

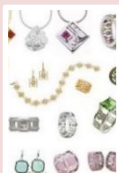
Summary of Industrial Production in June and Overall of the First Half of 2019

Industrial production in June 2019 contracted, whereby the manufacturing production index dropped by 5.5 percent compared to the same month last year, a result of the contraction of key industries such as the gems and jewelry, other rubber products, and hard disk drives industries. The capacity utilization rate in June 2019 was 65.3 percent.

Industrial production in the first half of 2019 contracted, whereby the manufacturing production index in the first half of 2019 declined by 1.9 percent.

The Manufacturing Production Index in Major Industries

The MPI in June 2019 decreased by 5.5 percent compared to the same month last year. Key manufacturing industries i.e., gems and jewelry, other rubber products, and Hard Disk Drive production industry were the sectors that declined.



The MPI of the gems and jewelry manufacturing industry contracted by 35.8 percent compared to the same month last year, mainly from decreased production of pendants, necklaces, rings, and earrings, in line with the slowing global economy.

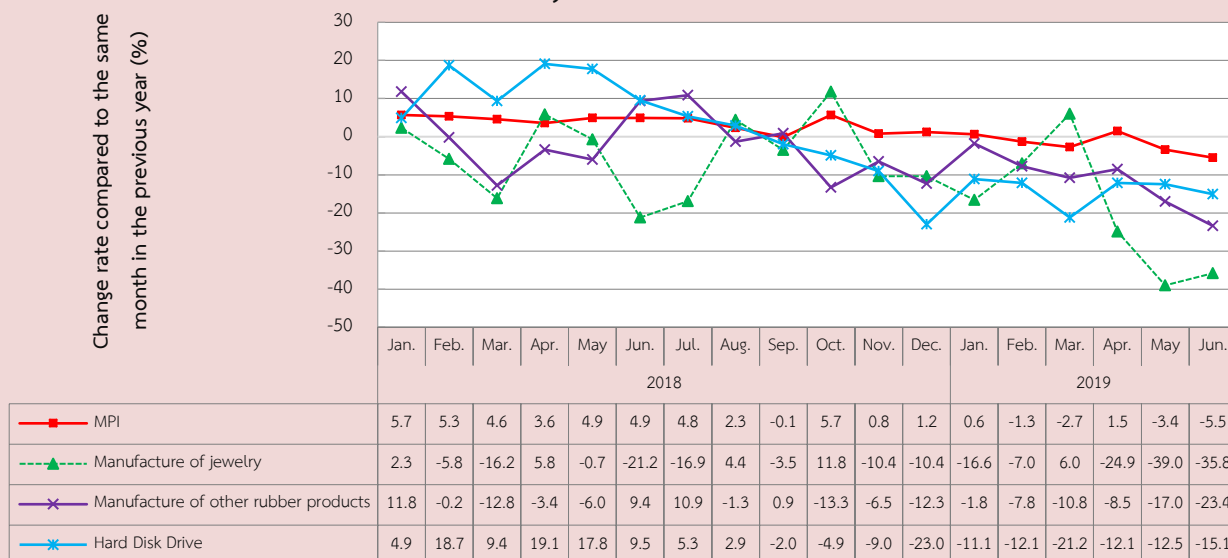


The MPI in the other rubber products manufacturing industry contracted by 23.4 percent compared to the same month of the previous year, mainly from a drop in rubber sheets and blocks. The contraction was due to the hot weather, resulting in less raw materials (latex) to the market. Furthermore, China, a large customer, increased imports of rubber from other countries.



The MPI in the hard disk drive manufacturing industry declined by 15.1 percent compared to the same month last year, due to the increase in demand for Solid-State Drives (SSDs). Also, the production of Hard Disk Drives with very high capacity increased, resulting in longer production time and less output.

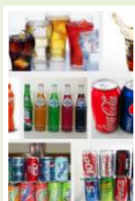
Declined MPI of Key Industrial Products in June 2019



Key manufacturing industries such as air-conditioner manufacturing industry, non-alcoholic beverage, and furniture manufacturing industry were the segment that expanded.



The MPI of the air-conditioner manufacturing industry increased by 12.6 percent compared to the same month last year, from sweltering weather, resulting in increased demand in both domestic and international markets, especially Vietnam.

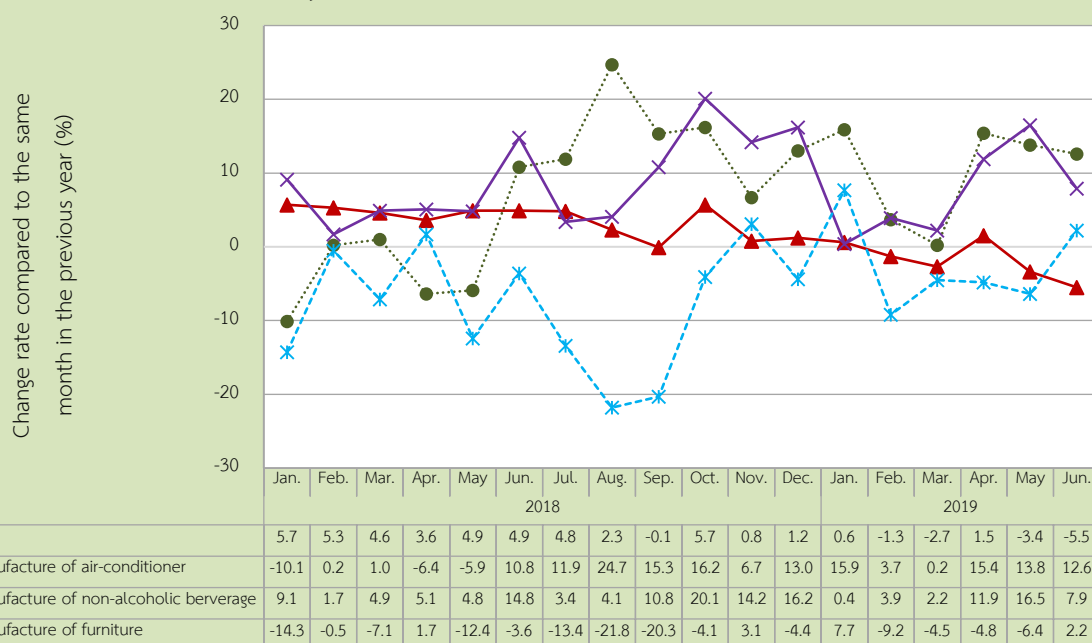


The MPI of the non-alcoholic beverage manufacturing industry increased by 7.9 percent compared to the same month last year, from an increase in the production of soft drinks, soda, tea, and energy drinks.



The MPI of the furniture manufacturing industry increased by 2.2 percent compared to the same month last year, mainly from increased production of wooden furniture.

MPI of Key Industrial Products with Growth in June 2019



Capacity Utilization Rate in June 2019 was 65.3 percent.

65.3

Industrial production in the first half of 2019 contracted from the previous year, whereby the manufacturing production index dropped by 1.9 percent compared to the same month last year. Key industries that caused the MPI to increase included air conditioners and the non-alcoholic beverage industry.

Industries that caused the MPI to contract included the gems and jewelry manufacturing industry and the manufacturing of hard disk drives.



The average MPI in the air-conditioner manufacturing industry for the first half of 2019 grew by 9.7 percent compared to the same period last year, due to the scorching weather and the PM 2.5 dust problem. Furthermore, the demand for both domestic and foreign products increased.



The average MPI in the non-alcoholic beverage manufacturing industry for the first half of 2019 increased by 7.0 percent compared to the same period last year, mainly from an increase in production of soft drinks, energy drinks, and tea.



The average MPI of the gems and jewelry manufacturing industry for the first half of 2019 contracted by 19.6 percent compared to the same period last year, due to the global economic slowdown and decreased demand for jewelry.



The average MPI in the hard disk drive manufacturing industry for the first half of 2019 declined by 14.3 percent compared to the same month last year, due to changes in technology used to store data as solid-state drives, and cloud storage. Furthermore, there was the development of hard disk drives to have more capacity, resulting in reduced production.

Capacity Utilization Rate in the first half of 2019 was 68.4 percent.

68.4

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