

Industrial Production Status

Indicators	2019	2020	2020						2021						
%YoY	Year	Year	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	-3.4	-9.3	-13.6	-9.3	-2.6	-1.3	-0.6	-2.8	-2.0	-1.4	5.9	18.0	25.7	18.3	5.1

The industrial economy in **July 2021**, when considered from the **Manufacturing Production Index (MPI)**, grew **5.1 percent from the same period last year**. This was partly benefited by a low comparative base of MPI in June 2020, the month that was affected by the first wave of the COVID-19 outbreak, including a good growth of exports this year.

When considering MPI data for the past three months compared to the previous year (% YoY), production in April, May, and June 2021, increased by 18.0, 25.7, and 18.3 percent, respectively.

Indicators	2020						2021						
%MoM	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.
MPI	4.6	5.2	3.8	0.3	1.6	-0.7	6.9	-3.1	10.2	-16.5	9.7	-2.1	-7.0

In the past three months (April, May, and June 2021), the MPI change rates (%MoM) were as follows: a decrease of 16.5 percent in April, an increase of 9.7 percent in May, and a decrease of 2.1 in June 2021.

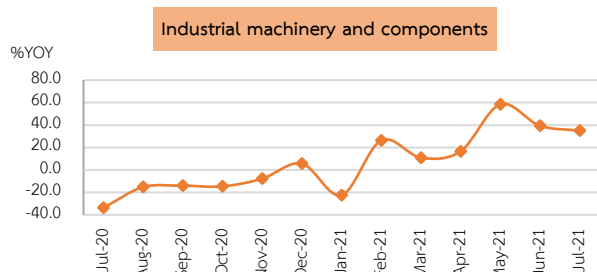
Key industries that contributed to the MPI expansion in July 2021 compared to the same month last year were:

- **Automobiles and parts:** The MPI increased by 31.49%, mainly from the export market with a low base effect. The demand from foreign customers increased in accordance with the recovery of trading partner economies from a well-controlled outbreak and high vaccination rates nationwide.
- **Electronic components:** The MPI increased by 19.02 percent in line with growing demand for the electronic component market, and demand is expected to increase in long-term.
- **Other non-tire rubber products:** The MPI increased by 18.55 percent, mainly from block rubbers and sheet rubbers. The COVID-19 situation of key trading partners (China, the US, and Europe) has eased, and orders have increased from those countries. Additionally, this year, the continuous rainfall caused rubber trees to produce more latex.
- **Plastic pellets:** The MPI increased by 10.61 percent due to a low base last year as one factory stopped production for maintenance. Furthermore, some plants accelerated production after capacity expansions, including improving the production formula to increase product production.
- **Sugar:** The MPI increased by 93.73 percent from the production of white sugar and refined sugar after the shutdown of milling process.

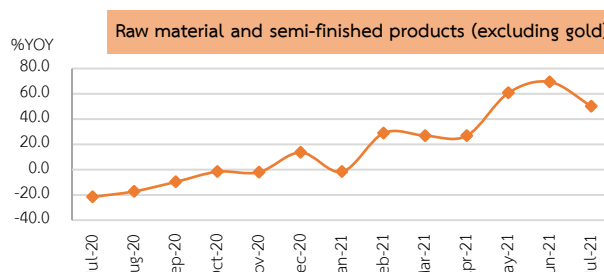
Other Industrial Economic Indicators in July 2021

Other Industrial Economic Indicators in July 2021

■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

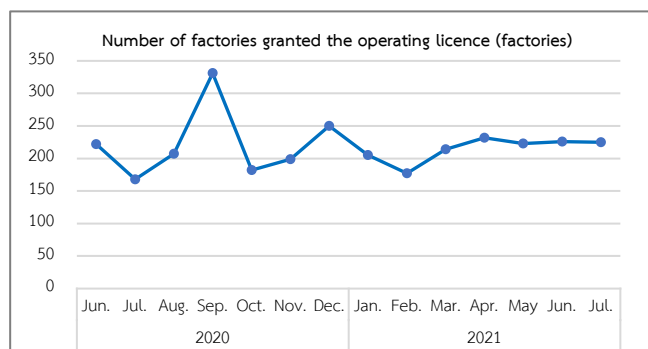


Source: Ministry of Commerce

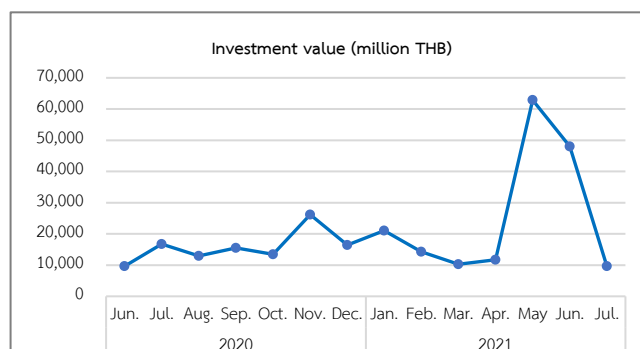
+ In July 2021, industrial machinery and parts imports increased by 35.0 percent compared to the same month last year to 1,454.3 million USD. The increase was from the importation of engines, transmission shafts, and other parts, bearings, wood processing machinery and parts, rubber or plastic processing machinery, gas turbines and parts, and construction machinery and parts.

+ In July 2021, imports of raw and semi-finished goods (excluding gold) increased by 50.1 percent compared to the same month last year to 9,305.9 million USD. The increase was from the importation of chemical products (especially plastic pellets), iron and iron products, copper and copper products, and aluminum and aluminum products.

Industrial Operation Status



Source: Department of Industrial Works



Source: Department of Industrial Works

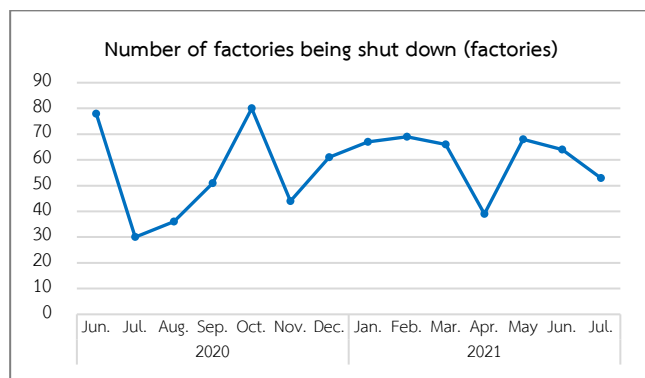
+ The total number of factories licensed for operation in July 2021 was 225 factories, a slightly decrease of 0.44 percent (%MoM) from June 2021 but an increase of 33.9 percent (%YoY) from the same month last year.

- The total investment from factories licensed for operating in July 2021 decreased by 79.91 percent (%MoM) from June 2021 to 9,653 million THB and decreased by 42.39 percent (%YoY) from the same month last year.

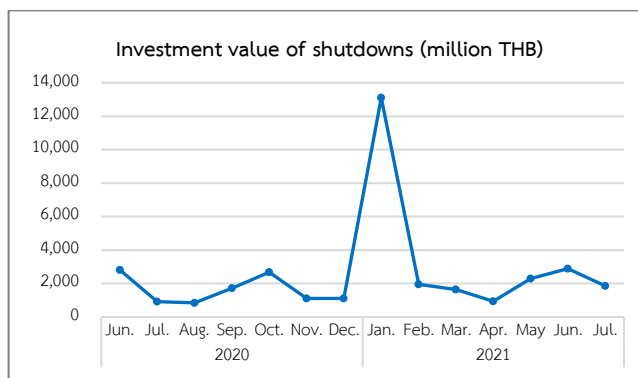
"The industry with the highest number of newly licensed factories to operate in July 2021 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (35 factories) and the excavation or dredging industry of gravel, sand, or soil (14 factories)."

"In July 2021, the industry with the highest investment value was the packing industry of non-specialized products (838 million THB), followed by the manufacture of concrete, ready-mixed concrete articles, and gypsum products (675 million THB)."

Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

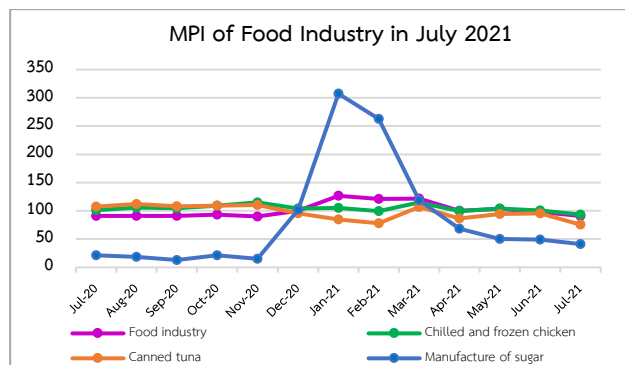
- ➕ A total of 53 factories were shut down in July 2021, decreasing by 17.19 percent (% MoM) from June 2021 but increasing by 76.67 percent (% YoY) from the same month last year.
- ➕ The lost investment value on shutdown in July 2021 totaled 1,865 million THB, decreasing by 35.34 percent (%MoM) from June 2021 but increasing by 104.82 percent (%YoY) from the same month last year.

“In July 2021, the industry with the highest number of factory shutdowns was the sand suction industry (6 factories), followed by the excavation or dredging industry of gravel, sand, or soil (5 factories).”

“In July 2021, industries that were shut down with the highest investment value were manufacturing, assembling, modifying, or repairing machinery for agricultural uses (576 million THB), followed by the smelting, refining, casting, rolling, and extruding of iron or steel industry (200 million THB).”

Industrial Economic Status by Industrial Sectors in July 2021

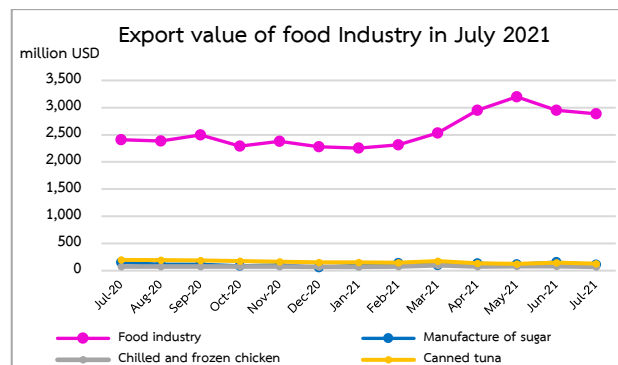
1. Food Industry



Source: The Office of Industrial Economics

Production: In July 2021, production contracted by 1.7 percent (%YoY) due to the impact of the COVID-19 outbreak. As a result, some factories temporarily closed or suspended some production lines. Food products that saw a contraction in MPI included: (1) dairy products—a decrease of 10.7 percent; (2) fisheries—a decrease of 10.6 percent from key products, which is canned tuna (-29.7%); (3) prepared animal feeds—a decrease of 7.4 percent mainly from prepared pet foods which dropped by 14.9 percent; (4) livestock—a decrease of 6.0 percent from key products, such as chilled and frozen chicken (-7.7%) and cooked chicken (7.1%); (5) processed vegetables and fruits—a decrease of 1.5 percent mainly from canned sweet corn (-38.4%).

However, production of some products increased, such as (1) sugar—an increase of 93.7 percent, mainly from white sugar and refined sugar. The growth was due to the continuous processing of raw sugar into granulated sugar, (2) cassava—an increase of 48.4 percent from key products, namely tapioca starch. The increase was due to growing demand in domestic and international markets, especially China—a key export market—that imported cassava starch as a substitute during the rising price of maize, (3) vegetable oil—an increase of 14.7 percent from key products, namely soybean oil, due to consumer demand in domestic and international markets. Key export markets were Vietnam, the Philippines, and Cambodia.



Source: Ministry of Commerce

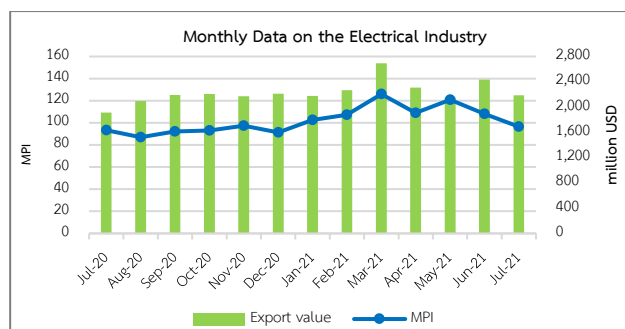
Domestic sales: Production volume for domestic food products in July 2021 decreased by 9.9 percent (%YoY) from key products as follows: (1) other food products—a decrease of 51.0 percent from ready-to-cook-food; (2) milled/grind cereal products—a decrease of 20.4 percent mainly from soybean milk; (3) processed vegetables and fruits—a decrease of 15.4 percent mainly from other canned fruits; frozen fruit and vegetable; (4) livestock—a decrease of 12.1 percent mainly from cooked chicken and chilled and frozen chicken.

Export markets: The overall food exports in July 2021 was valued at 2,886.33 million USD, increasing from the same period last year by 19.5 percent (%YoY) from key products as follows: (1) fresh, chilled, frozen, canned, and processed vegetables and fruits—the products are of quality and are accepted by world-class standards. Export markets with good growth included China, Vietnam, and Malaysia; (2) cassava products—the products were in demand in key markets, such as China, Japan, and Taiwan. Additionally, consumers gained confidence in the quality and standard of the product; and (3) vegetable and animal fats or oils—the demand for palm oil and soybean oil began to recover in many import markets, whereby palm oil and soybean oil exports grew well in Malaysia and Vietnam markets, respectively.

Forecasts and trends: In August 2021, the overall food industry's MPI and export value will shrink slightly compared to the same period last year. This is due to the impact of the COVID-19 outbreak in factories, along with the shortage of foreign workers who are still unable to return to work in the manufacturing sector. Meanwhile, the export value is expected to continue to expand in line with the consumer demand of trading partner countries."

2. Electrical and Electronics Industry

■ Electrical Industry



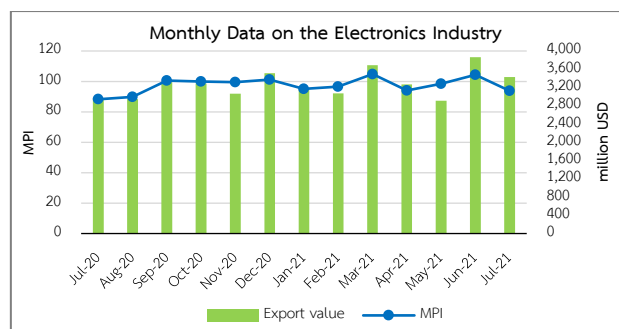
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➕ **Production of electrical appliances** increased by 4.2 percent compared to the same month last year, with an MPI of 96.6 points. Products that increased in production were compressors (36.0%), electric motors (20.9%), air-conditioners (10.5%), and electric wires (8.7%) due to the growth of domestic sales and overseas orders. Meanwhile, products that decreased in production were household fans (28.1%), thermo pots (25.1%), cables (20.8%), transformers (19.4%), washing machines (9.3%), refrigerators (9.2%), microwave ovens (8.4%), and rice cookers (1.4%), resulting from a decrease in domestic demand.

➕ **Exports of electrical appliances** increased by 14.2 percent compared to the same month last year to 2,187.2 million USD. Products that increased in orders were (1) electric wires and wire harnesses—an increase of 38.8 percent to 90.5 million USD from the US, Europe, and ASEAN markets; (2) compressors—an increase of 24.1 percent to 79.39 million USD from ASEAN, Europe, and China markets; (3) fan—an increase of 7.74 percent to 22.2 million USD from the US and Europe markets; (4) electric motors—an increase of 14.5 percent to 62.7 million USD from Europe, Japan, and ASEAN markets; (5) air-conditioners—an increase of 11.0 percent to 366.3 million USD from the US, China, and Europe markets; (6) transformers—an increase of 9.5 percent to 9.7 million USD from Japan and ASEAN markets.

“Production outlook for August 2021: The electrical industry is projected to increase by about 4.0-9.0 percent compared to the same month of the previous year as trade partner economies have begun to recover from the COVID-19 outbreak, such as the US and the EU, and China, as well as the development of advanced technology into the components of electrical appliances. This causes the demand for electrical appliances to increase.”

■ Electronics Industry



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

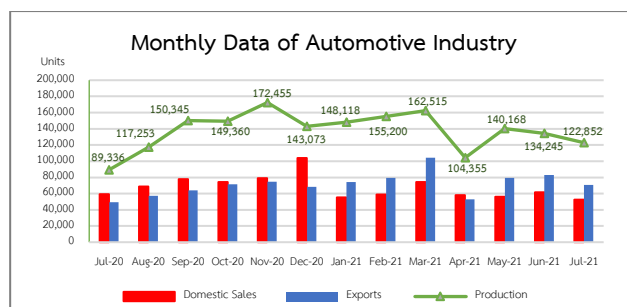
➕ **Production of electronics** increased by 6.4 percent compared to the same month last year with an MPI of 93.9 points. Products that increased in production were PWBs (25.7%), PCBA (25.4%), ICs (16.7%), and semiconductor devices transistors (14.1%). The increment resulted from an increase in domestic sales and overseas orders. Meanwhile, the contracted products were HDDs and printers, decreasing by 9.9 percent and 8.5 percent, respectively, as the market demand in domestic and foreign markets declined.

➕ **Exports of electronics products** were 3,428.6 million USD, an increase of 22.4 percent (%YoY). Products that increased in orders were (1) semiconductors, transistors, and diodes—an increase of 48.6 percent to 201.1 million USD to the US, Europe, and Asia markets; (2) HDDs—an increase of 35.3 percent to 638.2 million USD to Japan and the US markets; (3) printed circuit boards—an increase of 29.8 percent to 137.2 million USD to the US, Japan, and Europe markets; (4) integrated circuits—an increase of 23.2 percent to 674.9 million USD to the US, Asia, and Europe markets.

“ Production outlook for August 2021: The electronics industry is projected to continue to grow by approximately 5.0-10.0 percent compared to the same period last year. This is due to the continuous expansion of the global market, resulting in the growing demand for electronic products, such as semiconductor and HDD products. Furthermore, the expansion and development of 5G network equipment have led to an increasing demand for electronic equipment and parts domestically and internationally.”

3. Automotive Industry

■ Automotive Manufacturing Industry



Source: The Office of Industrial Economics who obtained data from Automotive Division, Federation of Thai Industries.

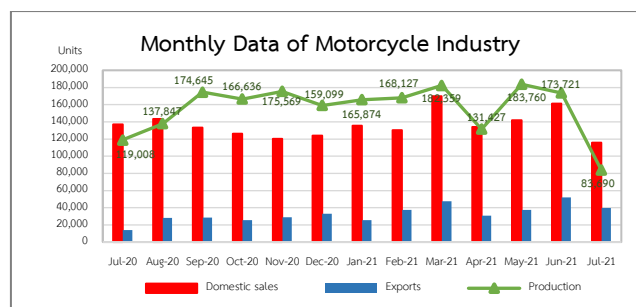
➕ Automotive production: In July 2021, production reached 122,852 units, a decline of 8.49 percent from June 2021 (%MoM), as most of the automotive industry faced shortages of important chips and some auto parts in production. Therefore, the production of some models slowed down. However, production increased by 37.52 percent from the same month of last year (%YoY) due to an increase in passenger cars, 1-ton pickup trucks and derivatives, and commercial vehicles.

➖ Domestic automobile sales: In July 2021, domestic sales reached 52,442 units, a decrease of 15.08 percent from June 2021 (%MoM) and 11.62 percent from the same month last year (%YoY). The contraction was due to a decline in passenger car sales, 1-ton pickup trucks, PPVs, and SUVs due to the third wave of the COVID-19 outbreak, together with the lockdown since mid-July which caused more restrictions on economic activities. As a result, the people's purchasing power decreased, and the production of some models was not enough to meet the demand due to a lack of parts and strict credit approval processes among financial institutions. Additionally, there was a slowdown in automobile production due to the shortage of chips and auto parts from the COVID-19 outbreak in countries and partner countries that produce auto parts.

➕ Automobile exports: In July 2021, exports reached 70,590 units, a decrease of 14.97 percent from June 2021 (%MoM), but an increase of 42.42 percent from the same month last year (%YoY). The increase was due to the low base last year and the growth of trading partners economic activities in Asia, Oceania, North America, Central, and South America. However, exports declined in the Middle East, Africa, and Europe due to the new wave of the COVID-19 pandemic, causing a drop in car sales in trading partner countries.

“Automotive industry outlook for August 2021: The industry is projected to contract compared to August 2020 due to the impact of the third wave of the COVID-19 pandemic and the shortage of chips to be monitored.”

■ Motorcycle Manufacturing Industry



Source: The Office of Industrial Economics who obtained data from Automotive Division, Federation of Thai Industries.

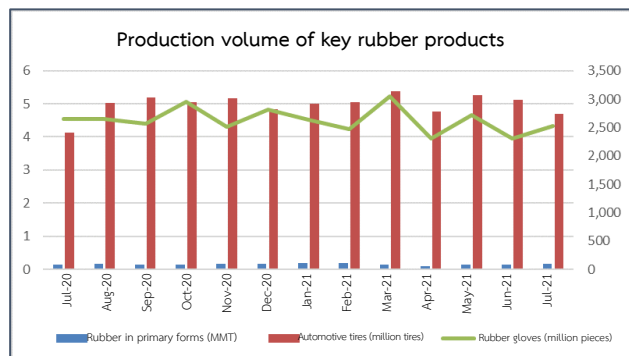
➖ In July 2021, motorcycle production decreased by 51.83 percent (%MoM) from June 2021 to 83,690 units and 29.68 percent (%YoY) from the same month last year as a result of a decrease in the production of multi-purpose motorcycles.

➖ In July 2021, domestic sales of motorcycles decreased by 28.23 percent (%MoM) from June 2021 to 115,623 units and decreased by 15.62 percent (%YoY) over the same month last year from a decrease in sales of 51-110 cc, 111-125 cc, 126-250 cc, and ≥400 cc motorcycles.

➕ In July 2021, motorcycle exports decreased by 23.59 percent (%MoM) from June 2021 to 39,840 units but increased by 183.84 percent (%YoY) from the same month last year, whereby exports markets for Completely Build Units (CBU) increased in the US, China, and Belgium markets.

“Motorcycle industry outlook for August 2021: The industry is projected to decrease compared to August 2020 due to the impact of the third wave of the COVID-19 pandemic and the shortage of chips to be monitored.”

4. Rubber and Rubber Product Industry



Source: The Office of Industrial Economics

Production

➕ *Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex)* increased by 17.09 percent from the production growth of smoked rubber sheets and rubber blocks in line with the expansion of export markets.

➕ *Automotive tires* increased by 13.78 percent following the expansion of domestic and international markets.

➖ *Rubber gloves* decreased by 4.91 percent as several factories reported the COVID-19 infection in employees. Therefore, the bubble and seal measure has been implemented, resulting in a temporary decrease in production volume.

Domestic Sales

➖ *Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex)* decreased by 4.47 percent from smoked rubber sheets and the rubber blocks.

➕ *Automotive tires* increased by 8.33 percent following the expansion of the replacement market and domestic automotive industry.

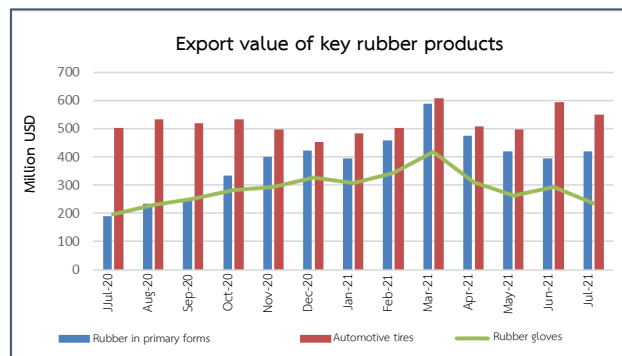
➕ *Rubber gloves* increased by 25.98 percent, which was in line with growing demands. The increase was partly from consumer purchases for stockpiling due to concerns about the COVID-19 outbreak.

Exports

➕ *Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex)* increased in export value by 121.18 percent from the expansion of exports of smoked rubber sheets and rubber blocks to China, the US, and Japan.

➕ *Automotive tires* increased in export value by 9.46 percent following the expansion of Japan, South Korea, China, and Australia markets.

➕ *Rubber gloves* increased in export value by 21.04 percent following the continued expansion of the US, Germany, and the Netherlands markets.



Source: Ministry of Commerce

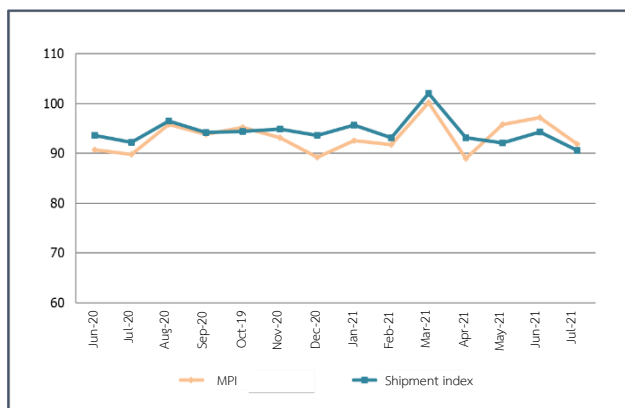
Outlook for the industry in August 2021

Production of upstream processed rubber (smoked rubber sheets, rubber blocks, and latex) is expected to grow following the demand of international markets. However, the heavy rainfall throughout August is a factor pressuring the amount of rubber entering the market to decrease. Automotive tire production and sales of automotive tires are expected to grow continuously from the previous month in line with the good expansion of domestic and international markets. As for rubber gloves, the production is expected to slow down due to the COVID-19 outbreak in factories. Many factories implemented the bubble and seal measure according to government policies, causing a temporary labor shortage. However, the overall rubber glove industry continues to expand as the global demand for medical use continues to increase. Likewise, domestic sales of rubber gloves are projected to increase from higher demand as well.

Exports of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) are expected to increase in value, especially in China, the US, and Japan—key markets for smoked rubber sheets and rubber blocks. Automotive tire exports are expected to increase in value from a growing trend of minor export markets, namely Japan, South Korea, China, and Australia. Meanwhile, the export value may decline in the US market as the export figure base since July 2020 was relatively high. As for rubber gloves, export value is expected to grow in line with rising global demand, especially in the US and the EU markets.

5. Plastics Industry

MPI and Shipment Index



Source: The Office of Industrial Economics



Manufacturing Production Index: In July 2021, the index stood at 91.93 points, increasing from the same period last year by 2.42 percent. The production grew among products such as plastic films (35.52%), plastic sheets (20.42%), and plastic sacks (8.47%).

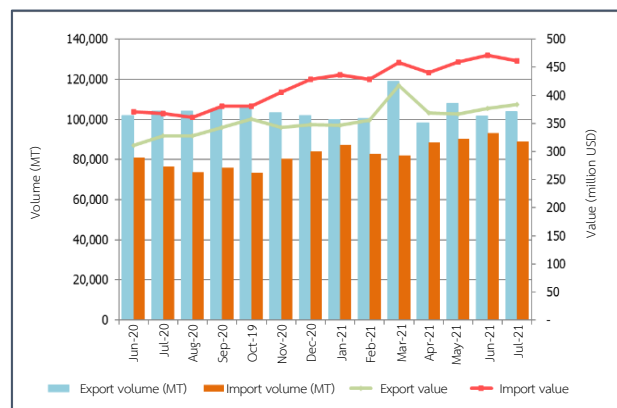


Shipment Index: In July 2021, the index stood at 90.62 points, a decrease of 1.70 percent from the same period last year. Plastic products that decreased in shipment index were plastic tubes, pipes, and fittings (-27.82%) and plastic bags (-5.12%).



Exports: In July 2021, exports were valued at 383.60 million USD, an increase of 17.15 percent compared to the same period last year. Plastic products that contribute to the increase of export from the same period last were self-adhesive plates, sheets, film, foil, tape, strip, and other flat shapes of plastics (HS 3919) (38.37%), other articles of plastics (HS 3926) (31.14%), and plastic sanitary ware (HS 3922) (24.27%). Exports expanded in key markets, such as the US, Japan, China, and Vietnam.

Volume and value of exports-imports



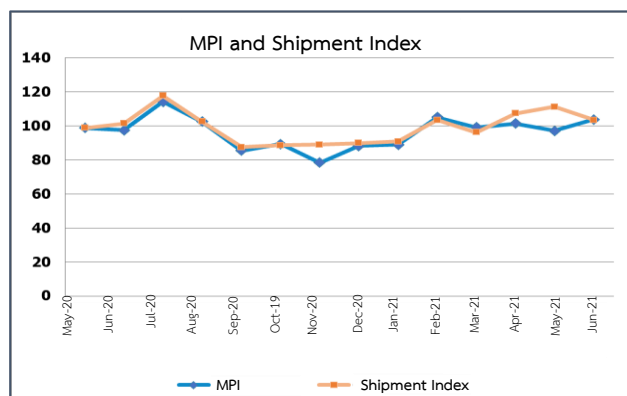
Source: Office of the Permanent Secretary, Ministry of Commerce



Imports: In July 2021, imports increased in value by 25.35 percent compared to the same period last year to 461.35 million USD. Key products contributing to an increase in imports from last year were monofilament (HS 3916) (70.61%), sanitary ware (HS 3922) (67.2%), and other plates, sheets, film, foil and strip, of plastics, non-cellular (HS 3920) (31.06%).

Plastics industry outlook: In August 2021, it is projected that production and exports are expected to expand, of which the situation of the COVID-19 outbreak in the factory clusters needs to be followed up. However, the government has implemented various measures to help reduce the epidemic in factories, which still have to monitor the situation closely.”

6. Chemical products Industry



Source: The Office of Industrial Economics



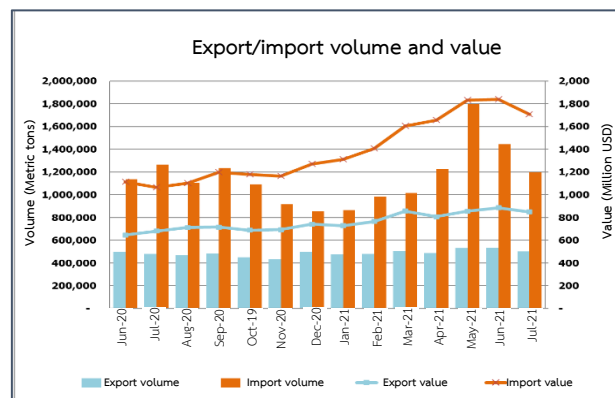
Manufacturing Production Index: In July 2021, the index stood at 103.75 points, increasing by 6.46 percent compared to the same period last year. The production of downstream chemicals grew 23.67 percent compared to the same period last year. Products with an increase in production were caustic soda (46.30%), chlorine (43.34%). As for upstream chemicals, production grew by 1.90 percent compared to the same period last year, and products with the highest increase in output were chemical fertilizers (38.89%) and industrial paints (9.31%).



Shipment index: In July 2021, the chemical industry's shipment index stood at 103.4 points, increasing from the same period last year by 1.98 percent. Upstream chemicals' shipment index grew by 18.94 percent in caustic soda (45.68%) and chlorine (47.85%). As for downstream chemical products, the shipment index decreased by 1.67 percent among products, such as dishwashing liquids (-32.10%), and shampoos (-22.06%).



Exports: In July 2021, the total export value was 849.82 million USD, an increase of 24.72 percent compared to the same period last year. Export value of upstream chemical products reached 509.37 million USD, increasing 40.60 percent compared to the same period last year. As for downstream chemical products, export value was 340.45 million USD, up 6.69 percent. Products contributing to the increment of export value were chemical fertilizers (59.45%), organic chemical products (49.68%), and inorganic chemical products (37.82%). Exports of chemical products expanded in various markets, such as China, Japan, Vietnam, and India.



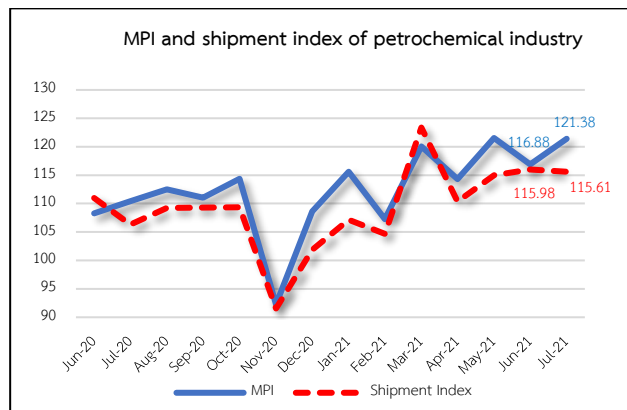
Source: Office of the Permanent Secretary, Ministry of Commerce



Imports: In July 2021, imports of chemicals were valued at 1,708.55 million USD, an increase of 60.55 percent from the same period last year. Imports of upstream chemical products increased in value by 81.78 percent from last year to 1,167.47 million USD. Likewise, imports of downstream chemical products increased in value by 27.80 percent from last year to 541.07 million USD.

Chemical Industry Outlook: In August 2021, production and exports are projected to increase. The situation of the COVID-19 outbreak in factory clusters still needs to be monitored. Furthermore, oil prices tend to rise, which will impact the raw material cost, causing products to have a higher cost.

7. Petrochemical Industry

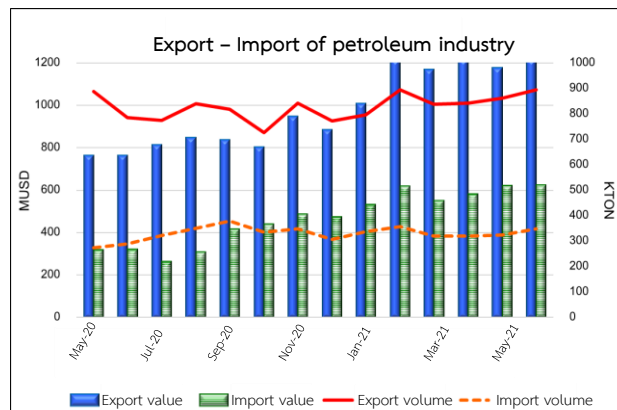


Source: The Office of Industrial Economics

Manufacturing Production Index: In July 2021, the production of petrochemical industry increased by 9.04 percent compared to the same period last year to 121.38 points and increased from last month by 4.18 percent. Upstream petrochemicals that increased in the MPI were Propylene (36.22%) and Benzene (12.90%); downstream petrochemicals were PE resin (11.89%) and PP resin (7.62%) compared to the same month last year.

Shipment Index: The Shipment Index was 115.61 points, expanding by 9.04 percent compared to the same period last year but decreased from last month by 0.32 percent. Upstream petrochemicals such as Ethylene and Benzene grew by 42.31 and 11.51 percent, respectively, from the same month last year; downstream petrochemicals such as PP and PS resins grew by 18.16 and 12.95 percent, respectively, compared to the same period last year.

Exports: In July 2021, exports of petrochemicals were valued at 1,214.21 million USD, increasing from the same month last year by 64.55 percent and increasing from last month by 3.28 percent. The growth was among upstream petrochemicals such as Terephthalic acid and Propylene (89.75%); downstream petrochemicals (58.92%), such as PP and PE resins.

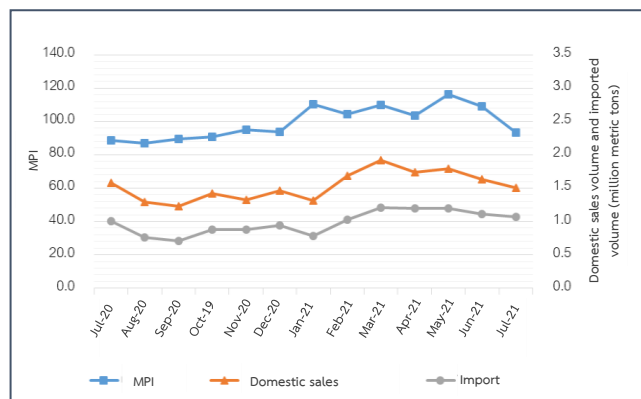


Source: Office of the Permanent Secretary, Ministry of Commerce

Imports: In July 2021, imports increased by 94.50 percent compared to the same period last year to 625.53 million USD and increased from last month by 0.63 percent. The increase was among upstream petrochemical products (177.28%), such as Styrene and downstream petrochemical products (78.02%), such as PE and PP resins. The growth was partly due to the price level that began to increase following the level of crude oil prices.

Forecasts and trends: In August 2021, the overall industry growth is likely to improve compared to the same period last year from the return of production line of many products. Furthermore, the increase in crude oil prices in the world market and economic recovery after the COVID-19 outbreak will result in a growing trend of production and export accordingly.

8. Iron and Steel Industry



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

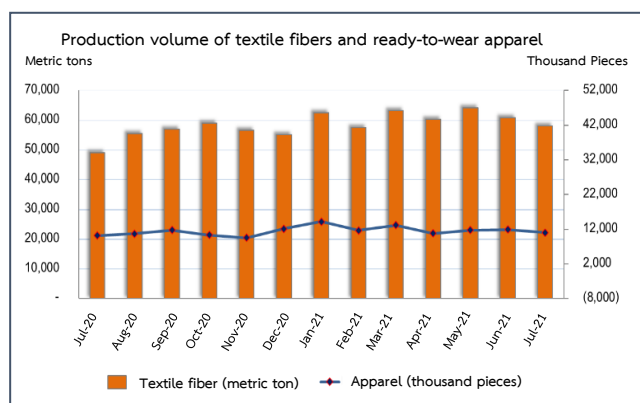
+ In July 2021, the manufacturing production index was 93.1 points, increasing from the same period last year by 5.3 percent. The increase was in line with the continued recovery of downstream industries, such as the automotive, electrical, and electronics industries. When considering key products (long and flat products) the MPI of long products was 82.2 points, decreasing 14.0 percent. Long products that decreased in MPI were round bars (-61.4%), followed by deformed bar (-40.4%) and cold-rolled structural steel sections (-13.7%). As for flat products, the MPI increased by 45.6 percent to 109.3 points from tinplate (161.9%), followed cold-rolled sheets (99.7%), and followed by galvanized sheets (79.4%).

- In July 2021, domestic consumption reached 1.5 million metric tons, decreasing from the same period last year by 5.1 percent. Consumption of long products decreased by 24.0 percent to 0.5 million metric tons from rebars and hot-rolled structural steel sections (-30.3%) and wire rods (-19.5%). As for flat products, the consumption reached 1.0 million metric tons, an increase of 7.0 percent from cold-rolled sheets (75.6%), followed by hot-rolled sheets (22.7%) and coated sheets (3.4%).

+ In July 2021, imports reached 1.1 million metric tons, increasing from the same period last year by 5.5 percent. Imports of long products reached 0.2 million tons, a decrease of 0.6 percent, from the imports of hot-rolled structural carbon steel sections (-54.9%), followed by alloy steel wire rods (-27.7%) and carbon steel wire rods (-22.7%). As for flat products, imports reached 0.9 million metric tons, a growth of 7.2 percent. Flat products that increased in imports were hot-rolled carbon steel sheets in Pickled & Oiled (P&O) condition (332.6%) (mostly imported from Japan, China, and Korea), followed by hot-rolled alloy steel plates (157.3%) and cold-rolled alloy steel sheets (97.4%).

“Iron and steel industry outlook in August 2021: It is expected that production will remain stable compared to the same period last year with supporting factors from the expansion of downstream industry. However, the continuously rising prices of steel and raw materials affect the costs of manufacturers and consumers. In addition, key issues that should be monitored include the international price of iron products and the situation of the COVID-19 outbreak. Such issues will affect the production and domestic consumption of steel products.”

9. Textile and Wearing Apparel Industry



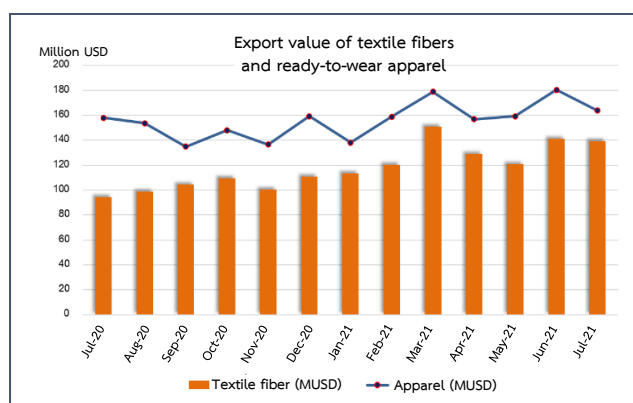
Source: The Office of Industrial Economics

Production

➕ Textile fibers, fabrics, and ready-to-wear apparel grew by 18.45, 27.06, and 8.47 percent (%YoY), respectively, to support the continual increase in exports. The growth arose from the recovery as vaccination rates were high. The outbreak began to ease in key trading partner countries such as the US, the EU, and China, causing economic activities back to normal. This was coupled with the low production base last year. Compared to 2019 (before the COVID-19 outbreak), textile fibers, fabrics, and ready-to-wear apparel production continued to contract by 15.22, 31.24, and 31.05 percent, respectively.

Domestic sales

➕ Textile fibers and fabrics grew by 18.52 percent and 20.02 percent (%YoY), respectively, from the low sale base in the previous year affected by the outbreak. In addition, demand for raw materials for export returned to expand in many countries where the pandemic eased, such as China, the US, the UK, and Europe. Meanwhile, ready-to-wear apparel contracted by 1.95 percent due to the slowdown in the purchasing power of domestic consumers.



Source: Ministry of Commerce

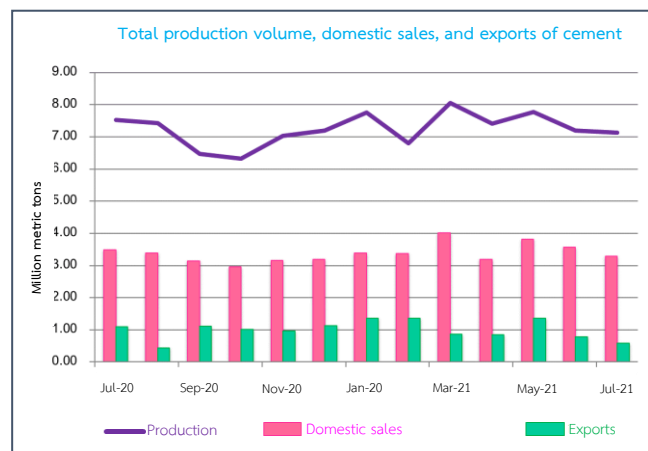
Exports

➕ Exports of textile fibers, fabrics and ready-to-wear apparel recovered throughout the supply chain. The export value increased by 54.73 percent, 39.64 percent, and 13.28 percent (%YoY), respectively. The growth arose from the recovery as vaccination rates were high, causing economic activities back to normal. Therefore, exports increased. Textile fibers increased by 47.67 percent in the US, Pakistan, Indonesia, and China markets. Fabrics increased by 16.53 percent in Vietnam, Bangladesh, Cambodia, and the US markets, and ready-to-wear apparel increased by 3.75 percent in Belgium, the UK, Hong Kong, and Germany.

Industry outlook for August 2021

The textile industry is expected to grow from the previous year's low MPI base, coupled with continual foreign orders throughout the supply chain. Meanwhile, the apparel industry is likely to slow down as the domestic purchasing power declines due to the intensified COVID-19 outbreak. Furthermore, the industry has been affected by the cluster outbreak in textile and garment factories and supply chains, causing adjusted production lines and some postponed deliveries, but a small proportion compared to the overall market. Therefore, it may affect the overall production and exports slightly. Meanwhile, foreign demand for clothing continued to increase, especially among key trading partners whose economies started to recover, such as China, the US, and some parts of Europe.

10. Cement Industry



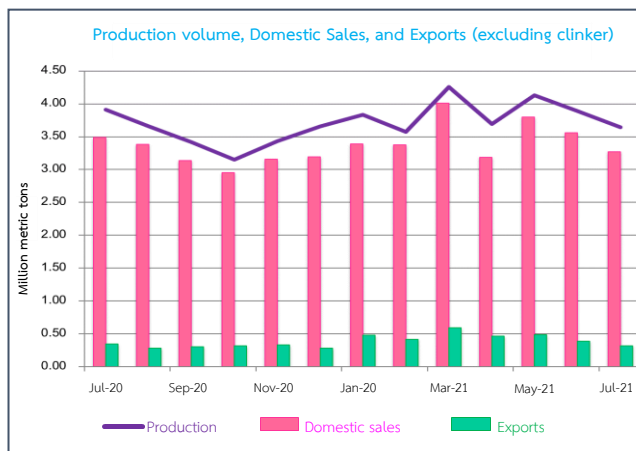
Source: 1. Domestic production and sales volume: Division of Industrial Economics Information and Indices, The Office of Industrial Economics
2. Export volume: Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Commerce.

➡ In July 2021, total production of cement reached 7.13 million metric tons, decreasing from June 2021 by 0.91 percent (%MoM), and decreasing from the same month of the previous year by 5.26 percent (%YoY).

➡ In July 2021, total domestic sales of cement decreased by 8.05 percent (%MoM) from June 2021 to 3.29 million metric tons and decreased from the same month last year by 5.83 percent (%YoY). This was a result of lockdown measures implemented by the government.

➡ In July 2021, total cement exports reached 0.59 million metric tons, a decrease of 24.59 percent (%MoM) from June 2021 and a decrease of 46.75 percent (%YoY) from the same month of last year. This resulted from a decrease in orders from the Philippines (-49.99%), Myanmar (-37.47%), Bangladesh (-29.89%), and Cambodia (-24.63%).

Forecasts and trends: In August 2021, the overall cement industry is projected to increase slightly compared to the same period last year.



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.

➡ In July 2021, cement production (excluding clinker) decreased by 6.25 percent (%MoM) from June 2021 to 3.65 million metric tons and decreased from the same month last year by 6.72 percent (%YoY).

➡ In July 2021, domestic sales of cement (excluding clinker) reached 3.27 million metric tons, decreasing from June 2021 by 8.08 percent (%MoM) and decreasing from the same month last year by 6.17 percent (%YoY).

➡ In July 2021, cement exports (excluding clinker) reached 0.32 million metric tons, decreasing from June 2021 by 18.01 percent (%MoM) and decreasing from the same month last year by 7.80 percent (%YoY). The decline resulted from a large decrease in orders from the Philippines (-63.62%), Myanmar (-37.52%), and Cambodia (-24.61%).

Forecasts and trends: In August 2021, the cement manufacturing industry (excluding clinker) is projected to increase slightly compared to the same period last year.