

Thai International Trade in June 2023

Thai exports in June 2023 amounted to 24,826.0 million USD (848,927 million Baht), a 6.4 percent contraction, while Thai exports of real sector (excluding gold, oil-related products, and weaponry) decreased by 2.9 percent. The economic situation of trading partners remained subdued due to pressure from high inflation rates and elevated interest rates which led to restrained production and consumption. Meanwhile, the China's economic recovery has been relatively slow than expected. In addition, many trading partners delayed their orders for goods due to the impact of tightening monetary policies, resulting in an increase in inventory destocking. Therefore, industrial production and orders decreased. However, there were still positive factors, such as the weakened Thai baht, which helped enhance the competitiveness of exports during that period. Moreover, the steady food security situation contributed to the strong expansion of certain products, including fresh, chilled, and frozen chicken; canned and processed vegetable; fresh, chilled, and dried fruits; eggs; canned sardines; and refined sugar, among others. For the first half of 2023, Thai exports decreased by 5.4 percent while Thai exports of real sector (excluding gold, oil-related products, and weaponry) decreased by 2.3 percent.

Thai exports in June 2023 decreased by 6.4 percent to 24,826.0 million USD while imports decreased by 10.3 percent to 24,768.4 million USD, resulting in a **trade surplus** of 57.7 million USD. For the first half of 2023, Thai exports decreased by 5.4 percent to 141,170.3 million USD while imports decreased by 3.5 percent to 147,477.9 million USD, resulting in a **trade deficit** of 6,307.6 million USD.

Export Products

Thai exports of agricultural and agro-industrial products contracted by **8.6 percent** (YoY), continued to shrink for two consecutive months. The agricultural products decreased by **7.4 percent**, while the agro-industrial products declined by **10.2 percent**. However, there were still significant products that expanded, including fresh, chilled, frozen, and dried fruits (+14.2%), sugar (+31.4%), drinks (+8.3%), fresh, chilled, and frozen chicken (+10.7%), and ice-cream (+11.3%). On the contrary, exports of some products decreased, namely, rice (-15.0%), canned and processed seafood (-16.7%), cassava products (-16.7%), rubber (-43.0%), pet food (-16.1%), canned and processed fruits (-22.5%), and animal and vegetable fats and oils (-80.8%). For the first half of 2023, the exports of agricultural and agro-industrial products decreased by **2.8 percent**.

Industrial product exports decreased by **4.6 percent** (YoY), returned to a decline after expanding in the previous month. Products that expanded were automobiles, equipment, and parts (+7.2%), circuit boards (+5.3%), gems and jewelry (excluding gold) (+31.2%), semiconductors, transistors, and diodes (+68.7%), electrical transformers and parts (+46.8%), and travel-related goods (+30.3%). Meanwhile, exports of some products declined, such as oil-related products (-21.7%), computers, equipment, and parts (-20.1%), iron, steel, and products (-9.0%). For the first half of 2023, the exports of industrial products decreased by **5.3 percent**.

Export Markets

- Exports to primary markets decreased by **8.5 percent**. Exports to the US, ASEAN (5), EU (27), and CLMV decreased by **4.8%**, **18.0%**, **9.0%**, and **23.1%** respectively, while exports to China and Japan grew by **4.5%** and **2.6%**.
- Exports to secondary markets decreased by **2.0 percent**. Exports to South Asia, Middle East, Africa, and Latin America decreased by **17.5%**, **8.6%**, **8.5%**, and **10.2%**, while exports to Australia and Oceania, Russia and CIS, and the UK grew by **9.7%**, **112.5%**, and **8.8%**.
- Exports to other markets increased by **19.7 percent** as exports to Switzerland grew by **19.3%**.

Promotion Strategies and Export Prospects

The Ministry of Commerce has been proactive in promoting and facilitating Thai exports through various initiatives. In the past month, important activities included: (1) **Product showcases and business negotiations**, such as: Organizing the "Top Thai Brands 2023" exhibition in Bangalore, the largest city of the southern Indian state of Karnataka; participating in the "Western China International Fair (WCIF)" held in Sichuan, China; leading a "Trade Mission" to conduct trade negotiations in Latin American countries, including Argentina, Chile, and Brazil; participating in the "Naturally Good Expo 2023" in Sydney, Australia; and participating in the "Annecy International Animation Film Festival 2023.". These initiatives aimed to promote Thai exports and create opportunities for Thai entrepreneurs to expand their markets in different regions; and (2) **Reopening of border checkpoints**: The Ministry worked towards fully reopening all 42 permanent border checkpoints between Thailand and neighboring countries. These checkpoints included 20 between Thailand and Laos, 7 between Thailand and Cambodia, 6 between Thailand and Myanmar, and 9 between Thailand and Malaysia. The aim was to improve transportation of goods and create opportunities for Thai entrepreneurs to expand their markets to neighboring countries.

Regarding the export outlook, the Ministry of Commerce assesses that the export outlook in the coming months will continue to show a gradual recovery, despite the uncertainties in the economies of trading partners. The China's economic recovery has been slower than anticipated due to weak consumer spending and investment. The European economy remains vulnerable due to internal demand and a fragile labor market, particularly in Germany, Finland, and Denmark, which have high living standards and, as a result, reduced economic activities. Moreover, the Russia's withdrawal from the Black Sea Grain Initiative and the drought issues associated with El Niño have raised concerns about global food security, which may impact inflation rates and purchasing power in trading partner countries. However, there are supportive factors for export growth. The acceleration of market openings in potential markets, such as Central Asia, Latin America, and Africa, helps diversify risks and reduce the impact of slowdowns in major export markets. Furthermore, the continuous trend of a weaker Thai Baht provides a favorable environment for Thai exporters. Additionally, the global concern over food shortages may drive up the value of agricultural exports, with price-related factors playing a significant role.



Trade Policy and Strategy Office
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Thai International Trade Value in June 2023

Unit: Million USD

	Jun 2023	Jan – Jun 2023
Trade Value	49,594.4 -8.4%	288,648.2 -4.4%
Export value	24,826.0 -6.4%	141,170.3 -5.4%
Exports of real sector	22,244.2 -2.9%	124,197.5 -2.3%
Import value	24,768.4 -10.3%	147,477.9 -3.5%
Trade Balance	+57.7	-6,307.6

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

Top 10 Thai Export Products – June 2023

