

Thai International Trade in March 2021

Thai exports reached a historic high of 24.22 billion USD in March 2021 with the 8.4 percent growth from a year earlier. The export growth of major industrial products escalated, showing signs of robust manufacturing-sector recovery. At the same time, Thai imports continued to rise 14.12 percent to 23.51 billion USD, especially the imports of capital goods (+16.8%) and raw materials and semi-finished products (+29.6%).

Thai exports were above 20 billion USD for two consecutive months. Overall, Thai exports in March 2021 climbed 8.47 percent to 24.22 billion USD while imports increased by 14.12 percent to 23.51 billion USD, resulting in trade surplus of 710.80 million USD. For the first quarter of 2021, Thai exports grew by 2.27 percent to 64.15 billion USD while imports rose by 9.37 percent to 63.63 billion USD, resulting in trade surplus of 515.66 million USD. Besides, the exports of real sectors (excluding gold, oil and weaponry) continued to soar, reflected by the 11.97 percent growth in March 2021 and 7.61 percent growth in the first quarter of 2021.

Major industrial products (automobile, equipment and parts; rubber products; plastic resin; iron, steel and their products; chemicals), products related to ‘work at home’ and home appliances (computers, equipment and parts; microwave ovens; refrigerators and freezers; washing machines and parts; air conditioners and parts; cellphones and parts) and COVID-19 related products (medical equipment and parts, and rubber gloves) were the driving force behind an all-time high export value in March 2021.

Export Products

Agricultural and agro-industrial product exports rose for four consecutive months with the growth rate of 6.5% (YoY) in March 2021. Products that still expanded favourably include rubber (+109.2%), cassava products (+59.2%), pet food (+41.4%), fresh, frozen and processed chicken (+5.8%). On the contrary, exports of some products decreased, namely, sugar (-60.6%), rice (-40.5%), fresh, frozen, canned and processed vegetables and fruits (-20.3%), other livestock products (-16.7%). For the first quarter of 2021, Thai agricultural and agro-industrial product exports increased by 5.8% (YoY).

Industrial product exports increased by 8.5% (YoY). Products that expanded favourably include automobile, equipment and parts (+43.1%), rubber products (+50.6%), plastic resin (+52.9%), iron, steel and their products (+34.8%), chemicals (+27.0%). Meanwhile, exports of some products declined, such as gold (-81.5%), aircraft and parts (-96.9%), other vehicles and parts (-94.1%), and hard disk drive (-15.5%). For the first quarter of 2021, Thai industrial product exports expanded by 2.0% (YoY).

Export Markets

- **Exports to the main markets expanded by 12.3%.** Exports to the US, Japan, and EU (15) expanded by 7.2%, 4.6%, and 32.0%, respectively.
- **Exports to high potential markets expanded by 7.6%.** Exports to China, and South Asia grew by 35.4%, and 24.3%, respectively, and exports to CLMV rebounded 2%. On the contrary, exports to ASEAN (5) fell 2.4%.
- **Exports to emerging markets expanded by 12.0%.** Exports to Australia (25), Latin America, Africa, and Russia and CIS increased by 16.9%, 11.9%, 11.2%, and 2.1%, respectively. On the contrary, exports to Middle East (15) contracted slightly by 0.5%.

Export Prospects and Promotion Strategies in 2021

Ministry of Commerce expects that Thai exports will benefit from 4 factors: **(1) the robust recovery of global manufacturing sector** will support the growth of Thai major industrial-product exports. Such recovery is reflected by the Global Manufacturing PMI of 55.0 (above 50 and a ten-year high) as well as the more optimistic IMF’s global economic outlook of 6 percent growth (better than the previous estimation of 5.5 percent); **(2) the efficiency of COVID-19 vaccine distribution** in many countries will help restore business confidence; **(3) fiscal and monetary stimulus packages** of many countries begin to positively affects consumer confidence; **(4) the rising crude oil prices** will encourage oil-related products exports. On the other hand, there are 3 main issues that may affect Thai exports, namely, new wave of Covid-19, protest situation in Myanmar and higher transport costs.

For **2021 export promotion plans**, Ministry of Commerce continues to promote Thai agricultural products, especially rice products. The 2021 export target for rice products is set at 6 million tons, focusing on 3 types of markets - premium markets, niche markets, and common markets. The ministry also aims to expand rice exports to new potential markets, for instance, Panama, Mexico, and other Latin American countries. In this regard, all Commercial Ministers abroad are assigned to promote public image of Thai rice quality in foreign markets, and the “THAIFEX-ANUGA ASIA 2021” – Asia’s most important food and beverage trade fair - is under preparation for the kick off in May 2021. Moreover, the ministry continues to encourage Thai entrepreneurs to utilize the existing FTAs and MoU with trading partners to enhance competitiveness and export.

Trade Policy and Strategy Office
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Thai International Trade Value in March 2021

Unit: Million USD

	March 2021	Jan-March 2021
Export value	24,222.45 +8.47 %	64,148.03 +2.27 %
Import value	23,511.65 +14.12 %	63,632.37 +9.37 %
Trade Balance	+710.80	+515.66

