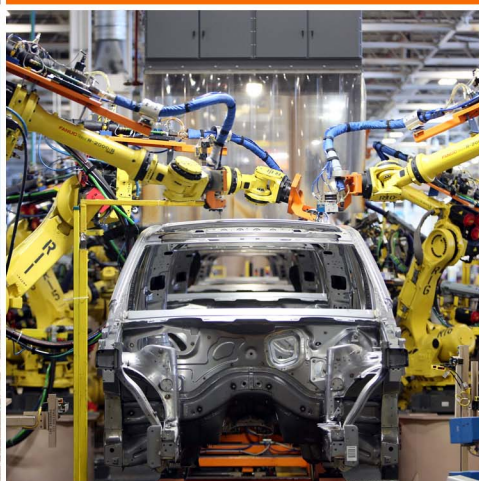
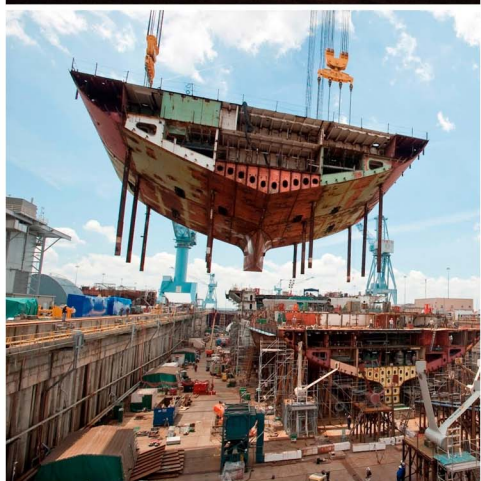


Engineering Exports Monitor

January 2015



Engineering the future

EEPCINDIA
ENGINEERING THE FUTURE

Analysis of Indian engineering exports during January 2015

Trend in overall trade

India's **merchandise exports** during January, 2015 were valued at US \$ 23.88 billion which was 11.19 per cent lower in Dollar terms than the level of US \$ 26.89 billion during January, 2014. Cumulative value of exports for the period April-January 2014-2015 was US \$ 265.04 billion as against US \$ 258.72 billion registering a growth of 2.44 per cent in Dollar terms over the same period last year.

Meanwhile, **merchandise imports** also declined by 11.39 per cent in Dollar terms to US\$ 32.21 billion in the reporting month in comparison to US\$ 36.35 billion in January 2014. Trade deficit narrowed to an 11-month low of US\$ 8.33 billion in January 2015, helped by a plunge in global oil prices, bolstering the outlook for India's current account balance as well as the rupee.

Engineering exports

Exports of engineering products, one of the top groups of exported items from India sharing 28.2 per cent in January 2015 on India's total merchandise exports, fared 9.9 per cent growth to US\$ 6.73 billion in the month of January 2015 over January 2014. While, the cumulative value of engineering exports recorded a growth of 18.2 per cent in the first ten months (April- January) of the current fiscal over the same period last year. The monthly and quarterly engineering figures for 2014-2015 vis-à-vis 2013-2014 are depicted below:

Table1: Engineering Exports
US\$ Million

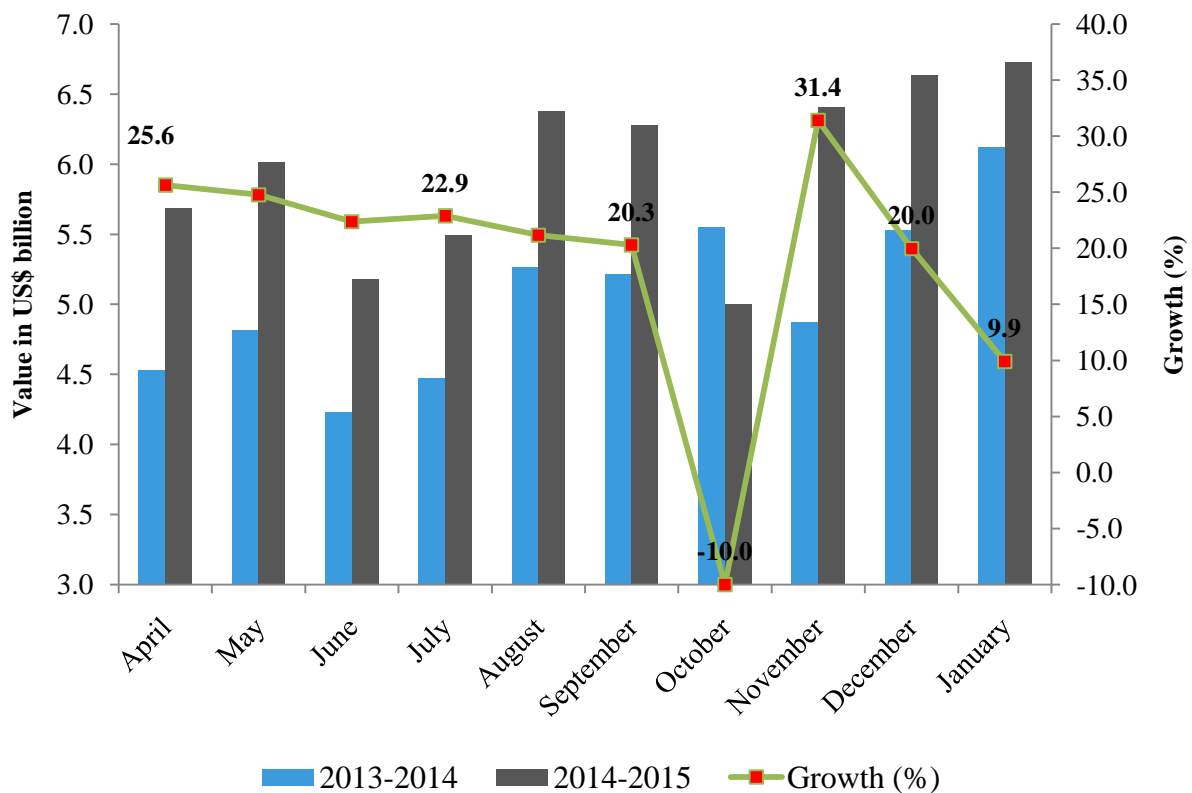
Months	2013-14	2014-15	Growth (%)
April	4529.32	5690.26	25.6
May	4819.47	6013.9	24.8
June	4229.72	5178.14	22.4
Quarter 1	13578.51	16882.3	24.3
July	4473.34	5498.33	22.9
August	5264.51	6379.68	21.2
September	5216.94	6277.19	20.3
Quarter 2	14954.8	18155.2	21.4
October	5552.78	4999.89	-10.0
November	4874.85	6406.72	31.4
Months	2013-14	2014-15	Growth (%)

December	5531.18	6637.84	20.0
Quarter 3	15958.8	18044.5	13.1
January	6122.55	6727.3	9.9
April-January	50614.65	59809.25	18.2

(Source: Department of Commerce, Government of India)

Figure 1 below depicts the monthly trend in engineering exports for the **first ten months of both 2013 and 2014**.

Figure1: Trends in Monthly Engineering Exports
US\$ Billion



(Source: EEPC India analysis)

In India, production of manufacturing sector has been found somewhat correlated to merchandise export and therefore a brief analysis of industrial production is mention worthy in the context of engineering export analysis. Industrial output came back to growth path in November 2014 with a decent 3.9% growth from a shocking contraction in October. Growth continued in December 2014 however at a slower pace. IIP Index, the standard measure for industrial output, stood at 182.6 during the month of December 2014 as against 170 (revised) a month ago. IIP growth in December 2014 however nearly halved to 1.9% as against 3.9% in November 2014. Cumulative growth

during April-December 2014-15 recorded at a higher 2.1% as against 0.1% during the corresponding period of the previous year.

The growth rates in Engineering Exports and the Growth in Manufacturing in the country in the current fiscal in Table 1A below:

Table 1A: Engineering Exports Growth vis-a-vis Manufacturing Growth (2014-15)

Months	Engg. Exports Growth (%)	Manufacturing Growth (%)
April	25.6	3.0
May	24.8	5.9
June	22.4	2.9
Quarter 1	24.3	3.93
July	22.9	-0.3
August	21.2	-1.3
September	20.3	2.7
Quarter 2	21.4	0.39
October	-10.0	-7.6
November	31.4	3.1
December	20.0	2.1
Quarter 3	13.1	-0.81
January	9.9	N A
April- January	18.2	1.2 (Apr-Dec)

(Source: Department of Commerce and CSO)

Figures in the above table shows that export growth remained positive for all months during the first six months of fiscal 2014-15 but manufacturing production declined in two months. During the third quarter of 2014-15, however, we saw similarity between the trend of month-wise manufacturing and export growth. Both engineering export and manufacturing declined (negative growth) in October but revived in November and December 2014. Even if the nature of data is considered for November and December 2014, it is observed that both engineering export and manufacturing growth has been higher in November 2014 in comparison to December 2014. Therefore, some positive relation is seen between engineering export and manufacturing production which is more evident in the third quarter of 2014-15. Cumulative manufacturing growth was recorded at 1.2% during April-December 2014 as against a decline of 0.4% in the same period last year. Cumulative export growth during April – January 2014-15 dropped due to slower growth in January 2015.

We also present the quarter wise corresponding **revised** engineering exports for 2013-14 as opposed to 2012-13.

Table 2: Revised Engineering Exports (2013-14)
USD Million

Quarter	Month	2012-13	2013-14	Growth Rate in Percent	Growth Rate in Quarters
Quarter 1	April	5013.53	4529.32*	-9.66	-7.02
	May	4931.95	4819.47*	-2.28	
	June	4654.7	4229.72*	-9.13	
Quarter 2	July	4538.8	4473.34*	-1.44	9.37
	August	4582.7	5264.51*	14.88	
	September	4549.74	5216.94*	14.66	
Quarter 3	October	4110.99	5552.78*	35.07	21.78
	November	4170.48	4874.85*	16.89	
	December	4822.81	5531.18*	14.69	
Quarter 4	January	4470.52	6122.54*	37.0	11.0
	February	5163.11	4980.41	-3.54	
	March	5810.54	6039.35	3.94	
	Total Exports	56819.9	61634.4*	8.5*	

*(*Revised figures as per latest estimates by DGCI&S)*

Impact of Exchange Rate

How has the exchange rate been in January 2014 vis-a-vis January 2015? We look at the average exchange rate for January 2014 vis-a-vis January 2015. The below table provides the same:

Table 3: Average Exchange Rate

January	Average Exchange Rate 1 USD to INR
2014	Rs 62.08
2015	Rs 62.23

(Source: Calculated from RBI archive)

The official exchange rate of rupee vis-à-vis the US Dollar during January 2015 was largely flat in comparison to that of the same period last year. The depreciation between these two periods was negligible (0.24%).

Trends in Engineering Panel Exports

We begin by looking at the Engineering Panel wise exports for the month of January 2015 vis-a-vis January 2014 and cumulatively for the first ten months. The data is given in Table 4 below:

**Table 4: Trends in Engineering panel Exports January 2015 and April-
January 2015**
US\$ Million

Sl no.	Panel	January, 2014	January, 2015	Growth %	April, 2013 - January, 2014	April, 2014 - January, 2015	Growth %
1. Iron and Steel and Products made of Iron and Steel							
A	Iron and Steel	823.0	717.3	-12.8	7629.1	7352.3	-3.6
B	Products of Iron and Steel	592.3	669.9	13.1	5532.2	6328.0	14.4
Sub Total		1415.3	1387.1	-2.0	13161.3	13680.3	3.9
2. Non-Ferrous Metals and Products made of Non-Ferrous Metals							
A	Copper and products	326.6	306.2	-6.2	2268.7	2908.8	28.2
B	Aluminium and products	163.9	256.2	56.3	1531.5	2284.4	49.2
C	Zinc and products	40.9	79.0	93.2	384.6	448.4	16.6
D	Nickel and products	72.1	135.5	87.9	369.2	714.2	93.5
E	Lead and products	17.8	11.7	-34.3	161.0	152.0	-5.5
F	Tin and products	0.1	0.4	238.5	79.9	32.9	-58.8
G	Other Non Ferrous Metals	38.2	43.4	13.4	344.3	420.1	22.0
Sub Total		659.7	832.4	26.2	5139.1	6960.8	35.4
3. Industrial Machinery							
A	Industrial Machinery like Boilers, parts, etc	52.4	53.9	3.0	462.9	504.4	9.0
B	IC Engines and Parts	181.5	138.5	-23.7	1429.2	2128.4	48.9
C	Pumps of all types	58.2	77.2	32.6	574.2	651.4	13.4
D	Air condition and Refrigerators	108.5	87.1	-19.8	931.0	956.5	2.7
E	Industrial Machinery for dairy, food processing, textiles etc	352.5	380.4	7.9	3469.4	3903.9	12.5
F	Machine Tools	27.3	33.9	24.1	275.7	306.9	11.3
G	Machinery for Injecting moulding, valves and ATMs	108.7	109.1	0.4	1028.1	1093.0	6.3
Sub Total		889.0	880.2	-1.0	8170.4	9544.6	16.8
4	Electrical Machinery	296.6	362.8	22.3	3027.6	3307.5	9.2
5. Auto and Auto Components							
A	Motor Vehicle/cars	433.5	441.2	1.8	4940.4	5606.8	13.5
B	Two and Three Wheelers	117.8	139.6	18.5	1249.5	1590.9	27.3
C	Auto	339.4	365.0	7.6	3214.8	3693.5	14.9

Sl no.	Panel	January, 2014	January, 2015	Growth %	April, 2013 - January, 2014	April, 2014 - January, 2015	Growth %
	Components/Part						
	Sub Total	890.6	945.8	6.2	9404.7	10891.3	15.8
6	Aircrafts and Spacecraft parts and products	898.6	574.9	-36.0	3914.8	5555.3	41.9
7	Ships Boats and Floating products and parts	587.9	1219.5	107.4	3237.7	4720.2	45.8
8. Miscellaneous Items							
A	Medical and Scientific instruments	101.3	100.3	-1.0	951.7	1067.8	12.2
B	Railway Transport	7.9	7.4	-5.7	155.1	115.0	-25.9
C	Hand Tools & Cutting Tools	61.4	62.5	1.7	585.8	637.8	8.9
D	Electrodes Accumulators	2.9	3.2	13.3	32.4	32.0	-1.3
E	Accumulator and Batteries	13.8	16.1	16.4	134.8	174.9	29.8
F	Bicycle & Parts	32.9	29.9	-9.0	282.0	294.5	4.4
G	Cranes Lifts & Winches	22.0	44.2	100.8	246.4	274.7	11.5
H	Office Equipments	2.2	3.8	74.9	25.6	42.5	65.9
I	Other Construction Machinery	96.0	98.6	2.7	790.0	991.1	25.5
J	Prime Mica & Mica Products	1.4	1.5	6.3	15.6	15.6	0.1
K	OTHER MISC. ITEMS	143.1	157.2	9.0	1339.7	1503.6	12.2
	Sub Total	484.8	524.6	8.2	4559.0	5149.4	12.9
	Grand Total	6122.5	6727.3	9.9	50614.7	59809.3	18.2

(Source: Department of Commerce, Government of India)

Some factors that need to be noted are:

- ❖ Out of 33 engineering panels- 24 panels recorded a positive growth and remaining 9 panels fared negative growth in the month of January 2015.
- ❖ Primary Iron and Steel exports have fallen by 13 per cent in January 2015 while Products of Iron and Steel have increased by 13.1 per cent over the same period last year.
- ❖ Non ferrous Metals like Lead and products have witnessed almost 34.3 per cent fall in export growth respectively in the month of January 2015. On the other hand export of Copper and products have been patchy in the current fiscal of 2014-2015 recording dip in January 2015 by 6.2 per cent, but maintained a positive cumulative growth of 28 per cent during April- January

2014-2015 compared to the same period last year. It is to be mentioned that sectors like Tin and products have been very much volatile during the current fiscal 2014-2015 and it recorded a negative cumulative growth of 59 per cent during April- January 2015.

- ❖ Cumulative and monthly exports of railway transports have been showing negative trends considerably over 26 per cent during April-January 2015 and over 5 per cent respectively, during January 2015 against January 2014.
- ❖ Engineering panels like Zinc products, Nickel and products, Ship and Boats and Aluminium products have recorded a handsome export growth in January 2015 compared to January 2014.

☑ Top 25 Country Engineering Exports in Absolute Value (even though the growth rate may be negative)

We now look at the export scenario of top 25 nations that have highest demand for Indian engineering products during January 2015 over January 2014 in Absolute Value, even though the growth rate may be negative. Country wise cumulative figures for April – January 2015 has also been taken into concern to see the trend of India’s engineering exports in the current fiscal.

Table 5: Country wise Exports (2014-2015)
US\$ Million

Country	January, 2014	January, 2015	Growth %	April,2013 - January,2014	April,2014 - January,2015	Growth %
USA	549.09	674.84	22.90	4997.21	6418.45	28.44
UAE	477.69	991.25	107.51	4009.80	5203.40	29.77
SRI LANKA	200.76	376.14	87.36	1719.62	3487.04	102.78
CHINA	501.70	193.37	-61.46	2961.88	2594.16	-12.41
U K	213.96	211.18	-1.30	2057.46	2227.87	8.28
SINGAPORE	353.88	165.42	-53.25	2625.25	2178.28	-17.03
SOUTH AFRICA	85.67	88.44	3.24	1251.63	1793.80	43.32
GERMANY	173.67	166.94	-3.87	1674.54	1774.64	5.98
MALAYSIA	66.09	840.92	1172.31	774.86	1718.58	121.79
MEXICO	151.72	153.08	0.89	985.61	1590.09	61.33
SAUDI ARAB	317.51	155.99	-50.87	1385.15	1476.29	6.58
TURKEY	100.68	185.91	84.65	959.60	1427.93	48.80
ITALY	154.63	122.58	-20.73	1308.90	1391.55	6.31
BANGLADESH	106.30	119.23	12.16	1016.64	1214.89	19.50
NEPAL	89.56	108.28	20.90	864.77	1179.53	36.40
NIGERIA	99.31	76.26	-23.21	966.70	1087.62	12.51

Country	January, 2014	January, 2015	Growth %	April,2013 - January,2014	April,2014 - January,2015	Growt h %
KOREA RP	91.97	100.21	8.96	938.76	1060.51	12.97
IRAN	73.85	93.17	26.15	611.84	1042.54	70.39
INDONESIA	80.06	72.97	-8.86	759.05	979.95	29.10
THAILAND	88.57	83.11	-6.17	896.88	859.93	-4.12
FRANCE	95.42	72.66	-23.85	809.26	853.08	5.42
OMAN	50.27	57.25	13.88	572.09	733.82	28.27
NETHERLAND	84.30	70.69	-16.14	873.18	724.38	-17.04
BRAZIL	70.12	65.76	-6.23	715.74	665.39	-7.03
JAPAN	82.83	55.00	-33.61	701.36	662.36	-5.56
Total of top 25	4359.63	5300.64	21.58	36437.78	44346.07	21.70
Total Engineering Exports	6122.55	6727.29	9.88	50614.66	59808.82	18.17
Share of Top 25 in Total (%)	71.21	78.79		71.99	74.15	

Note: Red font indicates negative monthly and cumulative growth

(Source: Department of Commerce, Government of India)

The country wise figures for January 2015 show interesting trends. These are:

- ❖ Out of the top 25 countries, 13 countries recorded negative growth in the month of January 2015;
- ❖ Top European export destinations for the Indian engineering exports like UK, Germany, Italy and France conceded negative growth in January 2015 but cumulative growth for April 2014– January 2015 remained positive.
- ❖ China once again recorded negative growth in January 2015. Cumulative exports of to China for Iron and Steel, Aircrafts, Spacecrafts and Parts, Ships, Boats and Floating Structures, and Motor Vehicle/cars, recorded heavy fall in April – January 2015 against April- January 2014.
- ❖ The Indian engineering exports to USA, continues to be the highest in the reporting month despite there being no GSP.
- ❖ Out of 225 destinations for export of Indian engineering goods, the top 25 nations accounts for 74.15 per cent of the total during April-January 2015.
- ❖ During April – January 2015, growth rate in the top 25 countries taken together is somewhat higher at 21.70 per cent than that of India’s total engineering exports at 18.17 per cent.
- ❖ South Asian countries like Singapore and Thailand which are good export destinations for Indian export recorded 17.03 per cent and 4.12 per cent decline in engineering imports from India during April – January 2015.

Regional Distribution of Engineering Exports

We now look at the Regional Distribution of Engineering Exports for April-January 2015 as opposed to April-January 2014. Like before we also look at the trend in January 2015 vis-à-vis January 2014. The Table below gives this picture:

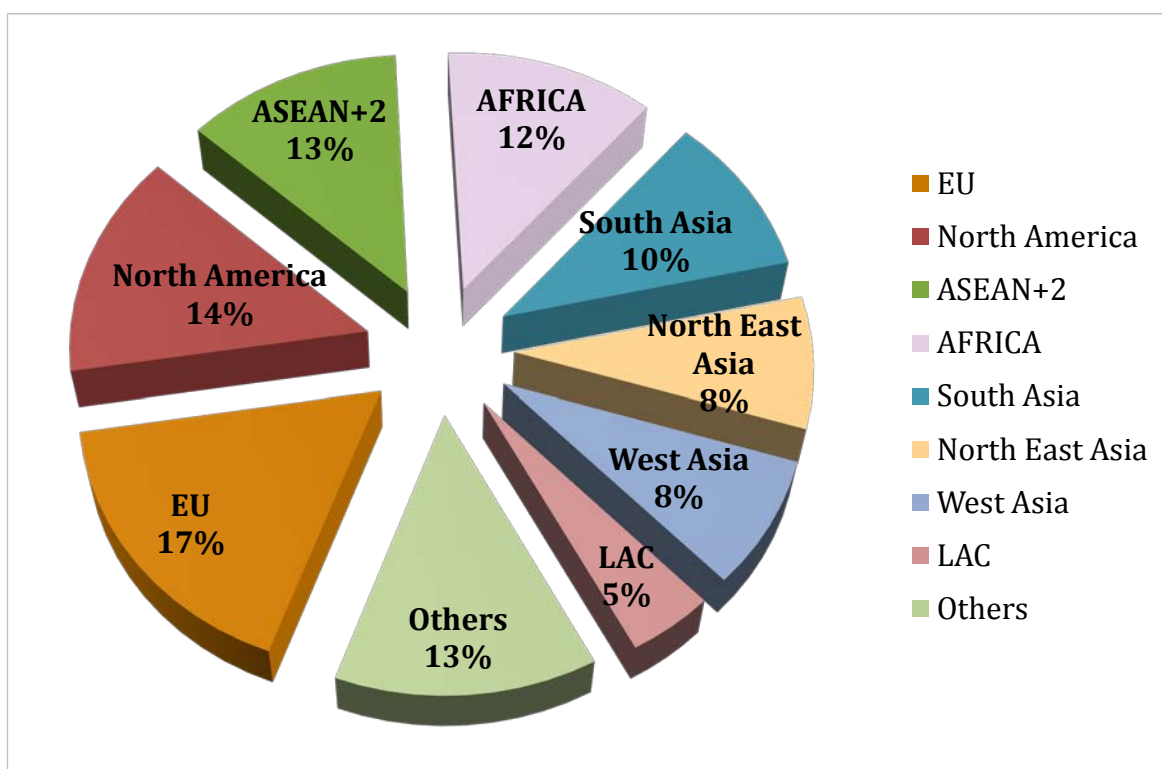
Table 6: Region Wise Exports Trend
US\$ Million

Region	January, 2014	January, 2015	Growth %	April,2013 - January,2014	April,2014 - January,2015	Growth %
AFRICA	657.42	580.12	-11.76	6567.76	7231.73	10.11
ASEAN+2	813.25	1332.88	63.89	6895.30	7481.24	8.50
CIS	68.06	35.74	-47.48	598.28	790.70	32.16
EU	981.18	961.01	-2.06	9280.69	10149.69	9.36
LAC	253.26	243.75	-3.76	2446.19	2651.40	8.39
North America	744.49	871.34	17.04	6355.15	8477.49	33.40
North East Asia	734.15	407.17	-44.54	5202.83	4925.79	-5.32
Others	486.85	1005.31	106.49	4141.43	5378.80	29.88
Rest of Europe	141.00	226.87	60.90	1265.05	1791.83	41.64
South Asia	422.48	621.34	47.07	3817.40	6102.35	59.86
West Asia	820.40	441.78	-46.15	4044.57	4827.80	19.36
Grand Total	6122.55	6727.29	9.88	50614.66	59808.82	18.17

(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 2: India's region wise exports during April-January 2015
US\$ Million



(Source: EEPC India analysis)

Note: Others also includes rest of Europe and CIS

- ❖ Engineering exports to EU ranks first in region wise exports during the cumulative period of April- January 2015. However the monthly exports made in EU during January 2015 have fallen compared to January 2014.
- ❖ Engineering exports to North American countries like Canada and USA have registered positive growth rates especially for items like Non-Ferrous Metals, Industrial Machinery, Iron and Steel, Auto Components/Part etc.
- ❖ The cumulative exports to Africa during April-January 2015 as against April-January 2014 registered a positive growth. However the monthly exports in January 2015 recorded a fall in growth by 11.76% compared to January 2014.
- ❖ The cumulative exports made to North East Asia have fallen by 5.32% during April-January 2015 as compared to April-January 2014. This fall is on account of the fall in exports to China and Japan. Exports to Japan have fallen in case of Iron and Steel and products, Electric Machinery and Equipment, Industrial Machinery, and Aircrafts, Spacecrafts and Parts, during April-January 2015.

Major Product and Market Analysis

We now analyze the performance of some of the important products during the period April-January 2015. We pick the major panels and seek the heavy growth and heavy

declines in these panels **IN THE FIRST TEN MONTHS OF THE CURRENT FISCAL** to give an idea about the trend that is emerging.

Table 7: Export of iron & steel
US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	823.02	717.28	7629.11	7352.28	-3.63
U S A	83.98	78.37	460.91	595.20	29.14
UAE	23.32	70.35	417.34	569.83	36.54
IRAN	29.43	45.12	230.31	520.78	126.12
ITALY	66.65	38.45	409.02	448.29	9.60
NEPAL	34.14	31.66	328.76	422.72	28.58
BANGLADESH	28.94	20.02	192.77	223.70	16.04
INDONESIA	16.62	14.15	170.34	202.32	18.77
SPAIN	14.33	17.52	146.47	159.42	8.84
HEAVY DECLINE COUNTRIES					
KOREA	30.97	32.51	335.67	282.66	-15.79
THAILAND	36.11	17.22	328.80	234.84	-28.58
BELGIUM	18.25	26.85	292.44	220.93	-24.45
JAPAN	16.23	18.30	227.06	209.18	-7.88
SAUDI ARAB	19.85	12.09	265.83	208.28	-21.65
TAIWAN	27.91	21.44	243.71	200.41	-17.77
NETHERLAND	15.43	17.67	193.63	161.57	-16.55
TURKEY	15.47	13.25	158.38	131.89	-16.73

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing 8% of India's total export of Iron and Steel during April- January 2014-15.
- ❖ While UAE and Iran imports roughly 8% and 7% of India's total export of Iron and Steel respectively during the same period respectively.

Table 8: Export of products iron & steel
US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	592.28	669.85	5532.20	6327.99	14.38
U S A	110.34	146.43	1096.49	1434.45	30.82
SAUDI ARAB	19.61	78.29	208.10	521.07	150.39
GERMANY	41.80	40.73	345.33	391.11	13.26

U K	34.98	28.70	309.34	316.91	2.45
ITALY	15.62	13.53	158.69	175.44	10.55
IRAN	1.15	2.64	45.34	116.68	157.32
FRANCE	10.87	10.54	105.03	108.81	3.59
NETHERLAND	10.51	12.09	101.03	105.56	4.49
HEAVY DECLINE COUNTRIES					
UAE	51.48	42.60	654.70	619.68	-5.35
CANADA	18.76	15.22	164.59	148.25	-9.93
BRAZIL	6.90	6.92	81.12	70.85	-12.66
MEXICO	24.91	6.38	122.91	58.77	-52.18
OMAN	5.87	5.73	72.39	58.73	-18.87
SINGAPORE	6.47	3.74	51.23	48.92	-4.51
IRAQ	0.54	29.00	77.77	44.26	-43.09
BENIN	6.68	4.25	57.17	43.45	-24.00

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing 22.7% of India's total export of Products of Iron and Steel during April- January 2014-15.
- ❖ While UAE and Saudi Arabia imports 9.79 % and 8.23% of India's total export of Iron and Steel respectively during the same period.

Table 9: Export of industrial machinery
US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	889.0	880.1	8170.4	9544.6	16.8
U S A	121.3	158.1	1129.4	1561.9	38.3
UAE	28.0	44.5	287.7	522.8	81.7
U K	37.5	30.0	286.9	405.4	41.3
GERMANY	41.5	37.4	382.7	398.8	4.2
TURKEY	35.0	42.1	316.1	387.2	22.5
CHINA	29.4	27.9	286.3	331.7	15.9
ITALY	21.2	24.2	203.6	277.4	36.3
BANGLADESH	29.2	30.1	217.8	272.3	25.0
HEAVY DECLINE COUNTRIES					
SAUDI ARAB	29.9	25.8	321.0	256.8	-20.0
IRAN	34.8	15.7	258.6	169.0	-34.6
JAPAN	33.6	11.2	153.0	150.1	-1.9
SOUTH AFRICA	9.4	10.5	132.2	126.2	-4.5
KENYA	13.5	9.1	132.3	115.5	-12.7

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
ALGERIA	9.3	10.8	113.5	106.7	-6.1
EGYPT	11.8	10.0	107.9	102.6	-4.9
KOREA	11.4	7.6	100.9	99.7	-1.2

(Source: Department of Commerce, Government of India)

- ❖ USA tops here importing 17.97 % of India's total exports of Industrial machinery in January, 2015. USA imported 16.36 % of India's total exports for Industrial Machinery during April- January 2014-15.
- ❖ UAE and UK imports 5.05% and 3.4% of India's total exports of Industrial machinery in January, 2015 respectively. Similarly, UAE and UK imports 5.48% and 4.25% of India's total exports for Industrial Machinery during April- January 2014-15.

Table 10: Export of automobiles

US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	433.48	441.24	4940.43	5606.80	13.49
MEXICO	45.42	70.62	385.77	662.10	71.63
SRI LANKA	22.13	41.57	191.53	298.93	56.08
ALGERIA	26.72	30.72	250.02	266.80	6.71
UAE	14.05	14.25	127.95	243.76	90.51
BANGLADESH	11.99	15.28	157.57	188.96	19.92
NIGERIA	15.24	9.15	144.05	173.01	20.11
SAUDI ARAB	12.05	9.05	102.62	161.04	56.93
ITALY	10.52	10.80	112.24	143.35	27.72
HEAVY DECLINE COUNTRIES					
SOUTH AFRICA	46.32	48.38	718.39	658.36	-8.36
U K	34.42	15.65	513.04	301.10	-41.31
AUSTRALIA	17.07	9.07	177.73	145.09	-18.36
NETHERLAND	8.96	10.05	115.62	109.41	-5.37
CHILE	10.74	7.48	139.86	99.48	-28.87
ISRAEL	5.39	0.84	65.74	54.42	-17.22
LEBANON	12.95	3.87	54.98	51.65	-6.07
TANZANIA	4.27	1.87	33.02	32.45	-1.72

(Source: Department of Commerce, Government of India)

- ❖ In case of Motor vehicles Mexico tops the list importing almost 12% of India's total exports of Motor vehicles during April-January 2014-2015.

- ❖ South Africa and UK holds the 2nd and 3rd position respectively importing 11.74% and 5.37% of India's total exports of Motor vehicles during the same period.

Table 11: Export of non-ferrous metals

US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	659.7	832.4	5139.1	6960.8	35.4
CHINA	235.6	126.0	1673.3	1701.2	1.7
UAE	40.4	103.3	337.7	666.8	97.4
KOREA	36.7	48.2	384.8	534.6	38.9
SINGAPORE	63.5	61.0	356.1	532.8	49.6
MEXICO	49.8	28.6	174.7	454.8	160.3
U S A	34.8	50.7	324.2	430.6	32.8
MALAYSIA	5.8	151.3	94.0	311.3	231.2
U K	14.9	16.9	138.2	156.4	13.2
HEAVY DECLINE COUNTRIES					
KENYA	3.9	7.3	47.0	44.5	-5.3
SRI LANKA	4.7	3.2	42.8	42.7	-0.1
INDONESIA	4.0	4.1	43.0	41.7	-3.1
BRAZIL	6.8	4.5	40.8	34.4	-15.8
SOUTH AFRICA	3.6	3.5	36.7	33.6	-8.4
FRANCE	3.5	3.3	32.6	32.5	-0.5
SWEDEN	7.3	2.2	30.0	24.1	-19.6
OMAN	8.4	2.1	36.6	22.9	-37.5

- ❖ China is the top most importer for Non ferrous Metals importing 24.4% of India's total export of Non Ferrous Metals during April- January 2014-15.
- ❖ While UAE and Korea imports 9.6% and 7.7% of India's total export of Non ferrous Metals respectively during the same period.

Table 12: Export of Electrical Machinery and Components

US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014-- 15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	296.6	362.8	3027.6	3307.4	9.2
U S A	40.4	40.4	387.0	427.4	10.4
U K	16.1	33.4	184.5	210.5	14.1
GERMANY	18.1	24.0	199.8	207.3	3.8

UAE	14.5	31.0	147.9	180.9	22.3
FRANCE	21.7	15.8	161.6	172.9	7.0
SAUDI ARAB	6.5	6.5	76.3	82.6	8.2
NIGERIA	4.4	5.9	64.7	76.5	18.4
SINGAPORE	8.4	4.7	54.6	74.6	36.6
HEAVY DECLINE COUNTRIES					
THAILAND	5.4	4.7	60.1	53.7	-10.7
ITALY	6.5	6.2	58.3	53.0	-9.1
JAPAN	4.9	4.2	55.7	50.0	-10.2
KENYA	4.1	4.1	51.1	48.4	-5.3
BRAZIL	8.0	4.6	98.4	46.9	-52.3
SOUTH AFRICA	5.4	3.6	76.1	41.6	-45.3
NETHERLAND	3.7	1.5	51.0	39.8	-22.0
HONG KONG	3.3	2.8	35.5	34.3	-3.5

- ❖ USA is the largest importer of Electrical Machinery and Equipments from India during Apr-December 2014-15 with 12.9% share in India's global import of the product group. Germany slipped to third position with nearly half of USA's import.
- ❖ Among the largest nations, Brazil and South Africa witnessed significant decline in growth during April-January 2014-2015 over the same period last year. Its share is recorded at 1.4 % and 1.3 % respectively.

Table 13: Export of aircrafts & parts
US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014-- 15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	898.60	574.89	3914.76	5554.95	41.90
SRI LANKA	133.07	88.20	791.23	1745.08	120.55
UAE	252.14	269.52	804.86	829.16	3.02
U S A	25.83	30.92	315.29	404.20	28.20
IRELAND	1.47	49.41	2.33	337.17	14347.90
SINGAPORE	10.88	3.98	308.34	322.57	4.61
U K	8.57	34.94	103.00	314.85	205.69
TURKEY	0.21	43.37	33.05	254.54	670.25
ROMANIA	0.13	0.64	1.01	138.16	13638.91
HEAVY DECLINE COUNTRIES					
FRANCE	18.98	10.98	172.98	145.27	-16.02
CHINA	177.15	0.01	407.98	138.00	-66.17
GERMANY	5.76	4.63	67.65	65.70	-2.88

NETHERLAND	16.18	2.06	144.30	44.85	-68.92
ISRAEL	4.60	4.88	38.96	34.11	-12.45
CZECH REPUBLIC	0.01	0.01	74.94	31.46	-58.02
SWITZERLAND	2.57	1.46	27.14	26.33	-2.98
MALAYSIA	12.98	0.98	86.61	21.03	-75.72

- ❖ In case of Aircrafts and Parts Sri Lanka continues to be the top importer, importing nearly one-third of India's total exports of Aircrafts and Parts during April- December 2014-2015.
- ❖ Ireland emerged as the fourth largest export destination with a notable surge in exports during April – January 2014-15 over the year ago period.

Table 14: Export of Ships, Boats and Floating Structures and parts
US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	587.89	1219.48	3237.73	4720.18	45.79
UAE	10.91	365.93	846.28	1117.98	32.11
MALAYSIA	0.00	610.84	0.03	856.97	2904678.23
SRI LANKA	0.64	184.95	216.20	765.71	254.16
SOUTH AFRICA	0.00	0.00	0.02	657.31	3000035.34
OMAN	11.22	0.00	138.35	352.41	154.73
ISRAEL	0.00	1.79	0.49	15.19	2970.62
KUWAIT	0.00	0.00	0.01	9.56	161076.30
NIGERIA	0.00	0.00	0.07	8.28	11217.47
HEAVY DECLINE COUNTRIES					
SINGAPORE	224.87	54.91	1463.48	733.51	-49.88
INDONESIA	10.07	0.00	65.66	53.40	-18.67
QATAR	268.78	0.00	268.79	44.18	-83.56
LIBERIA	59.52	0.00	59.52	28.98	-51.31
THAILAND	0.00	0.00	14.85	14.27	-3.92
NETHERLAND	0.01	0.19	8.60	2.59	-69.89
BELGIUM	0.00	0.00	32.24	2.02	-93.72
RUSSIA	0.00	0.41	1.05	0.55	-47.80

- ❖ UAE contuse as the top export destination for India's export of Ships, Boats and Floating Structures and parts during April- January 2014-2015.

- ❖ Malaysia recorded massive growth among top export destinations due to substantial surge in its import during the current fiscal.

Table 15: Export of auto components

US\$ Million

Export partners	Jan_14	Jan_15	Apr_Jan 2013--14	Apr_Jan 2014--15	Growth %
SUBSTANTIAL GROWTH COUNTRIES					
Export to World	339.36	365.02	3214.78	3693.53	14.89
U S A	68.86	81.57	654.10	781.85	19.53
TURKEY	28.83	40.07	262.91	350.16	33.19
THAILAND	16.15	18.52	146.99	187.15	27.33
BRAZIL	16.51	15.45	153.90	169.83	10.35
INDONESIA	10.44	11.78	108.43	156.79	44.61
BANGLADESH	8.00	10.45	66.05	125.58	90.13
EGYPT	8.97	8.46	95.93	106.94	11.48
UAE	9.14	11.34	80.71	104.18	29.07
HEAVY DECLINE COUNTRIES					
U K	21.23	17.94	203.26	176.58	-13.13
GERMANY	18.33	16.17	168.78	165.33	-2.04
ITALY	16.82	12.66	150.30	127.20	-15.37
FRANCE	6.91	3.91	62.36	53.56	-14.11
SOUTH AFRICA	3.91	4.05	56.05	47.61	-15.05
MALAYSIA	4.30	3.45	47.88	33.68	-29.66
POLAND	3.06	2.93	34.43	31.58	-8.28
SWEDEN	2.58	2.06	25.41	22.44	-11.70
U K	21.23	17.94	203.26	176.58	-13.13

- ❖ USA is the largest importer of Auto Components and Parts from India with more than 21% share in India's global export during April-January 2014-2015.
- ❖ Turkey holds the second position with 9.48% share in India's global export of auto components and parts during the same time period.

Conclusion

Engineering exports witnessed a slowdown in growth during January 2015 but growth was pretty decent in December 2014 at 20% although it was lower than the growth in November at 31.4%. Manufacturing growth, on the other hand slowed down to 2.1% in December 2014 from a higher 3.1% in November 2014. The manufacturing growth in expected to slow down further in January 2015 given the fall in engineering export

growth in the same month, as these two have some positive correlation in between. However, we expect manufacturing production to revive and growth to pick up in 2015 as RBI have started easing policy rate following slower inflation and the ensuing budget is expected to kick-start investment cycle as a part of economic reform. Recovery in the global economy is also likely to increase India's overseas shipment in the months ahead by generating more demand from overseas, which in turn will boost manufacturing output. Exports from India, therefore is strongly expected to rise in 2015 and higher manufacturing production is likely to match the demand from across the globe.

