

## **Report on industrial production in February and the first 2 months of 2012**

### **1 / The general situation:**

The industrial production index (IPI) in February 2012 increased by 20.6% over the same period in 2011, in which mining industry up 13.5%, processing and manufacturing industry up 24.6%, production and distribution of electricity, gas and water up 14%.

In the 2 months, IPI rose 3.0% over the last year's same period, in which mining industry up 2.5%, processing and manufacturing industry up 2.1%, production and distribution of electricity, gas and water up 11.5%.

#### ***- The industrial sectors which had increasing production against the same period in 2011 include:***

Ship building and repair rose by 203.5%; processing and preservation of vegetables by 42.7%; production of medicament, pharmaceutical chemistry and medicine by 17.7%; dairy production by 17.0%; motorcycle by 16.9%; food for livestock by 14.5%; concentrated production and contribution of electricity by 12.2%; processing and preservation of aquatic products by 11.5%; beer by 6%; extraction and collection of hard coal by 6.9%...

#### ***- The industrial sectors which had declining production against the same period in 2011 include:***

Production of electrical wire and cable declined 20.8%; extraction of stone, sand, gravel, clay and kaolin down 19.0%; wove paper and paperboard down 18.8%; iron and steel down 14.6%; cement down 13.9%; motor vehicles down 12.6%; production of fertilizers and nitrogen compounds down 10.8%; textile and fabric production down 9.0%; non-alcoholic drinks down 8.6%; production of non-refractory pottery and porcelain (excluding porcelain in construction) down 7.5%; production of bed, chamber, furniture down 6.9%; footwear down 6.8%.

#### ***- The production of some major industrial products compared with the same period in 2011:***

*Some industrial products has an increase, including:* liquefied petroleum gas (LPG) up 35.3%, motorcycles up 17.13%; electricity up 12.82%; extracted crude oil up 11.62%; footwear, fake leathered boots for adults up 11.56%; processed sea and aquatic products up 10.97%; coal up 6.91%; textiles from cotton up 6.36%; chemical paint up 5.97%; commercial water up 4.77%; milk powder up 4.28%...

*Some industrial products had a decrease or slight increase, including:* air conditioners down 49.25%; hot water heaters down 45.65%; types of mixed fertilizer (N,P,K) down 21.4%; automobile and tractor tires down 21.33%; cars down 56.33%; glass down 15.78%; cement down 13.98%; terra-cotta brick down 13.94%; types of television down 10.31%; refrigerators, freezers down 10.26%; ceramic tiles down 10.26%; textile form synthetic fibers or artificial fibers down 9.7%; sodium glutamate down 8.1%; sport shoes down 5.42%; types of paper and carton down 4.26%; types of washing powder down 3.86%; chemical fertilizer down 2.20%; washing machines up 1.12%...

### **2. Import and export:**

#### ***a. Export:***

The whole country's export turnover in Feb 2012 was estimated to reach 15.2 billion USD, up 24.8% over the same period in 2011.

Export situation of some key industrial products is as follows: crude oil was estimated to reach 1.1 million tons, down 1.1% over the same period; coal reached 1.7 million tons, up 34.5%; textiles and garments were estimated to obtain 2.2 billion USD, up 25.4% over the same period; footwear was estimated at 1.04

billion USD, up 21.1%; computers, electronic products and components were estimated reaching 856 million USD, up 61.8%; bags, suitcases, hats and umbrellas were estimated at 214 million USD, up 35.4%; electrical wires and cables reached 127 million USD, down 40.9%; plastic products were estimated to reach 217 million USD, up 26.2%; iron, steel and products were estimated to reach 199 million USD, up 53.1%; machineries, equipments, tools and spare parts were estimated at 719 million USD, up 56.3% against the same period in 2011.

*b. Import:*

Import turnover in Feb 2012 was estimation of 9 billion USD; estimation of the first two months of 2012 was 15.9 billion USD, up 11.8% over the same period in 2012. Trade deficits in the two months were estimated at 628 thousand USD, equaling 4.1% of export turnover.

The import of some main industrial goods in Feb 2012 is as follows: types of oil were estimated at 1.27 million tons, down 19%; other products from mineral oil reached 132 million USD, up 10.9%; chemicals were estimated to obtain 417 million USD, up 22.3%; chemical products were estimated reaching 252 million USD, down 21.2%; types of paper were estimated to reach 172 thousand tons, up 6.5%; types of cotton were at an estimation of 48 thousand tons, down 36.7%; types of fiber reached 96 thousand tons, down 8.6%; types of cloths 882 million USD, up 4.5%; leather, textile and garment materials reached 387 million USD, up 9.6%; regular metals were estimated to obtain 100 thousand tons, up 5.9%; computers and electronic components were at an estimation of 1,693 million USD, up 201.3%; machineries, equipments and spare parts were estimated to obtain 2.2 billion USD, up 4.2%; automobiles were estimated reaching 8,580 pieces, down 50%; automobile components were at an estimation of 250 million USD, down 15.8%; motorcycles were at an estimation of 8,540 pieces, down 50%; motorcycle components 145 million USD, up 5.8% over the same period 2012.

### **3. Measures and proposals**

- It is recommended to continue closely monitoring the progress of projects, disbursement of projects.
- Also, it is recommended to implement a scheme of state enterprises restructuring, strengthening the management to improve efficiency of state enterprises.
- Businesses need to effectively exploit production capacity and market demand to supply the essential products of the economy such as electricity, coal, petroleum, fertilizer, iron and steel for construction, ...; some consumer products such as garments, footwear, milk, vegetable oil, ... and other export products such as crude oil, garments, footwear, mechanic, electrical wires and cables, ...
- It is recommended to continue improving technology, strengthening management, searching to use domestic materials, machinery and components, implementing drastically national target programmes about economic and efficient usage of energy to reduce cost, price of products in order to increase effectiveness of investment, production and business./.

**Source: Department of Industrial Economy – Ministry of Planning and Investment**