

## Engineering exports to US likely to grow under Trump

President Elect Mr Donald Trump's plan to infuse massive stimulus to ramp up the physical American infrastructure through fiscal expansion would be a big positive for the Indian engineering exports to the US with increased demand expected for items such as steel and iron, according to an analysis by the EEPC India.

The US, the largest destination for India's engineering exports, has witnessed a sharp drop in the shipments for quite some time now. Such exports to the US dropped by over 10 per cent to USD 3.2 billion during April-September 2016-17 from USD 3.5 billion in the same period last year.

Such a fall came about on the back of a big drop of 37.8 per cent in shipments of India's iron and steel to USD 140 million during the first half of the current fiscal from USD 225 million in the year ago period.

"The Trump plan for a massive fiscal stimulus includes building of ports, airports and the entire construction sector which should see a big rise in demand for iron and steel. Though the Republican candidate had suggested, during the election campaign, a big tariff hike on imports from China, India does not expect any such punitive measure," Chairman of the EEPC India, Mr T S Bhasin has said.

Experts and analysts believe that the Republicans are expected to support the next President in the Congress in his proposal for a larger spend on job creation through infrastructure building. The employment creation was one of the main election planks of the Trump campaign.

Cumulative engineering exports to all the destinations declined by 2.75 percent to USD 30.03 billion in Apr-Sep 2016-17 from USD 30.88 billion during Apr - Sep 2015-16. However, the fall to the US has been much bigger by double digit.