

Electric Appliance and Electronic Industrial Economy Report

May 2011 (Source January-March 2011)

Executive Summary

In 1st quarter 2011, the production condition for electric appliance group has index at 137.56, increase from previous quarter 15.42% and compared to the same quarter of previous year increase 19.31%. The increase product will be electric wire (cable), refrigerator and air conditioner both condensing unit and fan coil unit has increase 41.29, 34.21 and 26.23% respectively. Domestic and export have increase on demand, also export market is significant factor to rise the production, in part of air conditioner has expand follow to many projects in real estate industry and cheaper price because the government announced the regulation to reduce excise tax, these help market do better. The entrepreneur always update their new product into the market continuously these cause production volume and selling air conditioner grow up, there also has some products decrease compared to the same period of previous year such as CRT and Rice Cooker. The rice cooker has develop to digital and more multi-functions such as steam, fried etc. but the price also higher as well, these help decelerate on buying decision.

In 1st quarter 2011, electric appliance export valued \$5,552.16 M, growth 3.91% compared to the previous quarter, increase 25.56% compared to the same period of the previous year. The electric appliance export has increase continuously after economy crisis 2009, the increasing of export in new market because the custom duty was reduce according to Free Trade Agreement: FTA for the electric appliance had maximum value, 3rd range for export in first quarter 2011, such as air conditioner, TV, VDO and electric circuit breaker/ protection equipment.

The production condition in electronic industrial of 1st quarter, 2011 reported from The Office of Industrial Economics found the electronic industrial index has decrease 6.89% compared to the previous quarter and 7.79% compared to the same period of previous year, these because the production of electronics industry had speed up their production and also the

remaining in the stock of dealer in the market and in first quarter not high season and numerous base has rise up in previous year, the product has decrease from the same period of previous year such as Printer and HDD decrease 96.29 and 13.57% respectively.

In 1st quarter, 2011 the electronic export value decrease 3.57% compare to the previous quarter has little change by 1.11% the important export market decrease almost every market especially computer component has decrease 8.66%, according to the incline of market in China, United State, Europe, ASEAN countries and Japan etc. those products has high value than any other electronic export products, as a result the rate grow of export value for electronic was slow down with the speed up of previous export was high and still has some products remain with dealer.

However, in electric and electronic industry still face problem such as the problem on demand for industrial workers involve with the increasing of production, meanwhile the alternate of Macro-economic factors also effect to industrial sector such as trend baht currency rise up may affect export , cost of raw material, increasing of oil price and interest that might effect to production, the economy between major partner such as United State, some countries in EU begin to release their situation, it's clearly to do more export with those countries, moreover import Japan product such as components and parts also has risk condition due to their disaster, the goods undelivered in time, effect delayed to finished product. Several companies have planned to find some other sources, the situation flooding and land sliding in Southern of Thailand might unaffected to the production because that not the manufacturing site of electric appliance and electronic but for the distribution might be increase for the next quarter such as some electric equipments that can renovate the house and building like electric wire or electric components they can buy new one to replace the old one which is loss with flooding, However, industry efforts to develop capacity and capability in the industry to maintain the quality/standard of Thai products able to stand in the industrial continuously.