

Thailand International Trade – October 2020

In October 2020, an overview of Thai international trade has improved in line with the gradual recovery of the global economy reflected by the Global Manufacturing PMI, which stood above 50 for the fourth consecutive month. Moreover, fiscal ~~policy~~ and monetary ~~policy~~ ~~policies~~ that ~~stimulus~~ ~~stimulate~~ ~~economy~~ ~~economies~~ in many countries helps global demand recovery and ~~have positives~~ ~~positive impact for on Thailand's~~ export ~~of Thailand~~.

Products with strong expansion in October 2020 are classified into 3 groups: 1) Food products such as palm oil, fresh, chilled and frozen pork, food seasoning, and pet food 2) Products related to work at home and home appliances such as computer and parts, furniture and parts, microwave, refrigerators and freezers, washing machine, and solar cells 3) Covid-19 related products such as rubber gloves that export value have soared since the early of the year especially in areas with high epidemic rates such as the United States and the United Kingdom.

To sum up, Thai exports in October 2020 dropped 6.71 percent to 19.38 billion USD while imports dropped 14.32 percent to 17.33 billion USD, resulting in trade surplus of 2,046.53 million USD. For the first ten months of 2020, Thai exports contracted 7.26 percent to 192.37 billion USD while imports dropped 14.61 percent to 169.70 billion USD, resulting in trade surplus of 22,670.21 million USD.

Export Products

In October 2020, agricultural and agro-industrial products decreased 8.8 percent. Some products still expanded favorably, for example, palm oils (+183.0%), pet food (+17.4%), rubber (+13.1%), food seasoning (+10.6%) fresh, frozen, canned, and processed fruits and vegetables (+6.9%). On the contrary, exports of some products decreased, namely, sugar (-75.0%), rice (-20.1%), cassava products (-12.4%), canned, and processed seafood (-3.0%), frozen and processed chicken (-1.5%). For the first ten months of 2020, exports of agricultural and agro-industrial products dropped 13.6 percent.

Industrial products decreased 4.7 percent in October 2020. Some products expanded favorably, for example, semiconductors, transistors and diodes (+25.7%), furniture and parts (+19.5%), rubber products (+17.6%), computer, equipment and parts (+4.2%), air conditioner and parts (+3.8%). Meanwhile, exports of some products declined, namely, golds (-27.1%), related oil products (-19.8%), cosmetic, soap and skin care products (-13.2%), automobile, equipment and parts (-12.6%). For the first ten months of 2020, exports of industrial products declined 7.0 percent.

Export Markets

Exports to major markets tend to recover in broader areas. The export value in many markets picked up in growth in this month. This reflects a gradual demand recovery of trading partners after relaxing pandemic control measures and injecting economic stimulus packages earlier. This aligns with the global economic momentum which began to show further signs of recovery.

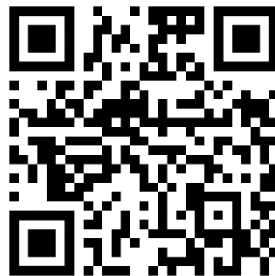
- Exports to the main markets expanded by 4.8%. Exports to US markets expanded by 17.0%, while exports to Japan and EU contracted by 0.4% and 5.3% respectively.
- Exports to high potential markets dropped 13.5%. Exports to South Asia markets rebounded at 15.6%, while exports to China, ASEAN (5) and CLMV markets contracted by 6.1%, 27.2%, and 17.0% respectively.

- **Exports to emerging markets dropped by 2.8%.** Exports to Australia and Latin America markets rebound at 4.2% and 12.9% respectively, while exports to Middle East, Africa, and Russia and CIS markets contracted by 18.1%, 16.7%, and 2.0% respectively.

2020-2021 Export Prospects and Promotion Strategies

Thailand exports have continued the recovery trend and many products have competitiveness in various market. The US unofficial election results and vaccine development signal world trade in a positive way. After Covid-19, Thailand should develop and promote value added products in order to increase export value and competitiveness of Thai products in the long term.

For the rest of the year 2020, the Ministry of Commerce cooperates with the public and private sector to promote exports and tackle trade problem in 3 main issues: (1) export expediting especially exporting 300,000 tons of rice to the Chinese market, (2) border trade promotion and (3) trade negotiation with high potential trading partners. In addition, The Ministry of Commerce will promote and build confidence in Thai food products as being COVID-19 free. The above measures will support the growth of Thai export value in the future.



Trade Policy and Strategy Office
23 November 2020



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Unit: Million USD	Oct 2020	Jan-Oct 2020
Export value	19,376.68 -6.71%	192,372.77 -7.26%
Import value	17,330.15 -14.32%	169,702.56 -14.61%
Trade Balance	+2,046.53	+22,670.21

Top 10 Export Products

