

ENGINEERING EXPORT MONITOR

August 2016



Analysis of Indian engineering exports during August 2016: September 19, 2016

Trend in overall trade

India's merchandise exports contracted for the second consecutive month in August 2016 after rising for the first time in nineteen months in June 2016. Merchandise exports fell year on year by 0.3 per cent in dollar terms to USD 21.52 billion in August 2016 than the level of US\$ 21.58 billion during August 2015. The Cumulative value of exports during April-August 2016-17 was US\$ 108.52 billion as against US\$ 111.85 billion during the same period last year that declined by 2.98 percent in Dollar terms.

Merchandise imports however continued to decline by 14.1 percent to USD 29.19 billion in August 2016 from USD 33.98 billion during the same month last year caused mainly by the fall in global crude oil prices. Cumulative value of imports for the period April-August 2016-17 declined by 15.89 percent to USD 143.19 billion as against US\$ 170.23 billion during the same period last year.

Consequently, trade deficit narrowed to USD 7.67 billion in August 2016 from USD 12.39 billion in the year-ago month. A much steeper fall in imports vis-a-vis exports, led to this y-o-y contraction in trade deficit. Trade deficit is at the lowest level in the past seven months. Cumulative trade deficit also declined to USD 34.67 billion for April-August, 2016-17 which was 40.61 per cent lower than USD 58.38 billion a year-ago.

Engineering exports

India's engineering exports once again returned to positive track reversing the negative growth observed in July 2016. The engineering exports moved up sharply by 4.7 percent from US\$ 4.65 billion in August 2015 to US\$ 4.87 billion in August 2016. The share of engineering exports with respect to total merchandise exports was largely unchanged at 22.8 percent in August 2016 as against 22.5 percent during July 2015. Cumulative engineering exports continued to decline as engineering exports for the first five months of the current fiscal dropped by 4 percent to USD 25.13 billion in Apr-Aug 2016-17 from USD 26.18 billion during Apr - Aug 2015-16. The monthly engineering figures for the first five months of 2016-2017 vis-à-vis 2015-2016 are depicted below:

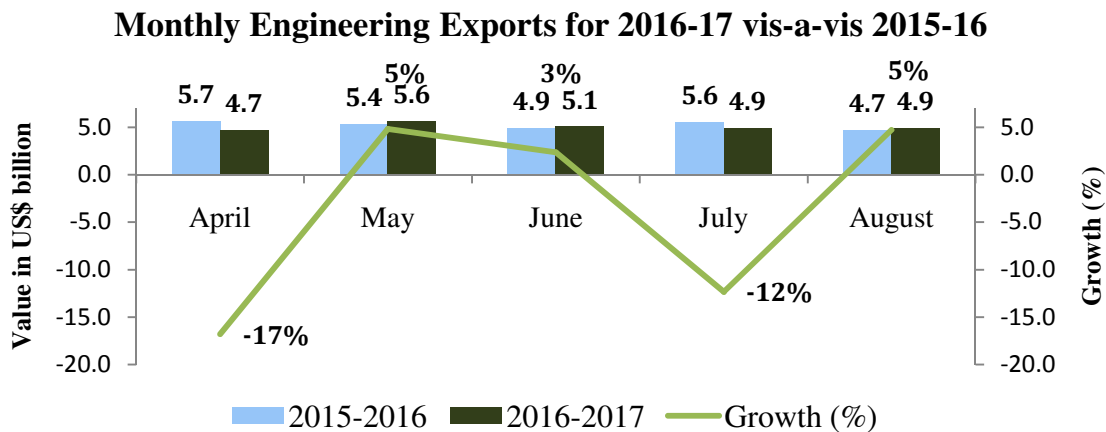
Table1: Engineering Exports
(US\$ Million)

Months	2015-16	2016-17	Growth (%)
April	5676.59	4722.34	-16.81
May	5354.43	5613.38	4.84
June	4936.26	5053.13	2.37
Quarter 1	15967.3	15388.9	-3.62
July	5559.65	4873.18	-12.35
August	4653.93	4872.84	4.70
April-August	26180.86	25134.87	-4.00

(Source: Department of Commerce, Government of India)

Figure 1 below depicts the monthly trend in engineering exports for 2015-16 and 2016-17

Figure1: Trends in Monthly Engineering Exports
US\$ Billion



(Source: EEPC India analysis)

The share of engineering production in overall manufacturing output is quite significant as engineering sector is an important segment of the broader Manufacturing sector. Now, as production and exports are directly correlated, some correlation between manufacturing production growth and merchandise export growth is very likely to exist. Hence, a broad analysis of industrial production, especially of manufacturing sector is effective in the context of engineering export analysis as manufacturing has over 75% weightage in India's industrial production. The downfall in Indian engineering exports has been arrested in May 2016 after 8 months and growth continued in June 2016. During fiscal 2015-16, November was the first month to concede a decline in year-on-year manufacturing production when engineering export suddenly dropped by around 30 percent. Decline in exports moderated slightly in December 2015 when decline in manufacturing also moderated. However, manufacturing output declined at a faster pace in January 2016 while engineering exports witnessed slightly slower decline. The month of February witnessed a

substantial slowdown in the pace of year-on-year decline in engineering exports and manufacturing also came to growth path. However, in March 2016, manufacturing output again declined while rate of decline in exports was largely flat over the month. April 2016 saw a higher decline in engineering exports accompanied by a bigger fall in manufacturing production but during the next three months, both engineering exports and manufacturing production moved in the same direction. During May and June 2016, both engineering exports and manufacturing bounced back to year-on-year growth while in July 2016, both engineering exports and manufacturing production declined. However in June, engineering exports recorded slower growth but manufacturing growth accelerated marginally. Overall IIP Index, the standard measure for industrial output, stood at 176.1 in July 2016 as against 182.8 in June 2016 and 181.7 in May 2016.

The growth rates in Engineering Exports and the Growth in Manufacturing in the country in the current fiscal in Table 2 below:

Table 2: Engineering Exports Growth vis-a-vis Manufacturing Growth (2015-16)

Months/ Year	Engg. Exports Growth (%)	Manufacturing Growth (%)
April-March 2015-16	-16.93	2.0
April 2016	-16.81	-3.6
May 2016	4.84	0.6
June 2016	2.37	0.7
April - June 2016	-3.62	-0.8
July 2016	-12.35	-3.4
August 2016	4.7	N A

(Source: Department of Commerce and CSO)

An analysis of the engineering export and manufacturing growth data for the last 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 marginal growth during July 2015 but growth of manufacturing production decelerated. Then export growth and growth of manufacturing moved in opposite direction in August and September 2015. However, both moved in the same direction during the last three months of 2015. Decline in engineering exports decelerated in October and manufacturing growth reached its several years' high. November 2015 just saw the reverse when engineering exports declined to its highest pace of the last fiscal and manufacturing production declined for the first time in 2015-16. Then in December 2015, fall in exports moderated slightly while the pace of decline in manufacturing also slowed down to nearly half the rate of the previous month. January 2016 however saw a slower rate of decline in engineering exports coupled with a bigger fall in manufacturing growth. The month of February reflected the link between these two when decline in engineering export slowed down significantly and manufacturing bounced back to growth. In the

last month of fiscal 2015-16, decline in manufacturing was largely the same over the month but manufacturing growth again went back to negative.

We also present the month wise corresponding **revised** engineering exports for 2015-16 as opposed to 2014-15.

Table 3: Revised Engineering Exports (2014-15)
USD Million

Quarter	Month	2014-15	2015-2016	Growth Rate in Percent
Quarter 1	April	5708.04	5676.57*	-0.55*
	May	6013.33	5354.44*	-10.96*
	June	5205.21	4936.26*	-5.17*
Quarter 2	July	5499.76	5559.65*	1.09*
	August	6380.66	4653.93*	-27.06*
	September	6329.07	4704.5	-25.67
Quarter 3	October	5007.85	4486.18	-10.42
	November	6403.45	4342.94	-32.18
	December	6710.57	4689.19	-30.12
Quarter 4	January	6707.02	4757.43	-29.07
	February	4975.32	4419.95	-11.16
	March	5829.71	5175.65	-11.22
	Total Exports	70769.99	58756.69*	-16.98*

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

Impact of Exchange Rate

How has the exchange rate been in August 2016 vis-a-vis August 2015? We look at the average exchange rate for August 2016 vis-a-vis August 2015. The below table provides the same:

Table 4: Average Exchange Rate

August	Average Exchange Rate 1 USD to INR
2015	65.25
2016	66.93

(Source: Calculated from RBI archive)

The official exchange rate of rupee vis-à-vis the US Dollar during August 2016 has depreciated by 2.6 percent to that of the same month last year.

We begin by looking at the Engineering Panel wise exports for the month of August 2016 vis-a-vis August 2015. The data is given in Table 5 below:

Table 5: Trends in Engineering panel Exports for August 2016 and April- August 2016-17
US\$ Million

Sl no.	Panel	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
1. Iron and Steel and Products made of Iron and Steel							
A	Iron and Steel	531.06	682.53	28.5	2706.31	2676.55	-1.1
B	Products of Iron and Steel	491.32	461.46	-6.1	2706.8	2315.78	-14.4
Sub Total		1022.4	1144.0	11.9	5413.1	4992.3	-7.8
2. Non-Ferrous Metals and Products made of Non-Ferrous Metals							
A	Copper and products	213.54	207.9	-2.6	1203.14	905.31	-24.8
B	Aluminium and products	198.33	288.22	45.3	1095.61	1106.84	1.0
C	Zinc and products	56.32	19.07	-66.1	244.91	87.54	-64.3
D	Nickel and products	97.05	2.3	-97.6	277.42	59.57	-78.5
E	Lead and products	16.54	9.86	-40.4	71.84	49.99	-30.4
F	Tin and products	0.4	0.6	50.0	6.04	2.58	-57.3
G	Other Non Ferrous Metals	35.41	34.53	-2.5	185.03	180.7	-2.3
Sub Total		617.6	562.5	-8.9	3084.0	2392.5	-22.4
3. Industrial Machinery							
A	Industrial Machinery like Boilers, parts, etc	47.51	71.67	50.9	249.92	285.47	14.2
B	IC Engines and Parts	196.07	175.6	-10.4	872.5	950.38	8.9
C	Pumps of all types	54.96	56.72	3.2	314.76	294.42	-6.5
D	Air condition and Refrigerators	84.26	81.22	-3.6	441.77	414.85	-6.1
E	Industrial Machinery for dairy, food processing, textiles etc	365.2	369.59	1.2	1906.48	1842.38	-3.4
F	Machine Tools	30.28	30.71	1.4	160.64	207.2	29.0
G	Machinery for Injecting moulding, valves and ATMs	104.36	99.73	-4.4	520.04	504.17	-3.1
Sub Total		882.6	885.2	0.3	4466.1	4498.9	0.7
4	Electrical Machinery	287.77	382.89	33.1	1537.89	1822.86	18.5
5. Auto and Auto Components							
A	Motor Vehicle/cars	610.57	705.4	15.5	2683.56	2949.78	9.9
B	Two and Three Wheelers	171.25	128.78	-24.8	776.33	668.53	-13.9
C	Auto Components/Part	337.74	346.16	2.5	1754.92	1828.34	4.2
Sub Total		1119.6	1180.3	5.4	5214.8	5446.7	4.4

Sl no.	Panel	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
6	Aircrafts and Spacecraft parts and products	234.01	146.13	-37.6	2130.99	1282.02	-39.8
7	Ships Boats and Floating products and parts	0.37	90.79	24437.8	1813.49	2122.11	17.0
8. Miscellaneous Items							
A	Medical and Scientific instruments	91.95	105.6	14.8	485.55	540.98	11.4
B	Railway Transport	5.42	5.59	3.1	35.82	65.9	84.0
C	Hand Tools & Cutting Tools	51.83	51.48	-0.7	274.32	276.28	0.7
D	Electrodes Accumulators	4.21	3.25	-22.8	17.44	18.78	7.7
E	Accumulator and Batteries	16.89	21.16	25.3	86.23	92.53	7.3
F	Bicycle & Parts	22.43	24.15	7.7	120.12	121.48	1.1
G	Cranes Lifts & Winches	26.13	27.71	6.0	150.38	179.08	19.1
H	Office Equipments	8.45	9.55	13.0	41.41	43.8	5.8
I	Other Construction Machinery	101.41	80.2	-20.9	489.22	422.1	-13.7
J	Prime Mica & Mica Products	1.61	1.34	-16.8	7.7	7.57	-1.7
K	OTHER MISC. ITEMS	159.28	150.95	-5.2	812.28	809	-0.4
Sub Total		489.6	481.0	-1.8	2520.5	2577.5	2.3
Grand Total		4653.93	4872.84	4.7	26180.9	25134.9	-4.0

(Source: Department of Commerce, Government of India)

Some factors that need to be noted are:

- ❖ Out of 33 engineering panels, 17 panels (51.5 percent) of the engineering panels recorded a positive growth and remaining 16 panels fared negative growth in the month of August 2016.
- ❖ Iron and steel exports fared positive growth by more than 28 percent in August 2016 vis-à-vis August 2015. Products of Iron and Steel exports have dropped by 6 percent from USD 491.3 million in August 2015 to USD 461.5 million in August 2016. Similarly the cumulative exports of both have dropped with fall in products of iron and steel being more than the fall in exports of iron and steel in April–August 2016-17 vis-à-vis April-August 2015-16.
- ❖ Among the 7 non-ferrous metals and products made of non-ferrous metals, 5 registered negative growth in August 2016. There has been a drastic fall in the exports of Nickel, Zinc and Lead products falling by more than 97 percent, 66 percent and 40 percent respectively during August 2016 over August 2015. Copper and products also registered negative growth by 3 percent

during August 2016 vis-à-vis August 2015. Most promisingly Aluminium and products witnessed massive growth in exports by 45 percent in August 2016 over August 2015.

- ❖ Electrical Machinery and equipments panel generated positive growth both in August 2016 by 33 percent as well as in positive cumulative growth by 18.5 percent during April-August 2016-17 compared to the same period last fiscal.
- ❖ The exports scenario of Aircrafts and Spacecraft continued its negative trend even in August falling by 37.6 percent compared to the same period last fiscal. Unlike facing positive export growth in the first quarter, the sector showed negative performance both in July falling by more than 58 percent as well as in the month of August. On the contrary, Ship, boats and floating bodies faced massive jump by from US\$ 0.37 million in August 2015 to US\$ 90.8 million in August 2016.
- ❖ In the Industrial Machinery panel, Nuclear reactors registered highest export growth of 50 percent during August 2016 against August 2015. Other top two sectors which showed positive growth includes Pumps and Value moving up by 3.2 percent and Machine Tools moving up by 1.4 percent in the month of August 2016 over that of 2015. In the Industrial Machinery panel, 3 out of 7 panels witnessed negative growth in the month of August 2016 vis-à-vis same period last fiscal.
- ❖ Other panels like Motor vehicles/cars , Auto components/Parts, Medical & scientific equipments, Railway and Transport equipments, Accumulator and Batteries, Bicycle and Parts, Cranes, lifts and winches and Office Equipments registered positive growth among the panels in August 2016 vis-à-vis August 2015.

☑ Top 25 destinations for Indian Engineering Exports in Absolute Value (even though the growth rate in August be negative)

We now look at the export scenario of top 25 nations that have highest demand for Indian engineering products during August 2016 over August 2015 in Absolute Value, even though the growth rate in August is negative. Country wise cumulative figures for April-August 2016-2017 have also been taken into concern to see the trend of India's engineering exports in the current fiscal.

Table 6: Engineering Exports Country wise (2016-2017)
US\$ Million

COUNTRY	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
U S A	578.62	579.85	0.21	3018.96	2768.18	-8.31
UAE	413.88	217.71	-47.40	2123.59	1915.70	-9.79
SINGAPORE	108.12	134.54	24.44	933.70	1116.97	19.63
U K	219.03	241.53	10.27	978.98	1021.06	4.30
MEXICO	132.41	194.93	47.23	686.14	965.93	40.78
GERMANY	187.81	180.15	-4.08	861.33	884.34	2.67
NEPAL	138.81	172.22	24.07	690.27	879.00	27.34
MALAYSIA	102.22	191.20	87.04	768.12	790.02	2.85
BANGLADESH	105.13	152.83	45.37	566.74	772.47	36.30
ITALY	147.22	178.65	21.35	632.91	695.58	9.90
TURKEY	104.43	107.53	2.97	492.73	670.12	36.00
SRI LANKA	126.02	94.60	-24.93	1313.20	638.93	-51.35
INDONESIA	60.49	96.03	58.77	320.25	592.11	84.89
KOREA RP	93.52	139.38	49.03	512.13	526.18	2.74
SAUDI ARAB	104.38	111.19	6.53	541.87	498.58	-7.99
FRANCE	83.59	117.90	41.04	453.47	497.59	9.73
CHINA	153.73	92.39	-39.90	844.51	490.88	-41.87
BELGIUM	51.98	88.65	70.55	275.57	395.14	43.39
SOUTH AFRICA	101.23	85.69	-15.35	682.17	393.40	-42.33
NETHERLAND	81.99	76.50	-6.70	362.96	367.17	1.16
SPAIN	65.81	95.89	45.71	301.99	355.36	17.67
THAILAND	69.02	71.16	3.10	385.78	310.54	-19.50
JAPAN	60.03	56.13	-6.51	617.00	300.03	-51.37
VIETNAM	46.02	54.42	18.26	245.23	268.16	9.35
RUSSIA	24.09	23.95	-0.59	130.46	254.52	95.10
Total of top 25	3359.57	3555.01	5.82	18740.05	18367.98	-1.99
Share of top 25	72.19	72.96		71.58	73.08	

Note: Red font indicates negative monthly and cumulative growth

(Source: Department of Commerce, Government of India)

The country wise engineering export figures for August 2016 show the following facts:

- ❖ During the month of August 2016, 17 out of the top 25 countries recorded year-on-year growth in engineering imports from India while the rest 8 conceded decline over the same month last year.
- ❖ Malaysia was the nation to see highest growth in engineering imports from India during the August 2016 followed by Belgium. Both the countries also recorded positive cumulative growth for Apr-Aug 2016-17 over the same period last fiscal.

- ❖ USA ranked to be the top exporting destination for India's engineering products, even though it recorded negative growth in Apr-Aug 2016-17.
- ❖ All the European nations falling under the top 25 engineering export destinations like UK, Germany, Italy, Belgium, Netherlands, France and Spain, recorded positive growth during Apr-Aug 2016-17 over Apr-Aug 2015-16. But Germany and Belgium recorded negative growth in August 2016 over August 2015. Belgium topped the list registering highest growth in August 2016 and also on cumulative basis during Apr-Aug 2016-17.
- ❖ Among the ASEAN countries Malaysia recorded the highest growth in engineering imports from India in August 2016 and Indonesia recorded the highest growth cumulatively during Apr-Aug 2016-17 .
- ❖ Out of 220 exports destinations of Indian engineering goods, top 25 nations accounted for more than 73 percent of India's total engineering exports during Apr-Aug 2016-17.
- ❖ Overall, India's engineering exports to its top 25 destinations registered a rise in growth of 5.8 percent in August 2016 over August 2015 which is higher than the dip in growth on cumulative basis. The increase in exports to top 25 countries is higher (5.8 percent) than the rise in total engineering exports (4.7 percent) during August 2016 over August 2015.

Regional Distribution of Engineering Exports

We now look at the Regional Distribution of Engineering Exports for April-August 2016 as opposed to April-August 2015. We also look at the trend in August 2016 vis-à-vis August 2015. The Table below gives this picture:

Table 7: Region Wise Exports Trend
US\$ Million

Region	August, 2015	August, 2016	Growth %	April -August 2015	April-August 2016	Growth %
E U	973.58	1144.18	17.52	4674.21	5261.29	12.56
N AMERICA	751.28	805.84	7.26	3899.44	3911.23	0.30
ASEAN+2	487.57	654.07	34.15	3183.73	3653.88	14.77
MIDDLE EAST AND WEST ASIA (MEWA)	744.66	574.27	-22.88	3977.47	3433.63	-13.67
SOUTH ASIA	393.36	450.95	14.64	2729.16	2502.40	-8.31
AFRICA	540.93	470.37	-13.04	3048.06	2357.15	-22.67

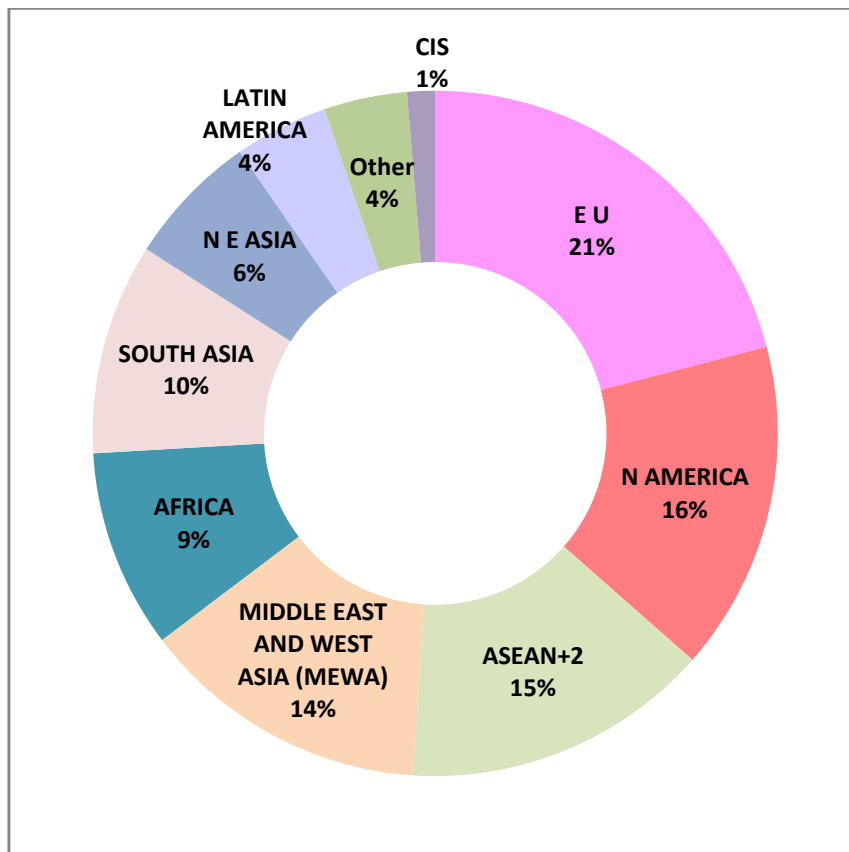
Region	August, 2015	August, 2016	Growth %	April -August 2015	April-August 2016	Growth %
N E ASIA	358.38	360.95	0.72	2294.12	1588.57	-30.75
LATIN AMERICA	237.82	231.65	-2.59	1214.93	1107.93	-8.81
Other	129.68	144.58	11.49	963.88	987.04	2.40
CIS	36.69	35.99	-1.89	195.84	331.67	69.36
Total	4653.94	4872.84	4.70	26180.83	25134.79	-4.00

(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.

There is a country named as “unspecified” which imported US \$ 162.29 million worth of engineering goods from India during Apr-Aug2016-17 which has been grouped under Other category of regions.

Figure 2: India’s region wise exports during Apr-Aug 2016-17



(Source: EEPC India analysis)

- ❖ EU as always ranks as the region with highest shipment of engineering products from India during August 2016 with a share of 23 % in total engineering exports.
- ❖ North America ranks second registering significant positive growth during August 2016 over August 2015.
- ❖ ASEAN +2 ranks third and recorded the highest growth of more than 34 percent during the August 2016 over August 2015.
- ❖ MEWA drops down to fourth position registering negative monthly and cumulative growth for period of Apr-Aug 2016-17 over the previous fiscal.
- ❖ Exports to CIS nations recorded significant increase in cumulative growth of 69 percent during Apr-Aug 2016-17 over the previous fiscal.

We now analyze the performance of some of the important products during August 2016. We pick the major panels and seek the heavy growth and heavy declines in these panels in August 2016 to give an idea about the trend that is about to emerge.

Table 8: Export of Iron & Steel
US\$ Million

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug2016-17	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	531.1	682.5	28.5	2706.3	2676.5	-1.1
BELGIUM	16.1	50.6	214.1	104.2	204.2	95.9
ITALY	29.2	68.3	134.2	190.0	203.9	7.3
BANGLADESH	13.7	42.2	208.0	84.9	180.6	112.8
UAE	32.9	30.0	-9.0	157.4	161.4	2.5
KOREA RP	21.5	38.1	77.4	104.6	108.4	3.6
SPAIN	11.5	40.0	247.3	58.3	104.5	79.3
INDONESIA	6.0	17.7	194.4	52.6	80.2	52.3
CHINA	11.7	31.7	170.2	59.3	74.1	25.0
HEAVY CUMULATIVE DECLINE COUNTRIES						
NEPAL	65.9	41.1	-37.6	271.9	232.3	-14.6
U S A	37.8	27.5	-27.2	205.5	123.2	-40.1

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug2016-17	Growth %
NETHERLAND	14.2	10.3	-27.4	74.3	50.0	-32.6
JAPAN	11.7	11.1	-5.2	62.6	45.6	-27.1
SRI LANKA	7.1	8.4	18.5	42.1	41.6	-1.2
GERMANY	10.8	6.8	-37.1	51.0	35.4	-30.6
THAILAND	6.6	10.9	65.7	76.7	35.0	-54.3
IRAN	58.4	6.2	-89.4	223.2	30.9	-86.1

(Source: Department of Commerce, Government of India)

- ❖ Nepal once again tops the list as importer of India's Iron and Steel during April-August 2016-2017 importing 8.7 percent share followed by Belgium and Italy importing 7.63 percent and 7.62 percent respectively during Apr-Aug 2016-17.
- ❖ USA recorded a fall in growth by 40 percent year-on-year during the first five months of the current fiscal.

Table 9: Export of Products of Iron & Steel
US\$ Million

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	491.32	461.46	-6.08	2706.78	2315.74	-14.4
UAE	44.98	43.27	-3.81	238.22	254.13	6.7
SAUDI ARAB	19.46	25.75	32.33	122.73	145.63	18.7
ITALY	14.63	14.10	-3.63	69.11	73.49	6.3
NETHERLAND	14.30	14.04	-1.84	66.66	67.31	1.0
KUWAIT	3.06	9.13	198.78	13.71	57.77	321.3
FRANCE	10.73	11.05	2.99	47.97	48.02	0.1
NEPAL	5.10	15.97	213.19	23.47	39.15	66.8
BELGIUM	7.59	7.62	0.48	36.83	39.10	6.2
HEAVY CUMULATIVE DECLINE COUNTRIES						
U S A	110.46	101.04	-8.53	555.91	445.20	-19.9
GERMANY	31.33	28.15	-10.15	151.02	143.38	-5.1
U K	26.66	21.17	-20.58	125.62	102.61	-18.3
CANADA	13.40	8.40	-37.31	63.75	57.24	-10.2
SPAIN	10.20	6.55	-35.85	45.46	33.57	-26.1
AUSTRALIA	8.59	6.82	-20.54	43.41	31.64	-27.1

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
SOUTH AFRICA	5.36	6.01	12.17	28.02	27.95	-0.2
CHINA	5.23	3.51	-32.84	28.20	26.31	-6.7

(Source: Department of Commerce, Government of India)

- ❖ USA tops the list importing 19.2 percent of India's total export of Products of Iron and Steel during Apr-Aug 2016-17 but conceded decline in imports over the same period last fiscal.
- ❖ UAE and Saudi Arabia ranked second and third importing 11.0 percent and 6.3 percent of India's total export of Products of Iron and Steel respectively during the same period.

Table 10: Export of Industrial Machinery
US\$ Million

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	882.6	885.2	0.3	4466.1	4498.9	0.7
TURKEY	36.7	35.4	-3.5	163.8	193.8	18.3
BANGLADESH	24.9	37.2	49.4	131.6	182.9	38.9
RUSSIA	3.2	4.4	39.0	34.5	126.9	267.3
ITALY	24.9	24.4	-2.2	108.6	115.1	6.0
NEPAL	12.6	18.8	49.7	91.4	109.9	20.3
MALAYSIA	7.3	16.9	132.0	61.3	105.2	71.7
SINGAPORE	15.0	34.4	128.9	84.3	100.8	19.6
KUWAIT	5.7	24.0	321.5	20.6	90.3	338.6
HEAVY CUMULATIVE DECLINE COUNTRIES						
U S A	144.5	119.6	-17.2	743.1	613.9	-17.4
GERMANY	60.0	37.6	-37.3	220.1	210.9	-4.1
UAE	36.0	41.0	13.9	199.3	185.6	-6.9
U K	57.5	31.1	-45.9	231.7	165.1	-28.8
CHINA	36.2	26.1	-27.8	161.8	138.1	-14.6
SAUDI ARAB	31.5	17.9	-43.0	150.3	106.0	-29.5
THAILAND	16.1	18.9	17.4	88.9	79.5	-10.6
VIETNAM	15.0	19.1	27.5	81.6	73.0	-10.6

(Source: Department of Commerce, Government of India)

- ❖ USA once again tops the chart importing 13.6 percent of India's total exports for Industrial Machinery during Apr-Aug 2016-17.
- ❖ Germany and Turkey holds the second and third position respectively importing 4.7 percent and 4.3 percent respectively of India's total exports for Industrial Machinery during -Apr-Aug 2016-17.

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

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	617.59	562.48	-8.92	3083.96	2392.52	-22.42
KOREA RP	52.21	79.92	53.08	296.92	309.43	4.21
SAUDI ARAB	9.58	17.78	85.62	66.36	73.15	10.23
GERMANY	7.84	8.86	13.03	40.91	44.59	8.99
BANGLADESH	3.90	8.17	109.57	26.88	44.02	63.72
OMAN	2.44	6.40	161.87	26.56	37.24	40.18
TURKEY	7.24	6.87	-5.08	30.20	34.57	14.47
ITALY	4.55	15.79	246.80	16.90	33.23	96.65
NETHERLAND	4.72	5.62	18.99	21.69	23.63	8.92
HEAVY CUMULATIVE DECLINE COUNTRIES						
MALAYSIA	75.71	119.39	57.70	384.41	245.72	-36.08
U S A	44.99	54.43	20.99	240.99	221.94	-7.91
UAE	76.95	31.80	-58.67	233.84	214.92	-8.09
SINGAPORE	56.06	30.05	-46.40	222.63	192.69	-13.45
CHINA	81.68	3.20	-96.09	473.91	117.91	-75.12
TAIWAN	22.36	28.13	25.78	121.18	87.04	-28.17
U K	14.53	13.37	-7.99	72.94	71.61	-1.83
MEXICO	11.02	4.82	-56.30	106.60	71.29	-33.12

- ❖ South Korea is the topmost importer for Non ferrous metals importing 12.9 percent of India's total export of Non Ferrous Metals during Apr-Aug 2016-17.
- ❖ Malaysia, USA and UAE ranks as the next three top importers of Non-ferrous metals importing 10.3 percent, 9.3 percent and 9.0 percent respectively during Apr-Aug 2016-17 vis-a-vis Apr-Aug 2015-16.

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

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr-Aug 2016-17	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	287.77	382.89	33.05	1537.89	1822.85	18.53
U S A	41.79	80.37	92.32	230.87	278.83	20.77
U K	23.02	36.85	60.10	93.92	130.00	38.42
UAE	13.61	15.70	15.36	76.34	95.75	25.42
TURKEY	6.74	7.80	15.77	19.39	61.09	215.03
BANGLADESH	3.32	5.15	55.03	25.98	56.29	116.71
CHINA	4.55	12.79	181.11	30.95	51.47	66.28
SINGAPORE	7.81	13.04	66.84	34.36	49.71	44.69
NEPAL	2.56	9.69	279.13	33.57	44.25	31.79
HEAVY CUMULATIVE DECLINE COUNTRIES						
GERMANY	19.68	25.52	29.69	103.75	101.86	-1.82
FRANCE	15.51	13.95	-10.11	76.01	66.62	-12.35
ITALY	5.21	4.48	-14.05	31.96	30.31	-5.18
SAUDI ARAB	7.21	3.83	-46.90	41.54	23.87	-42.55
OMAN	3.58	6.48	81.07	22.89	22.67	-0.96
VIETNAM	5.29	4.06	-23.22	28.30	20.05	-29.14
NIGERIA	5.18	4.72	-8.81	35.23	18.00	-48.91
KENYA	7.13	3.46	-51.53	27.24	17.56	-35.55

(Source: Department of Commerce and CSO)

- ❖ USA is the largest importer of Electrical Machinery and Equipments from India during Apr-Aug 2016-17 importing 15.3 percent from India's global export of the product group.
- ❖ UK, Germany and UAE ranks as the next three top importers of Electrical machinery and Equipment importing 7.1 percent, 5.6 percent and 5.3 percent respectively during Apr-Aug 2016-17 vis-a-vis Apr-Aug 2015-16.

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

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr- Aug 2016-17	Growth %
SUBSTANTIAL CUMULATIVE GROWTH COUNTRIES						
Export to World	234.01	146.13	-37.55	2130.98	1282.03	-39.84
U S A	37.88	46.58	22.95	223.77	229.02	2.35
CZECH REPUBLIC	0.21	0.02	-89.50	130.27	171.11	31.36
FRANCE	9.44	16.85	78.45	43.75	111.32	154.43
U K	13.06	28.22	116.05	70.34	97.43	38.52
TURKEY	0.50	5.04	911.89	0.93	85.12	9016.78
SINGAPORE	3.07	14.76	381.28	15.43	82.32	433.67
RUSSIA	1.12	1.72	53.80	18.14	43.95	142.26
ISRAEL	9.22	7.93	-14.00	23.43	27.90	19.08
HEAVY CUMULATIVE DECLINE COUNTRIES						
SRI LANKA	0.18	0.05	-73.33	704.61	77.77	-88.96
GERMANY	5.72	7.49	31.07	83.14	55.73	-32.97
UAE	142.37	0.37	-99.74	719.87	50.85	-92.94
PHILIPPINES	0.64	0.59	-7.47	2.59	2.45	-5.54
HONG KONG	0.24	0.19	-21.88	2.11	0.82	-61.16
UKRAINE	0.00	0.13	228725.51	5.26	0.79	-85.05
IRELAND	0.00	0.16		34.15	0.45	-98.68
SAUDI ARABIA	0.00	0.00	150.23	0.75	0.21	-71.52

(Source: Department of Commerce and CSO)

- ❖ Exports of India's 'Aircraft &Spacecrafts' to USA grew in August 2016 over August 2015 and USA remained the largest importer of India's 'Aircraft &Spacecrafts' during Apr-Aug 2016-17 with around 18 percent share in India's global import of the same.
- ❖ Czech Republic retained the second place with 13.4 percent share registering positive growth. France and UK ranked third and fourth with their respective shares of 8.7 and 7.6 percent in India's global exports of the product.
- ❖ Two of the top ten importers of India's Aircrafts and Spacecrafts last fiscal, Sri Lanka and UAE conceded significant decline in imports both in monthly and cumulative basis during August 2016 while the global exports of the product during Apr-Aug 2016-17 dropped by around 40 percent.

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

US\$ Million

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr- Aug 2016-17	Growth %
Export to World	0.37	90.79	24179.68	1813.50	2122.11	17.02
SUBSTANTIAL GROWTH COUNTRIES						
UAE	0.00	15.41		193.27	721.83	273.48
SINGAPORE	0.00	28.20		444.11	574.61	29.38
MALAYSIA	0.00	0.00		190.61	254.39	33.46
INDONESIA	0.00	0.00		0.00	233.32	---
UNSPECIFIED	0.09	0.00	-100.00	3.06	153.65	4929.04
SRI LANKA	0.00	0.00		27.93	130.06	365.63
HEAVY DECLINE COUNTRIES						
BAHARAIN	0.00	45.81		92.11	45.81	-50.26
U S A	0.19	0.05	-72.04	0.32	0.10	-66.89
POLAND	0.00	0.02		0.03	0.02	-8.39
PHILIPPINES	0.000	0.012		0.019	0.012	-36.84
SOUTH AFRICA	0.000	0.000		147.045	0.005	-100.00

(Source: Department of Commerce and CSO)

- ❖ UAE remained the top importing country for India's Ships, Boats and Floating Structures and Parts followed by Singapore and Malaysia during the first five months of fiscal 2016-17. These three nations accounted for around 72 percent of total India's global export of the product during April-Aug 2016-17.
- ❖ Indonesia retained its fourth position importing 11 percent of India's global exports of Ship and Boats during Apr - Aug 2016-17 against no export during the same period last fiscal.

Table 15: Export of Auto Components

US\$ Million

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr- Aug 2016-17	Growth %
Export to World	337.74	346.16	2.50	1754.92	1828.34	4.18
SUBSTANTIAL GROWTH COUNTRIES						
U S A	70.94	62.59	-11.76	388.48	407.40	4.87
NEPAL	8.20	17.39	112.14	50.81	100.63	98.07
GERMANY	14.31	15.37	7.43	76.25	81.74	7.20
BANGLADESH	10.72	13.83	29.00	51.19	68.56	33.93
INDONESIA	8.61	10.82	25.68	47.01	53.82	14.49
JAPAN	10.24	9.26	-9.56	46.50	47.32	1.78
SOUTH AFRICA	4.49	7.73	72.32	20.98	31.45	49.88

Export partners	Aug_15	Aug_16	Growth %	Apr-Aug 2015-16	Apr- Aug 2016-17	Growth %
SRI LANKA	5.40	5.12	-5.22	26.12	28.83	10.36
HEAVY DECLINE COUNTRIES						
TURKEY	33.37	29.38	-11.96	148.13	145.56	-1.73
THAILAND	20.45	15.09	-26.25	82.81	76.53	-7.58
MEXICO	13.65	12.60	-7.69	75.21	72.51	-3.59
U K	16.15	11.78	-27.06	82.32	66.13	-19.66
BRAZIL	14.40	11.23	-22.01	79.52	57.36	-27.86
ITALY	11.42	8.85	-22.47	57.45	51.04	-11.16
EGYPT	7.81	8.35	6.98	51.28	46.03	-10.24
UAE	11.05	7.70	-30.35	55.77	45.13	-19.08

(Source: Department of Commerce and CSO)

- ❖ USA remained the top export destination for India's Auto Components/Parts covering 22.3 percent share in India's global exports of the same in April-Aug 2016-17.
- ❖ Turkey was the immediate follower of USA with nearly 8 percent share in India's global export of the product group but conceded a decline in imports from India during April-Aug 2016-17.

Conclusion

The engineering exports moved up by 4.7 percent from US\$ 4.65 billion in August 2015 to US\$ 4.87 billion in August 2016 largely on account of a low base. The trend of Indian engineering export has been sporadic during the current fiscal. After a double-digit year-on-year decline in July 2016. Further, Commodity prices have started to move northward and inflation in the developed region are well managed. It may, however, be noted that Discrepancy in data have been found in the exports figures to France in case of Ships , boats and floating structures. While for Apr-July 2016-17 it was US\$ 1.76 million, during Apr-Aug 2016-17 it is zero. There is a country named as "unspecified" which imported US\$ 162.29 million worth of engineering goods from India during Apr-Aug 2016-17.
