

## Thai International Trade in August 2023

The growth of Thai exports rebounded to 2.6 percent in August 2023, expanding over the past 11 months to 24,279.6 million USD (824,938 million Baht), while Thai exports of real sector (excluding gold, oil-related products, and weaponry) grew by 3.9 percent. This growth was supported by improved signals from the global manufacturing sector compared to the previous month, although it remained below normal levels. Consumer spending adjusted positively, in line with the service sector of trading partners that was expanding. This had a favorable impact on related exports, along with the promotion of clean energy policies and the demand for technological products. These factors led to the expansion of the industrial products once again. The relative depreciation of the Thai Baht at an appropriate level also had a positively influence on exports. Key trading partners, including the United States, China, Japan, India, South Korea, Taiwan, Australia, Saudi Arabia, and South Africa, all showed significant signs of recovery. Thailand's exports in August outperformed many countries in the region and achieved a trade surplus once more. **For the first eight months of 2023, Thai exports decreased by 4.5 percent while exports of real sector (excluding gold, oil-related products, and weaponry) decreased by 1.5 percent.**

Thai exports in August 2023 increased by 2.6 percent to 24,279.6 million USD while imports decreased by 12.8 percent to 23,919.7 million USD, **resulting in a trade surplus** of 359.9 million USD. **For the first eight months, Thai exports decreased by 4.5 percent to 187,593.1 million USD while imports decreased by 5.7 percent to 195,518.6 million USD, resulting in a trade deficit** of 7,925.4 million USD.

### Export Products

Thai exports of agricultural and agro-industrial products contracted by **1.5 percent** (YoY). The agro-industrial products decreased by **7.6 percent**, while the agricultural products bounced back to **4.2 percent** growth. However, there were still significant products that expanded, including fresh, chilled, frozen, and dried fruits (+99.8%), rice (+10.8%), sauces and preparations (+28.6%), canned and processed vegetable (+26.5%), milk and dairy products (+13.2%), and fresh, chilled, frozen, and dried vegetable (+22.8%). On the contrary, exports of some products decreased, namely, rubber (-32.9%), cassava products (-12.8%), canned and processed seafood (-9.7%), sugar (-23.1%), processed chicken (-12.8%), and animal and vegetable fats and oils (-57.4%). For the first eight months of 2023, the exports of agricultural and agro-industrial products decreased by **3.5 percent**.

Industrial product exports expanded by **2.5 percent** (YoY). Products that expanded were automobiles, equipment, and parts (+5.2%), electrical circuit board (+39.8%), machinery and parts (+6.4%), telephone, equipment, and parts (+36.9%), semiconductors, transistors, and diodes (+74.5%), and electrical transformers and parts (+59.1%). Meanwhile, exports of some products declined, such as computers, equipment, and parts (-26.9%), rubber products (-4.7%), gems and jewelry (excluding gold) (-10.4%), and air conditioners and components (-23.4%). For the first eight months of 2023, the exports of industrial products decreased by **4.1 percent**.

### Export Markets

- Exports to primary markets increased by **2.3 percent**. Exports to the US, China, and Japan increased by **21.7%**, **1.9%**, and **15.7%**, while exports to ASEAN (5), CLMV, and EU (27) decreased by **1.5%**, **21.3%**, and **11.6%**.
- Exports to secondary markets increased by **2.4 percent**. Exports to Australia and Oceania, Africa, Russia and CIS, and the UK increased by **22.4%**, **4.9%**, **30.4%**, and **10.7%**, while exports to South Asia, Middle East, and Latin America contract by **0.9%**, **12.6%**, and **11.7%**.
- Exports to other markets increased by **62.8 percent** as exports to Switzerland grew by **53.6%**.

## Promotion Strategies and Export Prospects

For the export promotion plan in the remainder of 2023, Mr. Phumtham Wechayachai, Deputy Prime Minister and Minister of Commerce, issued a policy directive to the senior executives of the Ministry of Commerce, as well as commercial counsellors from 56 countries and provincial commerce officials on September 14, 2023. This directive maintains the export target for 2023 at 1 – 2 percent and focuses on the policy of "**Accelerating exports from negative to positive.**" It outlines several key strategies, including: **(1) Utilizing Soft Power:** This involves creating narratives around Thai products and services by linking them to the service sector and tourism; **(2) In-Depth Consumer Market Analysis:** The plan emphasizes the use of data and analysis to understand consumer behavior in global markets and develop products that meet consumer needs; **(3) Addressing Trade Issues at Border Crossings:** The policy aims to resolve trade bottlenecks and issues at border crossings that have hindered Thai products from reaching their destinations; and **(4) Enhancing the Logistics Sector:** Efforts will be made to upgrade the capabilities of Thai logistics service providers to a regional level. Additionally, there is a policy to "**Leverage the Benefits of FTAs**", with the public sector assisting small-scale entrepreneurs in adapting to and preparing for new global regulations such as Carbon Credit, BCG, SDGs, among others. Furthermore, the directive calls for the collaboration of provincial commerce officials and commercial counsellors in formulating comprehensive strategies both domestically and internationally. This is aimed at "maintaining existing markets, expanding into new markets", and enhancing the role of "SME Trading Partners" to support entrepreneurs in their export endeavors.

Regarding the export outlook, the Ministry of Commerce assesses that in the remaining months of the year 2023, there will be a gradual recovery in exports. Several trends and factors contribute to this assessment including: (1) Products related to the mega-trends in clean energy and digital technology are expected to expand well; (2) The demand for agricultural and food products, which are potential strengths of Thailand, continues to grow steadily; and (3) Towards the end of the year, there is a trend of increased export value due to orders related to celebrations and festivals in trading partner countries. Overall, the export market is showing signs of recovery, particularly in major markets such as the United States, China, and Japan. Additionally, new and expanding export markets contribute to this recovery. However, the uncertain global economic situation, prolonged high-interest rates affecting production and consumption, especially for non-essential products, drought conditions that may impact production for exports, and ongoing political conflicts are all factors that could affect exports. The Ministry of Commerce will closely monitor these developments in the coming months.



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## Thai International Trade Value in August 2023

Unit: Million USD

	Aug 2023	Jan – Aug 2023
Trade Value	48,199.3 -5.7%	383,111.7 -5.1%
Export value	24,279.6 +2.6%	187,593.1 -4.5%
Exports of real sector	21,569.8 +3.9%	165,668.3 -1.5%
Import value	23,919.7 -12.8%	195,518.6 -5.7%
Trade Balance	+359.9	-7,925.4

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

## Top 10 Thai Export Products – August 2023

