

Report on the Industrial Economics Status

Q3/2024
and Outlook for Q4/2024



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Executive Summary

Summary of Thai Industrial Economic Status in Q3/2024

The Thai industrial economy in Q3/2024, when considered from the Manufacturing Production Index (MPI) was 94.74, down 1.23 percent compared to the same quarter of the previous year. This is the eighth consecutive quarterly decline, with the decline occurring mainly in industries with an export share of 30 to 60 percent. **The major industries that slowed down in Q3/2024** included **automobiles**, primarily driven by pickup trucks, compact cars, and hybrid cars over 1,800 cc. The contraction was a result of the economic slowdown and weak consumer purchasing power due to high household debt and financial institutions tightening lending, as well as the slowdown in demand from trading partners. **Electronic components and boards** saw a drop in production of IC and PCBA products, partly due to lower global demand, especially in the automotive and electronics industries. **The manufacture of articles of concrete, cement and plaster** slowed down following the slowdown in the private sector affected by household debt, financial institutions increasingly rejecting loans, and housing and construction material prices rising in contrast to income. **The industries that expanded in Q3/2024** included **refined petroleum products**, as during the same period last year, some refineries were closed for maintenance. This year, they were able to return to normal refining operations, with increased production mainly from jet fuel, gasoline, and cooking gas. **Canned seafood** grew mainly from canned tuna, in line with the high volume of raw tuna and reduced raw material prices, resulting in increased demand from trading partners. **General-purpose machinery** also grew, mostly from air conditioning, following higher demand due to the increased impacts of global warming.

Key Industries Outlook for Q4/2024

 **Iron and Steel:** The production is expected to be stable compared to the same period last year. Consumption and imports continued to expand as global steel prices declined, and China's steel production remained high. In addition, China's steel demand continued to shrink due to problems in the real estate sector, causing China to export more steel products, with ASEAN as its primary export market.

 **Electrical Appliances:** The MPI and export value are anticipated to grow, driven by demand for innovative products such as air conditioners, refrigerators, and smart electronics, as well as the expansion of Smart Cities. However, fluctuations in raw material prices, such as oil, could indirectly affect industrial product shipments.

 **Electronics:** The MPI is expected to adjust slightly because of the short-term appreciation of the Baht, which may cause a slowdown of future purchase orders. Meanwhile, the export value is expected to grow due to global demand for products such as smartphones, computers, and electronic components. Issues that need to be closely monitored include the political situation in the USA after the presidential election results and the geopolitical situation between China and the USA, as these two countries are key export markets for the Thai electronics industry.

↑ Automobiles: Approximately 400,000 cars are expected to be produced in Q4/2024, a slight increase from Q3/2024, driven by potential government support measures such as relaxed loan conditions and price reduction campaigns during the Motor Expo. Of the total production, 40-45 percent is projected for domestic sales, while around 55 - 60 percent will be produced for export.

↑ Motorcycles: Approximately 450,000 motorcycles are expected to be produced in Q4/2024, a slight increase from Q3/2024, driven by potential government support measures such as relaxed loan conditions and price reduction campaigns during the Motor Expo. Of the total production, 80 - 85 percent is projected for domestic sales, while around 15 - 20 percent will be produced for export.

↑ Pulp, Paper, and Printed Matter: Pulp, paper, and paper products used in packaging production are expected to increase in order to meet domestic demand and will grow across the entire supply chain. Pulp exports to China, a major export market for pulp, have been steadily increasing since the beginning of the year. However, the book and printed matter segment is expected to decline due to reduced demand in key import markets such as Hong Kong and the USA.

↑ Wood and Furniture: The production and sales of wooden furniture are expected to expand, driven by demand from both domestic and international markets. Exports of wood and wood products are also projected to grow continuously, supported by increasing demand for wood and wood panel products since Q1/2023.

↑ Rubber and Rubber Products: The production volume of processed rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex), tires, and rubber gloves is expected to expand for all three product categories. Processed rubber in primary forms and rubber gloves are projected to grow due to increasing demand in both domestic and international markets. Meanwhile, the production of tires will primarily expand to meet the demand in the domestic REM (Replacement Equipment Manufacturing) market.

↑ Gems and Jewelry: The industry is expected to grow, supported by the recovery of the tourism sector, coupled with the government's policy to support exports, which also promotes growth in all types of gem and jewelry products. In addition, gem and jewelry exhibitions are organized domestically and internationally, and the arrival of important festivals at the end of the year will result in more Thai and foreign tourists traveling, resulting in more spending. However, it is still necessary to monitor the election situation in the USA. The geopolitical conflict in the Middle East may also affect global stability, especially in terms of the economy and investment, which will affect the prices of commodities such as oil and gold, impacting the production costs of gem and jewelry products in the country.

↑ Food: The overall MPI and export value are expected to expand compared to the same quarter of the previous year, driven by expanding economic conditions in trading partners and the recovery of the service sector. However, the geopolitical conflicts that have not yet been resolved still need to be monitored.

Part 1 Thailand Economic and Industrial Overview for Q3/2024

Thailand's Economic and Industrial Overview for Q3/2024



Source: Office of the National Economic and Social Development Council

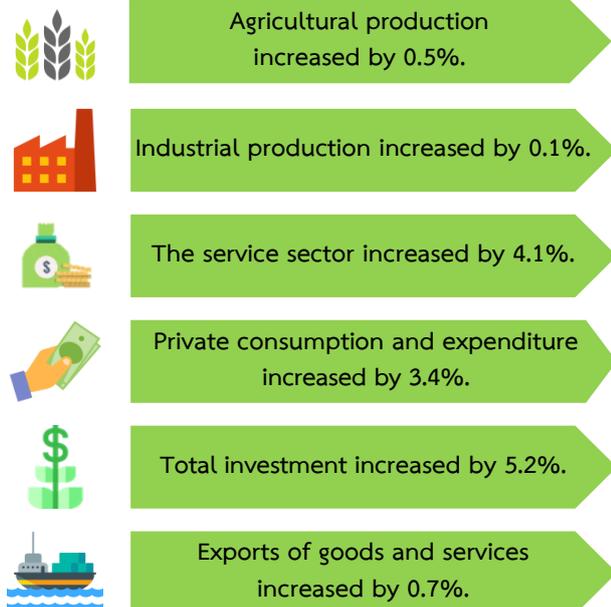
The Gross Domestic Product (GDP) in Q3/2024 expanded by 3.0 percent, showing an increase from the previous quarter's expansion of 2.2 percent and 1.4 percent compared to the same period last year (2023).



Source: Office of the National Economic and Social Development Council

The industrial sector's GDP grew by 0.1 percent in Q3/2024, decreasing from the previous quarter (0.3%) but increasing from same period of 2023 (-4.4%).

Key factors of GDP growth

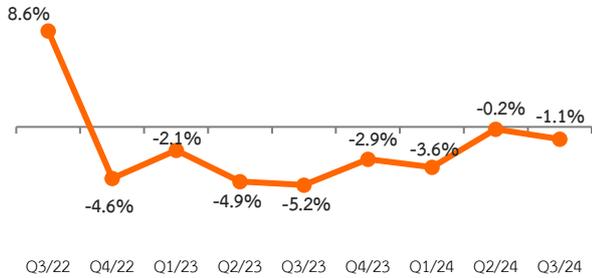


The gross industrial output in Q3/2024 grew by 0.1 percent, and there was an increase in the export-oriented production sector, such as the production of electronic components and circuit boards, computers and peripherals, air conditioners, and canned seafood. Products mainly produced for domestic consumption also expanded, such as the production of petroleum refined products, palm oil, concrete products, cement and plaster, and basic iron and steel.

Key Industrial Index

Manufacturing Production Index

decreased by 1.1 percent (%YoY)



Source: The Office of Industrial Economics

In Q3/2024, the Manufacturing Production Index (MPI) stood at 94.85, an increase of 0.09 percent from the previous quarter (94.76) but a decrease of 1.1 percent from the same quarter of 2023 (95.92).

Industries contributing to the increase of the MPI from the previous quarter were the manufacture of automobiles, other rubber products, and prepared animal feed.

Industries contributing to the decrease of the MPI from the same quarter last year were the manufacture of automobiles, electronic components and boards, and articles of concrete, cement and plaster.

Shipment Index

decreased by 0.6 percent (%YoY)



Source: The Office of Industrial Economics

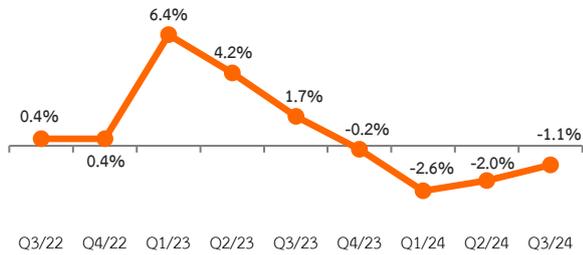
In Q3/2024, the Shipment Index stood at 97.33, an increase of 0.03 percent from the previous quarter (97.30) and a decrease of 0.6 percent from the same quarter of 2023 (97.94).

Industries contributing to the increase in the Shipment Index from the previous quarter were the manufacture of other rubber products, canned aquatic animals, and medical and dental instruments and supplies.

Industries contributing to the decrease of the shipment index from the same quarter last year were the manufacture of automobiles, articles of concrete, cement and plaster, and sugar.

Finished Goods Inventory Index

decreased by 1.1 percent. (%YoY)



Source: The Office of Industrial Economics

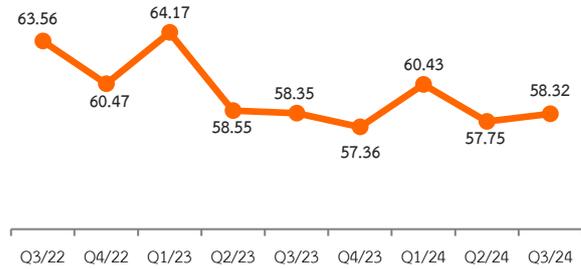
In Q3/2024, the finished goods inventory index stood at 102.41, a decrease of 1.2 percent from the previous quarter (103.62) and a decrease of 1.1 percent from the same quarter of 2023 (103.54).

Industries that contributing to the decrease of finished goods inventory index from the previous quarter were the manufacture of sugar; starches and starch products; distilling, rectifying and blending of spirits.

Industries contributing to the decrease of the finished goods inventory index from the same quarter last year (2023) were the manufacture of automobiles, refined petroleum products, and processing and preserving of fruit and vegetables.

Capacity Utilization Rate

stood at 58.32 percent.



Source: The Office of Industrial Economics

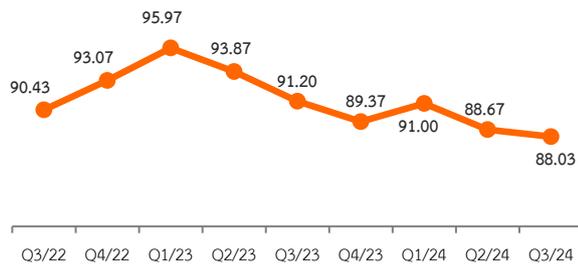
In Q3/2024, the capacity utilization rate stood at 58.32 percent, increasing from the previous quarter (57.75%) and decreasing from the same quarter of 2023 (58.35%).

Industries that contributed to the increase of capacity utilization rate from the previous quarter were the manufacture of automobiles, other rubber products, and refined petroleum products.

Industries that contributed to the decrease of capacity utilization rate from the same quarter last year were the manufacture of automobiles, motorcycles, and basic iron and steel.

Industrial Sentiment Index

in Q3 stood at 88.03



Source: The Federation of Thai Industries

In Q3/2024, the industry sentiment index was 88.03, decreasing from last quarter (88.67) and decreasing from the same quarter of 2023 (91.20). Meanwhile, the three-month forecast for the sentiment index was at 95.27, decreasing from the same quarter of 2023 (99.00).

Factors contributing to the decline in industrial confidence in Q3/2024 included domestic risk factors, such as high cost of living and household debt, which caused people to be cautious about spending. In addition, business operators faced high production costs due to higher electricity and raw material costs. However, tourism continued to grow due to the free visa measures for Chinese, Indian, and Taiwanese tourists, resulting in more tourists traveling to Thailand. Additionally, the government rolled out economic stimulus projects, such as the 10,000 Thai Baht in digital money project; the first phase covered vulnerable groups totaling 14.5 million people and was rolled out from September to November 2024.

Thailand's International Trade

“Thailand’s international trade in Q3/2024 expanded by 9.04 percent (%YoY), continuing to grow from the previous quarter”, following the recovery of the manufacturing and service sectors of major economies such as the USA and China, resulting in the value of merchandise exports of various countries expanding at a good rate. This was coupled with a downward trend in inflation, resulting in most major central banks easing monetary policies more gradually.

Thailand’s international trade in Q3/2024 reached a total value of 156,486.24 million USD, with exports valued at 77,886.03 million USD, increasing by 7.46 percent (%YoY) compared to the same period last year, and imports valued at 78,600.20 million USD, expanding by 10.65 percent (%YoY) compared to the same period last year. The trade balance in Q3/2024 was in a deficit balance of 714.17 million USD.

Export Structure

Value and growth rate of exports

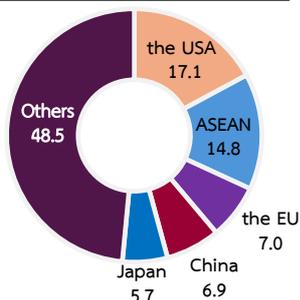


Source: Ministry of Commerce

In Q3/2024, Thailand’s exports were valued at 77,886.03 million USD, an increase of 7.46 percent compared to the same period last year (%YoY). The key product categories saw the following changes: Agricultural products reached an export value of 7,224.14 million USD, an increase of 7.03 percent (%YoY). Agro-industrial products reached an export value of 6,221.85 million USD, an increase of 13.16 percent (%YoY). Industrial goods reached an export value of 61,442.97 million USD, an increase of 7.26 percent (%YoY). Ores and fuel products reached an export value of 2,997.08 million USD, an increase of 1.82 percent (%YoY).

Export Markets

Export proportions (%)



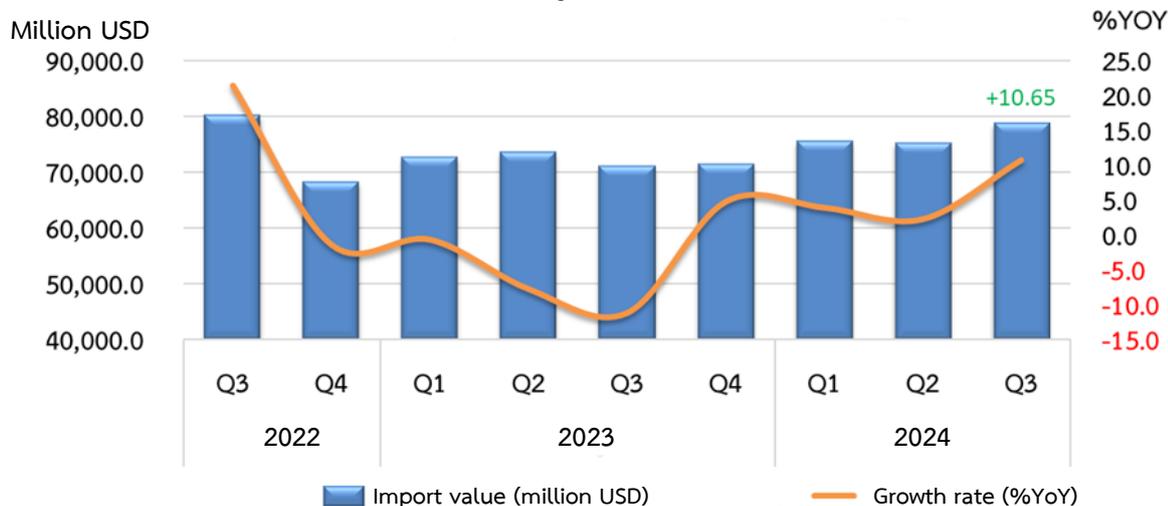
In Q3/2024, exports to Thailand’s five major trading partners, including the USA, ASEAN, the EU (27 countries), China, and Japan, accounted for 51.5 percent of total exports. Exports to other markets represented 48.5 percent of total exports. The details are as follows:

Source: Ministry of Commerce

- The export value to the USA, ASEAN, the EU (27 countries), China, and Japan were 17.10 percent, 14.80 percent, 7.00 percent, 6.90 percent, and 5.70 percent, respectively.
- Thailand’s export value was 77,886.03 million USD, an increase of 7.46 percent compared to the same period last year (%YoY). Among the major trading partners, exports to the USA experienced the most significant expansion (20.75%), followed by the EU (27 countries) (14.57%), China (7.83%), and ASEAN (9) (6.76%). However, exports to Japan decreased by 8.71 percent.

Import Structure

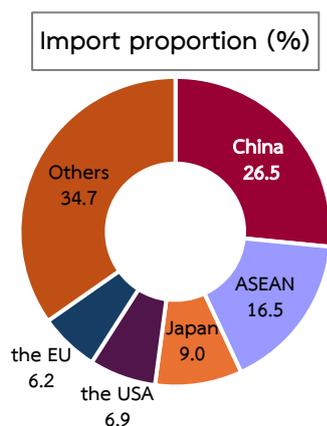
Value and growth rate of imports



Source: Ministry of Commerce

In Q3/2024, Thailand's goods imports were valued at 78,600.20 million USD, an increase of 10.65 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 13,099.49 million USD, an increase of 7.03 percent (%YoY); Capital goods reached an import value of 19,129.18 million USD, an increase of 12.01 percent (%YoY); Raw materials and semi-finished products reached an import value of 33,610.74 million USD, an increase of 19.69 percent (%YoY); Consumer goods reached an import value of 8,866.55 million USD, an increase of 8.73 percent (%YoY); Vehicles and transportation equipment reached an import value of 2,814.85 million USD, a decrease of 36.43 percent (%YoY); and Weapons, military supplies, and other goods reached an import value of 1,079.38 million USD, an increase of 2.21 percent (%YoY).

Import markets



In Q3/2024, imports from Thailand's five major trading partners, including China, ASEAN, Japan, the USA, and the EU (27 countries), accounted for 65.28 percent of total imports. Imports from other markets represented 34.72 percent of total imports. The details are as follows:

Source: Ministry of Commerce

- The imports from China, ASEAN, Japan, the USA, and the EU (27 countries) were 26.50 percent, 16.50 percent, 9.00 percent, 6.90 percent, and 6.20 percent, respectively.
- Thailand's imports value was 78,600.20 million USD, an increase of 10.65 percent compared to the same period last year (%YoY). Among the major trading partners, imports from China experienced the most significant expansion (18.93%), followed by ASEAN (13.36%) and the USA (9.10%). However, imports from Japan experienced the highest decrease of 7.73 percent, followed by the EU (27 countries), which decreased by 0.76 percent.

Global Economy in Q3/2024

The global economy in Q3/2024 slowed down from the previous quarter, following the slowdown of major economies, especially the USA, which slowed down due to private investment in the housing category, and China, due to ongoing liquidity issues and debt burdens in the real estate sector, resulting in low domestic demand. However, the economies of ASEAN countries continued to grow in line with private consumption and exports following the uptrend cycle of electronic products, especially Indonesia, Malaysia, and Vietnam. Compared to the same period of the previous year, major economies, especially the USA and China, continued to slow down due to the manufacturing sector not recovering and domestic demand slowing down. Meanwhile, the economies of ASEAN countries recovered from higher exports.

Summary of Key Economic Indicators in Q3/2024

Quarterly Growth (%YoY)

	GDP	Inflation	MPI	Export	Unemployment Rate	Policy Rate
the USA	2.7	2.6	-0.2	2.8	4.2	4.75-5.00
China	4.7	0.5	5.0	5.7	5.2	3.35
Japan	0.3	2.8	-1.5	-4.2	2.5	0.25
Malaysia	5.3	1.9	5.8	12.2	3.2	3.0
Vietnam	7.4	3.5	12.3	15.3	2.2	3.0
Thailand	3.0	0.6	-1.2	7.5	N.A.	2.5

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

In Q3/2024, global crude oil prices decreased from the same period of the previous year and the previous quarter due to a slowdown in global crude oil demand, especially in China, and a downward revision in the global crude oil demand forecast by the Organization of the Petroleum Exporting Countries and OPEC+.

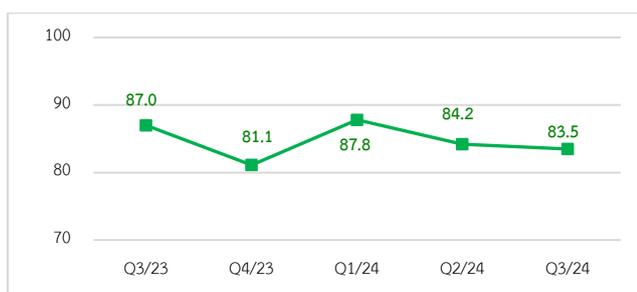
The global economy in 2025 is likely to continue to grow from the previous year, supported by growth in domestic spending due to low inflation coupled with the continuous reduction of policy interest rates. However, the global economy faces risks from various factors, such as uncertainty in the direction of economic and trade policies of major economies, the trade war and trade retaliation measures between the USA and China, as well as the ongoing and highly uncertain geopolitical conflict situation in the Middle East and the Russian-Ukrainian war.

Part 2 Thai Industrial Economic Sectors in Q3/2024
and the Outlook for Q4/2024

Iron and Steel Industry

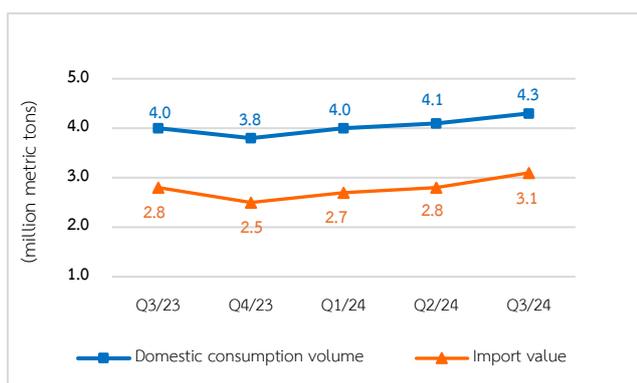
The iron industry's MPI in Q3/2024 contracted compared to the same period in 2023, driven by decreased manufacture of iron and steel products such as wire rods, deformed bars, and structural steel. Domestic consumption of iron and steel also expanded, with higher demand for products such as rebars and structural steel, hot-rolled plates, and Tinplates.

Manufacturing Production Index (MPI)



Source: The Office of Industrial Economics

Domestic consumption and import value



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

Production: In Q3/2024, the industrial production index was 83.5, a decrease of 4.0 percent (%YoY) from the same quarter last year and a decrease of 0.9 percent (%QoQ) compared to the previous quarter. The production of long products, compared to the same quarter last year, decreased by 6.7 percent. The product with the highest reduced production was wire rods (-12.8%), followed by deformed bars (-9.5%), and hot-rolled structural steel sections (-9.2%). The production of flat products decreased by 9.0 percent, with the highest decrease in galvanized sheets (-19.0%) and hot-rolled coils (-15.1%). However, the production of steel pipes expanded by 9.2 percent.

Domestic steel consumption in Q3/2024 reached 4.3 million metric tons, expanding by 5.5 percent (%YoY) and 4.2 percent (%QoQ). Compared to the same quarter of the previous year, consumption grew in both long and flat products. Long product consumption increased by 1.4 percent, driven by the consumption of rebars and structural steel sections, while flat product consumption rose by 8.0 percent, supported by increased consumption of hot-rolled plates, tinplates, and other coated sheets.

Imports in Q3/2024 reached the volume of 3.1 million metric tons, expanding by 10.7 percent (%YoY) from the same quarter last year and increasing from the previous quarter by 9.3 percent (%QoQ). Compared to the same quarter last year, imports of long products contracted by 4.0 percent. The product with the largest growth in imports was hot-rolled structural carbon steel sections (272.7%) (the main countries from which Thailand increased imports were China and India). Following this were cold drawn bars and seamless pipes, which expanded by 22.2 percent and 5.6 percent, respectively. Imports of flat products also expanded by 13.0 percent, with the largest increase in imports being hot-rolled plates, which increased by 93.30 percent (the main countries from which Thailand increased imports were Japan, China, and South Korea). This was followed by hot-rolled stainless-steel sheets and hot-rolled carbon steel sheets, which increased by 57.7 percent and 33.4 percent, respectively.

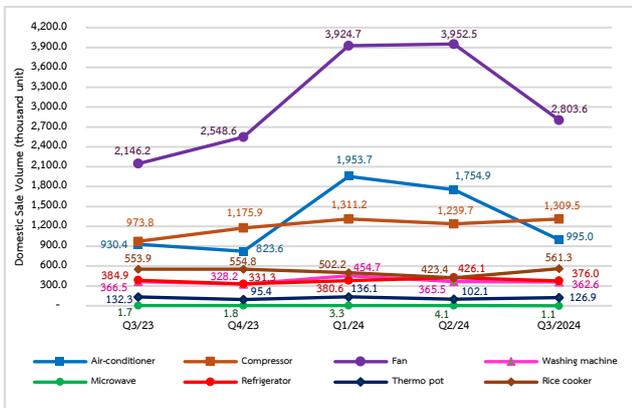
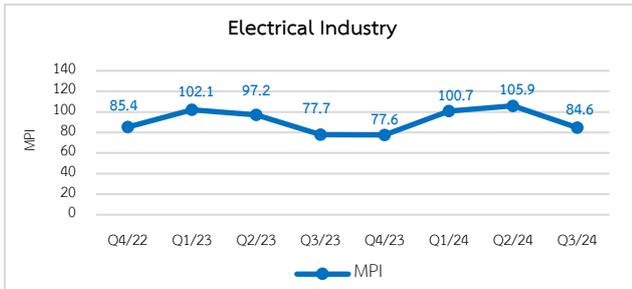
Iron and Steel Industry Outlook for Q4/2024

The production is expected to be stable compared to the same period last year. Consumption and imports continued to expand as global steel prices declined, and China's steel production remained high. In addition, China's steel demand continued to shrink due to problems in the real estate sector, causing China to export more steel products, with ASEAN as its primary export market.

Electrical appliance Industry

In Q3/2024, the production of electrical appliances increased by 8.8 percent compared to the same quarter last year. This growth was driven by rising global demand and higher domestic sales, mainly due to the expansion of electric motors, compressors, air conditioners, refrigerators, fans, washing machines, and transformers. Exports increased in Europe, ASEAN, and the USA.

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



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

Electrical Appliance Industry Outlook for Q4/2024

The MPI and export value are expected to grow due to the demand for innovative products from technology developments such as air conditioners, refrigerators, and smart electronic products, including the expected expansion of smart cities. However, raw material price fluctuations, such as oil prices, must continue to be monitored, as they may indirectly affect the delivery of goods in the industrial sector.

Production of electrical appliances in Q3/2024, the MPI for electrical appliances stood at 84.6, a decrease of 20.1 percent (%QoQ) but an increase of 8.8 percent (%YoY) from the same quarter last year. The products with growth included electric motors (29.6%), compressors (25.1%), air conditioners (15.6%), refrigerators (7.3%), fans (6.5%), washing machines (3.4%), and transformers (0.5%). This growth was driven by increased global demand and higher domestic sales. On the other hand, some electrical products experienced a decline, including microwave ovens (-17.7%), electrical wires (-8.7%), thermo pots (-7.9%), rice cookers (-4.4%), and cables (-3.0%) due to reduced demand and orders from overseas markets.

Domestic sales in Q3/2024, the products that increased in sales compared to the same period last year were compressors (34.5%), fans (30.6%), air conditioners (7.0%), and rice cookers (1.3%). However, sales of microwave ovens, thermo pots, refrigerators, and washing machines declined by 38.8 percent, 4.1 percent, 2.3 percent, and 1.1 percent, respectively.

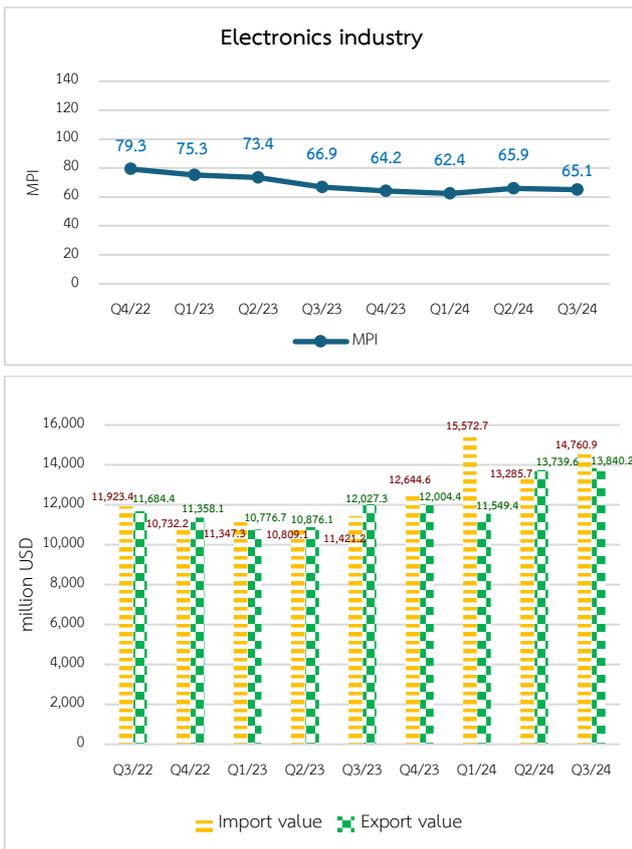
Imports of electrical appliances in Q3/2024 were valued at 4,998.7 million USD, an increase of 7.9 percent from the previous quarter (%QoQ) and 12.8 percent from the same quarter last year (%YoY). The main products with increased imports were washing machines (69.5%), fans (53.1%), microwave ovens (21.7%), air conditioners (20.9%), and refrigerators (17.7%).

Exports of electrical appliances in Q3/2024 were valued at 8,027.0 million USD, an increase of 13.0 percent from the previous quarter (%QoQ) and 13.5 percent from the same quarter last year (%YoY). Key markets with export growth included Europe (7.8%), ASEAN (7.7%), and the USA (2.6%). Products with notable export increases included electric motors (37.7%), air conditioners (37.4%), fans (33.3%), refrigerators (9.7%), and washing machines (1.5%), driven by demand for innovative products.

Electronics Industry

In Q3 2024, electronics production decreased by 1.3 percent compared to the same quarter last year due to a slowdown in line with global market trends for high-tech products. Products that saw a decline in production included integrated circuits (IC) and printed circuit board assembly (PCBA). However, exports increased to markets in the US, Europe, China, and ASEAN.

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 Q3/2024, the electronics production index stood at 65.1, a decrease of 1.3 percent from the previous quarter (%QoQ) and a decrease of 2.7 percent compared to the same quarter last year (%YoY). Electronics products that declined in production included integrated circuits (IC) and printed circuit board assemblies (PCBA), which decreased by 19.7 percent and 4.8 percent, respectively. The decline was attributed to a slowdown in line with global market trends for high-tech products, such as ICs and PCBAs. On the other hand, electronics products that increased in production included printers, semiconductor devices (transistors), HDDs, and printed wiring boards (PWB), which saw increases of 34.7 percent, 10.2 percent, 8.2 percent, and 5.3 percent, respectively. The growth in printers was driven by the demand for advancements in printing technology and various consumer applications. In contrast, the demand for HDDs continued to grow due to their use in data centers.

Imports of electronics products: In Q3/2024, the value of electronics imports reached 14,760.9 million USD, an increase of 7.4 percent from the previous quarter (%QoQ) and an increase of 29.2 percent compared to the same quarter last year (%YoY). Key products with increased imports included printed circuit boards, integrated circuits, printers, photocopiers, and semiconductor components, which grew by 82.4 percent, 34.6 percent, 16.5 percent, and 1.2 percent, respectively.

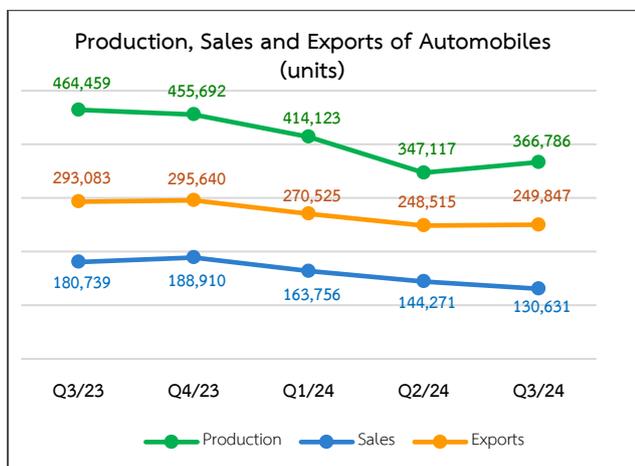
Exports of electronics products: In Q3/2024, the export value of electronic goods reached 13,840.2 million USD, an increase of 4.2 percent from the previous quarter (%QoQ) and an increase of 15.1 percent compared to the same quarter last year (%YoY). Exports grew in key markets such as the US, Europe, China, and ASEAN, with increases of 53.0 percent, 44.9 percent, 41.4 percent, and 18.7 percent, respectively. Key products with export growth included HDDs, printers, photocopiers, semiconductor components, and printed circuit boards, which saw increases of 64.2 percent, 22.1 percent, 18.6 percent, and 12.0 percent, respectively. The demand for HDDs was particularly driven by the need for data center storage expansion and the growth of new technologies.

Electronics Industry Outlook for Q4/2024

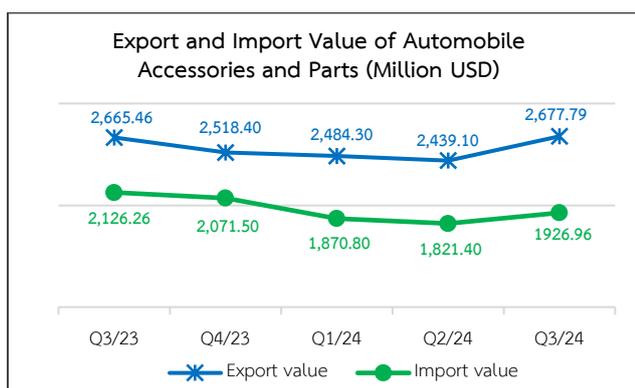
In Q4 2024, the Manufacturing Production Index (MPI) for the electronics industry is expected to experience a slight decrease due to fluctuations in the Thai baht, which has seen short-term appreciation and may lead to a slowdown in future purchase orders. However, export value is anticipated to grow, driven by global demand for products such as smartphones, computers, and electronic components. Key issues to monitor include the political landscape in the United States following the presidential election and the geopolitical tensions between China and the US, as both countries are major export markets for Thailand's electronics industry.

Automobile and Automotive Parts Industry

In Q3/2024, automobile production volume decreased compared to the same period last year. This decline was primarily driven by a slowdown in the domestic market, attributed to stricter loan approval by financial institutions. Additionally, export markets experienced an overall decline across all vehicle categories.



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.

Automotive Industry Outlook for Q4/2024

According to forecasts by the Office of Industrial Economics, automobile production in Q4/2024 is estimated to exceed 400,000 units, a slight increase from Q3/2024. This is expected due to the potential government support measures, such as the relaxation of loan conditions and price reduction campaigns during the Motor Expo. Of the total production, 40-45 percent is projected for domestic sales, while around 55-60 percent will be produced for export.

Automobile production in Q3/2024 reached 366,786 units, a 5.67 percent increase from Q2/2024 (%QoQ) but a 21.03 percent drop compared to the same quarter of the previous year (%YoY). The decline was primarily driven by reduced production for domestic sales. Production comprised passenger cars (39%), one-ton pickups and derivatives (60%), and other commercial vehicles (1%).

Domestic sales of automobiles in Q3/2024 reached 130,631 units, a decrease of 9.450 percent from Q2/2024 (%QoQ) and a decrease of 27.72 percent from the same quarter of the previous year (%YoY). The decline was attributed to stricter loan approval by financial institutions and a slowdown in the domestic economy. The sales breakdown by product type was passenger cars (39%), one-ton pickups and derivatives (55%), and other commercial vehicles (6%).

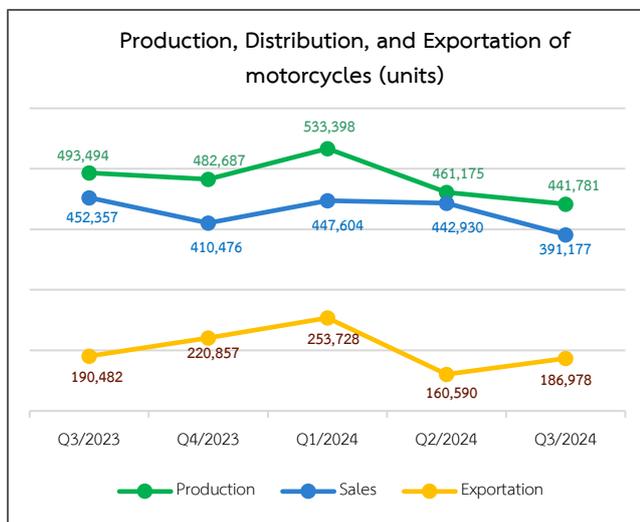
Automobile exports in Q3/2024 reached 249,847 units, an increase of 0.54 percent from Q2/2024 (%QoQ) but a decrease of 14.75 percent from the same quarter of the previous year (%YoY). The export breakdown by product type was passenger cars (32%), one-ton pickups (56%), and PPVs (12%).

Export value of automotive parts and accessories in Q3/2024 was 2,677.79 million USD, an increase of 9.79 percent from Q2/2024 (%QoQ) and a slight increase of 0.46 percent from the same quarter of the previous year (%YoY). Key export markets included the USA, Japan, Malaysia, and South Africa.

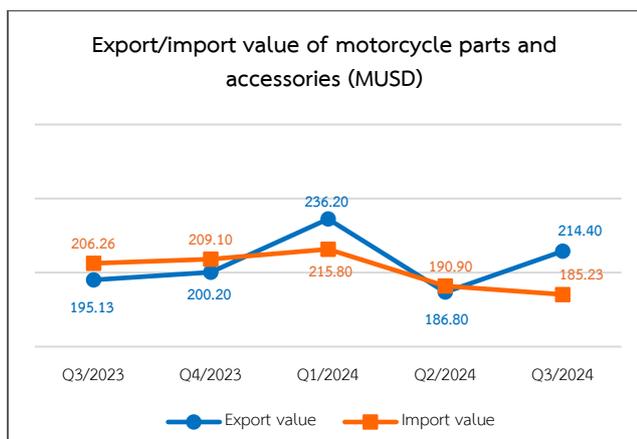
Import value of automotive parts and accessories in Q3/2024 was 1,926.96 million USD, an increase of 5.80 percent from Q2/2024 (%QoQ) but a decrease of 9.37 percent from the same period last year (%YoY). The major import markets were Japan, China, and the USA.

Motorcycle and Part Industry

In Q3/2024, motorcycle production volume declined compared to the same period last year, driven by decreases in both domestic and export market demand. Most of the production was designated for domestic sales.



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 of Commerce in collaboration with Customs Department

Motorcycle production in Q3/2024 reached 441,781 units, a decrease of 14.21 percent from Q2/2024 (%QoQ) and a decrease of 10.48 percent from the same quarter of the previous year (%YoY). The decline was attributed to reduced production for domestic sales of multipurpose motorcycles and sport motorcycles.

Domestic sales of motorcycles in Q3/2024 reached 391,177 units, a decrease of 11.68 percent from Q2/2024 (%QoQ) and a decrease of 13.52 percent from the same period last year (%YoY). This decline was due to stricter loan approval by financial institutions, as well as a slowdown in the domestic economy.

Motorcycle exports in Q3/2024 reached 186,978 units, comprising 90,134 completely built units (CBUs) and 96,844 completely knocked-down kits (CKDs). Exports increased by 16.43 percent from Q2/2024 (%QoQ) but a slight decrease of 1.84 percent (%YoY) compared to the same quarter of the previous year.

Export value of motorcycle parts and accessories in Q3/2024 was 214.40 million USD, increasing by 14.78 percent from Q2/2024 (%QoQ) and increasing by 9.88 percent from the same quarter last year (%YoY). Key export markets for motorcycle parts included Cambodia, Germany, Japan, and Indonesia.

Import value of motorcycles parts and accessories in Q3/2024 was 185.23 million USD, a decrease of 2.97 percent from Q2/2024 (%QoQ) and a decrease of 10.20 percent from the same quarter of the previous year (%YoY). Major import markets for these parts and accessories were China, Japan, the USA, and Vietnam.

Motorcycle Industry Outlook for Q4/2024

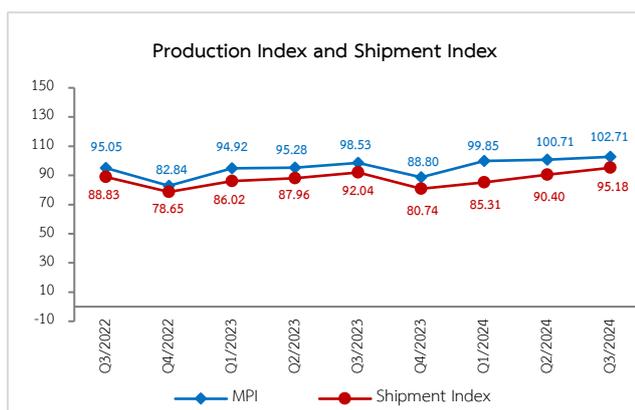
According to forecasts by the Office of Industrial Economics, motorcycle production in Q4/2024 is estimated to exceed 4500,000 units, a slight increase from Q3/2024. This is expected due to the potential government support measures, such as the relaxation of loan conditions and price reduction campaigns during the Motor Expo. Of the total production, 80-85 percent is projected for domestic sales, while around 15-20 percent will be produced for export.

Chemical Industry

The MPI of the chemical industry in Q3/2024 grew by 5.70 percent (%YoY), and the Shipment Index grew by 3.42 percent (%YoY) as a result of the global economy showing signs of recovery. The export value grew by 10.97 percent, and the import value grew by 2.77 percent due to the increasing cost of raw materials used in the production of chemicals in the world market, increasing the value of chemical imports and exports accordingly.

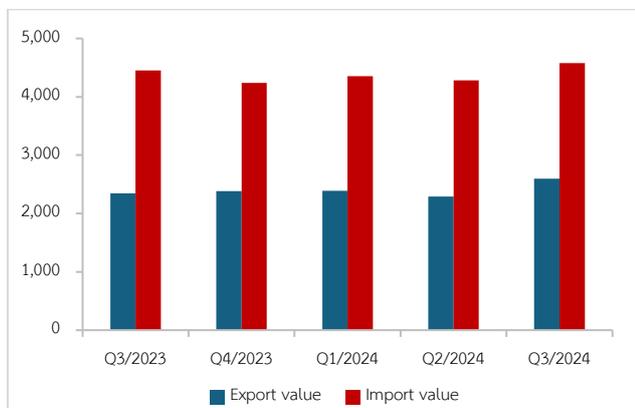
Marketing and sales

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 of Commerce in collaboration with Customs Department

Manufacturing Production Index in Q3/2024 increased by 4.24 percent compared to the previous quarter (%QoQ) and by 5.70 percent compared to the same quarter last year (%YoY). Products contributing to this growth included talcum, cleaning liquids, and detergents.

Shipment Index in Q3/2024 grew by 5.29 percent from the previous quarter (%QoQ) and by 3.42 percent compared to the same quarter last year (%YoY). Contributing products included talcum, nitrogen gas, oil-based paints, and hydrochloric acid.

Exports of chemical products in Q3/2024 were valued at 2,596.20 million USD, an increase of 13.40 percent from the previous quarter (%QoQ) and an increase of 10.97 percent compared to the same quarter last year (%YoY). The increase was mainly driven by cosmetics, fertilizers, and organic chemicals.

Imports of chemicals in Q3/2024 reached a total value of 4,575.97 million USD, an increase of 6.88 percent from the previous quarter (%QoQ) and an increase of 2.77 percent compared to the same quarter last year (%YoY). The growth in import value was primarily driven by higher imports of organic chemicals and fertilizers.

Chemical Industry Outlook for Q4/2024

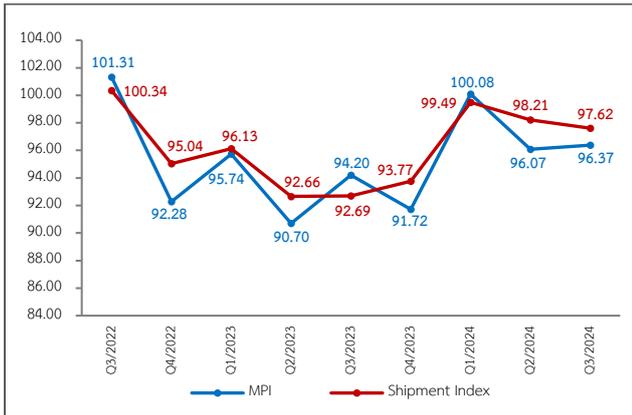
In Q4/2024, the chemical industry expects slight production growth compared to the same quarter last year, driven by the recovery of the global economy, which has led to increased demand for Thai chemical products. The demand is particularly high for basic chemicals used across various industries, such as caustic soda and hydrochloric acid, which have seen production growth since the beginning of the year. Chemical exports are also expected to rise compared to the same quarter last year, fueled by demand from trading partners in the Asian region, including the Philippines, Indonesia, Malaysia, and India.

Plastics Industry

In Q3/2024, the MPI of the plastic industry increased by 2.34 percent (%YoY), and the shipment index increased by 5.33 percent (%YoY). Meanwhile, export value grew by 11.31 percent (%YoY). Import value increased by 12.16 percent, driven by higher demand for plastic products in foreign markets, particularly in the Asian region, such as Malaysia, the Philippines, and India.

Production and Marketing

MPI and Shipment Index

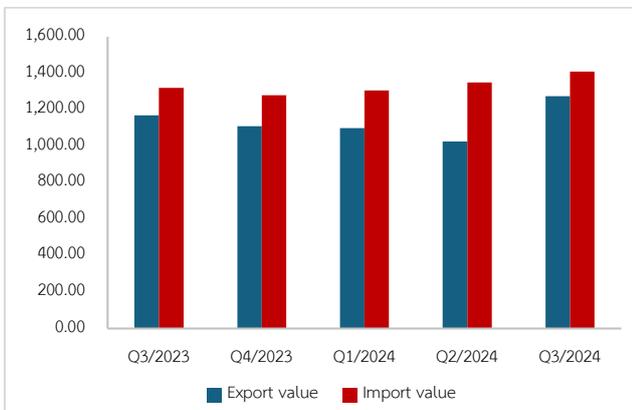


Source: The Office of Industrial Economics

Manufacturing Production Index: In Q3/2024, the production index expanded by 0.05 percent compared to the previous quarter (%QoQ) and expanded by 2.34 percent compared to the same period last year (%YoY). Key products contributed to this increase were plastic film and household plastic utensils.

Shipment Index: The shipment index for Q3/2024 decreased by 0.62 percent compared to the previous quarter (%QoQ) but grew by 5.33 percent compared to the same period last year (%YoY). The increase in the shipment index was driven by key products such as plastic bags, plastic sacks, plastic films, and other plastic packaging.

Export and Import Volume (metric tons)



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

Export Value: The export value in Q3/2024 was 1,273.56 million USD, increasing by 26.01 percent compared to the previous quarter (%QoQ) but increasing by 11.31 percent compared to the same period last year (%YoY). The increase in the export value was driven by key products such as plastic floor coverings, household plastic utensils, and plastic packaging.

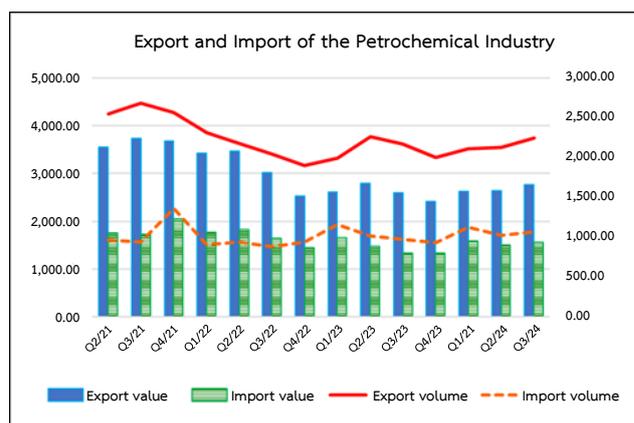
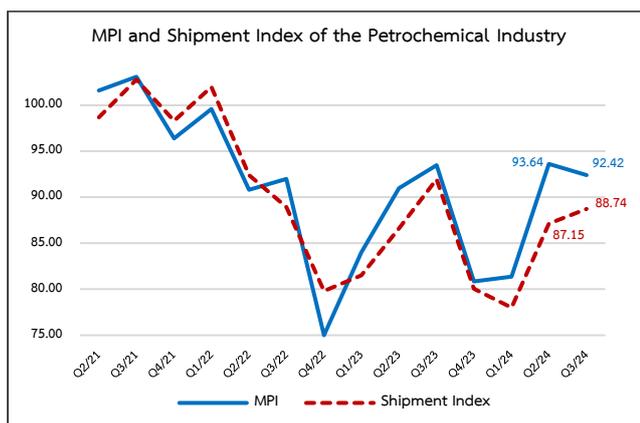
Import Value: The import value for Q3/2024 expanded by 9.30 percent compared to the previous quarter (%QoQ) and by 12.16 percent compared to the same period last year (%YoY). The increase was driven by key products such as builders' plastics ware and plastic floor coverings.

Plastic Industry Outlook for Q4/2024

In Q4/2024, production and exports are expected to remain stable despite supporting factors from domestic demand and recovering export markets. However, the volatility of crude oil prices in the global market still affects the cost of raw materials. It is still necessary to monitor the trend of reducing plastic use, which affects the environment, and the development of environmentally friendly products, such as bioplastics and recyclable plastics.

Petrochemical Industry

The MPI of the petrochemical industry in Q3/2024 decreased by 1.16 percent (%YoY), and the Shipment Index decreased by 3.30 percent (%YoY). Meanwhile, the import value increased by 16.78 percent (%YoY) and exports increased by 6.36 percent (%YoY), in line with the volatile global economy that resulted in significant fluctuations in exchange rates. The volatile oil prices affected global economic confidence, coupled with the appreciation of the USD, resulting in petrochemical exports in this quarter improving from the previous year.



Source: Customs department, Ministry of Finance Note: * predicted by the Office of Industrial Economics

Manufacturing Production Index (MPI): In Q3/2024, the MPI of the petrochemical industry stood at 92.42, a decrease of 1.16 percent compared to the same quarter last year. The decline was primarily driven by a reduction in the production of basic petrochemical products, such as ethylene, and downstream petrochemicals such as PE and PP resins. This decrease was partly due to the resumption of production following maintenance shutdowns at basic petrochemical plants.

Shipment index: In Q3/2024, the shipment index was 88.74, a decrease of 3.30 percent compared to the same quarter last year. The products that contributed to the decrease in the shipment index this quarter included basic petrochemicals such as ethylene, and downstream petrochemicals like PP and PP resins.

Exports of petrochemicals: In Q3/2024, petrochemical exports were valued at 2,766.86 million USD, an increase of 6.36 percent compared to the same quarter last year. Key export markets included China, Vietnam, and Japan. However, the products that led to a decline in exports in downstream petrochemicals included PP resin and PE resin, while in basic petrochemicals, products such as propylene and ethylene saw a decrease.

Imports of petrochemicals: In Q3/2024, petrochemical imports were valued at 1,560.52 million USD, an increase of 10.26 percent compared to the same quarter last year. The primary sources of these imports were Japan, China, and the US. Products contributing to the rise in basic petrochemical imports included styrene and benzene. Additionally, imports of downstream petrochemical products, such as PE and PET resins, also increased. This growth in imports can be partly attributed to the rise in plastic recycling within the country following the approval of using recycled plastic packaging for food contact materials.

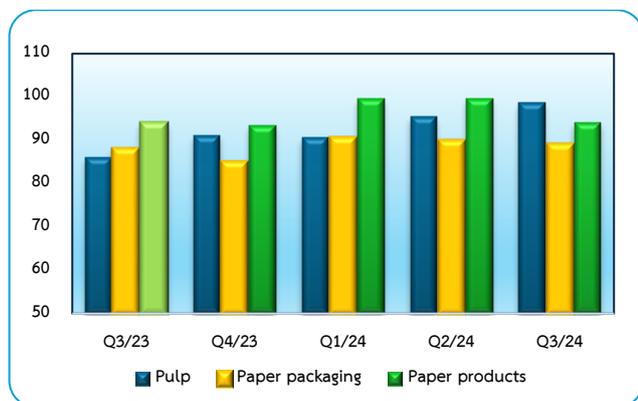
Petrochemical Industry Outlook for Q4/2024

The petrochemical industry outlook for Q4/2024 is expected to remain stable following the global economic situation effected by ongoing geopolitical conflicts in various regions, which have led to rising energy prices, coupled with economic slowdowns in several countries. Despite this, there are factors to monitor including the announcement of economic figures from the USA and China's low national growth, both of which will influence the global economic trend. Compared to the second quarter of 2024, the petrochemical industry is likely to remain stable. Production, product shipment, and exports are expected to slow down due to a decrease in orders and price levels following reduced demand.

Pulp, Paper, and Printed Matter Industry

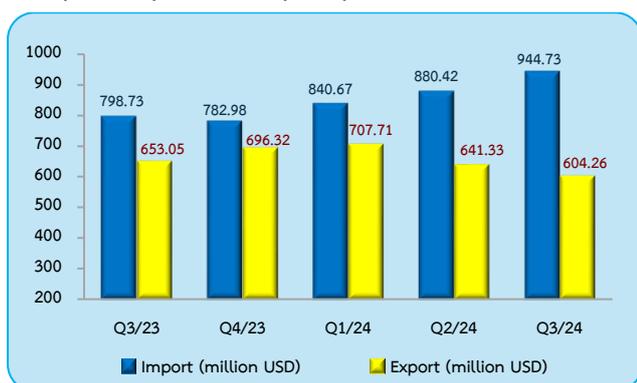
In Q3/2024, the overall MPI of the pulp, paper, and printed matter industry declined by 5.02 percent year-over-year (%YoY). Similarly, exports in this sector decreased by 7.74 percent (%YoY), amounting to a total value of 604.26 million USD. In contrast, imports saw an increase of 18.28 percent (%YoY). Looking ahead to Q4/2024, the industry is expected to grow, supported by increased domestic spending during the year-end period.

MPI in Pulp and Paper



Source: The Office of Industrial Economics

Export-Import of Pulp, Paper and Printed Matter



Source: Information and Technology Communication Center, Ministry of Commerce

Production: In Q3/2024, the overall production of paper and paper products declined by 5.02 percent (%YoY), with reductions observed across all major product categories: cardboard (-1.82%), kraft paper (-9.15%), corrugated paper (-9.33%), and printing and writing paper (-1.67%). The decrease was driven by weaker demand both domestically and for exports, particularly from China and ASEAN countries. However, pulp production and paper boxes showed growth of 18.82 percent and 0.16 percent, respectively, largely due to domestic purchase orders.

Exports: In Q3/2024, the export value of pulp and paper products reached 604.26 million USD, a decrease of 7.47 percent compared to the same period last year (%YoY). The pulp and paper group experienced a sharp drop of 18.66 percent, with over 99.0 percent of exports destined for China. Exports of paper and paper products declined by 2.25 percent, with Vietnam, India, and Indonesia as the primary markets. The books and publications segment also saw a decrease of 10.00 percent, with key export destinations including Hong Kong, Myanmar, and the US.

Imports: In Q3/2024, the total value of pulp and paper product imports reached 944.73 million USD, an increase of 18.28 percent (%YoY). Imports of pulp increased by 18.28 percent, while imports of paper and paper products increased by 23.74 percent. The books and publications segment grew by 2.75 percent, driven by reduced domestic production and rising costs, which contributed to higher import demand. Additionally, imports of sanitary paper and related products continued to grow.

Pulp, Paper, and Printed Matter Industry Outlook for Q4/2024

In Q4/2024, It is projected that pulp, paper, and paper products used in packaging production are expected to increase in order to meet domestic demand and will grow across the entire supply chain. Pulp exports to China, a major export market for pulp, have been steadily increasing since the beginning of the year. However, the book and printed matter segment is expected to decline due to reduced demand in key import markets such as Hong Kong and the USA.

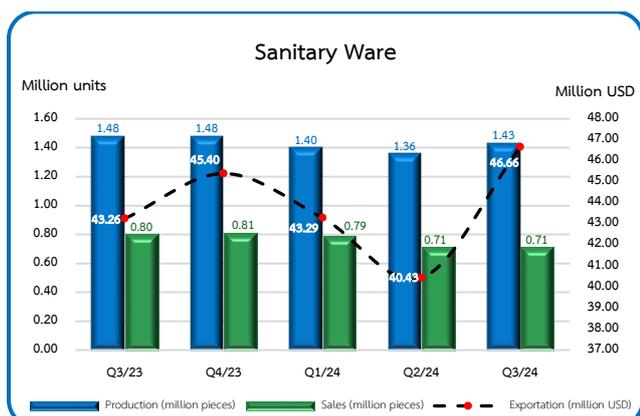
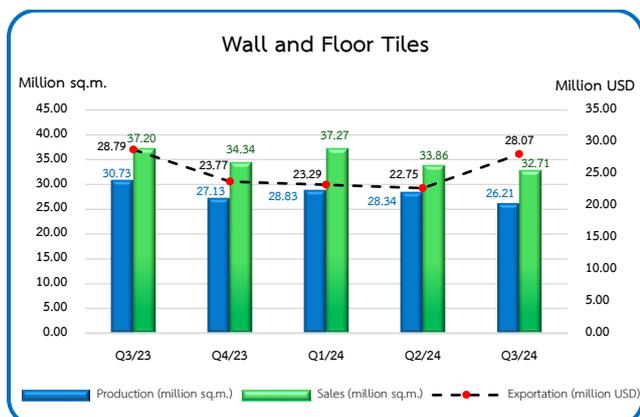
Related Government Policies

Products controlled by standards that will be enforced by 2024 by the Thai Industrial Standards Institute (TISI) include food contact paper that is cooked with heat, paper covers used for cooking food that is subjected to heat, such as paper used in hot air ovens, tea bags, coffee filter paper, and baking paper. The paper must be made from virgin pulp or pure pulp mixed with synthetic fibers that do not contain dyes and used to filter hot liquids, heat food, or cook food at a temperature not exceeding 220°C. The standard has requirements to control contamination of heavy metals that are harmful to health, such as lead, cadmium, chromium, and mercury. When the paper is heated, the contamination must not exceed the standard criteria and must not contain bleach and antimicrobial substances that are harmful to the body.

Ceramic Industry

In Q3/2024, the production and sales of floor and wall tiles, as well as sanitary ware, experienced a decline due to a slowdown in the domestic market, impacted by economic challenges and rising living costs, along with reduced orders from export markets. However, exports showed growth, driven by increased demand from key markets.

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



Ceramic Industry Outlook for Q4/2024

The production and domestic sales of ceramics in Q4/2024 are expected to grow from measures to stimulate the economy according to government policy by reducing loan interest by 0.25 percent, effective from 1 May 2024, for a period of 6 months. This measure will support small customers and vulnerable groups, according to government policy, to have enough savings to live their lives and have a better quality of life. Exports of both tile and sanitary ware are projected to expand. The export markets include Myanmar, Lao PDR, the USA, and Japan. However, important factors that must be closely monitored including the price of energy, raw materials, inflation, and the rising cost of living that may affect production and domestic sales.

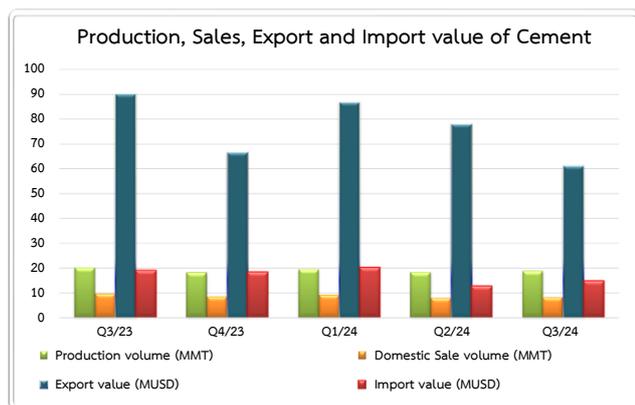
Production: In Q3/2024, the production volume of floor and wall tiles reached 26.21 million square meters, contracting by 14.72 percent (%YoY) due to a slowdown in the domestic market caused by economic challenges and higher living costs. Sanitary ware production stood at 1.43 million pieces, reflecting a 3.34 percent contraction (%YoY), primarily driven by reduced domestic demand.

Sales: In Q3/2024, the sales volume of floor and wall tiles was 32.71 million square meters, down by 12.06 percent (%YoY), driven by decreased consumer purchasing power. This decline was attributed to economic pressures, such as rising material costs and construction labor expenses. Sanitary ware sales reached 0.71 million pieces, contracting by 10.64 percent (%YoY), from residential and condominium construction sectors.

Exports: In Q3/2024, the export value of floor and wall tiles reached 28.07 million USD, an increase of 4.98 percent (%YoY) compared to the same period last year. Similarly, the export value of sanitary ware totaled 46.66 million USD, an increase of 5.41 percent (%YoY) attributed to rising orders from key markets such as the USA, China, Japan, Malaysia, and CLMV countries.

Cement Industry

In Q3/2024, both production and domestic sales volumes of cement decreased compared to the same quarter last year. This decline was due to a slowdown in government construction projects and real estate development. Additionally, exports declined in line with the global economic downturn. The outlook for the cement industry in Q4/2024 is expected to remain sluggish, with only certain segments seeing an increase in cement usage for house repairs following recent flooding.



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 (excluding clinker) in Q3/2024 reached 10.52 million metric tons, a contraction of 5.91 percent (%YoY) compared to the same quarter of last year due to decreased demand in the domestic market and from key trading partners.

Domestic sales of cement (excluding clinker) in Q3/2024 reached 8.30 million metric tons, a contraction by 14.47 percent (%YoY) compared to the same quarter of last year. The decline was due to a slowdown in government construction projects and private real estate development such as residential houses and condominiums.

Cement exports (excluding clinker) in Q3/2024 reached an export value of 28.54 million USD, a contraction of 20.67 percent (%YoY) compared to the same quarter of last year due to the slowdown of the world economy. As a result, orders decreased in key markets such as CLMV countries and Bangladesh.

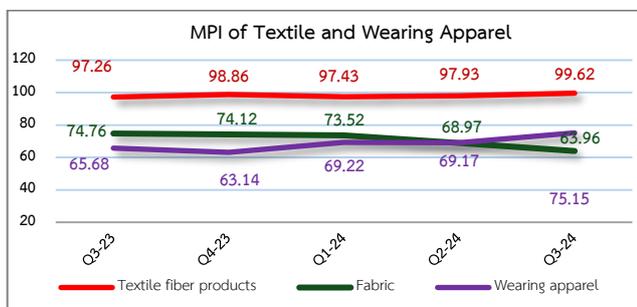
Cement imports (excluding clinker) in Q3/2024 were valued at 14.87 million USD, a decrease of 22.04 percent compared to the same quarter last year. This decline was attributed to reduced demand in markets such as Lao PDR, China, and Germany.

Cement Industry Outlook for Q4/2024

The cement industry (excluding clinker) in Q4/2024 is expected to see a continued slowdown in production and sales volumes compared to the same quarter of the previous year, primarily due to reduced domestic demand. This is influenced by the construction sector, including both infrastructure projects and real estate developments, particularly large-scale construction projects, road expansions, and residential projects along new railway lines and transportation routes. However, due to widespread flooding in many provinces, restoration efforts are anticipated, which may slightly boost cement usage. On the export side, demand is expected to decline in line with the developmental needs of key trading partners, particularly in the CLMV region. Imports are also likely to decrease due to reduced demand for specialty cement products from Germany.

Textile and Wearing Apparel Industry

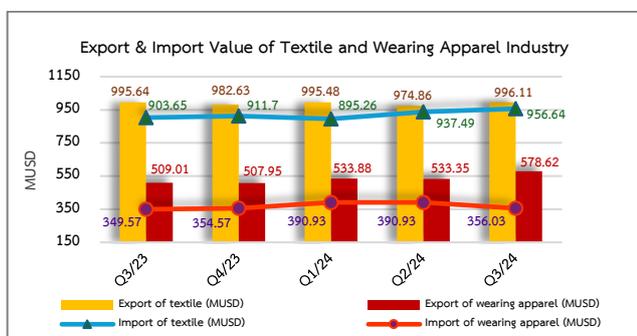
In Q3/2024, the MPI of textile fibers grew compared to the same period of last year, from spinning yarn made from natural fibers and from artificial fibers. The clothing and apparel sector grew from increased overseas orders. Exports expanded throughout the supply chain from the recovery of the global economy and trade. In Q4/2024, the MPI is expected to grow slightly from the government's economic stimulus measures, the recovery of the tourism sector, and the recovery of the global economy and trade.



Production

The MPI of textile fibers grew by 2.43 percent compared to the same quarter of last year (YoY) from spinning yarn made from natural fibers and artificial fibers. The fabrics category contracted by 14.45 percent from decreased purchase orders both domestically and abroad. Apparel grew by 14.42 percent from the production of men's and women's innerwear and knitted and crocheted clothing from increased purchase orders from overseas.

Domestic Sales: Compared to the same quarter of the previous year (YoY), there was a contraction throughout the supply chain, with textile fibers contracting by 0.33 percent from yarns made from artificial fibers. Fabrics contracted by 1.87 percent from woven fabrics made from cotton and synthetic fibers. Apparel contracted by 4.11 percent in both woven and knitted clothing groups, as most consumers chose to buy imported products from abroad at affordable prices.



Exports-Import

Exports: Overall, textiles and garments were valued at 1,574.74 million USD, growing by 4.66 percent compared to the same quarter of the previous year (YoY). By product category, textiles reached an export value of 996.11 million USD, growing by 0.05 percent in the textile fiber group, especially yarn and synthetic fibers, from increased purchase orders from trading partners such as Japan, China, and Vietnam.

The garment exports were valued at 578.62 million USD, growing by 13.68 percent from the export of ready-made garments to major trading partners such as the USA, Japan, and Germany due to the recovery of the global economy and improved trade. Overall textile and garment imports were valued at 1,312.67 million USD, growing by 4.74 percent compared to the same quarter of the previous year (YoY). By product category, textiles had an import value of 956.64 million USD, growing by 5.86 percent in both the yarn and fiber groups and fabrics from the import of raw materials to support increased production. Garments had an import value of 356.03 million USD, growing by 1.85 percent. The growth was driven by the online merchants' import of a large volume of low to medium priced products from China. This was in line with consumer demand, which has adapted to the slowing economy.

Imports: Overall imports of textiles and apparel were valued at 1,312.67 million USD, expanding by 4.74 percent compared to the same quarter last year. When considering by product group, textile imports were valued at 956.64 million USD, an increase of 5.86 percent, driven by increased imports of raw materials, including yarns, fibers, and fabrics, to support higher production needs. Wearing apparel imports totaled 356.03 million USD, rising by 1.85 percent, mainly due to an influx of low to mid-priced goods from China purchased by online retailers. Consumers demand that changed behavior and adapted to the sluggish economy.

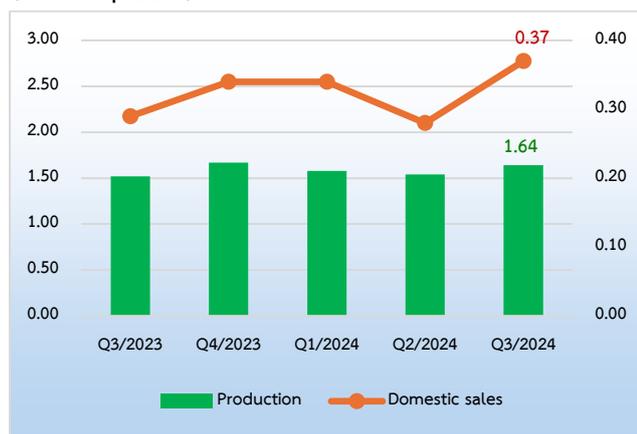
Textile and Wearing Apparel Industry Outlook for Q4/2024

Textile and garment production and exports are expected to expand slightly from the government's economic stimulus measures, the recovery of the tourism sector, and the economic recovery of trading partners. In particular, the production of synthetic fibers is expected to continue to grow to support the production of textiles with unique properties, new technologies, and innovations in line with the changing structure of the global industrial sector, including clothing, which is expected to continue to grow from increased purchase orders from abroad. However, factors to monitor include production costs, the increase in electricity prices, and high labor costs. Furthermore, the orders of cheaper, substandard products from abroad being sold through online channels in the domestic market, where products are sold directly from factories to consumers at lower prices, is another factor to monitor. These factors impact Thailand's competitiveness. Textile and garment business operators must be prepared for change and adapt to cope with uncertain situations using technology and innovation in production processes to produce textiles and clothing with unique properties and functions that meet the needs of the current industrial sector and consumers.

Wood and Wooden Furniture Industry

In Q3/2024, wooden furniture production increased in volume compared to the same period last year to meet demand in foreign markets. Additionally, the overall export value of wood and wood panel products rose due to heightened demand for furniture, parts, and wood panel products from key trading partners.

Domestic Production and Sales of Wooden Furniture (million pieces)

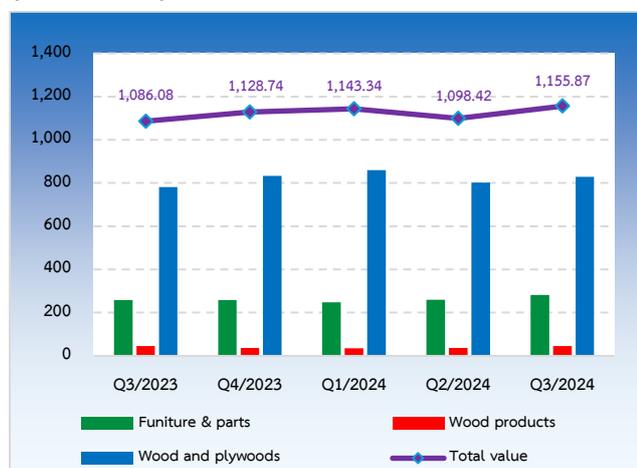


Source: The Office of Industrial Economics

Production of wooden furniture in Q3/2024 reached 1.64 million pieces, an increase of 6.49 percent from the previous quarter and an increase of 7.94 percent from the same quarter last year. The growth was mainly a result of production to meet demand from both domestic and international markets.

Domestic sales of wooden furniture in Q3/2024 amounted to 0.37 million pieces, an increase of 32.14 percent from the previous quarter and 28.08 percent compared to the same quarter of the previous year. This growth was attributed to increased orders from retail stores.

Export Value of Wood and Wooden Products (million USD)



Source: Office of the Permanent Secretary, Ministry of Commerce

Exports value of wood and wooden products: In Q3/2024, exports reached a total value of 1,155.87 million USD, an increase of 5.23 percent from the previous quarter and an increase of 6.43 percent compared to the same period last year. This total comprised 281.98 million USD from furniture and parts, 45.60 million USD from wood products, and 828.29 million USD from wood and wood panel products. Compared to the same quarter last year, the export value of furniture and parts grew by 9.41 percent, while wood and wood panel products increased by 5.91 percent. However, wood product exports declined by 1.49 percent. The overall growth in export value was driven by higher demand for furniture parts in the USA and Japan and for processed wood in China.

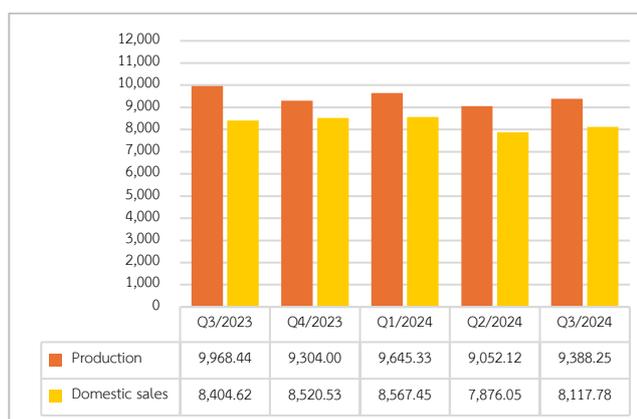
Wood and Wooden Furniture Industry Outlook for Q4/2024

In Q4/2024, the production and sales of wooden furniture are expected to expand, driven by demand from both domestic and international markets. Exports of wood and wood products are also projected to grow continuously, supported by increasing demand for wood and wood panel products since Q1/2023.

Pharmaceutical Industry

In Q3/2024, domestic pharmaceutical production and sales decreased compared to the same quarter of the previous year. This trend aligns with the volume of orders and demand for medications to treat both communicable and non-communicable diseases. However, pharmaceutical exports are projected to decline, which is in line with decreased demand from key markets in Asia, such as Indonesia, Japan, Hong Kong, and China.

Domestic Production and Sales (metric tons)



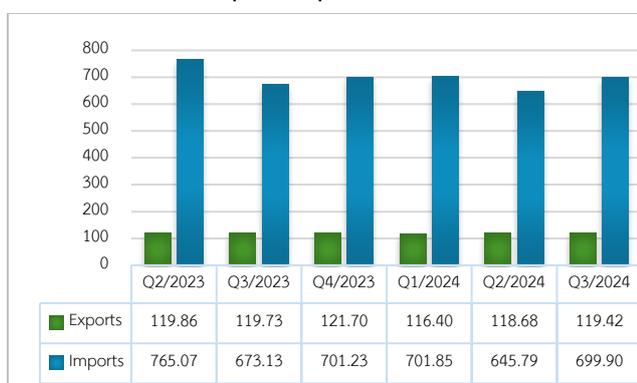
Source: The Office of Industrial Economics

Note: The survey data framework has been updated from 2023.

Pharmaceutical production: In Q3/2024, the production amounted to 9,388.25 metric tons, a decrease of 5.82 percent compared to the same quarter of the previous year. This contraction was seen in the production of injection (-33.97%), capsule (-21.09%), liquid (-8.75%), and powdered (-5.66%) medicines. However, the production of medicinal cream and tablets increased by 4.46 percent and 3.50 percent, respectively, driven by increased order volume from pharmacies and hospitals.

Domestic sales of pharmaceuticals: In Q3/2024, sales amounted to 8,117.78 metric tons, a decrease of 3.41 percent compared to the same quarter of the previous year. This decline was seen in the sales of injection (-35.63%), capsule (-22.45%), liquid (5.72%), and cream (0.32%) medicines. However, sales of powdered and tablet medicine grew by 27.72 percent and 0.84 percent, which were in line with the trend of increased demand for medicines used for disease treatment.

Pharmaceutical Import-Export Value (Million USD)



Source: Ministry of Commerce with the cooperation of the Customs Department

Note: Import-Export database adjustment using HS3001, 3002, 3003, and 3004

Exports of pharmaceuticals: In Q3/2024, exports were valued at 119.42 million USD, a decline of 0.25 percent compared to the same quarter last year. This was in line with decreasing demand in key Asian markets such as Indonesia, Japan, Hong Kong, and Japan.

Pharmaceutical imports: In Q3/2024, imports were valued at 699.90 million USD, an increase of 3.98 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 Denmark, France, and China.

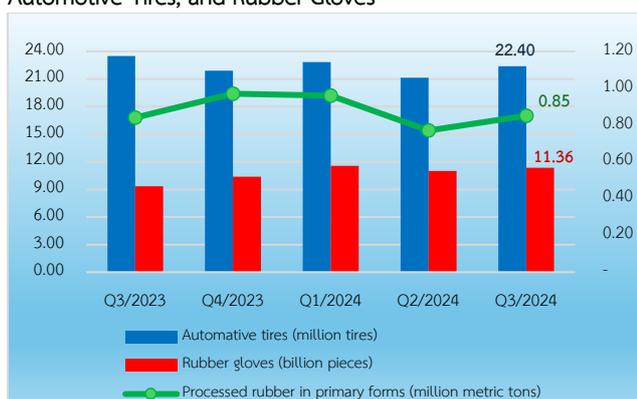
Pharmaceutical Industry Outlook for Q4/2024

In Q4/2024, domestic pharmaceutical production and sales are expected to decline compared to the same quarter of the previous year. This is attributed to a projected decrease in demand for medications treating diseases commonly associated with the rainy season, such as waterborne and foodborne illnesses, acute diarrhea, and food poisoning, as these outbreaks are anticipated to subside. However, the situation of epidemics in the winter and the PM 2.5 particle situation, which cause the respiratory diseases such as influenza, allergies, and COVID-19, are still situations that need to be monitored. Export trends are also expected to contract, reflecting reduced demand in key Asian markets.

Rubber and Rubber Product Industry

In Q3/2024, the production volume of processed rubber in primary forms increased, supported by increased output of rubber sheets, rubber blocks, and concentrated latex. Conversely, tire production declined, primarily due to reduced manufacturing of tractor tires. Meanwhile, rubber glove production grew, driven by robust demand for medical gloves in both domestic and international markets.

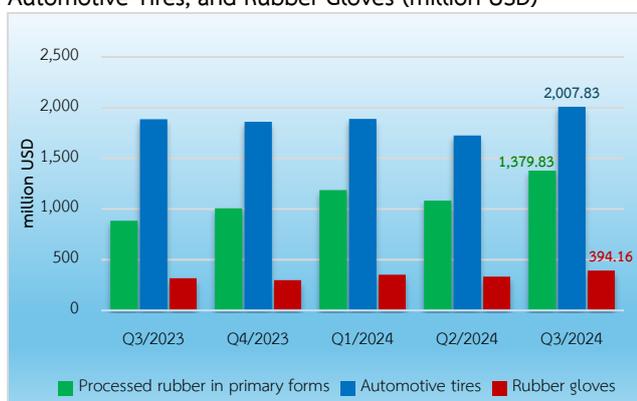
Production Volume of Processed Rubber in Primary Forms, Automotive Tires, and Rubber Gloves



Source: The Office of Industrial Economics

Production of processed rubber in primary forms, automotive tires, and rubber gloves: In Q3/2024, the production volumes amounted to 0.85 million metric tons, 22.40 million tires, and 11,358.03 million pieces, respectively. Compared to the same quarter last year, the production of processed rubber in primary forms grew by 1.74 percent, driven by an increase in the production of rubber sheets, rubber blocks, and concentrated latex. Automotive tire production fell by 4.65 percent due to a decline in the production of tractor tires. In contrast, the production of rubber gloves increased by 21.62 percent, driven by high demand for medical gloves both domestically and internationally.

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



Source: Ministry of Commerce

Domestic sales of processed rubber in primary forms, automotive tires, and rubber gloves: In Q3/2024, the sales volumes amounted to 0.29 million metric tons, 8.05 million tires, and 887.24 million pieces, respectively. Compared to the same quarter last year, domestic sales of processed rubber in primary forms dropped by 6.59 percent due to reduced demand from downstream industries. Tire sales increased by 0.73 percent, driven primarily by demand in the replacement equipment market (REM). Meanwhile, sales of rubber gloves rose by 7.24 percent due to sustained high demand for medical gloves.

Exports of processed rubber in primary forms, automotive tires, and rubber gloves: In Q3/2024, the exports were valued at 1,379.83 million USD, 2,007.83 million USD, and 394.16 million USD, respectively. Compared to the same quarter last year, exports of processed rubber in primary forms and rubber gloves increased by 55.90 percent and 23.71 percent, respectively, driven by strong growth in key export markets. Tire exports also expanded, growing by 6.48 percent due to robust expansion of exports to the USA market.

Rubber and Rubber Products Industry Outlook for Q4/2024

In Q4/2024, the production volume of processed rubber in primary forms (rubber sheets, rubber blocks, and concentrated latex), tires, and rubber gloves is expected to expand for all three product categories. Processed rubber in primary forms and rubber gloves are projected to grow due to increasing demand in both domestic and international markets. Meanwhile, the production of tires will primarily expand to meet the demand in the domestic Replacement Equipment Manufacturing (REM) market.

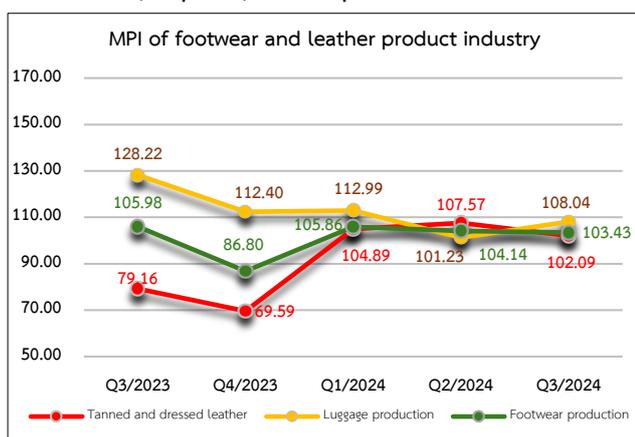
Government Policies Related to the Rubber and Rubber Products Industry

On August 16, 2024, the Rubber Authority of Thailand (RAOT) joined hands with Thai Rubber Latex Group Public Company Limited (THAITEX), one of Thailand's major producers and exporters of natural latex and rubber products, to sign an MOU for business cooperation regarding the purchase and sale of fresh EUDR latex through the Thai Rubber Trade (TRT) system. The initiative will benefit rubber farmers, rubber farmer institutions, and rubber stakeholders, who can be assured that buyers and sellers will receive fair prices.

Footwear and Leather Product Industry

In Q3/2024, compared to the same quarter last year, the overall production and export of leather goods and footwear expanded, particularly hide and tanned and finished leather used as materials for manufacturing products such as car seats and handbags. However, the import value of luxury branded bags decreased due to the domestic economic slowdown. Meanwhile, the import of low-cost sandals and plastic shoes from abroad continued to grow.

Production, Exports, and Imports (MUSD)



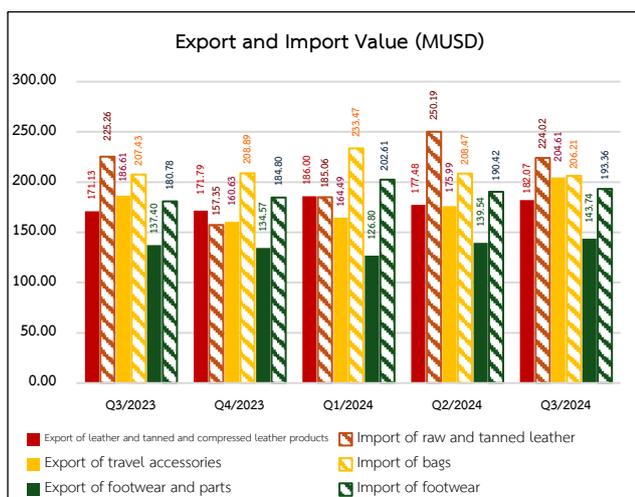
Production

In Q3/2024, compared to the same quarter of the previous year (YoY), tanning and finished tanned leather production increased by 28.98 percent to support purchase orders from both domestic and international trading partners; in particular, tanned leather used as raw material to produce car seats. The production of luggage and handbags, and footwear saw a drop in MPI by 15.74 percent and 2.41 percent, respectively, due to decreased orders from abroad and declining domestic sales, with decreases in the handbags, rubber, and plastic shoes categories.

Exports-Imports

In Q3/2024, the value of exports of leather, tanned leather, bonded leather, travel accessories, shoes, and parts increased by 6.39, 9.65, and 4.62 percent, respectively, compared to the same quarter of the previous year (%YoY). The increase was driven by increased exports of tanned and finished cow and buffalo skin to key markets such as Vietnam and Indonesia. Exports of small handbags also increased in China and Vietnam markets, and leather and safety shoes to the USA and China.

In Q3/2024, the import value of hides and tanned leathers decreased by 0.55 percent compared to the same quarter of the previous year (%YoY). This decline was attributed to reduced imports of horse and cow hides, corresponding to lower orders both domestically and internationally. Imports of bags also declined by 0.59 percent, particularly for high-end brand-name products. In contrast, shoe imports increased by 6.96 percent, driven mainly by a rise in imports of low-cost rubber and plastic shoes from China.



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

Footwear and Leather Production Industry Outlook for Q4/2024

In Q4/2024, the production of leather products and footwear in Q4/2024, compared to the same quarter of the previous year, is expected to grow in tanned and finished tanned leather to support other industries, such as car seats. The production of bags and footwear is expected to grow from production to support exports to foreign markets, such as finished animal skins, handbags/shoulder bags, and leather shoes such as safety shoes. Imports of bags and shoes are expected to increase in the sandals and plastic shoes category, where cheaper products are being imported for sale.

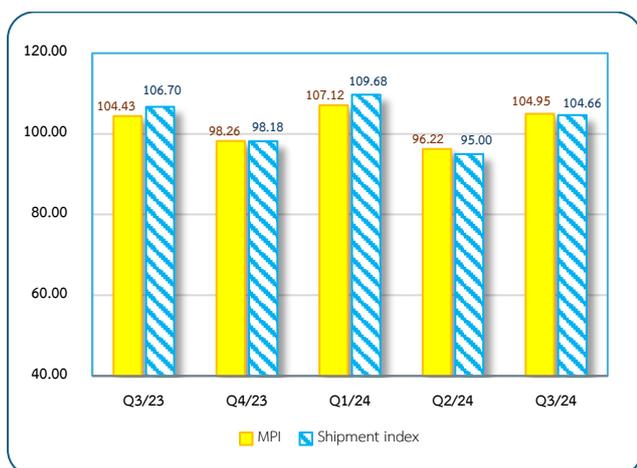
Government Policies Related to the Leather and Footwear Industry

Monetary policies aimed at stimulating household spending, coupled with tourism stimulus programs targeting foreign visitors, have boosted expenditures on bags, footwear, and various leather products. These measures have contributed to business expansion and supported the growth of the country's economy.

Gems and Jewelry Industry

In Q3/2024, the overall gem and jewelry production and export expanded from the same quarter of the previous year because of increased demand from overseas markets due to the economic recovery of trading partners and the slowdown in inflation, especially in major markets such as Switzerland, Hong Kong, Cambodia, the United States, and Singapore. However, it is still necessary to monitor the global economy, the presidential election of the United States, and the geopolitical conflicts in the Middle East, which affect the prices of commodities such as oil and gold, which affect the production costs of gems and jewelry in the country.

Production, Sales, and Exports

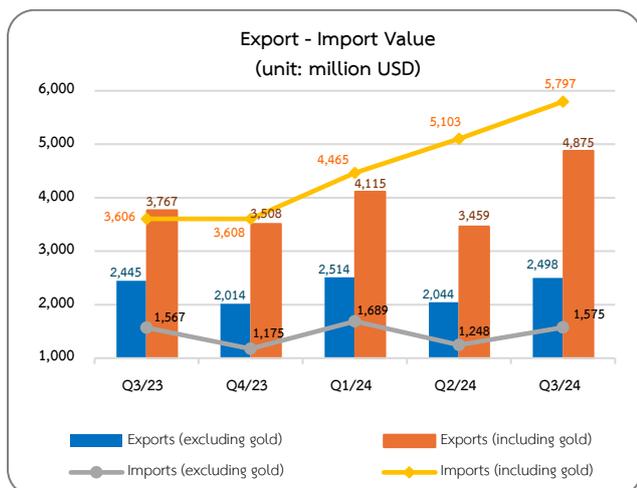


Production

The MPI of gems and jewelry in Q3/2024 increased by 0.50 percent compared to the same quarter of the previous year (YoY). The growth was from imitation jewelry, which increased by 22.97 percent from production for export in line with the demand of foreign markets such as the USA, Belgium, and Singapore, as well as increased domestic sales. The production of diamonds and genuine jewelry decreased by 9.51 percent and 0.44 percent, respectively, due to decreased production orders from parent companies abroad, as well as decreased demand from the domestic market.

Sales

The MPI of gems and jewelry in Q3/2024 increased by 0.50 percent compared to the same quarter of the previous year (YoY). The growth was from imitation jewelry, which increased by 22.97 percent from production for export in line with the demand of foreign markets such as the USA, Belgium, and Singapore, as well as increased domestic sales. The production of diamonds and genuine jewelry decreased by 9.51 percent and 0.44 percent, respectively, due to decreased production orders from parent companies abroad, as well as decreased demand from the domestic market.



Exports

Gems and jewelry (excluding unwrought gold) in Q3/2024 increased in export value by 2.15 percent compared to the same quarter of the previous year (YoY), from the export value of genuine gems and jewelry, which increased by 5.46 percent and 6.19 percent, respectively. The exports of diamonds and imitation jewelry decreased by 24.04 percent and 4.86 percent, respectively. The overall exports of gems and jewelry reached a total value of 4,875.18 million USD, an increase of 29.42 percent, a result of the recovery of trading partner economics and the slowing inflation rate, which helped increase the purchasing power of consumers, especially in major markets such as Switzerland, Hong Kong, Cambodia, the USA, and Singapore. The export of unwrought gold was valued at 2,377.52 million USD, an increase of 79.87 percent from the previous year, which was a result of some central banks around the world increasing their holdings of gold, including investors buying gold as a safe asset, following the increasing prices.

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

2. Export and import value — Ministry of Commerce

Imports: Gems and jewelry (excluding unwrought gold) in Q3/2024 increased in import value by 0.51 percent compared to the same quarter last year (YoY) from the import value of gems, genuine jewelry, and imitation jewelry, which increased by 9.17 percent, 12.13 percent, and 7.58 percent, respectively. Diamond imports decreased by 23.16 percent. The total value of imports of gems and jewelry was 5,796.56 million USD, an increase of 60.76 percent. The value of gold imports reached 4,221.76 million USD, an increase of 107.05 percent from the previous year, from the import of gold as a raw material for the jewelry industry and other industries, along with the rising price of gold on the world market, resulting in speculative buying.

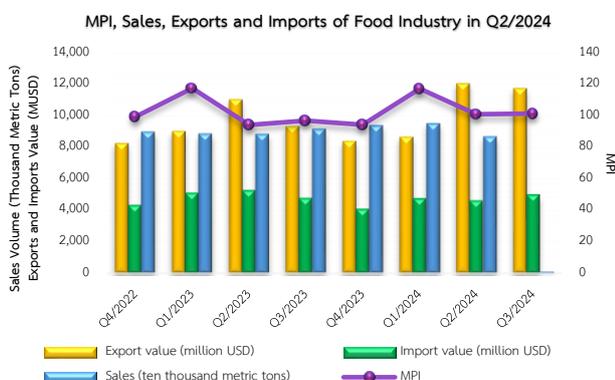
Gems and Jewelry Industry Outlook for Q4/2024

The overall production and export of gems and jewelry in Q4/2024 is expected to grow, supported by the recovery of the tourism sector, coupled with the government's policy to support exports, which also promotes growth in all types of gem and jewelry products. In addition, gem and jewelry exhibitions are organized domestically and internationally, and the arrival of important festivals at the end of the year will result in more Thai and foreign tourists traveling, resulting in more spending. However, it is still necessary to monitor the election situation in the USA. The geopolitical conflict in the Middle East may also affect global stability, especially in terms of the economy and investment, which will affect the prices of commodities such as oil and gold, impacting the production costs of gem and jewelry products in the country.

Food Industry

The MPI of the food industry in Q3/2024 grew compared to the same period of last year. The positive recovery of the service sector affected the demand for domestic and foreign consumption of goods, causing domestic food sales, exports, and imports to expand. However, the MPI for the beverage category slowed down slightly.

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

The MPI of the food industry in Q3/2024 reached 101.5, growing 4.6 percent (%YoY) compared to the same quarter of last year. Food products that grew, included fishery products, which grew by 11.3 percent, primarily from canned tuna, which grew by 43.7 percent from increased imports of raw materials due to the stronger Thai Baht, causing the price of raw materials to be lower than last year. This was coupled with increased demand from the Middle Eastern markets and the demand from the USA and Europe remaining stable. Processed animal feed grew by 8.7 percent from the production of important products, including processed food for pets, which grew by 15.3 percent, processed chicken feed, which grew by 3.7 percent, livestock, which grew by 0.8 percent from chilled and frozen pork, expanding by 4.8 percent, and seasoned chicken meat, which grew by 4.6 percent. However, some products slowed down, such as processed fruits and vegetables, which contracted by 2.5 percent from canned fruits and vegetables, contracting by 11.6 percent, due to decreased demand in foreign markets. Furthermore, sugar slowed down by 2.0 percent from white sugar and refined white sugar, which contracted by 1.3 percent and 2.5 percent, respectively.

The MPI of beverage sector decreased by 0.6 percent, primarily due to a decline of 2.8 percent in spirits production. In contrast, the production of beer and soft drinks increased by 1.2 percent and 0.2 percent, respectively, driven by higher domestic consumption demand.

Domestic sales: In Q3/2024, domestic food sales amounted to 99.9 million metric tons, an increase of 8.5 percent (%YoY) compared to the same quarter last year. The products that increased domestic consumption included chilled and frozen pork (6.2%), food seasoning (7.3%), palm oil (1.8%), and prepared animal feed (0.5%).

Exports: In Q3/2024, exports were valued at 11,757.7 million USD, an increase of 17.6 percent (%YoY) compared to the same quarter of the previous year. This growth was driven by increased export values of products such as rice (25.4%), seafood (26.4%), and pet food (24.3%).

Imports: In Q3/2024, imports were valued at 4,972.5 million USD, an increase of 4.7 percent (%YoY) compared to the same quarter last year. This growth was primarily driven by an increase of 17.0 percent in imports of fresh, chilled, and frozen tuna.

Food Industry Outlook for Q4/2024

The overall MPI and export value are expected to expand compared to the same quarter of the previous year, driven by expanding economic conditions in trading partners and the recovery of the service sector. However, the geopolitical conflicts that have not yet been resolved still need to be monitored.

Persons who are responsible for the preparation of the report:

Title	Coordination Division	Telephone number
• Thailand Economic and Industrial Overview for Q3/2024 and Outlook for Q4/2024	Division of Industrial Economic Research	0-2430-6806
• Sectoral Industry		
• Iron and Steel Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Electrical Appliance Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Electronics Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Automotive and Parts Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Motorcycle and Parts Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Chemical Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Plastics Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Petrochemical Industry	Division of Industrial Policy by Sector 1	0-2430-6804
• Pulp, Paper and Printed Matter Industry	Division of Industrial Policy by Sector 2	0-2430-6805
• Ceramics Industry	Division of Industrial Policy by Sector 2	0-2430-6805
• Cement Industry	Division of Industrial Policy by Sector 2	0-2430-6805
• Textile and wearing apparel Industry	Division of Industrial Policy by Sector 2	0-2430-6805
• Wood and Wooden Furniture Industry	Division of Industrial Policy by Sector 2	0-2430-6805
• 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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• Food Industry	Division of Industrial Policy by Sector 2	0-2430-6805



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เศรษฐกิจอุตสาหกรรม | OF INDUSTRIAL ECONOMICS

The Office of industrial Economics

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

Website: www.oie.go.th