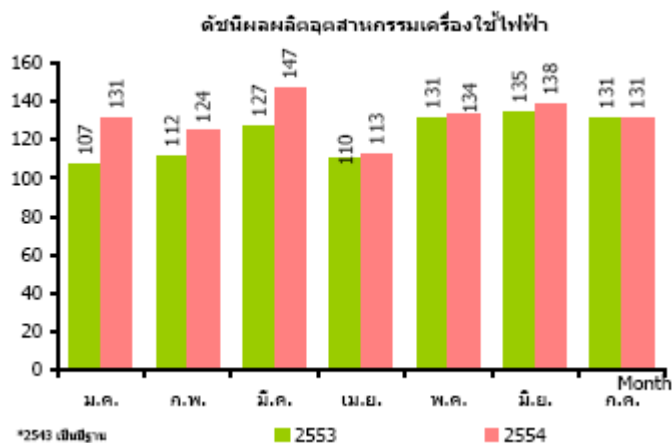


Electric appliances and electronics industry expected 3rd quarter grow over 5%

Figure 1 Industrial production index of electric appliance during January – July 2011 compared to January – July 2010

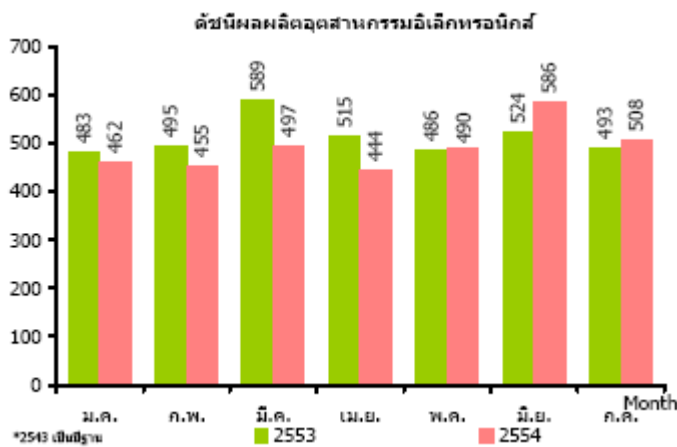


Source: The Office of Industrial Economics, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

Office of Industrial Economics has reported the production of electric appliance index during January – May 2011 found the production has increased 8.69% compared to the same period of last year, due to the increasing on household products and component had increased during last 7 months in 2011, especially during the first quarter 2011 such as refrigerator and wire these is the result from 2010 which has more demand continuously. The source of ordered had come from export markets such as Japan and Asian. Furthermore the wire product still had additional demand these because businesses in Thailand still expand such as real estate etc. Meanwhile growing rate of overall production in 2nd quarter, 2011 had slightly increased due to some company speed up their productions and some products require producing according to seasons like hot weather such as air conditioner and economy of international trade had slow down such as United State, some countries in EU etc.

Figure 2 Industrial production index of electronic during January – July 2011 compared to January – July 2010

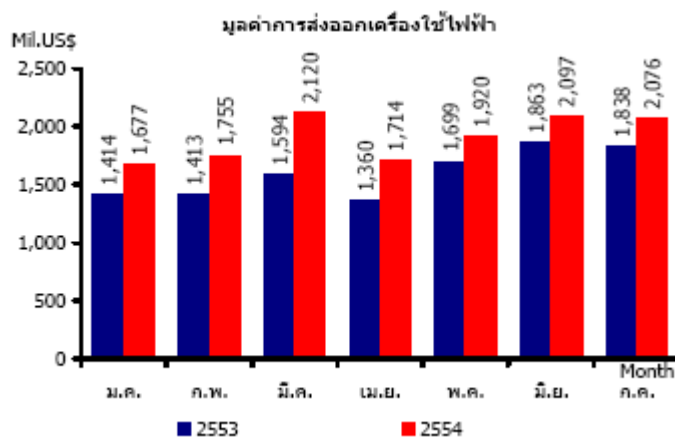


Source: The Office of Industrial Economics, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

Electronic production during January – July 2011 reduced 3.97% compared to the same period of last year, however, the production had speed up and increasing since June – July 2011, because of the demand in HDD production had increased during past 7 months compared to the ordered for the same period of last year has high base from the economy recovery, at that time has large amount of productions these effect to has large amount of stock in their inventory, in 2nd quarter, 2011 will take a look new purchase order coming during the end of the year. And the market situation of other countries begin to tight according to their economy situation not stable, note that the delivery of manufacture (delivery index) begin to slow down in July 2011 as well. Furthermore the import electronic products such chip and micro assembly and diode transistor and semiconductor in July begin to decrease compared with last month. These might be the amount of product in inventory still in high level, if the import has decrease these might be the sign for production ready – made will not growth much.

Figure 3 Showing the exported value of electronic during January – July 2011 compared to January – July 2010



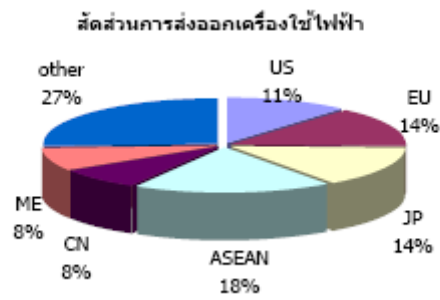
Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

The export electric appliances during January – July 2011 has value US\$13,358.59 million, increased 19.46% there were some expansion and high ratio of export market such as Asian during 7 months of this year has increased 12.96% and export ratio 18.28%. Those was major export market of electric appliance but in 2nd quarter slow down only 6.02% which is difference from the first quarter growth to 22.09%, these might be the ordered of component as Small Motor (power not over 750W)² Small Transformer (not over 1 KV) has reduced.

Even though the major market has economy tendency slow down but Thailand still export electric appliance products to EU and Japan which is growth during 7 months of this year by increased 19.60% and 25.83% respectively, the total export ratio of both countries were 28.75%.

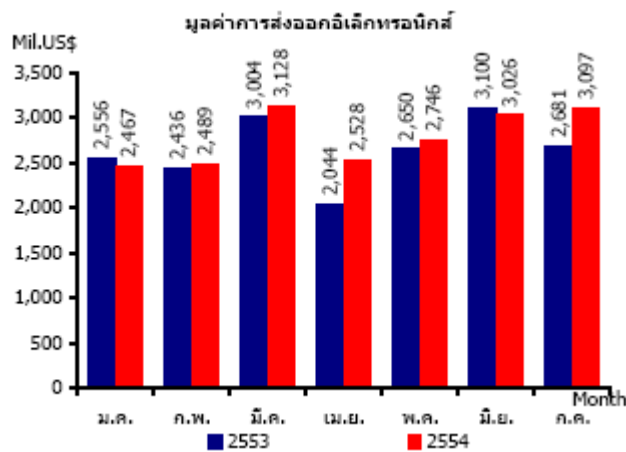
Figure 4 Showing the ratio exported value of electronic during January – July 2011



Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

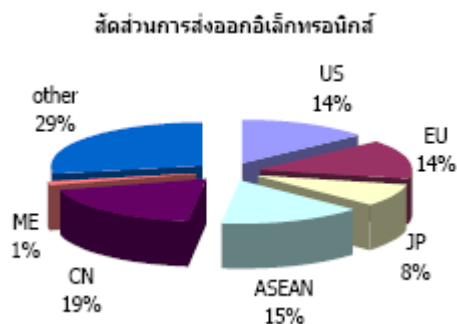
Figure 5 Showing the exported value of electronic during January – July 2011 compared to January – July 2010



Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

Figure 6 Showing the ratio of exported value electronic during January – July 2011

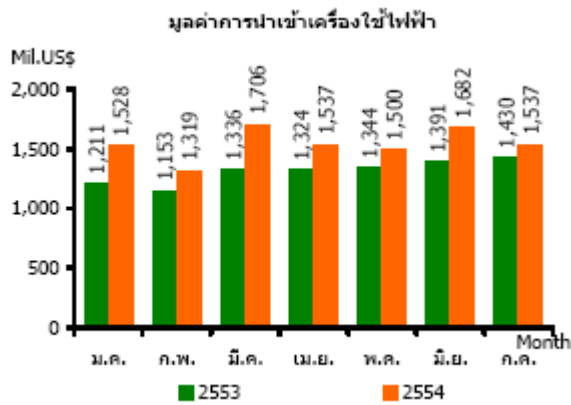


Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

The electronic had export value US\$19,481.04 million during January – July 2011, slightly increased 5.47% compared to the same period of last year, these cause the chip and micro assembly has increased 9.30% due to the major market, Hong Kong has increased 18.96%, the export ratio 27.14% of export valued for the product as chip and micro assembly made in Thailand. Those export market was distributor expand all electronic products both ready-made and component to worldwide and they also the first place in the region that always put their new products into the market. Meanwhile computer components still stable 0.97% due to major export market had reduced all over excepted others market such as Hong Kong, Mexico, and India etc., however this type of product not incline too much, one more reason beside the major market has reduced was the favorable on using Flash Drive or Solid State Drive which is high price and able to use with variety new equipments.

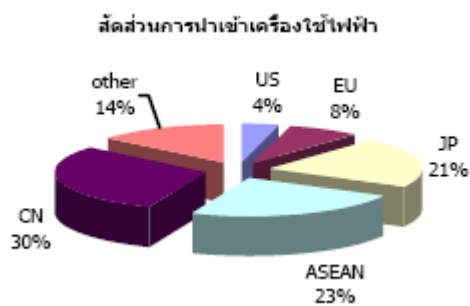
Figure 7 Showing the imported value of electric appliances during January – July 2011 compared to January – July 2010.



Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

Figure 8 Showing the ratio of imported value electric appliances during January – July 2011



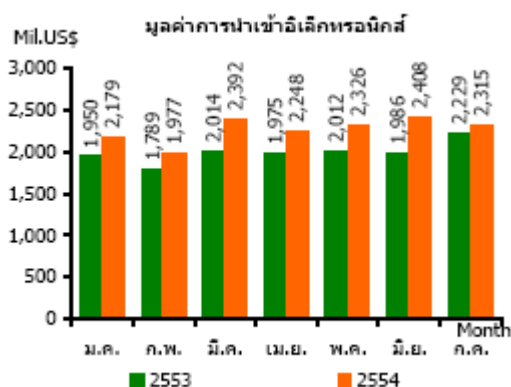
Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

Electric appliance has imported value US\$10,809.47 million mostly from China, Asian and Japan as major part by has import ratio 74.44% from those 3 markets, the products imported from 3 markets had high value. The product mostly was electric circuit breaker / Protection equipment, TV components, wire, wires set etc.

Electronic has import value US\$15,843.53 million, mostly import from China, Asian and Japan by has import ratio at 66.29% percent from 3 markets there were high value import product from 3 markets, the products imported from 3 markets had high value such as chip, micro assembly, integrated circuit and micro assembly, computer components, and mobile phone etc.

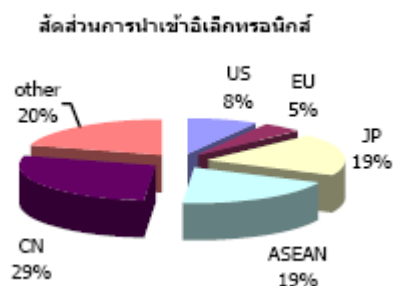
Figure 9 Showing the imported value of electronics during January – July 2011 compared to January – July 2010.



Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

Figure 10 Showing the ratio of imported electronic during January – July 2011



Source: The Custom Department, September 2011

Collected Data & Analyzed: Electrical and Electronic Institution, September 2011

The evaluate index of product export electric appliances and electronics during 3rd quarter of 2011, since July – September 2011, expected to increase 4.52% from same period of the last year by the evaluate electric appliances index will increasing 7.58% in 3rd quarter of 2011 due to the increase of selling refrigerator as the main part, meanwhile the evaluation index to deliver electronic product expected to increase 1.45% compared to the same period of last year, according to the HDD product growth.

However the worry about economy in the country and trading partner such as United State and EU might be slow down and effect to their repurchase for the next period that might be reduce according to the growth ratio of trading partner has reduce and solving their public debt .. These show that their still has maximum risk for export to those countries which used to export in high level, beside the volatility of macroeconomic factors in Thailand also the factors affecting the industry such as cost of raw material, the cost of oil price and interest rate had rise up, these might effect to the production and the unstable of government policy might effect to SMEs business which might not unable to control their business follow to the situations.

However from the tracking system and watch out the electric and electronic industries during September – 2011 still in normal position from the economy indication variables of appliance and electric industrial continued positive impact on the system. There has indication variable increasing such as the value of semiconductor distribute in world market, these indicator variable will forecast the electronic in world market might increase continuously by the Semiconductor Industry Association: SIA has forecast the growth ratio at 5.4% in 2011.