

## Thai International Trade in December 2023

In December 2023, Thailand's exports reached a value of 22,791.6 million US dollars (795,824 million Baht), marking the fifth consecutive month of expansion with a growth rate of 4.7 percent. Thai exports of real sector (excluding gold, oil-related products, and weaponry) grew by 2.1 percent. Thailand's exports have been consistently expanding, aligning with several other countries in Asia amid the global economic fluctuations. The world economy has been volatile, but there is a positive trend due to the easing of high inflation, which has had a favorable impact on the consumer aspirations and confidence of various countries worldwide. Nevertheless, challenges in geopolitics that affect global trade and risks to the global supply chain remain significant factors that need careful monitoring, as they could have potential repercussions on future exports. In 2023, Thailand's overall export contracted by 1.0 percent while exports of real sector (excluding gold, oil-related products, and weaponry) increased by 0.6 percent.

Thai exports in December 2023 increased by 4.7 percent to 22,791.6 million USD while imports decreased by 3.1 percent to 21,818.8 million USD, resulting in a **trade surplus** of 972.8 million USD. For the entire year of 2023, Thai exports decreased by 1.0 percent to 284,561.8 million USD while imports decreased by 3.8 percent to 289,754.3 million USD, resulting in a **trade deficit** of 5,192.5 million USD.

### Export Products

Thai exports of agricultural and agro-industrial products decreased by **3.2 percent** (YoY). The agricultural products decreased by **8.3 percent**, while the agro-industrial increased by **3.6 percent**. Products that expanded well were rice (+27.4%), rubber (+13.2%), pet foods (+8.5%), processed chicken (+0.9%), drinks (+6.2%), canned and processed fruits (+10.8%), sugar (+43.2%), sauces and preparations (+16.2%), fresh, chilled, frozen, and dried vegetable (+19.0%), and chilled boiled-shrimps (+127.8%). On the contrary, exports of some products decreased, namely, fresh, chilled, frozen, and dried fruits (-27.9%), canned and processed seafood (-13.3%), cassava products (-51.2%), and animal and vegetable fats and oils (-40.8%). For the entire year of 2023, the exports of agricultural and agro-industrial products decreased by **0.7 percent**.

Industrial product exports expanded by **5.0 percent** (YoY). There were significant products that expanded, including automobiles, equipment, and parts (+4.3%), computers, equipment, and parts (+2.5%), rubber products (+3.9%), iron, steel and products (+25.3%), gems and jewelry (+6.8%), and wood and wood products (+22.2%). Meanwhile, exports of some products declined, such as chemicals (-6.5%), air conditioners and components (-12.2%), and motorcycles and components (-27.2%). For the entire year of 2023, the exports of industrial products decreased by **1.0 percent**.

### Export Markets

- Exports to primary markets increased by **1.1 percent**. Exports to the US, China, and ASEAN (5) increased by **0.3%**, **2.0%**, and **18.0%**, while exports to Japan, EU (27), and CLMV decreased by **3.7%**, **5.3%**, and **9.4%**.
- Exports to secondary markets increased by **7.5 percent**. Exports to South Asia, Australia and Oceania, Latin America and Russia and CIS increased by **7.0%**, **5.4%**, **14.4%**, and **50.4%**, while exports to Middle East, Africa, and the UK contracted by **5.4%**, **0.1%** and **22.8%**.
- Exports to other markets increased by **355.2 percent** as exports to Switzerland grew by **567.6%**.

## Promotion Strategies and Export Prospects

In December 2023, the Ministry of Commerce carried out significant activities to promote exports in the late 2023 to early 2024, including: **(1) Public-Private Sector Collaboration for Fruit Management:** organized a collaborative meeting between the public and private sectors to establish comprehensive strategies for fruit management in 2024. This involved implementing aggressive measures across 6 dimensions and 25 action plans, particularly focusing on promoting Thai fruit sales in neighboring countries; **(2) International Trade Shows Participation:** such as The BIG 5 Show in Dubai to promote the export of construction materials and the Asia TV Forum & Market in Singapore to expand market channels for the Thai entertainment industry; **(3) Business Matching Activities:** with a total value exceeding 650 million baht were conducted. Notably, the matchmaking of agricultural machinery businesses took place at ThaiTAM 2023 at Kasetsart University, KamphaengSaen, involving 24 importing companies from 6 countries (Kenya, Mozambique, Nigeria, Malaysia, Vietnam, and Bangladesh); **(4) Export Promotion Through Service Sector:** promoted exports through related service sectors, such as promoting fruit menus in Thai Select restaurants globally. Additionally, leveraging the benefits of Free Trade Agreements (FTAs) was emphasized; **(5) Enhancing Trade and Economic Cooperation with China:** involved collaborative efforts between provincial commerce offices, Department of International Trade Promotion in 9 countries, embassy, overseas offices of BOI, aligned with the Prime Minister's "Proactive Economic Diplomacy" policy; **(6) Soft Power Promotion:** included organizing the "Muaythai Global Power" event in collaboration with Sports Authority of Thailand and International Federation of Muaythai Associations, aiming to enhance the global presence of Thai boxing across various sectors, including sports, education, equipment, fashion, film, animation, and gaming; and **(7) Successful Conclusion of Thai-Sri Lanka FTA Negotiations:** achieved successful negotiations for the Thailand-Sri Lanka Free Trade Agreement (FTA), marking Thailand's 15<sup>th</sup> FTA, covered trade in goods, services, investments, and economic cooperation. The agreement is expected to be presented to the Cabinet for consideration and signing in early February 2024.

Regarding the export outlook of 2024, the Ministry of Commerce has set a target for export expansion at 1.99 percent, equivalent to an estimated value of approximately 290,000 million US dollars or 10 trillion Thai Baht. This growth is expected to be supported by the expanding global economy, increased stability, and the cessation of tight monetary policies in major economies. These factors are anticipated to positively impact global trade volumes, contributing to an increase. Additionally, there is momentum from the stockpiling of agricultural and food products, ensuring food security, and the recovery of the global electronics supply chain. However, there are risk factors that need to be monitored, including geopolitical tensions affecting the global supply chain and production costs, the impact of drought in various regions worldwide, and the slower-than-expected economic recovery in China. To address these challenges, the Ministry of Commerce has planned over 400 promotional activities both domestically and internationally. This includes market penetration in secondary cities and driving Free Trade Agreement (FTA) negotiations under the government's "Proactive Economic Diplomacy Policy." The Ministry is collaborating with various agencies to boost Thailand's exports as a crucial driver for the future economic expansion of the country.



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## Thai International Trade Value in December 2023

Unit: Million USD

	Dec 2023	Jan – Dec 2023
Trade Value	44,610.3 +0.7%	574,316.1 -2.4%
Export value	22,791.6 +4.7%	284,561.8 -1.0%
Exports of real sector	20,119.3 +2.1%	250,671.5 +0.6%
Import value	21,818.8 -3.1%	289,754.3 -3.8%
Trade Balance	+972.8	-5,192.5

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

## Top 10 Thai Export Products – December 2023

