

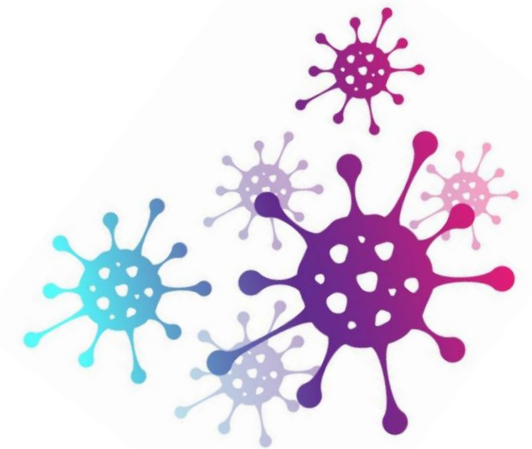
ASEAN Trade after COVID-19



Future Cooperation between FPRI and PRI

February 05, 2021

Wanasin Sattayanuwat, Ph.D.



Outline

1.

ASEAN Trade Structure

2.

COVID-19 shock and ASEAN



3.

Thailand

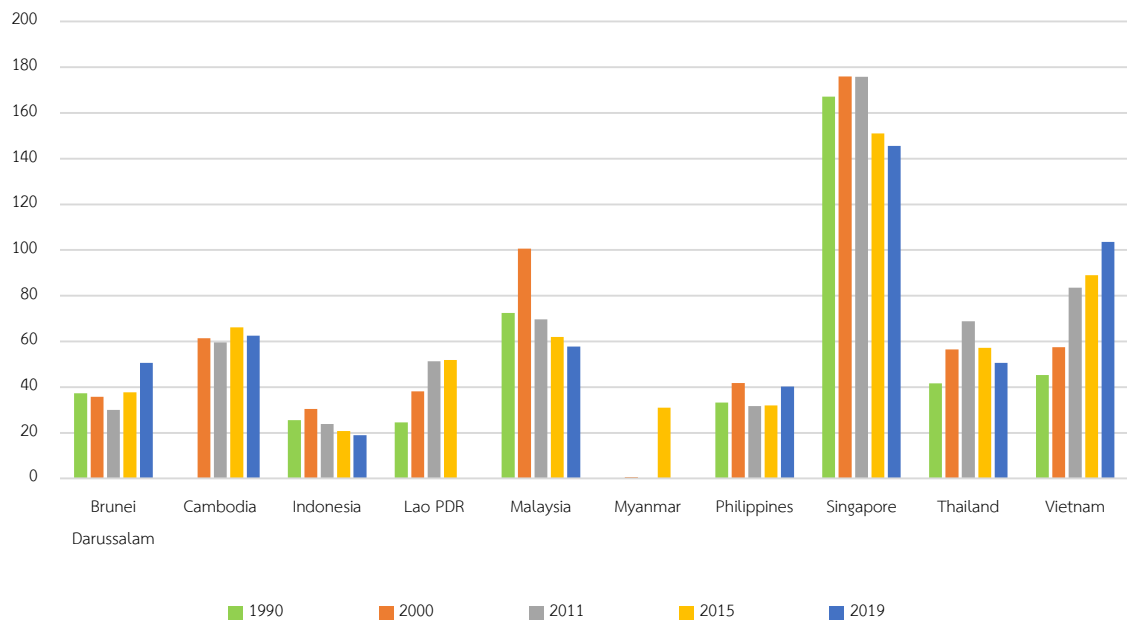


1. ASEAN Trade Structure

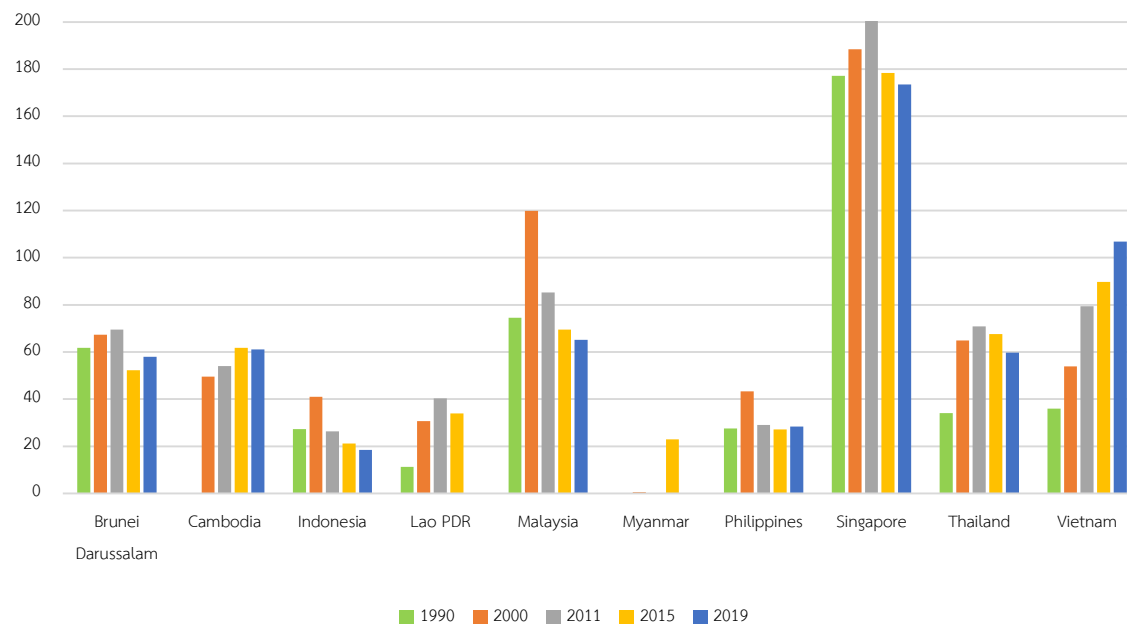


(1) Trade as % of GDP

Imports of G&S (% of GDP)



Exports of G&S (% of GDP)

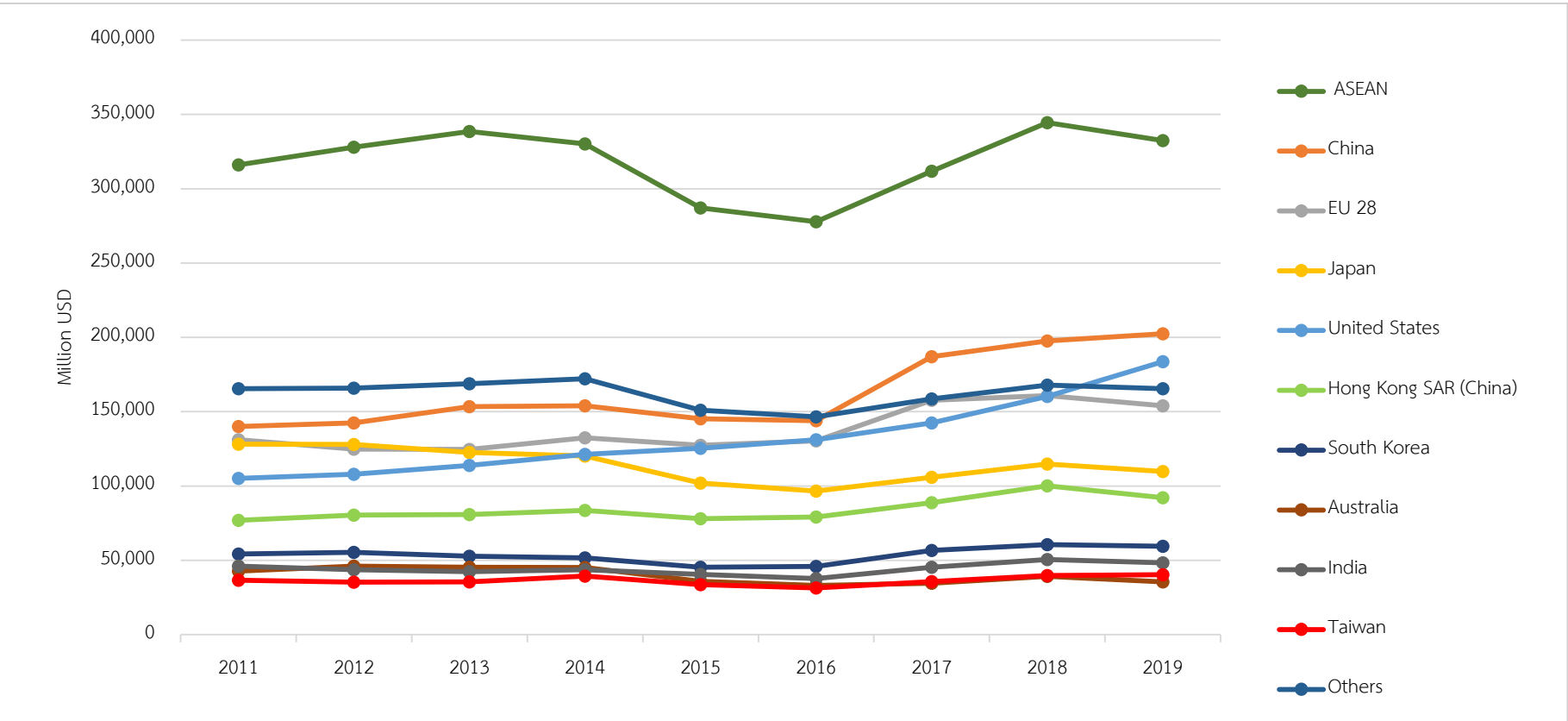


Source: Author's calculation by World Development Indicators (Update January 2021)

1. ASEAN Trade Structure



(2) ASEAN Export Flow to Top Destination 2011-2019



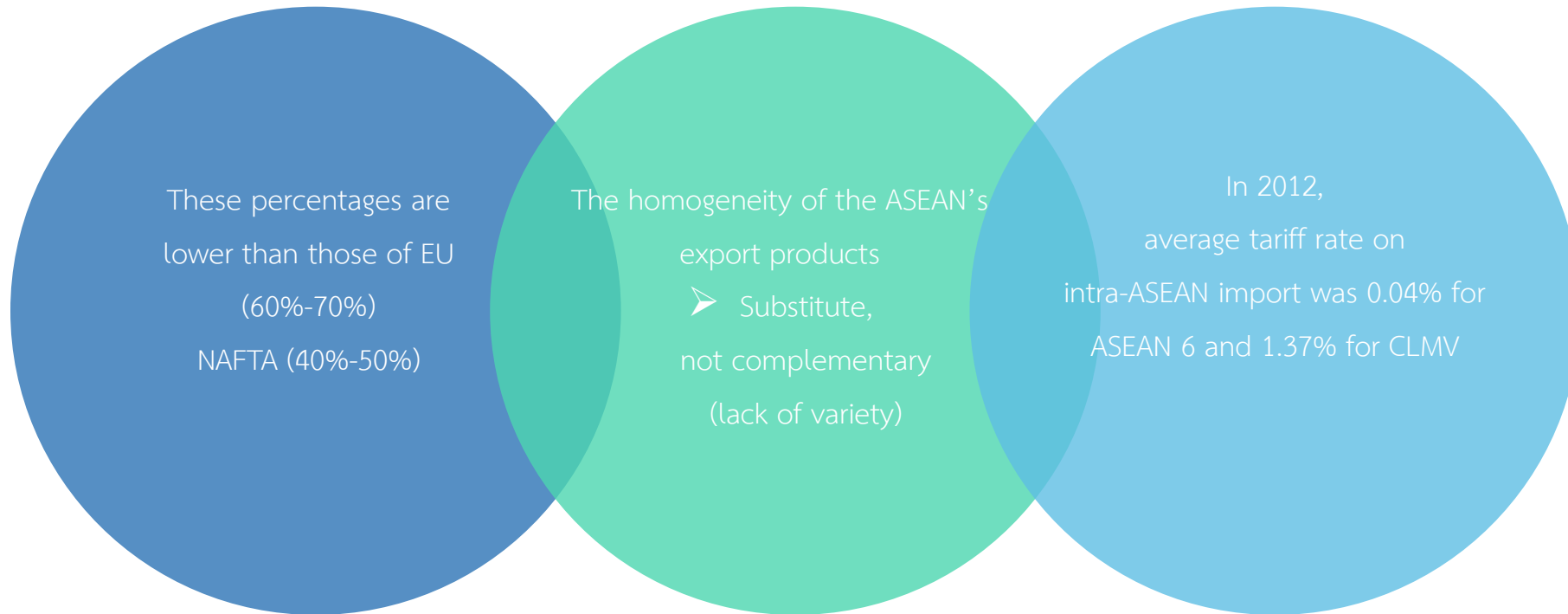
Source: Author's calculation by World Development Indicators (Update January 2021)

1. ASEAN Trade Structure



(3) ASEAN Share of Exports to Top Destination 2011-2019

Since 2015 the proportion of trade among ASEAN members has remained below 25%.



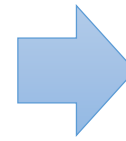
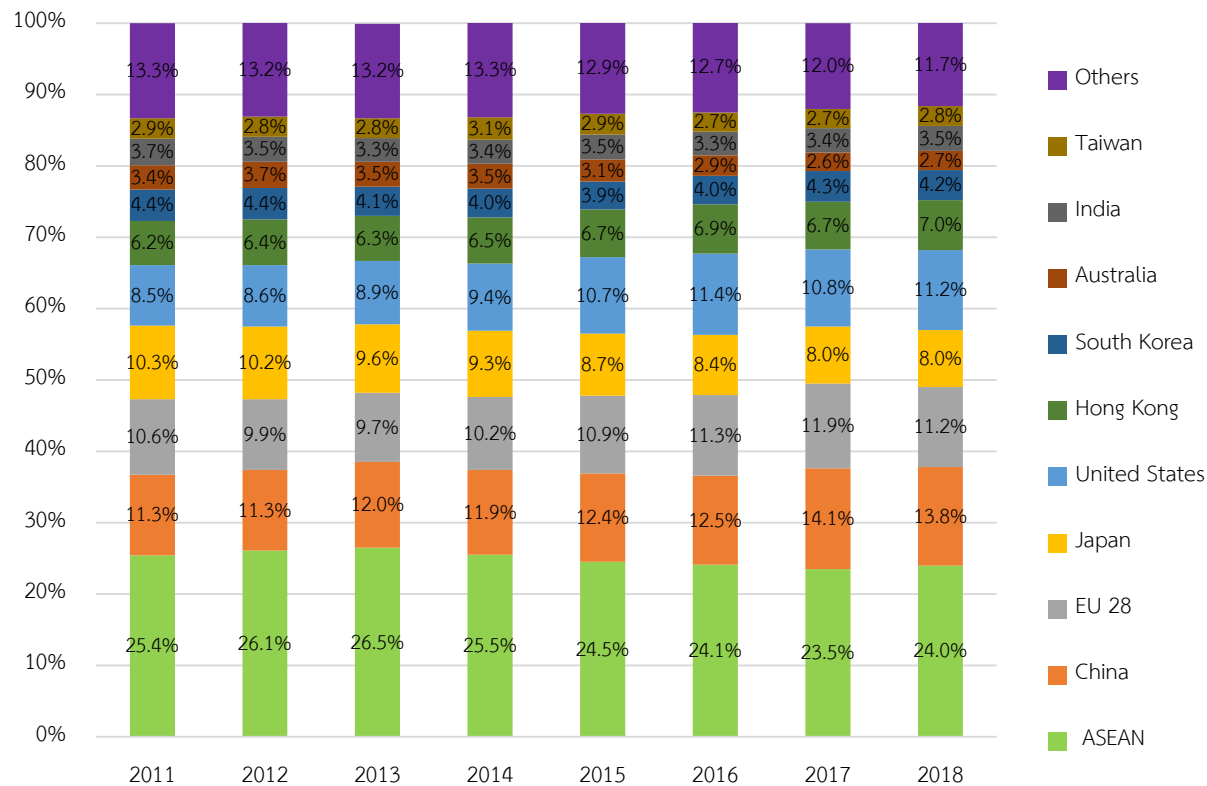
1. ASEAN Trade Structure

(3) ASEAN Share of Exports to Top Destination 2011-2019

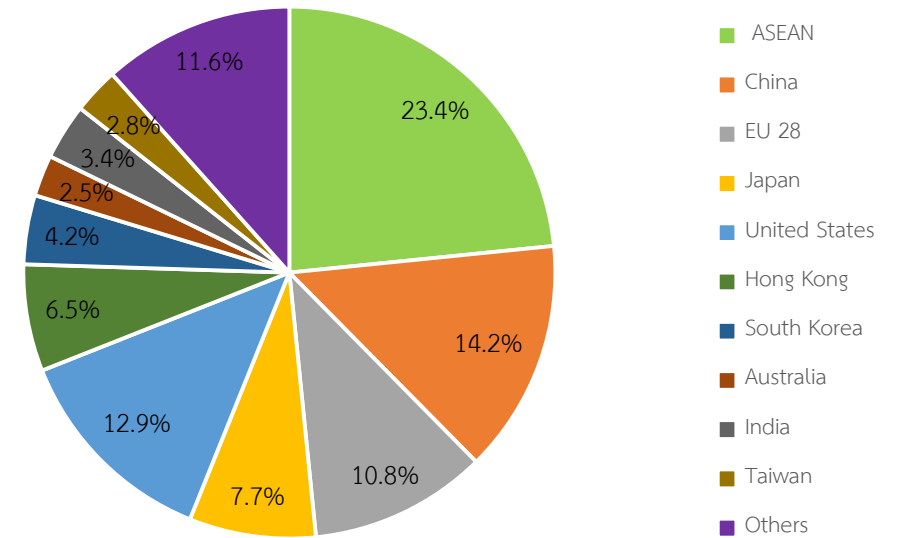
The concentration in China and US have increased.

○ Trade war affects both positive and negative based on each ASEAN member.

ASEAN Share of Exports to Top Destination 2011-2018



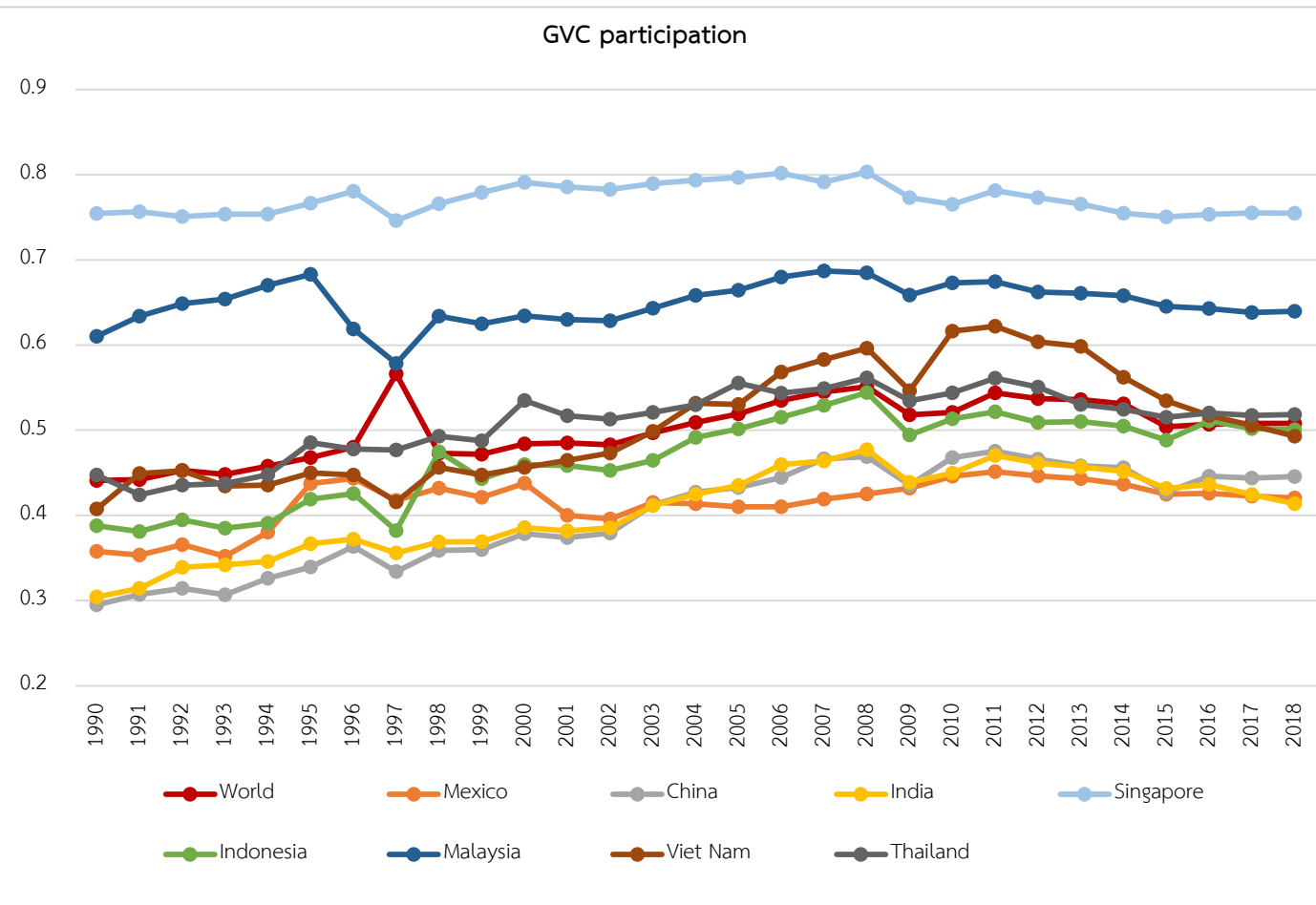
ASEAN Share of Exports to Top Destination 2019



Source: Author's calculation by World Development Indicators (Update January 2021)

1. ASEAN Trade Structure

(4) Certain AMS and selected countries: Global Value Chains Participation 1990-2018



Global Value Chains decomposition into Foreign Value Added and Domestic Value Added

| Country | 2000 | 2010 | | 2018 | | | |
|-------------|-------|-------|-------|-------|-------|-------|-------|
| | GVC | FVA | DVX | GVC | FVA | DVX | GVC |
| Brunei | 31.9% | 11.2% | 34.5% | 45.6% | 10.6% | 39.1% | 49.7% |
| Cambodia | 35.2% | 19.3% | 17.0% | 36.3% | 18.2% | 12.8% | 31.0% |
| Indonesia | 46.0% | 12.6% | 38.8% | 51.3% | 11.1% | 38.9% | 50.0% |
| Laos | 43.0% | 8.0% | 29.9% | 37.9% | 6.7% | 25.3% | 32.0% |
| Malaysia | 63.4% | 38.5% | 28.9% | 67.3% | 35.4% | 28.6% | 64.0% |
| Myanmar | 44.0% | 0.2% | 44.8% | 45.0% | 0.1% | 38.8% | 38.9% |
| Philippines | 63.3% | 33.7% | 29.6% | 63.3% | 28.3% | 29.2% | 57.5% |
| Singapore | 79.1% | 61.8% | 14.7% | 76.5% | 61.9% | 13.6% | 75.5% |
| Thailand | 53.5% | 32.2% | 22.1% | 54.4% | 30.7% | 21.1% | 51.8% |
| Viet Nam | 45.6% | 42.0% | 19.6% | 61.6% | 32.1% | 17.2% | 49.3% |

Source: Author's calculation by UNCTAD-Eora Global Value Chain Database

1. ASEAN Trade Structure

(5) ASEAN and Regional Trade Agreements

| Agreements | | Thailand | Vietnam | Singapore | Malaysia | Indonesia | Philippines | Myanmar | Lao PDR | Cambodia | Brunei |
|---------------------|---|----------|---------|-----------|----------|-----------|-------------|---------|---------|----------|--------|
| RTAs | ASEAN Free Trade Area (AFTA) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | ASEAN-People's Republic of China Comprehensive Economic Cooperation Agreement | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | ASEAN-Japan Comprehensive Economic Partnership | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | ASEAN-India Comprehensive Economic Cooperation Agreement | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | ASEAN-Australia and New Zealand Free Trade Agreement | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | ASEAN-Republic of Korea Free Trade Agreement | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Eurasian Economic Union-Viet Nam Free Trade Agreement (EAEU) | | ✓ | | | | | | | | |
| | Comprehensive and Progressive Agreement for Trans-Pacific Partnership | | ✓ | ✓ | ✓ | | | | | | ✓ |
| | Gulf Cooperation Council (GCC) - Singapore | | | ✓ | | | | | | | |
| | Trans-Pacific Strategic Economic Partnership | | | ✓ | | | | | | | ✓ |
| | Singapore - EU | | | ✓ | | | | | | | |
| | EFTA - Singapore | | | ✓ | | | | | | | |
| | EFTA - Philippines | | | | | | ✓ | | | | |
| | Vietnam - EU | | ✓ | | | | | | | | |
| Bilateral FTAs | China | ✓ | | ✓ | | | | | | ✓ | |
| | India | ✓ | | ✓ | ✓ | | | | | | |
| | Australia | ✓ | | ✓ | ✓ | | | | | | |
| | New Zealand | ✓ | | ✓ | ✓ | | | | | | |
| | Japan | ✓ | ✓ | ✓ | ✓ | ✓ | | | | | ✓ |
| | Peru | ✓ | | ✓ | | | | | | | |
| | Chile | ✓ | ✓ | | ✓ | ✓ | | | | | |
| | Republic of Korea | | ✓ | ✓ | | | | | | | |
| | Turkey | | | ✓ | ✓ | | | | | | |
| | Taiwan | | | ✓ | | | | | | | |
| | Costa Rica | | | ✓ | | | | | | | |
| | Panama | | | ✓ | | | | | | | |
| | Jordan | | | ✓ | | | | | | | |
| | United States | | | ✓ | | | | | | | |
| | Pakistan | | | | ✓ | ✓ | | | | | |
| | % of Global GDP (2018) | | 41 | 45 | 91 | 42 | 41 | 44 | 41 | 32 | 31 |
| Number of Countries | | 48 | 54 | 93 | 49 | 48 | 56 | 48 | 17 | 15 | 16 |

2. COVID-19 shock and ASEAN

(1) Overall

GDP 2020 Growth Decomposition into Domestic Consumption and Net Trade in Goods and Services and Current Account Balance (% of GDP) in 2020 and 2021

| Country | 2020 GDP Growth Decomposition | | | 2020 GDP Growth rate (d) = (a+b+c) | Current Account Balance (% of GDP) | |
|-------------------|-------------------------------|---------------------------|-----------------------------|--|---------------------------------------|------------------------------|
| | Net Trade in Goods (a) | Net Trade in Services (b) | Domestic Consumption (c) | | 2020 (Sep.2020 update) | 2021 (Sep.2020 update) |
| Brunei Darussalam | n/a | n/a | n/a | n/a | 9.5 | 9.5 |
| Cambodia | n/a | n/a | n/a | n/a | -22.3 | -17.8 |
| Indonesia | 2.0% | -0.3% | -2.7% | -1.0% | -1.5 | -2.0 |
| Lao PDR. | n/a | n/a | n/a | n/a | -8.2 | -8.7 |
| Malaysia | -2.7% | -0.4% | -1.9% | -5.0% | 1.0 | 2.0 |
| Myanmar | n/a | n/a | n/a | n/a | -4.5 | -4.5 |
| Philippines | 3.4% | -2.1% | -8.6% | -7.3% | -0.5 | -1.5 |
| Singapore | 4.4% | -0.9% | -9.7% | -6.2% | 15.0 | 17.0 |
| Thailand | 3.3% | -5.0% | -6.3% | -8.0% | 3.9 | 4.5 |
| Timor-Leste | n/a | n/a | n/a | n/a | -21.5 | -36.5 |
| Vietnam | 1.7% | -2.0% | 2.1% | 1.8% | 1.0 | 1.5 |

2. COVID-19 shock and ASEAN

(2) Outlook

Merchandise Export & Import Growth for Selected ASEAN Members, 2019-2021

| | | 2019 | | | 2020 (a) | | | 2021 (a) | | |
|---------|-------------|-------|-------|--------|----------|-------|--------|----------|-------|--------|
| | | Value | Price | Volume | Value | Price | Volume | Value | Price | Volume |
| Exports | Indonesia | -6.8 | -2.2 | -4.7 | -13.1 | -8.0 | -5.5 | 6.8 | 5.0 | 1.7 |
| | Malaysia | -4.1 | -0.8 | -3.3 | -19.8 | -5.5 | -15.2 | 11.7 | 5.9 | 5.4 |
| | Philippines | 2.7 | -0.5 | 3.2 | -20.5 | -1.2 | -19.5 | 15.8 | -6.8 | 24.3 |
| | Singapore | -4.3 | 1.4 | -2.9 | -21.0 | -14.9 | -7.2 | 14.2 | 4.0 | 9.8 |
| | Thailand | -3.3 | 2.1 | -5.3 | -13.4 | -2.3 | -11.4 | 9.7 | 6.1 | 3.4 |
| | Viet Nam | 8.4 | -4.6 | 13.6 | -7.1 | -3.5 | -3.7 | 6.5 | 0.7 | 5.7 |
| Imports | Indonesia | -8.8 | -5.3 | -3.7 | -25.7 | -9.5 | -17.9 | 15.4 | 4.6 | 10.4 |
| | Malaysia | -6.0 | -3.1 | -3.0 | -18.2 | -2.2 | -16.3 | 11.4 | 4.0 | 7.1 |
| | Philippines | -3.0 | -2.2 | -0.8 | -24.1 | -4.5 | -20.5 | 24.3 | 1.9 | 21.9 |
| | Singapore | -3.8 | -1.0 | -2.9 | -27.4 | -11.7 | -17.8 | 22.8 | 3.1 | 19.1 |
| | Thailand | -5.5 | 1.8 | -7.2 | -21.5 | -5.7 | -16.7 | 13.4 | 2.6 | 10.5 |
| | Viet Nam | 6.8 | -4.6 | 11.9 | -9.1 | -1.9 | -7.4 | 9.6 | 2.6 | 6.9 |

Source: UN ESCAP (2020)

2. COVID-19 shock and ASEAN

(3) Trade on Personal Protective Equipment

Top 10 Exporters of COVID-19 Personal Protective Equipment 2018-2019

| Product | HS 2017 Codes | Global Export (US\$ Billion) | | % of Global Export in 2019 Top 10 |
|-------------|--|------------------------------|------|---|
| | | 2018 | 2019 | |
| Gloves | 392620, 401511, 401519, 611610, 621600 | 15.6 | 15.3 | China (30.6%) Malaysia (28.2%) Thailand (8.2%) Viet Nam (4.3%) Belgium (3.7%) Germany (3.2%) USA (2.8%) Indonesia (2.3%) Netherlands (1.8%) France (1.6%) ASEAN (43.3%) |
| Masks | 630790, 902000 | 13.6 | 13.7 | China (40.0%) USA (10.9%) Germany (8.7%) Viet Nam (4.9%) United Kingdom (3.1%) India (2.9%) France (2.5%) Netherland (2.4%) Poland (2.2%) Canada (2.0%) ASEAN (7.0%) Thailand (0.6%) |
| Gowns | 621010, 621020, 621030, 621040, 621050 | 9.6 | 9.6 | China (40.1%) Viet Nam (9.8%) Italy (7.7%) Germany (5.3%) Belgium (5.1%) France (4.3%) USA (2.8%) Netherland (2.8%) United Kingdom (2.2%) Spain (2.1%) ASEAN (14.0%) Thailand (0.9%) |
| Hair Covers | 650500 | 5.2 | 5.2 | China (51.2%) Viet Nam (6.2%) Netherlands (5.4%) Germany (5.1%) Italy (4.7%) USA (2.9%) Belgium (2.6%) France (2.6%) United Kingdom (2.0%) Hong Kong (2.0%) ASEAN (8.4%) Thailand (0.4%) |
| Goggles | 900400 | 3.4 | 3.12 | China (46.0%) Hong Kong (9.7%) USA (8.4%) Germany (5.6%) Thailand (4.1%) Italy (4.1%) France (3.4%) United Kingdom (2.4%) Netherland (2.4%) Hungary (1.8%) ASEAN (5.1%) |

Source: Authors' Calculation based on UN Comtrade Database accessed January 16, 2021

2. COVID-19 shock and ASEAN

(3) Trade on Personal Protective Equipment

Exports and Imports of PPE Products in ASEAN (US Dollar thousand)

| Gloves | | | | |
|-------------|------------------------|--------------------|------------------------|-----------------|
| Country | Export (US\$ thousand) | | Import (US\$ thousand) | |
| | Before2020M02 | After2020M02 | Before2020M02 | After2020M02 |
| Thailand | [92,299; 111,803] | [109,523; 256,300] | [5,306; 9,007] | [5,106; 8,904] |
| Malaysia | [302,301; 407,496] | [392,605; 663,494] | [6,132; 9,546] | [8,137; 14,258] |
| Viet Nam | [48,861; 70,320] | [43,632; 121,040] | [2,935; 10,265] | [492; 10,901] |
| Myanmar | [1,516; 6,673] | [1,519; 5,016] | [457; 2,493] | [12; 2,273] |
| Lao | [0; 29] | [0; 78] | [61; 190] | [3; 411] |
| Philippines | [614; 1,760] | [119; 1,716] | [3,580; 6,252] | [2,545; 6,537] |
| Singapore | [1,076; 2,354] | [1,776; 7,613] | [5,809; 10,091] | [8,608; 14,503] |
| Indonesia | [19,021; 34,372] | N/A | [4,351; 10,078] | N/A |
| Brunei | [0; 6] | N/A | [55; 211] | N/A |
| Cambodia | [797; 3,725] | N/A | [226; 535] | N/A |

| Masks | | | | |
|-------------|------------------------|-------------------|------------------------|-------------------|
| Country | Export (US\$ thousand) | | Import (US\$ thousand) | |
| | Before2020M02 | After2020M02 | Before2020M02 | After2020M02 |
| Thailand | [6,141; 13,582] | [7,270; 18,637] | [6,003; 12,303] | [4,855; 17,673] |
| Malaysia | [1,652; 4,738] | [2,301; 6,843] | [2,700; 8,929] | [6,248; 132,209] |
| Viet Nam | [35,968; 50,713] | [36,420; 400,006] | [3,487; 17,006] | [3,011; 27,879] |
| Myanmar | [385; 1,167] | [781; 2,192] | [352; 2,096] | [97; 12,553] |
| Lao | [206; 664] | [251; 2,087] | [31; 837] | [4; 1,744] |
| Philippines | [1,496; 5,903] | [5,084; 18,023] | [1,321; 5,075] | [1,840; 17,726] |
| Singapore | [7,445; 11,757] | [15,196; 38,985] | [6,249; 10,701] | [57,855; 243,951] |
| Indonesia | [490; 3,142] | N/A | [2,167; 5,847] | N/A |
| Brunei | [0; 48] | N/A | [39; 351] | N/A |
| Cambodia | [955; 2,713] | N/A | [171; 854] | N/A |



| Gowns | | | | |
|-------------|------------------------|-------------------|------------------------|-----------------|
| Country | Export (US\$ thousand) | | Import (US\$ thousand) | |
| | Before2020M02 | After2020M02 | Before2020M02 | After2020M02 |
| Thailand | [5,366; 11,107] | [5,710; 12,304] | [1,653; 3,070] | [1,197; 6,981] |
| Malaysia | [419; 1,080] | [1,826; 3,423] | [1,333; 2,968] | [538; 8,283] |
| Viet Nam | [57,047; 202,059] | [55,281; 304,446] | [236; 969] | [119; 532] |
| Myanmar | [14,206; 51,182] | [13,547; 55,391] | [13; 1,567] | [18; 5,190] |
| Lao | [0; 259] | [0; 153] | [2; 45] | [0; 841] |
| Philippines | [16; 1,190] | [0; 264] | [99; 7,158] | [479; 12,459] |
| Singapore | [655; 2,398] | [998; 3,274] | [1,471; 3,735] | [3,706; 21,675] |
| Indonesia | [2,896; 14,891] | N/A | [211; 2,390] | N/A |
| Brunei | [1; 32] | N/A | [11; 260] | N/A |
| Cambodia | [1,290; 17,206] | N/A | [109; 828] | N/A |



2. COVID-19 shock and ASEAN

(3) Trade on Personal Protective Equipment

Exports and Imports of PPE Products in ASEAN (US Dollar thousand)

| Hair covers | | | | |
|-------------|------------------------|------------------|------------------------|--------------|
| Country | Export (US\$ thousand) | | Import (US\$ thousand) | |
| | Before2020M02 | After2020M02 | Before2020M02 | After2020M02 |
| Thailand | [1,281; 3,482] | [856; 2,679] | [1,287; 2,294] | [702; 1,457] |
| Malaysia | [298; 785] | [359; 624] | [914; 2,088] | [571; 1,353] |
| Viet Nam | [28,573; 47,499] | [22,070; 39,030] | [96; 4,394] | [56; 3,052] |
| Myanmar | [625; 4,006] | [1,012; 3,920] | [20; 431] | [0; 227] |
| Lao | [2; 39] | [2; 504] | [2; 10] | [1; 21] |
| Philippines | [828; 4,265] | [215; 3,618] | [440; 843] | [88; 1,309] |
| Singapore | [676; 1,537] | [525; 1,496] | [1,146; 3,021] | [625; 2,066] |
| Indonesia | [1,716; 4,431] | N/A | [668; 2,150] | N/A |
| Brunei | [0; 1] | N/A | [6; 37] | N/A |
| Cambodia | [992; 2,313] | N/A | [6; 49] | N/A |

| Goggles | | | | |
|-------------|------------------------|-----------------|------------------------|--------------|
| Country | Export (US\$ thousand) | | Import (US\$ thousand) | |
| | Before2020M02 | After2020M02 | Before2020M02 | After2020M02 |
| Thailand | [10,110; 13,395] | [3,422; 12,196] | [1,297; 2,311] | [828; 1,811] |
| Malaysia | [837; 1,508] | [441; 2,367] | [203; 548] | [265; 840] |
| Viet Nam | [275; 4,746] | [474; 1,117] | [316; 3,820] | [44; 2,533] |
| Myanmar | [0; 0] | [0; 0] | [3; 180] | [0; 305] |
| Lao | [0; 0] | [0; 546] | [11; 41] | [0; 121] |
| Philippines | [0; 25] | [0; 1] | [150; 557] | [97; 892] |
| Singapore | [236; 899] | [464; 2,711] | [588; 1,356] | [545; 4,633] |
| Indonesia | [1; 20] | N/A | [458; 3,937] | N/A |
| Brunei | [0; 394] | N/A | [7; 398] | N/A |
| Cambodia | [0; 75] | N/A | [3; 88] | N/A |

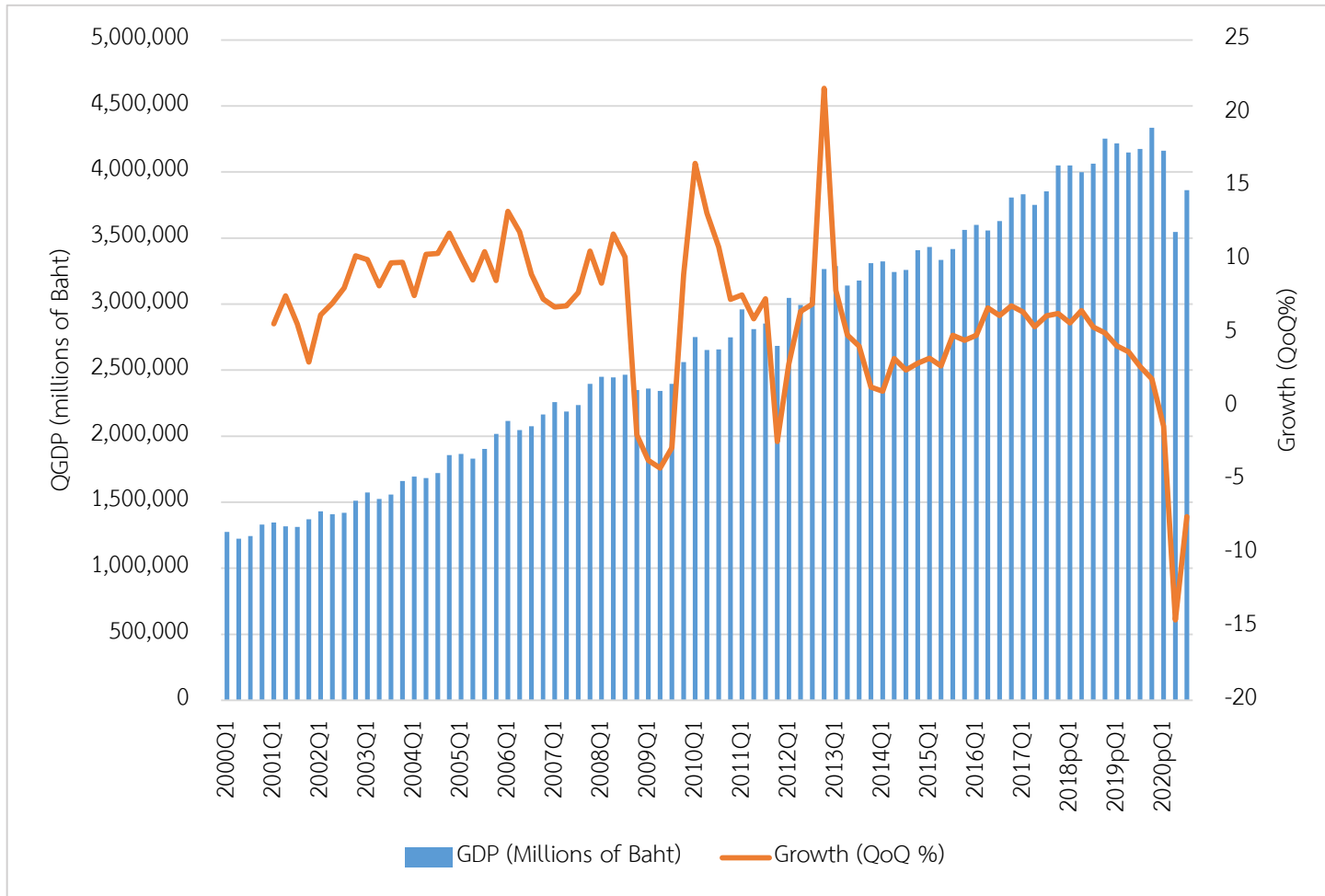


Source: Authors' Calculation based on ITC Trade Map Database accessed January 16, 2021

Span of Data: Thailand (2019M02-2020M09) Malaysia (2018M11-2020M06) Viet Nam (2019M03-2020M10), Myanmar (2019M03-2020M10), Lao (2019M03-2020M10), Philippines (2019M02-2020M09), Singapore (2018M11-2020M06) Indonesia (2018M06-2020M01) Brunei (2018M06-2020M01) and Cambodia (2018M05-2019M12)

3. Thailand

GDP



Source: NESDB

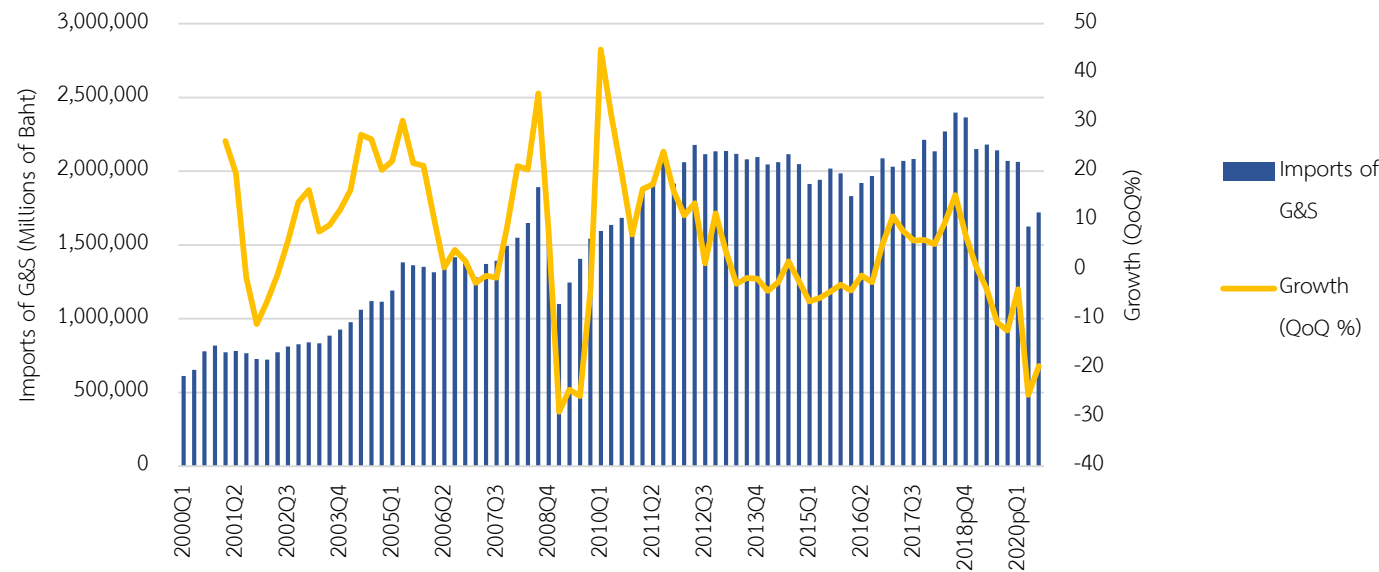
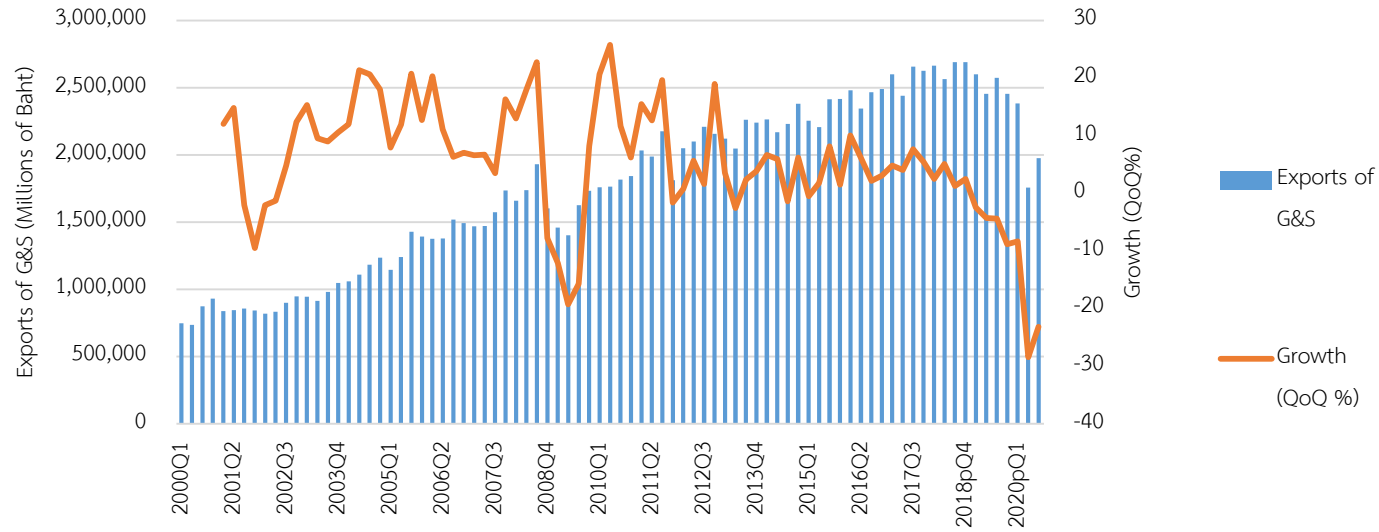
| Year | GDP (Millions of Baht) | Growth (QoQ %) |
|---------|------------------------|----------------|
| 2019pQ1 | 4,217,970 | 4.14 |
| 2019pQ2 | 4,147,950 | 3.74 |
| 2019pQ3 | 4,175,125 | 2.75 |
| 2019pQ4 | 4,334,846 | 1.91 |
| 2020pQ1 | 4,161,945 | -1.33 |
| 2020pQ2 | 3,545,821 | -14.52 |
| 2020pQ3 | 3,862,495 | -7.49 |

Source: NESDB



3. Thailand

Exports and Imports of G&S



| Year | Exports of G&S | Growth (QoQ %) | Imports of G&S | Growth (QoQ %) |
|---------|----------------|----------------|----------------|----------------|
| 2017Q1 | 2,601,044 | 4.82 | 2,030,987 | 10.84 |
| 2017Q2 | 2,440,662 | 4.07 | 2,070,892 | 7.86 |
| 2017Q3 | 2,658,181 | 7.69 | 2,083,512 | 5.90 |
| 2017Q4 | 2,626,844 | 5.45 | 2,212,345 | 6.02 |
| 2018pQ1 | 2,666,187 | 2.50 | 2,136,281 | 5.18 |
| 2018pQ2 | 2,565,470 | 5.11 | 2,270,352 | 9.63 |
| 2018pQ3 | 2,692,144 | 1.28 | 2,398,628 | 15.12 |
| 2018pQ4 | 2,692,363 | 2.49 | 2,364,428 | 6.87 |
| 2019pQ1 | 2,601,797 | -2.42 | 2,150,165 | 0.65 |
| 2019pQ2 | 2,455,631 | -4.28 | 2,181,735 | -3.90 |
| 2019pQ3 | 2,574,227 | -4.38 | 2,140,838 | -10.75 |
| 2019pQ4 | 2,454,939 | -8.82 | 2,070,667 | -12.42 |
| 2020pQ1 | 2,385,040 | -8.33 | 2,064,412 | -3.99 |
| 2020pQ2 | 1,757,410 | -28.43 | 1,626,369 | -25.46 |
| 2020pQ3 | 1,977,307 | -23.19 | 1,720,141 | -19.65 |

Source: NESDB

Q & A

THANK YOU