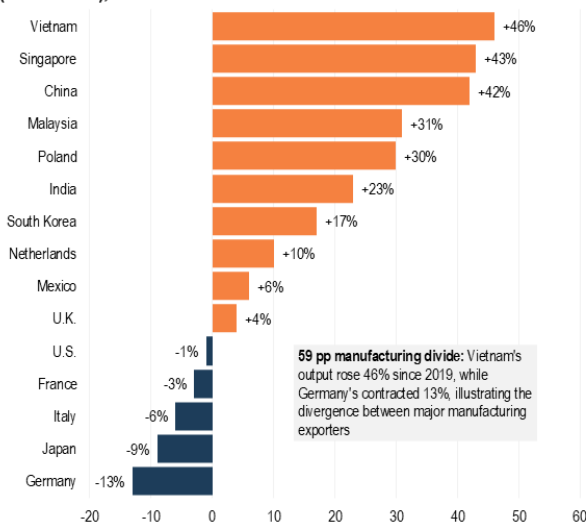


Asia's Surge: The Global Manufacturing Landscape Has Diverged Sharply Since 2019

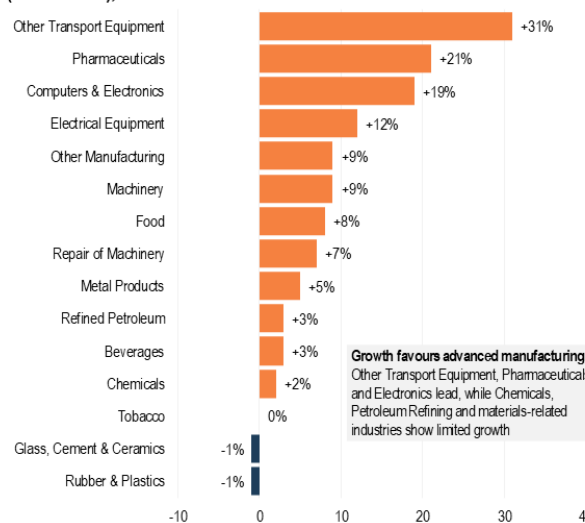
Vietnam, Singapore and China expanded manufacturing output by over 40%, while Germany and Japan contracted; Other Transport Equipment, Pharmaceuticals and Electronics lead sectoral growth

Change in Manufacturing Output: Selected Economies (2019-2026*), %



59 pp manufacturing divide: Vietnam's output rose 46% since 2019, while Germany's contracted 13%, illustrating the divergence between major manufacturing exporters

Change in Manufacturing Output by Sector: Median Country (2019-2026*), %



Growth favours advanced manufacturing: Other Transport Equipment, Pharmaceuticals and Electronics lead, while Chemicals, Petroleum Refining and materials-related industries show limited growth

Note: *% change in manufacturing production volume, comparing the Aug. 2025–Jul. 2026 monthly average with the 2019 average. Country data cover 15 leading manufactured-goods exporters; sector data show the unweighted median change across 41–64 reporting countries, depending on sector (Ireland and Uzbekistan excluded). Other Transport Equipment includes ships, aircraft and railway equipment. Source: UNIDO, ANDAMAN PARTNERS Analysis

Today's global manufacturing landscape looks very different from 2019. While factories in Vietnam, Singapore and China now produce at least 40% more than before the pandemic, manufacturing output in Germany, Japan, Italy and France remains below 2019 levels.

The contrast is striking: Vietnam's manufacturing production has expanded by 46%, while Germany's has contracted by 13%. This does not mean manufacturing has disappeared from established industrial economies, but it does show how differently major manufacturing exporters have performed over the past six years.

Across reporting economies, production of aircraft, ships & railway equipment; pharmaceuticals and electronics has grown particularly strongly, while chemicals, petroleum refining and several traditional materials-related industries have seen little growth. But this is not a picture of simply Asia and the rest: Poland's manufacturing output has increased by 30%, while the Netherlands has also recorded gains.

The broader message is that global manufacturing is not advancing at the same pace everywhere or across every industry. Some economies and sectors have expanded rapidly,

while others are still producing less than before the pandemic. For businesses, this changing industrial landscape matters for decisions about where to source products, locate production, invest and pursue new markets.

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