

Thailand International Trade – October 2018

Exports and Imports

The Thai export in October 2018 rebounded from last month's contraction with value of 21.8 billion USD and registered 8.7 percent growth rate. Export value for the first 10 months of 2018 expanded favorably at 8.2 percent from the same period of last year, exceeding the ministry target at 8.0 percent.

On import side, its value in October 2018 increased 11.2 percent to 22.0 billion USD, resulting in a trade deficit of 280 million USD. For the first 10 months of 2018, import value rose 14.8 percent to 208.9 billion USD, bringing a trade surplus of 2,559 million USD.

Export Markets

Thai exports in matured and dynamic markets expanded continuously. Export to Japan, India, ASEAN-5 and CLMV grew favorably at 18.7 12.0 24.4 and 18.2 percent. Export to US maintained its positive momentum from last 3 months and registered at 7.2 percent, the highest in 6 months. Furthermore, this month, export to China is now back on track with positive growth at 3.0 percent. Nonetheless, export growths to another markets showed slight contraction especially Australia, Middle East, Latin America, and Russia and CIS.

Export Products

Industrial products returned to growth this month and amounted to 6.8 percent, led by exports of oil-related products (29.1 percent) and gold (240.8 percent), whose price rose significantly from last year. In addition to that high performance products are jewels and accessories (excluding gold) (+21.1 percent) Facsimile, telephone, and parts (+33.7 percent). On the other hand, some products plunged slightly such as automobiles and parts (-8.9 percent), computer and components (-4.9 percent), electronics circuits (-8.8 percent), washing machine and parts (-40.2 percent). **For the first 10 months of 2018, exports of industrial products rose 7.9 percent.**

Agricultural and Agro-industrial products expanded 12.2 percent, led by most agricultural products such as sugar (+77.8 percent), rice (+28.2 percent), cassava products (+18.5 percent), frozen and processed chicken (+15.6 percent), and frozen and processed fruits and vegetables (+10.6 percent). However, rubber is still on decreasing trend, in both price and volume, and contracted 19.1 percent. **For the first 10 months of 2018, exports of agricultural and agro-industrial products expanded 4.3 percent.**

Export Prospects

The Ministry of Commerce is confident that export growth in 2018 will exceed the target of 8 percent, supported by 1) a robust growth of major trading partners' economy in Q3/2018 – US's private consumption grew steadily in response to a recovery of labor market, which would benefit Thailand exports in consumer goods; **Economic**

growths of EU, China, and Japan are promising despite of downside risks from domestic fronts. Moreover, 2) diversity of Thai exports products, and 3) their competitiveness are key factors to enhance exports in the rest of 2018 and next year.

Unsettled trade disputes and policy uncertainty could slowdown the world economic and trade growth in 2019. This reflects from a decrease of industrial production and manufacturing purchasing managers' indices in both developed and emerging markets. Furthermore, trade retaliation between major trading partners and downward trend of oil prices have posed downside risks to export growth in 2019

MOC Strategy

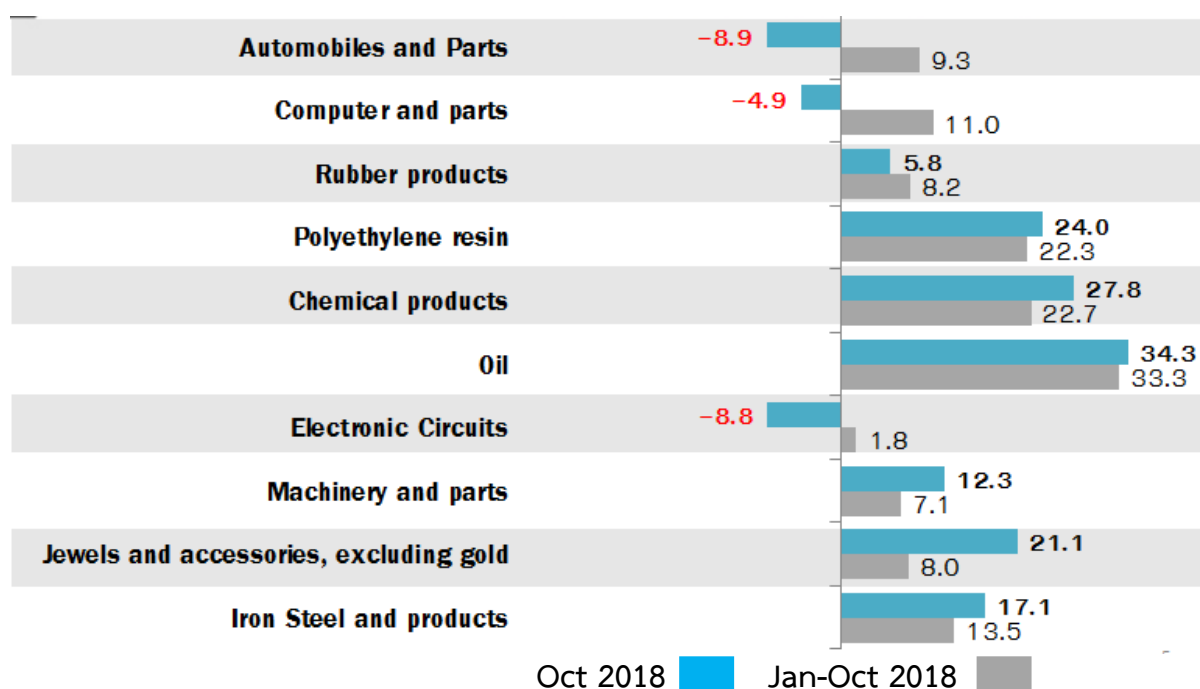
To promote export growth for the rest of 2018 and 2019, the Ministry of Commerce has prepared export and investment promotion scheme, utilizing key strengths of product diversity and competitiveness. Amidst external challenges, the Ministry Export promotion strategies will be reviewed and customized to each market. For example, for ASEAN and CLMV market, whose export shares are comparable to those of US and China combined, the ministry aims to expand collaboration within the region and to support the role of Thailand as ASEAN chair in 2019 to facing setback of global economics and support the continuous regional growth. Moreover, the significance of niche markets, for example, in US and India, are growing. Unique strategies are required to accommodate potential export expansion. This market diversification strategy would also enhance export resilience amidst various external factors. The ministry will keep extensive surveillance on the intensified trade tension and encourages exporters to perform currency hedging in order to minimize adverse impacts from foreign exchange volatility. However, Thailand will not resort to currency manipulation or other measures as we are firmly a "fair trader."



Export Value and Growth

Unit: Million USD	2017	Oct 2018	Jan-Oct 2018
Export value	236,634.7 +9.86%	21,757.9 +8.70%	211,487.8 +8.19%
Import value	221,518.8 +14.07%	22,037.5 +11.23%	208,928.9 +14.78%
Trade Balance	15,115.8	-279.5	2,558.9

Export by Products



Export by country/region

