

Engineering exports put up a record growth

India's exports of engineering goods have put up a record growth of about 24.61% in dollar terms in 2005-06 over 2004-05. EEPC estimates based on the provisional data obtained from DGCI&S suggest that exports of engineering goods from India in 2005-06 touched USD 19.18 billion.

In the month of March 2006, exports of engineering goods were to the tune of USD 2447.28 million, up from USD 2022.97 million recorded in March 2005 and higher by more than 20%.

Exports of engineering items have increased by about 54% in dollar terms in the month of March 2006 over February 2006.

In rupee terms India's export of engineering goods are valued at Rs 84943.73crores during April-March 2005-06 which is 22.78% higher than the value of export Rs 69181.67crores during April-March 2004-2005.

Exports of engineering services from India are estimated at around Rs 1280 crore (USD 289 mn), indicating a growth of around 16% over 2004-05.

Total exports of engineering goods and services, therefore, are estimated at Rs 86,223.73 crore (USD 19,472.32 mn), well above the target set at USD 18.3 billion, excluding performance of 292 engineering items at 8-digit level of HS Codes.

292 items were identified by the Council which are not being taken in 11 principal commodities (belonging to the engineering sector) by DGCI&S.

According to the last disaggregated data released by DGCI&S upto September 2005 at 8-digit level of HS Codes, these items recorded exports worth USD 442.63 mn in the first half of 2004-05, more than 15% higher than their performance in the corresponding period of 2004-05.

Including performance of these items, therefore, it can be said with certainty that exports of engineering goods and services have crossed USD 20 billion in 2005-06.

The engineering sector appears to retain its share of 20% plus in overall exports from the country, which is maximum in terms of sectoral contribution.

What's up and what's down in March

In Comparison to monthly export performance in February 2006:

What's up: Ferro alloys, Aluminium other than products, Iron & steel bar/rods, Machine tools, Machinery & instruments, Manufactures of metals, Mica, Non-ferrous metals, Primary & semi-finished iron & steel, Transport equipment

What's down: Residual engineering items

In comparison to cumulative export performance in 2004-05:

What's up: Iron & steel bar/rods, Machine tools, Machinery & instruments, Manufactures of metals, Mica, Non-ferrous metals, Residual engineering items, Transport equipment

What's down: Ferro alloys, Aluminium other than products, Primary & semi-finished iron & steel

EXPORT PERFORMANCE MONITOR



Monthly export performance of the principal commodities has been given in the following table:

**Export Performance of Principal Commodities: 2005-06 over 2004-05
(figures in USD million)**

<i>Principal Commodity</i>	<i>Cumulative Exports - APR 05 to MAR 06</i>	<i>% change over APR - MAR 0405</i>	<i>% change in MAR 06 over FEB 06</i>	<i>% change in MAR 06 over MAR 05</i>
<i>Machinery & instruments</i>	4795.29	28.95	49.30	5.17
<i>Transport equipment</i>	4565.89	61.39	86.15	102.46
<i>Manufactures of metals</i>	4172.72	22.70	28.94	20.85
<i>Primary & semi-finished iron & steel</i>	3006.08	-14.58	53.14	-31.45
<i>Non-ferrous metals</i>	1361.14	77.99	55.68	149.72
<i>Iron & steel bar/rods</i>	504.28	25.63	89.78	15.96
<i>Ferro alloys</i>	264.61	-1.12	19.96	28.60
<i>Aluminium other than products</i>	217.5	-12.80	48.20	-7.36
<i>Machine tools</i>	214.31	21.36	104.99	-11.97
<i>Residual engineering items</i>	64.17	21.88	-1.41	21.39
<i>Mica</i>	17.32	22.58	9.52	27.78
<i>Grand Total</i>	19183.31	24.61	54.09	20.97

Source: DGCI&S Provisional Data

The export basket: changes in shares

The export basket in 2005-06 has experienced some significant changes in shares. Major increase has been seen for Transport equipment.

Shares of Principal Commodities in the Export Basket: 2004-05 and 2005-06

<i>Commodity Name</i>	<i>Share0405 %</i>	<i>Share0506 %</i>
<i>Machinery & instruments</i>	24.16	25.00
<i>Transport equipment</i>	18.38	23.80
<i>Manufactures of metals</i>	22.09	21.75
<i>Primary & semi-finished iron & steel</i>	22.86	15.67
<i>Non-ferrous metals</i>	4.97	7.10
<i>Iron & steel bar/rods</i>	2.61	2.63
<i>Ferro alloys</i>	1.74	1.38
<i>Alluminium other than products</i>	1.62	1.13
<i>Machine tools</i>	1.15	1.12
<i>Residual engineering items</i>	0.34	0.33
<i>Mica</i>	0.09	0.09
	100.00	100.00

Source: DGCI&S Provisional Data

EXPORT PERFORMANCE MONITOR



Significant increases have been seen for Non-ferrous metals and Machinery & Instruments. Shares of Primery & semi-finished iron & steel have gone down significantly in 2005-06 in comparison to 2004-05.

Top destinations: APR MAR 200506

New entrants in the top 20 list: Malaysia, Nigeria

Out of the list: Taiwan

Export Performance to Top 20 Destinations for March 2006
(figures in USD million)

Importing Country	Cumulative Exports 2005-06	% change over 2004-05	Exports MAR 06	% change MAR 06 over FEB 06	% change MAR 06 over MAR 05	Rank0405	Rank0506
USA	2720.85	16.43	310.90	27.39	29.47	1	1
UAE	1689.93	66.33	207.26	25.23	53.55	2	2
Singapore	1130.58	86.61	331.56	294.67	144.93	6	3
UK	920.26	16.95	89.13	21.80	3.38	4	4
China	721.16	-19.13	66.76	13.50	-59.71	3	5
Germany	651.82	14.57	70.63	25.50	-7.49	7	6
Sri Lanka	633.11	44.48	86.52	61.21	47.49	8	7
Italy	591.68	-5.04	74.14	32.18	9.64	5	8
South Africa	496.48	89.49	61.11	69.61	125.08	15	9
Saudi Arabia	474.42	82.52	82.41	104.69	137.08	17	10
France	430.33	54.61	31.83	83.78	38.57	13	11
Iran	403.99	65.03	39.96	70.77	46.53	18	12
Belgium	358.28	-16.55	51.44	90.24	-2.50	9	13
Indonesia	352.91	26.16	48.57	31.91	10.41	12	14
Nigeria	346.41	58.59	41.68	19.29	35.41	23	15
Malaysia	330.69	44.72	48.07	56.68	69.92	21	16
Korea Republic	325.14	34.57	50.89	106.37	15.66	19	17
Thailand	318.99	15.29	32.05	52.91	-31.68	14	18
Bangladesh	310.98	2.12	29.45	13.31	-26.92	10	19
Netherlands	310.05	19.19	44.16	135.52	41.72	16	20

Source: DGCI&S Provisional Data, EEPC Member Returns

Top 5 destinations: product performance

<i>Destinations</i>	<i>Substantial Growth</i>	<i>Heavy Decline</i>
<i>USA</i>	<i>Aluminium other than products, Machine tools, Machinery & instruments, Residual engineering items, Transport equipment</i>	<i>Ferro alloys, Primary & semi-finished iron & steel</i>
<i>UAE</i>	<i>Non-ferrous metals, Primary & semi-finished iron & steel, Residual engineering items, Transport equipment</i>	<i>Aluminium other than products, Ferro alloys, Iron & steel bar/rods</i>
<i>Singapore</i>	<i>Iron & steel bar/rods, Non-ferrous metals, Transport equipment</i>	<i>Ferro alloys</i>
<i>UK</i>	<i>Machinery & instruments, Non-ferrous metals, Primary & semi-finished iron & steel</i>	<i>Residual engineering items</i>
<i>China</i>	<i>Iron & steel bar/rods, Machine tools, Mica, Non-ferrous metals</i>	<i>Aluminium other than products, Primary & semi-finished iron & steel</i>

Source: DGCI&S Provisional Data, EEPC Member Returns

Emerging Destinations

1. Growth in cumulative exports of the period under consideration: more than 50%
2. Exports between 0.5% and 1% of total exports of engineering goods in this period

(figures in USD Million)

<i>Destinations</i>	<i>Cumulative Export 2004-05</i>	<i>Cumulative Export 2005-06</i>	<i>Growth%</i>
<i>Qatar</i>	<i>54.54</i>	<i>129.91</i>	<i>138.19</i>
<i>Kuwait</i>	<i>83.90</i>	<i>134.24</i>	<i>60.00</i>
<i>Egypt</i>	<i>95.40</i>	<i>145.58</i>	<i>52.60</i>

Note for members:

We need your suggestions to make this report more useful. Please send in your suggestions to the Deputy Director, Statistics Department, EEPC - HO, Tel: 91 33 2289 0651/52, Fax: 91 33 2289 0654, Email: statistics@eepc.gov.in. Please contact the Department for any detailed information.