

Engineering Exports Monitor

April 2017



Engineering the future

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Analysis of Indian engineering exports for April 2017

22 May, 2017

India's Merchandise Trade scenario

April 2017

- ❖ India's merchandise export achieved double-digit growth for the third straight month to April 2017. Exports during April 2017 grew by a solid 19.77 per cent to US\$ 24.64 billion as compared to US\$ 20.57 billion during April 2016.
- ❖ This impressive export growth was attributed to significant growth in shipments of Petroleum products, engineering goods, Gems and jewellery, chemicals and readymade garments.
- ❖ Merchandise imports recorded a much higher 49.07 percent growth during April 2017 at US\$ 37.88 billion as against US\$ 25.41 billion during the same month last fiscal.
- ❖ Such a rise in merchandise import was driven by substantial surge in the imports of Gold, vegetable oil, coal, chemicals, pearls, machinery, transport equipment and electronic goods.
- ❖ As import growth far exceeded the export growth, merchandise trade deficit during April 2017 zoomed by 173.47 percent to US\$ 13.25 billion from US\$ 4.84 billion during April 2016.

India's Engineering Exports scenario

April 2017

- ❖ Engineering exports established an upward trend by achieving year-on-year double-digit growth for the seventh consecutive month to April 2017. However, growth decelerated in comparison to February and March 2017.
- ❖ Overseas shipment of India's engineering products stood at US\$ 5.86 billion in April 2017 as against US\$ 4.72 billion during the same month last year registering a sizeable 24.02 percent growth.
- ❖ The share of engineering exports in India's total merchandise exports dropped to 23.8 percent in April 2017 from 26.1 percent in March 2017. However, the share was higher than 23.0 percent witnessed in April 2016.
- ❖ Out of 33 engineering panels, 23 panels recorded positive growth in exports in April 2017.
- ❖ Panel that witnessed triple-digit year-on-year growth in exports during April 2017 were Iron and steel; Zinc and products; Aluminium and products, Lead and products and Railway Transport and parts.
- ❖ Exports to EU, Africa and N E Asia recorded noticeable growth in April 2017 over April 2016.

1. Trend in overall merchandise trade

After a slow recovery from the second half of the previous fiscal, India's merchandise export is now growing at a faster pace as reflected by the double-digit growth achieved for the third straight month to April 2017. Exports during April 2017 grew by a solid 19.77 per cent to US\$ 24.64 billion as compared to US\$ 20.57 billion during April 2016.

Meanwhile during fiscal 2016-17, India's merchandise exports achieved its fastest year-on-year growth in the last five fiscal at 4.71 percent when exports reached US\$ 274.65 billion as against US\$ 262.29 billion during the previous fiscal.

According to the Ministry of Commerce, Govt. of India, exports of Non-petroleum and Non Gems & Jewellery products went up by 17.06 percent to US\$ 17.72 billion during April 2017 from US\$ 15.14 billion in the first month of the previous fiscal. This impressive export performance in April 2017 was attributed to solid growth in shipments of Petroleum products, engineering goods, Gems and jewellery, chemicals and readymade garments over the same month last fiscal. Among 29 major commodity groups, only seven conceded year-on-year decline in exports during April 2017.

However, import growth once again outshined the export growth in April 2017 with 49.07 percent increase over the same month last fiscal driven mainly by 54.50 percent rise in non-oil imports. Merchandise imports during April 2017 went up to US\$ 37.88 billion from US\$ 25.41 billion during the same month last fiscal. Oil import also surged by 30.12 percent over the same month last fiscal. Product-group wise classification showed that import of Gold recorded a robust 211 percent increase in April 2017 while substantial year-on-year rise in the imports of vegetable oil, coal, chemicals, pearls, machinery, transport equipment and electronic goods also contributed to higher merchandise imports during the month concerned.

Much higher import growth than that of exports led to surge in merchandise trade deficit during April 2017. Merchandise Trade deficit for April 2017 was estimated at US\$ 13.25 billion which was 173.47 percent higher than the deficit of US\$ 4.84 billion during April 2016.

2. Engineering exports

India's engineering exports continued to witness handsome growth for the ninth consecutive month to April 2017 in line with the broader merchandise export and outperformed the overall merchandise export once again in the month concerned.

Overseas shipment of engineering products from India stood at US\$ 5.86 billion in the first month of fiscal 2017-18 as against US\$ 4.72 billion during the same month last year. The share of engineering exports in India's total merchandise exports came down to 23.8 percent in April 2017 from 26.1 percent in March 2017. However, it was higher than 23.0 percent witnessed in April 2016.

The monthly engineering figures for fiscal 2017-18 vis-à-vis 2016-17 is depicted below as per the latest availability of figure:

**Table1: Engineering Exports
(US\$ Million)**

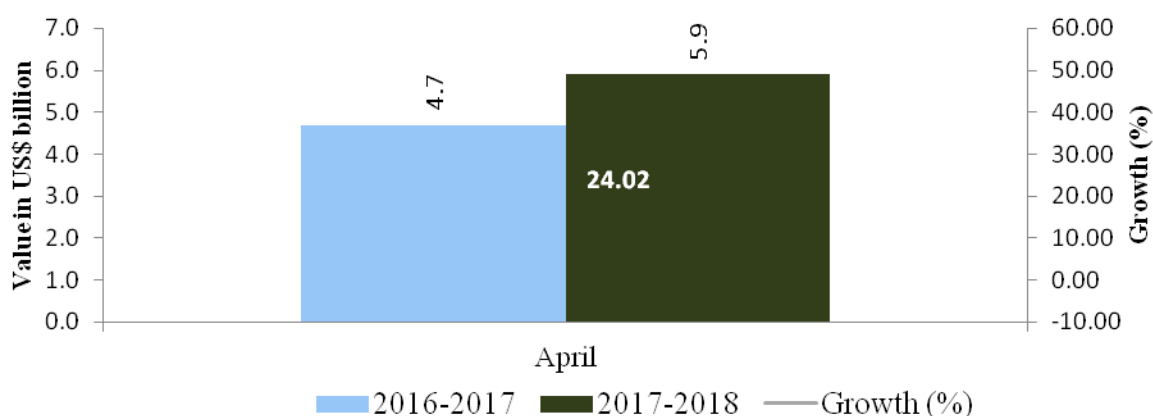
Months	2016-17	2017-18	Growth (%)
April	4723.72	5858.49	24.02

(Source: Department of Commerce, Government of India)

Figure 1 below depicts the monthly trend in engineering exports for 2016-17 and 2017-18

**Figure1: Trend in Monthly Engineering Exports
US\$ Billion**

Monthly Engineering Exports for 2017-18 vis-a-vis 2016-17



(Source: EEPC India analysis)

Engineering sector is an important component of the broader manufacturing sector and the share of engineering production in overall manufacturing output is quite significant. Now, as production and exports are directly correlated, some correlation between manufacturing production growth and engineering 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 continuous downfall in Indian engineering exports has been arrested in May 2016 after 8 months and growth continued in June 2016. During May and June 2016, both engineering exports and manufacturing bounced back to year-on-year growth while in July 2016, both of them slipped to negative growth. In the month of August and September 2016 also both moved in the same direction. In August, engineering exports came back to growth path and accelerated further in September. Manufacturing output, on the other hand saw a lower decline in August and then witnesses growth in September. In October, engineering exports recorded a sudden jump in growth but manufacturing just saw the reverse, a decline in production from feeble growth in September 2016. In November 2016 however, both moved in the same direction showing accelerated year-on-year growth over the previous month while in December 2016 and in January 2017, they moved in

opposite direction. In January 2017, engineering exports growth decelerated over the month while manufacturing came back to growth path after a decline in December 2016. In February 2017, manufacturing output declined while engineering exports registered solid growth and in March 2017, engineering exports growth decelerated slightly but manufacturing bounced back to growth path. Overall IIP Index, the standard measure for industrial output, stood at 203.7 in Mar 2017 as against 182.3 in February 2017 and 192.3 in January 2017.

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

Table 2: Engineering Exports Growth vis-à-vis Manufacturing Growth (2016-17)

Months/ Year	Engg. Exports Growth (%)	Manufacturing Growth (%)
March 2017	47.79	1.3
April - March 2016-17	11.33	4.9
April 2017	24.02	N A

(Source: Department of Commerce and CSO)

An analysis of the engineering export and manufacturing growth data for fiscal 2015-16 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 pace of decline in export growth slowed down in June and manufacturing growth also strengthened. Exports registered marginal growth during July 2015 but growth of manufacturing production decelerated. Export growth and manufacturing growth moved in opposite direction in August and September 2015 but the last three months of 2015 saw both of them moving in the same direction. 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 engineering was largely the same over the month but manufacturing growth again went back to negative.

We also present the month-wise **revised** engineering export figures for 2016-17 as opposed to 2015-16.

Table 3: Revised Engineering Exports (2016-17)
USD Million

Quarter	Month	2015-16	2016-17	Growth Rate in Percent
Quarter 1	April	5676.6	4723.82*	-16.78
	May	5354.44	5614.26	4.85
	June	4936.26	5053.92	2.38
Quarter 2	July	5559.65	4767.16	-14.25
	August	4653.93	4877.52	4.80
	September	4699.73	5009.42	6.59
Quarter 3	October	4475.58	5077.00	13.44
	November	4321.78	4828.08	11.72
	December	4690.16	5633.93	20.12
Quarter 4	January	4709.05	5303.61	12.63
	February	4349.97	6706.35	54.17
	March	5170.29	7641.3	47.79
Entire Fiscal	Total Exports	58597.44	65236.37	11.33

(Note: Figures of 2015-16 and * marked figures of 2016-17 are revised figures as per latest estimates by DGCI&S)

1. Impact of Exchange Rate

How has the exchange rate been in April 2017 vis-à-vis April 2016? We look at the average exchange rate for April 2017 vis-à-vis April 2016. The table below provides the same:

Table 4: Average Exchange Rate

April	Average Exchange Rate 1 USD to INR
2016	66.47
2017	64.51

(Source: Calculated from RBI archive)

The official exchange rate of rupee strengthened by 2.95 percent vis-à-vis the US Dollar during April 2017 over the same month last year.

We begin by looking at the Engineering Panel wise exports for the month of April 2017 vis-a-vis April 2016. The data is given in Table 5 below:

Table 5: Trends in Engineering panel Exports for April 2017
US\$ Million

Sl no.	Panel	Apr_16	Apr_17	Growth %
1. Iron and Steel and Products made of Iron and Steel				
A	Iron and Steel	349.36	906.02	159.34
B	Products of Iron and Steel	440.09	529.16	20.24
Sub Total		789.45	1435.18	81.79
2. Non-Ferrous Metals and Products made of Non-Ferrous Metals				
A	Copper and products	144.16	208.92	44.92
B	Aluminium and products	146.05	362.4	148.13
C	Zinc and products	16.8	56.81	238.15
D	Nickel and products	9.2	3.02	-67.17
E	Lead and products	10.94	26.58	142.96
F	Tin and products	0.6	1.07	78.33
G	Other Non-Ferrous Metals	35.5	39.36	10.87
Sub Total		363.25	698.16	92.20
3. Industrial Machinery				
A	Industrial Machinery like Boilers, parts, etc	79.19	43	-45.70
B	IC Engines and Parts	138.43	165.65	19.66
C	Pumps of all types	60.08	74.53	24.05

Sl no.	Panel	Apr_16	Apr_17	Growth %
D	Air condition and Refrigerators	87.45	87.01	-0.50
E	Industrial Machinery for dairy, food processing , textiles etc	347.17	329.84	-4.99
F	Machine Tools	52.1	45.89	-11.92
G	Machinery for Injecting moulding, valves and ATMs	110.03	116.25	5.65
Sub Total		874.45	862.17	-1.40
4	Electrical Machinery	315.08	462.3	46.72
5. Auto and Auto Components				
A	Motor Vehicle/cars	521.71	571.16	9.48%
B	Two and Three Wheelers	119.43	158.77	32.94%
C	Auto Components/Part	329.49	371.36	12.71%
Sub Total		970.63	1101.29	13.46%
6	Aircrafts and Spacecraft parts and products	242.01	219.09	-9.47%
7	Ships Boats and Floating products and parts	659.6	527.33	-20.05%
8. Miscellaneous				
A	Medical and Scientific instruments	105.52	115.76	9.70%
B	Railway Transport and parts	6.49	14.7	126.50%
C	Hand Tools & Cutting Tools	51.96	56.95	9.60%
D	Electrodes Accumulators	4.01	3.06	-23.69%
E	Accumulator and Batteries	14.78	19.33	30.78%
F	Bicycle & Parts	25.27	25.73	1.82%
G	Cranes Lifts & Winches	44.13	27.46	-37.77%
H	Office Equipments	6.77	6.07	-10.34%

Sl no.	Panel	Apr_16	Apr_17	Growth %
I	Other Construction Machinery	92.2	95.81	3.92%
J	Prime Mica & Mica Products	1.68	1.97	17.26%
K	OTHER MISC. ITEMS	156.44	186.13	18.98%
Sub Total		509.25	552.97	8.59%
Grand Total		4723.72	5858.49	24.02%

(Source: Department of Commerce, Government of India)

Some factors that need to be noted are:

- ❖ Panel-wise analysis for April 2017 engineering export data showed that the overall scenario improved as compared to that of April 2016. Out of 33 engineering panels, 23 panels recorded growth in exports over the same month last year while the remaining 10 panels conceded decline during the month of April 2017.
- ❖ Iron and Steel exports jumped by 159.3 percent during April 2017 with an overseas shipment of US\$ 906.02 million from US\$ 349.36 million in the same month last year. Products of Iron and Steel also increased in export by 20.24 percent during April 2017 over the same month last year.
- ❖ Among the 7 non-ferrous metals and products made of non-ferrous metals, only 'Nickel and its products' recorded decline in exports during April 2017 like the previous month. Among the gainers, exports of 'Zinc and its products' grew by more than 238 percent while 'Aluminium and its products' recorded more than 148 percent growth.
- ❖ Industrial machinery recorded decline in exports in April 2017 over April 2016. Exports of pumps recorded significant growth in April 2017 like the previous month. Highest exporting segment of industrial panel, 'Industrial Machinery for dairy, food processing, textiles etc.' also registered decrease in exports in April 2017 compared to that of April 2016. Exports of another segment 'IC Engines and Parts' increased significantly in April 2017 over April 2016.
- ❖ Auto and auto components recorded positive growth during April 2017 over April 2016.

- ❖ Electrical Machinery and equipments panel achieved high growth in April 2017 of more than 46 percent.
- ❖ Exports of 'Aircrafts and Spacecraft parts and products' and 'Ships Boats and Floating products and parts' conceded decline during April 2017 over the same period last year.
- ❖ Among other panels, Railway Transport grew by more than 126 percent during April 2017 over the same period last year. Medical & scientific equipments, Accumulator and Batteries, Prime mica & mica products, and Hand tools & Cutting Tools also registered positive growth during April 2017 over the same period last year.

2. Top 25 destinations for Indian Engineering Exports

We now look at the export scenario of top 25 nations that have highest demand for Indian engineering products during April 2017 over April 2016 in Absolute Value.

Table 6: Country wise exports of Indian Engineering Products in April 2017 viz-a-viz April 2016

COUNTRY	APRIL, 2016	APRIL, 2017	Growth (%)
U S A	502.08	641.82	27.83
UAE	331.26	283.16	-14.52
EGYPT	42.44	253.73	497.90
MEXICO	192.47	246.44	28.04
GERMANY	169.83	241.46	42.18
U K	181.21	232.24	28.16
ITALY	123.08	216.29	75.72
CHINA	91.08	206.01	126.19
KOREA RP	79.64	172.02	115.99
BANGLADESH	141.21	157.38	11.45
TURKEY	107.61	155.04	44.08

COUNTRY	APRIL, 2016	APRIL, 2017	Growth (%)
NEPAL	170.96	149.10	-12.79
ISRAEL	19.78	146.42	640.31
FRANCE	92.03	141.99	54.28
INDONESIA	60.79	140.99	131.95
SAUDI ARAB	102.05	124.02	21.53
SOUTH AFRICA	61.61	120.21	95.12
BELGIUM	58.27	116.89	100.60
SINGAPORE	221.94	113.30	-48.95
MALAYSIA	312.38	111.07	-64.44
SPAIN	55.41	107.88	94.71
SRI LANKA	139.96	91.60	-34.56
LIBERIA	1.51	87.19	5675.82
TAIWAN	27.73	82.62	197.93
NETHERLAND	64.28	82.52	28.37

Note: Red font indicates negative growth

(Source: Department of Commerce, Government of India)

The country wise engineering export figures for April 2017 show the following facts:

- ❖ In April 2017, 20 out of the top 25 countries recorded positive growth in engineering imports from India while 5 conceded decline over the same month last year.
- ❖ USA ranked to be the top exporting destination for India's engineering products in April 2017. It registered high positive export growth during April 2017 over the same period last fiscal.
- ❖ Engineering exports to Egypt and Israel recorded high positive growth during April 2017 over the same period last fiscal.

- ❖ Liberia is the new entrant among the top 25 nations that have highest demand for Indian engineering products during April 2017 over April 2016, registering very high positive growth.
- ❖ All European nations falling under the top 25 engineering export destinations like UK, Germany, Italy, Belgium, France and Spain, recorded positive growth during April 2017 over the same period last fiscal.
- ❖ Among the ASEAN countries only Indonesia recorded the positive growth in engineering exports from India during April 2017 over the same period last fiscal.
- ❖ Out of 207 exports destinations of Indian engineering goods, top 25 nations accounted for 75.5 percent of India's total engineering exports in April 2017.
- ❖ Overall, India's engineering exports to its top 25 destinations registered a rise in growth of 32 percent in April 2017 over the same period in the previous year.

3. Regional Distribution of Engineering Exports

We now look at the Regional Distribution of Engineering Exports for April 2017 as opposed to April 2016. The Table below gives this picture:

Table 7: Region Wise Exports Trend
US\$ Million

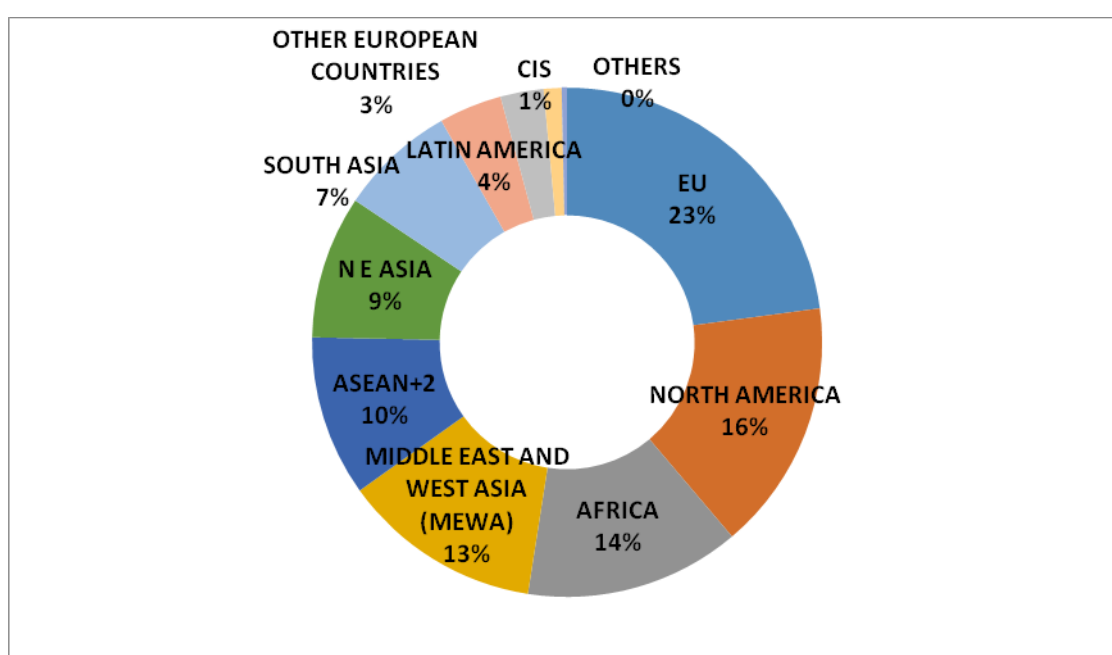
Region	APRIL,2016	APRIL, 2017	Growth (%)
EU	892.74	1339.83	50.08
NORTH AMERICA	727.94	932.25	28.07
AFRICA	415.02	801.52	93.13
MIDDLE EAST AND WEST ASIA (MEWA)	600.00	741.73	23.62
ASEAN+2	794.81	596.37	-24.97
N E ASIA	266.10	531.53	99.75
SOUTH ASIA	494.87	433.18	-12.47
LATIN AMERICA	195.13	234.26	20.05
OTHER	112.68	160.51	42.45

Region	APRIL,2016	APRIL, 2017	Growth (%)
EUROPEAN COUNTRIES			
CIS	52.42	66.80	27.42
OTHERS	171.67	19.91	-88.40
Grand Total	4723.74	5858.49	24.02

(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 in April 2017



(Source: EEPC India analysis)

- ❖ EU ranks as the region with highest shipment of engineering products from India during April 2017 with a share of 23% of total engineering exports.
- ❖ India's engineering exports to N E Asian countries recorded highest positive growth during April 2017 over the same period in the previous year.
- ❖ Engineering exports to Africa recorded noteworthy positive growth of more than 93 percent in April 2017 viz-a-viz April 2016.

❖ India's exports to following regions registered decline in the period under consideration:

- ASEAN+2
- South Asia

Note: We notice negative growth in case of 'Others' category in April 2017, because of a surge in export of US \$153.73 million in the previous year.

4. Engineering panel – country wise analysis

We now analyse the performance of some of the important engineering products during April 2017 in comparison to April 2016. We have taken the major panels and captured nations with high growth and sharp declines for each panel to get an idea of the engineering export pattern. (All growth figures, unless otherwise specified, have been measured on a year-on-year basis, i.e., over the same period last fiscal)

Table 8: Export of Iron & Steel

US\$ Million

COUNTRY	APRIL 2017	APRIL 2016	Growth (%)
High growth			
SOUTH AFRICA	1.57	22.50	1334.62
CHINA	4.84	43.28	794.42
PORTUGAL	1.66	14.69	782.76
MALAYSIA	3.03	20.99	592.43
SAUDI ARABIA	2.15	13.79	540.03
U K	2.19	13.94	535.93
INDONESIA	9.35	56.93	508.73
SPAIN	6.99	39.70	467.90
MEXICO	4.08	19.19	370.45
TAIWAN	9.00	39.83	342.34
Sharp decline			
BANGLADESH	16.33	16.01	-1.96
NEPAL	51.76	51.28	-0.93

(Source: Department of Commerce, Government of India)

- ❖ Italy was the largest importer (US\$76.59 million) of Indian Iron and Steel during April 2017 followed by Belgium (US\$72.46 million) registering 154.2 percent and 184 percent growth respectively.
- ❖ South Africa recorded highest growth in imports during April 2017 while China and Portugal were the immediate followers.

- ❖ The fifth largest importer Nepal conceded marginal decline in imports during April 2017. Bangladesh was the other nation to witness the same trend despite of having sizeable imports.

Table 9: Export of Products of Iron & Steel

COUNTRY	APRIL 2017	APRIL 2016	Growth (%)
High growth			
IRAQ	0.22	6.31	2833.54
IRAN	1.14	14.40	1159.26
COTE D'IVOIRE	0.48	5.46	1032.40
EGYPT	2.32	8.15	252.08
SRI LANKA	4.48	15.22	239.83
AUSTRALIA	5.55	8.85	59.40
U S A	80.74	119.55	48.07
THAILAND	4.22	6.01	42.50
QATAR	4.24	5.94	40.22
U A E	35.28	47.00	33.21
Sharp decline			
KUWAIT	11.55	6.76	-41.43
CHINA	6.32	5.36	-15.20
ITALY	14.68	12.58	-14.32
BANGLADESH	6.83	6.06	-11.34

(Source: Department of Commerce, Government of India)

- ❖ USA remained the largest importer of Indian Iron & Steel with 22.6 percent share of total Iron and Steel exports of India during April 2017. UAE and Saudi Arabia ranked second and third in this regard but with much lower shares.
- ❖ Exports to Iraq, Iran and Cote D'Ivoire recorded highest growth among all countries during April 2017.
- ❖ Kuwait and China saw sizeable decline in imports of Indian Iron and Steel products during April 2017.

Table 10: Export of Industrial Machinery

US\$ Million

COUNTRY	APRIL 2017	APRIL 2016	Growth (%)
High growth			
IRAN	7.71	14.05	82.28
BRAZIL	11.61	18.34	58.00
SPAIN	10.50	15.96	51.92
THAILAND	11.75	17.17	46.16
KUWAIT	13.69	18.44	34.70

COUNTRY	APRIL 2017	APRIL 2016	Growth (%)
SOUTH KOREA	9.02	11.39	26.33
VIETNAM	11.45	14.21	24.10
FRANCE	15.63	18.83	20.45
Sharp decline			
MALAYSIA	23.56	13.00	-44.83
BHUTAN	12.56	8.07	-35.72
TURKEY	41.02	30.55	-25.54
NEPAL	24.43	20.13	-17.60

(Source: Department of Commerce, Government of India)

- ❖ USA was the largest importer of India's Industrial Machinery during April 2017 with 14.5 percent share. Germany and Bangladesh were the next two in row with around 5 percent share for each of them.
- ❖ Among the major importers of Indian industrial machinery, Iran, Brazil and Spain recorded highest growth in imports during April 2017.
- ❖ Malaysia conceded highest drop in imports during April 2017 among major importers followed by Bhutan and Turkey.

Table 11: Export of Automobiles

US\$ Million

COUNTRY	APRIL 2016	APRIL 2017	Growth (%)
High growth			
MEXICO	134.94	171.20	26.87
SOUTH AFRICA	25.92	58.95	127.39
ITALY	25.07	41.27	64.61
BANGLADESH	22.02	39.02	77.25
SRI LANKA	25.24	25.53	1.13
GERMANY	22.67	24.38	7.55
FRANCE	10.06	24.07	139.14
SPAIN	14.67	22.33	52.27
Sharp decline			
NEPAL	31.21	24.10	-22.77
U K	39.73	22.88	-42.42
COLOMBIA	17.20	14.35	-16.56
PHILIPPINES	13.75	13.10	-4.71
NETHERLAND	14.31	12.55	-12.28
UAE	10.68	6.90	-35.42
EGYPT	10.48	6.59	-37.09

(Source: Department of Commerce, Government of India)

(Note: Automobiles sector includes Motor vehicles and Two & Three Wheelers)

- ❖ Export of automobile from India to South Africa grew significantly during April 2017.

- ❖ France, Indonesia, Nigeria and Belgium saw over 100 percent growths in imports of Indian automobile during April 2017 viz-a-viz April 2016.
- ❖ Mexico remains the largest importer of Indian automobiles during April 2017 and recorded more than 26% growth in year-on-year imports.

Table 12: Export of Non-Ferrous metals
US\$ Million

COUNTRY	APRIL 2016	APRIL 2017	Growth (%)
High growth			
SOUTH KOREA	44.34	110.17	148.48
CHINA	30.96	93.25	201.24
U S A	38.41	67.68	76.20
MALAYSIA	2.61	52.35	1903.38
TAIWAN	5.95	35.91	503.82
TURKEY	1.51	33.89	2142.95
ITALY	2.34	33.37	1323.23
BANGLADESH	12.97	16.88	30.11
Sharp decline			
UAE	45.23	37.44	-17.23
NEPAL	9.01	8.84	-1.84
OMAN	7.49	6.16	-17.69
FRANCE	3.72	3.71	-0.46
SRI LANKA	3.72	3.10	-16.61
SOUTH AFRICA	2.44	2.11	-13.37
SINGAPORE	25.95	2.04	-92.13
KUWAIT	1.98	1.56	-21.32

- ❖ Exports of India's non-ferrous metal to Turkey recorded highest growth among all exporting nations during April 2017 while Malaysia registered second highest growth during this time period. Italy also achieved noticeable growth during this period.

- ❖ China recovered from its negative growth and registered positive growth of more than 200 percent during April 2017 over the same period last fiscal.
- ❖ Singapore witnessed significant fall in imports of non-ferrous metals from India during April 2017 viz-a-viz April 2016.

Table 13: Export of Electrical Machinery and Components

US\$ Million

COUNTRY	APRIL 2016	APRIL 2017	Growth (%)
High growth			
GERMANY	18.77	73.24	290.28
U S A	41.68	67.62	62.23
U K	15.06	46.21	206.82
FRANCE	13.53	30.07	122.22
UAE	14.63	23.90	63.39
TURKEY	3.85	17.81	362.82
CHINA	7.84	10.73	36.95
MEXICO	1.08	8.74	709.52
GERMANY	18.77	73.24	290.28
Sharp decline			
BANGLADESH	21.04	8.21	-60.96
SAUDI ARAB	5.24	4.53	-13.51
JAPAN	5.19	3.24	-37.61
NIGERIA	5.16	2.65	-48.58
PHILIPPINES	8.78	2.11	-75.94

(Source: Department of Commerce and CSO)

- ❖ Mexico recorded highest growth in imports of India's 'Electric Machinery and Component' during April 2017 viz-a-viz April 2016 .
- ❖ The largest importer of India's electrical machinery and components Germany recorded more than 290 percent growth in imports during this time period.

Second and third largest importer USA and UK also achieved high growth in imports during April 2017 over the same period last fiscal.

- ❖ Among the losers, Bangladesh, Nigeria and Philippines recorded substantial decline in imports during April 2017.

Table 14: Export of Aircrafts &Spacecrafts
US\$ Million

COUNTRY	APRIL 2016	APRIL 2017	Growth (%)
High growth			
U S A	40.46	52.60	30.00
FRANCE	24.17	34.99	44.78
SINGAPORE	18.32	31.53	72.12
U K	11.17	27.64	147.51
RUSSIA	14.78	18.07	22.24
GERMANY	9.48	11.76	24.08
CHINA	0.74	7.81	959.88
CANADA	1.22	3.14	157.23
Sharp decline			
ISRAEL	7.96	6.68	-16.09
NETHERLAND	3.47	3.07	-11.55
TURKEY	4.37	2.62	-40.13
UAE	10.75	1.40	-86.94
SPAIN	2.48	1.27	-49.05
ITALY	3.57	0.80	-77.46
AUSTRIA	0.67	0.46	-31.27
SWEDEN	1.89	0.31	-83.54

(Source: Department of Commerce and CSO)

- ❖ Exports to UK and China recorded substantial growth during April 2017 viz-a-viz April 2016.
- ❖ Exports to UAE and Sri Lanka conceded severe decline during the said period.

Table 15: Export of Ships, Boats and Floating Structures and parts

US\$ Million

COUNTRY	APRIL 2017	APRIL 2016	Growth (%)
High growth			
EGYPT	0.00	213.77	---
ISRAEL	0.00	122.18	---
LIBERIA	0.00	84.61	---
CAMEROON	0.00	20.63	---
SAUDI ARABIA	0.00	19.11	---
INDONESIA	5.26	8.64	64.37
Sharp decline			
U A E	115.23	36.11	-68.66
SINGAPORE	129.32	21.82	-83.13

(Source: Department of Commerce and CSO)

- ❖ All of the top five importers of Indian 'Ships, Boats and Floating Structures and Parts' during April 2017 recorded no imports of the same during the same month last fiscal. Only Indonesia, being the sixth largest exporters showed 64.37 percent growth during April 2017.
- ❖ Exports of 'Ships, Boats and Floating Structures and Parts' to UAE and Singapore declined significantly during the reporting month.

Table 16: Export of Auto Components/Parts

US\$ Million

COUNTRY	APRIL 2017	APRIL 2016	Growth (%)
High growth			
SAUDI ARABIA	1.80	6.06	236.49
CANADA	3.23	8.38	159.26
POLAND	2.31	3.98	72.38
SOUTH AFRICA	5.17	8.91	72.24
BRAZIL	9.59	16.29	69.81
FRANCE	5.32	8.83	65.98
Sharp decline			
SPAIN	6.08	5.22	-14.11
SRI LANKA	4.67	4.08	-12.62

(Source: Department of Commerce and CSO)

- ❖ Largest importer of India's 'Auto Components/Parts' during April 2017, USA recorded US\$75.94 million of imports with 16.44 percent growth. The second highest importer Turkey however conceded 1.3 percent decline during the same month.
- ❖ Among the major exporters of Indian 'Auto Components/Parts' during April 2017, Saudi Arabia and Canada recorded highest growths while Brazil with decent imports also recorded significant growth in April 2017.
- ❖ Spain and Sri Lanka witnessed highest declines during April 2017.

5. To conclude...

The new fiscal year began with engineering exports increasing by 24.02%, out of which the major increase has been in the exports of primary steel products that rose by 159.34% in April 2017. Interestingly, if the steel segment is taken out, the engineering growth rate dips to 13.22%. This has happened when exporters are facing tremendous challenges both internally and externally: rising domestic steel prices, non-availability of certain types of steel, like stainless steel hampering exports of stainless steel cutlery, among others, an appreciating Rupee coupled with the growing protectionism in both developed and developing countries.

The growth run of Indian merchandise as well as engineering exports have been continuing since the second half of fiscal 2016-17 mostly on upturn in crude oil prices in the international market, rise in global commodity prices and economic recovery in the major developed regions of the world leading to rise in demand for products across all segments. EU and CIS region have been suffering from slowdown in economic activities but are now on recovery mode. Indian engineering exports to these regions surged substantially during the last completed fiscal and in the first month of the current fiscal too.

