

Industrial Production Status

Indicators	2018	2019							2020						
%YoY	Year	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	3.7	-3.2	-4.4	-5.0	-8.0	-8.0	-4.4	-3.6	-4.0	-4.2	-10.5	-18.2	-23.8	-17.8	-14.7

The industrial economy in July 2020, when considered from the Manufacturing Production Index (MPI), contracted by 14.7 percent from the same period last year.

When considering MPI data for the past three months compared to the previous year (% YoY), production in April, May, and June 2020 decreased by 18.2 percent, 23.8 percent, and 17.8 percent, respectively.

Indicators	2019							2020						
%MoM	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Year	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	-0.6	0.6	-3.4	-1.2	1.0	1.8	5.1	-2.9	2.7	-24.7	2.1	4.0	3.1	

In the past three months (April, May, and June 2020), the MPI change rates (%MoM) were as follows: a decrease of 24.7 percent in April, an increase of 2.1 percent in May, and an increase of 4.0 percent in June.

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

- Automobiles and engines contracted by 53.3 percent due to the ongoing COVID-19 pandemic in various regions of the world, affecting the economies of trading partners and the domestic economy. Moreover, financial institutions maintained strict loan measures.
- Petroleum refinery contracted by 8.1 percent, mainly from jet fuel, due to the COVID-19 outbreak causing air travel to be suspended and greatly reduced. As the result, the production volume and consumption of liquid fuels reduced.
- Sugar contracted by 57.4 percent due to low sugarcane output this year. As a result, the amount of raw sugar available to be converted into sugar was less than last year.

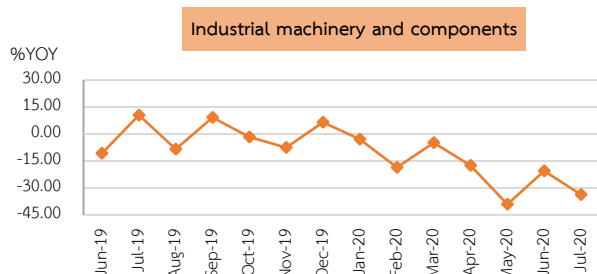
Key industries that remained growing in July 2020 compared to the same month last year were as follows:

- Beer increased by 25.0 percent from speeding up production to offset the period during the city shut down, preventing full production.
- Chemical fertilizers increased by 48.2 percent due to the off-season drought last year, causing less demand. But this year, rainfall improved in many areas. Farmers were able to cultivate rice, as usual, thus increasing demand.

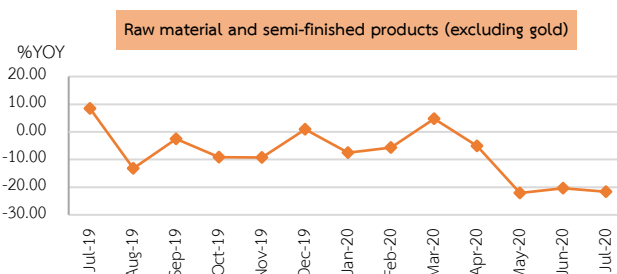
Other Industrial Economic Indicators in July 2020

Other Industrial Economic Indicators in July 2020


Imports of Thailand Industrial Sector




Source: Ministry of Commerce

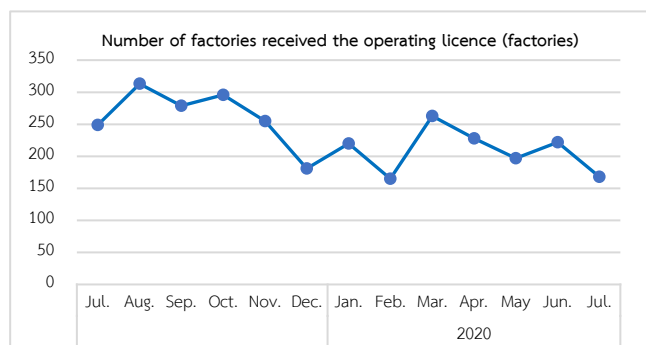


Source: Ministry of Commerce

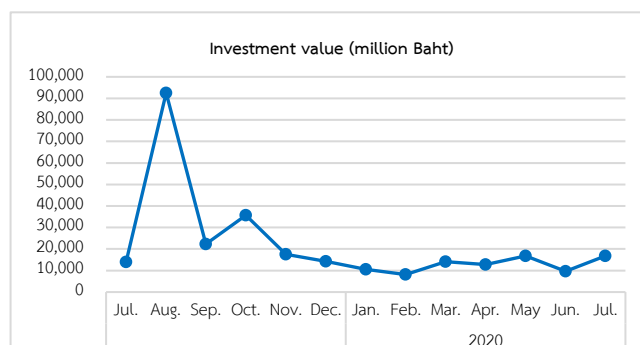
 **Import of industrial machinery and parts** in July 2020 decreased by 33.83 percent compared to the same month last year to 1,076.70 million USD. The decrease was from engines, transmission shafts and other parts, air pumps, liquid pumps, jet turbines and parts, machinery and parts for metal processing, and machinery and parts for construction.

 **Import of raw and semi-finished goods (excluding gold)** in July 2020 declined by 21.6 percent compared to the same month last year to 6,183.5 million USD, from the decreased imports of chemical products (such as plastic pellets), iron, steel and products thereof, metal ores (copper), etc.

Industrial Operation Status



Source: Department of Industrial Works



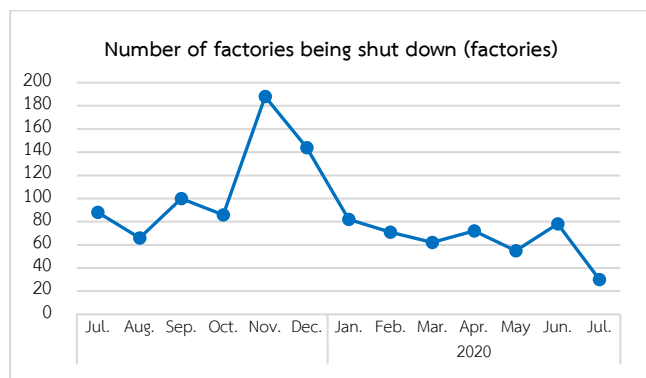
Source: Department of Industrial Works

- The total number of factories licensed for operation in July 2020 was 168 factories, a decrease of 24.32 percent (%MoM) from June 2020 and a decrease of 32.53 percent (%YoY) from the same month last year.
- + The total investment from factories licensed for operating in July 2020 increased by 73.18 percent (%MoM) from June 2020 to 16,756 million baht and increased by 19.78 percent (%YoY) from the same month last year.

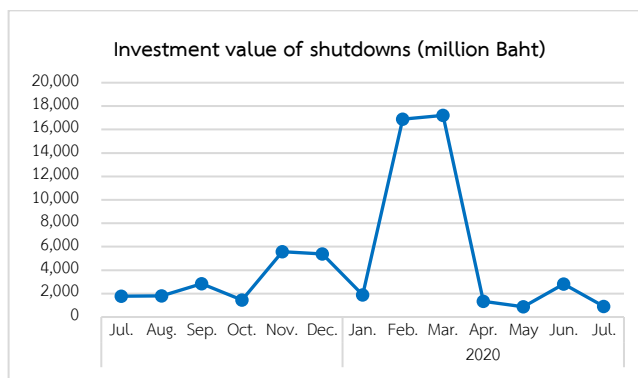
"The industry with the highest number of newly licensed factories to operate in July 2020 was the excavation and dredging industry of gravel, sand, or soil (15 factories) and the manufacture of concrete, ready-mixed concrete articles, and gypsum products (15 factories)."

"The industry with the highest investment value in July 2020 was the manufacture, assembly, or repair of radios and televisions with an investment value of 6,499.70 million Baht, followed by the slaughtering animal industry with an investment value of 1,584.23 million Baht."

Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

➕ A total of 30 factories were shut down in July 2020, decreasing by 61.54 percent (% MoM) from June 2020 and decreasing by 65.91 percent (% YoY) from the same month last year.

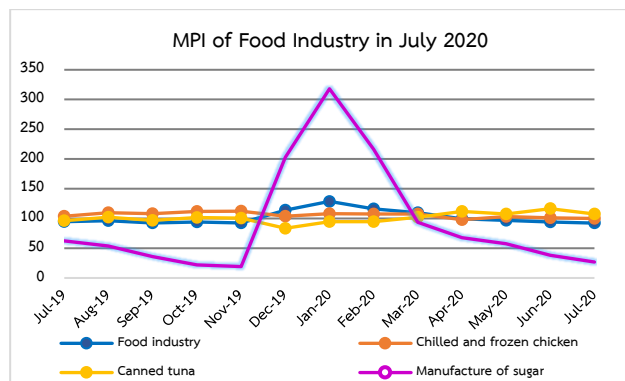
➕ The lost investment value on shutdown in July 2020 totaled 910 million baht, a decrease of 67.7 percent (%MoM) from June 2020 and a decrease of 48.45 percent (%YoY) from the same month last year.

“In July 2020, the industry with the highest number of factory shutdowns was the manufacture of the lathing, drilling, boring, milling, trimming, shearing, or general welding industry (4 factories), followed by the tailoring industry of wearing apparels, handkerchiefs, and scarfs (3 factories).”

“In July 2020, the industry which had the highest operation shutdown with the highest value of investment was the manufacture, assemble or repair of radio and television with the investment value of 539 million Baht, followed by the tailoring industry of wearing apparels, handkerchiefs, and scarfs with the investment value of 87 million Baht.”

Industrial Economic Status by Industrial Sectors in July 2020

1. Food Industry

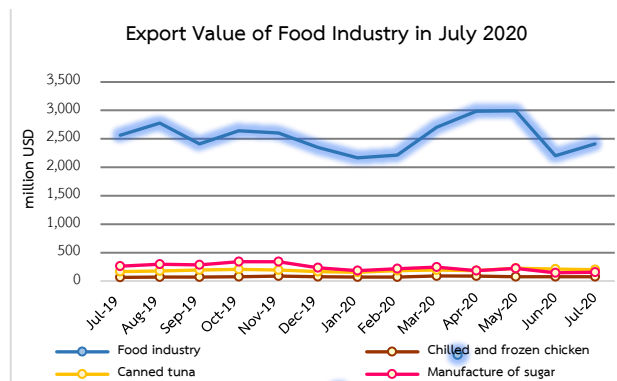


Source: The Office of Industrial Economics

Production of food industry in July 2020 decreased by 2.7 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 (-57.4% YoY), (2) Tapioca starch (-25.7% YoY), (3) Chilled and frozen chicken (-3.6% YoY).

Excluding sugar, the overall MPI in the food industry grew by 2.7 percent compared to the same period last year. Moreover, the output of instant foods and certain commodities continued to benefit from food reserves during the COVID-19 outbreak, i.e., (1) Canned sweet corn—the MPI increased by 214 percent; (2) Canned pineapple—the MPI increased by 45.0 percent; (3) Palm oil—the MPI increased by 14.5 percent; (4) Canned tuna—the MPI increased by 11.9 percent; (5) Daily products—the MPI increased by 6.5 percent, including animal feed of which the MPI increased by 19.4 percent.

Domestic sales: The sales volume of food products in July 2020 decreased by 8.0 percent (%YoY) due to lower consumer purchasing power and measures to suspend the entry of all foreigners.



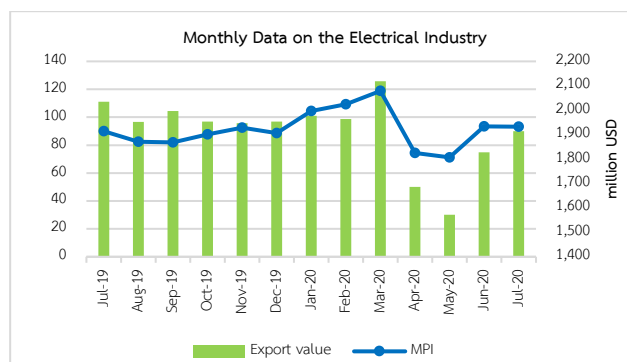
Source: Ministry of Commerce

Export markets: Overall, in July, food exports dropped 6.3 percent (%YoY) compared to the same period last year to 2,410.2 million USD. The decrease was from key products, including: (1) Sugar, as Brazil which is a major producer turned to export sugar instead of Ethanol. Meanwhile, global demand for sugar has declined; (2) Rice, as Thailand lost market share after India and Vietnam began to increase exports, coupled with the impact of the Baht appreciation, causing a disadvantage in export prices compared to competitors; (3) Chilled and frozen shrimp, and processed shrimp, as importing countries such as China, Japan, and South Korea were concerned about COVID-19 contamination on the packaging, resulting in reduced imports.

Outlook: It is expected that the overall MPI in August will decrease slightly from the same period of last year. The decrease is due to the decline in agricultural raw materials, such as sugar canes, pineapple, and cassava, as affected by drought and epidemics of plant diseases, resulting in insufficient raw materials to meet factories' production needs. This is coupled with the slowdown from domestic consumption and foreign tourists. It is expected that the "We Travel Together" campaign starting from July 18 to October 31, 2020, will stimulate and promote domestic consumption to recover and have more liquidity. The export value is expected to decline slightly. However, ready-made products and food commodities are expected to grow in line with the international market demand to maintain food security. As the severity of the outbreak and the second wave of COVID-19 spreads in some countries, key products are expected to increase export value, such as canned tuna, prepared meals, daily products, seasonings, and pet food.

2. Electrical and Electronics Industry

■ Electrical Industry



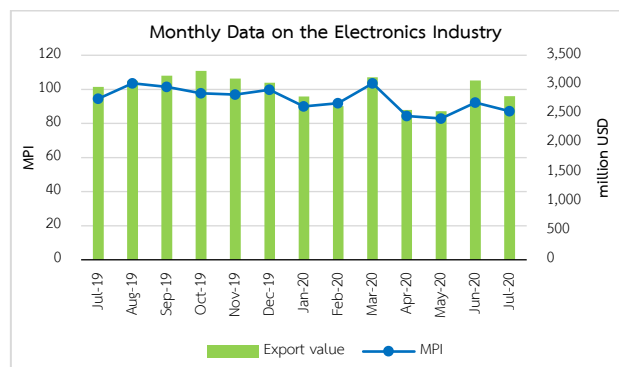
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

+ **Production of electrical appliances** increased by 3.7 percent compared to the same month last year with the MPI of 93.2 points. Products that increased of production were transformers (37.8%), thermos (26.1%), cables (25.1%), electric wires (23.7%), washing machines (22.7%), refrigerators (19.4%), and microwave ovens (18.0%). Refrigerators, washing machines, thermos, and rice cookers were the products that increased in domestic and overseas market sales, while transformers, electric wires, and cables increased in domestic sales. Meanwhile, products that decreased in production were compressors (-36.5%), household fans (-8.9%), rice cookers (-5.2%), air-conditioners (-4.5%), and electrical motors (-2.2%) as the result of reducing orders from both inside and outside the country.

- **Exports of electrical appliances** decreased by 5.9 percent compared to the same month last year to 1,914.7 million USD. The decrease of which was from ASEAN and Japan markets, reducing orders of the transformer by 44.8 percent to a value of 8.9 million USD, and from China, ASEAN, and Japan decreased purchase orders of switchboards and electrical control panels by 17.0 percent to 10.6 million USD. Nonetheless, products that increased in orders were microwave ovens, which increased by 33.2 percent to 19.1 million USD in China and Japan markets, and washing machines increased in export value by 16.3 percent to 83.9 million USD in the US market.

"Production outlook in August 2020, the electrical industry is expected to grow by 3.9 percent compared to the same month in the previous year, since many countries have started to adjust and have measures to relax the lockdown. As a result, the economy has started to recover, resulting in increased demand for electrical appliances."

■ Electronics Industry



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

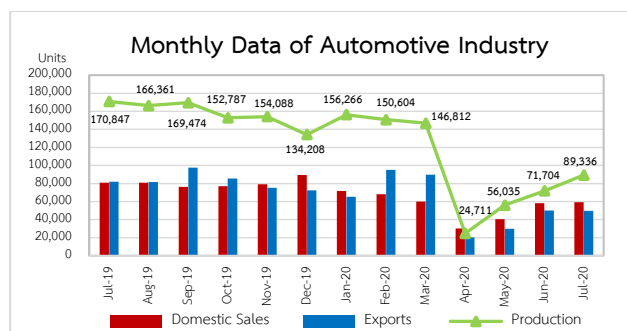
- **Production of electronics** decreased by 7.7 percent compared to the same month last year with the MPI of 87.2 points. Products that decreased in production were PCBAs (-28.3%), PWBs (-12.2%), HDDs (-6.5%), ICs (-4.1%), and printers (-1.6%) owing to the decrease of overseas orders. Meanwhile, electronic products that increased in the production were semiconductor device transistors (26.6%) as a result of increasing demand for products from overseas.

- **Exports of electronics** decreased by 5.3 percent compared to the same month last year to 2,82.2 million USD, whereby exports of PCBA products to Europe, the US, and China markets dropped 13.9 percent to 105.7 million USD. The exports of ICs to China, Japan, the US, ASEAN, and Europe markets dropped 11.4 percent to 547.8 million USD. However, exports of semiconductor device transistors increased by 23.6 percent to 135.4 million USD due to the US, ASEAN, China, and Europe have increased in demand for products.

"Production outlook in August 2020, the electronics industry is expected to contract by 3.7 percent compared to the same month in the previous year, due to the global economic slowdown causing trading partners to slow down purchase orders. However, many countries are beginning to adapt and ease lockdown measures, causing the electronics industry to recover. Furthermore, the development of 5G technology systems, data centers, and products for IT infrastructure has increased the demand for electronic products."

3. Automotive Industry

■ Automotive Production Industry



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

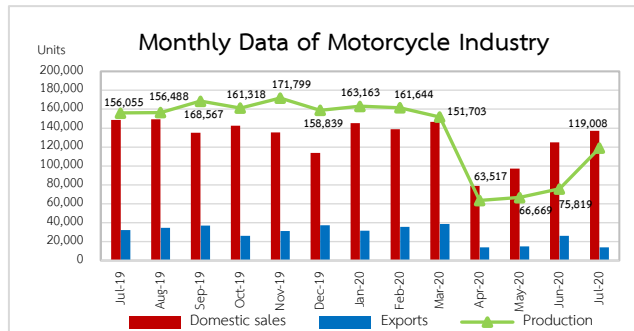
➕ **Automotive production** in July 2020 increased by 24.59 percent (%MoM) from June 2020 to 89,336 units. However, the production decreased by 47.71 percent (%YoY) from the same month last year as the result of decreasing production of passenger cars, 1-ton pick-up trucks and derivatives, and commercial vehicles.

➕ **Domestic sales of automobiles** in July 2020 reached 59,335 units, an increase of 2.22 percent from June 2020 (%MoM). However, the sales decreased by 26.79 percent compared to the same month last year (%YoY) from the reduced sales of passenger cars, 1-ton pick-up trucks and derivatives, commercial vehicles, PPVs and SUVs, due to the impact of the COVID-19 outbreak. Nevertheless, the domestic automotive market has recovered from the past month, since the government began to ease lockdown measures, helping people affected by the COVID-19 outbreak. Furthermore, factories began to resume the production of automobiles.

➖ **Automotive exports** in July 2020 decreased by 0.97 percent (%MoM) from June 2020 to 49,564 units and dropped 39.67 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.

"Automotive industry outlook in August, the industry is projected to contract compared to August 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 Production Industry



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

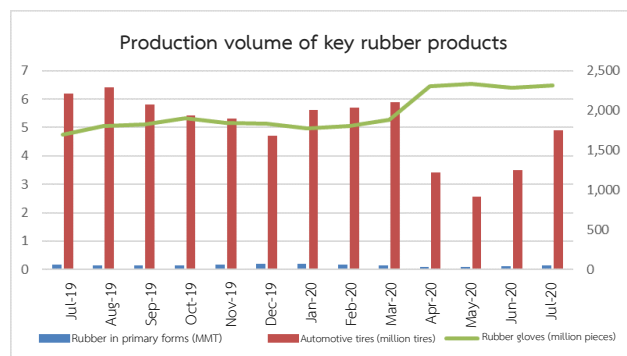
➕ **Motorcycle production** in July 2020 increased by 56.96 percent (%MoM) from June 2020 to 119,008 units but dropped 23.74 percent (%YoY) from the same month last year as the result of decreasing production of sport motorcycles.

➕ **Domestic sales of motorcycles** in July 2020 increased by 9.59 percent (%MoM) from June 2020 to 137,023 units but decreased by 7.87 percent (%YoY) over the same month last year due to a fall in sales of 51-110 cc, 111-125 cc, 251-399 cc, and ≥400 cc motorcycles.

➖ **Motorcycle exports** in July 2020 decreased by 46.32 percent (%MoM) from June 2020 to 14,036 units and decreased by 42.49 percent (%YoY) from the same month last year. Export markets to which shipment slow down were the UK, Myanmar, and South Korea.

"Motorcycle industry outlook in August 2020, the industry is projected to contract compared to August 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

Production

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) contracted by 18.65 percent in all product categories, in line with the decrease in demand from domestic and international markets, coupled with heavy rainfall in rubber tapping areas.

➖ Automotive tires decreased by 20.82 percent, following the slowdown of domestic market and exports.

➕ Rubber gloves increased by 35.9 percent because of the situation of COVID-19, resulting in continued-growing demand for medical uses.

Domestic Sales

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) increased by 8.99 percent in smoked rubber sheets and rubber blocks following the decreased demands.

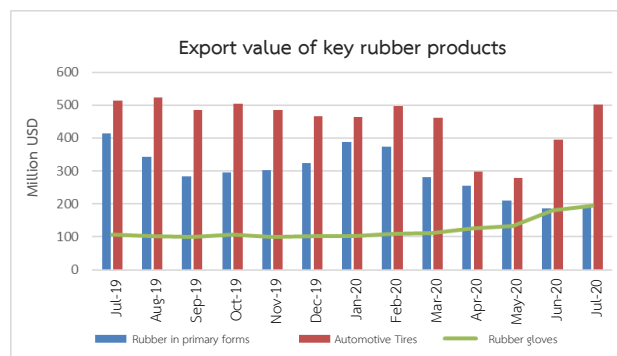
➖ Automotive tires decreased by 17.76 percent following the contraction of the automotive industry and replacement markets.

➕ Rubber gloves increased by 7.63 percent. The increase was in line with continued higher demand for medical uses.

Exports

➖ Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) decreased in export value by 54.15 percent. The decrease was in line with China's demand for rubber blocks from Thailand has reduced.

➖ Automotive tires decreased in export value by 2.20 percent, in line with the slowdown in Saudi Arabia, Japan, and Cambodia markets. Meanwhile, the US market expanded from accelerated imports of rubber products from Thailand before implementing temporary tariffs from 1 October 2020.



Source: Ministry of Commerce

➕ Rubber gloves increased in export value by 84.70 percent from a good growth of the UK, the US, and Japan markets.

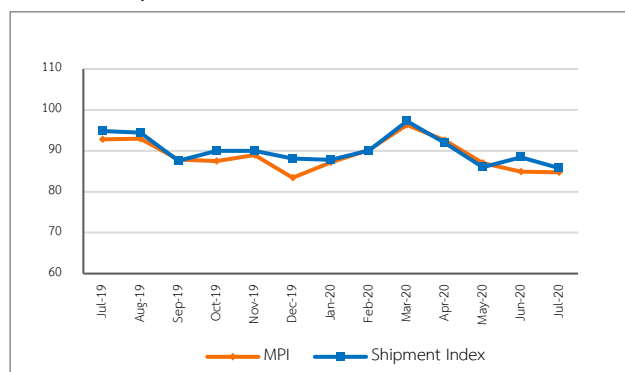
Outlook for the industry in August 2020

Production of upstream rubber (smoked rubber sheets, rubber blocks, and concentrated latex) is expected to contract further 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, together with a slowdown in some export markets, such as Japan 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 automotive tire, exports are expected to increase in value 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 vehicle and light truck tire products of Thailand in the US. Exports of rubber gloves are expected to rise in line with higher demand in the US, the UK, the EU, and Japan markets.

5. Plastics Industry

MPI and Shipment Index



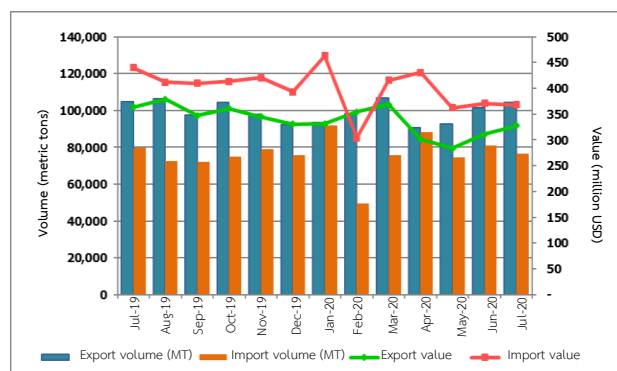
Source: The Office of Industrial Economics

➡ **The manufacturing production index** in July 2020 declined by 9.18 percent from the same period last year to 84.74 points. The MPI decrease was in many plastic products, such as plastic film (-29.55%), other plastic packaging (-20.48%), and plastic sheets (-15.21%).

➡ **The Shipment Index** in July 2020 stood at 85.77 points, a decrease of 10.18 percent from the same period last year. Products that decreased in the index were film and plastic sheets (-24.01%), followed by other plastic packaging (-23.61%) and plastic sheet (-19.11%).

➡ **Exports** in July 2020 decreased by 10.02 percent compared to the same period last year to 327.45 million USD. Products that contributed to the contraction of exports were household articles of plastics (HS 3924), followed by other articles of plastics (HS 3926) and floor coverings (HS 3918), which dropped 25.26, 21.26, and 14.93 percent respectively. Exports to key markets such as Japan, Vietnam, and the Philippines decreased.

Volume and value of exports-imports

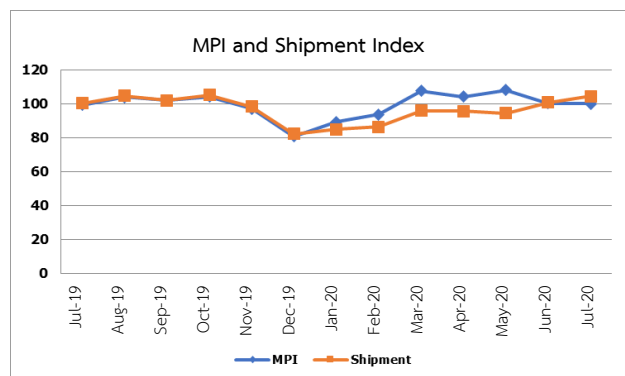


Source: Customs Department, Ministry of Finance

➡ **Imports** in July 2020 decreased by 16.28 percent compared to the same period last year to a value of 368.19 million USD. Key products that contributed to the decrease of imports were sanitary ware (HS 3922); plates, sheets, film, foil and strip, non-cellular (HS 3920); self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics (HS 3919), which decreased by 42.33 percent, 25.47 percent, and 20.72 percent, respectively.

The plastics industry outlook in August 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 effecting the global economic recovery and potentially affect the plastics industry.

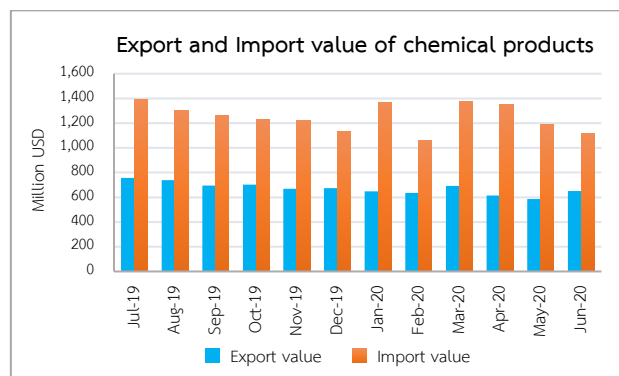
6. Chemical Industry



Source: The Office of Industrial Economics

+ The manufacturing production index in July 2020 stood at 99.93, an increase of 0.73 percent compared to the same period of last year. The production of upstream chemicals contracted by 21.32 percent. The product with the highest contraction was ethanol by 25.46 percent. Downstream chemicals grew by 8.53 percent. Products with the highest production growth were chemical fertilizers by 48.23 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 July 2020 in the chemical industry reached 104.31, a growth of 3.91 percent from the same period last year. The shipping index of upstream chemicals contracted by 22.61 percent in the caustic soda and ethanol products. The shipping index rose by 12.17 percent for downstream chemicals, expanding among chemical fertilizer products, soaps, and detergents.



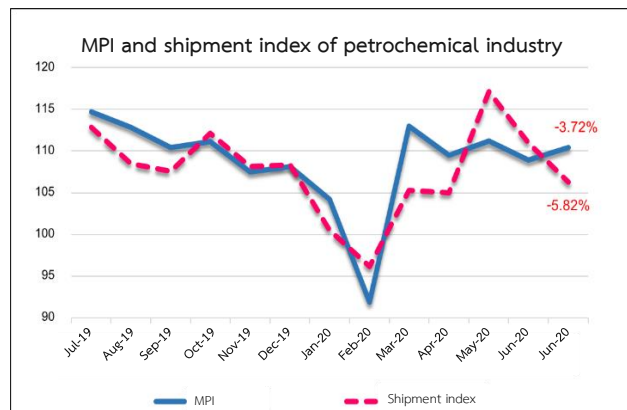
Source: The Office of Permanent Secretary, Ministry of Commerce

- Exports in July 2020 valued at 656.30 million USD, decreasing by 13.70 percent compared to the same period last year. The decrease was in both upstream and downstream chemical products, where upstream chemical products reached an export value of 362.27 million USD, down 3.07 percent, and downstream chemical products valued 294.03 million USD, down 23.05 percent. Products contributing to the decrease of the export value were paints (-65.32%) and cosmetics (-26.40%). Exports to key markets such as Japan and Vietnam decreased.

- Imports in July 2020 valued 1,065.31 million USD, a decrease of 23.31 percent from the same period of last year. Imports of upstream chemical products declined by 22.23 percent to 641.93 million USD, and imports of downstream chemicals declined by 24.89 percent to 423.38 million USD. All products declined in imports.

The chemicals industry outlook in August 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 world market.

7. Petrochemical Industry

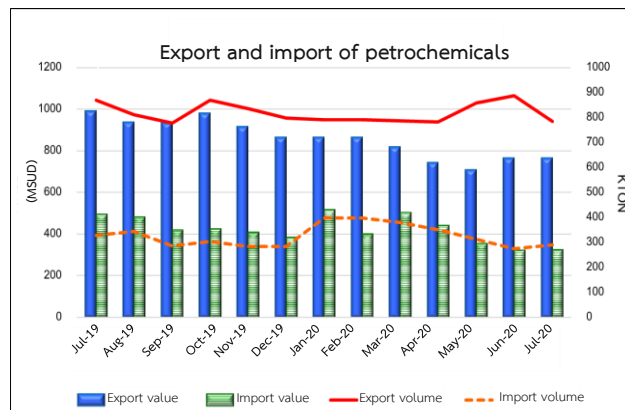


Source: The Office of Industrial Economics

+ **Manufacturing production index** in July 2020 stood at 110.41 points, decreasing by 3.72 percent compared to the same period last year but increasing by 1.95 percent compared to last month. Upstream petrochemicals that decreased in the MPI were Benzene (-11.37%), Propylene (-2.96%), and Ethylene (-1.97%) while downstream petrochemicals that decreased in the MPI were PS resin (-15.13%), PVC resin (-12.23%), PET resin (-0.85%) and PE resin (-0.67%).

- **Shipment index** in July 2020 reached 106.30 points, a decrease of 5.82 percent compared to the same period last year and a decrease of 4.24 percent from last month. Upstream petrochemicals that decreased in the shipment index were Toluene (-20.00%), Benzene (-3.90%), and Ethylene (-1.01%); downstream petrochemical products that decreased in the shipment index were PP resin (-18.27%), SAN resin (-10.06%), PE resin (-7.27%), PS resin (-6.89%), and PVC resin (-4.43%).

+ **Exports** in July 2020 declined by 25.40 percent compared to the same period of last year to 737.96 million USD and declined by 3.48 percent from the same month last year. Upstream petrochemicals (such as Terephthalic acid, Para-Xylene, Benzene, and Toluene) declined by 28.07 percent. Downstream petrochemicals (such as PE resin, PP resin, PC resin, PVC resin, and PET resin) contracted by 24.77 percent.

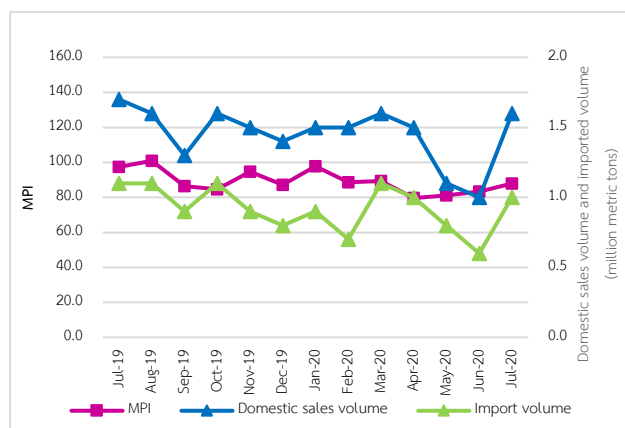


Source: The Office of Permanent Secretary, Ministry of Commerce

+ **Imports** in July 2020 decreased by 34.32 percent compared to the same period last year to 324.02 million USD but increased by 0.75 percent from the same month last year. Upstream petrochemicals, such as Vinyl Chloride, Acetic Acid, Ethylene Glycol, and Styrene decreased by 23.71 percent, and in downstream petrochemicals, such as PE, PP, Nylon, SR BR rubber, and PMMA resins decreased by 36.16 percent.

Outlook for petrochemical industry in August 2020, it is expected that the overall industry may continue to slow down from the same period of 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, preventing normal market conditions.

8. Iron and Steel Industry



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

The MPI in July 2020 reached 87.9 points, a decrease of 9.5 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 in Thai and global economies. The MPI of long products was 94.8 points, dropping 3.0 percent from the production of hot-rolled structural steel sections (-17.2%), followed by cold-rolled structural steel sections (-13.4%) and wires (-3.2%). The MPI of flat products reached 74.2 points, dropping 20.5 percent from the production of cold-rolled sheets (-42.9%), galvanized sheets (-33.8%), and hot-rolled coils (-3.2%). However, the production of tinplated sheets and Chromium-coated sheet increased by 38.3 and 25.0 percent compared to the same period last year, which was in line with the growth of continued industry such as the metal can packaging industry.

Domestic sales in July 2020 reached a volume of 1.6 million metric tons, a decrease of 6.0 percent compared to the same period last year. Long products reached the sales volume of 0.6 million metric tons, a decrease of 3.6 percent from the sales of rebars and hot-rolled structural sections, which decreased by 19.2 percent. Meanwhile, the sales of wire rods grew by 35.5 percent. As for flat products, sales volume reached 1.0 million metric tons, a contraction by 7.4 percent from the sales of hot-rolled plates, which decreased by 48.5 percent, followed by hot-rolled sheets (-33.5%) and cold rolled sheets (-25.0%).

Imports in July 2020 decreased by 11.8 percent compared to the same period last year to 1.0 million metric tons. Imports of long products reached a value of 0.2 million metric tons, down 17.4 percent from the imports of carbon steel rebars which decreased by 72.5 percent. (Japan, South Korea, and China were the key countries from which imports of the products decreased.) This followed by alloy steel rebars and hot-rolled structural carbon steel sections which decreased by 68.0 percent and 47.2 percent, respectively. Imports of flat products decreased by 10.2 percent to a volume of 0.8 million metric tons, from hot-rolled alloy steel plates, which decreased by 91.4 percent. (Japan, China, and Sweden were key countries from which imports of the products decreased.) This followed by hot-rolled P&O carbon steel sheets and hot-rolled carbon steel sheets which decreased by 76.2 percent and 55.7 percent, respectively.

"Steel industry outlook in August 2020, it is predicted that production will decrease compared to the same period of the 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

Production volume of textile fibers and apparel



Source: The Office of Industrial Economics

Production

Production of textile fibers, fabrics, and apparel decreased by 28.68 percent, 40.18 percent, and 28.59 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), textile fibers and fabrics' production increased by 7.83 and 4.43 percent as many trading partners began to control the outbreak and relaxed lockdown measures, promoting more economic activity.

Domestic sales

Domestic sales of textile fibers, fabrics, and apparel decreased by 34.70 percent, 37.11 percent, and 41.93 percent (%YoY) respectively, as the result of decreasing demands for raw material to export, including the slowdown of domestic purchasing power from the impact of the COVID-19 outbreak.

Export value of textile fibers and apparel



Source: Ministry of Commerce

Exports

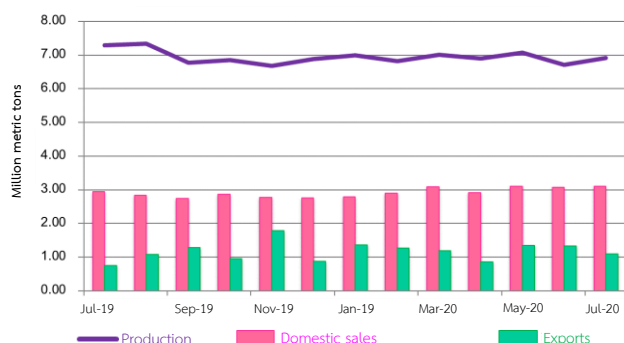
Exports of textile fibers, fabrics, and apparel decreased in value by 22.39 percent, 31.47 percent, and 23.17 percent (YoY) due to the COVID-19 outbreak, which has spread throughout the world, causing international trade to decrease, resulting in the global economic slowdown. The major markets that contracted were the US, China, and Japan. Compared to the previous month (MoM), exports of textile fibers and fabrics rose by 3.50 and 13.15 percent from exports to the U.S. and Asia countries such as Pakistan, Vietnam, and Indonesia as raw materials to produce downstream products. This was partly due to the lockdown's loosening, which resulted in the growing demand for consumer products.

Outlook for August 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.

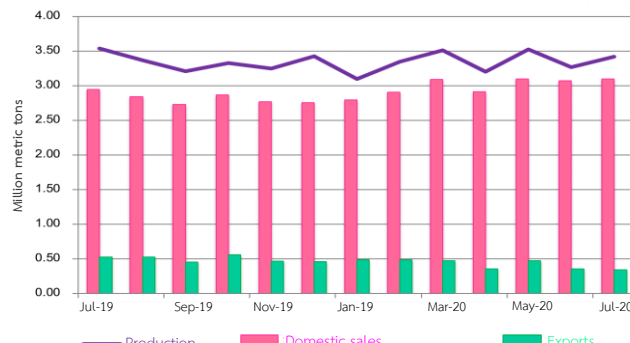
10. Cement Industry

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 July 2020 increased by 3.02 percent from June 2020 (%MoM) to 6.91 million metric tons but decreased by 5.17 percent (%YoY) from the same month last year.

+ **Total domestic sales of cement** in July 2020 increased by 0.95 percent (%MoM) from June 2020 to 3.01 million metric tons and increased by 5.22 percent (%YoY) from the same month last year.

+ **Total exports of cement** decreased by 16.98 percent (%MoM) from June 2020 to 1.10 million metric tons but increased by 45.96 percent (%YoY) from the same month last year.

Outlook for the overall cement production industry in August 2020 compared to the same period of last year, it is expected that despite the economic sluggishness from the outbreak of the COVID-19 that will persist, overall productivity could improve slightly as the government has periodically loosened lockdown measures to allow businesses to carry out economic activities.

+ **Cement production** (excluding clinker) increased by 4.50 percent (%MoM) from June 2020 to 3.42 million metric tons but decreased by 3.42 percent (%YoY) from the same month last year.

+ **Domestic sales of cement** (excluding clinker) increased by 0.95 percent (%MoM) from June 2020 to 3.10 million metric tons and increased by 5.23 percent (%YoY) from the same month last year.

- **Export of cement** (excluding clinker) in July 2020 decreased by 2.34 percent (%MoM) from June 2020 to 0.35 million metric tons and decreased by 34.38 percent (%YoY) from the same month last year. The decrease was due to the order reduction from key markets including, Cambodia, Lao PDR, and the Philippines.

Outlook for the cement production industry (excluding clinker) in August 2020, even though it is expected that the industry will grow relatively well, but the growth will depend mainly on weather factors as the industry enters the rainy season.