

**Industrial Production Status**

Indicators	2018	2019	2020												
	Year	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year
MPI	3.7	-3.6	-4.0	-4.2	-10.5	-18.2	-23.8	-17.8	-12.9	-9.1	-2.2	-0.4	0.2	-2.4	-8.8

The industrial economy in **December 2020**, when considered from the **Manufacturing Production Index (MPI)**, contracted by **2.4 percent from the same period last year**, which contracted once again from the impact of the second wave COVID-19 outbreak. As a result, in 2020, the MPI decreased by 8.8 percent.

When considering MPI data for the past three months compared to the previous year (% YoY), production in September and October 2020 decreased by 2.2 and 0.4 percent, respectively, but increased by 0.2 percent in November 2020.

Indicators	2019	2020											
	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
MPI	1.8	5.1	-2.9	2.7	-24.7	2.1	4.0	5.3	5.2	3.9	0.6	1.6	-0.8

In the past three months (September, October, and November 2020), the MPI change rates (%MoM) were as follows: an increase of 3.9 percent in September, an increase of 0.6 percent in October, and an increase of 1.6 percent in November.

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

- Sugar shrank by 50.55 percent due to delayed start of sugar factories this year and the fewer number of factories that started operation compared to the previous year (57 plants opened last year, whereas 44 plants opened this year). The contraction resulted from the continuous and prolonged dry weather causing insufficient water supply for cultivation, affecting the quantity and quality of sugarcane production.
- Petroleum refinery decreased by 9.75 percent, mainly from jet fuel, as the COVID-19 situation caused a significant reduction in air travel.
- Other non-tire rubber products shrank 16.72 percent, mainly from block and sheet rubber products, due to the COVID-19 outbreak causing the economy to slow down and orders to drop. Furthermore, flooding in the south caused farmers the inability to tap rubber. Also, some manufacturers switched plans to a made-to-order model instead of stocked production.

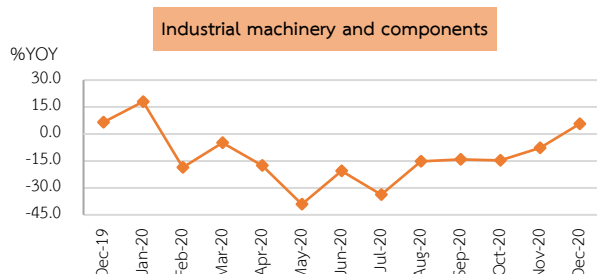
**Key industries that continued to grow in December 2020** compared to the same month last year were:

- Electronic parts increased by 12.03 percent as the global demand increased, especially in electronic components for medical devices and parts for telecommunication equipment and computers.
- Automobiles and engines grew by 4.49 percent with improvements in the domestic market from the Motor Show in early December 2020. New car manufacturers and special promotions resulted in increased orders and deliveries and the growth of the transportation business due to the development of the online market

# Other Industrial Economic Indicators in December 2020

## Other Industrial Economic Indicators in December 2020

### ■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

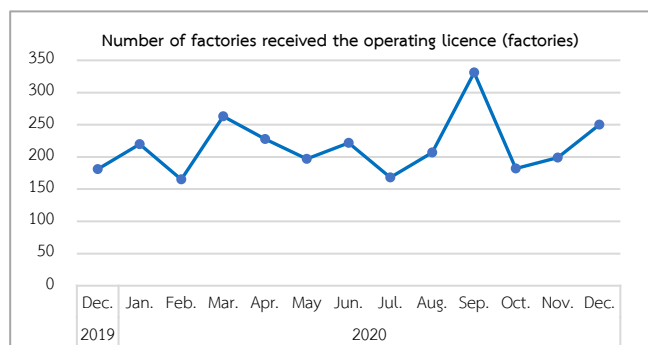


Source: Ministry of Commerce

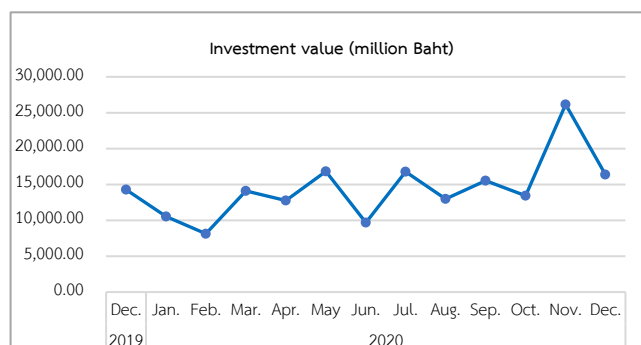
**+** **Import of industrial machinery and parts** in December 2020 increased by 5.7 percent compared to the same month last year to 1,567.9 million USD. Products that increased in imports were textile machinery; other industrial machinery and parts; air pumps, liquid pumps, and wood processing machinery and parts.

**+** **Import of raw and semi-finished goods (excluding gold)** in December 2020 grew by 13.6 percent compared to the same month last year to 7,128.9 million USD. Products that increased in imports were chemical products (plastic pellet), iron, steel and products (iron sheets and steel sheets), etc.

## Industrial Operation Status



Source: Department of Industrial Works



Source: Department of Industrial Works

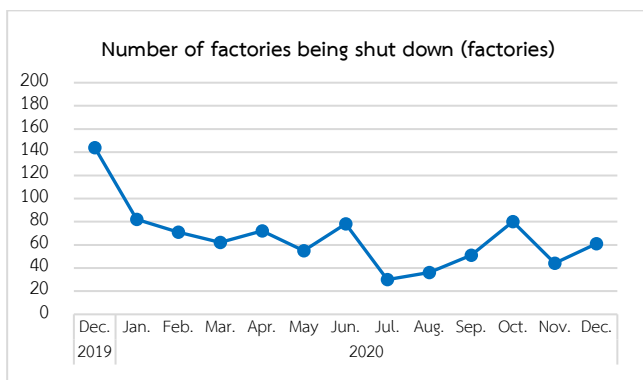
**+** The total number of factories licensed for operation in December 2020 was 250 factories, an increase of 25.63 percent (%MoM) from November 2020 and an increase of 38.12 percent (%YoY) from the same month last year.

**+** The total investment from factories licensed for operating in December 2020 decreased by 37.34 percent (%MoM) from November 2020 to 16,384 million baht but increased by 14.87 percent (%YoY) from the same month last year.

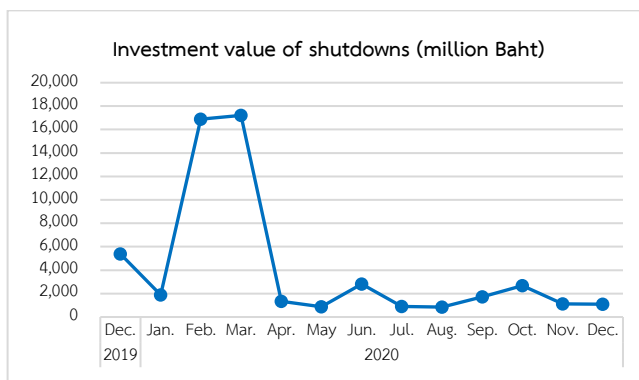
*"The industry with the highest number of newly licensed factories to operate in December 2020 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (29 factories) and the excavation and dredging industry of gravel, sand, or soil (17 factories)."*

*"The industry with the highest investment value in December 2020 was the non-tire rubber product industry with an investment value of 3,456 million baht, followed by the thermal power generation industry with an investment value of 2,400 million Baht."*

■ Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

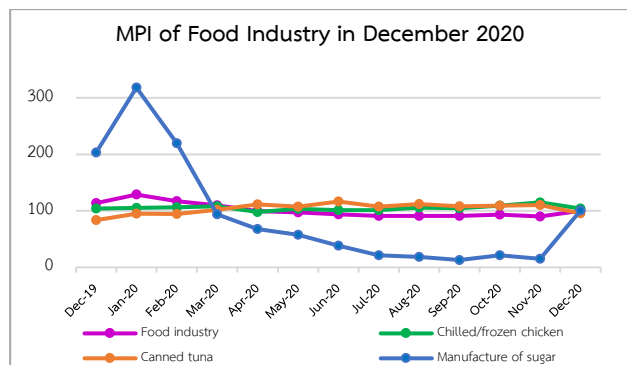
- + A total of 61 factories were shut down in December 2020, increasing by 38.64 percent (% MoM) from November 2020 but decreasing by 57.64 percent (% YoY) from the same month last year.
- + The lost investment value on shutdown in December 2020 totaled 1,101 million baht, a decrease of 0.82 percent (%MoM) from November 2020 and a decrease of 79.5 percent (%YoY) from the same month last year.

“In December 2020, the industry with the highest number of factory shutdowns was the manufacture of wearing apparel (4 factories), followed by the manufacture of plastic tools, devices, and plastic furniture (4 factories).”

“In December 2020, the industry that was being shut down with the highest investment was manufacture of plastic tools, devices, and furniture with an investment of 247 million baht, followed by the manufacture of packaging such as bags or sacks with an investment of 172 million baht.”

## Industrial Economic Status by Industrial Sectors in December 2020

### 1. Food Industry

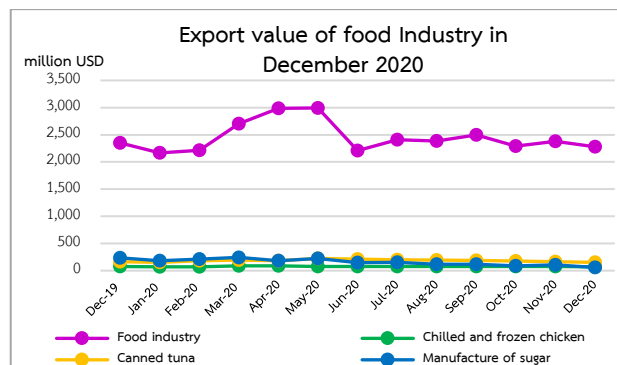


Source: The Office of Industrial Economics

**Production:** The overall MPI of food products in December 2020 dropped by 12.0 percent (%YoY) as drought and the new wave of COVID-19 outbreaks in key export markets. Products resulting in the increase of the MPI were (1) Sugar decreased by 50.6 percent (%YoY); (2) Fishery products (fresh, chilled, and frozen) decreased by 17.3 percent (%YoY), whereby frozen shrimp, which is a key product, decreased by 9.8 percent (%YoY); (3) Livestock Products decreased by 3.8 percent (%YoY).

The MPI excluding sugar grew by 0.4 percent from the same period last year. The output in some food industries expanded well, such as (1) Canned sweet corn grew by 83.2 percent (%YoY) due to demand in domestic and foreign markets such as Japan, South Korea, Taiwan. (2) Ready-to-eat pet food grew by 14.4 percent (%YoY) due to stockpiling in the US, Japan, and Italy, as the COVID-19 outbreak is still not resolved. Furthermore, other markets grew. (3) Canned tuna grew by 14.4 percent (%YoY) from advantages due to the COVID-19 outbreak, causing continuous orders from overseas markets. Also, domestic consumption increased. (4) Tapioca starch increased by 12.2 percent (%YoY) due to an increase in domestic harvesting areas. China, the main market, continued the demand for cassava products to replace the declining corn stocks.

**Domestic sales** in December 2020 grew by 17.6 percent from some products such as (1) Canned sweetcorn grew by 75.9 percent (%YoY), (2) Frozen fish grew by 33.2 percent (%YoY), (3) Refined soy bean oil grew by 24.9 percent (%YoY), (4) Cooked chicken meat grew by 15.3 percent (%YoY), (5) Cassava starch grew by 13.9 percent (%YoY), (6) Canned tuna grew by 8.9 percent (%YoY).



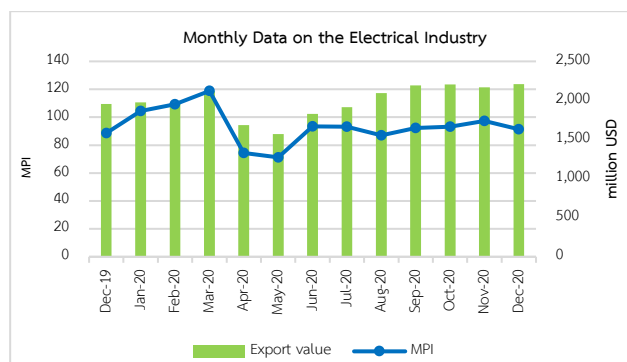
Source: Ministry of Commerce

**Export markets:** Overall food exports in December 2020 valued at 2,278.9 million USD, a contraction from the same period last year (%YoY) by 2.9 percent from key products, including (1) Sugar, as Brazil and India, which are large producers, exported more sugar resulting in price competition. (2) Canned tuna due to the shortage of containers, resulting in delayed product delivery. (3) Frozen and processed chicken, due to the shortage of containers and the coronavirus outbreak's impact, resulting in a decrease in chicken consumption. (4) Rice, due to the shortage of containers and the increased price of Thai rice dishes, resulted in an inability to compete on price with competitors.

**Outlook for the food industry:** It is expected that the MPI of the food industry in January 2021 will contract slightly from the same period of last year, from the new wave of COVID-19 outbreaks. The new wave has expanded to a wider scope in many provinces. As a result, several anti-pandemic measures have been added, such as the time limit for food and beverage services, school closures, and work from home measures for various departments, impacting economic activity, domestic consumption, and consumer spending, which slowed. The export value is expected to decline due to the shortage of containers and lock-down measures to control the pandemic in Europe, Japan, and in some areas of China.

## 2. Electrical and Electronics Industry

### ■ Electrical Industry



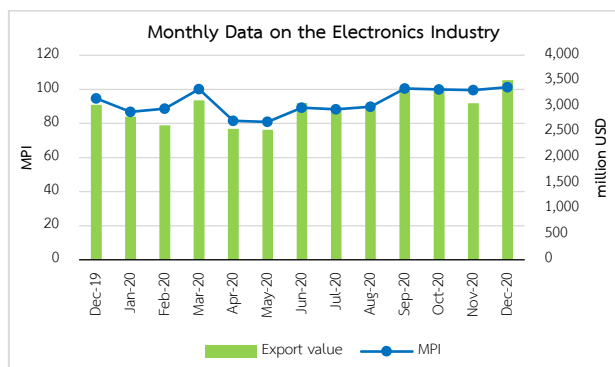
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➕ **Production of electrical appliances** increased by 2.8 percent compared to the same month last year with an MPI of 91.4 points. Products that increased in production were transformers (39.0%), washing machines (28.1%), refrigerators (23.2%), electric motors (23.0%), compressors (15.0%), electric cables (14.4%), rice cookers (4.8%), and household fans (3.5%). The growth was from an increase in domestic and international sales of electric cables and rice cookers; an increase in domestic sales of transformers, washing machines, and compressors; an increase in international sales of motors and refrigerators. Products that decreased in production were cables (-35.9%), thermoses (-26.8%), air-conditioners (-10.1%), and microwave ovens (-2.8%) from a decrease in domestic sales of cables and thermoses and a decrease in domestic and international sales of air-conditioners and microwave ovens.

➕ **Exports of electrical appliances** increased by 13.2 percent compared to the same month last year to 2,210.8 million USD. Products that increased in orders were transformers and parts, which increased by 60.5 percent to 198.2 million USD from exportation to Europe, the US, and China markets; circuit breakers and parts increased by 40.0% to 195.6 million USD in Pakistan, Singapore and India markets; and electric cables and cables increased by 37.2 percent to 72.67 million USD in the US and Asian markets. Meanwhile, orders of motor and power generators decreased by 3.6 percent to 77.4 million USD in China, Hong Kong and the US markets.

*“Production outlook in January 2021, the electrical industry is expected to increase by 4.0 percent from the same month last year, as businesses adapted from the previous wave of COVID-19 outbreaks coupled with the government’s economic stimulus policies that encouraged the purchase of more electrical appliances.”*

### ■ Electronics Industry



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

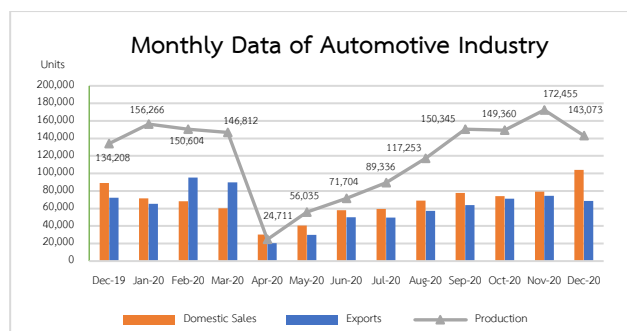
➕ **Production of electronics** increased by 6.8 percent compared to the same month last year with the MPI of 101.2 points. Electronic products that increased in production were printers (83.5%), PWBs (36.4%), ICs (13.1%), and PCBAs (2.1%) owing to the growth of overseas orders. Meanwhile, electronic products that decreased in the production were HDDs (-8.6%) and semiconductor device transistors (-1.9%) as demands for the products from overseas dropped.

➕ **Exports of electronics** increased by 15.9 percent compared to the same month last year to 3,514.8 million USD. Product that increased in orders were PCBAs which increased in orders by 38.9 percent to 136.2 million USD in ASEAN, China, and the US markets and ICs which increased in orders by 7.33 percent to 688.10 million USD in the Netherland, Mexico, and ASEAN markets.

*“Production outlook in January 2021, the electronics industry is expected to increase by 10.3 percent from the same month last year. The growth comes from PCBAs, a printed circuit board, a component for use in electronic equipment, with growing demand from domestic and international markets. Furthermore, the new wave of COVID-19 outbreaks caused some people to work from home and learn online, increasing the use of electronic devices.”*

### 3. Automotive Industry

#### ■ Automotive Manufacturing Industry



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

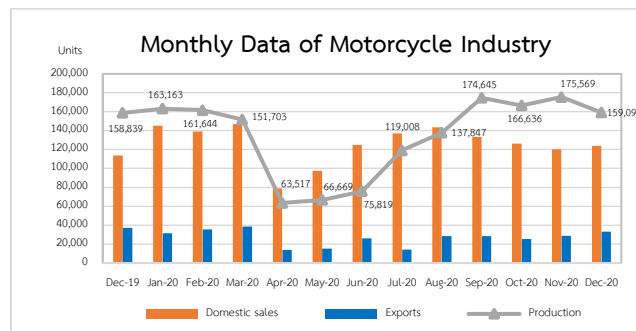
➕ **Automotive production** in December 2020 decreased by 17.04 percent (%MoM) from November 2020 to 143,073 units but increased by 6.61 percent (%YoY) compared to the same month last year from an increase in production of passenger cars, 1-ton pick-up trucks and derivatives, and commercial vehicles. This was the second straight month of increases since November 2020.

➕ **Domestic sales of automobiles** in December 2020 reached 104,089 units, an increase of 31.46 percent (%MoM) from November 2020 and a 16.58 percent increase from the same month last year (%YoY). The growth resulted from an increase in sales of passenger cars, 1-ton pick-up cars, and derivatives, commercial vehicles, including PPVs and SUVs. This is the second month's increase since the COVID-19 outbreak, whereby domestic sales exceeded 100,000 units for the first month. The increase reflects the domestic economy that has started to recover from the economic stimulus measures, together with the launch of new models and promotions by car dealers at the Motor Expo event on December 1 to 13, 2020, with over 33,000 cars reserved.

➖ **Exports of automobile** in December 2020 decreased by 8.12 percent (%MoM) from November 2020 to 68,481 units and 5.24 percent (%YoY) compared to the same month last year, where exports fell in the Middle East, Africa, Europe, North America, and Central and South America markets.

*"Automotive industry outlook in January 2021, the industry is projected to contract compared to January 2020, due to the slowing economic effects of the COVID-19 pandemic in Thailand and many countries around the world."*

#### ■ Motorcycle Manufacturing Industry



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

➕ **Motorcycle production** in December 2020 decreased by 9.38 percent (%MoM) from November 2020 to 159,099 units but increased slightly by 0.16 percent (%YoY) from the same month last year from an increase in the production of sport motorcycles.

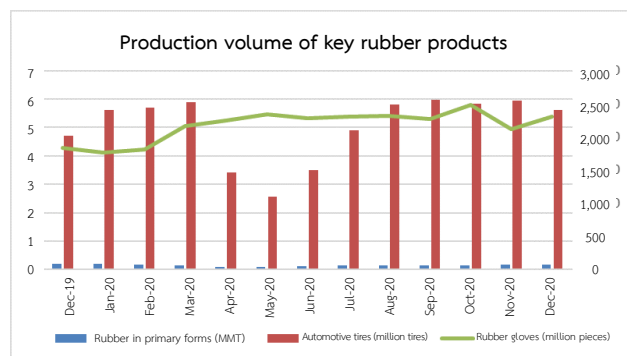
➕ **Domestic sales of motorcycles** in December 2020 decreased by 3.15 percent (%MoM) from November 2020 to 123,844 units and increased by 9.00 percent (%YoY) over the same month last year from an increase in sales of 51-110 cc, 111-125 cc, 126-250 cc, and 251-399 cc motorcycles.

➕ **Motorcycle exports** in December 2020 increased by 14.71 percent (%MoM) from November 2020 to 33,059 units but decreased by 11.32 percent (%YoY) from the same month last year, whereas export markets contracted in Belgium, the US, and the Netherlands markets.

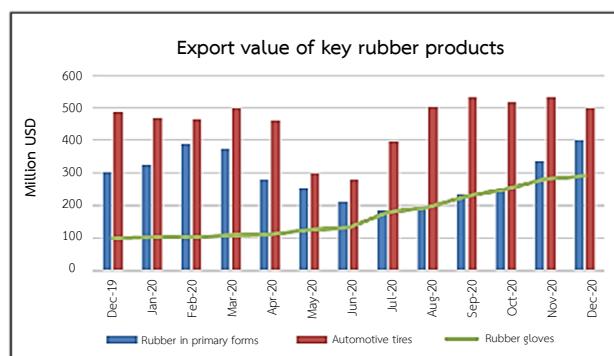
*"Motorcycle industry outlook in January 2021, the industry is projected to contract compared to January 2020, due to the slowing economic effects of the COVID-19 pandemic in Thailand and many countries around the world."*



## 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 18.73 percent following a decrease in volume of rubber entered into the global markets.

➕ *Automotive tires* increased by 19.25 percent, following the expansion of the domestic automotive industry.

➕ *Rubber gloves* increased by 25.78 percent, in line with continued demand for medical use following the spread of the COVID-19.

### Domestic Sales

➕ *Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex)* increased by 4.36 percent due to the expansion of concentrated latex products in line with higher demand.

➕ *Automotive tires* increased by 9.90 percent, in line with the good expansion of the domestic automobile industry.

➖ *Rubber gloves* decreased by 50.45 percent as domestic manufacturers decreased shipments through middlemen and turned to overseas marketing by themselves.

### Exports

➕ *The export value of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex)* increased by 30.02 percent. Exports increased in all types of processed rubber in primary forms following the increased demands from Malaysia, China, and Japan.

➖ *Automotive tires* decreased in export value by 2.75 percent in line with the contraction of the US market.

➕ *Rubber gloves* increased in export value by 220.26 percent, in line with the continued expansion of the US, Japan, the UK, China, and Germany markets.

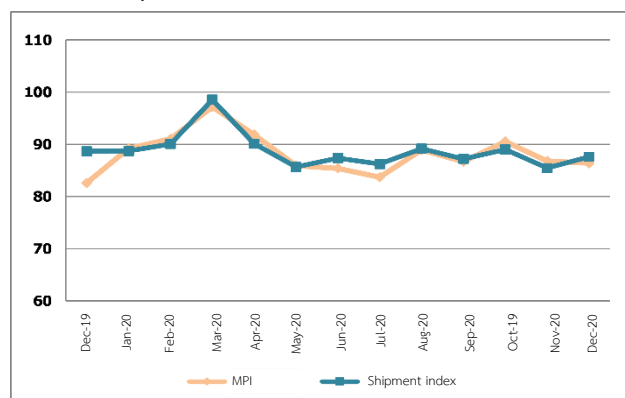
### Outlook for the industry in January 2021

Production of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) is expected to decline from a rubber tapping labor shortage, causing a decreasing trend of the rubber output entering the market. The production and distribution of tires are expected to grow in line with the favorable expansion of the domestic automobile industry and a growth in exports. The production of rubber gloves is expected to grow continuously from the previous month, following the global demand for medical use from a new wave of the COVID-19 outbreaks and the unfavorable pandemic situation in many countries. Meanwhile, manufacturers' domestic rubber glove sales are expected to contract in line with the cut of selling via intermediaries.

The export of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) is expected to increase in value as Malaysia has demand for concentrated latex from Thailand to support the rubber glove manufacturing industry, expanding in line with the world market. Furthermore, China has the policy to stimulate the domestic economy. As a result, the demand for rubber from Thailand is likely to continue to rise. Tire exports are expected to remain stable or have a slight decrease in value following the US market's slowdown due to the investigation of dumping and the shortage of containers. As a result, the cost borne on Thai manufacturers will increase by approximately 25 percent, affecting the price competition with automotive tires from other countries. Exports of rubber gloves are expected to rise in line with the higher demand, especially in the US, UK, EU, and Japan.

## 5. Plastics Industry

### MPI and Shipment Index



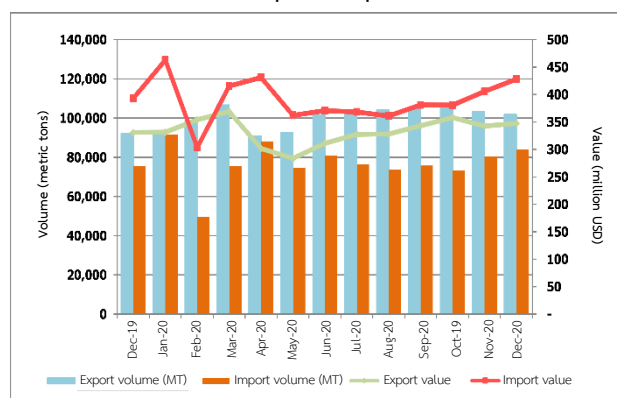
Source: The Office of Industrial Economics

**+** The manufacturing production index in December 2020 grew by 6.69 percent from the same period last year to 88.11 points. Plastic products that decreased in MPI were plastic film (29.13%), plastic sacks (24.22%), and plastic plates (23.10%).

**-** The Shipment Index in December 2020 stood at 87.60 points, a decrease of 1.19 percent from the same period last year. Products that decreased in the index were other plastic packaging (-15.22%), tubes and fittings (-15.20%), and semi-finished plastic products (-5.74%).

**+** Exports in December 2020 increased by 4.97 percent compared to the same period last year to 347.36 million USD. Plastic products with the highest decrease of export value were monofilament (HS 3916), which increased by 42.48 percent, followed by sanitary ware of plastics (HS 3922) and plastic film (HS 3920), which increased by 20.79 and 13.75 percent, respectively. Compared to the same period last year, exports shrank in key markets such as India and Vietnam.

### Volume and value of exports-imports

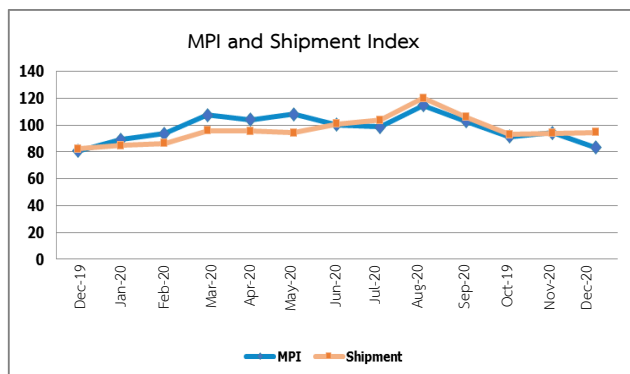


Source: Customs Department, Ministry of Finance

**+** Imports in December 2020 increased by 8.86 percent compared to the same period last year to a value of 428.11 million USD. Key products contributing to an increase of imports were builders' ware of plastics (HS 3925) (32.73%), articles for the packing of goods (HS 3923) (22.90%), and plastic floor coverings (HS 3918) (15.68%).

*Plastics industry outlook for January 2021.* It is expected that production and exports will continue to grow. However, some factors need to be monitored, such as the COVID-19 pandemic continuing to spread in key trading partner countries. Furthermore, new outbreaks in many countries will affect Thai exports and potentially affect the plastics industry.

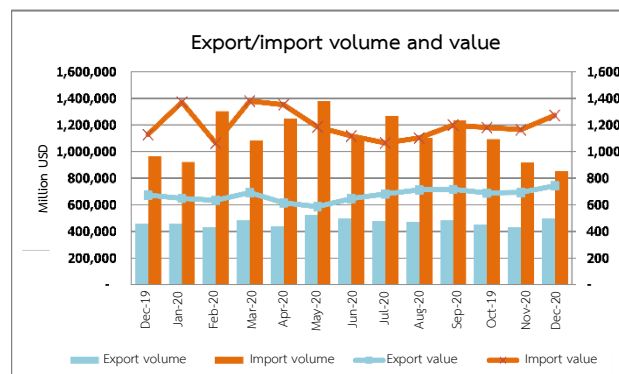
## 6. Chemical Industry



Source: The Office of Industrial Economics

➕ **The manufacturing production index** in December 2020 stood at 83.35, an increase of 3.14 percent compared to the same period last year. The production of upstream chemicals contracted by 13.39 percent. The highest shrinkage product was ethanol, which contracted by 41.45 percent due to the lack of molasses used as raw material for ethanol production. For downstream chemicals, the product with the highest production growth was chemical fertilizers, which grew by 92.39 percent.

➕ **The shipment index** of the chemical industry in December 2020 reached 94.44 points, an increase of 14.95 percent from the same period last year, whereby the shipment index of upstream chemicals contracted by 9.67 percent, decreasing among ethanol products. As for downstream chemical products, the shipment index grew by 26.03 percent in many products such as shampoo, fabric softener, perfume, cosmetic, make-up products, etc.



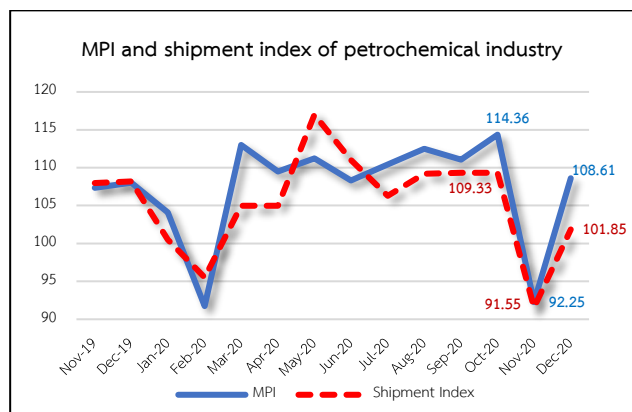
Source: The Office of Permanent Secretary, Ministry of Commerce

➕ **Exports** in December 2020 valued at 743.47 million USD, increasing 10.47 percent compared to the same period last year, whereby export value of upstream chemical products reached 426.20 million USD, rising 15.82 percent. Meanwhile, exports of downstream chemical products valued at 317.28 million USD, up 4.02 percent. Products contributing to an increase in export value were fertilizers (62.34%), miscellaneous chemical products (19.09%), organic chemical products (14.87%). Exports increased in many markets such as Japan, South Korea, and China.

➕ **Imports** in December 2020 valued at 1,272.14 million USD, an increase of 12.72 percent from the same period of last year. The import value of upstream chemical products increased by 28.40 percent to 898.54 million USD. As for downstream chemicals, import value declined by 12.87 percent to 373.60 million USD.

*The chemicals industry outlook* in January 2021, production and export are expected to increase. However, there are some factors that need to be monitored, such as the COVID-19 situation that continues to outbreak in major trading partner countries, including the new outbreak in many countries, which affects Thailand's exports.

## 7. Petrochemical Industry

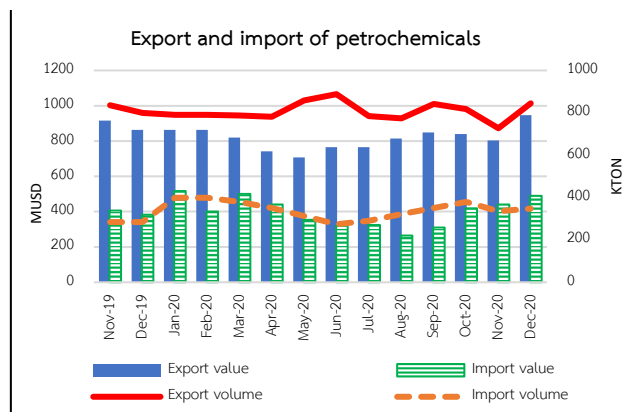


Source: The Office of Industrial Economics

**+** **Manufacturing production index** in December 2020 increased by 0.43 percent compared to the same period last year to 108.61 points and grew by 17.65 percent from last month. These were upstream petrochemicals such as Toluene, which increased by 45.56 percent and downstream petrochemicals including EPS and ABS resins, which increased by 55.30 percent and 11.25 percent, respectively.

**+** **The shipment index** in December 2020 stood at 101.85 points, decreasing 5.98 percent compared to the same period last year but increasing 11.30 percent from last month. The decrease was in upstream petrochemicals, e.g., Propylene (-14.87%) and Ethylene (-12.55%); and in downstream petrochemical products, e.g., SAN resin (-28.71%) and Polyethylene (-2.91%).

**+** **Exports** in December 2020 grew by 9.80 percent compared to the same period of last year to 947.34 million USD and grew by 17.77 percent from the previous month. The growth was in upstream petrochemical products (15.50%), such as Polyethylene and Toluene, and in downstream petrochemical products (8.49%), such as PS, PET, and PVC resins.

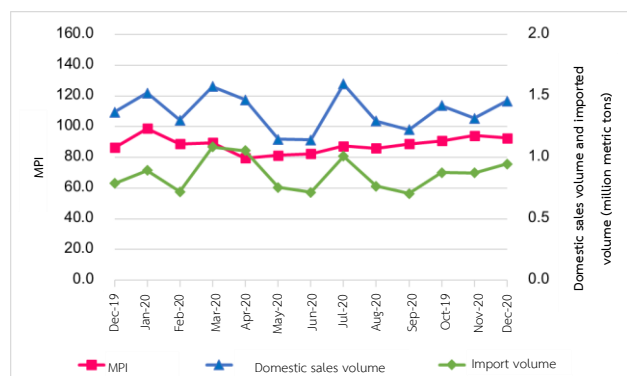


Source: The Office of Permanent Secretary, Ministry of Commerce

**+** **Imports** in December 2020 increased by 28.00 percent compared to the same period last year to 489.61 million USD and increased by 10.93 percent from last month. Imports of upstream petrochemicals, such as Propylene Vinyl Chloride, increased by 64.49 percent; imports of downstream petrochemicals such as PVC and SAN resins, also increased by 20.53 percent. This was partly from price level that began to rise following crude oil price.

*Outlook: In January 2021, it is expected that the overall petrochemical industry will begin to improve compared to the same period last year due to the resumption of production in many products. However, the fluctuation of crude oil prices in the world market, the economic recovery after the COVID-19 pandemic, and the global market concerns with the second wave of COVID-19 outbreaks may cause exports to remain unable to get back on the right foot.*

## 8. Iron and Steel Industry



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

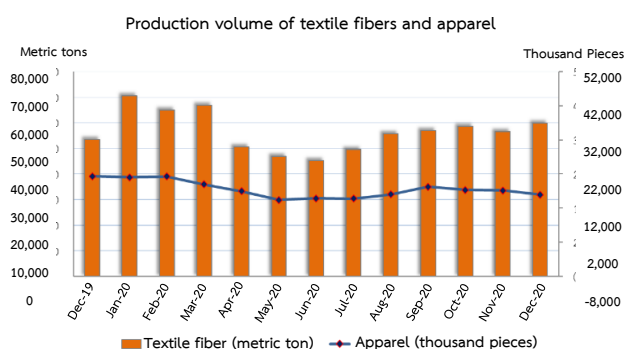
**+** **MPI:** Compared to the same period last year, in December 2020 the MPI increased by 7.0 percent to 92.5 points following the expansion of related industries such as automotive industry and electrical appliances industry and the government stimulus package. When considering key products—long and flat products, the MPI of both products increased. The MPI of long product rose by 1.6 percent to 89.3 points, which was from wire rods (20.2%), steel wires (19.4%), and high tensile steel wires (13.2%). Flat products’ MPI increased by 13.3 percent to 95.5 points from products such as, tinplate (281.6%), chromium-coated sheets (248.1%)—in line with the expansion of related industries, e.g., metal-can packaging industry—galvanized sheets (21.3%), and cold-rolled sheets (12.9%).

**+** **Domestic sales** in December 2020 reached a volume of 1.3 million metric tons, an increase of 4.3 percent compared to the same period last year (growing for the first month after a 7-month contraction). Products that expanded in sales were flat products that had a sales volume of 0.9 million metric tons, a growth of 11.2 percent due to an increase of 74.1 percent from other types of coated steel sheets. This was followed by hot-rolled steel plates and chromium-coated steel sheets, which grew by 69.7 and 59.9 percent, respectively. Long products reached a sales volume of 0.6 million metric tons, a decrease of 5.2 percent from a contraction in rebars and hot-rolled structural steel section sales, which contracted by 20.1 percent. Meanwhile, the sale of wire rods grew by 22.6 percent.

**+** Imports in December 2020 increased by 20.0 percent compared to the same period last year to 0.9 million metric tons (the first-time expansion after thirteen consecutive months of contraction). Imports of long products reached a volume of 0.2 million metric tons, up 5.0 percent from an increase in imports of carbon steel wire rods (74.9%)—Vietnam, Malaysia, and South Korea were the major countries from which Thailand increased the imports. This was followed by hot-rolled structural stainless-steel sections (50.0%) and stainless-steel wire rods (35.5%). As for flat products, imports grew by 24.6 percent to a volume of 0.7 million metric tons from an import of hot-rolled alloy steel plates (117.0%)—China and Belgium were major countries from which Thailand increased imports. This was followed by other coated sheets (98.4%) and hot-rolled alloy-steel sheets (47.50%).

*“The steel industry outlook in January 2021 predicts that production will remain stable compared to the same period of the previous year. Supporting factors include the continuous expansion of industries such as the electrical appliance industry, metal cans packaging industry, and the automotive industry, together with government policies or measures to stimulate the economy and spending. Furthermore, government measures aim to promote domestic industries. Important issues to follow are the economic situation and world trade situation following the COVID-19 outbreak, international steel product prices, and the implementation of government construction projects. Such issues will affect the production volume and domestic consumption of steel products.”*

## 9. Textile and Wearing Apparel Industry



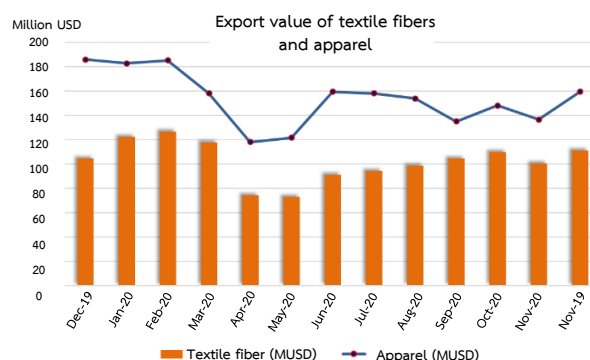
Source: The Office of Industrial Economics

### Production

➕ Production of textile fibers, returned to a positive trend for the first month in nine months, growing 11.75 percent (%YoY) to support exports following a 104.04 percent increase in US market orders. Fabrics and apparel contracted by 11.30 percent and 25.31 percent (%YoY) due to the COVID-19 outbreak that continued to affect exports of ready-made garments and domestic consumers' purchasing power causing production to slow. However, compared to the previous month (%MoM), textile fibers and fabrics' production grew by 5.72 percent and 3.00 percent to support more orders.

### Domestic sales

➖ Domestic sales of textile fibers, fabrics, and apparel decreased by 3.48 percent, 4.57 percent, and 21.96 percent (%YoY) due to a slowdown in domestic consumers' purchasing power from the impact of the COVID-19 pandemic. Compared to the previous month (%MoM), sales of fabrics and apparel grew by 1.42 percent and 1.52 percent, partly to be used to produce goods for export following increased orders.



Source: Ministry of Commerce

### Exports

➕ Exports of textile fibers turned positive for the first month in 26 months, growing 6.13 percent (%YoY), especially for man-made fibers to key markets such as the US, Pakistan, Indonesia, and Vietnam. Fabrics and apparel decreased by 4.59 percent and 14.25 percent (%YoY) due to the global economy that has not yet recovered from the COVID-19 outbreak. The major markets that contracted were the US, Japan, and Belgium. However, compared to the previous month (%MoM), the export value of textile fibers, fabrics, and apparel grew by 16.71 percent, 13.67 percent, and 10.37 percent, respectively, from major export markets including the US, Belgium, Pakistan, and Bangladesh.

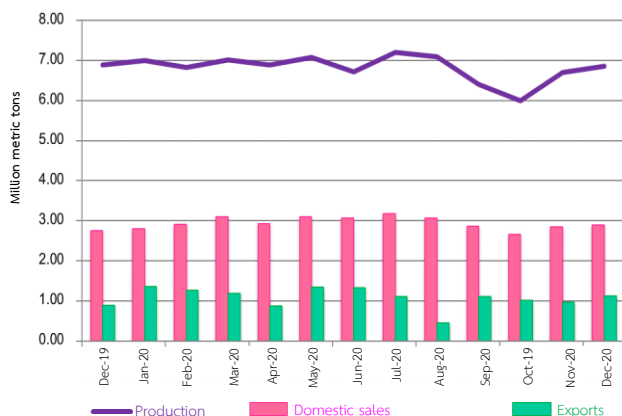
### Outlook for January 2021

It is expected that the textile industry will begin to recover, especially for man-made fibers in response to domestic demand from the new wave of the COVID-19 outbreak, together with increased export opportunities to major trading partners such as the US from their campaign to wear masks in government buildings or airplanes.

Apparel is expected to continue to slow in line with domestic purchasing power and the overall world economy, where all countries were affected by the COVID-19 outbreak. However, compared to the previous year, both production and exports are expected to grow.

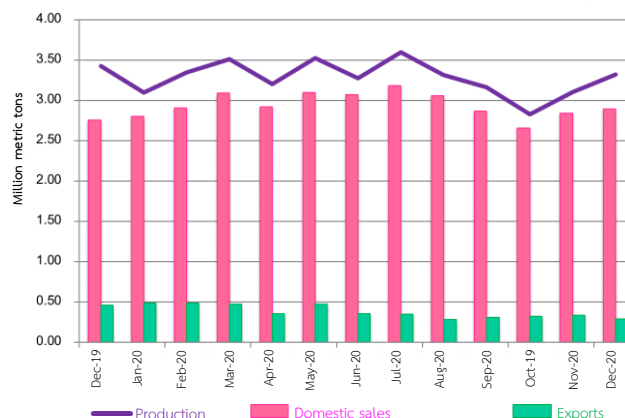
## 10. Cement Industry

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 December 2020 increased by 2.38 percent from November 2020 (%MoM) to 6.86 million metric tons but decreased by 0.40 percent (%YoY) from the same month last year.

**+** *Total domestic sales of cement* in December 2020 increased by 1.72 percent (%MoM) from November 2020 to 2.89 million metric tons and increased by 4.95 percent (%YoY) from the same month last year.

**+** *Total exports of cement* increased by 16.42 percent (%MoM) from November 2020 to 1.13 million metric tons and increased by 27.94 percent (%YoY) from the same month last year. The growth resulted from an increase in high-volume orders from non-neighboring markets as before, with an increase of 303.81 percent from the Chinese market.

The overall cement manufacturing trend in January 2021 is expected to increase slightly in production compared with the same period last year, due to the economic impact of the COVID-19 pandemic.

**+** *Cement production* (excluding clinker) in December 2020 increased by 6.84 percent (%MoM) from November 2020 to 3.32 million metric tons but decreased by 3.14 percent (%YoY) from the same month last year.

**+** *Domestic sales of cement* (excluding clinker) in December 2020 increased by 1.72 percent (%MoM) from November 2020 to 2.89 million metric tons and increased by 4.96 percent (%YoY) from the same month last year.

**-** *Export of cement* (excluding clinker) in December 2020 decreased by 14.63 percent (%MoM) from November 2020 to 0.29 million metric tons and decreased by 37.70 percent (%YoY) from the same month last year as key markets such as Cambodia, and Lao PDR decreased the orders by 60.54 percent and 50.11 percent, respectively.

The cement manufacturing industry (excluding clinker) in January 2021, when compared to the same period of the previous year, is expected to grow slightly from positive factors such as the acceleration of construction in large public utility projects.