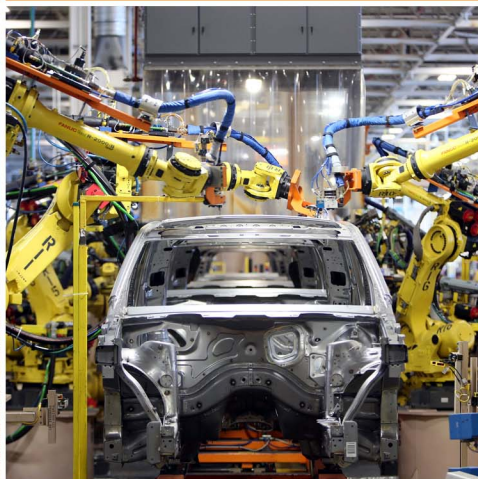
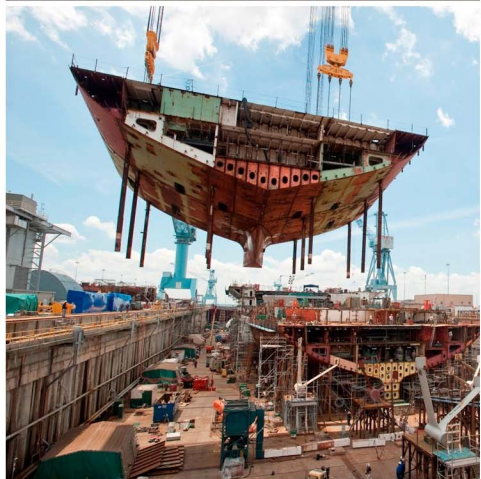




Engineering Exports Monitor

July 2015



Analysis of Indian engineering exports during July 2015: August 18, 2015

Trend in overall trade

India's merchandise exports during July, 2015 were valued at US \$23.14 billion which was 10.3 cent lower in Dollar than the level of US \$25.8 billion during July, 2014. Cumulative value of exports for the period April-July 2015-16 was US \$ 89.83 billion as against US \$105.73 billion registering a negative growth of 15.04 per cent in Dollar terms over the same period last year.

India's merchandised imports during July, 2015 were valued at US \$35.95 billion which was 10.3 per cent lower in Dollar terms and over the level of imports valued at US \$ 40.07 billion in July, 2014. The trade deficit stood at US \$12.81 billion in July 2015 from \$14.27 billion a year ago.

Engineering exports

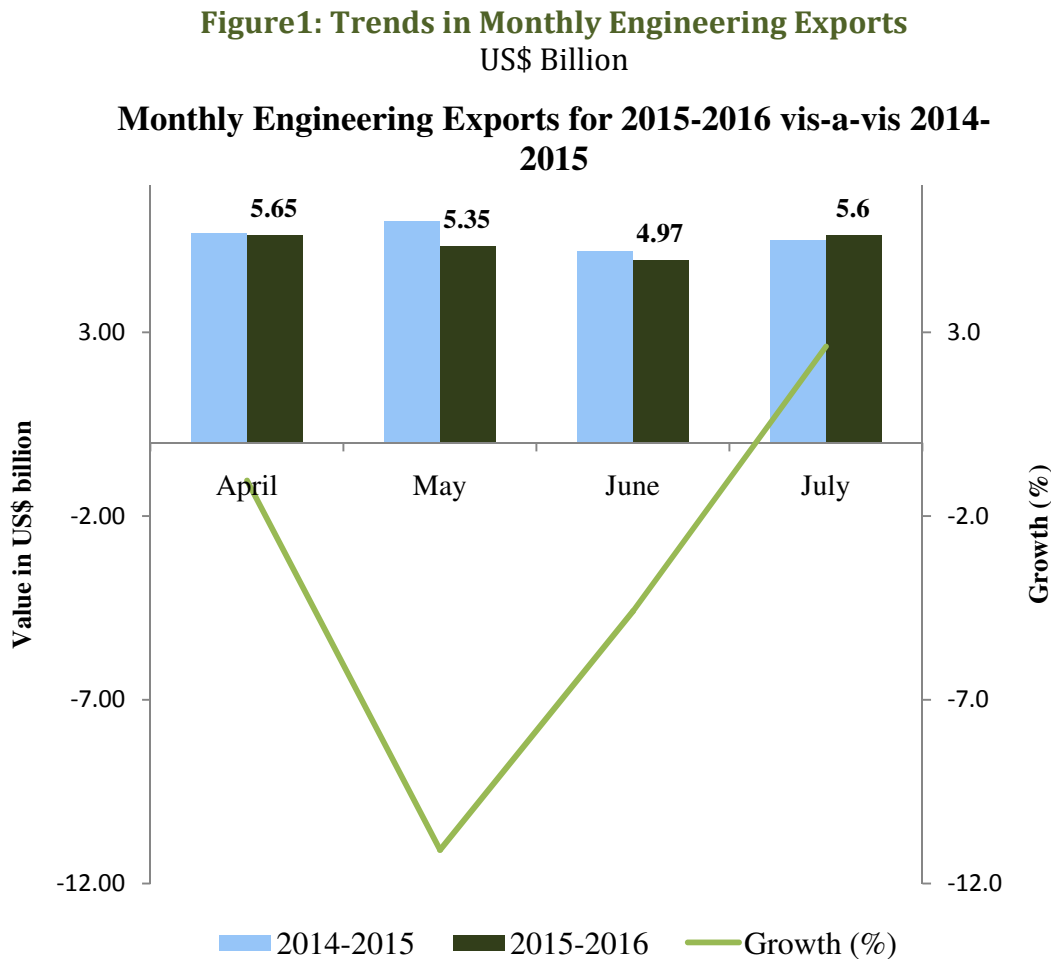
The **exports of engineering products**, one of the essential groups of exported items from India sharing 24.4 per cent in July 2015 on India's total merchandise exports, registered 2.6 per cent growth rate in July 2015 over July 2014. The exports figures bounced back to US\$ 5.64 billion in July 2015 post negative growths faced in three consecutive months of the new fiscal. While, the cumulative value of engineering exports recorded a dip by 3.7 per cent to US\$ 21.61 billion in the current fiscal 2015-2016 from US\$ 22.43 billion the same period last year. The monthly and cumulative engineering figures for 2015-2016 vis-à-vis 2014-2015 are depicted below:

Table1: Engineering Exports
US\$ Million

Months	2014-15	2015-16	Growth (%)
April	5708.04	5649.03	-1.0
May	6013.33	5346.83	-11.1
June	5205.21	4966.44	-4.6
Quarter 1	16926.6	15962.3	-5.7
July	5499.76	5644.0	2.6
April-July	22426.34	21606.3	-3.7

(Source: Department of Commerce, Government of India)

Figure 1 below depicts the monthly trend in engineering exports for both 2014 and 2015.



(Source: EEPC India analysis)

Engineering sector has a sizeable share in Manufacturing and therefore, trend of manufacturing production reflects the trend of engineering production in India. Some correlation between manufacturing production growth and merchandise export growth is found as manufacturing sector contributes significantly to India's engineering production as well as to exports. Hence, a brief analysis of industrial production, especially of manufacturing is effective in the context of engineering export analysis as manufacturing has around 75% weightage in India's industrial production. **Industrial output in June 2015 rose at an accelerated pace of 3.8% as against 2.5% in May 2015. IIP Index, the standard measure for industrial output, stood at 178.5 during June 2015 vs. 180 in May 2015. Cumulative industrial growth during Apr-June 2015 was recorded at 3.2% as against 4.5% in the corresponding period of the previous fiscal.**

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/ Year	Engg. Exports Growth (%)	Manufacturing Growth (%)
April 2015	-1.0	4.2
May 2015	-11.1	2.0
June 2015	-4.6	4.6
July 2015	2.6	N A

(Source: Department of Commerce and CSO)

Analysis of the ongoing fiscal suggested that while the month of May saw much higher decline in engineering export growth, manufacturing output growth also slowed down sharply. Similarly, as the engineering exports bounced back in June 2015 from a sharp decline in May, the performance the manufacturing growth also geared up well. These figures necessarily established some correlation between manufacturing growth and engineering export growth.

We also present the month wise corresponding **revised** engineering exports for 2014-15 as opposed to 2013-14.

Table 2: Revised Engineering Exports (2013-14)

USD Million

Quarter	Month	2013-14	2014-15	Growth Rate in Percent
Quarter 1	April	4529.32	5708.04*	26.02*
	May	4819.47	6013.33*	24.77*
	June	4229.72	5205.21*	23.06*
Quarter 2	July	4473.34	5499.76*	22.95*
	August	5264.51	6381.27	21.21
	September	5216.94	6280.51	20.39
Quarter 3	October	5552.78	5000.79	-9.94
	November	4874.85	6410.04	31.49
	December	5531.18	6697.8	21.09
Quarter 4	January	6122.54	6716.26	9.70
	February	4971.59	4907.37	-1.29
	March	6040.14	5884.54	-2.58
	Total Exports	61626.38	70704.92*	14.73*

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

Impact of Exchange Rate

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

Table 3: Average Exchange Rate

July	Average Exchange Rate 1 USD to INR
2014	61.05
2015	65.12

(Source: Calculated from RBI archive)

The official exchange rate of rupee vis-à-vis the US Dollar during July 2015 has depreciated by 6.7 % to that of the same period last year.

Trends in Engineering Panel Exports

We begin by looking at the Engineering Panel wise exports for the month of July 2015 vis-a-vis July 2014 and cumulative exports for April-July 2015-16 vis-a-vis April-July 2014-15. The data is given in Table 4 below:

Table 4: Trends in Engineering panel Exports July 2015 and April- July 2015-16
US\$ Million

Sl no.	Panel	July, 2014	July, 2015	Growth %	April,2014 - July, 2014	April,2015 - July, 2015	Growth %
1. Iron and Steel and Products made of Iron and Steel							
A	Iron and Steel	758.27	609.79	-19.58	2937.59	2159.83	-26.48
B	Products of Iron and Steel	640.78	572.67	-10.63	2404.98	2208.45	-8.17
Sub Total		1399.05	1182.46	-15.48	5342.57	4368.28	-18.24
2. Non-Ferrous Metals and Products made of Non-Ferrous Metals							
A	Copper and products	314.34	227.11	-27.75	972.73	988.77	1.65
B	Aluminium and products	190.03	206.82	8.84	727.10	899.24	23.67
C	Zinc and products	17.17	40.08	133.43	52.66	188.58	258.11
D	Nickel and products	34.72	77.37	122.84	123.39	180.37	46.18
E	Lead and products	11.46	15.19	32.55	47.01	55.24	17.51
F	Tin and products	0.27	0.92	240.74	13.99	5.65	-59.61

Sl no.	Panel	July, 2014	July, 2015	Growth %	April,2014 - July, 2014	April,2015 - July, 2015	Growth %
G	Other Non Ferrous Metals	35.70	36.90	3.36	144.26	149.36	3.54
Sub Total		603.69	604.39	0.12	2081.14	2467.21	18.55
3. Industrial Machinery							
A	Industrial Machinery like Boilers, parts, etc	45.86	59.54	29.83	177.79	202.40	13.84
B	IC Engines and Parts	247.17	233.03	-5.72	727.02	694.04	-4.54
C	Pumps of all types	66.94	60.52	-9.59	253.31	261.24	3.13
D	Air condition and Refrigerators	97.35	88.29	-9.31	407.01	357.92	-12.06
E	Industrial Machinery for dairy, food processing , textiles etc	414.06	400.94	-3.17	1592.26	1536.48	-3.50
F	Machine Tools	27.01	34.03	25.99	121.65	130.24	7.06
G	Machinery for Injecting moulding, valves and ATMs	116.90	99.07	-15.25	432.49	413.93	-4.29
Sub Total		1015.29	975.42	-3.93	3711.53	3596.25	-3.11
4	Electrical Machinery	333.53	322.52	-3.30	1285.76	1251.20	-2.69
5. Auto and Auto Components							
A	Motor Vehicle/cars	598.18	600.54	0.39	2068.83	2067.54	-0.06
B	Two and Three Wheelers	207.90	160.94	-22.59	627.89	604.95	-3.65
C	Auto Components/Part	373.32	359.55	-3.69	1482.08	1414.35	-4.57
Sub Total		1179.40	1121.03	-4.95	4178.80	4086.84	-2.20
6	Aircrafts and Spacecraft parts and products	286.92	481.12	67.68	1788.85	1953.06	9.18
7	Ships Boats and Floating products and parts	158.85	398.52	150.88	2027.66	1820.47	-10.22
8. Miscellaneous Items							
A	Medical and Scientific instruments	103.56	105.67	2.04	407.43	393.21	-3.49
B	Railway Transport	8.58	5.25	-38.81	59.38	30.47	-48.69

Sl no.	Panel	July, 2014	July, 2015	Growth %	April,2014 - July, 2014	April,2015 - July, 2015	Growth %
C	Hand Tools & Cutting Tools	67.57	61.89	-8.41	248.05	225.13	-9.24
D	Electrodes Accumulators	3.34	3.16	-5.39	12.01	12.99	8.16
E	Accumulator and Batteries	17.35	23.61	36.08	60.30	69.36	15.02
F	Bicycle & Parts	29.08	23.84	-18.02	113.32	96.74	-14.63
G	Cranes Lifts & Winches	26.00	34.84	34.00	99.25	132.90	33.90
H	Office Equipments	4.96	8.45	70.36	13.55	32.88	142.66
I	Other Construction Machinery	116.98	95.47	-18.39	389.89	384.55	-1.37
J	Prime Mica & Mica Products	1.83	1.42	-22.40	6.79	6.09	-10.31
K	OTHER MISC. ITEMS	143.78	194.94	35.58	600.06	678.67	13.10
Sub Total		523.03	558.54	-22.40	2010.03	2062.99	2.04
Grand Total		5499.76	5644.00	2.62	22426.34	21606.30	-3.66

(Source: Department of Commerce, Government of India)

Some factors that need to be noted are:

- ❖ Out of 33 engineering panels-16 panels recorded a positive growth and remaining 17 panels fared negative growth in the month of July 2015.
- ❖ Primary Iron and Steel exports has fallen by almost 20 per cent in July 2015 vis-à-vis July 2014. Products of Iron and Steel have also dropped in July 2015 vis-à-vis July 2014, which is more than the cumulative fall during April, 2015-July 2015 vis-à-vis April, 2014-July 2014.
- ❖ All non ferrous metals and its products barring Copper and products have witnessed rise in export growth in the month of July 2015 over July 2014. The highest growth is seen in the export of Tin and products during July 2015 over July 2014, which is remarkable as Tin recorded negative growth in June 2015 over June 2014.
- ❖ Among the Industrial Machinery, industrial machinery like boilers, parts, etc and machine tools registered positive growth in July 2015 over July 2014.
- ❖ Aircraft and spacecrafts, ships, boats and floating products registered significant growth in exports in July 2015 over July 2014.
- ❖ Other panels like, accumulator and batteries, cranes lifts & winches, office equipments, and other miscellaneous items have also registered substantial growth in July 2015 vis-à-vis July 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 July 2015 over July 2014 in Absolute Value, even though the growth rate may be negative. Country wise cumulative figures for April – July 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 (2015-2016)
US\$ Million

Country	July, 2014	July, 2015	Growth %	April,2014 -July 2015	April,2015 - July, 2016	Growth %
U S A	631.8	680.7	7.7	2358.0	2456.2	4.2
UAE	363.3	555.6	52.9	2007.3	1719.9	-14.3
SRI LANKA	178.5	118.9	-33.4	1045.9	1187.2	13.5
SINGAPORE	190.3	175.4	-7.8	1016.7	865.8	-14.8
U K	232.0	214.4	-7.6	855.7	782.3	-8.6
CHINA	285.8	111.4	-61.0	850.1	689.2	-18.9
GERMANY	190.3	170.5	-10.4	714.1	678.9	-4.9
MALAYSIA	52.5	116.7	122.2	218.2	673.1	208.4
JAPAN	70.5	424.8	502.9	248.9	585.6	135.3
SOUTH AFRICA	129.3	122.5	-5.3	421.4	581.7	38.0
MEXICO	119.4	118.7	-0.6	504.5	554.0	9.8
ITALY	128.4	130.5	1.6	545.8	486.3	-10.9
BANGLADESH	110.8	133.2	20.2	485.7	462.2	-4.8
NEPAL	121.0	143.6	18.7	453.6	457.8	0.9
KOREA RP	97.2	146.0	50.2	429.6	446.5	3.9
SAUDI ARAB	153.4	110.4	-28.0	534.1	437.6	-18.1
TURKEY	155.5	98.0	-37.0	638.0	388.4	-39.1
FRANCE	90.0	87.2	-3.1	339.9	373.9	10.0
NIGERIA	109.2	89.6	-18.0	420.8	363.3	-13.7
NORWAY	3.9	2.9	-26.4	41.6	341.6	721.5
THAILAND	88.1	92.9	5.4	344.1	328.8	-4.5
IRAN	177.4	110.9	-37.5	418.9	287.8	-31.3
NETHERLAND	71.9	96.8	34.7	281.0	281.4	0.2
INDONESIA	76.3	66.2	-13.3	439.9	272.3	-38.1
BRAZIL	71.5	55.1	-23.0	274.1	255.8	-6.7

Country	July, 2014	July, 2015	Growth %	April,2014 -July 2015	April,2015 - July, 2016	Growth %
Total of top 25	3898.3	4172.6	7.0	15887.9	15957.6	0.4
Total Engineering Exports	5499.8	5644.0	2.6	22426.3	21606.3	-3.7
Share of Top 25 in Total (%)	70.9	73.9		70.8	73.9	

Note: Red font indicates negative monthly and cumulative growth

(Source: Department of Commerce, Government of India)

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

- ❖ Out of the top 25 countries, 15 countries recorded negative growth in the month of July 2015.
- ❖ China once again recorded drop in exports by 61% in July 2015 compared to the previous fiscal. The sudden devaluation of Chinese Yuan will further dent the competitiveness of Indian exports.
- ❖ Top European export destinations for the Indian engineering exports like UK, Germany and Turkey conceded negative growth in July 2015 as well as during April -July 2015-16.
- ❖ The Indian engineering exports to USA, continues to be the highest in the reporting month. The reintroduction of GSP with retrospective effect is a major booster for Indian exports, particularly, engineering exports and EEPC India welcomes this long awaited measure by the US Government.
- ❖ Out of 218 destinations for export of Indian engineering goods, the top 25 nations accounts for 74 per cent of the total during April- July 2015-16.
- ❖ The growth rate in the top 25 countries During April – July 2015-16, taken together recorded growth in exports by 0.4 per cent much better than the fall in India's total engineering exports by 3.7 per cent.

Regional Distribution of Engineering Exports

We now look at the Regional Distribution of Engineering Exports for April- July 2015-16 as opposed to April- July 2014-15. We also look at the trend in July 2015 vis-à-vis July 2014. The Table below gives this picture:

Table 6: Region Wise Exports Trend
US\$ Million

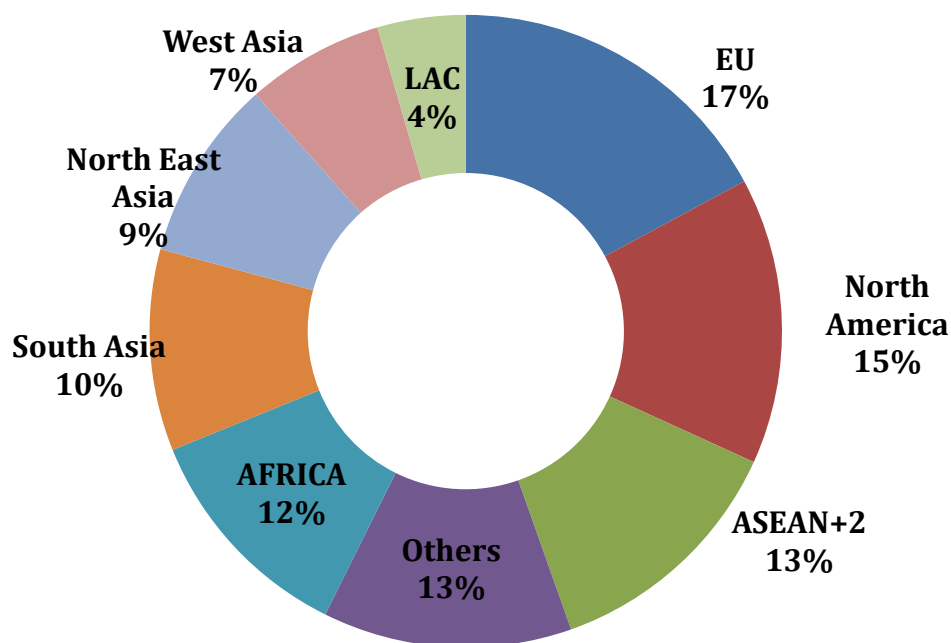
Region	July, 2014	July, 2015	Growth %	April,2014 - July 2015	April,2015 - July, 2016	Growth %
EU	994.0	973.3	-2.1	3830.8	3703.1	-3.3
North	811.6	846.9	4.3	3040.7	3164.8	4.1

Region	July, 2014	July, 2015	Growth %	April,2014 - July 2015	April,2015 - July, 2016	Growth %
America						
ASEAN+2	574.4	622.3	8.3	2703.6	2769.8	2.4
Others	702.9	724.3	3.0	3234.7	2747.5	-15.1
AFRICA	699.8	623.6	-10.9	2547.4	2497.5	-2.0
South Asia	429.4	423.8	-1.3	2057.0	2224.2	8.1
North East Asia	511.6	756.4	47.9	1773.1	2004.0	13.0
West Asia	506.2	423.1	-16.4	2288.1	1523.7	-33.4
LAC	269.8	250.7	-7.1	950.7	972.2	2.3
Grand Total	5499.7	5644.5	2.6	22426.3	21606.8	-3.7

(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- July 2015 -16



(Source: EEPC India analysis)

Note: Others also includes rest of Europe and CIS

- ❖ Engineering exports to EU ranks first in region wise exports, irrespective of negative growth faced both monthly and cumulatively for the current fiscal of 2015-16
- ❖ North America ranks second and registered positive growth during the cumulative period of April- July 2015-16 over April- July 2014-15 where countries like Canada and USA have registered significant growth rates especially for items like Aluminium products, Industrial Machinery, Nuclear reactors, Machine Tools Auto Components/Part etc during this fiscal.
- ❖ Exports to North East Asia recorded significant growth during July 2015 vis-à-vis July 2014. Rise in shipments to countries like Japan and Korea resulted in such growth.
- ❖ ASEAN recorded significant positive monthly exports for the month of July 2015 vis-à-vis July 2014, as well as positive cumulative growth during April- July 2015-16 as compared to April- July 2014-15. This rise in exports is due to the rise in exports to Malaysia, Thailand, .etc

We now analyze the performance of some of the important products during July 2015. We pick the major panels and seek the heavy growth and heavy declines in these panels **IN THE CURRENT FISCAL of 2015-2016** to give an idea about the trend that is about to emerge.

Table 7: Export of Iron & Steel
US\$ Million

Export partners	July_14	July_15	Growth %	Apr_ July 2014--15	Apr_ July 2015--16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	758.27	611.55	-19.35	2937.59	2161.59	-26.42
BANGLADESH	19.99	7.97	-60.13	69.23	71.17	2.80
ETHIOPIA	15.02	9.42	-37.29	42.17	42.26	0.21
SUDAN	6.66	4.04	-39.36	12.11	14.43	19.09
DJIBOUTI	1.82	8.21	350.79	6.29	12.41	97.39
MYANMAR	0.96	3.46	260.64	7.54	9.96	32.16
BAHARAIN IS	0.70	1.41	102.90	2.60	6.06	132.62
UGANDA	0.66	0.56	-15.73	3.58	5.83	62.85
MADAGASCAR	1.04	1.30	25.16	2.88	5.61	94.92
HEAVY CUMULATIVE DECLINE COUNTRIES						
U S A	56.82	36.11	-36.45	212.22	167.68	-20.99
IRAN	60.42	76.45	26.53	187.17	164.78	-11.96

Export partners	July_14	July_15	Growth %	Apr_July 2014--15	Apr_July 2015--16	Growth %
ITALY	36.71	41.94	14.24	169.14	160.88	-4.88
NEPAL	48.30	54.19	12.20	178.93	135.46	-24.30
UAE	48.59	38.57	-20.62	218.40	124.48	-43.01
KOREA RP	25.48	33.65	32.05	133.25	101.95	-23.49
BELGIUM	24.89	21.72	-12.75	88.64	88.16	-0.53
THAILAND	30.69	29.92	-2.50	94.20	81.15	-13.85

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing 7.8 % of India's total export of Iron and Steel during April- July 2015-16.
- ❖ Iran and Italy imports 7.6% and 7.4 % 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	July_14	July_15	Growth %	Apr_July 2014--15	Apr_July 2015--16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	640.78	573.57	-10.49	2404.97	2209.32	-8.14
IRAQ	1.42	19.59	1284.15	3.03	127.44	4099.51
MEXICO	3.79	4.41	16.36	12.33	55.61	351.09
NETHERLAND	12.11	15.59	28.79	40.29	52.38	30.01
PERU	0.20	27.83	13715.36	1.96	50.80	2489.76
SPAIN	7.88	10.36	31.38	28.23	35.26	24.92
AUSTRALIA	8.73	7.37	-15.54	32.12	34.82	8.41
BANGLADESH	1.99	25.77	1197.89	11.77	33.38	183.64
MALAYSIA	3.51	2.38	-31.96	19.68	29.69	50.90
HEAVY CUMULATIVE DECLINE COUNTRIES						
U S A	138.11	120.82	-12.51	512.81	446.13	-13.00
UAE	43.98	40.39	-8.15	263.38	193.28	-26.62
GERMANY	43.67	31.98	-26.77	156.83	120.11	-23.42
SAUDI ARAB	70.74	23.87	-66.26	158.70	103.24	-34.95
U K	35.14	27.26	-22.41	133.53	99.34	-25.61
ITALY	16.71	14.19	-15.07	77.22	54.30	-29.68
CANADA	14.01	15.53	10.89	58.74	50.37	-14.26
FRANCE	12.52	9.86	-21.23	43.47	37.28	-14.23

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing more than 20% of India's total export of Products of Iron and Steel during April- July 2015-16.
- ❖ While UAE and Iraq imports 8.7 % and 5.8 % of India's total export of Products of Iron and Steel respectively during the same period.

Table 9: Export of Industrial Machinery
US\$ Million

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	414.06	402.80	-2.72	1592.26	1538.37	-3.38
U S A	45.76	57.74	26.18	209.75	248.26	18.36
BANGLADESH	19.29	19.03	-1.36	72.56	78.97	8.84
GERMANY	14.76	15.89	7.61	59.98	60.72	1.23
NEPAL	11.56	16.00	38.35	45.86	52.35	14.15
KENYA	6.81	9.08	33.44	32.21	36.33	12.81
MEXICO	6.30	8.60	36.51	25.47	35.85	40.73
SRI LANKA	4.00	11.47	186.72	14.32	33.58	134.48
U K	6.79	7.48	10.06	23.10	30.90	33.75
HEAVY CUMULATIVE DECLINE COUNTRIES						
TURKEY	12.96	16.42	26.67	59.16	58.28	-1.50
UAE	14.21	12.02	-15.43	75.01	53.24	-29.02
INDONESIA	13.28	11.71	-11.83	43.70	42.00	-3.90
NIGERIA	14.41	11.69	-18.87	51.63	41.91	-18.81
CHINA	14.73	10.36	-29.69	54.49	39.19	-28.08
SAUDI ARAB	4.90	8.39	71.32	36.83	36.37	-1.24
VIETNAM	12.63	9.06	-28.23	43.08	29.47	-31.58
THAILAND	7.08	5.71	-19.32	36.70	29.08	-20.76

(Source: Department of Commerce, Government of India)

- ❖ USA tops here importing 16.1 % of India's total exports for Industrial Machinery during April- July 2015-16.
- ❖ New entrants Bangladesh and Germany imports 5.1 % and 3.9 % of India's total exports for Industrial Machinery during April- July 2015-16.

Table 10: Export of Automobiles
US\$ Million

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	598.18	603.81	0.94	2068.83	2070.82	0.10
SOUTH AFRICA	79.33	79.40	0.09	236.87	255.28	7.77
SRI LANKA	23.07	47.99	107.98	70.68	202.98	187.18
UAE	21.70	7.62	-64.89	64.97	74.11	14.07
ITALY	14.07	21.09	49.91	43.73	57.89	32.36
EGYPT A RP	10.69	12.05	12.76	14.37	54.48	279.28
SPAIN	14.77	20.86	41.23	49.74	51.92	4.39
NEPAL	9.91	12.85	29.72	31.33	45.33	44.67
CHILE	6.14	10.55	71.98	25.17	43.33	72.17
HEAVY CUMULATIVE DECLINE COUNTRIES						
MEXICO	38.50	58.21	51.21	246.24	211.65	-14.05
ALGERIA	28.77	25.45	-11.53	118.48	106.42	-10.18
U K	54.77	42.05	-23.22	173.47	105.24	-39.33
BANGLADESH	19.23	21.57	12.17	80.31	76.79	-4.38
NIGERIA	17.31	15.95	-7.87	69.30	51.56	-25.60
NETHERLAND	13.78	20.73	50.37	48.74	34.65	-28.91
AUSTRALIA	18.34	8.68	-52.67	67.79	32.36	-52.27
SAUDI ARAB	16.12	8.91	-44.72	40.40	31.41	-22.24

(Source: Department of Commerce, Government of India)

- ❖ In case of Motor vehicles South Africa tops the list importing 12.3% of India's total exports of Motor vehicles during April-July 2015-2016.
- ❖ Mexico and Sri Lanka holds the 2nd and 3rd position respectively importing 10.2 % and 9.8 % of India's total exports of Motor vehicles during the same period.

Table 11: Export of Non-Ferrous metals
US\$ Million

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to	603.71	604.89	0.20	2081.15	2467.70	18.57

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
World						
MALAYSIA	4.53	79.68	1657.84	19.34	311.10	1508.28
KOREA RP	47.10	89.06	89.10	197.50	253.30	28.25
U S A	43.03	57.63	33.94	146.40	195.85	33.77
SINGAPORE	12.97	63.41	388.77	113.13	166.57	47.23
TAIWAN	4.04	18.43	356.06	34.70	100.69	190.21
SAUDI ARAB	20.15	14.13	-29.88	43.07	56.78	31.85
NEPAL	7.22	9.61	33.08	25.93	39.64	52.88
THAILAND	5.89	8.06	36.84	16.81	37.28	121.78
HEAVY CUMULATIVE DECLINE COUNTRIES						
CHINA	206.16	33.95	-83.53	544.44	392.08	-27.98
UAE	52.25	45.71	-12.52	202.68	156.93	-22.57
MEXICO	34.09	7.10	-79.19	96.06	95.62	-0.46
U K	14.86	15.37	3.44	58.86	58.42	-0.74
GERMANY	11.49	9.77	-14.98	42.82	33.06	-22.78
COLOMBIA	0.11	5.47	5105.33	20.33	18.58	-8.61
VIETNAM SOC REP	7.65	5.24	-31.46	25.39	18.08	-28.81
NIGERIA	6.22	3.26	-47.66	25.06	17.42	-30.50

- ❖ China is the topmost importer for Non ferrous Metals importing almost 16% of India's total export of Non Ferrous Metals during April-July 2015-2016.
- ❖ Malaysia and South Korea retains their positions importing 12.6% and 10.3% respectively during April-July 2015-2016.

Table 12: Export of Electrical Machinery and Components
US\$ Million

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	333.47	323.06	-3.12	1285.70	1251.75	-2.64
U S A	42.01	47.32	12.65	166.61	190.02	14.05
GERMANY	21.54	22.32	3.66	81.74	85.06	4.06
SAUDI ARAB	7.17	9.98	39.27	33.32	34.34	3.08
NEPAL	3.99	6.26	56.95	17.76	30.40	71.11
SINGAPORE	4.80	7.27	51.58	22.93	30.11	31.32
NIGERIA	11.76	6.19	-47.38	29.98	30.04	0.19

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
ITALY	4.61	6.07	31.73	22.20	26.76	20.50
INDONESIA	3.56	4.07	14.31	11.89	24.75	108.15
HEAVY CUMULATIVE DECLINE COUNTRIES						
U K	17.30	17.88	3.32	78.56	70.84	-9.82
UAE	13.27	20.96	57.97	74.91	67.82	-9.46
FRANCE	19.82	14.40	-27.35	71.67	60.29	-15.87
CHINA	9.61	7.98	-17.01	27.37	26.36	-3.70
BANGLADESH	9.75	11.61	19.13	23.79	22.72	-4.53
KENYA	7.68	3.87	-49.65	28.86	18.30	-36.60
THAILAND	5.81	3.99	-31.45	21.77	15.06	-30.81
SRI LANKA						
DSR	3.14	3.83	21.74	38.07	14.66	-61.49

- ❖ USA is the largest importer of Electrical Machinery and Equipments from India during April-July 2015-16 with 15.2 % share in India's global export of the product group.
- ❖ Germany retains the second position with 6.8 % share as before.
- ❖ Exports to UK and UAE witnessed decline during April-July 2015-16 over the same period last fiscal despite being the third and fourth largest export destination for 'Electrical Machineries'.

Table 13: Export of Aircrafts & Spacecrafts
US\$ Million

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	286.92	481.16	67.70	1788.85	1953.10	9.18
SRI LANKA	47.05	0.22	-99.52	478.60	704.44	47.19
UAE	91.54	305.41	233.61	235.71	577.48	145.00
U S A	40.63	101.41	149.58	121.48	196.36	61.64
CZECH REPUBLIC	0.01	0.01	-1.52	31.40	130.05	314.16
U K	4.87	11.07	127.56	69.00	85.51	23.93
GERMANY	8.60	9.65	12.16	28.81	80.52	179.51
ISRAEL	3.27	6.40	95.81	11.34	14.25	25.69
NETHERLAND	2.38	3.69	54.91	10.31	11.69	13.34

Export partners	July_14	July_15	Growth %	Apr-July 2014-15	Apr-July 2015-16	Growth %
HEAVY CUMULATIVE DECLINE COUNTRIES						
FRANCE	13.48	14.49	7.48	46.19	37.75	-18.27
SINGAPORE	18.01	14.01	-22.20	47.36	22.15	-53.22
RUSSIA	7.62	2.11	-72.29	48.35	17.03	-64.79
MALAYSIA	0.56	1.73	208.85	7.22	3.28	-54.48
POLAND	0.04	2.46	6882.83	5.42	2.99	-44.81
HONG KONG	0.09	0.13	53.79	2.22	1.88	-15.48
SWEDEN	0.23	0.33	44.52	1.92	1.70	-11.56
SWITZERLAND	0.46	0.92	98.40	8.22	1.66	-79.83

- ❖ In case of Aircrafts and Parts, Sri Lanka continues to be the top export destination for India, importing 36.1% of India's total exports of Aircrafts and Parts during April-July 2015-16.
- ❖ UAE remained the second largest importer of India's Aircrafts & parts during April-July 2015-16 with almost 30% share.

Table 14: Export of Ships, Boats and Floating Structures and parts

US\$ Million

Export partners	July_14	July_15	Growth %	April-July 2014-15	April-July 2015-16	Growth %
SUBSTANTIAL GROWTH COUNTRIES						
Export to World	158.85	398.62	150.94	2027.66	1820.57	-10.21
JAPAN	0.00	338.21	----	9.20	338.21	3576.22
NORWAY	0.00	0.00	----	25.87	328.28	1168.95
MALAYSIA	0.00	0.00	----	0.02	190.64	1109052.72
QATAR	0.00	22.84	----	21.70	22.84	5.27
FRANCE	0.02	3.72	22320.23	0.23	3.72	1502.58
EGYPT A RP	0.00	0.00	----	0.01	1.09	17548.88
MALDIVES	0.00	0.00	----	0.00	0.37	21014.22
KOREA RP	0.00	0.20	----	0.00	0.20	16505.63
HEAVY DECLINE COUNTRIES						
SINGAPOR	100.27	12.33	-87.70	592.81	444.17	-25.07

Export partners	July_14	July_15	Growth %	April-July 2014-15	April-July 2015-16	Growth %
E						
UAE	4.70	15.40	227.77	590.60	197.57	-66.55
SRI LANKA	50.87	0.00	-100.00	271.01	27.93	-89.69
ISRAEL	0.00	2.51	----	12.09	5.03	-58.34
KAZAKHSTAN	2.72	2.86	5.21	4.24	2.86	-32.56
U S A	0.00	0.21	----	0.37	0.24	-34.35
OMAN	0.00	0.00	----	352.31	0.04	-99.99
NETHERLAND	0.00	0.03	----	2.37	0.04	-98.48

(Source: Department of Commerce and CSO)

- ❖ Singapore, Japan and Norway are recorded as the top three export destination for India's export of Ships, Boats and Floating Structures and parts during April-July 2015 sharing 61% of total export of this product group.
- ❖ UAE is the fourth largest importer of this group importing 10.9% during April-July 2015-2016.

Table 15: Export of Auto Components

US\$ Million

Export partners	July_14	July_15	Growth %	April-July 2014-15	April-July 2015-16	Growth %
SUBSTANTIAL GROWTH COUNTRIES						
Export to World	373.32	359.78	-3.63	1482.08	1414.66	-4.55
MEXICO	7.56	14.94	97.73	31.32	61.55	96.52
UAE	10.11	12.13	19.98	38.50	44.66	16.00
EGYPT A RP	10.49	10.63	1.37	42.97	43.41	1.04
NEPAL	8.44	14.23	68.56	26.08	42.37	62.47
NIGERIA	4.85	2.79	-42.38	16.91	22.00	30.11
BELGIUM	5.41	6.94	28.37	19.45	21.17	8.83
SRI LANKA	5.36	5.81	8.37	13.94	20.57	47.58
ARGENTINA	3.31	3.85	16.34	11.20	13.40	19.65
HEAVY DECLINE COUNTRIES						
U S A	81.48	73.96	-9.22	320.32	317.45	-0.90
TURKEY	34.53	31.54	-8.65	137.78	114.57	-16.84
U K	14.97	16.37	9.35	67.74	66.04	-2.51
BRAZIL	20.47	16.47	-19.54	69.62	65.11	-6.48
THAILAND	18.38	17.10	-6.97	71.33	62.31	-12.65

Export partners	July_14	July_15	Growth %	April-July 2014-15	April-July 2015-16	Growth %
GERMANY	17.19	16.55	-3.68	68.01	61.93	-8.94
ITALY	12.22	10.23	-16.26	59.51	45.92	-22.83
BANGLADESH	5.68	10.96	92.81	56.99	40.44	-29.04

(Source: Department of Commerce and CSO)

- ❖ USA remains the topmost destination for India’s exports of Auto Components and Parts with over 22% share during April-July 2015-16.
- ❖ Mexico holds the seventh position by recording a significant 97% year-on-year growth during April-July 2015-16.
- ❖ Turkey and UK holds the second and third position importing 8.1% and 4.7% of Indian auto component/parts, during April-July 2015-16.

Conclusion

Trade data for July 2015 suggests that India’s merchandised exports contracted for the eighth month in a row in July. Amid the persistent contraction of merchandised exports, the rise in shipments in July in some of the sectors including engineering is a “silver lining”.

The continuous fall in exports is a matter of great concern and the troubles may even increase in the coming months since the global demand remains quite subdued, with the exception of the US markets.

In comparison, China’s exports fell 8.3% in July, its biggest drop in four months. The devaluation of the Chinese Yuan has introduced some amount of volatility in the exchange rate and it is expected to further erode competitiveness of Indian shipments. Already the Indian exports compete with the Chinese goods on a number of value added items. So this devaluation of the Chinese currency is likely to make an impact on the shipments from India against the Chinese goods.

