

press release

THAI EXPORTERS COULD INCREASE TRADE WITH INDIA BY USD1.2 BILLION

Standard Chartered research reveals new trade opportunities between Thailand and India as a possible route to post COVID-19 growth

21 October 2020, Bangkok, Thailand – Thai businesses could increase exports to India by around USD1.2 billion annually (14 per cent increase), the *Standard Chartered Trade Opportunity Report* has revealed. The study also found that Indian exporters could boost trade with Thailand by an estimated USD2.6 billion (an almost 50 per cent increase), bringing the bilateral trade opportunity to USD3.8 billion.

The ASEAN markets in the study (Indonesia, Malaysia, Singapore, Thailand and Vietnam) have a combined opportunity of USD10.7 billion to increase exports to India.

The research tracks high potential exports, defined as goods or services to which businesses have added value with the borders of their home market. As markets look to recover from the impact of COVID-19, the study champions global trade as a key lever of prosperity, highlighting the sectors with the greatest opportunities for growth.

Thailand's iron and steel sector has the most to gain from trade with India, offering a USD191 million opportunity. It forms a major part of the overall USD966 million goods export opportunity.

The other Thai sectors with significant opportunities in India are man-made staple fibres; optical, photographic and medical apparatus; man-made filaments/textile materials; transportation and storage services.

Top 5 high-potential export opportunities from Thailand to India:

Sector	Actual exports (USD millions)	Opportunity to increase exports (USD millions)
Iron and steel (including iron and steel products)	189	191
Man-made staple fibres	42	104
Optical, photographic and medical apparatus	120	71
Man-made filaments/textile materials	24	70
Transportation and storage services	412	68

“There’s great potential for increased collaboration between Thailand and India, and this study highlights interesting opportunities for Thai companies seeking growth in India. With the Thai government’s plans to embrace an innovation-driven economy, the country is in a strong position to use technology and automation to strengthen its manufacturing industry and increase exports to key markets, including India. According to our Trade Opportunity Report, there lies a potential double-digit growth in Thai exports to India,” said **Plakorn Wanglee, Chief Executive Officer, Thailand and Representative Offices, Standard Chartered Bank (Thai)**.

The Standard Chartered Trade Opportunity Report identifies opportunities at a sectoral level, across both goods and services, between India and 10 of its key trading partners. The study contrasts actual export values with potential export values – calculated by an economic model – to uncover medium-term opportunities, looking to a post-COVID-19 world as economies begin to reopen.

Overall, the study reveals opportunities totaling an estimated USD38 billion annually: a USD21 billion opportunity for the 10 markets to increase exports to India.

To download *The Standard Chartered Trade Opportunity Report* and find out more about the potential export opportunities between India and 10 key trading partners, including Thailand, visit: www.sc.com/tradeopportunity.

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NOTES TO EDITORS:

About the study

The Standard Chartered Trade Opportunity Report reveals the size of the export opportunities between India and 10 of its largest and most economically diverse trading partners: Indonesia, Malaysia, Singapore, South Korea, Thailand, Vietnam, France, Germany, the UK and the US. Export opportunities are calculated by subtracting potential exports from actual exports. Potential exports are calculated using a gravity trade model, which takes into account GDP, geographic distance, and other relevant variables. Actual export figures are drawn from the IMF’s Direction of Trade Statistics (for goods) and the OECD’s Trade in Value Added database (for services). Both are time-averaged for 2016-2018. The study excludes commodity or commodity-like sectors, focusing on ‘high potential’ exports only (i.e. sectors where there is a meaningful opportunity to add value). These high-potential sectors play a critical role in export performance, collectively representing 82 per cent of total trade on these routes.

About Standard Chartered Bank

We are a leading international banking group, with a presence in 59 of the world’s most dynamic markets and serving clients in a further 85. Our purpose is to drive commerce and prosperity through our unique diversity, and our heritage and values are expressed in our brand promise, Here for good.

Standard Chartered PLC is listed on the London and Hong Kong Stock Exchanges.

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