

---

## Slowdown signs - Thai industrial confidence index fell slightly in August

Wednesday, 07 Oct, 2009

Federation of Thai Industries said that the industrial confidence index fell slightly in August from a record high a month earlier as purchase orders declined due to inventory readjustments. The Thai Industries Sentiment Index dropped to 88 points from 89.9 in July.

Mr Adisak Rohitasune VC of FTI said that "In addition to lower orders compared with the past several months, some manufacturers were unable to service all the clients' demands because they could not recruit employees and source adequate raw materials due to economic difficulties."

Mr Adisak said that "The crude price has surged. This poses a major threat to the cost of manufacturers." He added that political instability, the outlook for the global economy, baht appreciation and the possibility of a rise in interest rates are among the concerns.

He said that more tax incentives to enhance the competitiveness of exporters and importers are needed, as well as measures to solve the labor shortages some industries are facing. He added that "The forecast shows that manufacturers are strongly confident that further improvement will be seen in the last quarter of the year."

Manufacturers have seen a rebound in local demand, especially in the construction related industries such as steel, cement and ceramics, while exports to the US and Europe have yet to see a significant increase in orders.

(Sourced from [www.bangkokpost.com](http://www.bangkokpost.com))

For more news visit at [www.steelguru.com](http://www.steelguru.com)