

Thai International Trade in December 2022 and Year 2022

Thai exports in December 2022 amounted to 21,718.8 million USD (776,324 million Baht), a 14.6 percent contraction, while Thai exports of real sector (excluding gold, oil-related products, and weaponry) decreased by 12.5 percent. The export value in December 2022 was above the five-year average (20,759.5 million USD) but the rate of growth was limited by the high base value of last year. Thailand's export growth has also been affected by the slowdown in global economy and weak consumer purchasing power especially in major markets, such as the US, EU, China, and Japan. Other Asian countries have also reported a drop in exports. Nonetheless, there were positive factors, namely the continued decline in freight rates, the implementation of Ministry of Commerce's proactive strategies, and the recovery of international tourism industry, which resulted in higher exports of related products. For the whole year of 2022, Thai export value hit a record high of 287,067.9 million USD with 5.5 percent growth, and Thai exports of real sector (excluding gold, oil-related products, and weaponry) increased by 4.7 percent.

Thai exports in December 2022 decreased by 14.6 percent to 21,718.8 million USD while imports decreased by 12.0 percent to 22,752.7 million USD, resulting in a **trade deficit** of 1,033.9 million USD. For the whole year of 2022, Thai exports expanded by 5.5 percent to 287,067.9 million USD while imports rose by 13.6 percent to 303,190.7 million USD, resulting in a **trade deficit** of 16,122.8 million USD.

Export Products

Thai exports of agricultural and agro-industrial products declined for three consecutive months with the rate of **-11.2 percent** (YoY). Products that greatly expanded were fresh, chilled, frozen, and dried fruits (+21.6%), canned and processed seafood (+1.5%), animal and vegetable fats and oils (+35.5%), fresh, chilled, and frozen chicken (+22.8%), and milk and milk products (+2.7%). On the contrary, exports of some products decreased, namely, rice (-4.1%), cassava products (-12.4%), rubber (-47.7%), canned and processed fruits (-20.5%), and sugar (-45.4%). For 2022, the exports of agricultural and agro-industrial products expanded by **8.8 percent**.

Industrial product exports declined for three consecutive months with the rate of **-15.7 percent** (YoY). Products that continually expanded were fax machines, telephones, equipment, and parts (+65.6%), semiconductors, transistors and diodes (+83.7%), motorcycles and components (+8.1%), and travel-related products (+56.6%). Meanwhile, exports of some products declined, such as automobiles, equipment, and parts (-17.1%), oil-related products (-25.7%), computers and equipment (-24.3%), and gems and jewelry (excluding gold) (-12.4%). For 2022, the exports of industrial products expanded by **4.4 percent**.

Export Markets

- Exports to primary markets decreased by **13.6 percent**. Exports to the US, China, Japan, ASEAN (5), CLMV, and EU (27) decreased by 3.9%, 20.8%, 13.7%, 24.2%, 11.8%, and 4.9% respectively.
- Exports to secondary markets declined by **16.5 percent**. Exports to South Asia, Australia, Africa, Latin America, and Russia and CIS decreased by 11.6%, 18.0%, 26.7%, 9.4%, and 47.7% respectively, while exports to the Middle East and UK grew by 4.7% and 23.7%.
- Exports to other markets decreased by **29.0 percent** as exports to Switzerland declined by 10.4%.

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) Lowering border trade obstacles** by continuously negotiating with neighboring countries and working with both public and private sectors in central and provincial areas. As of December 2022, a total of 72 out of 97 border crossings on the Thai side and 65 border crossings of neighboring countries have been opened; **(2) Improving trade relations** by pursuing the Australia-Thailand Strategic Economic Cooperation Arrangement (SECA) focusing on eight key areas: agriculture, tourism, health, education, digital trade, creative economy, investment, and green energy; **and trade facilitations** by negotiating the rules of origin and relevant regulations of the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) and the ASEAN Trade in Goods Agreement (ATIGA) to reduce barriers associated with tax privileges and to be in line with new trade issues; **(3) Studying consumer behavior in order to better reach target customers and increase trade and export opportunities**, for example, promoting BCG products to Gen Z consumers in Canada, who currently pay attention to products with eco-friendly production; and **(4) Extending the income guarantee scheme** in December 2022 to ensure farmers' income, especially rubber farmers who have been hit by the global market slowdown and declining palm oil prices as Indonesia ramped up exports and temporarily granted export duty exemption. The Ministry of Commerce has provided them with more income security and also promoted exports to other markets.

With respect to the export outlook, the Ministry of Commerce assesses that the slowdown in global economy and consumption especially in major markets, such as the US, Japan, and EU, will inevitably affect Thai exports. However, the economies of the target export markets, namely South Asia, the Middle East and ASEAN, are still growing well. This together with the relaxation of COVID-19 restrictions in China and the continued decline in freight rates will be positive factors for Thai exports. Nonetheless, the geopolitical tensions (the US-China-Taiwan and Russia-Ukraine) could create trade hurdles and supply chain risks. The appreciation of Thai Baht and environmental measures of trading partners might also be hindrances to the exports. The Ministry of Commerce has thereby worked closely with the private sector to prepare for future economic fluctuations by developing export promotional plans to big three potential markets, namely the Middle East, South Asia and CLMV, which are expected to generate income to offset the slowdown in the main markets.



Trade Policy and Strategy Office
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Thai International Trade Value in December 2022

Unit: Million USD

	Dec 2022	Jan – Dec 2022
Trade Value	44,471.5 -13.2%	590,258.5 +9.5%
Export value	21,718.8 -14.6%	287,067.9 +5.5%
Exports of real sector	19,610.3 -12.5%	248,735.3 +4.7%
Import value	22,752.7 -12.0%	303,190.7 +13.6%
Trade Balance	-1,033.9	-16,122.8

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

Top 10 Thai Export Products – December 2022

