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Report Highlights:

For 2026, Post forecasts a modest rebound in Thailand's chicken production and exports in 2027. This recovery could be reinforced by a potential opening of the Thai corn market to non-ASEAN suppliers, which could lower feed costs by up to 8 percent, and by a possible increase in Thailand's chicken meat market share in the European Union. Post projects a marginal downturn in Thailand's broiler production, driven by lower export demand, rising operating costs due to geopolitical developments in the Middle East, and El Niño-related weather conditions.

Executive Summary

Post forecasts roughly a 1 percent increase in chicken meat production and exports in 2027 supported by a tourism recovery. Two factors could push this outlook higher: a possible reduction in feed costs if Thailand begins to import corn from non-ASEAN suppliers, and EU's May 2026 removal of Brazil from its approved chicken meat exporter list. If Brazil fails to meet compliance requirements by September 3, 2026, Thailand could increase its market share in the EU.

For 2026, Post estimates Thailand's broiler production to decline approximately 2 percent, following a temporary 2025 export surge tied to Brazil's Highly Pathogenic Avian Influenza (HPAI) outbreak and lower feed costs. This downturn stems from softening domestic consumption amid decelerating GDP growth and declining tourism, rising feed costs, El Niño-related heat stress for broilers, and higher operating costs linked to geopolitical tensions in the Middle East. Post anticipates that Thai government's June 1– September 30, 2026, purchase subsidy program will offset weaker domestic consumption in the second half of the year.

Production

Table 1. Thailand: Chicken Meat Production, Supply and Distribution

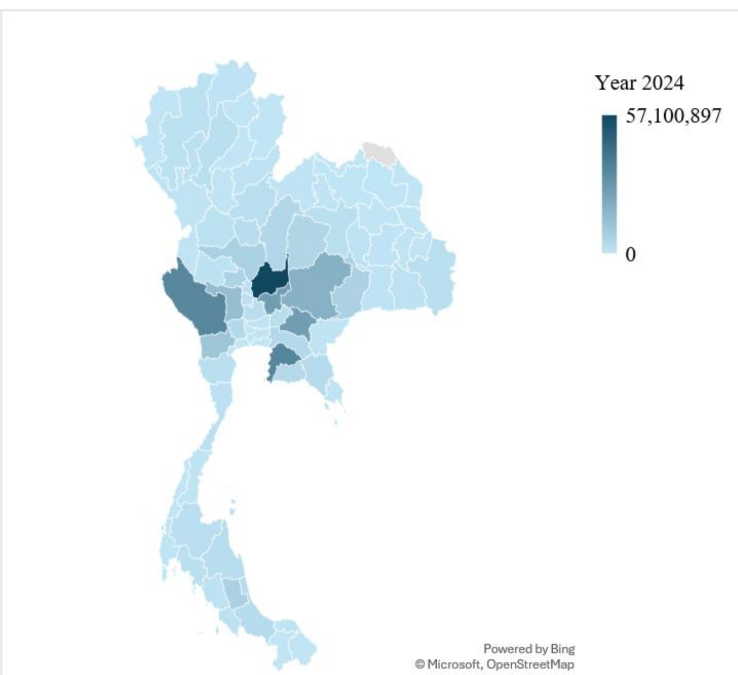
Meat, Chicken	2025		2026		2027	
Market Year Begins	Jan 2025		Jan 2026		Jan 2027	
Thailand	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Beginning Stocks (1000 MT)	50	50	50	133	0	148
Production (1000 MT)	3535	3600	3575	3530	0	3565
Total Imports (1000 MT)	2	2	2	5	0	5
Total Supply (1000 MT)	3587	3652	3627	3668	0	3718
Total Exports (1000 MT)	1249	1249	1275	1225	0	1240
Human Consumption (1000 MT)	2288	2270	2302	2295	0	2340
Other Use, Losses (1000 MT)	0	0	0	0	0	0
Total Dom. Consumption (1000 MT)	2288	2270	2302	2295	0	2340
Total Use (1000 MT)	3537	3519	3577	3520	0	3580
Ending Stocks (1000 MT)	50	133	50	148	0	138
Total Distribution (1000 MT)	3587	3652	3627	3668	0	3718
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Post forecasts chicken meat production to increase 1 percent in 2027 over the 2026 estimate in response to rising demand from the Middle East, supported by the government's strategy to encourage halal exports and expand market access. This forecast is contingent on fuel price stabilization and Thailand's ability to access markets in the Middle East. Post also expects a rebound in inbound tourism to spur domestic demand, consistent with the Tourism Ministry's July 2026 plan to attract high-spending tourists and increase average visitor spending per trip from $1,500 to $2,400.

Post projects Thailand's chicken production to decline by approximately 2 percent in 2026 compared to 2025. Lower feed costs and a spike in global demand for Thai chicken meat following a commercial HPAI outbreak in Brazil drove the 2025 surge in Thai production and exports. China and the EU responded to the outbreak with countrywide bans on Brazilian poultry, while other markets including Saudi Arabia, the United Kingdom, Japan, and the United Arab Emirates (UAE) applied more regionalized restrictions, which created an opportunity for Thailand's poultry sector, aided by lower feed costs at the time. By early 2026, importing countries lifted their restrictions shifting market share back to Brazilian exporters and contributing to Thailand's 2026 production pullback.

Thailand was the world's fourth-largest exporter of chicken meat in 2025, following Brazil, the United States, and the EU. In 2024, Central Thailand accounted for approximately 73 percent of broiler production, with leading provinces being Lopburi, Chonburi, Kanchanaburi, Prachinburi, and Saraburi. Lopburi alone represented around 18 percent of total broiler production, a dominance attributable to proximity to feed corn (Lopburi ranks among Thailand's top four corn-producing provinces), convenient transportation infrastructure, extensive agricultural areas and a well-developed industry ecosystem. Farms, feed mills, slaughterhouses and processing facilities are all close to each other, creating an integrated chicken production cluster.

Figure 2. Thailand: Number of Broilers by Province (Head) (latest available data)

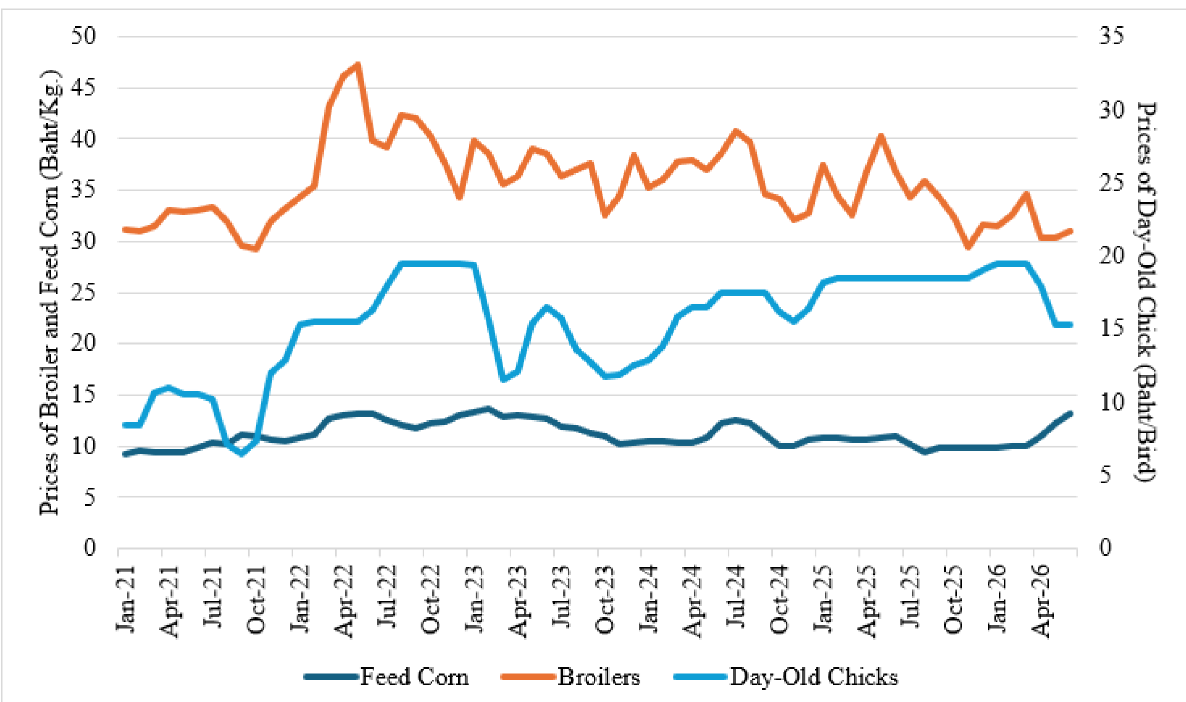


Source: Office of Agricultural Economics (OAE)

According to the Office of Industrial Economics (OIE), the production of chicken meat contracted by 1.38 percent in the first half of 2026 (H1/2026). This reflects weakened domestic demand, consistent with the Bank of Thailand's forecast that GDP growth will grow at a slower pace of 2.3 percent in 2026, down from 2.4 percent in 2025. Additionally, Middle East tensions have contributed to a decline in tourist arrivals compared to the previous year, as global uncertainty and volatile oil prices weighed on travel plans. The ongoing El Niño weather pattern continues to affect chicken supply availability in the market, compounded by rising feed costs.

Feed costs account for 60-70 percent of total broiler production costs in Thailand, where roughly 60 percent of the total feed mix comes from imports, Consequently, Thailand remains less competitive relative to Brazil, China and the United States. El Niño and Middle East tensions have further exacerbated production challenges in Thailand. Industry contacts report that adverse weather conditions have stunted chicken growth, as higher temperatures reduce livestock appetite, resulting in longer grow-out periods. Feed corn prices rose as conflict in the Middle East developed from late February 2026 (see Figure 3). As a result, March–June 2026 feed corn prices reached $0.36/kg (11.63 baht/kg), an 8 percent increase compared to the same period last year.

Figure 3. Thailand: Domestic Prices of Feed Corn, Broilers, and Day-Old Chicks in 2021-2026



Source: Thai Feed Mill Association

If Thailand opens its corn market to imports from non-ASEAN suppliers, Kasikorn Research estimates that feed costs could fall by 8 percent, easing consumer prices and strengthening Thailand's competitiveness.

According to the Thai Feed Mill Association (TFMA), the farmgate broiler price dropped 13 percent in H1/2026 compared to H1/2025. This decline reflects increased price competition in export markets following Brazil's return to exports in early 2026, which added downward pressure on Thai broiler prices. The average price of day-old chicks, meanwhile, experienced a 3 percent contraction. Additionally, industry contacts report that elevated fuel prices have driven up the price of plastic packaging by approximately 30 percent.

Consumption

Post forecasts consumption demand to grow by 2 percent in 2027, contingent on fuel prices stabilizing and the economy continuing to recover, supported by a rebound in tourism. In June 2026, the Bank of Thailand revised the GDP forecast for 2027 to 1.8 percent. In the nearer term, Post estimates Thailand's chicken meat consumption to grow by 1 percent in 2026, as demand picks up in the second half of the year (H2/2026).

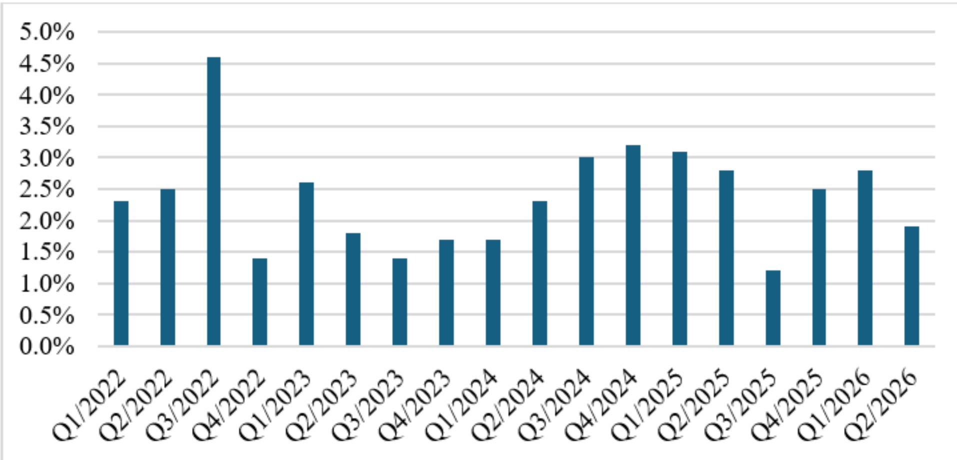
According to the OIE, domestic consumption of chicken meat in H1/2026 contracted by 0.6 percent compared to H1/2025, due to an economic slowdown and disruption in consumer demand from sudden rising costs. Tensions in the Middle East contributed to a 3 percent drop in H1/2026 compared to H1/2025 as rising airfares from volatile oil prices, reduced flight capacity. The average H1/26 unemployment rate reached 0.94 percent, up from 0.89 percent in H1/2025. These developments suggest that household income growth may begin to decelerate.

Nonetheless, the Cabinet's "Thais Help Thais Plus: 60/40" scheme approved May 19, 2026 (see GAIN Report TH2026-0019) as a $5.4 billion (176 billion baht) relief program to offset the cost-of-living impact of the 2026 Middle East energy crisis is boosting poultry demand. Under the scheme, non-welfare cardholders (30 million people) receive a monthly government co-payment of $30.9 (1,000 baht) covering 60 percent of eligible purchases, while State Welfare Card holders (13.2 million people) receive the same monthly benefit with a simplified in-store redemption process. The program runs June 1–September 30, 2026, directly overlapping with the H2/2026 period Post identifies as critical for consumption recovery.

Because large modern trade retailers including Tops, Big C, Lotus, and 7-Eleven do not participate in the scheme, the subsidy's direct benefit for chicken meat purchases is concentrated among smaller registered vendors and traditional food retailers. As of early June 2026, approximately 26 million individuals had registered, with total program spending reaching $433 million within the first week, suggesting strong uptake. However, reports of merchant price increases and scheme misuse introduce some uncertainty as to how fully the subsidy reaches consumer poultry purchasing power versus being absorbed by vendors. Additionally, consumer sentiment may improve once raw material and fuel prices stabilize in H2/2026.

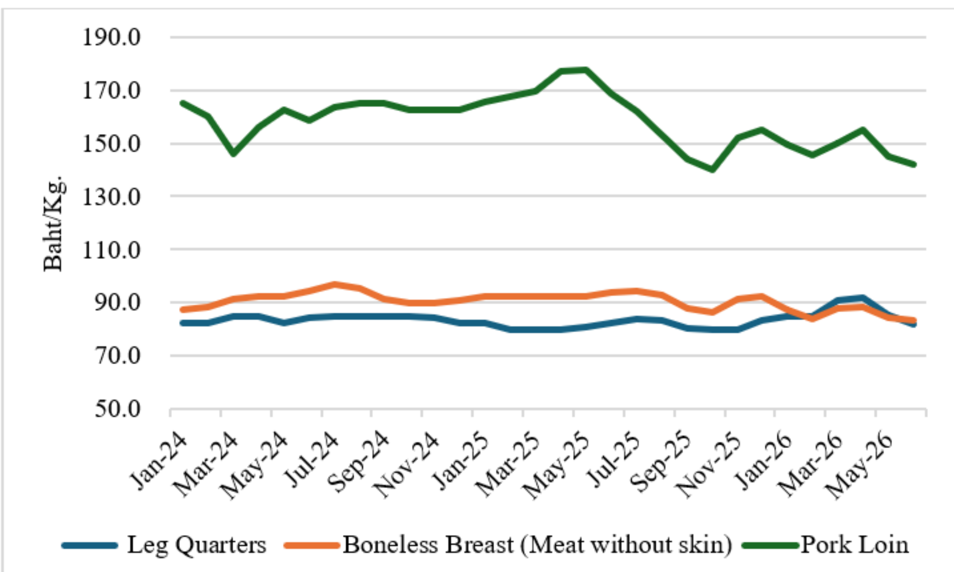
The Office of the National Economic and Social Development Council (NESDC) expects GDP to grow at a sluggish pace of 2.2 percent (midpoint) in 2026, down from 2.4 percent in 2025 (see Figure 4). Meanwhile, the Bank of Thailand revised its GDP growth projection to 2.3 percent for 2026, after accounting for Middle East tensions and Thai government stimulus measures.

Figure 4. Thailand: Quarterly Economic Growth



Source: Office of the National Economic and Social Development Council (NESDC)

Figure 5. Thailand: Retail Prices of Chicken Meat and Pork Meat



Source: Department of Internal Trade, Ministry of Commerce

Prices of leg quarter and boneless breast meat rose to an H1/2026 average of $2.72/kg (86.66 baht/kg) and $2.69/kg (85.85 baht/kg), respectively (see Figure 5), due to rising feed costs starting in March 2026. Meanwhile, the average H1/2026 retail price of pork loin dropped to reach $4.64/kg (147.85 baht/kg), following a full recovery of the African Swine Fever outbreak in 2022 and more pigs available for slaughter.

Trade

Post projects exports to recover by 1 percent in 2027 relative to 2026, assuming fuel prices stabilize and shipping conditions improve, which in turn would lower the costs of imported feed and logistics.

Post estimates exports of chicken meat to decline by 2 percent in 2026 compared to 2025. According to Trade Data Monitor (TDM), Thailand's exports of chicken meat products saw a 3.4 percent decline in H1/2026 compared the same period in 2025. Tighter industry regulations, logistical costs, and unfavorable shipping conditions have hindered growth. Post expects a slight rebound in exports in H2/2026 if there is greater geopolitical stability.

Middle East tensions in 2026 increased costs and delays for Thailand's chicken exports. Poultry shipments to the United Kingdom and the EU face must detour around the Cape of Good Hope to avoid passing through the Strait of Hormuz, creating longer distances, increased travel times, and more expensive freight costs exacerbated by surging insurance premiums and volatile oil prices. Chicken meat trade with the Middle East (UAE, Qatar, Bahrain, Oman, Kuwait, Saudi Arabia) also saw a contraction by 52.69 percent in H1/2026, reaching 6,196 MT compared to H1/2025 due to long delays and rerouting.

In May 2026 the EU removed Brazil from its list of approved exporters of animals and animal products, citing non-compliance with antimicrobial use rules. Thailand's exports may grow further if the EU halts imports of Brazilian chicken meat should Brazil fail to meet compliance requirements by September 3, 2026; as of August 31, Brazil had yet to meet these requirements.

From July 2025, China has suspended chicken products from 17 of Thailand's 22 approved processing plants, with China claiming that reported export volumes exceeded actual production capacity reported. In addition, China has increased its strictness in the production standard and attempts to become self-reliant through expanding domestic production capacity, in line with the government policy to reduce imports. Exports of Thailand's chicken meat (excluding paws) to China and Hong Kong contracted by 41 percent in H1/2026 compared to H1/2025. This decline led exporters to pursue alternative markets, such as securing market access to the Philippines in May 2025; however, the offset has been minimal due to these markets' relatively small market shares. As of July 2026, Thailand's Department of Livestock Development is negotiating the matter with the General Administration of Customs of the People's Republic of China (GACC).

Stocks

Post estimates, with consideration for official government data, that ending stocks will decline to 138,000 MT in 2027, from 148,000 MT in 2026, as processors draw on existing inventory particularly cooked meats to supply destination markets amid rising export demand. This drawdown assumes the projected 2027 export recovery materializes as forecast. In the nearer term, Post estimates stocks will increase slightly, from 133,000 MT in 2025 to 148,000 MT in 2026, as export demand dwindles and domestic consumption grows at a sluggish pace amid economic uncertainty.

Policy

Thailand is highly protective of its poultry market as Thailand restricts U.S. chicken meat products through nontransparent import permit controls. In addition to high import tariffs (30-40 percent for chilled or frozen uncooked meat and 30 percent for cooked chicken meat), Thailand's Department of Livestock Development imposes a high import permit fee (7 baht/kg or approximately $200/MT) on uncooked meat products to protect the domestic market from imports. These persistent nontariff barriers continue to limit U.S. poultry market access to Thailand.

Separately, the government's "Thais Help Thais Plus: 60/40" purchase subsidy program (June 1–September 30, 2026) is supporting near-term consumer demand for food staples, including poultry.

Attachments:
No Attachments