

Top European markets helping engineering exports, says EEPC India

An uptick in top European markets including UK, France, Italy and the Netherlands, coupled with low base effect are helping Indian engineering exports to move towards a positive direction as EEPC India's analysis has shown.

All the European nations falling under the top 25 engineering export destinations like UK, Germany, Italy, Belgium, Netherlands, France and Spain, recorded positive growth during Apr-Aug 2016-17 over Apr-Aug 2015-16. However, Germany and Belgium recorded negative growth in August 2016 over August 2015. Belgium topped the list registering highest growth in August 2016 and also on cumulative basis during Apr-Aug 2016-17.

Though engineering exports moved up by 4.7 percent from USD 4.65 billion in August 2015 to USD 4.87 billion in August 2016, the cumulative growth for the global basket as a whole remains negative for April-August period of the current fiscal. Cumulative engineering exports for this period dropped by 4 per cent to USD 25.13 billion in Apr-Aug 2016-17 from USD 26.18 billion in the same period last year.

"However, there is a positive news even on a cumulative basis as far as the top European markets are concerned," said EEPC India Chairman Mr T S Bhasin.

Out of 220 export destinations of Indian engineering goods, top 25 nations accounted for more than 73 per cent of India's total engineering exports during Apr-Aug 2016-17. Overall, India's engineering exports to its top 25 destinations registered a rise in growth of 5.8 percent in August 2016 over August 2015 against a dip of about two per cent on cumulative basis to USD 18.36 billion for April-August period of the current fiscal against USD 18.74 billion during the same months of 2015-16.

Mr Bhasin said faced with global risks emanating from geo political factors, Brexit play-out and rising crude oil prices, one has to still keep the fingers crossed.