

## Thai International Trade in August 2021

Thai exports in August 2021 exceeded 21 billion USD for six consecutive months, reaching 21.98 billion USD with the growth rate of 8.93 percent. Moreover, exports of real sector (excluding gold, oil-related products, and weaponry) continued to rise by 19.43 percent. The robust growth resulted from Ministry of Commerce's proactive export promotion and prompt response to overcome trade obstacles, as well as global economic recovery. The latest economic outlook by UNCTAD indicates that the global economy in this year will grow with the fastest rate in nearly five decades, especially in major economies such as United States, China, Japan, and European Union. This is in line with the recovery in global manufacturing sector - reflected by the Global Manufacturing PMI above 50 for fourteen consecutive months. The depreciation of Thai Baht helps strengthen competitiveness of Thai export products.

To sum up, Thai exports in August 2021 increased by 8.93 percent to 21.98 billion USD while imports increased by 47.92 percent to 23.19 billion USD, resulting in a **trade deficit** of 1.22 billion USD. For the first 8 months of year 2021, Thai exports expanded by 15.25 percent to 176.96 billion USD while imports rose by 30.97 percent to 175.55 billion USD, resulting in a **trade surplus** of 1.41 billion USD.

Products that expanded strongly in August 2021 were still: 1) Agricultural and food products such as rubber, vegetables and fruits, palm oil, cassava products, rice, pet food, and sugar; 2) 'Work from home' products and home appliances such as computers, telephone and parts, microwave ovens, fax, telephones, and parts, and radio and television receivers and parts; 3) COVID-19 related products such as medical devices, pharmaceutical products, and rubber gloves; 4) Products related to the manufacturing sector such as steel and its products, chemicals, plastic resins, rubber products, electronic integrated circuits, and machinery and parts; 5) Durable goods or luxury goods such as automobiles and parts, and gems and jewelry (excluding gold).

### Export Products

Agricultural and agro-industrial product exports rose for nine consecutive months with the growth rate of 23.6 percent (YoY) in August 2021. Products that expanded favourably were rubber (+98.8%), fresh, chilled, frozen, canned, and processed vegetables and fruits (+84.8%), palm oil (+51.0%), cassava products (+48.4%), rice (+25.4%), pet food (+17.3%), sugar (+5.5%). On the contrary, exports of some products decreased, namely, fresh, chilled, and frozen pork (-73.1%), fresh, chilled, frozen, and processed chicken (-31.9%) fresh, chilled, frozen, canned, and processed seafood (-10.4%) and beverages (-13.6%). For the first 8 months of year 2021, Thai agricultural and agro-industrial product exports increased by 14.7 percent (YoY).

Industrial product exports increased for six consecutive months with the growth rate of 3.3 percent (YoY). Products expanding favourably included oil-related products (+68.3%), automobiles, equipment, and parts (+17.8%), motorcycles and parts (+44.3%), computers, equipment, and parts (+10.5%), iron, steel, and their products (+60.3%), gems and jewelry

(excluding gold) (+35.7%). Meanwhile, exports of some products declined, such as washing machine and parts (-15.5%), furniture and parts (-7.6%), cosmetics, soaps, and skin care (-5.6%) and gold (-85.8%). For the first 8 months of year 2021, Thai industrial product exports expanded by 14.4 percent (YoY).

### Export Markets

- Exports to primary markets expanded by **18.2 percent**. Exports to the US, China, Japan, EU (27), and ASEAN (5) expanded by 16.2%, 32.3%, 10.0%, 16.1%, and 26.9%, respectively while exports to CLMV declined slightly by 0.03%
- Exports to secondary markets expanded by **18.4 percent**. Exports to South Asia, Middle East, Africa, Latin America, and Russia and CIS grew by 54.5%, 31.9%, 27.5%, 50.8%, and 44.8%, respectively meanwhile exports to Australia (25) declined by 15.9%.
- Exports to other markets fell by **90.1 percent** as exports to Switzerland decreased by 94.0%.

### Export Prospects and Promotion Strategies in 2021

Ministry of Commerce see the growth prospect in Thai exports in 2021 as a result of (1) the export of industrial products which has grown steadily; (2) the rise of oil price which supports oil-related products exports; (3) the easing of lockdown measures in United States, China, and Europe, coupled with worldwide covid-19 vaccination, which enhance consumer confidence; and (4) the depreciation of Thai Baht which increases the competitiveness of Thai exports.

Regarding export promotion plans for the rest of the year, Deputy Prime Minister and Minister of Commerce (Mr. Jurin Laksanawisit) continues to enhance Thai exports using “Market-Led, Demand-Driven Strategy” and the ministry’s work plans. For example, In the second half of year 2021, the Ministry of Commerce prepares to organize more than 130 activities to boost Thai exports. Highlight of activities during September and October 2021 include the second “DITP Online Resellers Connect 2021” activity (20-24 Sep 2021); online business matching for wellness and beauty sector (22-24 Sep 2021) and Thai herb products (29-30 Sep 2021); THAIFEX virtual international trade fair (29 Sep - 3 Oct 2021); the second phase of business matching between financial institutions and export-related SMEs (Sep – Oct 2021). Moreover, the Ministry will organize an important trade fair for gems and jewelry sector titled “Phuket Gems Fest”, and online business matching between Thai and Hainanese entrepreneurs to utilize the Mini FTA between Thailand and Hainan province, China in the end of the year.



Trade Policy and Strategy Office

Ministry of Commerce

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### Thai International Trade Value in August 2021

Unit: Million USD

	Aug 2021	Jan-Aug 2021
Export value	21,976.23 +8.93%	176,961.71 +15.25%
Import value	23,191.89 +47.92%	175,554.75 +30.97%
Trade Balance	-1,215.66	+1,406.96

