

Industrial Production Status

Indicators	2018	2019					2020									
%YoY	Year	Aug.	Sep.	Oct.	Nov.	Dec.	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	
MPI	3.7	-4.4	-5.0	-8.0	-8.0	-4.4	-3.6	-4.0	-4.2	-10.5	-18.2	-23.8	-17.8	-12.9	-9.3	

The industrial economy in **August 2020**, when considered from the **Manufacturing Production Index (MPI)**, contracted by **9.3 percent** from the same period last year.

When considering MPI data for the past three months compared to the previous year (% YoY), production in May, June, and July 2020 decreased by 23.8 percent, 17.8 percent, and 12.9 percent respectively.

Indicators	2019					2020								
%MoM	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	
MPI	0.6	-3.4	-1.2	1.0	1.8	5.1	-2.9	2.7	-24.7	2.1	4.0	5.3	4.8	

In the past three months (May, June, and July 2020), the MPI change rates (%MoM) were as follows: an increase of 2.1 percent, 4.0 percent, and 5.3 percent in May, June, and July, respectively.

Key industries that contributed to the decrease of MPI in August 2020 compared to the same month last year were as follows:

- Automobiles and engines contracted by 29.7 percent from the effects of the COVID-19 pandemic causing the demand for cards to decline. The main products that decreased were pickup trucks, small cars, and diesel engines.
- Hard Disk Drives contracted by 22.2 percent following the global economic slowdown, following the spread of the COVID-19 that continued to spread throughout the world. The contraction was also from the popularity of SSDs (solid state drives) over Hard Disk Drives.
- Sugar contracted by 75.1 percent from lower sugarcane production this year. As a result, the amount of raw sugar available to be converted into refined sugar was less than last year.

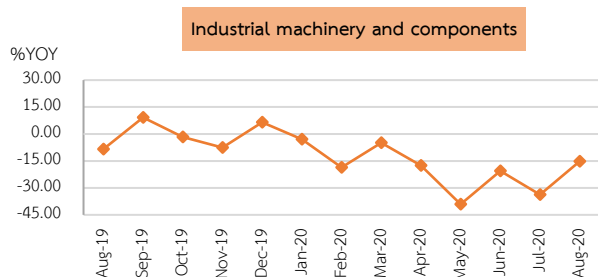
Key industries that remained growing in August 2020 compared to the same month last year were as follows:

- Chemical fertilizers increased by 66.8 percent from continuous rainfall in many areas allowing farmers to cultivate normally. Furthermore, the production of new chemical fertilizers received good market feedback, resulting in more orders.
- Electrical appliances increased by 23.6 percent from refrigerators and washing machines. Refrigerator products increased due to the growing demand for fresh food. Meanwhile, washing machine products expanded due to the opening of new marketing channels.

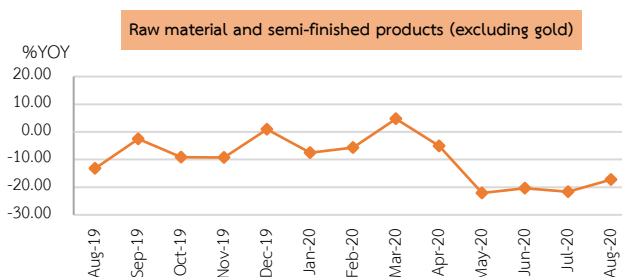
Other Industrial Economic Indicators in August 2020

Other Industrial Economic Indicators in August 2020

■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

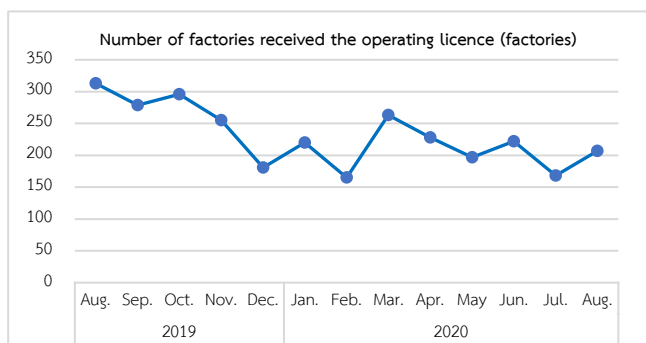


Source: Ministry of Commerce

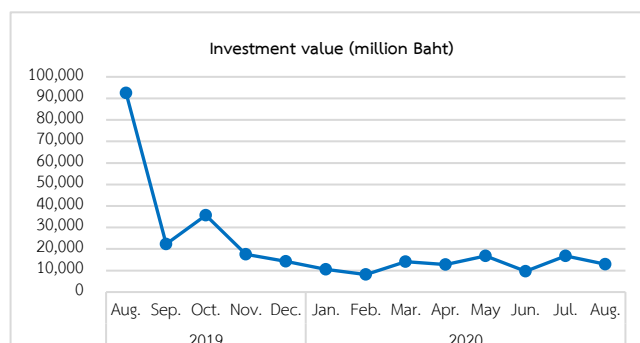
➔ Import of industrial machinery and parts in August 2020 decreased by 15.3 percent compared to the same month last year to 1,202.2 million USD. The decrease was from engines, transmission shafts and other parts; other industrial machinery and parts; air pumps, liquid pumps, roller bearings, and machinery and parts for metal working.

➔ Import of raw and semi-finished goods (excluding gold) in August 2020 declined by 17.2 percent compared to the same month last year to 5,917.0 million USD, from the decreased imports of iron, other alloy steel sheets, organic chemical products, etc.

Industrial Operation Status



Source: Department of Industrial Works



Source: Department of Industrial Works

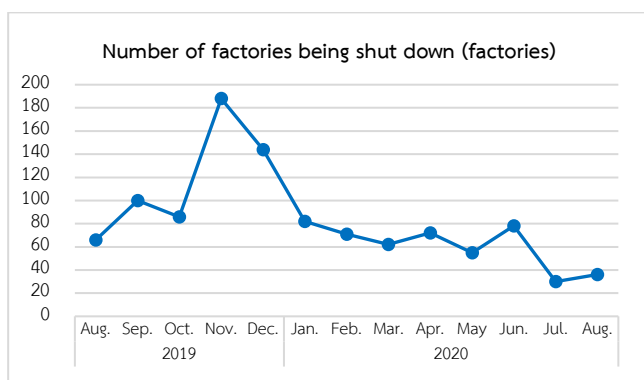
- + The total number of factories licensed for operation in August 2020 was 207 factories, an increase of 23.21 percent (%MoM) from July 2020 but a decrease of 33.87 percent (%YoY) from the same month last year.

- The total investment from factories licensed for operating in August 2020 decreased by 22.58 percent (%MoM) from July 2020 to 12,972 million baht and decreased by 85.99 percent (%YoY) from the same month last year.

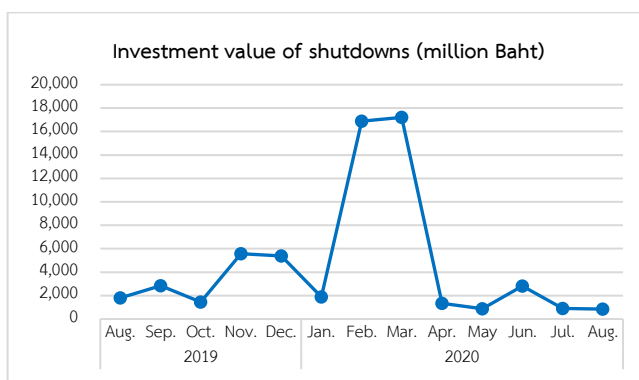
"The industry with the highest number of newly licensed factories to operate in August 2020 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (19 factories) and the excavation and dredging industry of gravel, sand, or soil (16 factories)."

"The industry with the highest investment value in August 2020 was the manufacture of containers such as bags or sacks with an investment value of 2,363.34 million Baht, followed by the manufacture of gas (excluding natural gas); transportation and distribution of gas with an investment value of 1,995.70 million Baht."

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

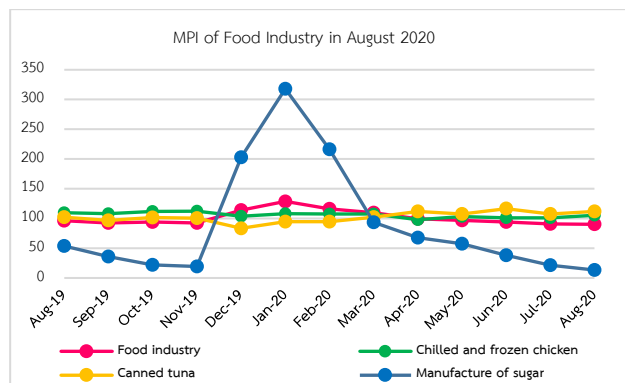
- A total of 36 factories were shut down in August 2020, increasing by 20.0 percent (% MoM) from July 2020 but decreasing by 45.45 percent (% YoY) from the same month last year.
- The lost investment value on shutdown in August 2020 totaled 848 million baht, a decrease of 6.85 percent (%MoM) from July 2020 and a decrease of 52.89 percent (%YoY) from the same month last year.

“In August 2020, the industry with the highest number of factory shutdowns was the manufacture of the sand suction industry (3 factories), followed by the excavation and dredging industry of gravel, sand, or soil (2 factories).”

“In August 2020, the industry being shut down with the highest investment value was the manufacturing industry of mats/rugs by weaving, knitting, or tying into fluffs, with the investment value of 165 million Baht. This followed by the manufacture, assembly, modification, or repair of industrial machinery with the investment value of 125 million Baht.”

Industrial Economic Status by Industrial Sectors in August 2020

1. Food Industry

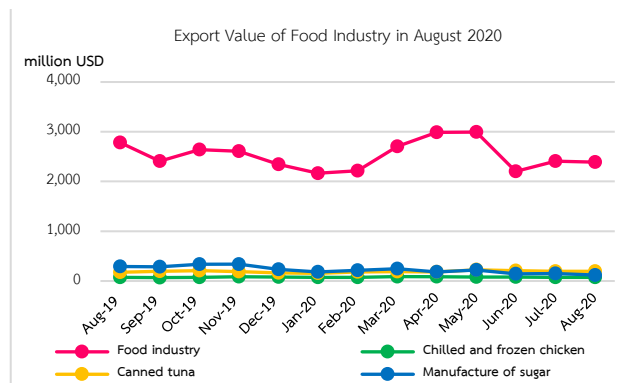


Source: The Office of Industrial Economics

➔ Production of food industry in August 2020 decreased by 6.5 percent (YoY) as affected by droughts. In addition, consumption demand for certain products, from both the domestic and international markets, continued to slow down. Products affecting the MPI were (1) Sugar (-75.1% YoY), (2) Tapioca starch (-9.2% YoY), (3) Cooked chicken meat (-11.1% YoY), (4) Chilled and frozen chicken (-3.8% YoY), and (5) Frozen shrimp (-9.6% YoY).

Excluding sugar, the overall MPI in the food industry grew by 0.4 percent from last month last (MoM). Moreover, the output of instant foods and certain commodities continued to grow, i.e., (1) Canned pineapple (214% YoY), (2) Canned sweet corn (29.2% YoY), (3) Prepared animal feed (10.9% YoY), (5) Canned tuna, and (6) Crude palm oil (5.9% YoY).

➕ Domestic sales: The sales volume of food products in August 2020 grew by 2.1 percent (YoY) due to consumers starting to spend more. The growth was partially from tourism stimulus measures such as the “We travel together” campaign. Some products increased in domestic consumption, including chilled or frozen fish products, which grew by 13.7 percent (YoY), frozen shrimp by 12.5 percent (YoY), canned fish by 13.7 percent (YoY), and dairy products by 2.6 percent (YoY).



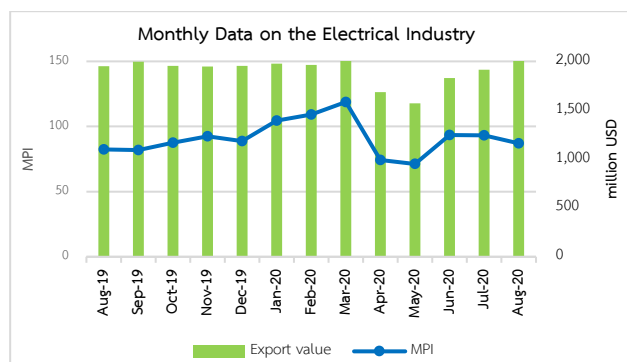
Source: Ministry of Commerce

➔ Export markets: Overall, food exports in August 2020 decreased by 15.1 percent (YoY) from key products, namely (1) Sugar—as Brazil which is a major producer turned to export sugar instead of Ethanol. Meanwhile, global demand for sugar has declined, (2) Chilled and frozen fruits and vegetables—as Thailand’s production declined, and (3) Rice—as output in the main plantations from natural disasters.

The forecasted trend predicts that the MPI of the food industry for September will decline slightly from the same period of last year, as raw materials of agricultural products such as sugarcane and cassava decreased from droughts, causing raw materials to be insufficient to meet factory production needs. This was coupled with the slowdown from domestic consumption and foreign tourists. It is expected that the “We travel together” campaign that started from July 18 to October 31, 2020, and additional special holidays to compensate for Songkran Festival following the Cabinet’s resolution will help stimulate and promote domestic consumption. The export value is expected to decline slightly following the lower output. However, ready-to-eat products and basic foods such as canned fruit, canned tuna, and pet foods are expected to grow in line with the international market demand to maintain food security in countries where the COVID-19 outbreak has continued to spread.

2. Electrical and Electronics Industry

■ Electrical Industry



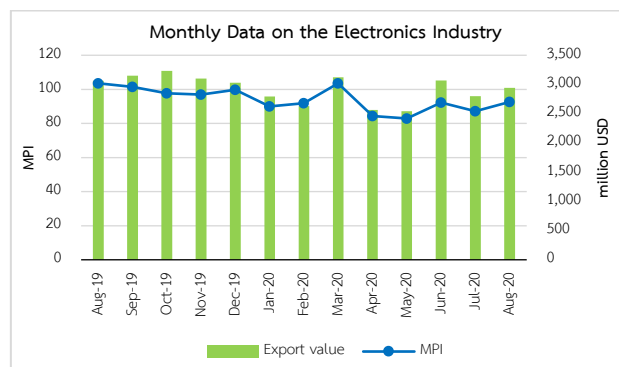
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

+ Production of electrical appliances increased by 3.7 percent compared to the same month last year with the MPI of 87.0 points. Products that increased of production were refrigerators (31.2%), washing machines (28.2%), electrical cables (15.7%), thermos (13.0%), rice cookers (9.6%), cables (5.8%), electric motors (5.0%), and microwave ovens (3.9%). Refrigerators, washing machines, thermos, and electrical cables were the products that increased in domestic and overseas market sales, while microwave ovens, rice cookers, electric motors, transformers, and cables increased in overseas sales. Meanwhile, products that decreased in production were compressors (-27.9%), transformers (-20.0%), household fans (-7.1%), and air-conditioners (-5.6%), as the result of decreasing orders from both inside and outside the country.

+ Exports of electrical appliances increased by 7.7 percent compared to the same month last year to 2,095.2 million USD. Exports of microwave ovens grew by 277.9 percent to 60.2 million USD in Japan and ASEAN markets. Washing machines grew 37.2 percent to 114.1 million USD in the US, China, and ASEAN markets. Refrigerators grew by 21.4 percent to 170.7 million USD in China, the US, the EU, and ASEAN. Meanwhile, products that decreased in orders were power circuit breakers and parts, which decreased by 7.1 percent to 126.6 million USD in ASEAN, Europe and Japan markets. Air-conditioners also decreased in export value by 1.5 percent to 306.4 million USD in Japan, China, and Europe markets.

“Production outlook in September 2020: The electrical appliances industry is expected to grow by 3.0 percent from the same month last year, due to the recovery of the electrical appliance industry including positive factors from the relocation of production bases from China by Japanese industrial groups.”

■ Electronics Industry



Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

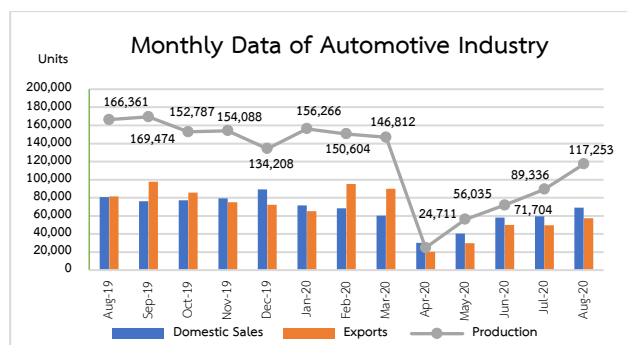
- Production of electronics decreased by 10.6 percent compared to the same month last year with the MPI of 92.6 points. Products that decreased in production were HDDs (-24.3%) and PCBAs (-4.1%), owing to the decreased orders from overseas. Meanwhile, electronic products that increased in the production were semiconductor devices transistors (33.3%), printers (4.5%), PWBs (1.8%), and ICs (0.6%) as a result of increasing demand for products from overseas.

- Exports of electronics decreased by 3.5 percent compared to the same month last year to 2,942.6 million USD, whereby exports of ICs products to Japan, the US, China, and markets dropped by 11.9 percent to 561.0 million USD. The exports of computer accessories and parts to Japan, the US, and Europe markets fell 8.6 percent to 1,087.5 million USD. However, exports of semiconductor device transistors increased by 16.9 percent to 118.5 million USD, as ASEAN, China, and Europe have increased their demands for products.

“Production outlook in September 2020: The electronics industry is expected to decline by 1.3 percent from the same month last year, due to the global economic slowdown, coupled with trading partners which slowed down purchases. In addition, technology is shifting to SSDs (Solid State Drives) instead of HDDs (Hard Disk Drives). However, HDDs are still needed to develop 5G technology, data centers, and IT infrastructure products, so there is still increasing demand for electronics.”

3. Automotive Industry

■ Automotive Manufacturing Industry



Source: The Office of Industrial Economics; data collected from Automotive Division, Federation of Thai Industries

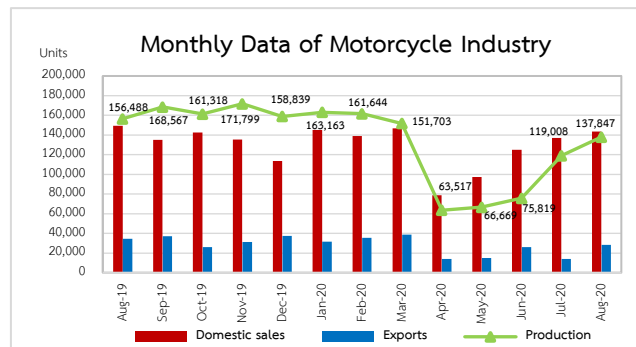
➕ **Automotive Production** in August 2020 increased by 31.25 percent (%MoM) from July 2020 to 117,253 units but decreased by 29.52 percent (%YoY) from the same month last year as the result of decreasing production of passenger cars, 1-ton pick-up trucks and derivatives, and commercial vehicles.

➕ **Domestic sales of automobiles** in August 2020 reached 68,883 units, an increase of 16.09 percent from July 2020 (%MoM). However, the sales fell by 14.79 percent compared to the same month last year (%YoY) from the decreased sales of passenger cars and commercial vehicles, due to the impact of the COVID-19 outbreak. Nevertheless, the domestic market of automobile has recovered from the past month.

➕ **Automotive Exports** in August 2020 increased by 15.81 percent (%MoM) from July 2020 to 57,402 units but fell 29.61 percent (%YoY) from the same month last year. This was from the decreased exports of automobiles to Asia, Oceania, Africa, Europe, the Middle East, North America, Central and South America due to the effect of COVID-19 outbreak in many countries around the world. Nevertheless, export markets have recovered from the past month.

"Automotive industry outlook in September 2020: The industry is projected to contract compared to September 2019 due to the impact of the COVID-19 outbreak control measures in Thailand and many countries around the world, coupled with the slowing global and domestic economy."

■ Motorcycle Manufacturing Industry



Source: The Office of Industrial Economics; data collected from Automotive Division, Federation of Thai Industries

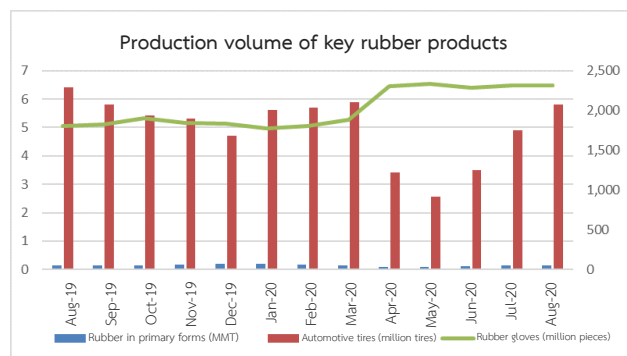
➕ **Motorcycle production** in August 2020 increased by 15.83 percent (%MoM) from July 2020 to 137,847 units but dropped by 11.91 percent (%YoY) from the same month last year as the result of decreasing production of multi-purpose and sport motorcycles.

➕ **Domestic sales of motorcycles** in August 2020 increased by 4.67 percent (%MoM) from July 2020 to 143,424 units but decreased by 4.01 percent (%YoY) over the same month last year due to a fall in sales of 51-110 cc, 111-125 cc, and ≥400 cc motorcycles.

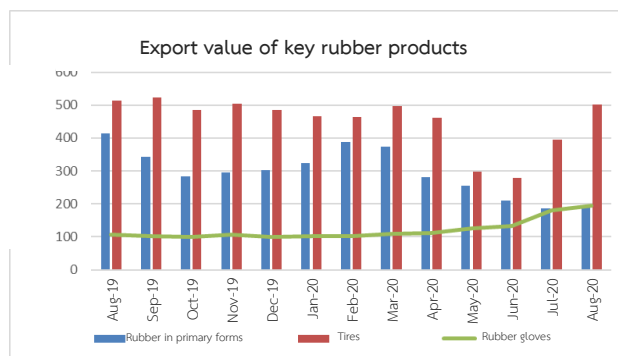
➕ **Motorcycle exports** in August 2020 increased by 101.56 percent (%MoM) from July 2020 to 28,291 units and increased by 1.49 percent (%YoY) from the same month last year. Export markets to which the shipment increased were China, Japan, the UK, and Belgium.

"Motorcycle industry outlook in September 2020: The industry is projected to contract compared to September 2019 due to the impact of the COVID-19 outbreak control measures in Thailand and many countries around the world, coupled with the slowing global and domestic economy."

4. Rubber and Rubber Products Industry



Source: The Office of Industrial Economics



Source: Ministry of Commerce

Production

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) contracted by 1.81 percent in smoked rubber sheets, rubber block products, in line with the decrease in demand from domestic and international markets, coupled with heavy rainfall in rubber tapping areas.

➖ Automotive tires decreased by 9.50 percent, following the slowdown of domestic market and exports.

➕ Rubber gloves increased by 28.54 percent because of the situation of COVID-19 outbreak, resulting in continued-growing demands for medical uses.

Domestic Sales

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) decreased by 4.55 percent in smoked rubber sheets and rubber blocks following the decreased demands.

➖ Automotive tires decreased by 7.17 percent following the contraction of the automotive industry and replacement markets.

➖ Rubber gloves decreased by 10.78 percent as domestic manufacturers have engaged more in overseas marketing.

Exports

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) decreased in export value by 32.23 percent. The decrease was in line with China’s demand for rubber blocks from Thailand has reduced.

➕ Automotive tires increased in export value by 1.73 percent in line with the accelerated stockpiling of goods before the US provisional levy from October 1, 2020 (Anti-Dumping issue).

➕ Rubber gloves increased in export value by 125.88 percent as the US, the UK, and Japan markets has grown so well.

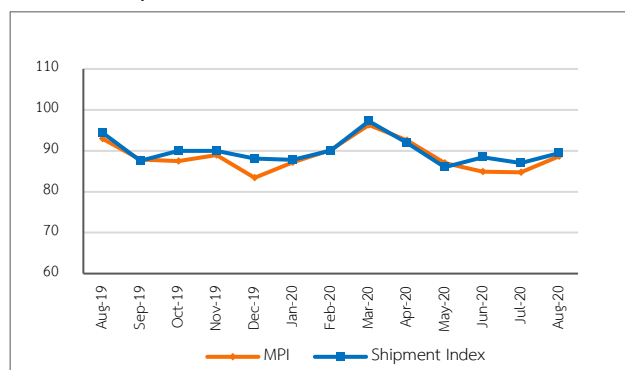
Outlook for the industry in September 2020

Production of upstream rubber (smoked rubber sheets, rubber blocks, and concentrated latex) is expected to contract from the previous month due to demand in domestic and international markets, which has decreased considerably. Moreover, the heavy rain in the rubber tapping area decreased the volumes of rubber entering the market. The production and sales of tires are expected to continue to contract in line with the slowdown in the domestic market, both for automotive manufacturers and the replacement market. As for the production and domestic sales of rubber gloves, they are expected to grow continuously from the previous month due to the COVID-19 situation causing higher demand for medical use.

Exports of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrate latex) and automotive tires are expected to have a lower value due to the prolonged COVID-19 pandemic situation. As the result, the manufacturing sector and economic conditions in many countries, especially China and the US, which are Thailand's key markets for such products, continued to slow down from the previous month. As for export of automotive tires, it is expected that the value will increase following accelerated imports to stockpile goods before the temporary duty levy, resulting from a preliminary damage review in the case of an anti-dumping investigation with passenger vehicles and light truck tire products of Thailand in the US. Exports of rubber gloves are also expected to grow in line with higher demand in the US, the UK, the EU, and Japan markets.

5. Plastics Industry

MPI and Shipment Index



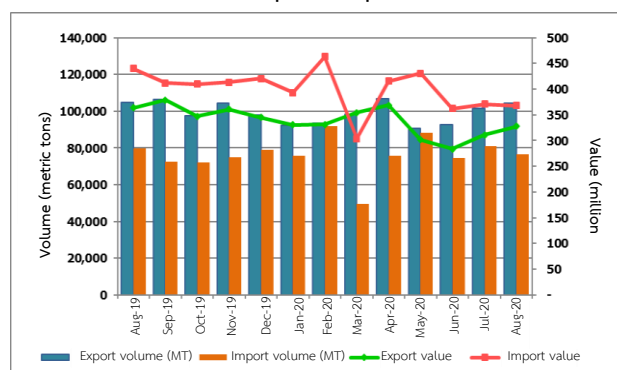
Source: The Office of Industrial Economics

– The manufacturing production index in August 2020 declined by 3.08 percent from the same period last year to 88.63 points. The MPI decrease was in many plastic products, such as tableware, kitchenware, other household articles and hygienic or toilet articles, of plastics (-37.21%), plastic film (-35.68%), and other plastic packaging (-11.23%).

– The Shipment Index in August 2020 stood at 89.44 points, a decrease of 4.62 percent from the same period last year. Products that decreased in the index were tableware, kitchenware, other household articles and hygienic or toilet articles, of plastics (-46.79%), followed by plastic film (-27.86%), and plastic fittings (-12.44%).

– Exports in August 2020 decreased by 13.33 percent compared to the same period last year to 328.01 million USD. Products with the largest fall in exports were tubes, pipes and hoses, of plastics (HS 3917), followed by household articles of plastics (HS 3924), and floor coverings (HS 3918) which dropped by 37.49, 29.12, and 26.10 percent, respectively. Exports to key markets such as Japan, Vietnam, and Indonesia, decreased.

Volume and value of exports-imports

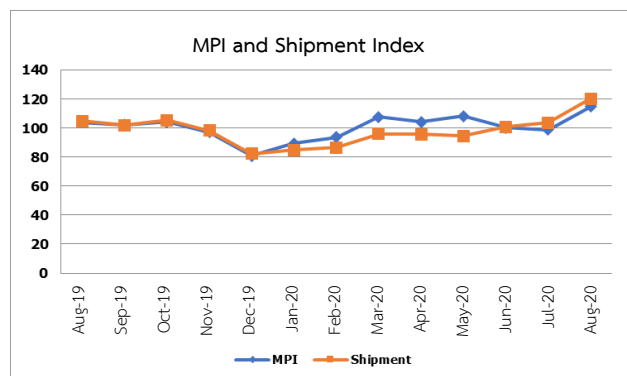


Source: Customs Department, Ministry of Finance

– Imports in August 2020 decreased by 12.36 percent compared to the same period last year to a value of 360.95 million USD. Key products that contributed to the decrease of imports were monofilament (HS 3916), sanitary ware of plastics (HS 3922), and self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics (HS 3919), which decreased by 48.74, 24.08, and 22.46 percent, respectively.

The plastics industry outlook in September 2020: It is expected that the production and exports will continue to contract. However, some factors need to be monitored, such as the COVID-19 pandemic continuing to spread in key trading partner countries such as the US and India. Furthermore, new outbreaks in many countries will affect Thai exports and potentially affect the plastics industry.

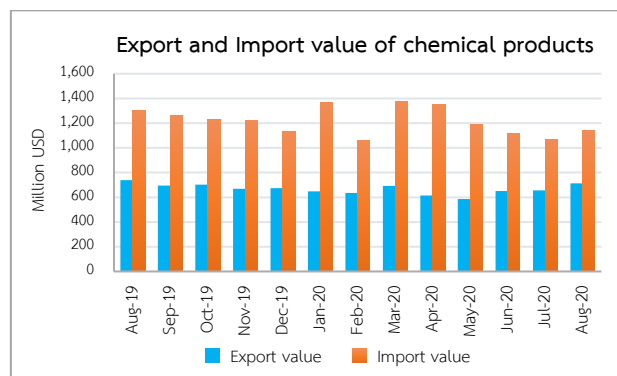
6. Chemical Industry



Source: The Office of Industrial Economics

+ The manufacturing production index in August 2020 stood at 114.73, an increase of 10.49 percent compared to the same period of last year. The production of upstream chemicals contracted by 18.16 percent. The product with the highest contraction was caustic soda by 18.16 percent. Downstream chemicals grew by 18.61 percent. Products with the highest production growth were chemical fertilizers by 66.76 percent due to continuous rainfall in many areas allowing farmers to cultivate as usual. As a result, the demand for chemical fertilizers increased.

+ The shipment index for August 2020 in the chemical industry reached 120.18 points, a growth of 14.82 percent from the same period last year. The shipment index of upstream chemicals contracted by 19.33 percent in the caustic soda and ethanol products. However, the shipment index for downstream chemicals rose by 25.22 percent, by expanding among chemical fertilizer products, detergents, and loose powder.



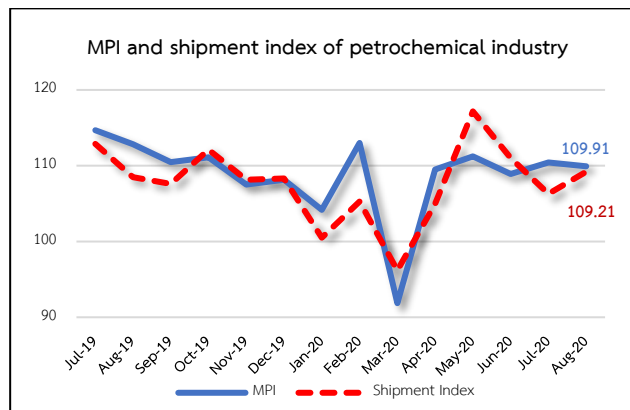
Source: The Office of Permanent Secretary, Ministry of Commerce

- Exports in August 2020 valued at 711.94 million USD, decreasing by 3.61 percent compared to the same period last year. The export value of upstream chemical products grew by 5.25 percent to 373.57 million USD. The export value of the downstream chemical product, on the other hand, fell by 11.81 percent. Products that contributed to the decrease in export value were cosmetics (-23.32%), organic chemicals (-22.16%), and paints (-10.23%). Exports to key markets, such as China, India, Indonesia, and Vietnam, shrank.

- Imports in August 2020 valued 1,143.38 million USD, a decrease of 12.48 percent from the same period last year. Imports of upstream chemical products fell by 14.40 percent to 695.30 million USD, and imports of downstream chemicals declined by 9.33 percent to 448.08 million USD.

The chemicals industry outlook in September 2020: it is expected that the production will increase, but exports will contract. Nonetheless, there are still factors that need to be monitored, such as the spread of COVID-19 that impacts economic growth, including the fall of crude oil prices in the global market.

7. Petrochemical Industry

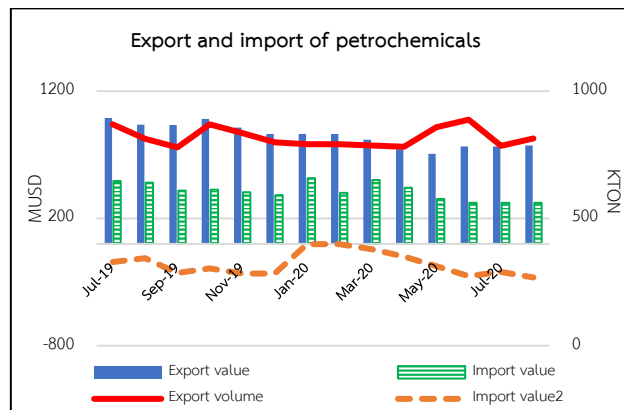


Source: The Office of Industrial Economics

- Manufacturing production index in August 2020 stood at 109.91 points, decreasing by 2.61 percent compared to the same period last year and decreasing by 0.45 percent compared to last month. Upstream petrochemicals that decreased in the MPI were Ethylene (-2.27%) and Propylene (-1.20%), while downstream petrochemicals that decreased in the MPI were ABS resin (-31.02%) and PE resin (-12.16%).

+ Shipment index: The shipment index stood at 109.22 points, an increase of 0.67 percent compared to the same period last year and an increase of 2.75 percent from last month. Upstream petrochemicals that grew in the shipment index were Toluene (53.08%), Benzene (4.21%), and Ethylene (1.24%); downstream petrochemical products that increased in the shipment index were SAN resin (71.30%), PS resin (33.92%), PVC resin (13.03%), PP resin (9.26%), and PE resin (4.96%).

+ Exports: August 2020 exports declined by 17.72 percent compared to the same period last year to 774.24 million USD but increased by 4.92 percent from last month. The contraction was in upstream petrochemicals (such as Terephthalic acid, Para-Xylene, Benzene, and Toluene) and downstream petrochemicals (such as PE resin, PP resin, PC resin, PVC resin, and PET resin), which declined by 29.99 percent and 14.85 percent, respectively.

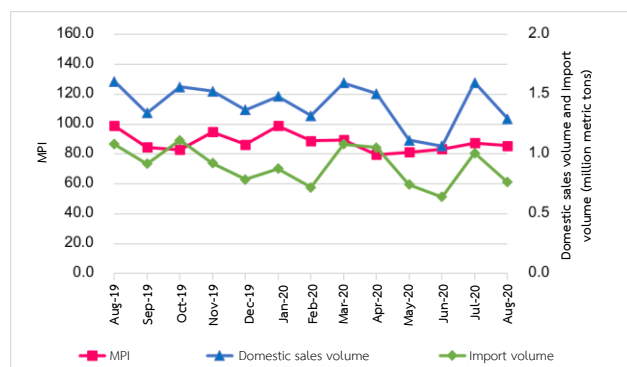


Source: The Office of Permanent Secretary, Ministry of Commerce

- Imports: August 2020 imports decreased by 31.92 percent compared to the same period last year to 324.02 million USD and decreased by 0.49 percent from last month. The contraction was in upstream petrochemicals (such as Vinyl Chloride, Acetic Acid, Ethylene Glycol, and Styrene) and downstream petrochemicals (such as PE resin, PP resin, Nylon resin, SR BR rubber, and PMMA resin), which decreased by 47.03 percent and 28.63 percent, respectively.

Outlook for petrochemical industry in September 2020: It is expected that the overall industry may continue to slow down compared to the same period last year. The contraction comes from the fluctuation of crude oil prices in the world market, economic recovery after the COVID-19 pandemic, and the global market concern with the second wave of COVID-19 outbreak.

8. Iron and Steel Industry



Source: The Office of Industrial Economics / Iron and Steel Institute of Thailand

The MPI in August 2020 reached 85.6 points, a decrease of 13.4 percent compared to the same period last year. The decrease was due to the slowdown in the production of downstream industries, e.g., the construction and automotive industries and the slowdown of local and global economies. The MPI of long products was 88.1 points, a decrease of 13.3 percent from the production of rebars (-29.1%), followed by deformed bars (-21.2%) and hot-rolled structural sections (-19.4%). The MPI of flat products reached 76.6 points, a decrease of 17.9 percent from the production of galvanized sheets (-34.1%), followed by cold-rolled sheets (-33.0%) and hot-rolled coils (-6.1%). However, the production of tinplated sheets and chromium-coated sheets increased by 90.8 and 47.6 percent, respectively, compared to the same period last year. The growth was in line with the growth of continued industry such as the metal can packaging industry.

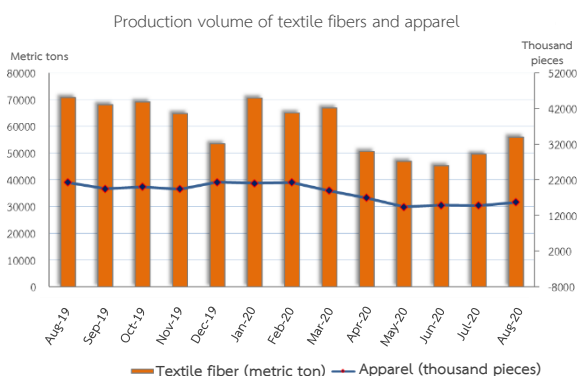
Domestic sales in August 2020 reached a volume of 1.3 million metric tons, a decrease of 19.4 percent compared to the same period last year. Products decreasing in sales were products of flat steel category, which reached the sales volume of 0.7 million metric tons, a decrease of 29.7 percent from the decreased

sales of hot-rolled sheets (-47.9%), followed by cold-rolled sheets (-41.1%) and hot-rolled plates (-23.0%). Meanwhile, the sales of long products reached a sales volume of 0.6 million metric tons, an increase of 0.2 percent from the sales of rebars and hot rolled structural steel sections, which increased by 4.8 percent.

Imports in August 2020 decreased by 29.5 percent compared to the same period last year to 0.8 million metric tons. Imports of long products reached a value of 0.2 million metric tons, down 27.8 percent from the imports of carbon steel rebars which decreased by 77.6 percent (Japan, South Korea, and Taiwan were the key countries from which imports of the products decreased), followed by alloy steel rebars and carbon steel wire rods which decreased by 67.4 percent and 65.4 percent, respectively. Imports of flat products decreased by 30.0 percent to a volume of 0.6 million metric tons, from hot-rolled P&O carbon steel sheets, which decreased by 84.3 percent. (Japan, South Korean, and Taiwan were key countries from which imports of the products decreased.) This followed by hot-rolled alloy steel sheets and hot-rolled carbon steel sheets which decreased by 70.1 percent and 67.8 percent, respectively.

“The steel industry outlook in September 2020: it is predicted that production will decrease compared to the same period last year, from the slowdown in downstream industries, such as the automotive and electrical appliances industries. Nonetheless, there are important issues to follow, such as the second wave of COVID-19 infections, the Government’s economic stimulus policies, international steel prices, and the implementation of government construction projects. Such issues will affect the production volume and the domestic consumption of steel products.”

9. Textile and Wearing Apparel Industry



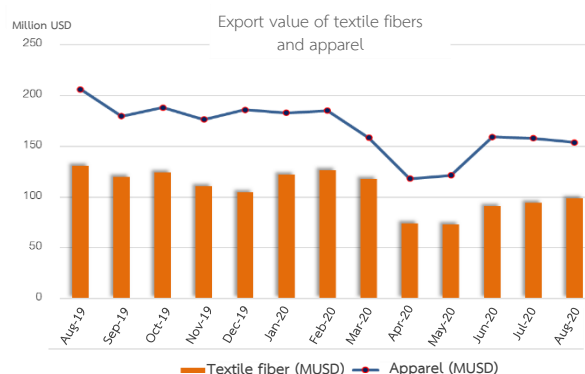
Source: The Office of Industrial Economics

Production

Production of textile fibers, fabrics, and apparel decreased by 20.96 percent, 37.00 percent, and 26.05 percent (YoY) due to the impact of the COVID-19 outbreak. This caused the export of ready-made garments and domestic consumer purchasing power to slow down. As a result, the production from upstream raw materials to ready-made garments decreased. However, compared with the previous month (MoM), production of textile fibers, fabrics, and apparel increased by 12.67 percent, 15.08 percent, and 6.22 percent, respectively, as many trading partners were able to control the outbreak and began to relax lockdown measures, promoting more economic activity.

Domestic sales

Domestic sales of textile fibers, fabrics, and apparel decreased by 29.44 percent, 33.62 percent, and 24.55 percent (YoY), respectively, as demands for raw materials for export have dropped. In addition, the purchasing power of domestic consumers declined due to the impact of the COVID-19 outbreak. Compared to the previous month, the sales of textile fibers, fabrics, and ready-made garments increased by 12.34 percent, 15.34 percent, and 6.79 percent from the easing of domestic economic activities and the government's economic stimulus measures.



Source: Ministry of Commerce

Exports

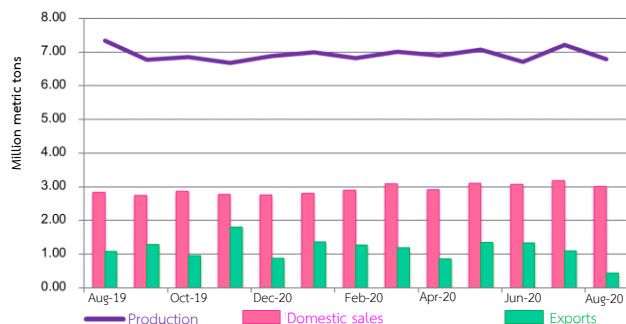
Exports of textile fibers, fabrics, and apparel decreased in value by 24.54 percent, 20.43 percent, and 25.41 percent (YoY) as the global economy has not yet recovered from the COVID-19 outbreak continued to spread in many countries. Major markets that contracted were the United States, Japan, and China. However, compared with the previous month, textile fiber and fabric exports grew by 4.66 percent and 15.65 percent from the US, Bangladesh, China, and ASEAN countries such as Vietnam, Myanmar, and Cambodia for use as raw materials in the production of downstream products. This was partly due to the loosening of lockdown and economic stimulus measures in many countries, resulting in increased consumer goods demand.

Outlook for September 2020

The textile and apparel industry are expected to slow down following domestic purchasing power and the global economy in all countries affected by the COVID-19 outbreak. However, the production and exports are expected to grow compared to the same month last year.

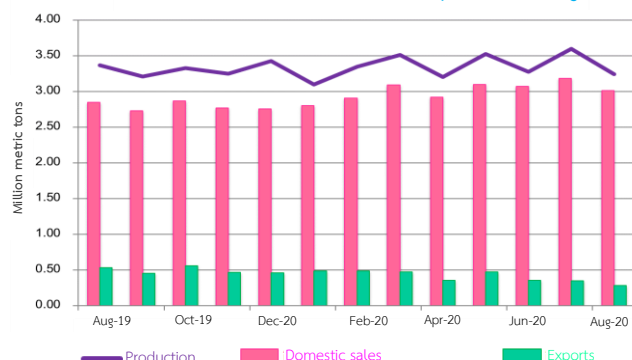
10. Cement Industry

Total production volume, domestic sales, and exports of cement



Source: 1. Domestic production and sales volume: Division of Industrial Economics Information and Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce.

Production volume, Domestic Sales, and Exports (excluding clinker)



Source: 1. Domestic production and sales volume: Division of Industrial Economics Information and Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce.

- Total production of cement in August 2020 decreased by 5.81 percent from July 2020 (%MoM) to 6.79 million metric tons and decreased by 7.44 percent (%YoY) from the same month last year.

+ Total domestic sales of cement in August 2020 decreased by 5.32 percent (%MoM) from July 2020 to 3.01 million metric tons but increased by 5.87 percent (%YoY) from the same month last year.

- Total exports of cement decreased by 59.91 percent (%MoM) from July 2020 to 0.44 million metric tons and decreased by 59.39 percent (%YoY) from the same month last year as the result of decreasing orders from key markets, such as Cambodia, Bangladesh, Lao PDR., and the Philippines

Outlook for the overall cement production in September 2020, compared to the same period of the previous year, is expected that despite the economic sluggishness from the spread of the COVID-19 that will persist, the government's economic stimulus measures are expected to promote the demand for cement to increase slightly.

- Cement production (excluding clinker) decreased by 4.50 percent (%MoM) from July 2020 to 3.42 million metric tons and decreased by 3.42 percent (%YoY) from the same month last year.

+ Domestic sales of cement (excluding clinker) decreased by 5.32 percent (%MoM) from July 2020 to 3.01 million metric tons but increased by 5.87 percent (%YoY) from the same month last year.

- Export of cement (excluding clinker) in August 2020 decreased by 18.33 percent (%MoM) from July 2020 to 0.28 million metric tons and decreased by 46.68 percent (%YoY) from the same month last year. The decline was due to the decreased orders from key markets including, Cambodia, Lao PDR, and the Philippines.

September 2020 outlook: the cement production industry (excluding clinker) is expected to grow slightly.