

# Engineering Exports and Imports Monitor

August 2020



*Engineering the future*

**EEPCINDIA**  
ENGINEERING THE FUTURE

## Analysis of Indian engineering exports and imports for August 2020

18<sup>th</sup> September 2020

### Overall Scenario

#### Merchandise trade

##### Decline in exports continued for the fifth straight month to August in fiscal 2020-21

- ✚ Merchandise Exports in August 2020 were USD 22.70 billion, as compared to USD 25.99 billion in August 2019, exhibiting a negative growth of 12.66 percent that was higher than 10.21 percent year-on-year negative growth seen in July 2020. In Rupee terms, the year-on-year decline in exports during June 2020 was 8.33 percent.
- ✚ Major commodities that recorded positive growth during August 2020 vis-à-vis August 2019 were Other cereals (316.04%), Rice (59.14%), Iron ore (46.03%), Oil meals (28.89%), Oil seeds (24.96%), Cereal preparations & miscellaneous processed items, (24.05%) and Drugs & pharmaceuticals (17.27%) among others. On the other hand, negative growth seen in exports of Cashew (-47.61%), Gems & jewellery (-43.28%), Petroleum products (-39.91%), Man-made yarn/fabs/made-ups etc. (-24.23%), Marine products (-23.04%), Leather & leather products (-16.82%), Tea (-16.74%), Mica, Coal & other ores, minerals including processed minerals (-16.59%), RMG of all textiles (-14%), Electronic goods (-13.84%), Spices (-7.96%), Engineering goods (-7.69%) etc.
- ✚ Cumulative value of exports for the period April-August 2020-21 was USD 97.66 billion as against USD 133.14 billion during the same period last fiscal, registering a negative growth of 26.65 percent in Dollar terms. The negative growth was 20.73 percent in Rupee terms.
- ✚ Imports in August 2020 were USD 29.47 billion, registering a decline of 26.04 percent in Dollar terms over imports of USD 39.85 billion in August 2019. The drop in year-on-year imports were 22.38 percent in Rupee terms.
- ✚ Cumulative value of imports during April-August 2020-21 was USD 118.38 billion as against USD 210.39 billion during the same period in 2019-20, registering a negative growth of 43.73 percent in Dollar terms and a negative growth of 39.18 percent in Rupee terms.
- ✚ Trade deficit declined by 51.15 percent during August 2020 as it dropped to USD 6.77 billion from USD 13.86 billion in August 2019. On a cumulative basis, the decline in trade

deficit was 73.18 percent to USD 20.72 billion from USD 77.25 billion during the first five months of fiscal 2019-20.

### **Engineering exports from India declined by 8.03 percent in August 2020**

- ✚ After registering year-on-year growth in July 2020, engineering exports from India again dropped by 8.03 percent in August 2020 as compared to the same month last fiscal. During the months of June, May and April 2020, engineering exports conceded 6.37 percent, 22.96 percent and 63.43 percent year-on-year declines respectively before registering 9.66 percent growth in July. Engineering exports during August 2020 stood at USD 5769.92 million as against USD 6273.83 million in the same month last fiscal.
- ✚ On a cumulative basis, the decline in engineering exports was 18.73 percent during the first five months of fiscal 2020-21. Cumulative engineering exports during April - August 2020-21 was recorded at USD 26,002.56 million as against USD 31,996.91 million during the same period last fiscal.
- ✚ Share of engineering in total merchandise exports dropped to 25.42 percent from 27.12 percent in July 2020, 26.57 percent in June 2020 and 28.72 percent during May. On a cumulative basis, the share was recorded at 26.63 percent.
- ✚ Out of 33 engineering panels, 25 panels recorded negative growth and 8 panels recorded positive growth in exports during August 2020 vis-à-vis August 2019. In cumulative terms, 28 out of 33 panels exhibited a year-on-year decline in exports.
- ✚ Only 5 out of 25 countries recorded positive monthly growth in August 2020 over August 2019 which is a deterioration over the last month performance where 14 countries recorded positive monthly growth in July 2020 over July 2019.

### **India's August engineering imports down by 42.6%**

- ✚ India's Engineering imports during August 2020 were valued at US\$ 5114.42 million compared to US\$ 8917.11 million in August 2019 registering a negative growth of 42.6 percent in dollar terms.
- ✚ The share of engineering imports in India's total merchandise imports has dropped during August 2020 in comparison to August 2019 which has been estimated at 17.4%.

## Analysis of India's engineering exports

### 1. Engineering exports: Monthly trend

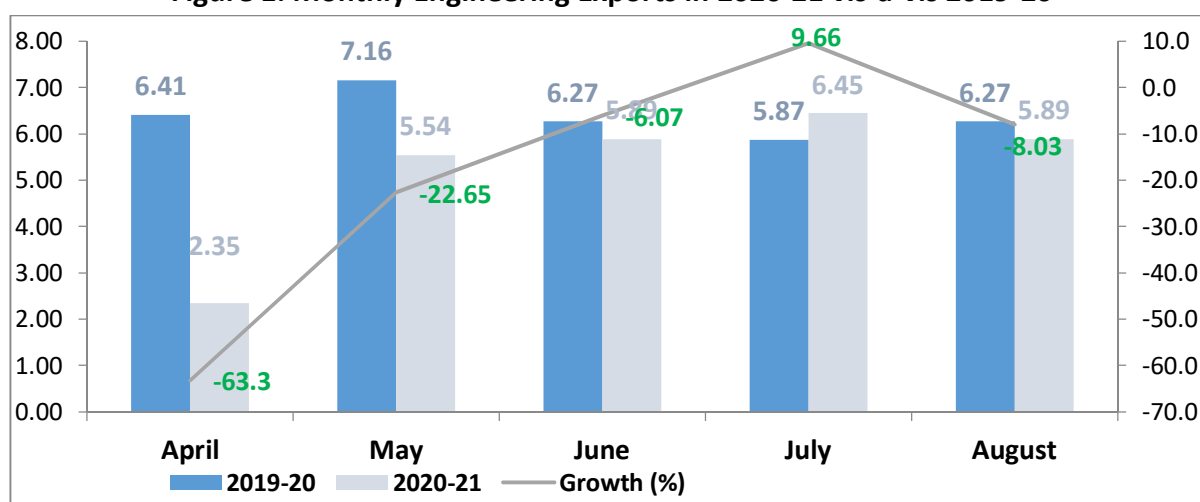
The monthly engineering figures for 2020-21 vis-à-vis 2019-20 are shown below as per the latest DGCIS estimates:

**Table 1: Engineering Exports: Monthly trend 2020-21**  
(US\$ million)

Month	2019-20	2020-21	Growth (%)
April	6410.79	2354.73	-63.27
May	7159.43	5538.12	-22.65
June	6274.90	5893.99	-6.07
<b>April-June</b>	<b>19845.12</b>	<b>13786.84</b>	<b>-30.53</b>
July	5877.95	6445.80	9.66
August	6273.83	5769.92	-8.03
<b>April-August</b>	<b>31996.91</b>	<b>26002.56</b>	<b>-18.73</b>

Source: DGCIS, Govt. of India.

**Figure 1: Monthly Engineering Exports in 2020-21 vis-à-vis 2019-20**



## 2. Correlation between Manufacturing Production and Engineering Exports

Engineering sector is an important component of the broader manufacturing sector and the share of engineering production in overall manufacturing output is quite significant. As exports generally come from what is produced within a country, some correlation between manufacturing production growth and engineering export growth should exist. We briefly looked at the trend in manufacturing growth as also engineering export growth to see if they move in tandem. It may be mentioned that manufacturing has 77.63% weightage in India's industrial production.



During fiscal 2019-20, engineering exports growth and manufacturing growth moved in the same direction in as many as nine out of twelve months, including March 2020. The first four months of Fiscal 2020-21 saw both of them moved in the same direction as gradual improvement was noticed for both after sharp decline in April 2020 as depicted in the following table.

**Table 2: Engineering exports growth vis-à-vis manufacturing growth from April 2019**

Months/ Year	Engg. Export Growth (%)	Manufacturing Growth (%)
April 2019	-7.70	2.5
May 2019	4.57	4.4
June 2019	-2.46	0.3
July 2019	-1.72	4.8
August 2019	-8.99	-1.6
September 2019	-6.27	-4.0
October 2019	1.63	-2.1
November 2019	8.00	3.0
December 2019	-1.05	-0.3
January 2020	-4.52	1.6
February 2020	8.90	3.1
March 2020	-42.52	-20.6
April 2020	-63.43	-66.6
May 2020	-22.96	-38.4
June 2020	-6.37	-16.0
July 2020	9.66	-11.1
August 2020	-8.03	N A

*(Source: Department of Commerce and CSO)*

We also present the month-wise corresponding **revised engineering exports for 2019-20** as opposed to 2018-19.

**Table 3: Revised engineering exports for 2019-20 (US\$ million)**

Months	2018-19	2019-20	Growth (%)
April	7020.54	6410.79*	-8.69
May	6928.08	7159.43*	3.34
June	6512.31	6274.90*	-3.65
<b>Quarter 1</b>	<b>20460.93</b>	<b>19845.12*</b>	<b>-3.01</b>
July	6052.64	5877.95*	-2.89
August	6974.48	6273.83*	-10.05
September	6769.15	6344.77	-6.27
<b>Quarter 2</b>	<b>19796.27</b>	<b>18496.55*</b>	<b>-6.57</b>
October	6151.93	6252.68	1.64
November	5740.17	6199.17	8.00
December	6905.63	6811.53	-1.36
<b>Quarter 3</b>	<b>18797.73</b>	<b>19263.38</b>	<b>2.48</b>
January	6295.94	6011.39	-4.52
February	6442.37	7015.51	8.90
March	9162.3	5266.9	-42.52
<b>Quarter 4</b>	<b>21900.61</b>	<b>18293.8</b>	<b>-16.47</b>
<b>April-March</b>	<b>80955.54</b>	<b>75898.86*</b>	<b>-6.25</b>

Source: DGCI&S \* Revised data

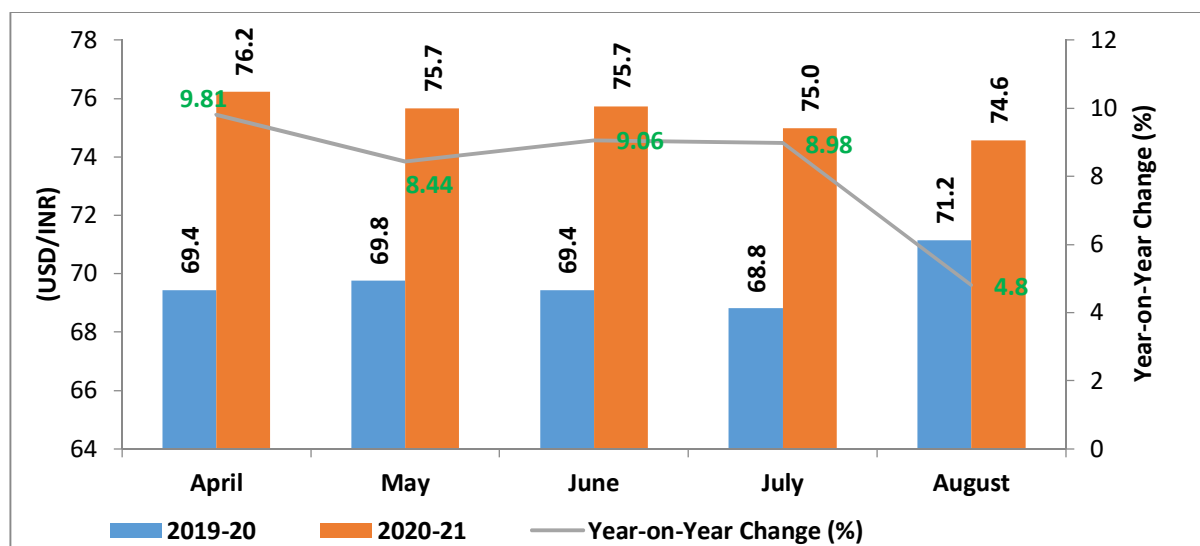
### Impact of Exchange Rate

How did the exchange rate fare during August 2020 and what was the recent trend in Re-Dollar movement? In order to get a clearer picture of the recent Re-Dollar trend, not only we took the exchange rate of August 2020, but considered each month of fiscal 2019-20 and 2020-21 and looked at the movement of monthly average exchange rate of Rupee vis-à-vis the US Dollar as mere one month figure does not determine the trend. The tables and the charts below depict the short-term trend clearly:

**Table 4A: USD-INR average exchange rate in 2020-21**  
(As per latest data release by FBIL)

Month	Average Exchange Rate (1 USD to INR)		Year-on-Year Change (%)	Direction
	2019-20	2020-21		
April	69.43	76.24	9.81	Depreciation
May	69.77	75.66	8.44	Depreciation
June	69.44	75.73	9.06	Depreciation
July	68.81	74.99	8.98	Depreciation
Aug	71.15	74.57	4.80	Depreciation

**Figure2A: Movement of USD-INR Exchange Rate in 2020-21 (Monthly Average)**



Source: RBI, FBIL, EEPC Research

**Rupee continued to weaken year-on-year in August 2020** vis-à-vis the US Dollar but the month-on-month analysis showed some moderation in the rate of depreciation as it has been strengthening over the month. Movement of rupee vis-à-vis the greenback was broadly in the range of 73.0 – 75.5 per US Dollar during the last two months.

**Outlook does not seem so gloomy:** Rupee has been strengthening over the month. The Pandemic-led sell off in the domestic capital market seems to have stabilized. RBI has also been accumulating foreign exchange reserves and has taken it to near the all-time high levels. These factors, coupled with the prospects of foreign inflows in the near term may lead to a gradual recovery. However, possibilities of sharper US-China confrontation, any escalation in

the India-China tensions and further adversities arising out of the ongoing Pandemic cannot be ruled out as deterrents to a smooth recovery of Indian Rupee.

#### Rupee-Dollar Trends in 2019-20 vis-à-vis 2018-19

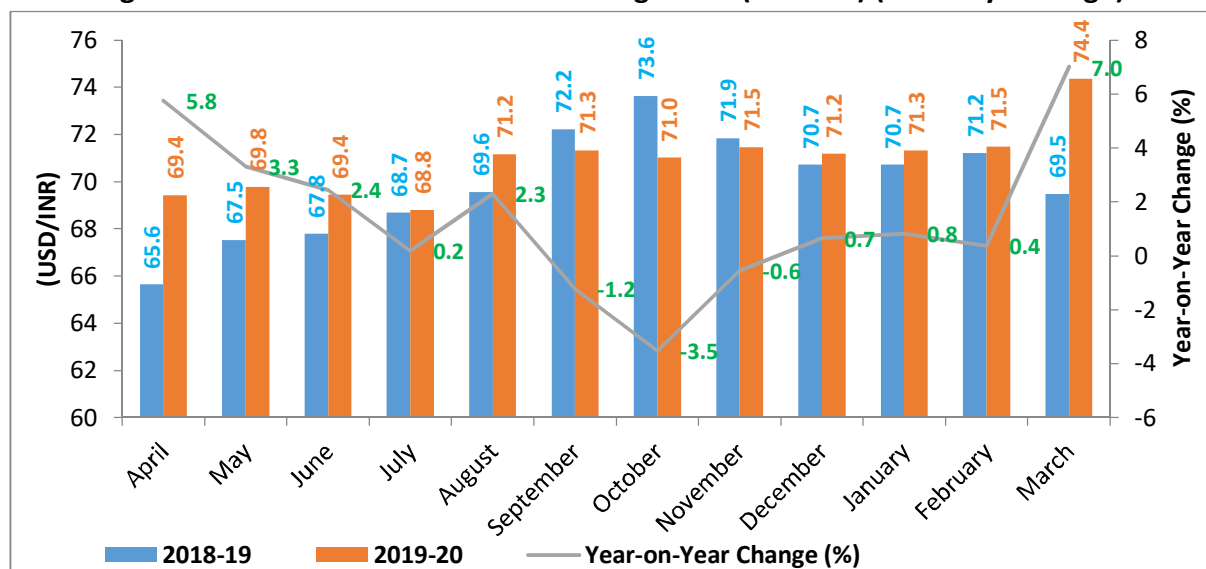
**Table 4B: USD-INR average exchange rate in 2019-20**

Average Exchange Rate (1 USD to INR)			Year-on-Year Change (%)	Direction
Month	2018-19	2019-20		
April	65.64	69.42	5.76	Depreciation
May	67.53	69.77	3.32	Depreciation
June	67.79	69.44	2.43	Depreciation
July	68.69	68.81	0.17	Depreciation
August	69.55	71.15	2.30	Depreciation
September	72.21	71.33	-1.22	Appreciation
October	73.63	71.03	-3.53	Appreciation
November	71.85	71.45	-0.56	Appreciation
December	70.73	71.19	0.65	Depreciation
January	70.73	71.31	0.82	Depreciation
February	71.22	71.49	0.38	Depreciation
March	69.48	74.35	7.01	Depreciation
<b>April – March (Monthly Avg.)</b>	<b>69.92</b>	<b>70.90</b>	<b>1.46</b>	<b>Depreciation</b>

During 2019-20, Rupee depreciated over the US Dollar between April to August 2019 but at a narrowing rate over the month and then witnessed some appreciation in the next three months. December 2019 to February 2020 again saw marginal depreciation of rupee over the greenback but the month of March 2020 saw a record low of rupee as COVID-19 Pandemic started taking toll on investors' sentiment. The pictorial representation may provide a clearer picture.



**Figure2B: Movement of USD-INR Exchange Rate (2019-20) (Monthly Average)**



Source: RBI, FBIL, EEP Research

### 3. Top 25 engineering export destinations in August 2020

We now look at the export scenario of the top 25 nations that had highest demand for Indian engineering products during April- August 2020 over April- August 2019.

**Table-5: Engineering exports country wise (April-August 2020)**

US\$ million

Country	Aug 2019	Aug 2020	Growth (%)	Apr-Aug 2019	Apr-Aug 2020	Growth (%)
U S A	957.90	916.09	-4.37	4732.87	3554.12	-24.91
CHINA	177.07	508.50	187.17	778.10	2734.70	251.46
SINGAPORE	139.88	243.97	74.42	1360.38	1590.33	16.90
UAE	277.42	288.42	3.97	2236.91	1334.16	-40.36
MALAYSIA	167.24	162.35	-2.92	921.34	1099.44	19.33
GERMANY	253.02	212.25	-16.12	1297.80	921.25	-29.01
VIETNAM	190.96	154.11	-19.30	639.19	864.74	35.29
KOREA RP	133.46	184.54	38.27	826.91	851.90	3.02
INDONESIA	92.57	48.36	-47.76	575.43	672.16	16.81
U K	226.58	159.34	-29.68	1072.86	546.99	-49.02
MEXICO	214.75	143.61	-33.13	1044.27	546.56	-47.66
ITALY	226.19	150.66	-33.39	845.33	541.12	-35.99
BANGLADESH	197.61	165.88	-16.06	996.25	532.61	-46.54
THAILAND	125.87	123.51	-1.87	638.67	498.57	-21.94
NEPAL	230.20	141.56	-38.51	1121.52	488.95	-56.40
SAUDI ARAB	132.63	104.20	-21.43	556.59	438.24	-21.26
TURKEY	92.09	98.98	7.49	407.40	375.80	-7.76
JAPAN	80.21	57.67	-28.11	437.49	363.80	-16.84

Country	Aug 2019	Aug 2020	Growth (%)	Apr-Aug 2019	Apr-Aug 2020	Growth (%)
FRANCE	131.83	100.44	-23.81	567.75	356.80	-37.15
BELGIUM	78.21	56.80	-27.38	422.47	345.57	-18.20
NIGERIA	137.94	89.39	-35.20	616.34	328.21	-46.75
SRI LANKA	139.65	74.73	-46.49	491.00	323.29	-34.16
TAIWAN	69.50	47.08	-32.26	267.44	297.94	11.41
SOUTH AFRICA	138.32	89.55	-35.26	648.03	291.73	-54.98
NETHERLAND	70.88	66.78	-5.79	351.75	283.15	-19.50
<b>Total engineering exports to top 25 countries</b>						
	4681.99	4388.76	-6.26	23854.07	20182.13	-15.39
<b>Total engineering exports</b>						
	<b>6273.25</b>	<b>5769.90</b>	<b>-8.02</b>	<b>31996.9</b>	<b>26002.6</b>	<b>-18.73</b>
<b>Share (%)</b>						
	<b>74.63</b>	<b>76.06</b>		<b>74.56</b>	<b>77.62</b>	

Source: Department of Commerce, Government of India

### India's top 25 engineering export destinations: Some observations

- 7 out of 25 countries, recorded positive cumulative growth in engineering exports during April- August 2020 over April- August 2019. Only 5 out of 25 countries recorded positive monthly growth in August 2020 over August 2019 which is a deterioration over the last month performance where 14 countries recorded positive monthly growth in July 2020 over July 2019.
- USA has retained its top position of being the numero uno destination for India's engineering products during April- August 2020 over April-August 2019, even though the growth rate turned negative for both monthly as well as cumulatively over the said period.
- Like before China has ranked as the second largest destination for India's engineering products during April- August 2020 over April-August 2019, registering a high positive cumulative growth of more than 250% and a positive monthly growth of over 187 percent.
- Singapore ranked as the third largest destination for India's engineering products during April- August 2020 over April-August 2019, registering a positive cumulative growth and also positive monthly growth in August 2020 viz-a-viz August 2019.
- All the European countries among India's top 25 engineering export destinations recorded a negative monthly growth in August 2020 over August 2019 and a negative cumulative growth during April-August 2020 over April-August 2019.

- Among the ASEAN countries under the top 25 engineering exports destinations, Singapore, Malaysia, Vietnam and Indonesia recorded significant positive growth during April- August 2020 over April-August 2019, barring Thailand which recorded negative growth during the same period.
- The share of India's engineering exports to its top 25 nations accounted for 77.6 percent of India's total engineering exports in April-August 2020. This significant high share is indicative of the dependence of India's engineering export on the traditional markets.
- India's engineering exports to its top 25 destinations during April-August 2020 over April-August 2019 recorded a negative growth which is less in comparison to the negative growth in India's total global engineering exports during the same period.

#### 4. Region wise India's engineering exports

The following table depicts region wise India's engineering exports for April-August 2020 as opposed to April-August 2019.

**Table 6: Region wise engineering exports in April-August 2020**

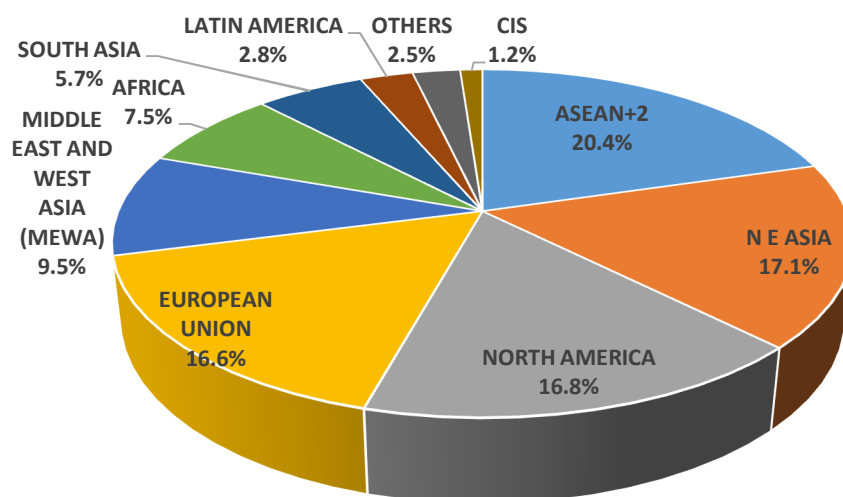
US\$ million

Regions	Aug 2019	Aug 2020	Growth (%)	Apr- Aug 2019	Apr- Aug 2020	Growth (%)
ASEAN+2	873.80	906.42	3.73	4877.71	5316.05	8.99
N E ASIA	506.51	831.50	64.16	2453.48	4434.44	80.74
NORTH AMERICA	1254.22	1118.50	-10.82	6115.29	4369.15	-28.55
EUROPEAN UNION	1252.16	997.20	-20.36	6212.75	4321.52	-30.44
MIDDLE EAST AND WEST ASIA (MEWA)	643.83	559.87	-13.04	3858.53	2474.96	-35.86
AFRICA	634.64	540.66	-14.81	3110.59	1941.26	-37.59
SOUTH ASIA	618.63	402.38	-34.96	2869.37	1479.18	-48.45
LATIN AMERICA	286.37	215.75	-24.66	1362.51	716.94	-47.38
OTHERS	124.86	124.04	-0.65	771.77	645.63	-16.34
CIS	78.23	73.59	-5.93	362.95	302.67	-16.61
<b>Grand Total</b>	<b>6273.25</b>	<b>5769.90</b>	<b>-8.02</b>	<b>31996.9</b>	<b>26002.6</b>	<b>-18.73</b>

Source: Department of Commerce, Government of India

Note: \*Figures have been rounded off. Source: DGCI&S; \*\*Myanmar has been included in ASEAN+2 and not in South Asia, since ASEAN is a formal economic grouping.

**Figure 3: Region-wise shares of India's engineering exports during Apr-Aug 2020**



Source: Data from DGCI&S and EEPC India analysis

#### Region wise engineering exports: some observations

- ASEAN+2 like the previous month ranked as the numero uno destination, as the region with highest shipment of engineering products from India during April-August 2020 over April-August 2019 with a share of 20.4 percent of total engineering exports.
- India's exports to NE Asia and North America ranked second and third in global shipments of Indian engineering goods in April-August 2020 with a share of 17.1 percent and 16.8 percent of total engineering exports respectively.
- EU ranked fourth in global shipments of Indian engineering goods in April-August 2020 with a share of 16.6 percent, which is slightly higher in comparison to its last month share.
- Like the previous month North East Asia recorded high positive monthly and cumulative growth in exports of engineering products from India during April-August 2020 over April-August 2019. ASEAN+2 is the second region to revive and record positive monthly and cumulative growth during April-August 2020 over April-August 2019. All other regions recorded negative growth due to the vast disruption in commerce and trade on account of COVID19.

#### 5. Panel Wise Engineering Exports

We begin by looking at the Engineering Panel wise exports for the month of August 2020 vis-a-vis August 2019 as well as April-August 2020-21 vis-à-vis April-August 2019-20. The data is given in Table 7 below:

**Table 7: Trends in engineering panel Exports for August 2020 compared to August 2019 as well as April-August 2020-21 vis-à-vis April-August 2019-20**

US\$ Million

Engineering Panels	August 2019	August 2020	Growth (%)	Apr-August 2019	Apr-August 2020	Growth (%)
Iron and Steel and Products made of Iron and Steel						
Iron and Steel	907.29	1020.41	12.5	3718.0	5341.5	43.7
Products of Iron and Steel	623.95	542.10	-13.1	2905.7	2042.6	-29.7
Sub Total	<b>1531.2</b>	<b>1562.5</b>	2.0	<b>6623.8</b>	<b>7384.1</b>	11.5
Non-Ferrous Metals and Products made of Non-Ferrous Metals						
Copper and products	62.87	93.66	49.0	313.0	501.7	60.3
Aluminium and products	416.18	425.31	2.2	2011.3	2169.1	7.8
Zinc and products	32.30	53.42	65.4	223.3	320.7	43.6
Nickel and products	4.9	4.0	-18.8	54.9	19.4	-64.7
Lead and products	38.90	22.13	-43.1	132.7	140.0	5.5
Tin and products	1.22	0.51	-58.3	4.2	2.5	-41.3
Other Non-Ferrous Metals	46.80	44.65	-4.6	222.1	153.7	-30.8
Sub Total	<b>603.2</b>	<b>643.7</b>	6.7	<b>2961.6</b>	<b>3307.2</b>	11.7
Industrial Machinery						
Industrial Machinery like Boilers, parts, etc	62.55	42.59	-31.9	353.4	187.1	-47.1
IC Engines and Parts	243.86	201.75	-17.3	1093.2	750.3	-31.4
Pumps of all types	85.49	72.18	-15.6	412.6	272.8	-33.9
Air condition and Refrigerators	124.08	92.93	-25.1	616.9	352.2	-42.9
Industrial Machinery for dairy, food processing , textiles etc	424.20	379.74	-10.5	2014.8	1459.2	-27.6
Machine Tools	38.93	34.77	-10.7	189.7	124.3	-34.5
Machinery for Injecting moulding, valves and ATMs	149.05	133.36	-10.5	721.7	540.1	-25.2
Sub Total	<b>1128.2</b>	<b>957.3</b>	-15.1	<b>5402.3</b>	<b>3686.0</b>	-31.8
Electrical Machinery	660.34	692.49	4.9	3515.3	3056.8	-13.0
5. Automobiles and Auto components and Parts						
Motor Vehicle/cars	732.54	440.33	-39.9	3277.2	1424.8	-56.5
Two and Three Wheelers	193.79	145.73	-24.8	871.6	470.1	-46.1
Auto Components/Part	471.66	391.94	-16.9	2279.7	1304.8	-42.8
Sub Total	<b>1398.0</b>	<b>978.0</b>	-30.0	<b>6428.6</b>	<b>3199.7</b>	-50.2

Engineering Panels	August 2019	August 2020	Growth (%)	Apr-August 2019	Apr-August 2020	Growth (%)
Aircrafts and Spacecraft parts and products	137.96	92.57	-32.9	562.8	328.0	-41.7
Ships Boats and Floating products and parts	87.35	154.58	77.0	2809.7	2550.8	-9.2
<b>8. Other engineering products</b>						
Medical and Scientific instruments	149.29	138.57	-7.2	728.3	574.5	-21.1
Railway Transport	27.52	9.37	-66.0	143.4	30.9	-78.4
Hand Tools & Cutting Tools	62.37	57.68	-7.5	328.1	219.6	-33.1
Electrodes Accumulators	5.01	3.86	-23.0	25.3	13.9	-45.2
Accumulator and Batteries	35.88	33.54	-6.5	185.3	112.7	-39.2
Bicycle & Parts	32.16	33.07	2.8	159.1	104.6	-34.3
Cranes Lifts & Winches	50.09	39.71	-20.7	231.6	139.1	-39.9
Office Equipment	15.68	13.44	-14.3	77.5	46.9	-39.5
Other Construction Machinery	106.29	89.97	-15.4	622.6	357.8	-42.5
Prime Mica & Mica Products	2.22	1.89	-14.9	23.4	9.7	-58.4
OTHER MISC. ITEMS	241.1	267.7	11.0	1168.3	880.4	-24.6
Sub Total	<b>727.6</b>	<b>688.8</b>	-5.3	<b>3693.0</b>	<b>2490.0</b>	-32.6
Total engineering exports	<b>6273.8</b>	<b>5769.92</b>	-8.03	<b>31996.9</b>	<b>26002.6</b>	-18.73

Source: DGCI&S

#### Engineering ferrous and non-ferrous products with negative growth in August 2020

- Exports of Products of Iron and Steel under Chapter 73: fell by 13% in August 2020 and 29.7% in April-August 2020-21
- Exports of Nickel and products under Chapter 75: fell by 18.8% in August 2020 and 64.7% in April-August 2020-21
- Exports of Tin and Products under Chapter 80: fell by 58.3% in August 2020 and 41.3% in April-August 2020-21
- Exports of Lead and products under Chapter 78: fell by 43.1% in August 2020 and increased by 5.5% in April-August 2020-21

✚ After showing positive signs of recovery in the month of July 2020, engineering exports once again witnessed significant decline by 8% mainly due to the COVID situation. While total exports declined in August 2020 to the extent of 12.6% y-o-y, higher than July's



10.2% fall. Similarly, India's engineering exports recorded a significant drop by 8% from US\$ 6273.8 million in August 2019 to US\$ 5769.9 million in August 2020, given the fact that COVID still continues to impact global trade and economy negatively. In cumulative terms the first 5 months recorded a decline to the extent of 18.73% from US\$ 31996.9 million in April-August 2019-20 to US\$ 26002.6 million in April-August 2020-21.

- ✚ Among major panels, a steady growth was noticed in exports from ferrous and non-ferrous sectors which grew both in monthly and cumulative terms
- ✚ Exports of iron and steel recorded an increase to the extent of 12.5% in August 2020 compared to same period last year on account of rise in Chinese demand. This overcrowded the export decline in the products of iron and steel segment thereby increasing the export of the total group marginally by 2 percent. The total segment also recorded in 11.5 percent jump in exports in cumulative terms.
- ✚ The same pattern is also reflected in case of other non-ferrous metals barring Nickel, Tin and Lead products as their exports jumped on the back of rising demand in China. Both monthly and cumulative export changes remained positive at 6.7 and 11.7 percent respectively.
- ✚ Within industrial machinery, overall there was a decline in the monthly as well as cumulative exports to the extent of 15.1 percent and 31.8 percent respectively. Negative export performance was noticed in segments including industrial machinery for boilers (31.9%), IC engines (17.3%), pumps (15.6%), air-condition and refrigeration machinery (25.1%), industrial machinery for food processing and textiles (10.5%), machine tools (10.7%) and others. In cumulative terms too, the growth was definitely negative given the significant decline in exports witnessed by most of the sub sectors in the last few months.
- ✚ The electrical machinery segment showed recovery in August 2020, similar to that observed in June and July 2020. In August too, exports grew by 4.9% as demand in top export destinations remained buoyant. The sector grew in monthly terms while the growth still remained negative in cumulative terms given the sharp decline in exports the sector faced in the last few months of the current fiscal.
- ✚ Unlike other sectors which showed some signs of recovery in August 2020, exports in the entire automobile sector remained negative both in monthly and cumulative terms due to subdued demand in all major markets. Exports in Automobiles fell by 37% in August 2020 and fall by 54% during April-Aug 2020-21 compared to same period last fiscal.
- ✚ While exports of aircraft, spacecraft and parts declined in both monthly and cumulative terms, there was a significant rise (more than 77 percent) in August 2020 in exports of ships, boats and floating structures. The increase was majorly attributed to significant rise in exports to Singapore and Mauritius.
- ✚ In the rest of the engineering segments, while there was decline in almost all, slight increase in exports was noticed in case of Bicycle and parts (2.8%) during August 2020 compared to August 2019.

**6. Data for ferrous and non-ferrous panels experiencing a decline in the month of August 2020 vis-à-vis August 2019**

Table 8A: Chapter 73: Products of Iron & Steel					
Values in US\$ Million					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	565.04	557.10	-1.1	101.74	-81.74
May	575.87	544.83	-5.3	375.08	-30.9
June	587.78	591.46	0.6	478.60	-18.8
July	539.72	592.28	10.5	528.83	-10.71
August	691.22	624.46	-9.3	542.10	-13.1
September	615.69	570.35	-7.36		
October	569.97	592.72	3.99		
November	533.39	572.77	7.38		
December	666.88	653.10	-2.07		
January	562.16	628.11	11.73		
February	539.59	590.07	9.35		
March	723.35	461.36	-36.2		
April-March	7259.37	7004.58	-3.51		

Table 8B: Chapter 73: Products of Iron & Steel					
Quantities in '000 MT					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	265.95	264.77	<b>-0.44</b>	53.48	<b>-79.80</b>
May	295.46	247.80	<b>-15.99</b>	150.79	<b>-39.15</b>
June	288.75	292.80	<b>1.60</b>	234.20	<b>-20.01</b>
July	237.38	271.11	<b>14.21</b>		
August	327.95	284.78	<b>-13.16</b>		
September	293.51	259.36	<b>-11.63</b>		
October	247.69	263.78	<b>6.49</b>		
November	241.06	267.61	<b>11.01</b>		
December	323.76	305.79	<b>-5.55</b>		
January	278.10	306.58	<b>10.24</b>		
February	<b>276.80</b>	<b>306.94</b>	<b>10.89</b>		
March	<b>349.72</b>	<b>231.34</b>	<b>-33.85</b>		
April-March	<b>3426.18</b>	<b>3303.70</b>	<b>-3.57</b>		

Table 9A: Chapter 75: Nickel and Products

Values in US\$ Million					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	6.1	4.14	<b>-27.0</b>	1.18	<b>-71.54</b>
May	6.72	35.23	<b>424.3</b>	2.96	<b>-91.6</b>
June	6.81	5.50	<b>-19.2</b>	6.55	<b>19.1</b>
July	6.08	4.80	<b>-21.1</b>	4.49	<b>-6.26</b>
August	7.47	4.92	<b>-34.1</b>	4.00	<b>-18.7</b>
September	5.24	6.07	<b>15.89</b>		
October	5.90	9.34	<b>40.46</b>		
November	3.88	4.91	<b>26.58</b>		
December	5.35	6.88	<b>28.47</b>		
January	2.75	6.24	<b>127.22</b>		
February	5.89	3.84	<b>-34.8</b>		
March	<b>5.58</b>	<b>4.14</b>	<b>-25.8</b>		
April-March	<b>73.55</b>	<b>98.74</b>	<b>34.25</b>		

Table 9B: Chapter 75: Nickel and Products

Quantities in '000 MT					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	0.32	0.26	<b>-17.65</b>	0.08	<b>-67.62</b>
May	0.32	13.59	<b>4049.51</b>	0.15	<b>-98.84</b>
June	0.33	0.27	<b>-15.92</b>	0.35	<b>26.36</b>
July	0.28	0.30	<b>9.28</b>		
August	0.35	0.24	<b>-31.19</b>		
September	0.30	0.43	<b>43.57</b>		
October	0.32	0.33	<b>0.18</b>		
November	0.25	0.25	<b>-0.95</b>		
December	0.22	0.33	<b>50.19</b>		
January	0.19	0.33	<b>74.14</b>		
February	0.24	0.35	<b>46.36</b>		
March	<b>0.20</b>	<b>0.34</b>	<b>67.50</b>		
April-March	<b>2.80</b>	<b>17.02</b>	<b>507.9</b>		

Table 10A: Chapter 78: Lead and Products

|--|--|--|--|--|--|

Values in US\$ Million					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	27.35	30.1	10.1	8.71	-71.1
May	35.8	24.75	-30.9	40.89	65.2
June	32.68	19.5	-40.3	46.13	136.6
July	31.24	19.47	-37.7	22.13	13.7
August	33.04	38.90	17.7	22.13	-43.1
September	31.05	36.69	18.2		
October	38.15	39.60	3.8		
November	28.69	45.76	59.5		
December	43.47	40.96	5.8		
January	38.05	25.66	-32.6		
February	25.52	23.25	-8.9		
March	37.86	26.57	-29.8		
April-March	402.9	372.06	-7.65		

Source:

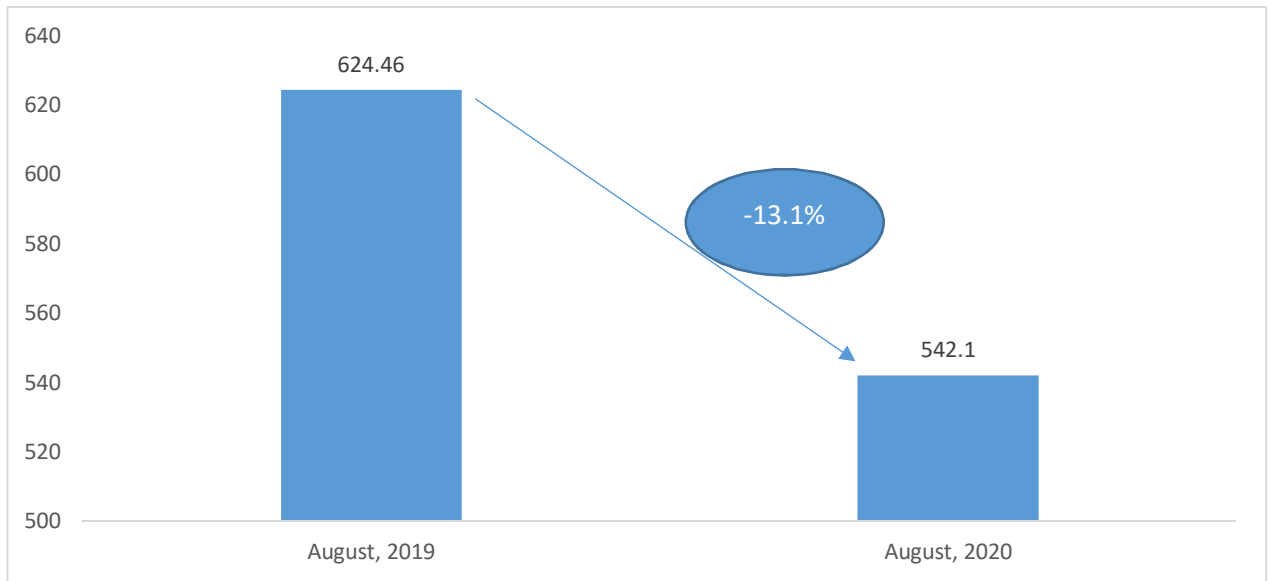
Table 10B: Chapter 78: Lead and Products					
Quantities in '000 MT					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	11.02	13.89	26.05	4.40	-68.32
May	14.68	11.92	-18.81	21.72	82.25
June	13.20	9.49	-28.04	24.83	161.38
July	12.34	9.42	-23.67		
August	13.81	18.73	35.59		
September	13.81	17.10	23.84		
October	17.25	18.13	5.12		
November	13.17	20.57	56.16		
December	20.65	18.71	-9.40		
January	14.00	17.89	27.74		
February	15.67	11.84	-24.43		
March	21.67	17.13	-20.92		
April-March	159.54	176.84	10.84		

Table 11A: Chapter 80: Tin and Products					
Values in US\$ Million					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	0.56	0.65	16.1	0.19	-70.77
May	0.38	0.91	139.5	0.35	-61.54
June	0.84	0.97	15.5	0.55	-43.30
July	0.84	0.48	-42.9	0.87	81.25
August	0.81	1.22	50.6	0.51	-58.20
September	0.58	0.84	44.8		
October	0.69	0.78	13.0		
November	1.17	1.10	-6.0		
December	1.23	0.46	62.6		
January	0.57	1.24	117.5		
February	1.26	0.54	-57.1		
March	1.25	0.48	-61.60		
April-March	9.83	9.86	0.31		

Table 11B: Chapter 80: Tin and Products					
Quantities in '000 MT					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	0.073	0.062	<b>-15.05</b>	0.021	-65.32
May	0.123	0.119	<b>-2.92</b>	0.042	-64.50
June	0.130	0.098	<b>-23.99</b>	0.051	-47.82
July	0.063	0.061	<b>-10.69</b>		
August	0.072	0.110	<b>52.22</b>		
September	0.038	0.066	<b>75.19</b>		
October	0.043	0.069	<b>60.22</b>		
November	0.063	0.074	<b>17.38</b>		
December	0.067	0.038	<b>-42.63</b>		
January	0.073	0.062	<b>-15.05</b>		
February	0.123	0.119	<b>-2.92</b>		
March	0.130	0.098	<b>-23.99</b>		
April-March	0.063	0.061	<b>-10.69</b>		

➤ **Slump in products of iron and steel**

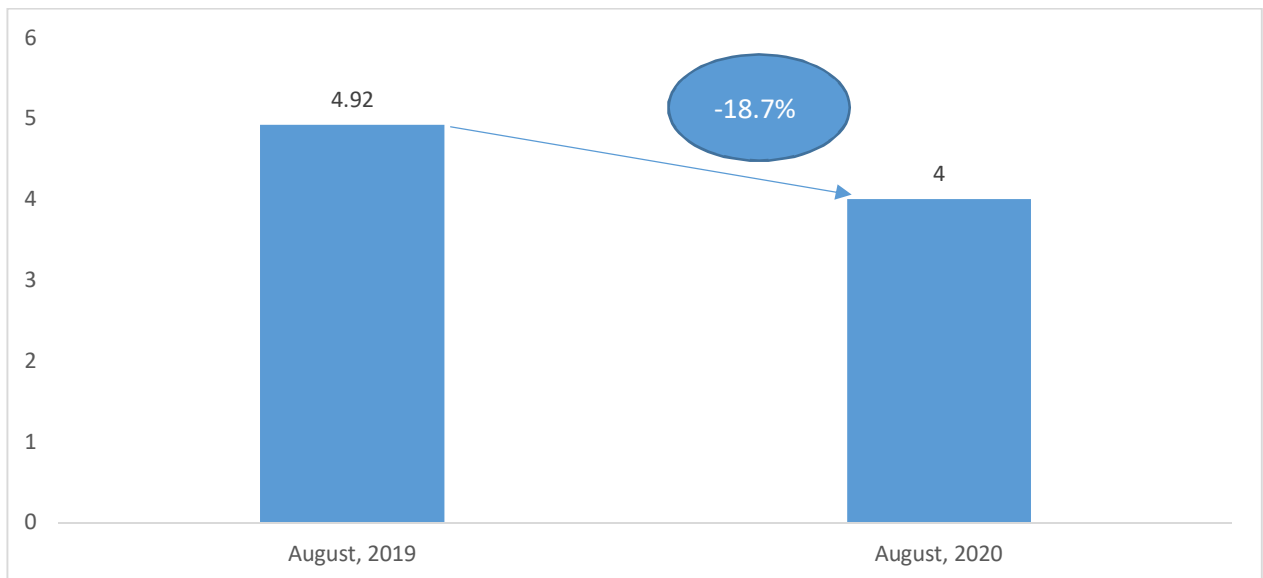
**Figure 4: Slump in Products of iron and steel exports in August 2020 v/s August 2019 (in USD Million)**



**Reason for slump:** The industry for products of iron and steel is suffering for some time due to rising raw material prices. Increase in exports of iron ore and restrictions on import of steel from China, Vietnam and South Korea have increased demand in the domestic industry leading to rising steel prices. This has increased the raw material prices for manufacturers of products of iron and steel and made them uncompetitive in the export market.

➤ **Slump in exports of Nickel and products of Nickel**

**Figure 5: Slump in Products of Nickel exports in August 2020 v/s August 2019 (in USD Million)**

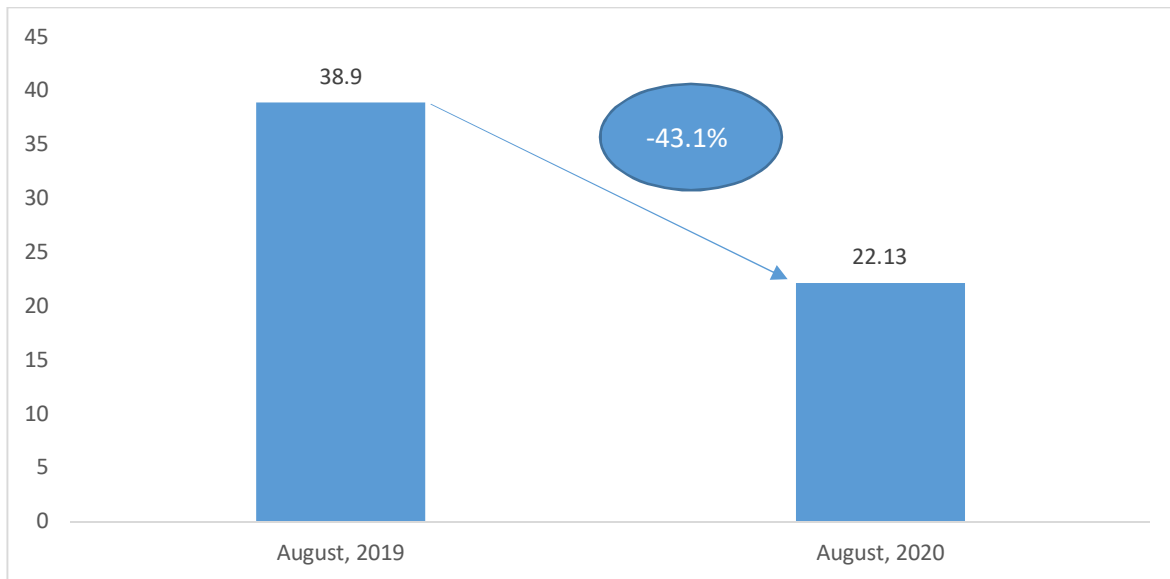


**Reason for slump:** Nickel prices globally have risen due to tightening of supply from other international markets. This has affected the profitability of Indian exporters.

➤ **Slump in exports of Lead and products of Lead**

**Figure 6: Slump in Products of Lead exports in August 2020 v/s August 2019 (in USD Million)**

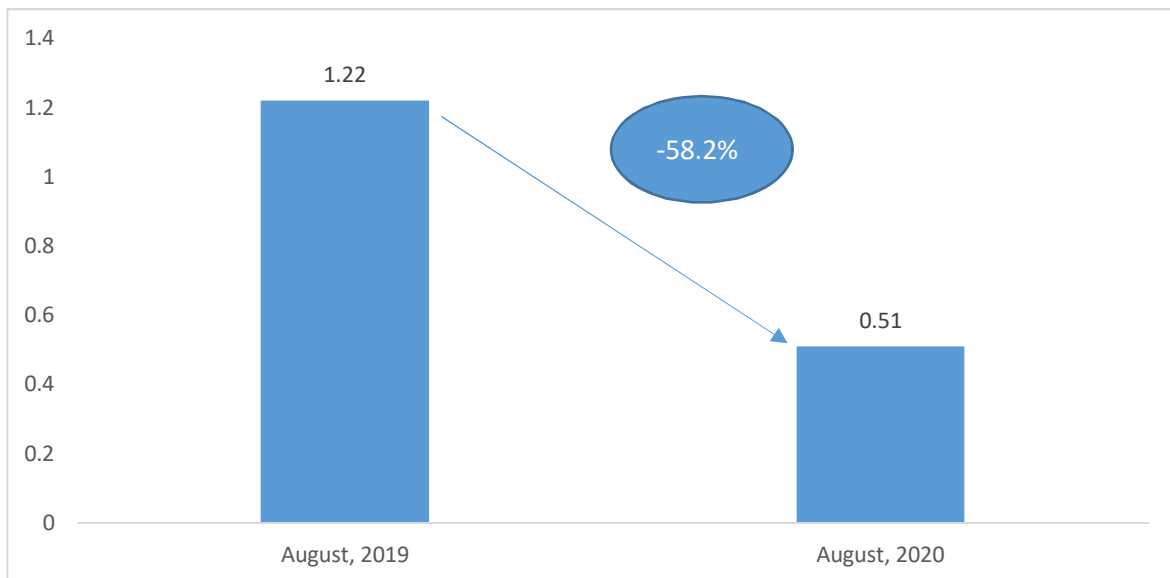




**Reason for slump:** Lead markets globally posted supply surpluses which may be the reason behind falling exports of the metal.<sup>1</sup>

➤ **Slump in exports of Tin and products of Tin**

**Figure 7: Slump in Products of Tin exports in August 2020 v/s August 2019 (in USD Million)**



**Reason for slump:** Tin is majorly used in electronics and automobile industries both of which have been facing demand decline due to COVID situation. Hence Tin export has contracted globally across major countries.

**7. Engineering panels – country-wise analysis**

<sup>1</sup> <https://spendmatters.com/2020/08/28/commodities-roundup-lead-zinc-in-surplus-china-further-consolidates-steel-sector-copper-mining-slowed-by-pandemic/>

We now analyse the performance of some of the important products during August 2020. We have taken the major panels and computed the top importers and sharp declines to get an idea of the current trade pattern. (Tables 13-21)

**Table 13: Export of Iron & Steel**  
US\$ Million  
(Source: Department of Commerce, Government of India)

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
CHINA	54.61	328.15	500.87	192.62	1880.28	876.14
VIETNAM	126.42	78.71	-37.74	367.93	636.64	73.03
U A E	84.88	86.14	1.49	338.97	347.73	2.58
ITALY	106.51	70.10	-34.19	256.44	259.16	1.06
NEPAL	80.12	53.39	-33.36	456.38	212.07	-53.53
<b>High cumulative growth</b>						
CHINA	54.61	328.15	500.87	192.62	1880.28	876.14
PHILIPPINES	2.67	25.17	842.24	20.31	51.04	151.28
THAILAND	11.15	24.95	123.78	59.02	140.58	138.19
INDONESIA	13.00	8.78	-32.44	47.61	95.00	99.56
VIETNAM	126.42	78.71	-37.74	367.93	636.64	73.03
<b>Sharp cumulative decline</b>						
MALAYSIA	24.89	5.74	-76.92	131.55	49.69	-62.22
NEPAL	80.12	53.39	-33.36	456.38	212.07	-53.53
BANGLADESH	15.66	16.14	3.08	154.69	79.60	-48.54
MEXICO	8.55	4.96	-42.06	32.46	17.76	-45.28
JAPAN	13.05	8.15	-37.52	87.26	48.83	-44.04
GERMANY	14.10	8.48	-39.86	64.45	37.15	-42.36

- 🚩 China, Vietnam and UAE were the three top three importers of Indian Iron and Steel during April 2020-August 2020 with market shares of 35.20 percent, 11.92 percent and 6.51 percent respectively.
- 🚩 China recorded a monumental growth of 876.14 percent followed by Philippines and Thailand at 151.28 percent and 138.19 percent in exports of Indian Iron and Steel during April 2020-August 2020 compared to April 2019-August 2019.
- 🚩 Malaysia and Nepal experienced sharp downfall to the extent of more than 50% drop in exports during April 2020-August 2020 compared to same period last fiscal.

**Table 14: Export of Products of Iron & Steel**  
US\$ Million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
U S A	147.23	143.46	-2.56	717.19	429.38	-40.13
CANADA	40.17	14.39	-64.18	125.76	118.67	-5.64
U A E	31.53	28.65	-9.14	179.96	118.66	-34.07
GERMANY	33.46	28.11	-15.98	162.24	107.00	-34.05
SAUDI ARABIA	16.39	13.74	-16.13	69.67	76.69	10.08
<b>High cumulative growth</b>						
EGYPT	3.12	14.88	376.81	13.29	33.98	155.75
INDONESIA	14.71	2.97	-79.82	33.48	45.21	35.05
MALAYSIA	3.29	4.85	47.43	18.71	24.37	30.23
OMAN	12.89	10.74	-16.67	45.44	56.92	25.27
GHANA	3.52	5.66	60.73	15.16	17.26	13.79
<b>Sharp cumulative decline</b>						
NIGERIA	13.88	7.11	-48.80	56.96	21.90	-61.54
FRANCE	13.34	9.17	-31.28	68.51	33.64	-50.89
U K	24.94	22.01	-11.73	126.45	69.22	-45.26
NEPAL	8.93	7.48	-16.16	47.71	27.90	-41.52
U S A	147.23	143.46	-2.56	717.19	429.38	-40.13

*(Source: Department of Commerce, Government of India)*

- 🚩 USA, Canada and UAE were the top three importers of India's 'Products of Iron & Steel' during April 2020-August 2020 with 21.02 percent, 5.81 percent and 5.80 percent shares respectively in India's global import of the same.
- 🚩 Egypt experienced more than 155% growth followed by Indonesia and Malaysia in import of 'Products of Iron and Steel' during April 2020-August 2020.
- 🚩 Nigeria, France and UK conceded substantial decline in imports by more than 45% for the said product group from India during April 2020-August 2020.

**Table 15: Export of Industrial Machinery**

US\$ Million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
U S A	174.96	141.46	-19.15	843.85	572.08	-32.21
CHINA	49.68	47.92	-3.55	228.59	213.77	-6.48
GERMANY	49.31	69.76	41.46	258.22	201.37	-22.02
THAILAND	50.24	47.84	-4.76	269.14	182.33	-32.25
U A E	37.68	45.15	19.83	196.93	172.87	-12.22

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>High cumulative growth</b>						
GEORGIA	0.12	0.80	575.47	0.50	2.20	341.29
TOGO	0.52	0.65	25.00	1.40	3.32	137.64
BENIN	0.49	0.30	-38.07	1.67	2.69	61.12
BAHARAIN	1.51	3.01	99.47	12.69	18.44	45.27
HUNGARY	1.72	3.54	105.79	12.06	16.00	32.60
<b>Sharp cumulative decline</b>						
INDONESIA	24.26	14.03	-42.16	129.19	52.26	-59.55
NEPAL	24.92	17.68	-29.04	134.23	58.45	-56.46
BANGLADESH	60.83	42.06	-30.86	257.63	122.59	-52.42
NIGERIA	37.03	21.06	-43.12	184.10	101.86	-44.67
ITALY	32.77	27.32	-16.64	158.42	94.88	-40.11

(Source: Department of Commerce, Government of India)

- 🇺🇸 USA was the largest importer of Indian 'Industrial machinery' during April 2020-August 2020 with 15.52 percent share in India's global import of the product group. China and Germany were the two immediate followers of USA with 5.80 percent and 5.46 percent shares respectively.
- 🇦🇷 Georgia was the top importer with monumental growth of 341.29 percent followed by Togo, witnessing growth of more than 135 percent in imports of Industrial machinery from India followed by Benin, Baharain and Hungary during April 2020-August 2020 over the same period last fiscal.
- 🇮🇩 Among the major importers, Indonesia, Nepal and Bangladesh recorded over 50 percent year-on-year declines in imports during April 2020-August 2020.

**Table 16: Automobiles**  
US\$ Million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
MEXICO	140.18	75.77	-45.95	623.94	316.52	-49.27
U S A	95.08	90.90	-4.40	354.20	192.32	-45.70
SOUTH AFRICA	86.39	47.12	-45.46	401.08	152.85	-61.89
SAUDI ARABIA	64.18	26.15	-59.25	212.42	137.91	-35.08
NIGERIA	43.37	39.25	-9.51	198.22	107.32	-45.85
<b>High cumulative growth</b>						
SUDAN	0.62	2.69	334.51	1.51	10.26	581.48

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
EGYPT	0.00	12.23	-	9.77	33.14	239.33
BRUNEI	1.56	4.47	186.34	5.37	12.07	124.70
AUSTRIA	1.29	3.29	154.42	16.10	35.12	118.10
SOMALIA	1.97	5.87	197.94	5.93	11.59	95.43
<b>Sharp cumulative decline</b>						
ITALY	29.93	2.38	-92.06	114.62	8.18	-92.86
INDONESIA	9.25	5.00	-45.94	123.31	20.50	-83.38
NEPAL	51.66	15.14	-70.69	180.67	44.93	-75.13
BANGLADESH	30.46	19.82	-34.93	148.53	43.33	-70.83
SOUTH AFRICA	86.39	47.12	-45.46	401.08	152.85	-61.89

(Source: Department of Commerce, Government of India)

Automobiles include Motor Vehicles/cars and Two and Three Wheelers

- 🚩 Mexico, USA and South Africa were top three importers of India's Automobiles during April 2020-August 2020 with 16.70, 10.15 and 8.07 percent share in India's global exports respectively over the same period last fiscal.
- 🚩 Sudan recorded a meteoric growth of more than 580% followed by Egypt, Brunei and Austria with more than 100% growth in imports of the product group from India during April 2020-August 2020 over the same period last fiscal.
- 🚩 Countries like Italy, Indonesia, Bangladesh, Nepal and South Africa saw their imports of automobile lower by more than 60% during April 2020-August 2020 compared to same period last fiscal.

**Table 17: Export of Non-Ferrous metals**  
US\$ Million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
MALAYSIA	95.02	110.39	16.17	361.96	651.54	80.00
KOREA	66.74	133.03	99.33	485.50	627.82	29.31
CHINA	10.11	84.60	736.49	116.56	462.56	296.86
U S A	76.14	52.81	-30.65	374.28	240.61	-35.71
SINGAPORE	14.93	14.24	-4.61	60.28	223.12	270.13
<b>High cumulative growth</b>						
CHINA	10.11	84.60	736.49	116.56	462.56	296.86
SINGAPORE	14.93	14.24	-4.61	60.28	223.12	270.13

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
MALAYSIA	95.02	110.39	16.17	361.96	651.54	80.00
KOREA	66.74	133.03	99.33	485.50	627.82	29.31
TAIWAN	22.11	17.22	-22.10	122.82	149.62	21.82
<b>Sharp cumulative decline</b>						
ITALY	6.11	5.17	-15.41	59.44	15.00	-74.76
MEXICO	9.16	9.44	3.06	68.96	29.79	-56.79
NEPAL	16.81	11.40	-32.19	78.76	36.83	-53.24
THAILAND	20.52	8.32	-59.44	87.35	45.50	-47.91
U K	15.71	14.21	-9.55	76.70	44.98	-41.35
U S A	76.14	52.81	-30.65	374.28	240.61	-35.71

*(Source: Department of Commerce and CSO)*

- ✚ Malaysia, Korea and China were the top three importers of India's Non-ferrous metals and products' during April 2020-August 2020 with 19.70 percent, 18.98 percent and 13.99 percent shares respectively in India's global import of the same.
- ✚ China experienced massive growth of more than 296.86% followed by Singapore and Malaysia at 270.13% and 80% respectively in import of Non-ferrous metals and products during April 2020-August 2020.
- ✚ Italy, Mexico and Nepal conceded substantial decline in imports by more than 50% for the said product group from India during April 2020-August 2020 vis-à-vis same period last fiscal.

**Table 18: Export of Electrical Machinery and Components**  
US\$ Million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
U S A	149.13	229.27	53.74	923.42	1155.87	25.17
GERMANY	66.10	29.33	-55.63	372.77	278.64	-25.25
SINGAPORE	57.03	28.85	-49.40	241.55	112.90	-53.26
U A E	14.39	25.67	78.40	87.26	111.34	27.59
JAPAN	5.15	6.97	35.51	34.41	91.53	165.97
<b>High cumulative growth</b>						
NEW ZEALAND	0.55	6.11	1006.07	2.08	35.41	1605.07
HONG KONG	4.15	9.42	126.99	19.17	72.63	278.88
JAPAN	5.15	6.97	35.51	34.41	91.53	165.97
VIETNAM	5.78	27.91	382.82	26.41	45.64	72.83



COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
TURKEY	13.56	17.71	30.56	40.97	59.56	45.36
<b>Sharp cumulative decline</b>						
U K	66.35	33.59	-49.38	324.14	91.44	-71.79
POLAND	13.93	7.17	-48.52	58.44	23.78	-59.30
SINGAPORE	57.03	28.85	-49.40	241.55	112.90	-53.26
MEXICO	6.06	14.52	139.58	68.60	32.75	-52.27
NIGERIA	17.67	6.69	-62.16	65.09	31.36	-51.82

*(Source: Department of Commerce and CSO)*

- ✚ USA, Germany and Singapore were the three top importers of Indian Electrical Machinery and Components during April 2020-August 2020 with market shares of 37.81 percent, 9.12 percent and 3.69 percent respectively.
- ✚ New Zealand recorded massive growth of 1605.07 % followed by Hong Kong and Japan at 278.88% and 165.97% in imports of India's Electrical Machinery and Components during April 2020-August 2020 vis-a-vis April 2019 – August 2019.
- ✚ UK experienced the sharp decline of more than 70% in imports in April 2020- August 2020 when compared to April 2019 – August 2019. It is also the case for Poland, Singapore, Mexico and Nigeria which experienced more than 50 percent drop.

**Table 19: Export of Aircrafts and Space crafts**  
US\$ million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
U S A	58.58	26.81	-54.23	223.24	109.88	-50.78
FRANCE	15.05	16.86	12.04	64.05	45.40	-29.11
SINGAPORE	11.36	10.80	-4.90	52.40	32.62	-37.75
U K	12.36	5.75	-53.48	68.76	31.75	-53.83
U A E	1.37	13.25	869.60	4.05	20.04	395.31
<b>High cumulative growth</b>						
IRELAND	0.06	0.25	346.08	1.01	5.30	426.19
U A E	1.37	13.25	869.60	4.05	20.04	395.31
POLAND	0.38	0.10	-73.29	1.82	1.93	6.20
<b>Sharp cumulative decline</b>						
MALAYSIA	3.66	3.42	-6.58	22.05	9.82	-55.46
U K	12.36	5.75	-53.48	68.76	31.75	-53.83
U S A	58.58	26.81	-54.23	223.24	109.88	-50.78

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
GERMANY	6.47	1.69	-73.90	26.84	13.94	-48.06
SINGAPORE	11.36	10.80	-4.90	52.40	32.62	-37.75

(Source: Department of Commerce and CSO)

- USA, France and Singapore were the top three importers of India's 'Aircrafts and Spacecrafts' during April 2020-August 2020 with around 33.50, 13.84 and 9.95 percent shares respectively in India's total global exports of the product.
- Ireland and U A E registered substantial growth of 426.19% and 395.31% respectively in import of the product group from India during April 2020- August 2020 as compared with the same period last fiscal.
- On the flipside, demand for India's 'Aircrafts &Spacecrafts' from Malaysia, UK, USA and Germany dropped more than 45 percent on a year-on-year basis during April 2020- August 2020 when compared to April 2019 - August 2019.

**Table 20: Export of Ships, Boats and Floating Structures and parts**  
US\$ million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
SINGAPORE	9.10	126.87	1294.56	745.31	984.92	32.15
INDONESIA	0.00	0.00	-	89.70	382.92	326.88
U A E	0.00	26.75	-	962.94	304.99	-68.33
MALAYSIA	0.00	0.00	-	191.33	240.47	25.68
GIBRALTAR	0.00	0.00	-	179.09	175.99	-1.73
<b>High cumulative growth</b>						
MALTA	0.00	0.00	-	0.01	114.92	1742924.23
INDONESIA	0.00	0.00	-	89.70	382.92	326.88
SINGAPORE	9.10	126.87	1294.56	745.31	984.92	32.15
MALAYSIA	0.00	0.00	-	191.33	240.47	25.68
<b>Sharp cumulative decline</b>						
CYPRUS	0.00	0.00	-	349.98	0.00	-100.00
LIBERIA	7.84	0.00	-100.00	52.92	0.00	-100.00
NORWAY	0.00	0.00	-	58.33	0.00	-100.00
U A E	0.00	26.75	-	962.94	304.99	-68.33

(Source: Department of Commerce and CSO)

**Note:** Export figures in case of some nations are showing zero due to rounding off but actually they are very small in value.

- ❖ Singapore, Indonesia and UAE became the largest importer of ships, boats and floating structures followed by Malaysia and Gibraltar. Their respective shares are 38.61 percent, 15.01 percent, 11.96 percent, 9.43 percent and 6.90 percent.
- ❖ Though Malta recorded negligible imports in August 2020 but the cumulative Imports to Malta recorded meteoric increase as they had negligible import in April 2019 – August 2019. Indonesia registered substantial growth of 326.88% in import of the product group from India during April 2020-August 2020 as compared with the same period last fiscal.
- 🚩 However, sharp decline of more than 68 percent was noticed in exports to UAE from India during April 2020-August 2020 as compared with the same period last fiscal. Whereas the exports dropped to zilch for Cyprus, Liberia and Norway.

**Table 21: Export of Auto Components**  
US\$ Million

COUNTRY	AUGUST 2019	AUGUST 2020	Growth (%)	APRIL 2019- AUGUST 2019	APRIL 2020- AUGUST 2020	Growth (%)
<b>Top Five Importers</b>						
U S A	102.95	92.16	-10.48	519.95	299.34	-42.43
TURKEY	20.20	23.36	15.63	100.34	86.36	-13.93
GERMANY	24.34	22.14	-9.03	110.85	78.52	-29.17
VIETNAM	19.45	17.92	-7.86	80.81	66.24	-18.02
BANGLADESH	22.02	23.15	5.16	114.99	62.42	-45.71
<b>High cumulative growth</b>						
CONGO	0.30	0.17	-43.69	1.41	4.29	203.10
SLOVENIA	0.83	3.40	309.74	2.56	6.80	164.99
UZBEKISTAN	0.27	0.41	55.56	1.13	2.40	112.40
IRAQ	0.20	1.05	425.16	1.40	2.58	83.84
GHANA	0.19	0.43	120.22	1.19	2.17	82.95
<b>Sharp cumulative decline</b>						
U A E	17.93	6.43	-64.15	77.83	22.11	-71.60
BRAZIL	25.27	15.76	-37.65	122.47	47.13	-61.52
THAILAND	14.41	12.65	-12.21	78.94	35.87	-54.56
U K	13.22	11.97	-9.46	65.41	33.60	-48.64
JAPAN	14.69	7.76	-47.14	67.10	35.65	-46.87

(Source: Department of Commerce and CSO)

- 🚩 USA remained the top importer of auto components in April 2020-August 2020 with a share of 22.94 percent. It is followed by Turkey, Germany, Vietnam and Bangladesh with respective shares of 6.62 percent, 6.02 percent, 5.08 percent and 4.78 percent.

- ✚ Congo recorded maximum increase of more than 200 percent followed by Slovenia and Uzbekistan in imports from April 2020-August 2020 when compared to April 2019 – August 2019. However, absolute figures are not very convincing for any of the nations.
- ✚ U A E, Brazil and Thailand recorded significant decline of more than 50 percent in April 2020-August 2020 when compared to April 2019 óAugust 2019.

## Analysis of India's engineering imports

India's Engineering imports during August 2020 were valued at US\$ 5114.42 million compared to US\$ 8917.11 million in August 2019 registering a negative growth of 42.6 percent in dollar terms.

Cumulative engineering imports during April-March 2019-20 was recorded at US\$ 100.55 billion as against US\$ 111.21 billion during the same period last fiscal registering a fall of 9.6 percent.

The share of engineering imports in India's total merchandise imports has dropped during August 2020 in comparison to August 2019 which has been estimated at 17.4%.

The monthly engineering import figures for fiscal April-August 2020 vis-a-vis April-August 2019 is depicted below as per the latest availability of figure:

**Table 22: Monthly engineering Imports during 2020-21 (US\$ Mn.)**

Months	2019-20	2020-21	Growth (%)
April	8143.84	3858.97	-52.6
May	8875.24	6433.42	-27.5
June	7827.95	4558.01	-41.8
July	8938.17	5571.34	-37.7
August	8917.11	5114.42	-42.6

The monthly engineering import figures for fiscal April-March 2019-20 vis-à-vis April-March 2018-19 is depicted below as per the latest availability of figure:

**Table 23: Engineering Imports during 2019-20 vis-à-vis 1018-19**

(US\$ Million)

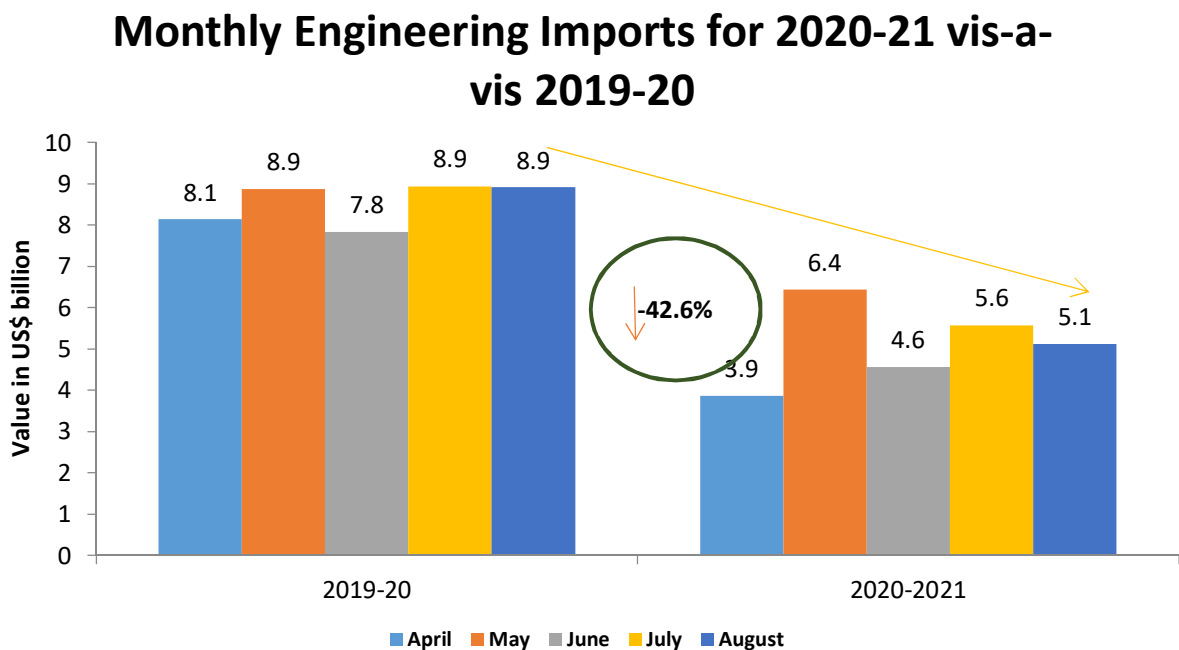
Months	2018-19	2019-20	Growth (%)
April	8139.45	8143.84	0.1
May	8536	8875.2	4.0
August	8890.89	7827.95	-12.0
July	9272.5	8938.2	-3.6
August	10097.3	8779.3	-13.1

Months	2018-19	2019-20	Growth (%)
September	8858.41	7915.5	-10.6
October	9346.29	8711.71	-6.8
November	9245.44	7611.71	-17.7
December	10331.2	8896.1	-13.9
January	9594.17	9271.98	-3.4
February	8381.48	8446.97	0.8
March	9402.1	7132.2	-24.1

Source: Department of Commerce, Government of India

Figure below depicts engineering imports for April-August 2020 compared to April-August 2019

Fig 8: Monthly Engineering Imports for April-August 2020 vis-a-vis April-August 2019



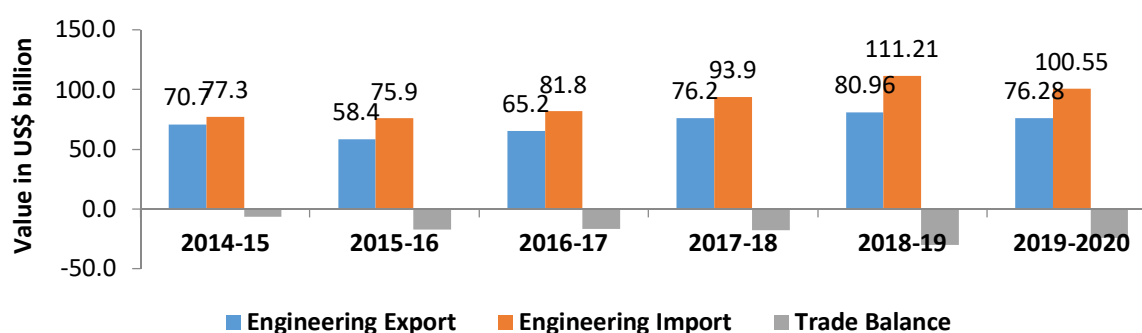
We now present the trend in two way yearly trade for the engineering sector from 2014-15 to 2018-19 as well as the current fiscal 2019-20 depicted in the table below:

**Table 24: Tear-wise trend in engineering trade**  
(US\$ Billions)

Trade Flow	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Growth (%)	Apr-Aug 2019	Apr-Aug 2020	Growth (%)
Engineering Export	70.7	58.4	65.2	76.2	81.0	76.3	-5.8	31.99	26.00	-18.73
Engineering Import	77.3	75.9	81.8	93.9	110.1	100.6	-8.7	42.7	25.5	-40.2
Trade Balance	-6.6	-17.5	-16.6	-17.7	-23.1	-24.3		-10.7	0.5	

Figure13 below depicts the yearly trend in engineering trade from 2014-15 to 2019-20

Figure 9: Trend in Yearly Engineering Trade



## Conclusion

Merchandise exports continued to decline year-on-year for the fifth straight month in fiscal 2020-21 and the decline was higher in August as compared to the previous month. Engineering exports, after registering year-on-year growth in July, fell once again. The growth in the previous month was partially led by a lower base of the previous year but that favourable base effect waned off in August. However, the rate of year-on-year decline for both merchandise as well as engineering exports moderated substantially over the month. Strategic relaxation of Lockdown or strategic unlocking of economic activities definitely contributed to higher shipment. Infact a recent report by UNCTAD showed that the number of ships pulling into ports to unload and load containers rebounded in many parts of the world in the third quarter of 2020.<sup>2</sup> Maritime shipping saw a dramatic slowdown earlier this year as lockdowns imposed across the world restricted economic activities and travel. By mid-June, the average number of container vessels arriving weekly at ports worldwide had sunk to 8,722, an 8.5% year-on-year drop. But new data show that, globally, the average weekly calls have started to recover, rising to 9,265 by early August, just 3% below the levels of one year earlier. This offers a ray of hope for the gradual recovery of the global economy after the

<sup>2</sup> <https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2466>



pandemic. The trend needs to be followed for the next few months to see if the recovery is stable or not.

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