accelerated orders from several trading partners aiming to complete production and shipments ahead of the implementation of the US import tariff hike policy.

Electronics Industry Outlook for Q2/2025

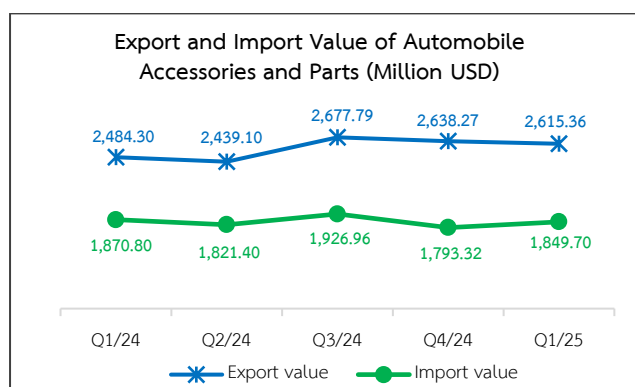
“For the electronics industry in Q2/2025, both the MPI and export value are expected to decline. This is due to ongoing global economic uncertainty and instability among major trading partners, particularly China and the US. Additionally, the acceleration of inventory stocking in the first quarter of 2025, combined with a weakening economic recovery, has led to a decrease in purchase orders for electronic products used in downstream industries.”

Automobile and Automotive Parts Industry

In Q1/2025, automobile production volume decreased compared to the same period last year. This decline was mainly driven by the contraction in the domestic market, resulting from stricter loan approval by financial institutions. In addition, the export market also experienced an overall slowdown across all vehicle categories due to the impacts of ongoing trade wars.



Source: The Office of Industrial Economics; data gathered from the Automotive Industry Club, The Federation of Thai Industries



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

Automobile production

In Q1/2025, a total of 352,499 units were produced, an increase of 3.53 percent (%QoQ) from Q4/2024 but a decrease of 14.88 percent (%YoY) compared to the same quarter of the previous year. The production share consisted of 33 percent passenger cars, 65 percent one-ton pickup trucks and derivatives, and 2 percent other commercial vehicles.

Domestic sales of automobiles

In Q1/2025, sales reached 153,203 units, an increase of 14.32 percent from Q4/2024 (%QoQ) but a decrease of 6.44 percent (%YoY) from the same quarter of the previous year. The decline was attributed to stricter loan approval by financial institutions and a slowdown in the domestic economy. The sales were comprised of 43 percent passenger cars, 52 percent one-ton pickup trucks and derivatives, and 5 percent other commercial vehicles.

Automobile exports

In Q1/2025, exports reached 224,558 units, a decrease of 10.29 percent from Q4/2024 (%QoQ) and a decrease of 16.99 percent from the same quarter of the previous year (%YoY). Exports were comprised of 64 percent passenger cars, 21 percent one-ton pickups, and 15 percent PPVs.

Export value of automotive parts and accessories

In Q1/2025, the export value of automotive parts and accessories stood at 2,615.36 million USD, representing a decrease of 0.87 percent (%QoQ) from Q4/2024 but an increase of 5.28 percent (%YoY) compared to the same period last year. The major export markets included the US, Japan, Malaysia, and South Africa.

Import value of automotive parts and accessories

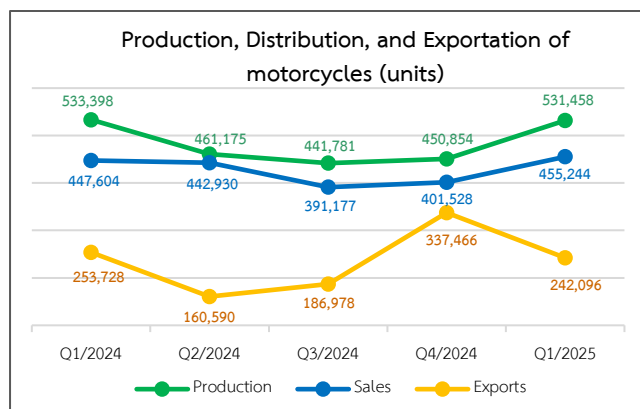
In Q1/2025, the import value of automotive parts and accessories stood at 1,849.70 million USD, representing an increase of 3.14 percent (%QoQ) from Q4/2024 but a decrease of 1.12 percent (%YoY) compared to the same period last year. The major import markets included Japan, China, the US, and Indonesia.

Automotive Industry Outlook for Q2/2025

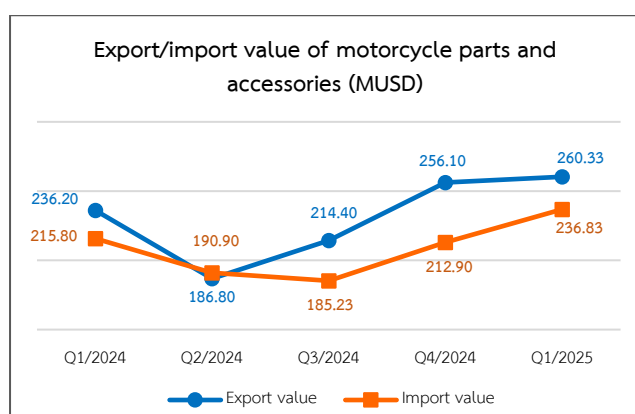
According to forecasts by the Office of Industrial Economics, automobile production in Q2/2025 is estimated to reach 360,000 units, a slight increase from Q2/2024. This growth is attributed to the government's support measures, particularly the relaxation of auto loan conditions, which has helped stimulate a recovery in the domestic market. Of the total production, 40–45 percent is expected to be for domestic sales, while 55–60 percent is intended for export.

Motorcycle and Part Industry

In Q1/2025, motorcycle production volume declined compared to the same period last year, due to a decline in both domestic and export markets. Notably, motorcycle production was primarily intended for domestic distribution.



Source: The Office of Industrial Economics; data gathered from the Automotive Industry Club, The Federation of Thai Industries



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

Motorcycle production

In Q1/2025, the production reached 531,458 units, an increase of 17.89 percent from Q4/2024 (%QoQ) but a decrease of 0.36 percent from the same quarter of the previous year (%YoY). The decline was mainly attributed to a drop in production of ICONIC and sport motorcycles intended for domestic sales.

Domestic sales of motorcycles

In Q1/2025, sales reached 455,244 units, an increase of 13.38 percent from Q4/2024 (%QoQ) and 1.71 percent from the same period last year (%YoY). This growth was driven by domestic economic stimulus measures.

Motorcycle exports

In Q1/2025, exports reached 242,096 units, comprising 109,069 completely built units (CBUs) and 133,027 completely knocked-down kits (CKDs). Exports decreased by 28.26 percent from Q4/2024 (%QoQ) and by 4.58 percent (%YoY) compared to the same quarter of the previous year.

Export value of motorcycle parts and accessories

In Q1/2025, exports were valued at 260.33 million USD, increasing by 1.65 percent from Q4/2024 (%QoQ) and by 10.22 percent from the same quarter last year (%YoY). Key export markets for motorcycle parts included Cambodia, Japan, Brazil, and Myanmar.

Import value of motorcycles parts and accessories

In Q1/2025, imports were valued at 236.83 million USD, an increase of 11.24 percent from Q4/2024 (%QoQ) and an increase of 9.75 percent from the same quarter of the previous year (%YoY). Major import markets for parts and accessories were China, the US, Japan, and Vietnam.

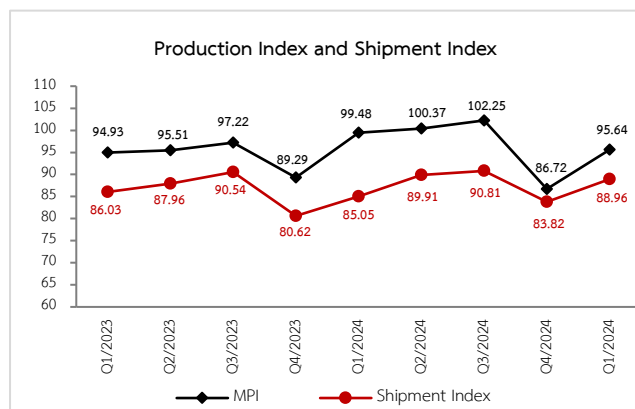
Motorcycle Industry Outlook for Q2/2025

According to forecasts by the Office of Industrial Economics, motorcycle production in Q2/2025 is estimated to exceed 480,000 units, representing a slight increase from Q2/2024. This growth is attributed to the anticipated implementation of various government support measures and domestic economic recovery. Production is projected to be divided into 80–85 percent for domestic distribution and approximately 15–20 percent for export.

Chemical Industry

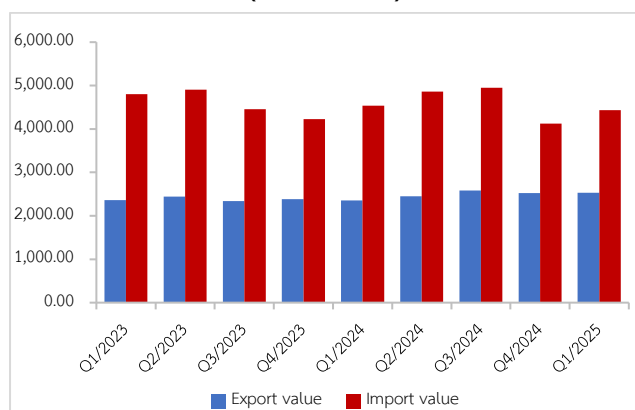
In Q1/2025, the MPI of chemical industry contracted compared to the same period of the previous year. Some manufacturers reduced production capacity and relied more on inventory. However, exports expanded year-on-year due to increased demand from key trading partners, particularly India and ASEAN countries.

MPI and Shipment Index



Source: The Office of Industrial Economics

Export and import value of chemicals products
(Million USD)



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

Manufacturing Production Index: In Q1/2025, the index decreased by 3.86 percent compared to the same quarter last year (%YoY) but expanded by 10.29 percent compared to the previous quarter (%QoQ). Products contributing to this decline included methyl ester (biodiesel fuel) (-33.33%) and hydrogen gas (-16.06%).

Shipment Index: In Q1/2025, the index grew by 4.60 percent from the same quarter last year (%YoY) and by 6.13 percent compared to the previous quarter (%QoQ). Key products contributing to the growth compared to the same period last year included nitrogen gas (+42.30%) and hydrogen gas (+21.77%).

Exports of chemical products: In Q1/2025, exports were valued at 2,558.89 million USD, an increase of 7.93 percent from the same quarter last year (%YoY) and an increase of 1.43 percent compared to the previous quarter (%QoQ). Key products contributing to the growth compared to the same period last year included miscellaneous chemicals (+26.63%) and surfactants (+8.38%).

Imports of chemicals: In Q1/2025, imports were valued at 4,425.39 million USD, a decrease of 3.29 percent from the same quarter last year (%YoY) and an increase of 7.23 percent compared to the previous quarter (%QoQ). Key products contributing to the decline compared to the same period last year included miscellaneous chemicals (-14.71%) and fertilizers (-6.99%).

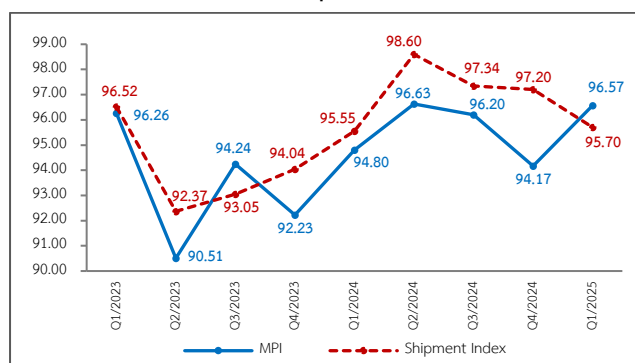
Chemical Industry Outlook for Q2/2025

In Q2/2025, Thailand's chemical industry is expected to experience a slight contraction due to declining industrial demand and a slowdown in the global economy, particularly in China and Europe. Additionally, global interest rates remain high, reducing investment in production capacity expansion and inventory accumulation. Other key risk factors include political and economic uncertainties worldwide, especially the protectionist trade policies of President Donald Trump, which may lead to higher raw material import costs and increased volatility in global supply chains. Moreover, fluctuations in energy and raw material prices driven by conflicts in the Middle East could also impact the recovery of the chemical industry in Q2/2025.

Plastics Industry

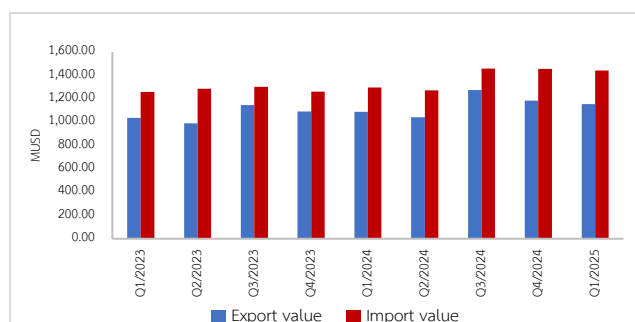
In Q1/2025, Thailand's plastic industry expanded compared to the same period of the previous year, driven by increased demand from downstream industries such as packaging, food, and beverages. Domestic consumption also improved, supported by government economic stimulus measures such as tax reductions, investment promotion, and tourism sector stimulation. These factors contributed to the continued growth of the production index and shipments in the plastic industry. At the same time, the value of both imports and exports of plastic products also increased in line with growing demand in key markets such as ASEAN and the US.

MPI and Shipment Index



Source: The Office of Industrial Economics

Export and Import Volume (metric tons)



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

Manufacturing Production Index: In Q1/2025, the production index expanded by 1.87 percent compared to the same quarter last year (%YoY) and by 2.55 percent compared to the previous quarter (%QoQ). Key products contributed to this increase compared to the same period last year were plastic bags (+6.90%), and plastic tableware, kitchenware and toilet articles (+6.87%).

Shipment Index: The shipment index for Q1/2025 expanded by 0.16 percent compared to the same quarter last year (%YoY) but decreased by 1.54 percent compared to the previous quarter (%QoQ). The increase in the shipment index compared to the same quarter last year was driven by key products such as tableware, kitchenware, and toilet articles (+15.70%) and plastic bags (+10.42%).

Export Value: In Q1/2025, exports were valued at 1,154 million USD, increasing by 6.57 percent from the same quarter last year (%YoY) but decreased by 2.52 percent compared to the previous quarter (%QoQ). The increase in the export value compared to the same period last year driven by key products such as bath tubs (+36.19%) and plastic tableware, kitchenware and toilet articles (+15.15%).

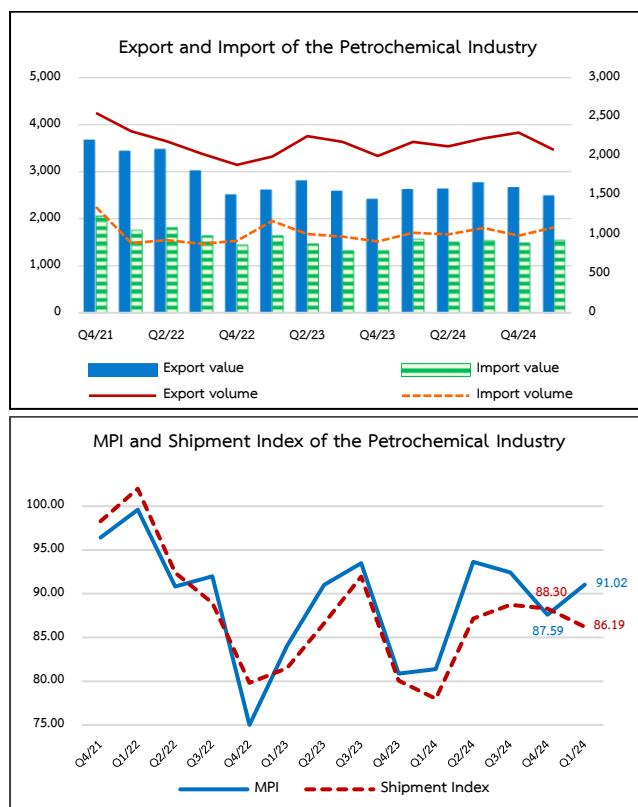
Import Value: In Q1/2025, imports were valued at 1,441.99 million USD, expanding by 12.05 percent from the same quarter last year (%YoY) and by 0.62 percent compared to the previous quarter (%QoQ). Key products contributing to the increase of import value compared to the same period last year were plastic floor coverings (+36.47%) and plastic tableware, kitchenware and toilet articles (+24.25%).

Plastic Industry Outlook for Q2/2025

Thailand's plastics industry in the second quarter of 2025 is expected to contract due to several key factors. These include the ban on plastic scrap imports starting in January 2025, which has increased costs for manufacturers relying on plastic scrap as a raw material. Additionally, the European Union's policies aimed at reducing plastic waste and promoting recycled plastics present challenges to Thailand's exports. The ongoing trade tensions between China and the US have also driven China to seek new markets, intensifying global price competition in plastic products. At the same time, domestic demand for plastics in the automotive sector has declined, partly due to increased imports of electric vehicles (EVs) from China. Moreover, crude oil prices remain volatile amid conflicts in the Middle East and production controls by OPEC, driving up the cost of plastic resins. The US' trade protection policies further contribute to uncertainties in the global supply chain and raise the cost of importing raw materials.

Petrochemical Industry

In Q1/2025, the MPI of petrochemical industry increased by 12.06 percent (%YoY), while the shipment index rose by 10.49 percent (%YoY), and the import value increased by 10.59 percent (%YoY). However, exports declined by 5.77 percent (%YoY), reflecting the impact of global economic volatility, which caused significant fluctuations in exchange rates. In addition, fluctuating oil prices affected global economic confidence. The anticipation of the US import tariff hikes further contributed to the slowdown in petrochemical exports during this quarter compared to the same period last year.



Source: Customs department, Ministry of Finance

Note: Forecast by the Office of Industrial Economics

Production and sales

Manufacturing Production Index (MPI): In Q1/2025, the MPI stood at 91.02, an increase of 12.06 percent from the same quarter of the previous year. The products that contributed to this growth in the petrochemical sector were ethylene in the basic petrochemical group, and PE and PP resin in the downstream petrochemical group. This increase was partly due to maintenance shutdowns of upstream petrochemical plants in the previous year.

Shipment index: In Q1/2025, the index stood at 86.19, an increase of 10.49 percent compared to the same quarter last year. The products that contributed to the increase in the shipment index this quarter were ethylene in the basic petrochemical group, and PE and PP resins in downstream petrochemical group.

Exports of petrochemicals: In Q1/2025, petrochemical exports were valued at 2,479.80 million USD, a decrease of 5.77 percent compared to the same quarter of the previous year. Key export markets included China, Vietnam, and Japan. The products that contributed to this decline in the petrochemical sector were PS and PET resins in the downstream petrochemical group, and propylene and ethylene in the basic petrochemical group.

Imports of petrochemicals: In Q1/2025, petrochemical imports were valued at 1,535.38 million USD, an increase of 10.59 percent compared to the same quarter last year. The primary sources of these imports were Japan, China, and the US. The growth was driven by increased imports of basic petrochemicals such as terephthalic acid and ethylene glycol, as well as downstream petrochemical products such as PS and PET resins.

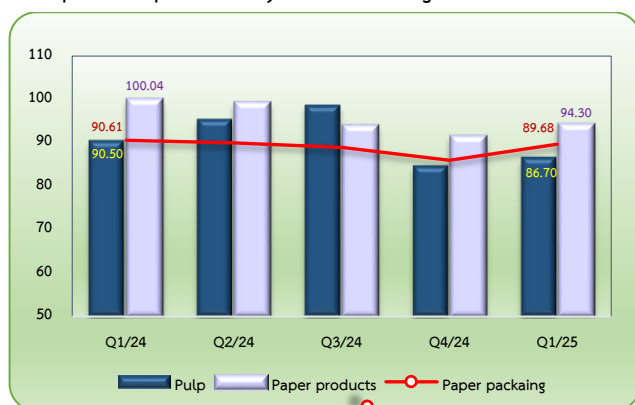
Petrochemical Industry Outlook for Q2/2025

The petrochemical industry outlook for the second quarter of 2025 is expected to remain stable overall. This is due to the ongoing impact of global geopolitical tensions, which have driven up global energy prices, along with the economic slowdown in several countries. Close monitoring is needed of upcoming announcements related to the US economic indicators and import tariff hikes and China's low economic growth, all of which will influence the global economic trend. Compared to the first quarter of 2025, the petrochemical industry in this quarter is expected to remain steady. However, production, domestic shipments, and exports are likely to slow down due to reduced demand and the resulting decline in prices. Nevertheless, maintenance shutdowns of petrochemical plants in some countries may lead to increased export volumes from the fourth quarter of 2024 through the second quarter of 2025.

Pulp, Paper, and Printed Matter Industry

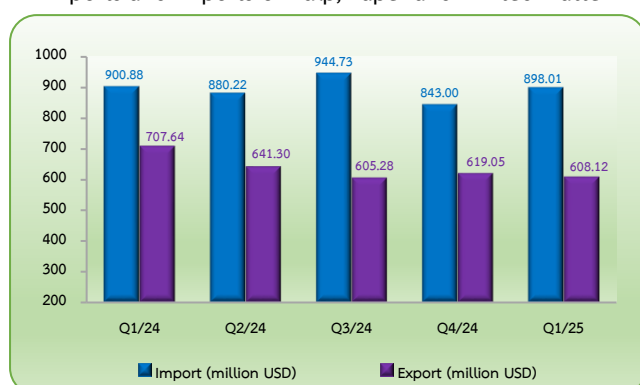
In Q1/2025, the pulp, paper, and printed matter industry experienced a decline in overall industrial production, with the production index decreasing by 1.84 percent year-on-year (%YoY). Similarly, overall exports contracted, with the export value dropping by 14.06 percent (%YoY) to a total of 608.12 million USD. Meanwhile, total imports also slightly declined by 0.32 percent (%YoY). However, the industry is expected to rebound in the second quarter of 2025, supported by domestic spending stimulus measures.

Pulp and Paper Industry Manufacturing Production Index



Source: The Office of Industrial Economics

Exports and Imports of Pulp, Paper and Printed Matter



Source: Information and Technology Communication Center, Ministry of Commerce
Processed by: Office of Industrial Economics

Production

In Q1/2025, the overall production of paper and paper products declined by 1.84 percent (%YoY), with reductions observed across all major products, including pulp (-4.31%), paper products (-5.74%), and paper packaging (-0.68%). The decline was observed both in domestic markets and exports, particularly due to a slowdown in demand from key buyers such as China and ASEAN countries, in line with weakened demand in related industries.

Exports:

In Q1/2025, the export value of pulp and paper products reached 608.12 million USD, a decrease of 14.06 percent (%YoY) compared to the same quarter last year. Exports of pulp dropped by 24.89 percent, with over 99 percent of shipments going to China. Exports of paper and paper products also declined by 8.78 percent, with key export markets including Vietnam, India, and Indonesia; and books and printed materials fell by 6.49 percent, with key export destinations being Hong Kong, Myanmar, and the US.

Imports:

In Q1/2025, imports of pulp and paper products totaled 868.01 million USD, a slight decrease of 0.32 percent (%YoY). However, imports of pulp, paper, and paper products including newsprint, kraft paper, cardboard, and other paper products such as paper packaging and tissue paper, as well as printed matters increased by 18.81 percent. This was due to a decline in domestic production and a rise in domestic product prices, which led to greater import volumes.

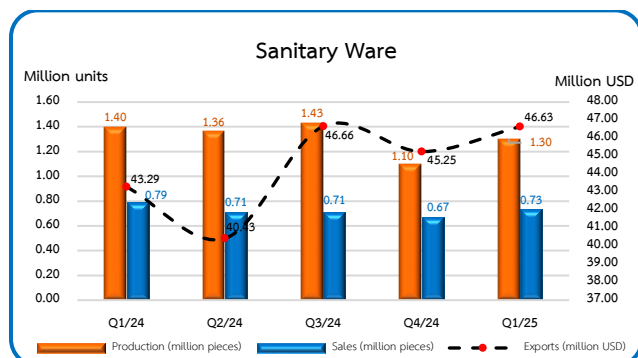
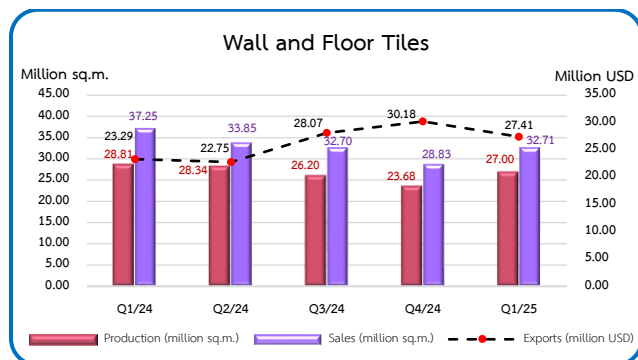
Outlook for Q2/2025

In Q2/2025, the pulp, paper, and products used to produce packaging boxes is expected to expand, driven by rising domestic consumption and growth across the entire supply chain. Exports of pulp to China are projected to increase in response to strong end-user demand. However, exports of books and printed materials are expected to grow only modestly due to declining demand in key importing markets such as Hong Kong and the US. Nevertheless, the impact on Thailand's pulp, paper, and printing industries from the US economic policy introducing the Reciprocal Tariff measure is expected to be minimal.

Ceramic Industry

In the first quarter of 2025, domestic production and sales in the ceramic industry declined due to the impact of economic conditions and rising living costs. However, exports showed overall growth across the ceramic sector, including wall and floor tiles, sanitary ware, electrical insulators, ceramic souvenirs and jewelry, tableware, and other ceramic products.

Production, Sales, and Exports of Ceramics



Source: 1. Domestic Production and Sales: Division of Information and Industrial Economic Indices, Office of Industrial Economics
2. Export Value: Information and Technology Communication Center, Office of the Permanent Secretary, Ministry of Commerce



Production

In Q1/2025, the production volume of wall and floor tiles was 27.00 million square meters, a decrease of 6.28 percent (%YoY), due to a slowdown in the domestic market impacted by economic conditions and rising living costs. The production of sanitary ware also declined, totaling 1.3 million pieces, down 7.11 percent (%YoY), primarily due to weakened demand in the domestic market.

Sales

In Q1/2025, the sales volume of floor and wall tiles reached 32.71 million square meters, representing a decline of 12.17 percent (%YoY). This decrease was due to weaker consumer purchasing power, which was affected by several economic factors, including increased product costs, particularly in materials and construction labor. Similarly, the sales volume of sanitary ware was recorded at 0.73 million pieces, reflecting a contraction of 7.59 percent (%YoY), as demand declined in the residential housing and condominium construction segments.

Exports

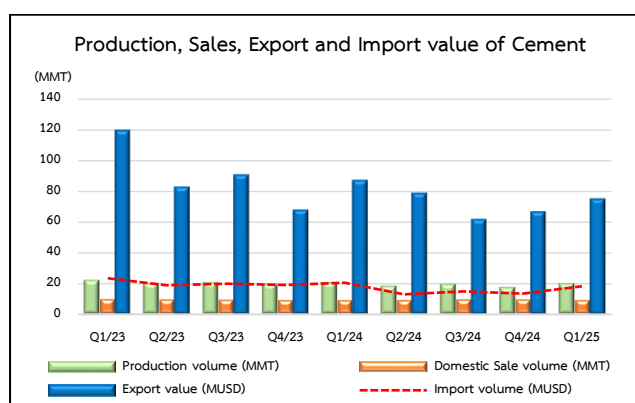
In Q1/2025, the exports of floor and wall tiles were valued at 27.41 million USD, an increase of 17.72 percent (%YoY). Similarly, the exports of sanitary ware were valued at 46.63 million USD, an increase of 7.72 percent (%YoY). Key export markets for ceramic products were the US, Myanmar, Japan, and China.

Ceramic Industry Outlook for Q2/2025

In the second quarter of 2025, ceramic production and domestic sales are expected to decline due to a slowing domestic economy and rising living costs, which have reduced consumers' purchasing power. The slowdown in the real estate sector has also negatively impacted the production and sales of wall and floor tiles in the local market. Meanwhile, exports of both tiles and sanitary ware are projected to grow. Nevertheless, several key factors should be closely monitored, including the announcement of increased import tariffs by the United States, the ongoing U.S.–China trade tensions, rising minimum wages, higher energy and transportation costs, and the rising prices of raw materials. These factors could collectively impact the manufacturing sector.

Cement Industry

In Q1/2025, Thailand's cement industry saw a decline in both production and domestic sales compared to the same period last year, mainly due to the slowdown in residential construction projects. Exports also decreased as a result of the global economic downturn and weakened demand from key trading partners, particularly Myanmar, which is facing internal political instability, and the Lao PDR, which is experiencing inflation. However, the outlook for the cement industry in Q2/2025 is expected to improve, driven by increased demand for cement used in post-earthquake building repairs, accelerated disbursement of the fiscal year 2025 public investment budget, and production to support investment in the construction of the Inter-City Motorway No. 9 (M9) Project.



Source: 1. Domestic Production and Sales: Division of Industrial Economics Information and Indices, Office of Industrial Economics
2. Export-Import Value: Information and Technology Communication Center, Office of the Permanent Secretary of Commerce

🚫 **Cement production:** In Q1/2025, production totaled 19.87 million metric tons, a decrease of 0.50 percent (%YoY), remaining at a stable level. The majority of production was supported by expanded production capacity following the resolution of the Energy Regulatory Commission to reduce electricity rates, which is a major production cost. The rate was reduced from 4.18 baht per unit to 4.15 baht per unit during January–April 2025 (currently decreased to 3.98 baht per unit in the period May–August 2025).

🚫 **Domestic cement sales:** In Q1/2025, sales were valued at 9.34 million metric tons, a decline of 1.50 percent (%YoY), due to the slowdown in residential construction projects, as a result of high household debt levels, which discouraged consumers from investing in housing projects, and tighter credit approval by commercial banks for new loans.

🚫 **Cement exports:** In Q1/2025, exports were valued at 75.32 million USD, decreasing by 13.35 percent (%YoY) compared to the same quarter of last year. This decline was due to the slowdown of the global economy and major trading partner countries, particularly Myanmar, which is facing internal political instability, and Lao PDR, which is experiencing an inflationary situation.

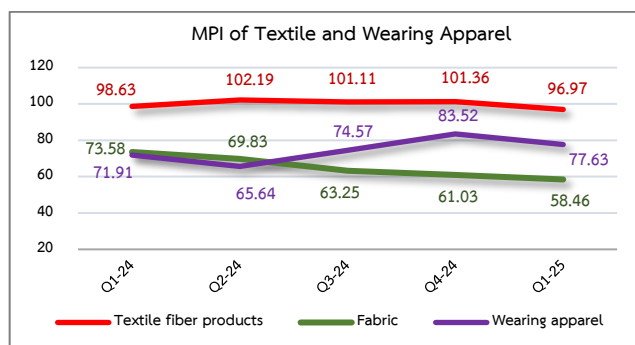
🚫 **Cement imports:** In Q1/2025, imports were valued at 18.34 million USD, a decrease of 9.53 percent compared to the same quarter last year, due to sufficient domestic production capacity and supply to meet consumption needs.

Cement Industry Outlook for Q2/2025

The cement industry in Q2/2025 is expected to benefit from factors: (1) increased demand for cement for building repairs following recent earthquake events (although long-term demand may slow due to a reassessment of construction safety measures); (2) accelerated disbursement of the Fiscal Year 2025 public investment budget, particularly in ministries with large allocations such as the Ministry of Transport (180 billion baht) and the Ministry of Interior (100 billion baht); and (3) continued production to support investment in Intercity Motorway No. 9 (Outer Ring Road West of Bangkok), with a project value of 47.52 billion baht, currently under construction and scheduled to continue through 2028. However, the industry may face headwinds from the continued rise in construction material prices, with the March 2025 Construction Materials Price Index increasing 0.5 percent (%YoY), marking the tenth consecutive month of growth. Sub-indices for cement and concrete products rose by 1.2 percent and 0.9 percent, respectively, driven by rising transportation costs due to higher oil prices and increased demand from government infrastructure projects supported by accelerated budget disbursements.

Textile and Wearing Apparel Industry

In Q1/2025, the textile fiber production index declined compared to the same period last year, due to reduced production of man-made fibers and yarns spun from natural fibers. However, the apparel segment continued to expand, supported by increased orders from major trading partners. Exports also improved, driven by higher shipments of ready-made garments made from man-made fibers to key markets such as the US, Japan, and the Netherlands, reflecting the recovery of global economic and trade conditions. Looking ahead to Q2/2025, exports of Thai textiles and wearing apparel garments to the US market are expected to increase before the implementation of new tariff measures.



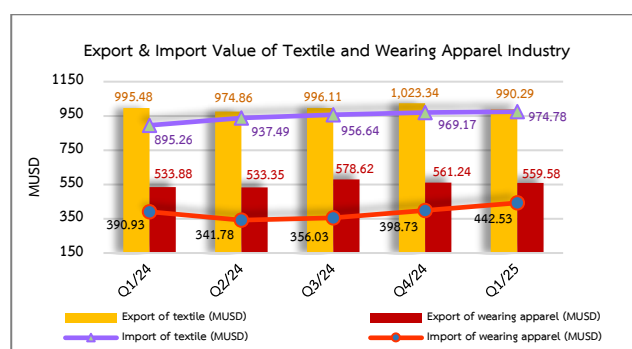
Production: 📉 The textile fiber production index decreased by 1.68 percent compared to the same quarter of the previous year (%YoY), driven by the production of man-made fibers and yarns spun from natural fibers. Fabric production also declined by 24.16 percent due to reduced orders from both domestic and international markets.

📈 Meanwhile, wearing apparel production expanded by 7.95 percent, particularly in woven and knitted garments. This included outerwear, such as sportswear, polo shirts, and baby clothing, as well as women's and men's innerwear, supported by rising purchase orders from international markets. Additionally, the industry benefited from trade protection measures between the US and China, as trading partners accelerated their orders to replenish inventories ahead of the anticipated import tariff adjustments.

Domestic Sales: 📉 The textile and apparel sector contracted across the entire supply chain compared to the same quarter of the previous year (%YoY). Textile fiber sales declined by 8.49 percent, while fabric sales declined by 5.17 percent, particularly in woven cotton fabrics, synthetic fabrics, and towels. The contraction was partly due to manufacturers opting for lower-cost imported yarns, fibers, and fabrics to reduce production costs. Apparel sales decreased by 2.68 percent, mainly in knitted garments for both men and women, as consumers increasingly turned to low-priced, substandard imports available through online platforms.

Exports-Import

Exports: 📈 The overall export value of textiles and wearing apparel totaled 1,549.87 million USD, expanding by 1.34 percent compared to the same quarter of the previous year (%YoY). When analyzed by product group, textile exports were valued at 990.29 million USD, contracting by 0.52 percent due to declining orders for fabrics and textile fibers from key trading partners such as China and Vietnam.



📈 Meanwhile, wearing apparel exports reached 559.58 million USD, growing by 4.81 percent, driven by strong exports of ready-made garments made from man-made fibers to the US, Japan, and the Netherlands, supported by the continued recovery in global trade and economic activity.

Imports: 📈 The overall import value of textiles and wearing apparel totaled 1,417.32 million USD, expanding by 10.20 percent compared to the same quarter of the previous year (%YoY). When analyzed by product group, textile imports were valued at 974.78 million USD, an increase of 8.88 percent, including yarns, fibers, and fabrics. This growth was driven by the rising import of raw materials to support increased production. 📈 Wearing apparel imports were valued at 442.53 million USD, growing by 13.20 percent, mostly from the import of low-cost products from China and Vietnam, which are cheaper than domestic production. Additionally, consumer behavior has shifted toward purchasing more affordable clothing.

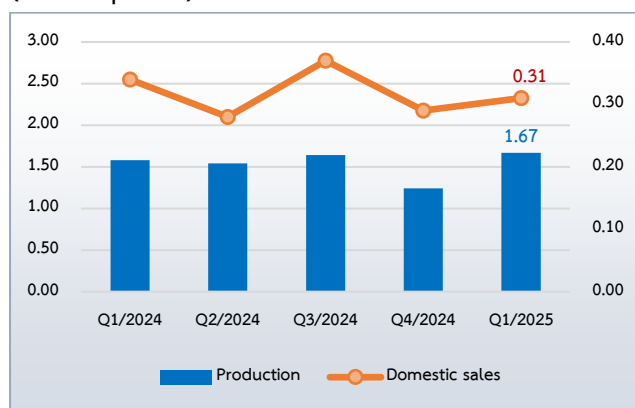
Textile and Garment Industry Outlook for Q2/2025

Following the introduction of new tariff measures and the 90-day postponement of the U.S. counter-tariff increase, Thai textile and garment exports to the U.S. market are expected to expand ahead of the implementation of these measures. Nevertheless, the influx of low-cost, substandard imports from abroad continues to affect Thailand's competitive advantage. In response, Thai textile and garment manufacturers must be prepared to adapt to this uncertain environment. Emphasis should be placed on adopting advanced technologies and innovations in the production process to develop textiles and garments with special properties and enhanced functionality that align with the evolving needs of both industrial sectors and modern consumers.

Wood and Wooden Furniture Industry

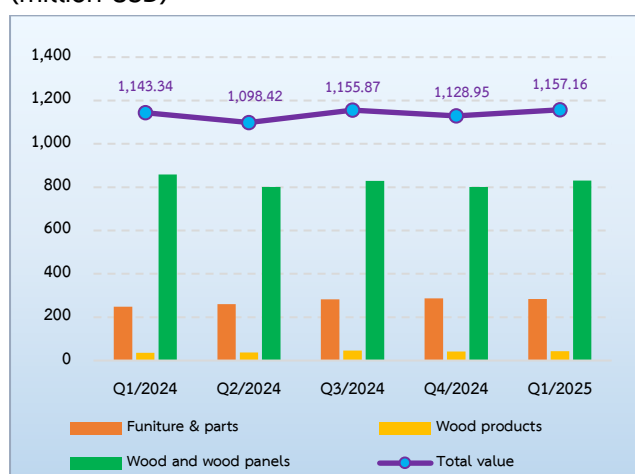
Compared to the same quarter of the previous year, the production volume of wooden furniture in the first quarter of 2025 declined due to economic conditions and rising production costs. However, the overall export value of wood and wood-based panel products increased, driven by stronger demand for these products from key trading partners.

Domestic Production and Sales of Wooden Furniture (million pieces)



Source: The Office of Industrial Economics

Export Value of Wood and Wooden Products (million USD)



Source: Office of the Permanent Secretary, Ministry of Commerce

Production of wooden furniture

In Q1/2025, production totaled 1.67 million pieces, representing an increase of 11.51 percent from the previous quarter but a decrease of 10.14 percent from the same quarter last year, primarily due to economic conditions and elevated production costs.

Domestic sales of wooden furniture

In Q1/2025, domestic sales amounted to 0.31 million pieces, an increase of 7.979 percent from the previous quarter and a decrease of 5.90 percent compared to the same quarter of the previous year. This decline was primarily due to reduced orders from major online retailers at the beginning of the year.

Exports value of wood and wooden products

In Q1/2025, exports reached a total value of 1,157.16 million USD, an increase of 2.50 percent from the previous quarter and 1.21 percent compared to the same period last year. This total value comprised 284.51 million USD from furniture and parts, 42.62 million USD from wood products, and 830.03 million USD from wood and wood-based panel products. Compared to the same quarter last year, the export value of furniture and parts and wood products increased by 14.56 percent and 19.05 percent, respectively. However, exports of wood and wood-based panels declined by 3.39 percent. Overall, the continued growth in total export value was primarily driven by rising demand for processed wood in the China.

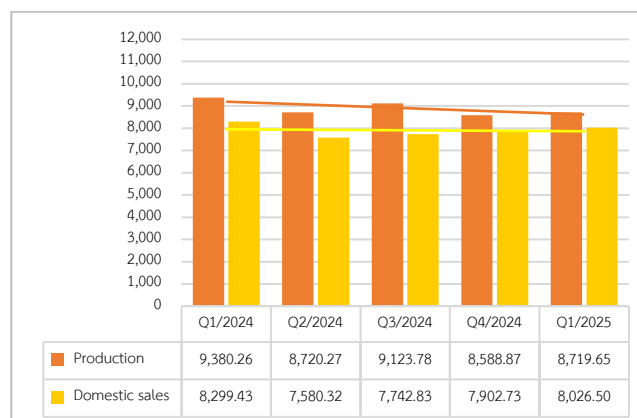
Wood and Wooden Furniture Industry Outlook for Q2/2025

In Q2/2025, the production and domestic sales volume of wooden furniture is expected to remain stable, influenced by both domestic and international factors. Domestic demand for wood is projected to persist, particularly from the construction sector and furniture industry, supported by government policies that promote the use of locally sourced materials. However, challenges may arise from U.S. trade policies that could impact Thailand's wood export sector. Nonetheless, exports of wood and wood-based panel products are expected to continue expanding, driven by growing demand from key trading partners, particularly for products in the wood and wood-based panel category.

Pharmaceutical Industry

In Q1/2025, domestic pharmaceutical production and sales declined compared to the same quarter of the previous year, reflecting lower orders and reduced demand for medications used in the treatment of both communicable diseases and non-communicable diseases (NCDs). Meanwhile, pharmaceutical exports showed an upward trend, driven by increasing demand in key markets across the Asia-Pacific region, such as Hong Kong, Japan, and Australia.

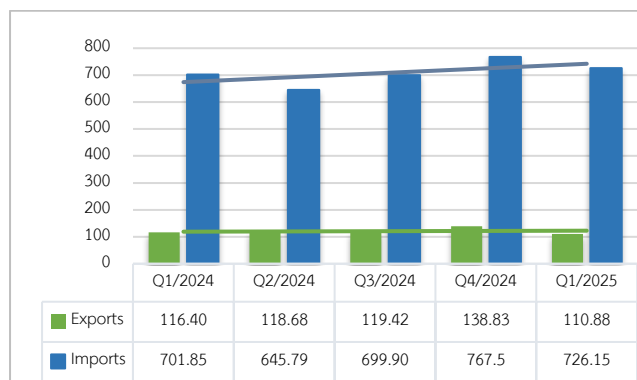
Domestic Production and Sales (metric tons)



Source: The Office of Industrial Economics

Note: The survey framework has been revised from 2024.

Pharmaceutical Import-Export Value (Million USD)



Source: Ministry of Commerce, in collaboration with the Customs Department

Note: (1) * Forecast by the Office of Industrial Economics

(2) Export and import data for pharmaceuticals are based on HS codes 3001, 3002, 3003, and 3004

Pharmaceutical production: In Q1/2025, production reached a total 8,719.65 metric tons, a decrease of 7.04 percent compared to the same quarter of the previous year. This contraction was primarily attributed to reduced output in creams, injections, liquid medicines, and tablets, which fell by 20.37 percent, 10.77 percent, 10.29 percent, and 0.42 percent, respectively. In contrast, the production of capsules and powdered medicines rose by 7.76 percent and 0.78 percent, respectively, supported by increased demand from pharmacies and hospitals.

Domestic sales of pharmaceuticals: In Q1/2025, domestic pharmaceutical sales totaled 8,026.50 metric tons, representing a 3.29 percent decline compared to the same quarter of the previous year. This contraction was primarily due to reduced sales of creams, injections, and liquid medicines, which dropped by 14.46 percent, 9.77 percent, and 6.67 percent, respectively. In contrast, sales of powdered medicines, capsules, and tablets grew by 12.00 percent, 3.84 percent, and 3.52 percent, respectively, in line with rising demand for medications used in disease treatment.

Exports of pharmaceuticals: In Q1/2025, exports were valued at 110.88 million USD, a decrease of 4.74 percent compared to the same quarter last year. This was in line with increasing demand in key the Asia-Pacific region such as Hong Kong, Japan, and Australia.

Imports of pharmaceuticals: In Q1/2025, imports were valued at 726.15 million USD, an increase of 3.46 percent compared to the same quarter of the previous year. This growth was driven by rising domestic demand for pharmaceuticals, with increased import value from countries in Europe and Asia, such as Belgium, Ireland, Puerto Rico, Germany, and the UK.

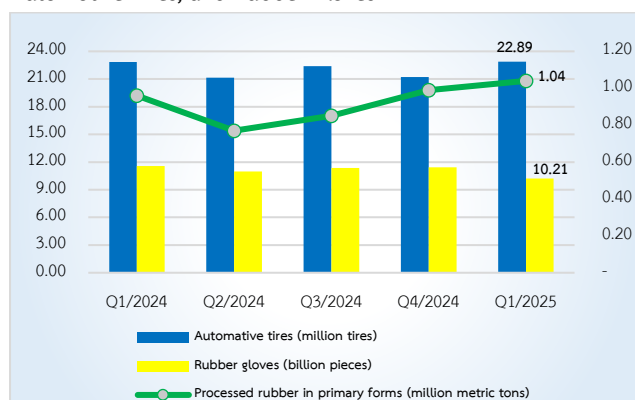
Pharmaceutical Industry Outlook for Q2/2025

In Q2/2025, domestic pharmaceutical production and sales are expected to increase compared to the same period of the previous year, driven by rising demand for medications. This anticipated growth arises from a more severe outbreak of seasonal illnesses following the Songkran festival, during which widespread travel and social gatherings are common. As a result, respiratory diseases such as influenza, COVID-19, and RSV infections are expected to spread more widely, along with gastrointestinal diseases like food poisoning and acute diarrhea. Additionally, extreme heat poses health risks, particularly heat stroke, which is especially dangerous for the elderly, young children, and individuals with chronic conditions. On the export front, pharmaceutical shipments are expected to continue expanding, in line with growing demand from key markets across the Asia region.

Rubber and Rubber Product Industry

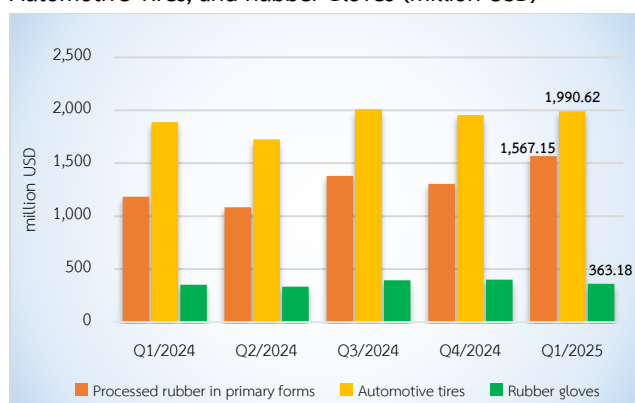
In Q1/2025, the production volume of processed rubber in primary forms increased, driven by the expansion in the production of rubber sheets, rubber blocks, and concentrated latex. Automotive tire production also expanded, particularly in passenger car tires, as well as truck and bus tires. Meanwhile, rubber glove production rose due to sustained high demand for medical gloves in both domestic and international markets.

Production Volume of Processed Rubber in Primary Forms, Automotive Tires, and Rubber Gloves



Source: The Office of Industrial Economics

Export Value of Processed Rubber in Primary Forms, Automotive Tires, and Rubber Gloves (million USD)



Source: Ministry of Commerce

Production of processed rubber in primary forms, automotive tires, and rubber gloves: In Q1/2025, the production volumes amounted to 1.04 million metric tons, 22.89 million tires, and 10,205.35 million pieces, respectively. Compared to the same quarter last year, the production of processed rubber in primary forms grew by 7.63 percent, driven by an increased in the production of rubber sheets, rubber blocks, and concentrated latex. Automotive tire production increased by 1.52 percent, driven by higher output of passenger car tires as well as truck and bus tires. In contrast, rubber glove production declined by 7.70 percent due to a reduction in purchase orders from major trading partners.

Domestic sales of processed rubber in primary forms, automotive tires, and rubber gloves:

In Q1/2025, the sales volumes amounted to 0.32 million metric tons, 9.08 million tires, and 1,154.82 million pieces, respectively. Compared to the same quarter last year, domestic sales of processed rubber in primary forms dropped by 5.51 percent due to decreased demand from downstream industries. Automotive tire sales dropped by 0.54 percent, driven by decreased demand in the domestic market. However, sales of rubber gloves increased by 11.64 percent due to higher demand for medical gloves.

Exports of processed rubber in primary forms, automotive tires, and rubber gloves:

In Q1/2025, the exports of these products were valued at 1,567.15 million USD, 1,990.62 million USD, and 363.18 million USD, respectively. Compared to the same quarter last year, exports of processed rubber in primary forms, tires, and rubber gloves increased by 32.25 percent, 5.67 percent, and 3.37 percent, respectively, driven by increased exports to key markets.

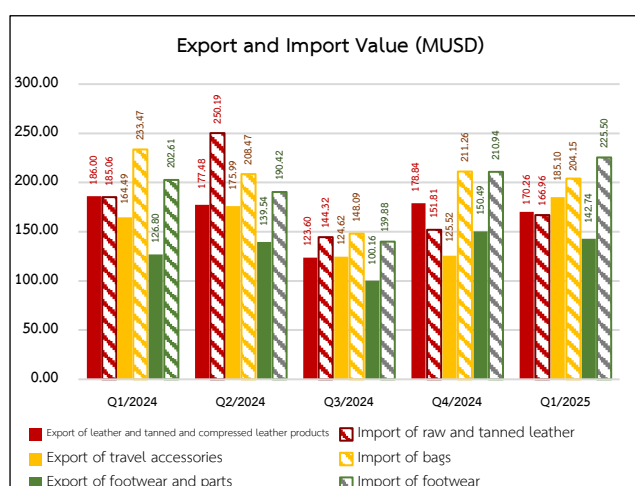
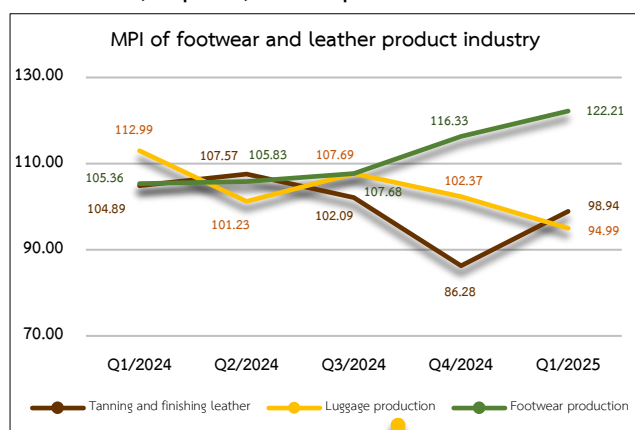
Rubber and Rubber Products Industry Outlook for Q2/2025

In Q2/2025, production volume of primary processed rubber (rubber sheets, rubber blocks, and concentrated latex) is expected to expand across all three product types due to both domestic and international demand. However, tire production may slow down, in line with the recovery of the automotive industry. Production of rubber gloves is also expected to decreased as major export markets shift to cheaper products from competing countries.

Footwear and Leather Product Industry

In Q1/2025, compared to the same quarter of the previous year, overall production, exports, and imports of tanned leather contracted due to the anticipated decline in demand for raw materials used in manufacturing finished goods, in line with weaker domestic purchasing power and reduced orders from foreign trading partners. However, exports of travel accessories, footwear, and components expanded, particularly in leather shoes and sports shoes. Meanwhile, imports of low-cost rubber and plastic shoes continued to increase.

Production, Exports, and Imports (MUSD)



Source: 1. MPI — the Office of Industrial Economics
2. Export and import value — Ministry of Commerce

Production: In Q1/2025, compared to the same quarter of the previous year (%YoY):

➖ Tanning and finishing of leather, as well as the production of luggage and handbags, saw a decline in the MPI by 5.68 percent and 15.93 percent, respectively. This contraction was attributed to reduced orders for tanned leather from international partners and declining domestic demand for raw materials used in the production of bags and footwear.

➕ The MPI for footwear production expanded by 12.35 percent, particularly in leather shoe and sports shoe exports which declined due to concerns over upcoming U.S. tariff measures, as the US remains a key export market.

Exports-Imports: In Q1/2025, compared to the same quarter of the previous year (%YoY):

➖ Exports of tanned and bonded leather products declined by 8.47 percent due to reduced shipments of tanned buffalo hides to China and Vietnam. Additionally, exports of pet toys and industrial leather accessories such as belts to Asian markets (including China, Indonesia, and India) also decreased.

➕ Exports of travel accessories, footwear, and parts grew by 12.53 percent and 12.57 percent, respectively, driven by increased shipments of small handbags, leather shoes, and sports shoes. Key export markets with strong growth included China, Japan, and the European Union.

➖ Imports of raw and tanned leather fell by 9.78 percent, reflecting lower demand for raw materials due to declining domestic sales and subdued export outlooks across several product categories. Imports of handbags dropped by 12.56 percent, particularly in the segment of high-end branded handbags from Italy and France.

➕ In contrast, imports of footwear increased by 11.30 percent, as consumers increasingly opted for affordable rubber and plastic shoes from overseas rather than domestically produced alternatives.

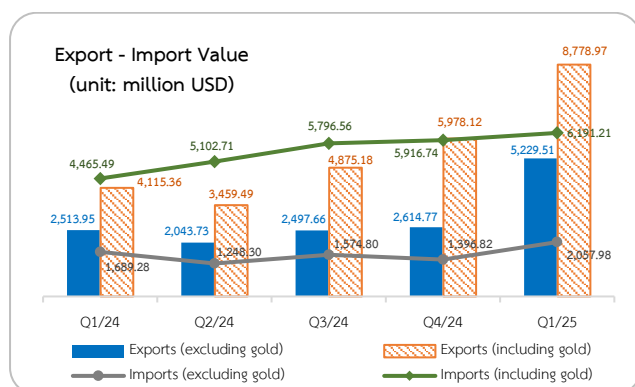
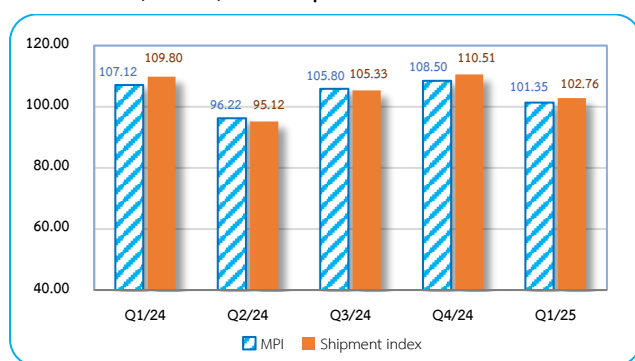
Footwear and Leather Production Industry Outlook for Q2/2025

In Q2/2025, leather tanning and finishing production is expected to contract compared to the same period of the previous year, due to weakening demand for finished goods in both domestic and export markets. In contrast, the production of bags and footwear is projected to expand, particularly in categories such as handbags, shoulder bags, and leather safety shoes, in response to increased export demand. Imports of tanned leather as raw material are expected to decline, reflecting reduced manufacturing needs. Imports of branded luxury handbags are also expected to decrease as domestic consumers cut back on spending on non-essential goods. Meanwhile, imports of footwear, particularly affordable flip-flops and plastic shoes, are likely to increase, as they are cheaper than domestically produced products.

Gems and Jewelry Industry

In Q1/2025, compared to the same quarter of the previous year, overall production and sales contracted due to reduced production orders from parent companies abroad and decreased demand from trading partner countries, following a slowdown in domestic consumption. However, domestic demand increased, driven by spending during major festive periods and the organization of gem and jewelry trade fairs earlier this year. Overall export value increased, supported by high volatility in gold and precious metal prices, which led to higher prices for raw materials as well as fine jewelry.

Production, Sales, and Exports



Source: 1. MPI and Shipment Index — the Office of Industrial Economics

2. Export and import value — Ministry of Commerce

Production: 📉 In Q1/2025, the Manufacturing Production Index (MPI) of gems and jewelry decreased by 5.47 percent compared to the same quarter of the previous year (%YoY). This contraction was observed across all product categories, including cut diamonds (-2.75%), fine jewelry (-5.06%), and imitation jewelry (-13.90%). The decline was primarily driven by reduced manufacturing orders from parent companies overseas and weakened demand from trading partner countries, which was affected by slowing domestic consumption in those markets.

Sales: 📉 In Q1/2025, the overall shipment index of gems and jewelry declined by 6.41 percent (%YoY), with sales of genuine jewelry and imitation jewelry decreasing by 6.58 and 10.88 percent, respectively. This contraction was due to weaker consumer demand in international markets. In contrast, domestic sales increased, driven by seasonal spending during major festivals and the jewelry and gem exhibition held earlier in the year. 📈 Meanwhile, diamond sales grew significantly by 24.93 percent, supported by higher demand from local manufacturers sourcing raw materials for fine jewelry production, both for domestic sales and exports.

Export-Import

📈 **Exports:** In Q1/2025, exports of gems and jewelry (excluding unwrought gold) increased by 108.02 percent compared to the same quarter of the previous year (%YoY), driven by higher export values of gemstones and fine jewelry, which rose by 11.92 and 20.68 percent, respectively. Conversely, exports of diamonds and imitation jewelry declined by 33.51 percent and 1.18 percent, respectively. Overall, total exports of gems and jewelry amounted to 8,778.97 million USD, an increase of 113.32 percent (%YoY), largely due to heightened volatility in global gold and precious metal prices, which pushed up the value of raw materials and fine jewelry products. Key export markets included India, Switzerland, Hong Kong, the US, and the UAE. Exports of unwrought gold alone reached 3,549.45 million USD, increasing by 121.65 percent, as demand for gold as a safe-haven asset continued to rise amid persistent global market uncertainties and concerns over retaliatory tariff hikes by the US.

📈 **Imports:** In Q1/2025, imports of gems and jewelry (excluding gold) increased in import value by 21.83 percent compared to the same quarter last year (%YoY) from the import value of gemstones and fine jewelry, which increased by 9.88 percent and 96.76 percent, respectively. Imports of diamonds and imitation jewelry decreased by 17.83 percent and 16.59 percent, respectively. The total value of imports of gems and jewelry was 6,191.21 million USD, an increase of 38.65 percent. Gold imports were valued at 4,133.23 million USD, a increase of 48.88 percent. This growth was primarily driven by rising demand for gold as a raw material in the jewelry and related industries, increased interest in gold as a safe-haven asset, and the continued upward trend in global gold prices.

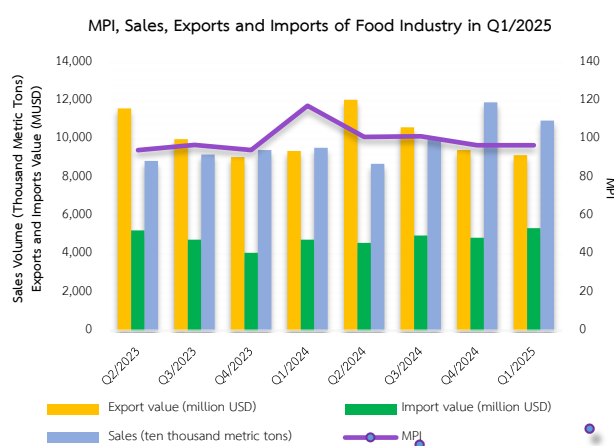
Gems and Jewelry Industry Outlook for Q2/2025

In Q2/2025, the overall production and export of gems and jewelry are expected to grow slightly. This expansion will be supported by rising domestic and international demand, driven by tourism activities and trade fairs. Additionally, several countries including the US are accelerating the import of raw materials and finished goods ahead of the anticipated implementation of U.S. retaliatory tariff measures. Nonetheless, entrepreneurs are advised to closely monitor government policies and adapt their strategies accordingly. This includes increasing the adoption of technology in production processes to reduce costs without compromising product quality, exploring new market opportunities, and expanding exports to existing high-potential markets. Special emphasis should be placed on high-value fine jewelry, uniquely designed pieces, and gemstones with verified origins, leveraging Thailand's competitive strengths in craftsmanship and quality to remain resilient and responsive to market changes.

Food Industry

The MPI of the food industry in Q1/2025, the MPI contracted compared to the same period last year, primarily due to concerns over potential U.S. tariff policies, which affected both domestic and international consumer demand. However, domestic food sales and imports expanded, supported by growth in the tourism and hospitality sectors as well as promotional activities aimed at boosting tourism across various regions.

MPI, Sales, Exports, and Imports of industrial products



Source: The MPI and sales volume data were collected by the Office of Industrial Economics (OIE). Export-import values were collected by the Ministry of Commerce and were organized by the Office of Industrial Economics

➖ **MPI of the food industry:** In Q1/2025, the MPI stood at 96.9, contracting by 0.4 percent (%YoY) compared to the same quarter of the previous year. Key contributors to the contraction included palm oil production, which declined by 20.6 percent due to a drop in crude palm oil output (-23.5%) and refined palm oil (-15.9%), as palm yields in the first quarter were lower than in the previous year. Coffee production contracted by 81.3 percent, with instant coffee decreased by 96.0 percent and powdered mixed coffee decreased by 10.0 percent, due to production line shutdowns by certain manufacturers and reduced coffee output resulting from unfavorable weather conditions.

➖ **The MPI of beverage sector** also declined by 3.8 percent, attributed to contractions in the production of ready-to-drink coffee, tea, and herb infusions, which decreased by 17.4 percent. Manufacture of carbonated soft drinks and soda water also decreased by 10.0 percent, with carbonated soft drinks down 10.3 percent and soda water down 8.2 percent. These declines were primarily due to the growing variety of beverage products in the market, which offered consumers a wider range of choices. In contrast, beer production recorded a 4.6 percent increase.

➕ **Domestic sales:** In Q1/2025, domestic food sales amounted to 109.7 million metric tons, an increase of 6.2 percent (%YoY) compared to the same quarter last year. Products with increased domestic consumption included frozen shrimp (+14.5%), seasoned chicken meat (+11.5%), table condiments (+2.3%), and prepared pet food (+0.2%).

➖ **Exports:** In Q1/2025, export value totaled 9,168.1 million USD, contracting by 2.3 percent (%YoY) compared to the same quarter of the previous year. The decline was driven by a contraction in the export value of certain products, such as rice, which decreased by 29.2 percent (export value of 1,140.1 million USD), and tapioca products, which decreased by 13.7 percent (export value of 810.3 million USD). However, exports of pet food expanded by 13.2 percent (export value of 802.6 million USD).

➕ **Imports:** In Q1/2025, food imports were valued at 5,352.2 million USD, an increase of 12.8 percent (%YoY) compared to the same quarter of the previous year. Imports of goods that showed growth included vegetables, fruits, and preparations made from vegetables and fruits, which expanded by 11.1 percent, with an import value of 1,094.3 million USD. Imports of meat for consumption, as well as fresh, chilled, frozen, processed, and semi-processed aquatic animals, increased by 18.0 percent, with an import value of 853.4 million USD.

Food Industry Outlook for Q2/2025

The overall MPI and export value are expected to remain stable compared to the same quarter last year due to concerns over economic policy uncertainties in key trading partners such as the US and China, as well as ongoing geopolitical conflicts.

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• Pharmaceutical Industry	Division of Industrial Policy by Sector 2	0-2430-6805
• Rubber and Rubber Products Industry	Division of Industrial Policy by Sector 2	0-2430-6805
• Footwear and Leather Products Industry	Division of Industrial Policy by Sector 2	0-2430-6805
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