

Analysis of Engineering Exports during June, 2014

July 16, 2014

Engineering exports for the first quarter of the current fiscal has shown considerable buoyancy though there is certainly an element of base effect in the export figures. Our engineering exports growth grew by 24.15% in the first quarter over the same period in the last fiscal. Exports in the month of June 2014 grew by 21.73% over June 2013, with growth rate dipping slightly vis-a-vis the previous two months. It may be mentioned that revival in industrial production which grew by 4.7% in May 2014 and 4% during April-May 2014 helped in giving a push to engineering exports. The trend in engineering exports is given in Table 1 below :

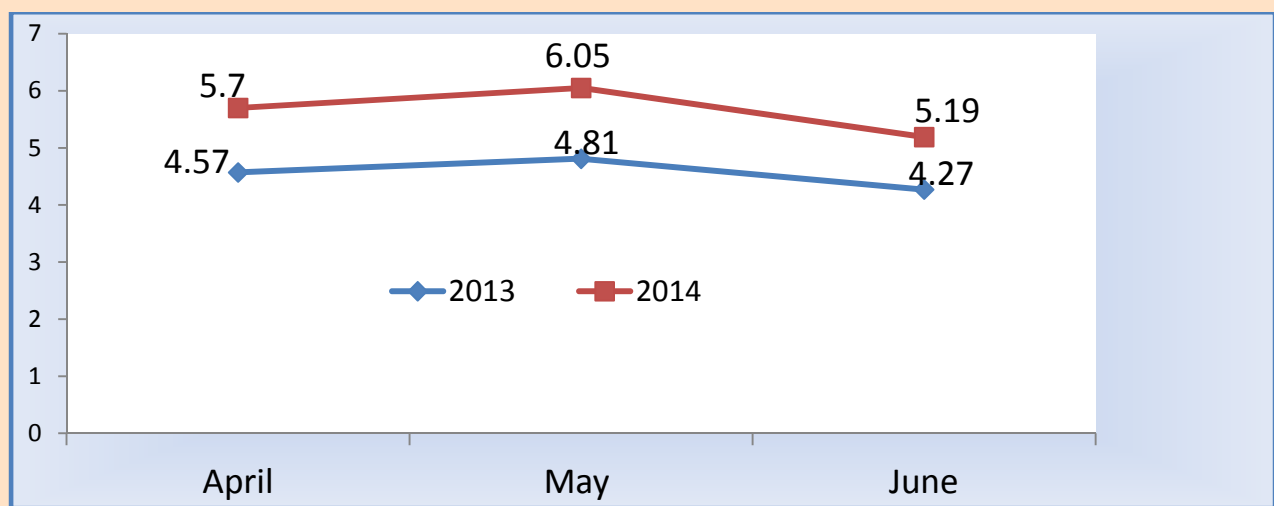
Table 1: Engineering Exports (Value in USD Million)

Months	2013-14	2014-15	Growth(%)
April	4569.55	5703.48	24.81
May	4814.44	6049.54	25.65
June	4267.04	5194.21	21.73
April-June	13651.03	16947.23	24.15

(Source : Department of Commerce, Government of India)

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

Figure 1: Trends in Monthly Engineering Exports in USD Billion



Impact of Exchange Rate

Did the exchange rate also play a role in making our engineering exports competitive? We look at the average exchange rate for the period during April-June 2014 vis-a-vis April-June 2013. The below table provides the same:

First Quarter (April –June)	Average Exchange Rate 1 USD to INR
2013	Rs 55.94911
2014	Rs 59.76737

(Source : Calculated from RBI archive)

Clearly, the exchange rate was favourable in the first quarter of the current fiscal than the first quarter of the last fiscal

Trends in Engineering Panel Exports

We begin by looking at the Engineering Panel wise exports for month of June 2014 vis-a-vis June 2013 and cumulatively for the first quarter. The data is given in Table 2 below:

Table 2 : Trends in Engineering panel Exports June 2014 and June 2013

(Value in US\$ Million)

Engineering Panels	June, 2013	June, 2014	Growt h (%)	April-June, 2013	April-June, 2014	Growth (%)
1. Iron and Steel and Products made of Iron and Steel						
A Iron and Steel	578.20	673.95	16.56	1931.8	2197.44	13.75%
B Products of Iron	545.44	577.74	5.92	1569.39	1748.34	11.40%
Sub-Total	1123.64	1251.69	11.40	3501.19	3945.78	9.05%
2. Non-Ferrous Metals and Products made of Non-Ferrous Metals						
A Copper and products	59.1	226.75	283.67	309.52	657.4	112.39%
B Aluminium and products	143.1	200.19	39.90	414.76	545.58	31.54%
C Zinc and products	30.88	14.61	-52.69	86.53	35.43	-59.05%
D Nickel and products	54.01	47.09	-12.81	140.79	88.67	-37.02%
E Lead and products	5.03	9.4	86.88	17.17	35.42	106.29%
F Tin and products	24.87	2	-91.96	26.18	13.72	-47.59%
G Other Non Ferrous Metals	33.51	32.82	-2.06	93.7	105.61	12.71%
Sub-Total	350.5	532.86	52.03	1088.65	1481.83	36.12%
3. Industrial Machinery						
A Nuclear Reactors and Industrial machinery	40.28	45.29	12.44	124.24	127.8	2.87%
B IC Engines and Parts	144.07	156.33	8.51	410.21	483.29	17.82%
C Pumps of all types	60.1	63.68	5.96	159.36	186.75	17.19%
D Air condition and Re	89.98	103.69	15.24	260.02	308.05	18.47%
E Other Industrial Machinery	331.94	386.03	16.30	981.76	1176.57	19.84%
F Machine Tools	27.1	32.39	19.52	87.04	94.7	8.80%
G Machinery for ATMs etc	100.42	119.43	18.93	293.56	326.82	11.33%
Sub-Total	793.89	906.84	14.23	2316.19	2703.98	16.74%

4.	Electric Machinery and Equipment	318.32	353.35	11.00	875.98	982.08	12.11%
5. Auto and Auto Parts							
A	Motor Vehicle/cars	403.09	518.12	28.54	1206.57	1475.54	22.29%
B	Two and Three Wheelers	109.73	133.43	21.60	330.69	420.63	27.20%
C	Auto Components/Part	299.21	358.7	19.88	877.04	1110.14	26.58%
Sub-Total		812.03	1010.25	24.41	2414.3	3006.31	24.52%
6.	Aircrafts and Spacecraft	160.47	338.05	110.66	574.84	1499.78	160.90%
7.	Ships Boats and Floating bodies	273.33	338.44	23.82	1487.12	1825.04	22.72%
8. Miscellaneous							
A	Medical and Scientific instruments	105.28	100.84	-4.22	276.18	303.41	9.86%
B	Railway Transport an	11.74	4.8	-59.11	69.44	50.62	-27.10%
C	Hand Tools & Cutting Tools	55.9	60.68	8.55	164.92	187.3	13.57%
D	Electrodes & Accumulators	4.83	2.83	-41.41	9.73	8.67	-10.89%
E	Accumulator and Battery	14.33	15.42	7.61	31.43	43.74	39.17%
F	Bicycle & Parts	23.18	28.35	22.30	77.12	87.73	13.76%
G	Cranes Lifts & Winches	26.33	22.83	-13.29	67.14	73.98	10.19%
H	Office Equipments	3.97	4.03	1.51	8.9	9.44	6.07%
I	Other Construction Materials	63.01	86.34	37.03	218.73	271.8	24.26%
J.	Prime Mica & Mica Pr	2.11	1.55	-26.54	5.23	4.96	-5.16%
K	OTHER MISC. ITEMS	124.18	135.06	8.76	463.94	460.78	-0.68%
Sub-Total		434.86	462.73	6.41	1392.76	1502.43	7.87%
GRAND TOTAL		4267.04	5194.21	21.73	13651.03	16947.23	24.15%

(Source : Department of Commerce, Government of India)

Table 4 : Country wise Exports (2014-2015)

(Value in Million US \$)

COUNTRY	June, 2013	June, 2014	Growth (in %)	April,2013 - June,2013	April,2014 - June,2014	Growth (in %)
U S A	471.72	620.08	31.45	1396.16	1739.52	24.59
UAE	301.26	398.83	32.39	1313.28	1645.44	25.29
SRI LANKA	73.24	246.44	236.48	338.43	867.61	156.36
SINGAPORE	324.01	116.18	-64.14	1195.09	832.14	-30.37
U K	162.51	193.29	18.94	518.64	642.70	23.92
CHINA	93.15	202.66	117.57	309.94	564.34	82.08
GERMANY	167.59	170.06	1.47	484.10	523.79	8.20
TURKEY	72.96	107.59	47.46	227.20	484.61	113.29
OMAN	43.89	32.79	-25.29	137.15	438.87	220.00
ITALY	105.22	142.74	35.66	384.06	416.59	8.47
MEXICO	69.27	125.29	80.87	184.66	385.30	108.65
BANGLADESH	90.76	104.33	14.95	297.10	373.82	25.82
SAUDI ARABIA	130.41	129.49	-0.71	369.93	371.59	0.45
INDONESIA	66.97	78.95	17.88	196.12	364.34	85.77
NEPAL	94.47	113.38	20.01	232.60	342.04	47.05

KOREA South	77.38	106.44	37.56	286.66	331.75	15.73
JORDAN	8.19	212.56	2496.17	20.64	329.31	1495.27
NIGERIA	87.66	110.25	25.76	251.01	312.38	24.45
SOUTH AFRICA	116.14	94.07	-19.00	362.85	293.53	-19.11
THAILAND	61.25	85.73	39.97	233.23	256.13	9.82
FRANCE	72.05	75.37	4.61	250.91	246.86	-1.62
IRAN	29.76	84.19	182.92	154.05	241.70	56.90
NETHERLAND	42.46	70.57	66.20	168.73	209.16	23.96
BRAZIL	64.67	63.76	-1.40	204.83	203.14	-0.82
JAPAN	87.36	78.62	-10.01	209.91	190.55	-9.23
Total of top 25	2914.34	3763.64	29.14	9727.30	12607.20	29.61
Total Engineering Exports	4272.074	5217.955	22.14	13660.94	16975.00	24.26
Share of Top 25 in Total (%)	68.22	72.13		71.2	74.27	

Table 5: Region Wise Exports Trend—April –May 2013-2014- April-May 2014-2015

(Value in Million US \$)

Region	June, 2013	June, 2014	Growth (in %)	APRIL,2013 - June,2013	APRIL,2014 - June,2014	Growth (in %)
EU	766.3161	952.5619	24.30	2451.02	2857.592	16.59
North America	573.1159	781.2073	36.31	1684.16	2242.871	33.17
ASEAN+2	673.9396	508.023	-24.62	2233.006	2138.269	-4.24
AFRICA	611.8934	578.0357	-5.53	1851.44	1855.2	0.20
West Asia	324.3554	612.5379	88.85	1032.851	1775.997	71.95
Others	312.3597	417.6848	33.72	1355.26	1734.84	28.01
South Asia	278.5198	476.9872	71.26	941.4903	1634.741	73.63
North East Asia	310.7076	459.1645	47.78	943.257	1274.313	35.10
LAC	253.987	222.1067	-12.55	686.777	681.8349	-0.72
Rest of Europe	107.2644	137.2128	27.92	318.086	568.0772	78.59
CIS	59.61477	72.4334	21.50	163.5975	211.2625	29.14
Grand Total	4272.074	5217.955	22.14	13660.94	16975.00	24.26

(Source : DGCI&S;)

Note : * Figures have been rounded off.

** Myanmar has been included in ASEAN+2 and not in South Asia, since ASEAN is a formal economic grouping.

