

Thailand International Trade – January 2019

Exports and Imports

The Thai exports in January 2019 contracted 5.7 percent with value of 18.9 billion USD. This coincides with recent global trade slowdown, ongoing trade disputes, and internal factors of some trading partners – emerging countries in particular. On import side, its value in January 2019 increased 14 percent to 23 billion USD, resulting in a trade deficit of 4,032 million USD.

Export Markets

Thailand exports to US experienced constant growth led mainly by apparel, automobiles and parts, steel, and aluminum. Thailand also accelerated its exports to US especially those of solar cells, washing machine to avoid out-quota tariff rates. Exports to Japan, India, and CLMV grew favorably, yet with decreasing rate, at 0.9, 3.1, and 0.6 percent respectively.

Nonetheless, Thailand exports to other markets contracted especially those highly related to Chinese supply chain such as Hong Kong and Taiwan. Furthermore, exports to China in numerous products dropped in response to Chinese trade slowdown. Exports to Australia and ASEAN-5 also confronted contraction mostly from oil-related products and automobiles.

Export Products

Industrial products decreased 5.9 percent, led by oil-related products (-9.6%), internal combustion engine and parts (-33.9%), computer and parts (-10.1%), automobiles and parts (-5.1%). However, some products still expanded at favorable rate, for example, watch and parts (+174.7%), radio, television and parts (+31.1%), jewelry and accessories, excluding gold (+3.5%).

Agricultural and Agro-industrial products also declined 2.9 percent such as rubber (-15.1%), sugar (-29.9%), cassava products (-18.5%), and rice (-1.0%). However, some products steadily increased, for example, fresh, frozen and processed fruits and vegetables (+24.7%), fresh, frozen and processed chicken (+8.7%), beverage (+3.7%).

Export Prospects

Overall Thailand exports in 2019 will face downside risk factors including 1) The slowdown in global demand 2) Low commodity prices due to oversupply 3) Thai baht appreciation and 4) Ongoing trade disputes. In the upcoming ministerial trade talk between US and China on 21-22 February 2019 in Washington D.C., the market expects that US and China will reach an agreement and announce the

Memorandum of Understanding afterwards. Moreover, a possibility that US would extend its initial tariff deadline sends a positive signal to the market and improves global trade sentiment.

To cope with various external challenges and volatilities, the Ministry of Commerce has placed its emphasis on utilizing key strengths of Thai product diversification and competitiveness in order to boost Thai exports in 2019 in new potential markets, and to gain greater access in current ones. Overall, products for aging population, green and pet products, wellness-related goods and services as well as logistics services, are expected to grow constantly. In current market situation, customized market strategy is a key to expand business opportunity. As for US market, agricultural and lifestyle products with high quality are projecting positive growth. China and India require specific export strategies tailored to demand of each state or province. With global trade uncertainties, The Ministry of Commerce plans to advance Thai exports by (1) Promoting Strategic Partnership with potential trading partners (2) Creating International Business Network (3) Enhancing Trade cooperation within ASEAN and CLMV as part of Thailand's role as ASEAN chair in 2019 (4) Developing Digital Trade Platforms - connecting offline to online trade as well as bridging local economy to global arena.



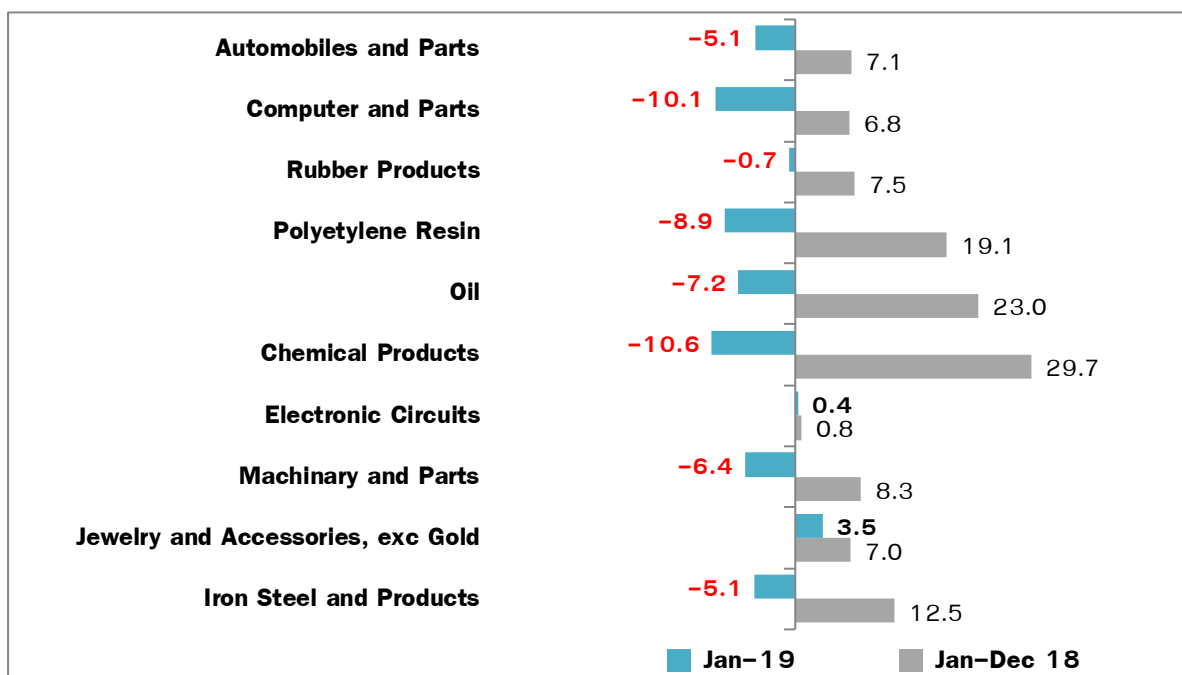
Trade Policy and Strategy Office

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Export Value and Growth

Unit: Million USD	Jan-Dec 2018	Jan 2019
Export value	252,486.4 +6.70%	18,993.9 -5.65%
Import value	249,231.9 +12.51%	23,026.3 +13.99%
Trade Balance	3,254.5	-4,032.4

Export by Products



Export by country/region

