

Industrial Production Status

Indicators	2019	2020	2020								2021				
%YoY	Year	Year	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
MPI	-3.4	-9.3	-24.1	-17.9	-13.6	-9.3	-2.6	-1.3	-0.6	-2.8	-2.0	-1.4	5.9	18.0	25.8

The industrial economy in **May 2021**, when considered from the **Manufacturing Production Index (MPI)**, grew **25.8 percent from the same period last year**. This was partly benefited by a low comparative base of MPI in May 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 decreased by 1.4 percent in February 2021, but increased by 5.9 percent and 18.0 percent in March and April 2021, respectively.

Indicators	2020									2021				
%MoM	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.		Jan.	Feb.	Mar.	Apr.	May
MPI	2.9	4.1	4.6	5.2	3.8	0.3	1.6	-0.7	6.9	-3.1	10.2	-16.5	9.8	

In the past three months (February, March, and April 2021), the MPI change rates (%MoM) were as follows: a decrease of 3.1 percent in February, an increase of 10.2 percent in March, and a decrease of 16.5 percent in April.

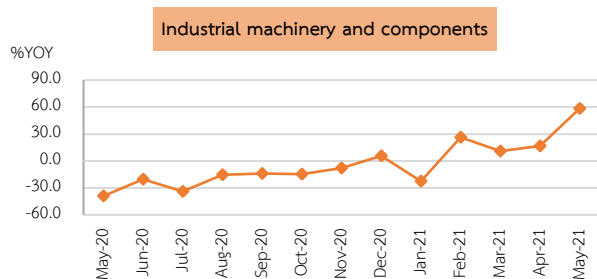
Key industries that contributed to the MPI expansion in May 2021 compared to the same month last year were:

- **Automobiles and parts:** The MPI grew by 151.44 percent from the low base, as this time last year, the industry was during the first wave of the COVID-19 outbreak and at the beginning of relaxing the lockdown measures.
- **Air-conditioners and parts:** The MPI grew by 90.25 percent from last year's low base from the impact of the COVID-19 outbreak and lockdown measures implemented domestically and internationally. This year, manufacturers released new products to satisfy and motivate consumers (energy-saving functions and air filtration from dust and germs). Furthermore, export markets increased well after a shortage of cargo containers and cargo ships last month.
- **Electronic components:** The MPI grew by 35.35 percent from the continuously increasing demand in the global electronic components market, based on the positive factors of rapidly changing technology and increasing demand for a wide variety of products.
- **Iron and steel:** During the previous year, the MPI decreased following the lockdown measures and the temporary suspension of production of downstream industry manufacturers (automotive and electrical appliances) due to the outbreak of COVID-19. This year, the MPI increased by 40.28 percent following the increased consumption demand in downstream industries and the acceleration of infrastructure construction.
- **Automotive tires:** The MPI grew by 167.86 percent from last year's low base during the first wave of the COVID-19 outbreak, prompting trading partners such as China, Japan, Singapore, and the US to lock down the country and slow down orders. As well as this year, manufacturers have lowered product prices to stimulate the market.

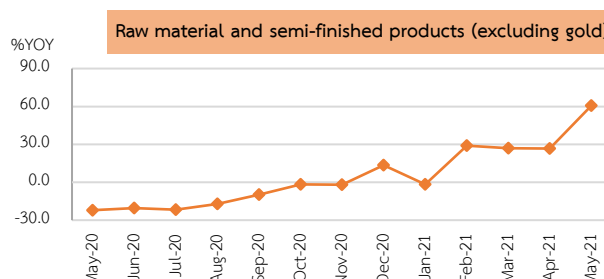
Other Industrial Economic Indicators in May 2021

Other Industrial Economic Indicators in May 2021

■ Imports of Thailand Industrial Sector



Source: Ministry of Commerce

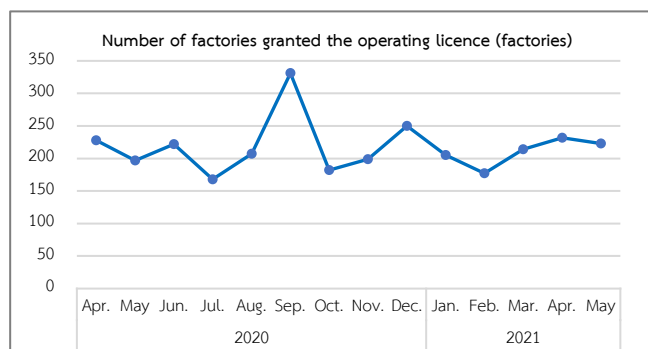


Source: Ministry of Commerce

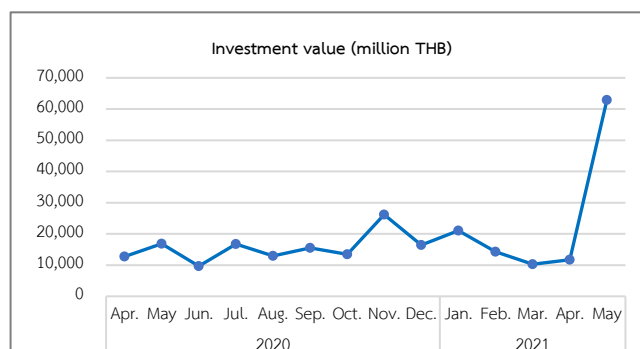
+ In May 2021, industrial machinery and parts imports increased by 58.4 percent compared to the same month last year to 1,486.7 million USD. The increase was from the importation of engines, transmission shafts and other parts, air pumps, fluid pumps, construction machinery and parts, rubber or plastic processing machinery and parts, metal fabrication machinery and parts, bearings, and industrial printing machinery.

+ In May 2021, imports of raw and semi-finished goods (excluding gold) increased by 60.7 percent compared to the same month last year to 9,506.3 million USD. The increase was from the importation of iron, semi-finished products of iron or stainless steel, organic chemical products, and plastic pellets.

Industrial Operation Status



Source: Department of Industrial Works



Source: Department of Industrial Works

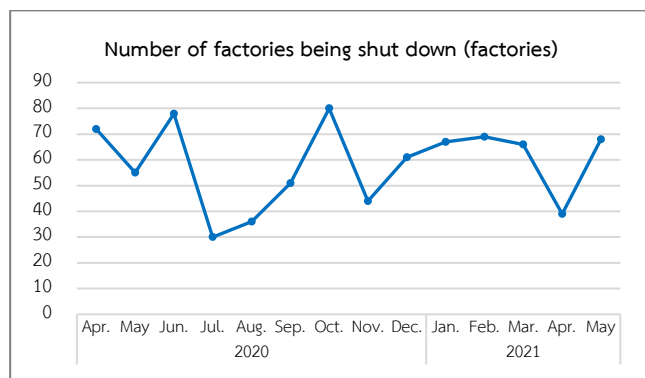
+ The total number of factories licensed for operation in May 2021 was 223 factories, a decrease of 3.88 percent (%MoM) from April 2021 but an increase of 13.2 percent (%YoY) from the same month last year.

+ The total investment from factories licensed for operating in May 2021 increased by 436.74 percent (%MoM) from April 2021 to 62,867 million THB and increased by 273.94 percent (%YoY) from the same month last year.

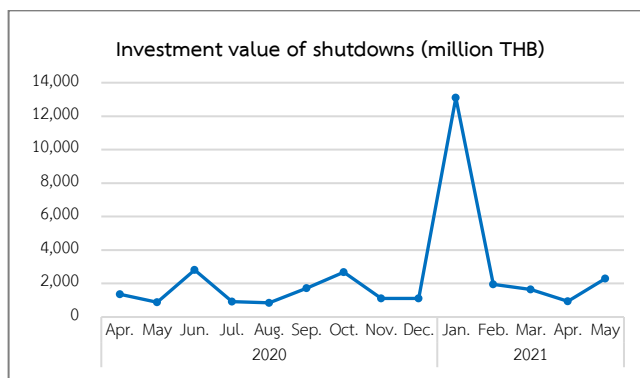
"The industry with the highest number of newly licensed factories to operate in May 2021 was the manufacture of concrete, ready-mixed concrete articles, and gypsum products (26 factories) and the excavation or dredging industry of gravel, sand, or soil (25 factories)."

"In May 2021, the industry with the highest investment value was the smelting, melting, casting, extrusion, drawing, or manufacturing industry of basic iron and steel (48,857 million THB), followed by the repairing of vehicles powered by engines (2,183 million THB)."

Industrial Operation Status (cont.)



Source: Department of Industrial Works



Source: Department of Industrial Works

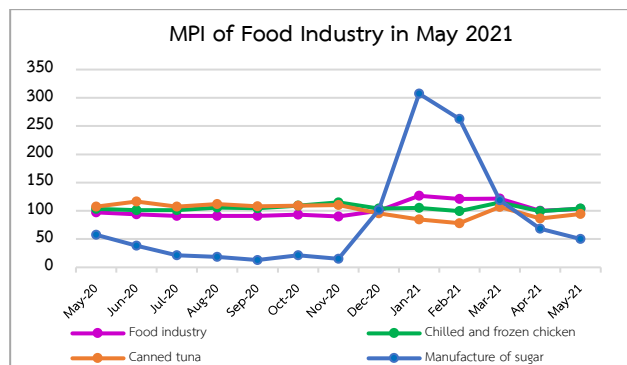
- ➡ A total of 68 factories were shut down in May 2021, increasing by 74.36 percent (% MoM) from April 2021 and increasing by 23.64 percent (% YoY) from the same month last year.
- ➡ The lost investment value on shutdown in May 2021 totaled 2,295 million THB, increasing by 143.48 percent (%MoM) from April 2021 and increasing by 162.60 percent (%YoY) from the same month last year.

“In May 2021, the industry with the highest number of factory shutdowns was the excavation or dredging industry of gravel, sand, or soil (10 factories), followed by the lathing, drilling, boring, milling, trimming, shearing, or general welding industry (4 factories).”

“In May 2021, the shutdown industries with the highest investment value were the manufacturing, assembling, or repairing industry of water pumps, refrigerators, or refrigerator assemblies (1,310 million THB), followed by the manufacturing industry of jewelry made of diamonds, colored stones, pearls, gold, platinum, silver, and gold-copper alloy (157 million THB).”

Industrial Economic Status by Industrial Sectors in May 2021

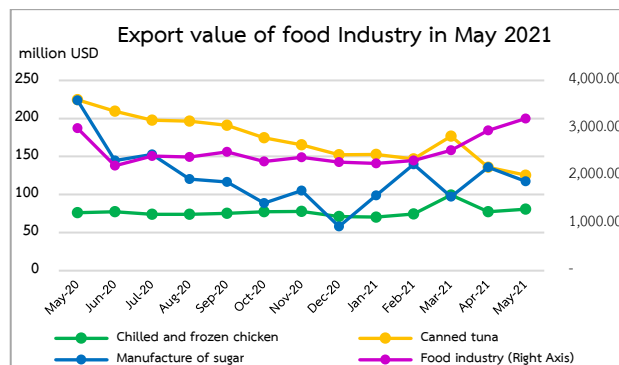
1. Food Industry



Source: The Office of Industrial Economics

Production: The MPI for May 2021 grew by 6.5 percent (%YoY) due to continual domestic and international consumption following the gradual recovery of the global economy. Food products that increased in the MPI were (1) table condiments and food seasonings (34.0%)—mainly from table condiments; (2) cassava (25.4%)—mainly from tapioca starch; (3) processed vegetables and fruits (18.9%)—mainly from canned pineapple, frozen fruits and vegetables, and canned sweet corn; (4) prepared animal feed (18.4%)—mainly from prepared pet food; (5) palm oil (8.1%)—mainly from refined palm oil and crude palm oil; (6) livestock (4.7%)—mainly from cooked chicken products.

However, there were certain products that decreased in the production such as 1) sugar (-12.7%)—due to the sugar cane for the 2021-22 crop year was affected by drought, reducing sugar production, including a decrease in demand for sugar consumption in the country during the COVID-19 outbreak; 2) canned seafood products (-11.8%)—due to container shortages and rising freight charges, resulting in delays in orders and deliveries. This was coupled with high base factors during the first wave of the COVID-19 outbreak last year. Therefore, canned seafood products were in demand globally; 3) dairy products (-6.1%)—from key products, namely (1) ready-to-drink milk and (2) drinking yogurt—due to a large increase in raw milk for producing such products during the same period last year, resulting in a high production base; (3) milk powder—the production decreased as a result of high inventory level and the inability to fully utilize distribution channels due to the third wave of the COVID-19 outbreak.



Source: Ministry of Commerce

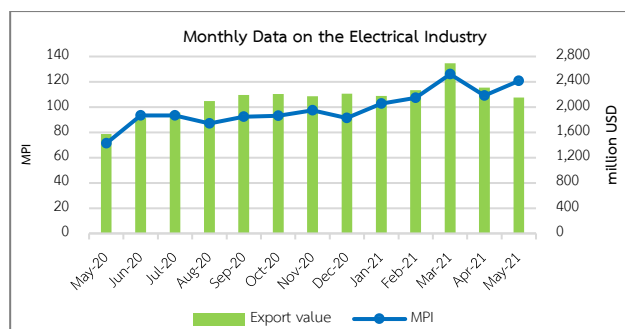
Domestic sales: In May 2021, domestic sales grew by 3.0 percent (%YoY). Food products that increased in sales were (1) Vegetable oil (except for palm oil) (11.0%) mainly from refined soybean oil; (2) table condiments and food seasonings (10.7%)—from table condiments; (3) cassava (10.3%)—mainly from tapioca starch; (4) prepared animal feed (8.0%)—mainly from prepared pet food; 5) macaroni, noodle, and similar farinaceous products (5.8%)—mainly from instant noodle.

Export markets: Overall, food exports in May 2021 were valued at 3,198.26 million USD, an increase from the same period of last year (%YoY) by 6.6 percent from key products, including: 1) fresh, chilled, frozen, canned, and processed vegetables and fruits—the increase was from proactive fruit management measures; 2) food seasoning—consumers have adjusted their behaviors according to their new lifestyles, resulting in more daily cooking at home; 3) pet food—the increase was from the growing trend of pet raising worldwide, which positively affects the business of Thai pet food that can be a contract manufacturer for pet food; 4) chilled, frozen, and processed chicken—due to the easing of lockdown measures in key markets, shops and restaurants were able to resume operations; and 5) cassava products—because products were in demand in key markets such as China and Japan as raw materials in the food, animal feed, and ethanol industries.

Outlook for the food industry: It is expected that the MPI and export value of the food industry in June 2021 will expand slightly compared to the same period last year. The growth stems from the recovery of trading partners. However, exports are still affected by container shortages and high freight costs, which may result in operators having higher production costs.

2. Electrical and Electronics Industry

■ Electrical Industry



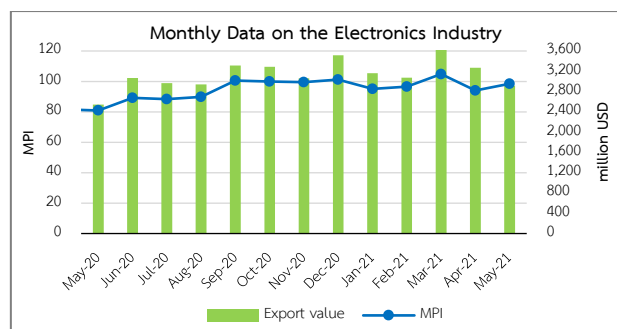
Source: The Office of Industrial Economics, Electrical and Electronics Institute, and Ministry of Commerce

➕ **Production of electrical appliances** increased by 70.7 percent compared to the same month last year with an MPI of 120.8 points. Products that increased in production were washing machines (114.7%), thermo pots (93.9%), air-conditioners (93.1%), compressors (78.8%), cables (60.2%), refrigerators (57.3%), microwaves (56.9%), electric motors (52.4%), rice cookers (49.0%), electric wires (44.9%), and household fans (34.9%). The increment was due to an increase in domestic sales and orders from international markets.

➕ **Exports of electrical appliances** increased by 36.9 percent compared to the same month last year to 2,150.9 million USD. Products that increased in orders were (1) washing machines—an increase of 136.9 percent to 115.0 million USD from China, the US, and ASEAN markets; (2) transformers—an increase of 129.4 percent to 11.5 million USD from China, Japan, and ASEAN markets; (3) wire harness—an increase of 67.7 percent to 72.9 million USD from the US, ASEAN, and Europe markets; (4) electric motors—an increase of 48.0 percent to 61.6 million USD from the US, ASEAN, and Europe; (5) air-conditioners—an increase of 45.7 percent to 446.0 million USD from China, the US, and Europe; (6) chiller's compressors and parts—an increase of 32.6 percent to 65.8 million USD from Europe, ASEAN, and the US markets.

"June 2021 production outlook: The electrical industry is expected to increase by about 25.0 percent compared to the same month of the previous year, as the economies of trading partners, such as the US, EU, and China markets start to recover. Also, there is an increase in demand for electrical appliances, including the development of innovations that increase the demand for products such as air-conditioners that can capture PM 2.5 and prevent germs."

■ Electronics Industry



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

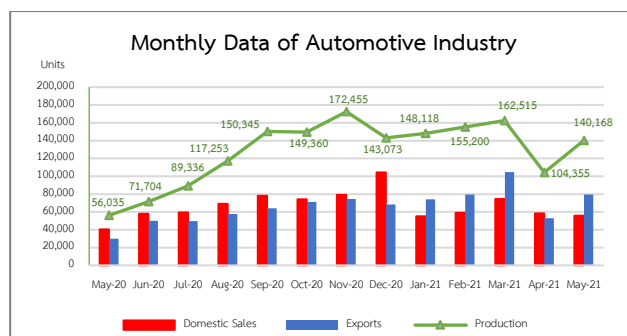
➕ **Production of electronics** increased by 21.6 percent compared to the same month last year with an MPI of 98.4 points. Products that increased in production were PCBAs (60.6%), PWBs (30.3%), ICs (29.5%), semiconductor devices transistors (24.1%), and HDDs (13.9%). The increment resulted from an increase in domestic sales and overseas orders.

➕ **Exports of electronics products** were 2,912.9 million USD, an increase of 35.4 percent (%YoY). Products that increased in orders were: (1) printed circuit boards—an increase of 58.2 percent to 125.2 million USD to Europe, China, and the US markets; (2) printers, photocopiers, and components—an increase of 31.4 percent to 260.9 million USD to Europe, ASEAN, and Japan markets; (3) integrated circuits—an increase of 7.6 percent to 591.2 million USD to Europe, ASEAN, and the US markets; (4) diodes, transistors, semiconductors, and components—an increase of 7.2 percent to 144.6 million USD to the US, ASEAN, and Japan markets.

"June 2021 production outlook: The electronics industry is projected to continue to grow by approximately 30.0 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 HDDs and semiconductor 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.

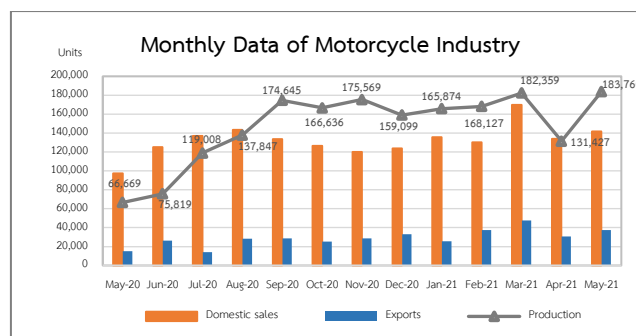
➕ In May 2021, automotive production reached 140,168 units, an increase of 34.32 percent from April 2021 (%MoM) and an increase of 150.14 percent from the same month of last year (%YoY) due to the growing production of passenger cars, 1-ton pickup trucks and derivatives, and commercial vehicles. Because there was a lockdown from the first wave of the COVID-19 outbreak during the same period last year, and there was a temporary shutdown of production, resulting in a low base last year.

➕ In May 2021, domestic automobile sales were 55,948 units, a decrease of 3.76% from April 2021 (%MoM). However, sales increased by 38.42 percent over the same month of last year (%YoY) due to increased sales of passenger cars, 1-ton pickup trucks and derivatives, commercial vehicles, PPVs, and SUVs as low base last year from lockdown measure.

➕ In May 2021, automobile exports amounted to 79,479 units, an increase of 50.30 percent (%MoM) from April 2021 and 165.87 percent (%YoY) from the same month last year due to the low base last year from lockdown measures. Coupled with the economic activity expansion of trading partners to which exports of all types of automobiles increased in all markets.

"Automotive industry outlook: In June 2021, the industry is projected to grow compared to June 2020 due to the decrease of production base from the COVID-19 outbreak in June 2020, which impacted the global automobile market."

■ Motorcycle Manufacturing Industry



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

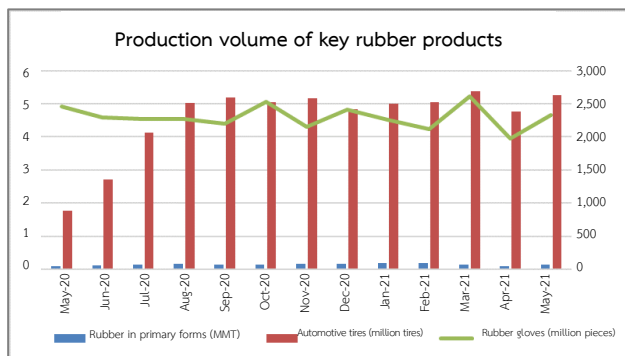
➕ In May 2021, motorcycle production increased by 39.82 percent (%MoM) from April 2021 to 183,760 units and increased by 175.63 percent (%YoY) from the same month last year as a result of an increase in the production of multi-purpose and sport motorcycles.

➕ In May 2021, domestic sales of motorcycles increased by 6.00 percent (%MoM) from April 2021 to 141,881 units and increased by 45.75 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.

➕ In May 2021, motorcycle exports increased by 22.60 percent (%MoM) from April 2021 to 37,493 units and increased by 148.46 percent (%YoY) from the same month last year, whereby exports markets for completely build units (CBU) increased in China, Belgium, the UK, and the US markets.

"Motorcycle industry outlook: In June 2021, the industry is projected to grow compared to June 2020 because the production base in May 2020 decreased from the COVID-19 outbreak, which impacted the global motorcycle market."

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 25.05 percent from the production growth of all rubber products.

➕ *Automotive tires* increased by 197.42 percent because of the continued growth of domestic and international markets, together with the relatively low base last year.

➖ *Rubber gloves* decreased by 5.34 percent because some factories temporarily shut down operations at the end of May 2021.

Domestic Sales

➕ *Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex)* increased by 15.92 percent from the rubber blocks and concentrated latex sales.

➕ *Automotive tires* increased by 118.83 percent, in line with the good expansion of the domestic automotive industry. In addition, last year's base was relatively low.

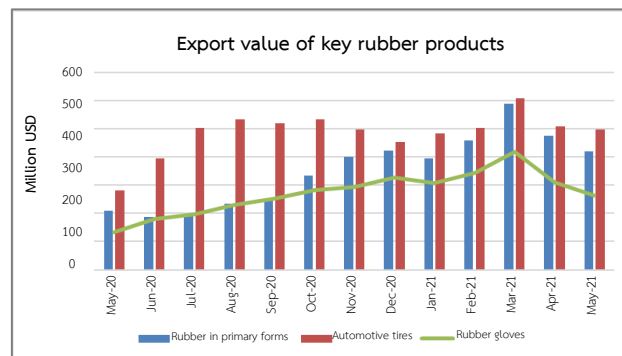
➖ *Rubber gloves* decreased by 28.41 percent because domestic manufacturers decreased their distribution through intermediaries and did the overseas marketing independently.

Exports

➕ *Processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex)* increased in export value by 99.21 percent from the expansion of exports of all processed rubber in primary forms.

➕ *Automotive tires* increased in export value by 77.36 percent following the expansion of the US, Australia, and South Korea markets.

➕ *Rubber gloves* increased in export value by 98.24 percent following the continued expansion of the US, the UK, and the Netherlands markets.



Source: Ministry of Commerce

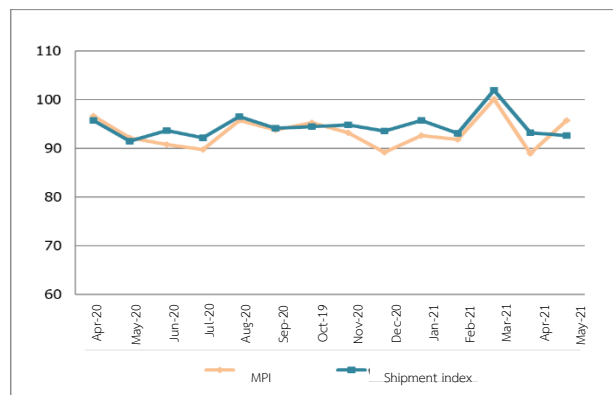
Outlook for the industry in June 2021

The production of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) is expected to increase. Due to summer storm brings precipitation faster than last year, Thailand enters the rubber tapping season earlier than last year, causing more rubber to enter the market. Automotive tire production and sales are expected to grow in line with the favorable expansion of both domestic and international markets. As for rubber gloves, the overall production is expected to remain on the rise as there is an increasing demand worldwide due to the COVID-19 outbreak, even though production may drop due to the temporary shutdown of some factories because of infections found in the factories. Meanwhile, domestic rubber glove sales are expected to drop from the previous month, as domestic manufacturers reduced their sales through intermediaries and did the overseas marketing independently.

The export value of processed rubber in primary forms (smoked rubber sheets, rubber blocks, and concentrated latex) are expected to increase from last month, especially in China, the US, and Malaysia markets. The export value is expected to rise from the positive growing trend of the US, Australia, South Korea, Vietnam, and Malaysia markets, despite the anti-dumping issue of Thai automotive tire products in the US. This is because Thai entrepreneurs can adjust to the increasing costs. As for rubber gloves, export value is expected to grow in line with rising global medical demand, especially in the US, the EU, and Japan markets.

5. Plastics Industry

MPI and Shipment Index



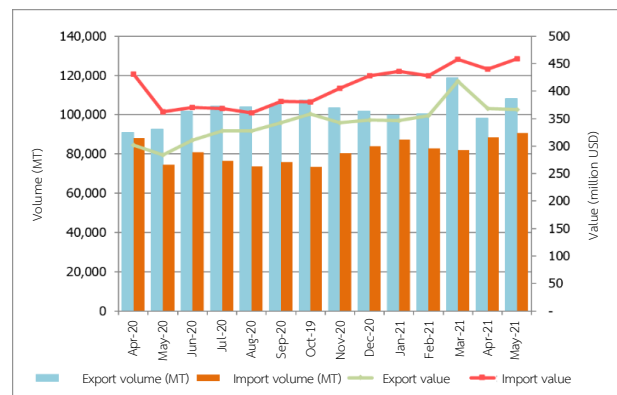
Source: The Office of Industrial Economics

+ In May 2021, the manufacturing production index increased by 3.86 percent from the same period last year to 95.78 points. The growth was in the products such as plastic sheets (28.41%), other plastic packaging (23.14%), and plastic films (10.38%).

+ In May 2021, the Shipment Index stood at 92.61 points, an increase of 1.26 percent from the same period last year. Plastic products that increased in shipment index were plastic sheets (41.82%), other plastic packaging (16.01%), and tableware, kitchenware, other household articles and hygienic or toilet articles (7.80%).

+ In May 2021, exports increased by 29.38 percent compared to the same period last year to 366.89 million USD. Plastic products with the highest increase of export value were floor coverings (HS 3918) (113.58%), self-adhesive plates, sheets, film, foil, tape, strip, and other flat shapes of plastics, whether or not in rolls (HS 3919) (62.34%), and other plates, sheets, film, foil and other cellular strips (HS 3921) (56.95%). Compared to the same period last year, exports expanded in key markets, such as Japan, the US, Vietnam, and China.

Volume and value of exports-imports

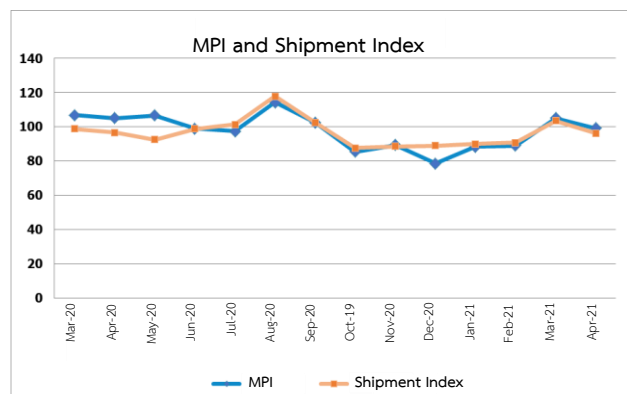


Source: Office of the Permanent Secretary, Ministry of Commerce

+ In May 2021, imports increased in value by 26.77 percent compared to the same period last year to 459.10 million USD. Key products contributing to an increase in imports from last year were sanitary ware (HS 3922) (80.49%), monofilament (HS 3916) (67.05%), and other articles of plastics (HS 3926) (40.80%).

Plastics industry outlook: In June 2021, it is expected that production and exports will increase. However, the COVID-19 outbreak must be monitored, especially the vaccination of people in the country, which will affect economic recovery and the expansion of the plastics industry.

6. Chemical Industry

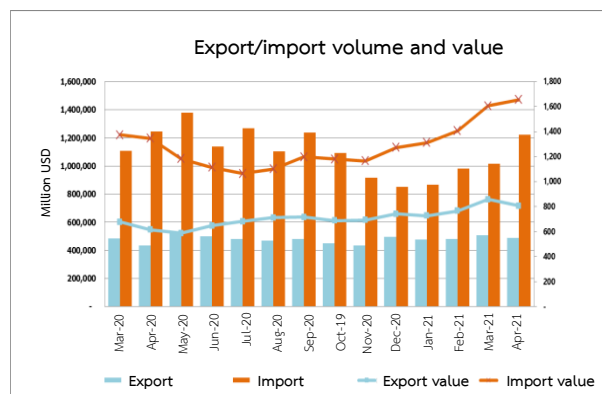


Source: The Office of Industrial Economics

➖ In May 2021, the manufacturing production index stood at 104.60 points, a decrease of 1.86 percent compared to the same period last year. The production of downstream chemicals dropped 7.37 percent, and the product with the highest decrease in the production was chemical fertilizers (-41.77%). However, production of upstream chemicals grew by 19.43 percent, and the product with the highest increase of production were chlorine (34.15%).

➕ In May 2021, the shipment index of the chemical industry reached 109.48 points, increasing by 18.23 percent from the same period last year. Upstream chemicals' shipment index grew by 14.77 percent in chlorine products (30.61%). As for downstream chemical products, the shipment index grew by 19.10 percent among products, such as talcum powder (139.00%) and industrial paints (54.97%).

➕ In May 2021, exports were valued at 856.17 million USD, an increase of 45.99 percent compared to the same period last year. Export value of upstream chemical products reached 511.28 million USD, increasing 65.27 percent compared to the same period last year. As for downstream chemical products, exports were valued at 344.89 million USD, up 24.46 percent. Products contributing to the increment of export value were miscellaneous chemical products (89.80%) and chemical fertilizers (89.18%). Exports of chemical products expanded in many markets such as China, Vietnam, Japan, and India.

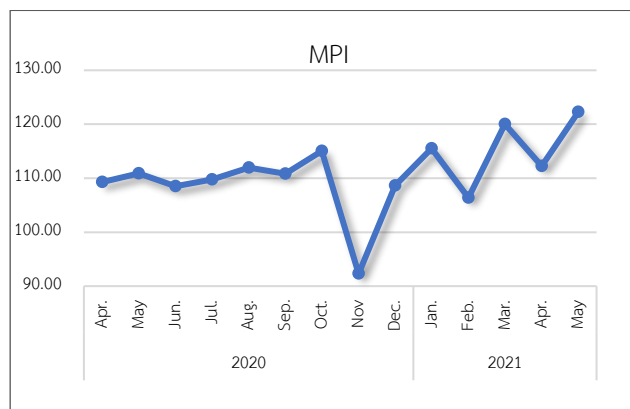


Source: Office of the Permanent Secretary, Ministry of Commerce

➕ In May 2021, imports were valued at 1,833.10 million USD, an increase of 54.93 percent from the same period last year. Imports of upstream chemical products increased in value by 50.81 percent from last year to 1,075.52 million USD. Likewise, imports of downstream chemical products increased in value by 61.19 percent from last year to 757.58 million USD.

Outlook for the chemicals industry: In June 2021, the COVID-19 outbreak will affect confidence in investment in the country and the demand for certain types of chemical products. It may also affect the exports of chemical products.

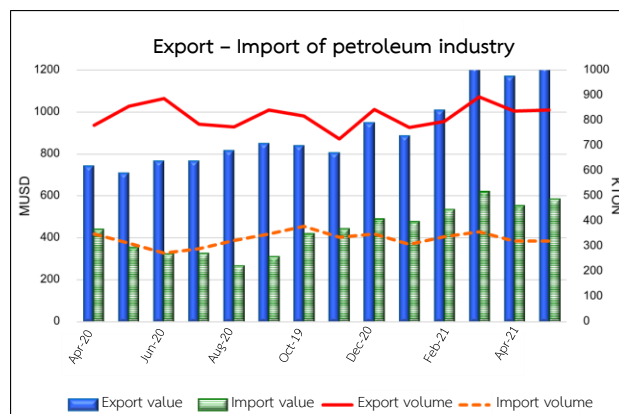
7. Petrochemical Industry



Source: The Office of Industrial Economics

➕ In May 2021, the manufacturing production index increased by 9.59 percent compared to the same period last year to 121.54 points and increased by 8.26 percent from last month. Upstream petrochemicals that increased in the MPI were Ethylene (19.76%) and Toluene (14.39%); downstream petrochemicals were PS resin (9.19%) and PP resin (5.39%).

➕ In May 2021, exports grew by 71.33 percent compared to the same period last year to 1,213.09 million USD and increased by 3.59 percent from last month. The growth was among upstream petrochemicals (103.97%), such as Terephthalic acid and Propylene and downstream petrochemicals (63.41%), such as PE and PP resins.

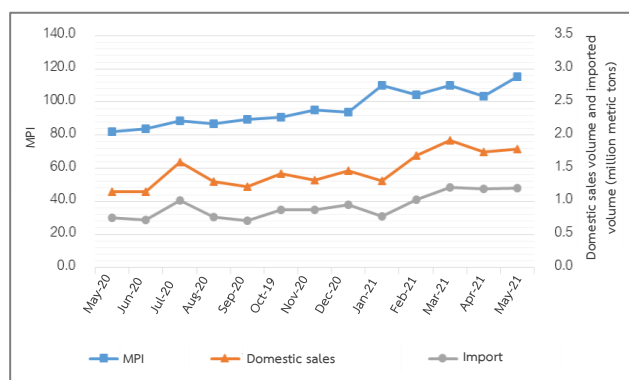


Source: Office of the Permanent Secretary, Ministry of Commerce

➕ In May 2021, imports increased by 66.72 percent compared to the same period last year to 583.38 million USD and increased by 5.77 percent from last month. The increase was among upstream petrochemical products (74.31%), such as Styrene and downstream petrochemical products (65.22%), 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 June 2021, it is expected that the overall industry will grow from the same period last year from the increasing production of plastic pellets related to the COVID-19 prevention equipment. This is coupled with the increase in crude oil prices in the world market and economic recovery after the COVID-19 situation. As a result, production and exports are expected to increase accordingly.

8. Iron and Steel Industry



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

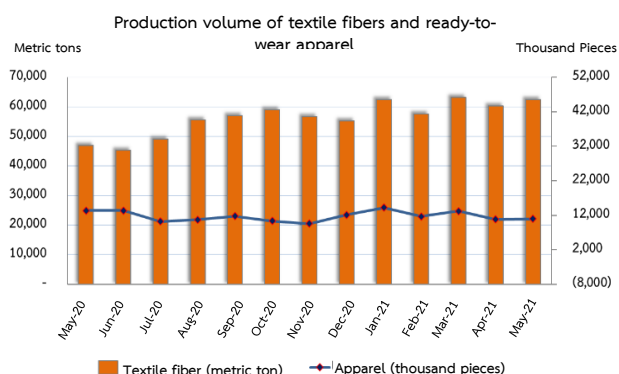
+ In May 2021, the manufacturing production index was 115.1 points, increasing 40.3 percent compared to the same period last year. The increase was in line with the continued recovery of downstream industries, such as the automotive, electrical, and electronics industries. As a result, manufacturers accelerated the production following the increased orders from customers. When considering key products (long and flat products) the MPI of both products increased, whereby the MPI of long products grew by 34.4 percent to 113.0 points, which increased from products, namely high tensile wires (81.7%), followed by deformed bars (42.4%) and hot-rolled structural steel sections (38.6%) Likewise, the MPI of flat products increased by 58.7 percent to 119.9 points, which increased from products, such as cold-rolled sheets (112.3%), followed by galvanized sheets (83.3%) and tinplate (77.5%).

+ In May 2021, domestic consumption reached 1.8 million metric tons, an increase of 55.8 percent compared to the same period last year. Consumption of long products increased by 77.8 percent to 0.6 million metric tons from rebars and hot-rolled structural steel sections (91.0%) and wire rods (70.2%). As for flat products, the consumption reached 1.2 million metric tons, an increase of 45.8 percent from cold-rolled sheets (78.3%), followed by hot-rolled sheets (47.0%) and galvanized sheets (44.5%).

+ In May 2021, imports reached 1.2 million metric tons, an increase of 58.6 percent compared to the same period last year. Imports of long products reached 0.3 million tons, increasing 56.9 percent, from alloy steel wire rods (107.0%) (from China, India, and Japan), followed by carbon steel wire rods (101.2%) (from Malaysia, Japan, and Vietnam) and wire rods (73.4%) (mostly imported from China). Imports of flat products reached 0.9 million metric tons, a growth of 59.1 percent. Flat products that increased in imports were hot-rolled carbon steel sheets (136.2%) and alloy steel sheets (110.5%) (mostly imported from Japan).

“Iron and steel industry outlook: In June 2021, it is expected that production will increase compared to the same period last year with supporting factors from the expansion of related industry. However, the continuously rising prices of steel and raw materials may affect the costs of producers and consumers. Key issues that should be monitored include the world economy and trade situation, foreign steel prices, and situation of the COVID-19 outbreak. Such issues will affect the production and consumption of domestic steel products.”

9. Textile and Wearing Apparel Industry



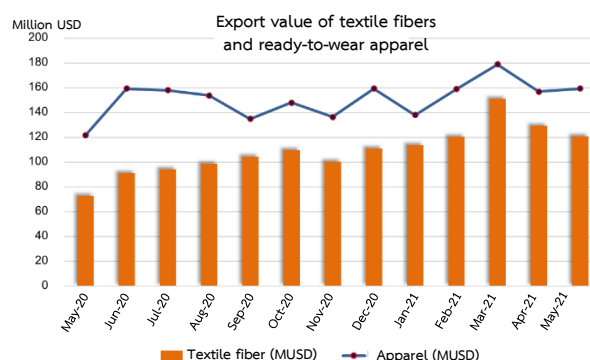
Source: The Office of Industrial Economics

Production

➕ Production of textile fibers and fabrics grew by 32.81 percent and 38.79 percent (%YoY), mainly from the low comparative base last year affected by the first wave of the COVID-19 outbreak, where lockdown measures were implemented in Thailand and trading partner countries. Furthermore, some factories were shut down due to a decrease in consumer demand. In addition, there was momentum from exports to trading partner countries that started to recover, such as the US, Japan, and Vietnam. Nevertheless, production of ready-to-wear apparel dropped by 18.34 percent as a result of a slowdown in domestic consumer purchasing power due to the impact of the latest COVID-19 outbreak, even though the export of ready-to-wear apparel grew for the third consecutive month in key markets such as the US, Japan, Hong Kong, Germany, the UK, and China.

Domestic sales

➕ Domestic sales of textile fibers, fabrics, and apparel grew by 38.43 percent, 29.59 percent, and 21.62 percent (%YoY), respectively, from the low comparative base in the previous year impacted by the first wave of the COVID-19 outbreak. Exports resumed expansion in countries, including China, the US, the UK, and Europe, where the COVID-19 pandemic has decreased.



Source: Ministry of Commerce

Exports

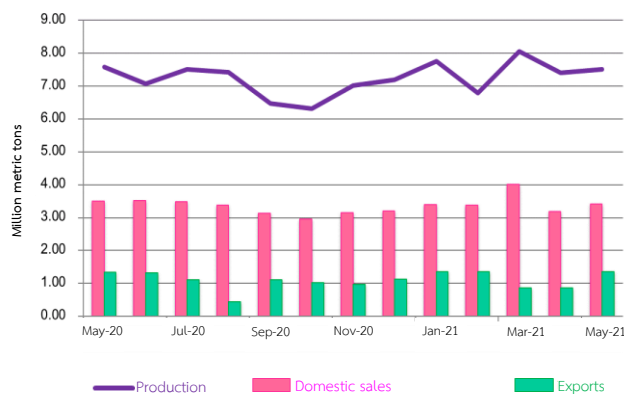
➕ Exports of textile fibers, fabrics and ready-to-wear apparel recovered throughout the supply chain. The export value increased by 65.79 percent, 48.83 percent, and 30.95 percent (%YoY), respectively. This was due to the low comparative base last year, which affected by the COVID-19 outbreak, causing many countries to slow down orders. This was coupled with measures to control transportation within Thailand and trading partners. Currently, major trading partners are recovering from the outbreak, causing exports to grow for the third month, especially in key markets such as the US, Japan, Hong Kong, Germany, the UK, and China.

Industry outlook for June 2021

It is expected that the textile industry will continue to grow from the previous year's low base, coupled with continual foreign orders throughout the supply chain. Meanwhile, the apparel industry is likely to continue to slow down as domestic purchasing power declines from the unresolved outbreak of the COVID-19. However, the demand for ready-to-wear apparel (formal and semi-formal clothing) from abroad is projected to increase, especially among key trading partners with recovering economies, such as China, the US, and Europe, despite being affected by new freight rates. Therefore, there was a request to postpone the delivery of some products.

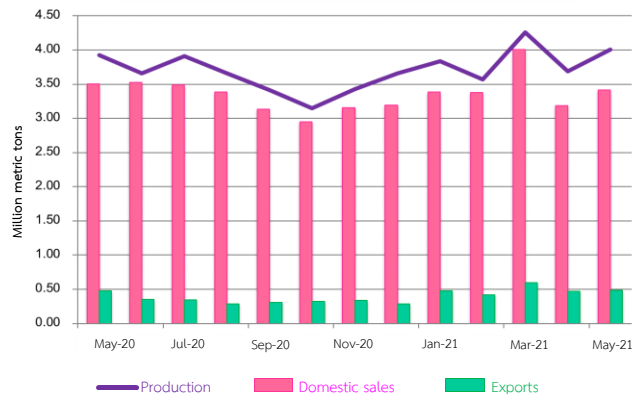
10. Cement Industry

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.

+ In May 2021, total production of cement in May 2021 reached 7.52 million metric tons, an increase of 1.43 percent from April 2021 (%MoM), but a slight decrease from the same month of the previous year by 0.90 percent (%YoY) as the country's situation was affected by the COVID-19 outbreak.

- In May 2021, total domestic sales of cement decreased by 2.44 percent (%MoM) from April 2021 to 3.42 million metric tons.

+ In May 2021, total exports of cement reached 1.36 million metric tons, an increase of 59.04 percent (%MoM) from April 2021 and an increase of 1.22 percent (%YoY) from the same month of last year. This was due to an increase in orders from Bangladesh (98.17%).

Forecasts and trends: Compared to the same period last year, the overall cement manufacturing industry in June 2021 is expected to decline from the COVID-19 outbreak in many construction sites.

+ In May 2021, cement production (excluding clinker) increased by 8.62 percent (%MoM) from April 2021 to 4.01 million metric tons and increased by 2.12 percent (%YoY) from the same month last year.

- In May 2021, domestic sales of cement (excluding clinker) decreased by 2.44 percent (%MoM) from April 2021 to 3.42 million metric tons.

+ In May 2021, export of cement (excluding clinker) reached 0.49 million metric tons, an increase of 4.14 percent from April 2021 (%MoM) and an increase of 2.41 percent from the same month last year (%YoY) as a result of increased orders (excluding clinker) from original key markets, namely Myanmar, the Philippines, and Vietnam.

Forecasts and trends: The cement manufacturing industry (excluding clinker) in June 2021 compared to the same period last year is expected to decline due to the COVID-19 outbreak in many construction sites, especially large government projects, which may result in construction disruption.