



Flash by EIC

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Oil prices pushed Thai exports up to 8.8% in January

Key point

- The value of Thai exports in January expanded by 8.8% due to exports of oil-related products rising with crude oil price, which jumped by 78%YOY in January.
- Exports of manufacturing goods, in particular computers, computer parts and electronic circuits strengthened following purchases from major export markets like the US and China.
- The value of imports expanded for the 5th consecutive month at 5.2%YOY.

Implication

- EIC expects Thai exports in 2017 to grow by 1.5%YOY. Although global economies are improving, Thai manufacturing exports will likely expand at slower pace given fragile recovery of main trading partners that are weighed down by global risk factors like US trade protectionism against China and elections in Europe, exports of electronics and electrical appliances becoming outdated and shifts in production bases. Nevertheless, recovering oil prices will likely support improvements in exports of oil-related commodities going forward.
- EIC assesses that the value of imports in 2017 will grow by 3.5%YOY as imports of fuel-related products increase with oil prices and demand for consumer goods improves on the back of stronger household consumption. However, investment slowdowns in the manufacturing sector expected this year will put downward pressure on imports going forward.

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