

## Thai International Trade in February 2023

Thai exports in February 2023 amounted to 22,376.3 million USD (730,123 million Baht), a 4.7 percent contraction, while Thai exports of real sector (excluding gold, oil-related products, and weaponry) decreased by 0.05 percent. The contraction was partly contributed by the high base in the prior year along with a shrinking global economy affecting the demand for electronic and electrical appliance, while exports of products related to oil, especially plastic pellets and chemicals, and gold declined mainly from price factor. Nonetheless, exports of agricultural products and agro-industrial products returned to growth after four consecutive monthly contractions. Exports of industrial products, namely automobiles and parts, gems and jewelry (excluding gold), and air conditioning, continued to expand well. Although exports to main markets (such as the US, China, Japan) continued to be worrisome, exports to markets that the Ministry of Commerce prioritized in 2023, especially the Middle East and India, grew well. In addition, exports to Hong Kong, Thailand's fourth largest trading partner, returned to growth for the first time in ten months. **For the first two months of 2023, Thai exports decreased by 4.6 percent while Thai exports of real sector (excluding gold, oil-related products, and weaponry) decreased by 1.4 percent.**

Thai exports in February 2023 decreased by 4.7 percent to 22,376.3 million USD while imports increased by 1.1 percent to 23,489.7 million USD, **resulting in a trade deficit** of 1,113.4 million USD. **For the first two months of 2023, Thai exports** decreased by 4.6 percent to 42,625.8 million USD while **imports** rose by 3.3 percent to 48,388.8 million USD, **resulting in a trade deficit** of 5,763.1 million USD.

### Export Products

Thai exports of agricultural and agro-industrial products expanded **3.6 percent** (YoY), bounced back after four consecutive monthly contractions, with the expansion of both agricultural products and agro-industrial products which grew by **1.5 percent** and **5.6 percent**, respectively. Products that greatly expanded were **sugar (+21.4%)**, **cassava products (+5.2%)**, **fresh, chilled, frozen, and dried fruits (+95.0%)**, **animal and vegetable fats and oils (+171.4%)**, and **fresh, chilled, and frozen chicken (+61.9%)**. On the contrary, exports of some products decreased, namely, **rubber (-34.0%)**, **canned and processed seafood (-9.1%)**, **pet food (-23.4%)**, and **canned and processed fruits (-23.9%)**. For the first two months of 2023, the exports of agricultural and agro-industrial products expanded by **0.6 percent**.

Industrial product exports declined for five consecutive months with the rate of **-6.2 percent** (YoY). Products that expanded were **automobiles, equipment, and parts (+3.6%)**, **gems and jewelry (excluding gold) (+81.7%)**, **internal combustion engine (+22.2%)**, **motorcycles and components (+15.7%)**, **semiconductors, transistors and diodes (+60.5%)**, **electrical transformers and parts (+39.7%)**, and **travel-related products (+53.7%)**. Meanwhile, exports of some products declined, such as **oil-related products (-20.6%)**, **computers, equipment, and parts (-22.9%)**, and **iron, steel and products (-12.9%)**. For the first two months of 2023, the exports of industrial products decreased by **5.8 percent**.

### Export Markets

- **Exports to primary markets decreased by 5.9 percent.** Exports to the US, China, Japan, and CLMV and ASEAN (5) decreased by **9.5%**, **7.9%**, **2.5%**, **4.9%**, and **6.4%** respectively, while exports to EU (27) grew by **0.1%**.
- **Exports to secondary markets increased by 2.4 percent.** Exports to Hong Kong, Middle East, and Africa grew by **28.6%**, **23.8%**, and **11.2%**, while exports to South Asia, Australia, Latin America, Russia and CIS, and UK decreased by **9.4%**, **9.2%**, **4.7%**, **26.0%**, and **3.5%** respectively
- **Exports to other markets decreased by 67.1 percent** as exports to Switzerland declined by **80.7%**.

## Promotion Strategies and Export Prospects

The Ministry of Commerce has been proactive in advancing and facilitating Thai export. Important operations in the past month included: **(1) Promoting agricultural exports**, the Ministry has been promoted marketing and expanded export opportunities for agricultural products especially Thai rice through various international trade fairs and set the 2023 rice export target to 7.5 million tons as Vietnam and India will curb overseas sales more in an effort to secure domestic rice supplies while demand for rice in Indonesia, Bangladesh and the Middle East increasing continuously; **(2) building deeper trade partnership** through a Memorandum of Understanding (mini-FTA) with Shenzhen in China, aiming to expand trade further to 43 billion Baht in 2023 – 2024, which will be an important mechanism for both countries as Shenzhen is the China's third-largest economy after Shanghai and Beijing, and has an economy almost the same size as whole Thai economy. **(3) Forming closer trade ties with the United Arab Emirates (UAE)** as both Thailand and the UAE have agreed to open negotiations on a free trade agreement (FTA). The Ministry of Commerce previously led a group of public and private sector executives to discuss with UAE Minister of State for Foreign Trade in order to expand bilateral trade, investment and economic cooperation and also opened the Thai Souq, an ultimate Thai shopping destination in UAE, to create opportunities for Thai Business to expand to the Middle East.

With respect to the export outlook, the Ministry of Commerce assesses that, in the first half of the year, the global economy uncertainty and inflationary environment will inevitably affect Thai exports. However, exports are expected to recover gradually in the latter part of the year as inflationary pressures and global supply chain issues ease in line with energy price trends. The recovery of service and tourism sectors will boost up the demand of trading partners going forward as well.



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## Thai International Trade Value in February 2023

Unit: Million USD

	Feb 2023	Jan – Feb 2023
Trade Value	45,865.9 -1.8%	91,014.6 -0.6%
Export value	22,376.3 -4.7%	42,625.8 -4.6%
Exports of real sector	20,053.7 -0.05%	38,114.1 -1.4%
Import value	23,489.7 +0.5%	48,388.8 +3.3
Trade Balance	-1,113.4	-5,763.1

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

## Top 10 Thai Export Products – February 2023

