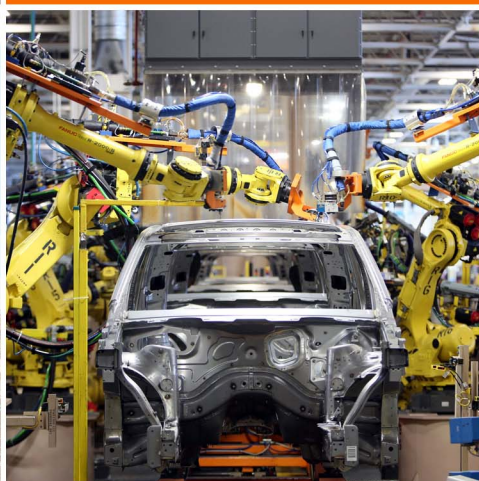
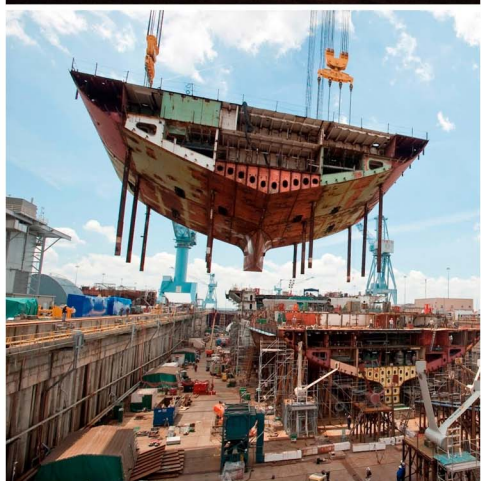


Engineering Exports Monitor

August 2015



Engineering the future

EEPCINDIA
ENGINEERING THE FUTURE

Analysis of Indian engineering exports during August 2015: September 16, 2015

Trend in overall trade

India's merchandised trade performances of both exports and imports remained in negative territory with exports valued at US \$21.27 billion falling by 20.66 percent than the level of US \$26.80 billion during August, 2014. While the Cumulative value of exports registered a negative growth of 16.17 percent from US\$132.5 billion to US\$ 111.09 billion during April-August 2015-16.

India's merchandised imports during August, 2015 were valued at US \$33.744 billion which was 9.95 per cent lower in Dollar terms over the level of imports valued at US \$37.47 billion in August, 2014. On the other hand the Cumulative value of imports for the period April-August 2015-16 registered a negative growth of 11.61 per cent in Dollar terms over the same period last year.

India's goods trade deficit came in at USD12.5 billion for August 2015.

Engineering exports

The **exports of engineering products**, one of the essential groups of exported items from India sharing 21.15 percent in August 2015 on India's total merchandise exports, registered a negative growth of 29.5 percent growth rate in August 2015 over August 2014. Though the exports figures bounced back positively in July after consecutive negative growth in the first three months of the new fiscal, the August figures considerably marked a sharp decline by 29 percent. While, the cumulative value of engineering exports recorded a dip by over 10 percent to US\$ 26 billion in the current fiscal 2015-2016 from US\$ 28.8 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	5650.86	-1.0
May	6013.33	5347.4	-11.1
June	5205.21	4959.98	-4.7

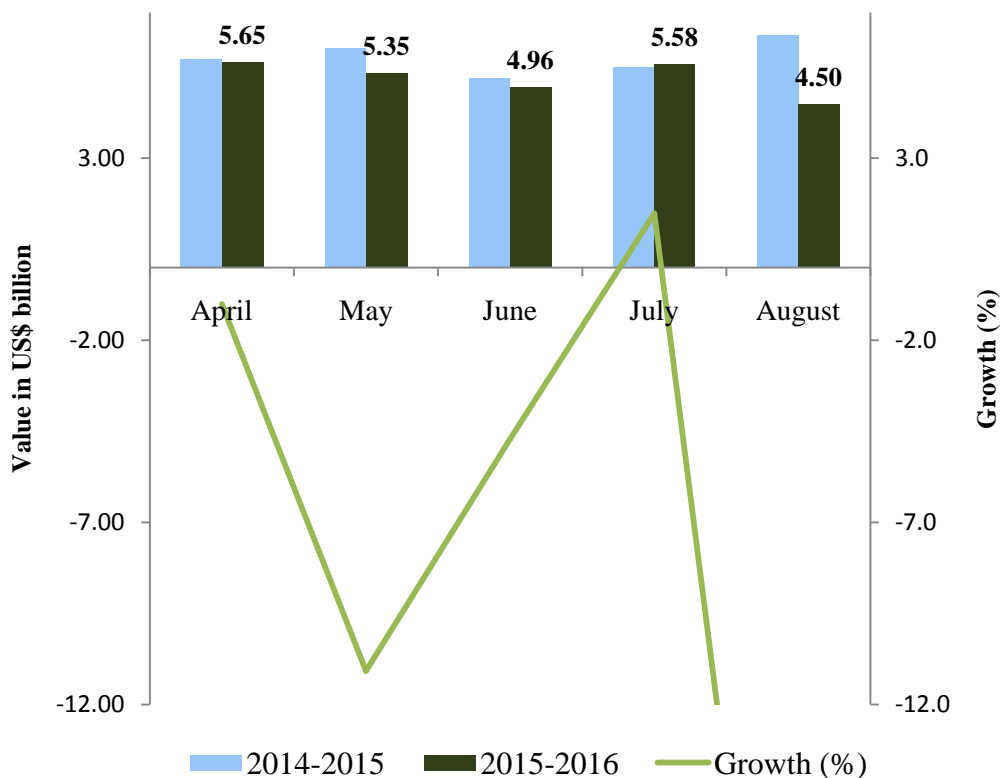
Months	2014-15	2015-16	Growth (%)
Quarter 1	16926.6	15958.2	-5.7
July	5499.76	5581.34	1.5
August	6380.66	4498.19	-29.5
April-August	28807.0	26037.8	-9.6

(Source: Department of Commerce, Government of India)

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

Figure1: Trends in Monthly Engineering Exports
US\$ Billion

Monthly Engineering Exports for 2015-2016 vis-a-vis 2014-2015



(Source: EEPC India analysis)

Engineering sector has a sizeable share in Manufacturing and therefore, trend of manufacturing production somewhat 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 July 2015 grew by a decent 4.2% which showed a rising trend over the last few months. Industrial production growth for June 2015 was revised upward to 4.4% from 3.8% of the preliminary estimates. During May and June, the growth was recorded at 3.0% and 2.5% respectively. Overall IIP Index, the standard measure for industrial output, stood at 180.3 in July 2015 as against 179.5 (upwardly revised) during June 2015 and 179.7 in May 2015. Cumulative industrial growth during April-July 2015 accelerated to 3.5% from 3.2% in June 2015 and 3.6% during Apr - Jul 2014.

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	3.9
May 2015	-11.1	2.0
June 2015	-4.7	5.4
Quarter 1	-5.7	3.8
July 2015	1.5	4.7
August 2015	-29.5	N A

(Source: Department of Commerce and CSO)

Analysis of the export and manufacturing data for the ongoing fiscal also established some correlation between the two. India's engineering exports conceded bigger decline during May 2015 in comparison to the previous month while manufacturing growth also decelerated. The fall in export growth decreased in June and manufacturing growth also strengthened. Exports registered growth during July 2015 but growth of manufacturing production decelerated. Manufacturing production data for August may establish the trend more clearly.

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	6380.66*	21.20*
	September	5216.94	6280.51	20.39

Quarter	Month	2013-14	2014-15	Growth Rate in Percent
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	70704.31*	14.73*

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

Impact of Exchange Rate

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

Table 3: Average Exchange Rate

August	Average Exchange Rate 1 USD to INR
2014	61.06
2015	65.12

(Source: Calculated from RBI archive)

The official exchange rate of rupee vis-à-vis the US Dollar during August 2015 has depreciated by 6.6 % 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 August 2015 vis-a-vis August 2014 and cumulative exports for April-August 2015-16 vis-a-vis April-August 2014-15. The data is given in Table 4 below:

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

Sl no.	Panel	August 2014	August, 2015	Growth %	April, 2014 - August, 2014	April, 2015 - August, 2015	Growt h %
1. Iron and Steel and Products made of Iron and Steel							
A	Iron and Steel	811.72	505.01	-37.8	3749.31	2666.46	-28.9
B	Products of Iron and Steel	621.12	487.83	-21.5	3026.1	2705.93	-10.6
	Sub Total	1432.84	992.84	-30.7	6775.41	5372.39	-20.7

Sl no.	Panel	August 2014	August, 2015	Growth %	April, 2014 - August, 2014	April, 2015 - August, 2015	Growth %
2. Non-Ferrous Metals and Products made of Non-Ferrous Metals							
A	Copper and products	313.14	213.48	-31.8	1285.87	1202.61	-6.5
B	Aluminium and products	241.21	197.75	-18.0	968.31	1096.3	13.2
C	Zinc and products	36.85	56.32	52.8	89.51	244.9	173.6
D	Nickel and products	49.28	97.07	97.0	172.67	277.44	60.7
E	Lead and products	12.39	16.54	33.5	59.4	71.81	20.9
F	Tin and products	0.49	0.4	-18.4	14.48	6.04	-58.3
G	Other Non Ferrous Metals	40.25	35.33	-12.2	184.51	185.13	0.3
Sub Total		693.61	616.89	-11.1	2774.8	3084.2	11.2
3. Industrial Machinery							
A	Industrial Machinery like Boilers, parts, etc	46.55	47.36	1.7	224.34	250.54	11.7
B	IC Engines and Parts	299.78	191.49	-36.1	1026.8	839.8	-18.2
C	Pumps of all types	65.95	54.91	-16.7	319.26	314.54	-1.5
D	Air condition and Refrigerators	95.2	84.61	-11.1	502.21	442.41	-11.9
E	Industrial Machinery for dairy, food processing , textiles etc	390.83	365.35	-6.5	1983.09	1903.72	-4.0
F	Machine Tools	32.64	30.26	-7.3	154.29	160.81	4.2
G	Machinery for Injecting moulding, valves and ATMs	105.14	103.75	-1.3	537.63	518.52	-3.6
Sub Total		1036.1	877.73	-15.3	4747.6	4430.3	-6.7
4	Electrical Machinery	318.46	304.81	-4.3	1604.2	1561.4	-2.7
5. Auto and Auto Components							
A	Motor Vehicle/cars	625.33	606.96	-2.9	2694.16	2675.81	-0.7
B	Two and Three Wheelers	175.95	170.98	-2.8	803.84	775.93	-3.5
C	Auto Components/Part	392.6	337.28	-14.1	1874.68	1753.42	-6.5
Sub Total		1193.88	1115.22	-6.6	5372.68	5205.16	-3.1
6	Aircrafts and Spacecraft parts and products	465.23	99.63	-78.6	2254.08	2019.56	-10.4
7	Ships Boats and Floating products and parts	693.34	1.59	-99.8	2721	1815.93	-33.3
8. Miscellaneous Items							
A	Medical and Scientific instruments	115.51	92.43	-20.0	522.94	487.67	-6.7
B	Railway Transport	7.76	5.6	-27.8	67.14	36	-46.4
C	Hand Tools & Cutting Tools	65.79	53.65	-18.5	313.84	279.19	-11.0
D	Electrodes Accumulators	3.35	3.69	10.1	15.36	16.84	9.6
E	Accumulator and Batteries	18.83	16.8	-10.8	79.13	86.18	8.9

Sl no.	Panel	August 2014	August, 2015	Growth %	April, 2014 - August, 2014	April, 2015 - August, 2015	Growth %
F	Bicycle & Parts	34.09	22.26	-34.7	147.41	119.1	-19.2
G	Cranes Lifts & Winches	23.42	26.51	13.2	122.67	150.6	22.8
H	Office Equipments	6.79	8.49	25.0	20.34	41.31	103.1
I	Other Construction Machinery	116.22	99.41	-14.5	506.11	486.13	-3.9
J	Prime Mica & Mica Products	1.55	1.58	1.9	8.34	7.67	-8.0
K	OTHER MISC. ITEMS	153.9	159.06	3.4	753.96	838.05	11.2
Sub Total		547.21	489.48	-10.55	2557.2	2548.7	-0.332
Grand Total		6380.7	4498.2	-29.5	28807.0	26037.8	-9.61

(Source: Department of Commerce, Government of India)

Some factors that need to be noted are:

- ❖ Out of 33 engineering panels, 24 panels (72 percent) of the engineering panels recorded a negative growth and remaining 9 panels fared positive growth in the month of August 2015.
- ❖ The yuan devaluation has come at a time when India's external steel trade has reversed and imports are at a high. India's Primary Iron and Steel exports have fallen by almost 38 per cent in August 2015 vis-à-vis August 2014. Products of Iron and Steel have also dropped by 21.5 percent in August 2015 vis-à-vis August 2014, which is more than the cumulative fall during April- August 2015 vis-à-vis April-August 2014. With rise in cheap imports of steel, the government recently approved the imposition of 20 percent safeguard duty on imports of specific steel products from China, Japan and Korea for 200 days.
- ❖ Aircraft and spacecrafts, Ships, boats and floating products registered a drastic fall in growth rates by 78 percent and 99.6 percent respectively in August 2015 over August 2014.
- ❖ All non ferrous metals and products barring Nickel and Zinc products witnessed deterioration in exports during August 2015 over August 2014. The highest decline is seen in the exports of Copper and products falling by 32 percent during August 2015 over August 2014, followed by Aluminium and Tin products falling by 18 percent during August 2015.
- ❖ Among the Industrial Machinery panel, products like IC engines, Pumps and valves, Air condition repair machinery, Machine tools and others witnessed decline in growth rates during August 2015 v/s August 2014. The Industrial Machinery panel as whole declined sharply by 15.3 percent during the said period.

- ❖ Other panels like, Accumulator and batteries, Nuclear reactors, Nickel and Zinc products from Non ferrous panel and Cranes and winches registered positive growth in August 2015 vis-à-vis August 2014.

☑ Top 25 destinations for Indian 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 August 2015 over August 2014 in Absolute Value, even though the growth rate may be negative. Country wise cumulative figures for April – August 2015 has also been taken into concern to see the trend of India’s engineering exports in the current fiscal.

Table 5: Engineering Exports Country wise (2015-2016)
US\$ Million

Country	August, 2014	August, 2015	Growth %	April - August 2014-2015	April-August 2015 -2016	Growth %
U S A	670.7	580.2	-13.5	3028.7	3025.6	-0.1
UAE	323.0	273.1	-15.5	2330.3	1992.7	-14.5
SRI LANKA	492.6	126.0	-74.4	1538.5	1313.2	-14.6
U K	240.1	219.7	-8.5	1095.8	980.5	-10.5
SINGAPORE	104.1	109.3	5.0	1120.8	958.1	-14.5
GERMANY	187.0	191.4	2.3	901.2	866.9	-3.8
CHINA	268.3	153.2	-42.9	1118.4	843.0	-24.6
MALAYSIA	81.4	104.4	28.2	299.6	776.6	159.2
MEXICO	147.9	132.4	-10.5	652.4	686.3	5.2
SOUTH AFRICA	802.9	101.1	-87.4	1224.3	682.1	-44.3
JAPAN	97.0	78.3	-19.3	345.9	637.0	84.2
ITALY	165.1	147.6	-10.6	710.8	633.5	-10.9
BANGLADESH	130.7	105.2	-19.5	616.4	567.4	-7.9
NEPAL	130.9	96.1	-26.6	584.5	556.3	-4.8
KOREA RP	111.9	102.3	-8.6	541.5	548.1	1.2
SAUDI ARAB	127.3	104.4	-18.0	661.4	542.0	-18.1
TURKEY	113.3	104.4	-7.8	751.3	492.8	-34.4
FRANCE	91.0	85.1	-6.5	430.9	455.7	5.8
NIGERIA	111.2	70.8	-36.3	532.0	434.4	-18.4
THAILAND	90.9	69.9	-23.1	435.0	398.1	-8.5
IRAN	97.0	80.7	-16.8	515.9	368.4	-28.6
NETHERLAND	74.8	82.2	9.9	355.7	363.6	2.2

Country	August, 2014	August, 2015	Growth %	April - August 2014-2015	April - August 2015 -2016	Growth %
NORWAY	5.1	4.5	-12.6	46.7	346.0	641.1
INDONESIA	94.5	62.7	-33.6	534.4	335.0	-37.3
BRAZIL	69.1	47.2	-31.7	343.2	302.9	-11.8
Total of top 25	4827.8	3232.0	-33.1	20715.7	19106.5	-7.8
Total Engineering Exports	6380.7	4498.8	-29.5	28806.9	26037.9	-9.6
Share of Top 25 in Total (%)	75.7	71.8		71.9	73.4	

*Note: Red font indicates negative monthly and cumulative growth
(Source: Department of Commerce, Government of India)*

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

- ❖ Out of the top 25 countries, 21 countries recorded negative growth in the month of August 2015. Thus only 4 countries Singapore, Germany, Malaysia and Netherlands recorded positive growth in the month of August 2015.
- ❖ China once again recorded drop in exports by 43% in August 2015 compared to the previous fiscal. The devaluation of Chinese Yuan has further created a dent in the competitiveness of Indian exports.
- ❖ Top European export destinations for the Indian engineering exports like UK, Italy and Turkey conceded negative growth in August 2015 as well as during April - August 2015-16.
- ❖ The Indian engineering exports to USA, continues to be the highest in the reporting month.
- ❖ Out of 218 destinations for export of Indian engineering goods, the top 25 nations accounts for 73.4 percent of the total during April- August 2015-16.
- ❖ The growth rate in the top 25 countries during April – August 2015-16, taken together recorded fall in exports by 7.8 per cent much which is lower than the fall in India's total engineering exports by 9.6 per cent.

Regional Distribution of Engineering Exports

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

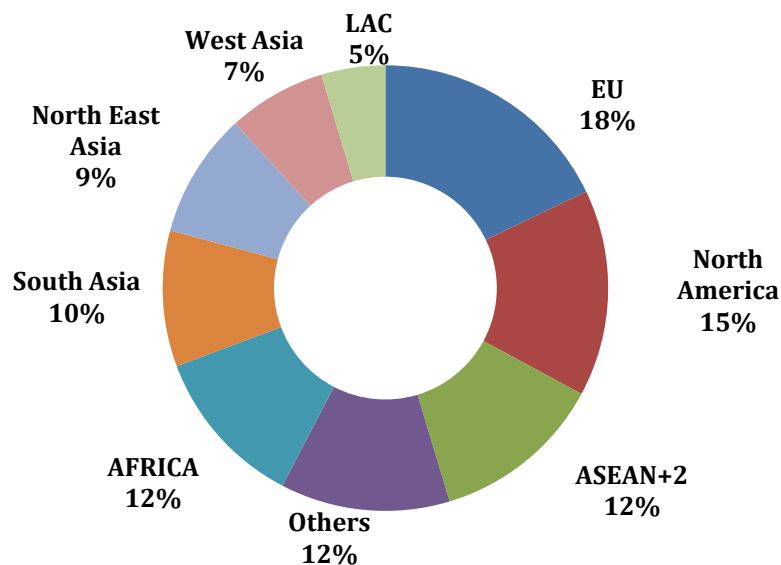
Table 6: Region Wise Exports Trend
US\$ Million

Region	August, 2014	August, 2015	Growth %	April -August 2014-2015	April-August 2015 -2016	Growth %
EU	1047.6	981.1	-6.3	4878.4	4653.1	-4.6
North America	865.2	752.9	-13.0	3905.9	3906.7	0.02
ASEAN+2	558.4	494.8	-11.4	3262.0	3247.4	-0.5
Others	570.8	445.7	-21.9	3805.6	3203.5	-15.8
AFRICA	1350.9	533.9	-60.5	3898.4	3033.9	-22.2
South Asia	782.4	338.9	-56.7	2839.4	2568.5	-9.5
North East Asia	550.4	384.9	-30.1	2323.5	2362.0	1.7
West Asia	378.0	330.7	-12.5	2666.1	1854.7	-30.4
LAC	276.9	236.0	-14.8	1227.6	1208.0	-1.6
Grand Total	6380.7	4498.8	-29.5	28806.9	26037.9	-9.6

(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- August 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 minuscule positive growth during the cumulative period of April- August 2015-16 over April- August 2014-15 where countries like Canada and USA have registered significant growth rates for Electric Machinery and Equipments during this fiscal.
- ❖ Exports to North East Asia recorded significant growth during August 2015 vis-à-vis August 2014. Rise in shipments to countries like Japan and Korea resulted in such growth.
- ❖ ASEAN recorded negative monthly exports for the month of August 2015 vis-à-vis August 2014, as well as negative cumulative growth during April- August 2015-16 as compared to April- August 2014-15. This fall in exports is due to the fall in exports to Singapore, Thailand, Indonesia and Myanmar .etc

We now analyze the performance of some of the important products during August 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	August_14	August_15	Growth %	Apr_August 2014--15	Apr_August 2015--16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	811.72	505.01	-37.78	3749.31	2666.46	-28.88
CHINA	5.71	11.74	105.57	57.83	59.29	2.54
DJIBOUTI	4.10	3.50	-14.81	10.39	15.91	53.09
MYANMAR	1.01	0.10	-90.11	8.55	10.06	17.67
BAHARAIN IS	0.65	1.21	84.73	3.26	7.27	123.00
MADAGASCAR	1.83	1.13	-38.37	4.71	6.74	43.05
MALDIVES	0.58	0.66	15.27	2.09	5.18	147.69
SIERRA LEONE	0.81	0.46	-42.98	4.37	4.71	7.89
FINLAND	0.48	0.97	101.66	2.74	4.05	48.00
HEAVY CUMULATIVE DECLINE COUNTRIES						
IRAN	62.10	58.39	-5.98	249.28	223.17	-10.47

Export partners	August_14	August_15	Growth %	Apr_ August 2014--15	Apr_ August 2015--16	Growth %
U S A	61.18	37.85	-38.12	273.40	205.51	-24.83
ITALY	62.49	29.19	-53.29	231.63	190.07	-17.94
NEPAL	50.15	31.44	-37.30	229.08	166.99	-27.11
UAE	54.14	32.94	-39.17	272.54	157.41	-42.24
KOREA RP	30.20	28.58	-5.36	163.44	130.52	-20.14
BELGIUM	25.12	16.10	-35.93	113.76	104.26	-8.35
THAILAND	29.58	6.58	-77.77	123.78	87.73	-29.13

(Source: Department of Commerce, Government of India)

- ❖ Iran tops the list importing 8.4 % of India's total export of Iron and Steel during April- August 2015-16.
- ❖ USA drops to second position importing 7.7% 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	August_14	August_15	Growth %	Apr_ August 2014--15	Apr_ August 2015--16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	621.12	487.83	-21.46	3026.09	2705.91	-10.58
IRAQ	8.89	0.17	-98.13	11.92	127.61	970.45
NETHERLAND	10.36	14.30	38.06	50.65	66.72	31.73
MEXICO	5.43	3.32	-38.90	17.76	58.93	231.77
PERU	0.14	4.81	3402.37	2.10	55.60	2549.43
SPAIN	8.71	10.19	16.93	36.94	45.45	23.04
AUSTRALIA	11.17	8.49	-24.01	43.29	43.31	0.05
BANGLADESH	2.28	3.64	59.66	14.05	37.02	163.53
MALAYSIA	4.24	2.49	-41.33	23.92	32.19	34.61
HEAVY CUMULATIVE DECLINE COUNTRIES						
U S A	150.70	110.57	-26.63	663.52	556.40	-16.14
UAE	56.39	45.12	-19.98	319.77	238.49	-25.42
GERMANY	41.49	31.36	-24.41	198.31	151.45	-23.63
U K	31.32	26.76	-14.57	164.86	126.04	-23.54
SAUDI ARAB	31.40	19.49	-37.93	190.11	122.76	-35.43
ITALY	18.69	14.62	-21.77	95.92	69.12	-27.94
CANADA	15.87	13.41	-15.50	74.61	63.77	-14.53

Export partners	August_14	August_15	Growth %	Apr-August 2014--15	Apr-August 2015--16	Growth %
FRANCE	10.87	10.73	-1.35	54.34	48.00	-11.67

(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- August 2015-16.
- ❖ While UAE and Germany imports 8.8 % and 5.6 % 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	August_14	August_15	Growth %	Apr-August 2014-15	Apr-August 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	390.83	365.35	-6.52	1983.09	1903.60	-4.01
U S A	44.98	60.39	34.27	254.73	308.70	21.19
BANGLADESH	18.19	17.92	-1.47	90.75	96.88	6.76
TURKEY	16.39	17.52	6.91	75.55	75.79	0.32
GERMANY	13.28	13.58	2.25	73.26	74.21	1.29
NEPAL	11.19	8.34	-25.46	57.04	61.70	8.16
KENYA	7.55	11.23	48.62	39.76	47.57	19.65
SAUDI ARAB	5.83	9.06	55.49	42.66	45.19	5.93
SRI LANKA	3.87	9.53	146.35	18.19	43.04	136.63
HEAVY CUMULATIVE DECLINE COUNTRIES						
UAE	12.01	11.64	-3.10	87.02	64.73	-25.61
INDONESIA	11.29	11.33	0.35	54.99	53.11	-3.42
CHINA	10.37	10.58	2.12	64.85	49.77	-23.25
NIGERIA	14.96	7.83	-47.64	66.59	49.70	-25.36
VIETNAM SOC REP	6.35	7.27	14.34	49.43	36.78	-25.59
THAILAND	7.03	7.39	5.15	43.73	36.46	-16.62
ITALY	9.16	7.88	-13.99	39.85	36.43	-8.58
SOUTH AFRICA	6.64	4.60	-30.66	37.51	29.20	-22.17

(Source: Department of Commerce, Government of India)

- ❖ USA tops here importing 16.2 % of India's total exports for Industrial Machinery during April- August 2015-16.
- ❖ Bangladesh and Turkey imports 5.1 % and 4.0 % of India's total exports for Industrial Machinery during April- August 2015-16.

Table 10: Export of Automobiles
US\$ Million

Export partners	August_14	August_15	Growth %	Apr-August 2014-15	Apr-August 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	625.33	606.96	-2.94	2694.16	2675.81	-0.68
SOUTH AFRICA	77.15	62.60	-18.86	314.03	317.88	1.23
SRI LANKA	29.83	59.10	98.09	100.51	262.01	160.67
ITALY	13.39	48.47	261.94	57.13	106.35	86.18
UAE	26.57	20.35	-23.39	91.53	94.83	3.60
SPAIN	6.45	20.95	224.55	56.19	72.87	29.68
EGYPT	15.03	18.05	20.11	29.40	72.48	146.56
CHILE	17.44	9.83	-43.62	42.61	53.17	24.77
NEPAL	12.17	6.54	-46.27	43.50	51.80	19.06
HEAVY CUMULATIVE DECLINE COUNTRIES						
MEXICO	71.25	73.35	2.94	317.49	285.00	-10.23
U K	33.46	35.36	5.65	206.94	140.39	-32.16
ALGERIA	25.85	6.53	-74.72	144.33	112.91	-21.77
BANGLADESH	17.52	19.35	10.44	97.82	96.13	-1.73
NIGERIA	25.69	9.87	-61.57	94.99	61.43	-35.33
NETHERLAND	12.45	14.31	14.89	61.19	48.95	-20.00
SAUDI ARAB	27.94	14.72	-47.33	68.34	46.05	-32.62
PERU	11.09	6.74	-39.21	40.72	39.49	-3.01

(Source: Department of Commerce, Government of India)

- ❖ In case of Motor vehicles South Africa tops the list importing 11.9% of India's total exports of Motor vehicles during April-August 2015-2016.
- ❖ Mexico and Sri Lanka holds the 2nd and 3rd position respectively importing 10.7% 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	August_14	August_15	Growth %	Apr-August 2014-15	Apr-August 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	693.61	616.94	-11.05	2774.75	3084.29	11.16
MALAYSIA	6.46	77.39	1098.46	25.80	388.35	1405.19
KOREA RP	59.12	53.60	-9.34	256.62	306.59	19.47
U S A	55.92	44.93	-19.65	202.32	240.96	19.10
SINGAPORE	37.28	56.07	50.41	150.41	222.63	48.02
TAIWAN	12.12	22.36	84.50	46.82	123.06	162.85
SAUDI ARAB	11.72	9.58	-18.28	54.79	66.41	21.21
NEPAL	8.27	8.05	-2.67	34.20	47.73	39.58
THAILAND	6.01	7.06	17.57	22.82	44.35	94.34
HEAVY CUMULATIVE DECLINE COUNTRIES						
CHINA	191.01	81.61	-57.27	735.44	473.69	-35.59
UAE	69.85	76.99	10.23	272.53	233.91	-14.17
MEXICO	33.26	11.02	-66.86	129.32	106.60	-17.57
U K	17.38	14.57	-16.20	76.24	73.06	-4.17
GERMANY	11.61	7.84	-32.41	54.42	40.91	-24.84
VIETNAM	8.92	3.67	-58.92	34.31	21.74	-36.64
NETHERLAND	6.26	4.72	-24.61	23.36	21.69	-7.17
COLOMBIA	4.09	2.24	-45.14	24.42	20.65	-15.45

(Source: Department of Commerce and CSO)

- ❖ China is the topmost importer for Non ferrous Metals importing 15.4% of India's total export of Non Ferrous Metals during April-August 2015-2016.
- ❖ Malaysia and South Korea retains their positions importing 12.6% and 9.9% respectively during April-August 2015-2016.

Table 12: Export of Electrical Machinery and Components

US\$ Million

Export partners	August_14	August_15	Growth %	Apr-August 2014-15	Apr-August 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	318.46	304.81	-4.29	1604.17	1561.41	-2.67
U S A	45.33	41.73	-7.93	211.94	232.29	9.60
GERMANY	19.45	20.73	6.57	101.19	105.71	4.47
JAPAN	4.73	20.96	343.47	23.47	41.66	77.55
SAUDI ARAB	6.70	6.85	2.33	40.02	41.19	2.94
SINGAPORE	9.20	8.04	-12.63	32.13	38.40	19.53
CHINA	6.24	7.63	22.29	33.61	34.04	1.28
NEPAL	3.74	2.43	-34.95	21.50	33.17	54.25
ITALY	7.23	5.22	-27.87	29.44	31.94	8.51
HEAVY CUMULATIVE DECLINE COUNTRIES						
U K	20.80	22.99	10.56	99.36	93.86	-5.53
UAE	16.68	13.64	-18.26	91.59	81.51	-11.01
FRANCE	16.25	15.56	-4.24	87.92	76.04	-13.51
NIGERIA	8.99	5.18	-42.34	38.97	35.24	-9.57
BANGLADESH	8.37	3.35	-59.93	32.17	26.03	-19.08
KENYA	2.44	4.58	87.29	31.30	24.69	-21.11
SOUTH AFRICA	4.90	2.75	-43.88	20.89	19.10	-8.58
THAILAND	5.43	3.88	-28.46	27.19	18.96	-30.26

(Source: Department of Commerce and CSO)

- ❖ USA is the largest importer of Electrical Machinery and Equipments from India during April-August 2015-16 with 14.9 % 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-August 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	August_14	August_15	Growth %	Apr-August 2014-15	Apr-August 2015-16	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	465.23	100.14	-78.47	2254.08	2020.07	-10.38
UAE	0.72	1.43	98.79	236.43	578.92	144.86
U S A	38.61	38.62	0.02	160.09	224.81	40.43
CZECH REPUBLIC	0.01	0.19	1686.18	31.41	130.24	314.62
U K	7.38	13.25	79.48	76.38	97.18	27.23
GERMANY	8.44	7.65	-9.36	37.24	85.02	128.28
ISRAEL	2.12	9.27	338.07	13.45	23.47	74.47
NETHERLAND	1.80	3.09	72.06	12.11	14.75	21.88
CHINA	0.61	0.44	-28.38	1.91	5.94	211.67
HEAVY CUMULATIVE DECLINE COUNTRIES						
SRI LANKA	363.36	0.17	-99.95	841.95	704.59	-16.32
FRANCE	10.13	10.55	4.14	56.31	44.89	-20.28
RUSSIA	2.48	1.12	-55.04	50.84	18.14	-64.31
SINGAPORE	8.74	4.52	-48.23	56.10	16.89	-69.90
SWITZERLAND	4.39	2.20	-49.90	12.61	3.77	-70.10
MALAYSIA	0.96	1.05	9.09	8.18	3.65	-55.41
HONG KONG	0.12	0.24	105.48	2.34	2.12	-9.59
SWEDEN	0.78	0.31	-59.54	2.70	2.02	-25.38

(Source: Department of Commerce and CSO)

- ❖ In case of Aircrafts and Parts, Sri Lanka continues to be the top export destination for India, importing 34.9% of India's total exports of Aircrafts and Parts during April-August 2015-16.
- ❖ UAE remained the second largest importer of India's Aircrafts & parts during April-August 2015-16 with 28.7% share.

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

US\$ Million

Export partners	August_14	August_15	Growth %	April-August 2014-15	April-August 2015-16	Growth %
SUBSTANTIAL GROWTH COUNTRIES						
Export to World	693.34	1.59	-99.77	2721.00	1815.87	-33.26
JAPAN	0.00	0.00		9.20	338.21	3576.21
NORWAY	0.00	0.00		25.87	328.27	1168.93
MALAYSIA	0.01	0.00	-36.51	0.02	190.64	805699.73
QATAR	0.00	0.00		21.70	22.84	5.27
FRANCE	0.00	0.04		0.23	3.76	1519.82
EGYPT	0.00	0.00		0.01	1.00	16128.22
MALDIVES	0.00	0.00		0.00	0.37	21014.22
ANGOLA	0.00	0.00		0.01	0.03	296.73
HEAVY DECLINE COUNTRIES						
SINGAPORE	0.01	0.02	98.08	592.82	444.13	-25.08
UAE	13.53	0.02	-99.87	604.13	197.37	-67.33
SOUTH AFRICA	657.30	0.00	-100.00	657.30	147.05	-77.63
SRI LANKA	22.23	0.00	-100.00	293.24	27.93	-90.47
KAZAKHSTAN	0.00	0.00		4.24	2.86	-32.56
ISRAEL	0.06	1.16	1849.30	12.14	1.16	-90.48
U S A	0.01	0.20	2038.13	0.37	0.33	-13.19
KUWAIT	0.00	0.04		9.55	0.04	-99.61

(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-August 2015 sharing 61% of total export of this product group.
- ❖ UAE is the fourth largest importer of this group importing 10.9% during April-August 2015-2016.

Table 15: Export of Auto Components

US\$ Million

Export partners	August_14	August_15	Growth %	April-August 2014-15	April-August 2015-16	Growth %
SUBSTANTIAL GROWTH COUNTRIES						
Export to World	392.60	337.28	-14.09	1874.68	1753.45	-6.47
MEXICO	8.43	13.58	60.95	39.76	75.13	88.98
UAE	11.25	11.03	-1.92	49.75	55.75	12.06
NEPAL	8.62	8.08	-6.24	34.70	50.63	45.93
SRI LANKA	4.21	5.35	27.05	18.15	26.06	43.59
BELGIUM	5.53	4.83	-12.67	24.98	25.99	4.07
NIGERIA	5.13	2.48	-51.63	22.04	24.49	11.10
NETHERLAND	2.37	3.11	31.52	15.39	15.66	1.77
COLOMBIA	3.91	3.33	-14.74	14.81	15.57	5.15
HEAVY DECLINE COUNTRIES						
U S A	79.50	70.81	-10.92	399.81	388.40	-2.85
TURKEY	32.73	33.37	1.97	170.51	147.94	-13.23
THAILAND	20.91	20.45	-2.19	92.23	82.80	-10.23
U K	18.37	16.02	-12.78	86.11	82.19	-4.55
BRAZIL	20.36	14.40	-29.25	89.98	79.52	-11.62
GERMANY	18.79	14.29	-23.91	86.80	76.23	-12.17
ITALY	12.59	11.75	-6.71	72.10	57.78	-19.87
EGYPT	10.43	7.80	-25.22	53.40	51.27	-3.98

(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-August 2015-16.
- ❖ Mexico holds the seventh position by recording a significant 89% year-on-year growth during April-August 2015-16.
- ❖ Turkey and Thailand holds the second and third position importing 8.4% and 4.7% of Indian auto component/parts, during April-August 2015-16.

Conclusion

Trade data for August 2015 demonstrates that India's merchandised exports shrunk for the ninth consecutive month in a row with a dip by 20.6 percent in August. Amid the persistent contraction of merchandised exports, the rise in shipments in July in some of the sectors including engineering has been a "break in the clouds".

The continuous fall in exports is a matter of great concern. The sharp fall in India's merchandised exports is primarily attributed to sluggish demand from across the globe following a slowdown in economic activity in the developed region. With respect to engineering exports, however, apart from global factor, the domestic hardening of its major raw material: primary steel due to hike in import duty factors by 5% further affected competitiveness of engineering products at a time when the rest of world was able to access cheap steel primaries. In fact, the recent decision to impose safeguard duty on steel imports by 20% ad valorem, for 200 days will further dampen our engineering exports in the days ahead as prices of steel has already begun to rise in domestic market.

