

Engineering Exports and Imports Monitor

February 2020



Engineering the future

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Overall Scenario

India's merchandise exports declined for sixth month in a row to February 2020

- ❖ After experiencing a year-on-year decline for the last 5 months, India's merchandise exports experienced a growth in February 2020 registering total exports of USD 27.65 billion, a 2.91 percent increase from February 2019 (USD 26.87 billion). In rupee terms the growth was of 3.29 percent.
- ❖ Cumulative merchandise exports during April-February 2019-20 was USD 292.91 billion as against USD 297.36 billion during the same period last fiscal, registering a negative growth of 1.50 percent in Dollar terms. The decline was 0.62 percent in Rupee terms on a cumulative basis.
- ❖ Merchandise Imports also increased during February 2020 by 2.48 percent in dollar terms to USD 37.50 billion from USD 36.59 billion in February 2019. In rupee terms the imports grew by 2.86 percent. In cumulative terms however, total imports during April-February 2019-20 was 7.30 percent lower than that of the same period last fiscal.
- ❖ Trade deficit widened marginally to USD 9.85 billion in February 2020 registering a growth of 1.33 percent over February 2019 (USD 9.72 billion). On a cumulative basis, trade deficit increased by 20 percent to US\$ 173 billion during April-February 2019-20 from US\$ 143.12 billion during the same period last fiscal.

India's engineering exports declined for the second straight month to February 2020

- ❖ Engineering exports from India recorded year-on-year increase following two straight months of decline in February 2020. The total engineering exports registered during February 2020 was USD 6667.5 million, 3.5 percent increase for February 2019.
- ❖ Cumulative estimates however showed a decline in April-February 2019-20 as against same period last year. In April-February 2020, India's total engineering exports was around USD 70656.88 million, 1.5 percent less than that of the same period last year.
- ❖ The share of engineering exports in India's total merchandise exports remained at 24.1 percent in February 2020 when compared to the same period last year. On a cumulative basis too, the contribution of engineering exports in India's total merchandise exports remained at 24.1 percent during April-February 2019-20.
- ❖ Out of 33 engineering panels, as much as 20 panels recorded year-on-year decline in exports during January 2020. On a cumulative basis, the number of panels conceded negative growth were 17.
- ❖ During January 2020, 13 nations out of India's top 25 export destinations for engineering products recorded growth in exports vis-à-vis January 2020. On a cumulative basis for April-January 2019-20, the number of countries were 12.

India's January engineering imports down by 3.4 %

- ❖ India's Engineering imports during February 2020 were valued at US\$ 8447 million compared to US\$ 8381.5 million in February 2019 recording a marginal positive growth of 0.8 percent in dollar terms.
- ❖ Cumulative engineering imports during April-February 2019-20 was recorded at US\$ 93.4 billion as against US\$ 100.7 billion during the same period last fiscal registering a fall of 7.2 percent.
- ❖ The share of engineering imports in India's total merchandise imports in February 2020 has decreased to that of during February 2019 estimated at 22.5%.

Analysis of India's engineering exports

1. Engineering exports: Monthly trend

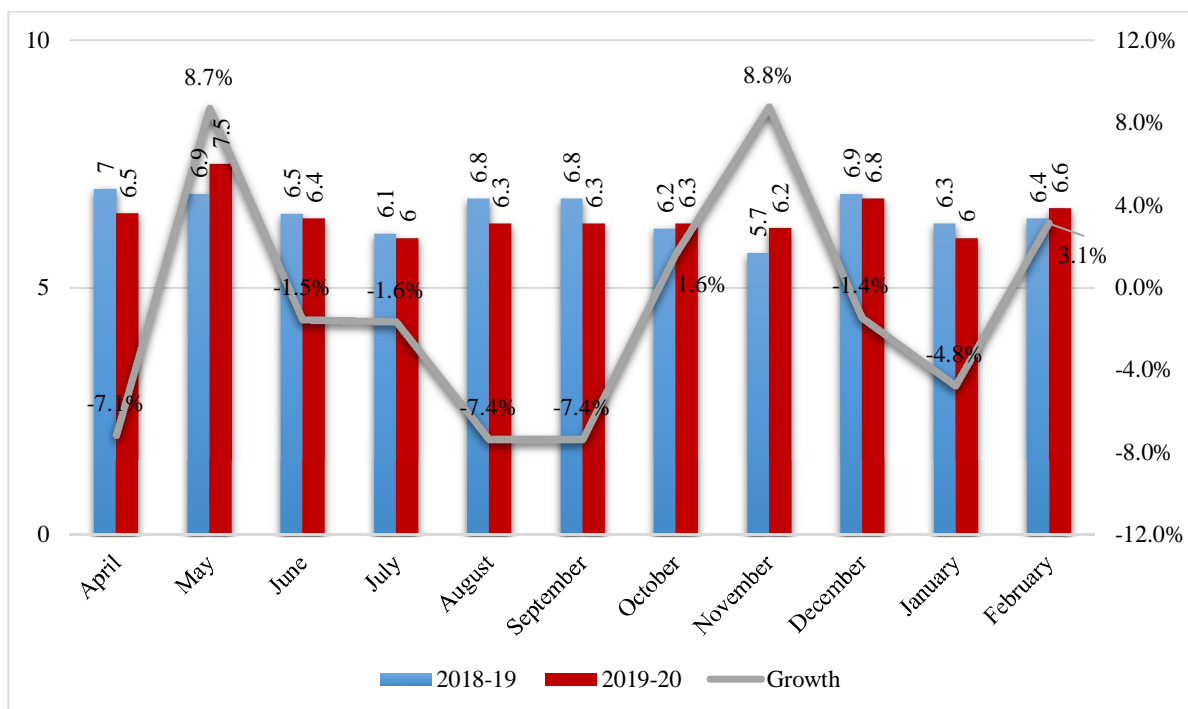
The monthly engineering figures for 2019-20 vis-à-vis 2018-19 are depicted below as per the latest DGCIS estimates:

Table 1: Engineering Exports: Monthly trend
(US\$ million)

Month	2018-19	2019-20	Growth (%)
April	7020.54	6479.99	-7.70
May	6928.08	7244.48	4.57
June	6512.31	6352.14	-2.46
April-June	20460.93	20076.61	-1.88
July	6052.64	5948.79	-1.72
August	6974.48	6347.69	-8.99
September	6769.15	6344.72	-6.27
April-September	19796.27	18641.20	-5.83
October	6151.93	6252.5	1.63
November	5740.17	6199.15	8.00
December	6905.63	6833.38	-1.05
October-December	18797.73	19285.03	2.59
January	6295.94	6033.39	-4.17
February	6442.73	6667.15	3.5
April-February	71793.24	70656.88	-1.58

Source: DGCIS, Govt. of India.

Figure 1: Monthly Engineering Exports in 2019-20 vis-a-vis 2018-19



2. Correlation between Manufacturing Production and Engineering Exports

Engineering sector is an important component of the broader manufacturing sector and the share of engineering production in overall manufacturing output is quite significant. As exports generally come from what is produced within a country, some correlation between manufacturing production growth and engineering export growth should exist. We briefly looked at the trend in manufacturing growth as also engineering export growth to see if they move in tandem. It may be mentioned that manufacturing has 77.63% weightage in India's industrial production.

The first month of fiscal 2019-20 saw engineering exports growth and manufacturing growth moving in the opposite direction but the next four months saw just the reverse. In April 2019, manufacturing growth accelerated while engineering exports dropped to negative. During May, engineering exports bounced back to growth path and manufacturing growth accelerated. Engineering exports declined once again in June 2019 and manufacturing growth also slowed down noticeably. The decline in engineering exports continued in July but at a slower pace while manufacturing witnessed accelerated growth. During August, engineering exports decelerated faster and manufacturing growth turned negative. The month of September 2019 again saw both moved in the opposite direction when decline in engineering exports moderated but decline in manufacturing growth accelerated. Again from October to December 2020, both moved in the same direction. Engineering exports bounced back to growth path in October 2019 while growth accelerated in November 2019. On the other hand, decline in manufacturing moderated in October and then registered decent growth in November 2019. During December 2020, both engineering exports and manufacturing output conceded year-on-year decline. The trend was again reversed in January 2020, when manufacturing output registered a rise against a decline in engineering exports. **As per the latest figures, manufacturing output and engineering exports moved in the same direction in five out of the first ten months of fiscal 2019-20.** Perhaps, the trend in Table 2 shows a

lagged effect of a month. We need to see how this plays out during the last quarter of the fiscal.

Table 2: Engineering exports growth vis-à-vis manufacturing growth (2019-20)

Months/ Year	Engg. Export Growth (%)	Manufacturing Growth (%)
April 2019	-7.70	2.5
May 2018	4.57	4.4
June 2019	-2.46	0.3
July 2019	-1.72	4.8
August 2019	-8.99	-1.6
September 2019	-6.27	-4.0
October 2019	1.63	-2.1
November 2019	8.00	2.7
December 2019	-1.05	-1.2
January 2020	-4.17	1.5
February 2020	3.5	NA

(Source: Department of Commerce and CSO)

We also present the month wise corresponding **revised engineering exports for 2018-19** as opposed to 2017-18.

Table 3: Revised engineering exports for 2017-18 (US\$ million)

Months	2017-18	2018-19	Growth (%)
April	5902.86	7020.54*	18.93%
May	6047.26	6928.08*	14.57%
June	5703.28	6512.31*	14.19%
Quarter 1	17653.40	20460.93*	15.90%
July	5595.63	6052.64*	8.17%
August	5766.60	6974.48*	20.95%
September	7088.19	6769.15*	-4.50%
Quarter 2	18450.42	19796.27*	7.29%
October	5669.59	6151.93*	8.51%
November	6872.84	5740.17*	-16.48%
December	7163.56	6905.63*	-3.60%
Quarter 3	19705.99	18797.73*	-4.61%
January	6217.28	6295.94*	1.27%
February	6332.92	6439.29	1.68%
March	7839.32	9156.46	16.80%
Quarter 4	20389.52	21891.69*	7.37%
April-March	76199.33	80946.62*	6.23%

Source: DGCI&S * Revised data

Impact of Exchange Rate

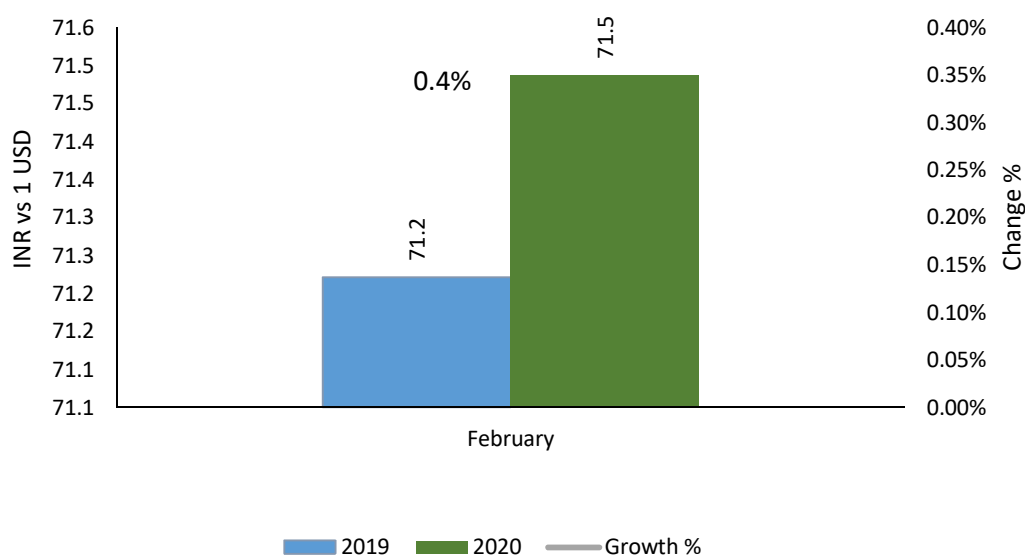
How has the exchange rate been changing in 2020 vis-à-vis 2019? We look at the monthly average exchange rate for both 2020 and 2019. The table and the chart below provide the scenario:

As mere one month figure does not determine the trend, we will continue to include the Rupee-Dollar trend analysis table and the movement chart for 2019 so that the short-term trend can be understood clearly.

Table 4A: USD-INR average exchange rate in 2020

Average Exchange Rate (1 USD to INR)			Year-on-Year Change (%)	Direction
Month	2019	2020		
February	71.22	71.49	0.37	Depreciation

Figure2A: Movement of USD-INR Exchange Rate (2020) (Monthly Average)



Source: RBI, FBIL, EEPC Research

Rupee depreciated in Feb 2020 vis-à-vis the US Dollar: After appreciating in each month between September and November 2019 over the US Dollar, the Indian rupee again started weakening from December 2019 and recorded marginal depreciation of 0.65 percent followed by 0.82 percent in January 2020 respectively. Rupee has been hovering around 71 per US Dollar during the last six months.

Rupee-Dollar Trend in 2019

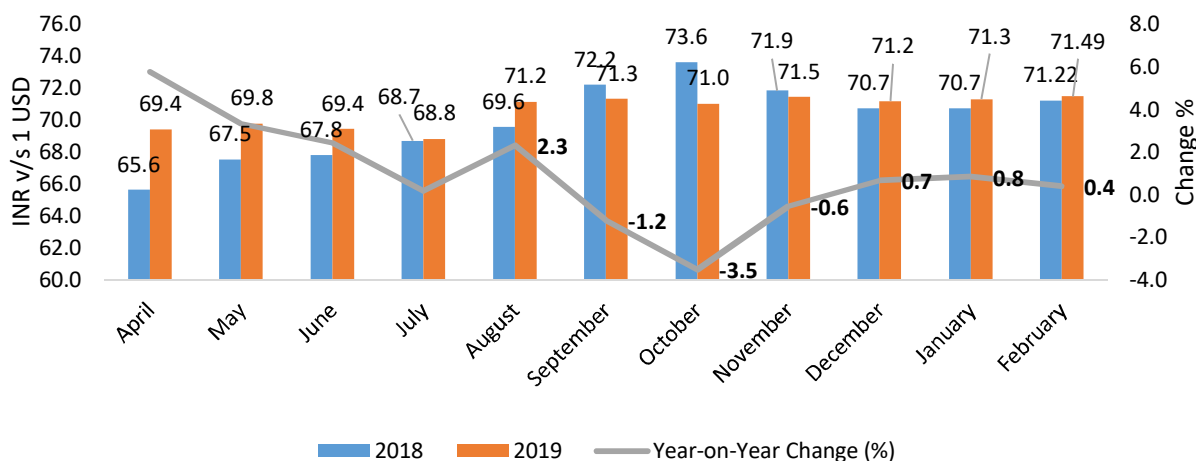
Table 4B: USD-INR average exchange rate in 2019-20

Average Exchange Rate (1 USD to INR)	Direction
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Month	2018-19	2019-20	Year-on-Year Change (%)	
April	65.64	69.42	5.76	Depreciation
May	67.53	69.77	3.32	Depreciation
June	67.79	69.44	2.43	Depreciation
July	68.69	68.81	0.17	Depreciation
August	69.55	71.15	2.30	Depreciation
September	72.21	71.33	-1.22	Appreciation
October	73.63	71.03	-3.53	Appreciation
November	71.85	71.45	-0.56	Appreciation
December	70.73	71.19	0.65	Depreciation
January	70.73	71.31	0.82	Depreciation
February	71.22	71.49	0.37	Depreciation

A noteworthy feature of Rupee-Dollar movement in 2019 had been the relative hardening of Rupee in 2019 as indicated by the narrowing in the rate of depreciation over corresponding months of last year between January and July 2019. After a somewhat higher depreciation in August 2019, rupee started appreciating against the US Dollar for the next three months. However rupee saw an increasing depreciating mode in the later months December 2019 and January 2020. The pictorial representation may provide a clearer picture.

Figure2B: Movement of USD-INR Exchange Rate (2019-20) (Monthly Average)



Source: RBI, FBIL, EEPC Research

3. Top 25 engineering export destinations in February 2020

We now look at the export scenario of the top 25 nations that had highest demand for Indian engineering products during April- February 2019-20 over April- February 2018-19.

Table-5: Engineering exports country wise, (2019-20)

US\$ million

Country	February 2019	February 2020	Growth (%)	April-February 2018-19	April-February 2019-20	Growth (%)
U S A	972.60	1055.74	8.55	10764.60	10927.78	1.52
UAE	256.10	502.27	96.12	3932.18	4076.87	3.68
GERMANY	253.62	211.22	-16.72	2971.52	2780.06	-6.44
U K	196.72	185.30	-5.80	2517.64	2453.53	-2.55
NEPAL	200.68	209.39	4.34	2762.96	2442.01	-11.62
BANGLADESH	248.55	184.16	-25.91	2531.10	2263.03	-10.59
MEXICO	206.29	208.11	0.88	2298.24	2198.41	-4.34
SINGAPORE	417.04	168.72	-59.54	2052.36	2149.20	4.72
MALAYSIA	119.41	152.59	27.79	1611.80	2124.56	31.81
CHIN	155.66	134.01	-13.91	1615.33	1991.98	23.32
ITALY	212.72	120.59	-43.31	2054.80	1774.95	-13.62
KOREA RP	115.44	133.16	15.35	1569.28	1759.99	12.15
VIETNAM	150.88	126.36	-16.25	1007.86	1640.80	62.80
NIGERIA	133.75	136.78	2.27	1158.44	1602.55	38.34
INDONESIA	257.89	489.70	89.89	1735.33	1515.81	-12.65
THAILAND	128.34	140.21	9.25	1470.87	1495.79	1.69
SAUDI ARABIA	124.13	145.32	17.07	1306.93	1478.96	13.16
SOUTH AFRICA	80.53	112.89	40.18	1439.36	1416.46	-1.59
FRANCE	120.03	145.20	20.97	1255.73	1281.44	2.05
SRI LANKA	175.96	84.97	-51.71	1621.22	1140.11	-29.68
TURKEY	110.71	117.50	6.14	1640.32	1066.10	-35.01
BRAZIL	86.75	99.86	15.12	901.82	984.21	9.14
JAPAN	99.26	102.50	3.26	1129.77	934.52	-17.28
BELGIUM	99.10	58.52	-40.94	1505.52	930.03	-38.23

Country	February 2019	February 2020	Growth (%)	April-February 2018-19	April-February 2019-20	Growth (%)
NETHERLAND	73.80	134.38	82.10	924.29	866.67	-6.23
Total engineering exports to top 25 countries	4995.95	5159.45	3.27	53779.26	53295.84	-0.90
Total engineering exports	6442.37	6667.16	3.49	71793.24	70656.88	-1.58
Share (%)	77.55	77.39		74.91	75.43	

Source: Department of Commerce, Government of India

India's top 25 engineering export destinations: Some observations

- ❖ In 12 out of 25 countries, engineering exports recorded positive cumulative growth during April- February 2019-20 over April- February 2018-19.
- ❖ India's engineering exports to its top 25 nations accounted for 75.4 per cent of India's total engineering exports in April-February 2019-20, which is marginally higher than its share in the April- February 2018-19.
- ❖ USA ranks as the numero uno destination for India's engineering products during February 2020 over February 2019 as well as for April- February 2019-20 over April- February 2018-19. Unlike the previous month trend India's exports to USA recorded a significant positive growth in February 2020 over February 2019.
- ❖ Vietnam for the sixth time in a row recorded highest positive cumulative growth during April- February 2019-20 over April- February 2018-19, followed by Nigeria and Malaysia.
- ❖ Among the ASEAN countries under the top 25 engineering exports destinations, Vietnam, Malaysia and Singapore recorded high positive growth and Thailand recorded a positive marginal growth during April- February 2019-20 over April- February 2018-19, barring Indonesia, like the previous two months.
- ❖ India's engineering exports to China recorded high positive cumulative growth during April- February 2019-20 over April- February 2018-19 but a negative monthly growth for February 2020 over February 2019.
- ❖ Like the previous months barring France, all the European nations falling under the top 25 engineering exports destinations, recorded negative growth during April-February 2019-20 over April- February 2018-19. However India's engineering exports recorded positive monthly growth for France, Turkey and Netherlands during February 2020 over February 2019.
- ❖ India's engineering exports to its top 25 destinations during April- February 2019-20 over April- February 2018-19 recorded a marginal negative growth which is less than in comparison to the negative growth in India's total global engineering exports during the same period.

4. Region wise India's engineering exports

The following table depicts region wise India's engineering exports for April-February 2019-20 as opposed to April-February 2018-19.

Table 6: Region wise exports trend

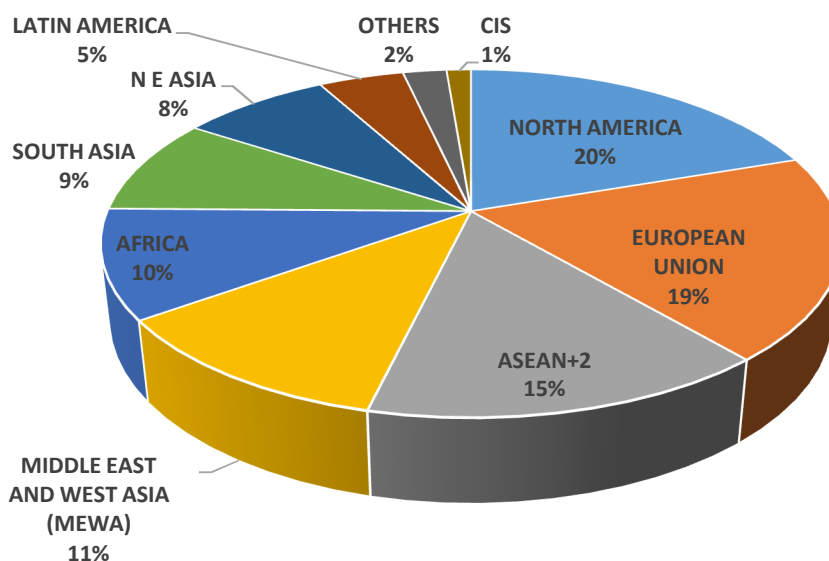
US\$ million

Regions	February 2019	February 2020	Growth (%)	April-February 2018-19	April-February 2019-20	Growth (%)
NORTH AMERICA	1247.49	1352.72	8.44	13852.02	13963.55	0.81
EUROPEAN UNION	1239.52	1131.85	-8.69	14661.31	13406.68	-8.56
ASEAN+2	1229.33	1217.63	-0.95	9664.29	10607.06	9.76
MIDDLE EAST AND WEST ASIA (MEWA)	572.76	912.90	59.38	8065.47	8027.17	-0.47
AFRICA	596.92	600.96	0.68	7116.95	7159.37	0.60
SOUTH ASIA	671.02	517.48	-22.88	7479.94	6321.75	-15.48
N E ASIA	437.40	417.56	-4.54	5219.18	5517.99	5.73
LATIN AMERICA	241.52	297.41	23.14	3051.07	3143.34	3.02
OTHERS	142.21	152.03	6.91	1975.66	1608.28	-18.60
CIS	64.20	66.63	3.78	707.34	901.68	27.47
Grand Total	6442.37	6667.16	3.49	71793.24	70656.88	-1.58

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 3: India's region wise exports during April-February 2019-20



Source: Data from DGCI&S and EEPC India analysis

Region wise engineering exports: some observations

- ❖ North America retained its numero uno position like before as the region with highest shipment of engineering products from India during April-February 2019-20 over April-February 2018-19 with a share of 19.8 percent of total engineering exports.
- ❖ India's exports to CIS recorded highest positive growth for the second time during April-February 2019-20 over April- February 2018-19, followed by ASEAN+2 .
- ❖ India's exports to EU and ASEAN+2 ranked second and third in global shipments of Indian engineering goods in April- February 2019-20 with a share of 19.0 percent and 15.0 percent of total engineering exports respectively.
- ❖ Along with CIS and ASEAN+ 2, Africa, North East Asia and North America recorded positive cumulative growth in exports of engineering products from India during April- February 2019-20 over April- February 2018-19.

Panel Wise Engineering Exports

We begin by looking at the Engineering Panel wise exports for the month of February 2020 vis-a-vis February 2019. The data is given in Table 7 below:

Table 7: Trends in engineering panel Exports for February 2020 compared to February 2019
US\$ Million

	FEBRUAR Y, 2019	FEBRUAR Y, 2020	Growt h	APRIL,2018 - FEBRUARY,201 9	APRIL,2019 - FEBRUARY,202 0	Growt h
Iron and Steel and Products made of Iron and Steel						
Iron and Steel	802.61	637.73	-20.5	8824.23	8586.01	-2.7
Products of Iron and Steel	587.86	585.31	-0.4	6536.02	6516.9	-0.3
Sub Total	1390.47	1223.04	-12.04	15360.3	15102.9	-1.68
Non-Ferrous Metals and Products made of Non-Ferrous Metals						

Copper and products	56.76	66.45	17.07	938.35	857.27	-8.64
Aluminium and products	410.52	404.16	-1.5	5240.17	4711.91	-10.08
Zinc and products	44.42	52.68	18.6	566.15	510.73	-9.79
Nickel and products	5.89	3.84	-34.80	67.97	94.12	38.47
Lead and products	25.52	23.25	-8.9	365.04	344.64	-5.59
Tin and products	1.26	0.54	-57.14	8.58	9.19	7.11
Other Non-Ferrous Metals	46.96	46.23	-1.55	492.17	504.93	2.59
Sub Total	591.33	597.15	0.98	7678.43	7032.79	-8.41
Industrial Machinery						
Industrial Machinery like Boilers, parts, etc	86.92	68.14	-21.6	697.26	768.4	10.2
IC Engines and Parts	213.56	215.92	1.1	2489.47	2359.27	-5.2
Pumps of all types	82.2	67.47	-17.92	902.55	893.27	-1.03
Air condition and Refrigerators	142.02	106.27	-25.2	1793.86	1282.1	-28.5
Industrial Machinery for dairy, food processing, textiles etc	458.99	498.55	8.6	5256.3	5234.01	-0.4
Machine Tools	43.02	35.03	-18.57	444.46	408.62	-8.06
Machinery for Injecting moulding, valves and ATMs	134.32	138.86	3.4	1455.06	1629.67	12.0
Sub Total	1161.03	1130.24	-2.7	13039	12575.3	-3.56
Electrical Machinery	722.45	815.6	12.89	7638.65	8200.83	7.36
Auto Components and parts						
Motor Vehicle/cars	654.96	644.75	-1.6	7679.17	7240.42	-5.7
Two and Three Wheelers	159.26	172.32	8.2	1934.82	1937.91	0.2

Auto Components/Part	475.94	435.62	-8.47	5237.77	4915.65	-6.15
Sub Total	1290.16	1252.69	-2.90	14851.76	14093.98	-5.10
Aircrafts and Spacecraft parts and products	94.78	135.69	43.16	1539.54	1338.23	-13.08
Ships Boats and Floating products and parts	509.68	803.84	57.71	3854.45	4324.18	12.19
Other engineering products						
Medical and Scientific instruments	129.96	148.78	14.48	1515.24	1631.46	7.67
Railway Transport	25.44	7.09	-72.13	328.62	233.16	-29.05
Hand Tools & Cutting Tools	61.73	60.7	-1.67	692.64	700.99	1.21
Electrodes Accumulators	4.62	3.82	-17.32	48.88	50.92	4.17
Accumulator and Batteries	28.68	28.27	-1.43	342.06	383.02	11.97
Bicycle & Parts	36.24	30.23	-16.58	354.25	347.07	-2.03
Cranes Lifts & Winches	41.94	41.19	-1.79	450.2	522.81	16.13
Office Equipment	12.9	13.2	2.33	126.78	176.47	39.19
Other Construction Machinery	117.21	129.91	10.84	1499.95	1310.57	-12.63
Prime Mica & Mica Products	5.04	2.55	-49.40	30.64	37.44	22.19
OTHER MISC. ITEMS	218.71	243.16	11.18	2441.94	2594.71	6.26
Sub Total	682.47	708.9	3.87	7831.2	7988.62	2.01
Total engineering exports	6442.37	6667.15	3.49	71793.24	70656.88	-1.58

Source: Department of Commerce, Government of India

Engineering ferrous and non-ferrous products with negative growth in February 2020

- Export of Iron and Steel under Chapter 72: fell by 20.5% in February 2020 and 2.7% in April-February 2019-2020
- Exports of Products of Iron and Steel under Chapter 73: fell by 0.4% in February 2020 and 0.3% in April-February 2019-2020
- Exports of Aluminium and products under Chapter 76: fell by 1.5% in February 2020 and 10.08% in April-February 2019-2020
- Exports of Lead and products under Chapter 78: fell by 8.9% in February 2020 and 5.6% in April-February 2019-2020
- Exports of Nickel and products under Chapter 75: fell by 34.8% in February 2020 but cumulatively increased by 38.5% in April-February 2019-2020
- Exports of Tin and products under Chapter 80: fell by 57.14% in February 2020 but cumulatively increased by 7.11% in April-February 2019-2020

Panel wise engineering exports: Some observations

- ❖ Year on year decline for the month of February 2020 witnessed in 20 out of total 33 engineering panels. These include some of the key panels such as iron and steel and products of iron and steel, non-ferrous products, industrial machinery, motor vehicles and parts, auto components and parts, railway transport machinery, electrodes and accumulators and others. In cumulative terms, 17 out of 33 panels exhibited a year-on-year decline.
- ❖ After recovering from monthly decline during December 2019, Iron and Steel figures once again exhibited negative trend in consecutive months of January and February 2020, dipping to the extent of 20.5% in February 2020 compared to February 2019. In cumulative terms too, Iron and steel figures dipped by 2.7% in the first eleven months of 2019-20 vis-à-vis same period last fiscal.
- ❖ Products of Iron and Steel witnessed negative trend quite dis-similar to the previous months dipping by 0.4% in February 2020 vis-à-vis February 2019. Cumulative exports also registered miniscule negative growth to the extent of 0.3% during April-February 2019-20 compared to same period last fiscal. The significant drop in iron and steel led to monthly decline in combined iron and steel and products of iron and steel to the extent of 12.04% percent in February 2020 corresponding to the same period last year. However, in cumulative terms the two panels together registered a fall of 1.68%.
- ❖ The Non-Ferrous metal segment witnessed declining export growth in Aluminium and products to the extent of 1.5% in the month of February 2020. Decline was also witnessed in the panels of Nickel, Lead and Tin in to the extent of 34.8%, 8.9% and 57.14% respectively during February 2020 vis-à-vis February 2019. Copper which registered consecutive negative growth in the last several months, registered a 17.07% increase in February 2020. In cumulative terms though fall was noticed to the extent of 8.64% during April-February 2019-20 vis-à-vis April-February 2018-19.
- ❖ Out of the seven panels under Industrial machinery four panels exhibited negative growth in February 2020 that led the total industrial machinery panel dip by 2.7% during February 2020. Positive growth was witnessed in Machinery for IC Engines, Industrial Machinery for dairy and Machinery for ATMS. While Industrial Machinery for Boilers, Pumps and Valves,

Air Condition and Repair Machinery, and Machine Tools witnessed negative growth to the extent of 21.6%, 17.92%, 25.2% and 18.6% respectively. In cumulative terms too, the panel registered negative growth of 3.56% between April -February 2019-2020 compared to the same period last year.

- ❖ Electrical Machinery and equipment which is a major engineering exporting sector for India experienced growth to the extent of 12.9% in February 2020 when compared to February 2019. In cumulative terms there was 7.4% growth in exports in April-February 2019-2020 when compared to April-February 2018-19.
- ❖ The panel Automobiles recorded 0.4% percent growth during February 2019 due to jump in export growth of motor vehicles to the extent of 8.2%. In cumulative terms, the panel experienced a declining trend to the extent of 4.5% and in both the cases, motor vehicles under automobiles registered a decline of 5.7% in April to February 2019-20 compared to the same period last year.
- ❖ Exports of Aircrafts and Spacecraft parts and products recorded positive monthly growth (43.16%) and negative cumulative growth (13.08% drop). On the other hand, 'Ship, Boats and Floating Bodies' exhibited a positive monthly growth in exports (57.71%) and positive cumulative exports (12.19% rise).
- ❖ Negative monthly growth was witnessed in some other miscellaneous sectors such as Railway transport (72.13%), Hand Tools (1.67%), Electrodes and Accumulators (17.32%), Accumulator and Batteries (1.43%), Bicycle and parts (16.58%), Cranes, Lifts and winches (1.79%) and prime mica products (49.40%). Medical and scientific devices registered a 14.48% positive growth in exports in monthly terms and 7.67% growth in cumulative terms.

Data for ferrous and non-ferrous panels experiencing a decline in the month December 2019 vis-à-vis December 2018

Values in US\$ Million					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	900.36	837.85	-6.9%	715.13	-14.6
May	787.41	776.79	-1.3%	692.45	-10.9
June	691.32	735.22	6.4%	653.72	-11.1
July	850.94	804.63	-5.4%	749.6	-6.8
August	899.14	1053.2	17.1%	907.48	-13.8
September	1064.53	843.61	-20.8%	933.47	10.7
October	941.68	755.77	-19.7%	903.55	19.6
November	1203.34	710.91	-40.9%	831.35	16.9
December	1069.17	687.04	-35.8%	851.57	23.9
January	916.07	816.34	-10.9%	735.75	-9.9
February	879.24	802.61	-8.8%	637.73	-20.5
April-February	10203.2	8824.23	-14.0%	7947.07	-0.6

Table 9: Chapter 73: Products of Iron & Steel

Values in US\$ Million					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	529.64	565.04	6.6%	558.78	-1.1%
May	511.27	575.87	12.6%	544.83	-5.3%
June	518.62	587.78	13.3%	591.46	0.6%
July	520.50	539.72	3.6%	596.79	10.5%
August	593.79	691.22	16.4%	624.46	-9.3%
September	641.24	615.69	-3.98%	570.35	-7.36%
October	506.61	569.97	12.51%	592.72	3.99%
November	542.52	533.39	-1.68%	572.77	7.38%
December	674.25	666.88	-1.09%	653.10	-2.07%
January	492.37	562.16	14.17%	628.11	11.73%
February	535.11	539.59	0.84%	590.07	9.35%
April-February	5297.77	6140.30	15.90%	6563.85	6.90%

Table 10: Chapter 76: Aluminium and Products					
Values in US\$ Million					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	395.75	412.51	3.6%	407.91	-1.1
May	291.4	514.50	75.9%	375.44	-27.0
June	331.32	542.75	63.2%	412.74	-24.0
July	341.04	475.16	38.8%	399.74	-15.9
August	359.46	504.19	40.3%	417.68	-17.2
September	451.66	494.77	9.5%	490.96	-0.8
October	405.08	478.33	44.97%	399.72	-16.4
November	422.65	469.76	11.1%	470.45	0.1
December	477.19	473.85	-0.7%	524.59	10.7
January	439.12	463.83	5.6%	428.82	-7.5
February	271.85	410.52	41.09%	404.16	-1.5
April-February	3914.67	4829.65	23.4%	4328.05	-10.4

Table 11: Chapter 75: Nickel and Products					
Values in US\$ Million					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	2.74	6.1	122.6%	4.45	-27.0%
May	2.31	6.72	190.9%	35.23	424.3%

June	2.16	6.81	215.3%	5.50	-19.2%
July	2.65	6.08	129.4%	4.80	-21.1%
August	6.69	7.47	11.7%	4.92	-34.1%
September	3.28	5.24	59.70%	6.07	15.89%
October	6.42	5.90	-8.16%	9.34	40.46%
November	2.98	3.88	30.22%	4.91	26.58%
December	2.89	5.35	85.33%	6.88	28.47%
January	5.24	2.75	-47.58%	6.24	127.22%
February	3.77	5.89	44.45%	3.84	-34.8%
April-February	89.38	67.97	-56.77%	94.12	38.47%

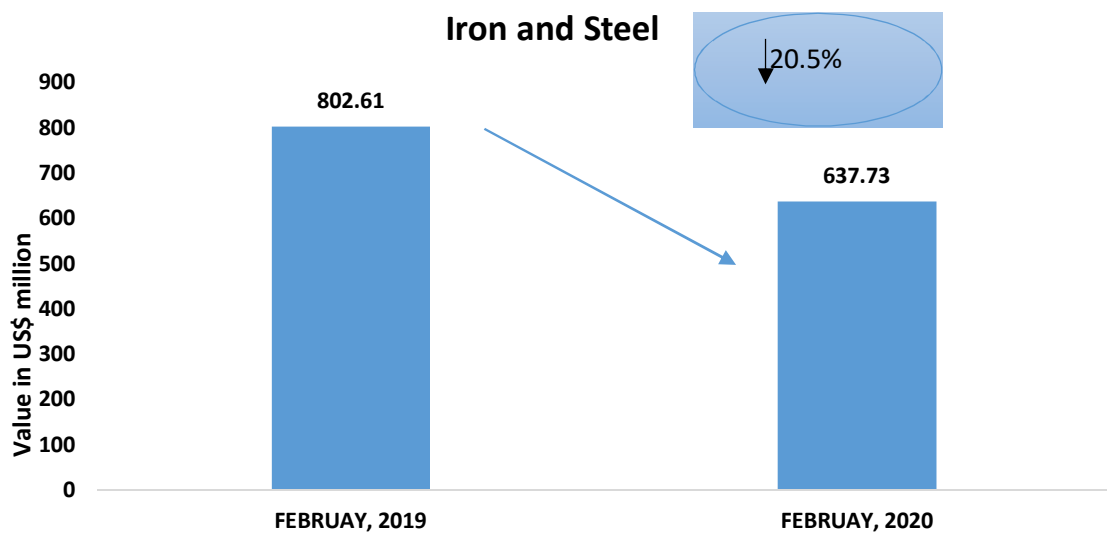
Table 12: Chapter 78: Lead and Products					
Values in US\$ Million					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	26.58	27.35	2.91%	30.1	10.1%
May	15.41	35.8	132.35%	24.75	-30.9%
June	15.02	32.68	117.56%	19.5	-40.3%
July	27.13	31.24	15.15%	19.47	-37.7%
August	35.27	33.04	-6.33%	38.90	17.7%
September	41.56	31.05	-25.28%	36.69	18.2%
October	30.09	38.15	26.80%	39.60	3.8%
November	31.63	28.69	-9.31%	45.76	59.5%
December	38.94	43.47	11.64%	40.96	5.8%
January	36.39	38.05	4.9%	25.66	-32.6%
February	41.01	25.52	-37.78%	23.25	-8.9%
April-February	339.03	365.04	7.67%	344.64	-5.59%

Table 13: Chapter 80: Tin and Products					
Values in US\$ Million					
Month	2017-18	2018-19	Growth (%)	2019-20	Growth (%)
April	1.18	0.56	-52.46%	0.65	16.1%
May	1.98	0.38	-80.69%	0.91	139.5%
June	0.73	0.84	15.16%	0.97	15.5%
July	0.45	0.84	88.10%	0.48	-42.9%
August	0.69	0.81	17.60%	1.22	50.6%
September	1.58	0.58	-62.99%	0.84	44.8%
October	0.50	0.69	36.37%	0.78	13.0%
November	0.66	1.17	78.69%	1.10	-6.0%

December	0.51	1.23	139.90%	0.46	62.6%
January	1.27	0.57	-54.83%	1.24	117.5%
February	1.16	1.26	8.79%	0.54	-57.1%
April-February	10.71	8.58	-16.46%	9.19	7.11

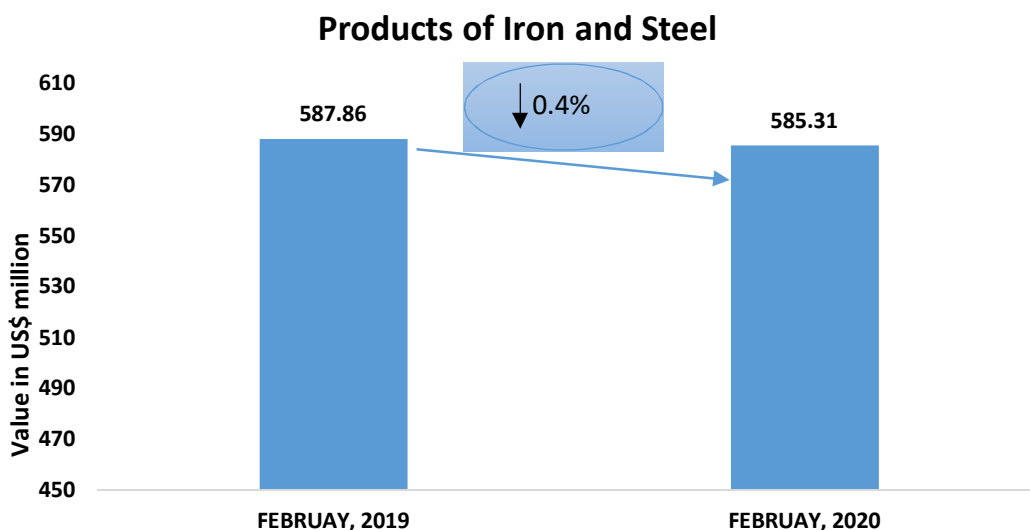
Slump in Iron and steel exports

Figure 4: Slump in Iron and Steel Exports in February 2020 v/s February 2019 (in USD million)



Slump in Products of Iron and Steel exports

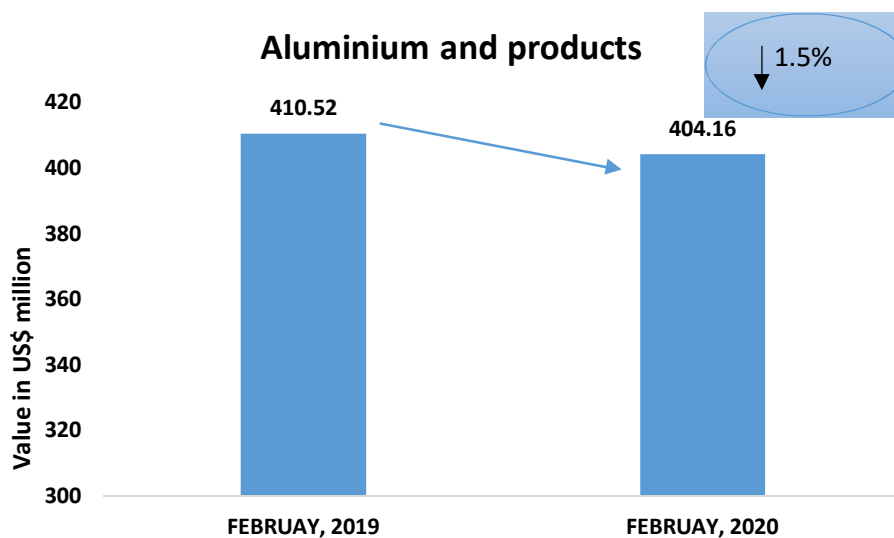
Figure 5: Slump in Products of Iron and Steel Exports in February 2020 v/s February 2019 (in USD million)



Reason for fall

India's iron and steel and its products exports have been suffering from higher input prices of iron ore and coking coal. With the impending closure of a number of iron ore mines in Orissa, a further decline in exports is expected. This situation would be exacerbated by the global coronavirus outbreak which is expected to put a significant downward pressure on global trade

Figure 6: Slump in Aluminium Exports in February 2020 v/s February 2019 (in USD million)



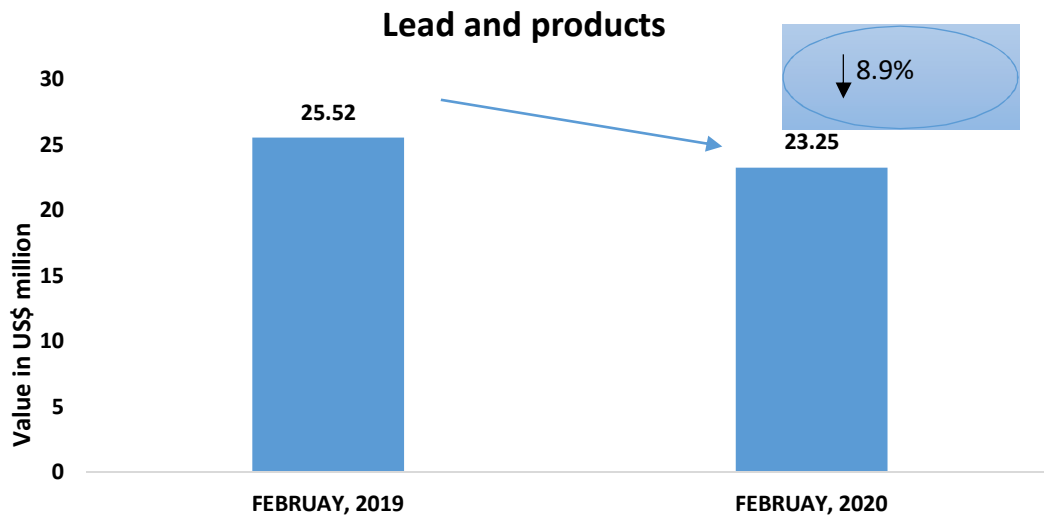
Reason for fall

Slump in Aluminium and products exports

There has been a sharp decline in LME prices for aluminium for the last few months which has led to a contraction in production. The coronavirus event in China is also expected to have negative impact on exports of aluminium due to demand slow-down.

Slump in Lead and lead Products exports

Figure 7: Slump in lead and lead products in February 2020 v/s February 2019 (in USD million)

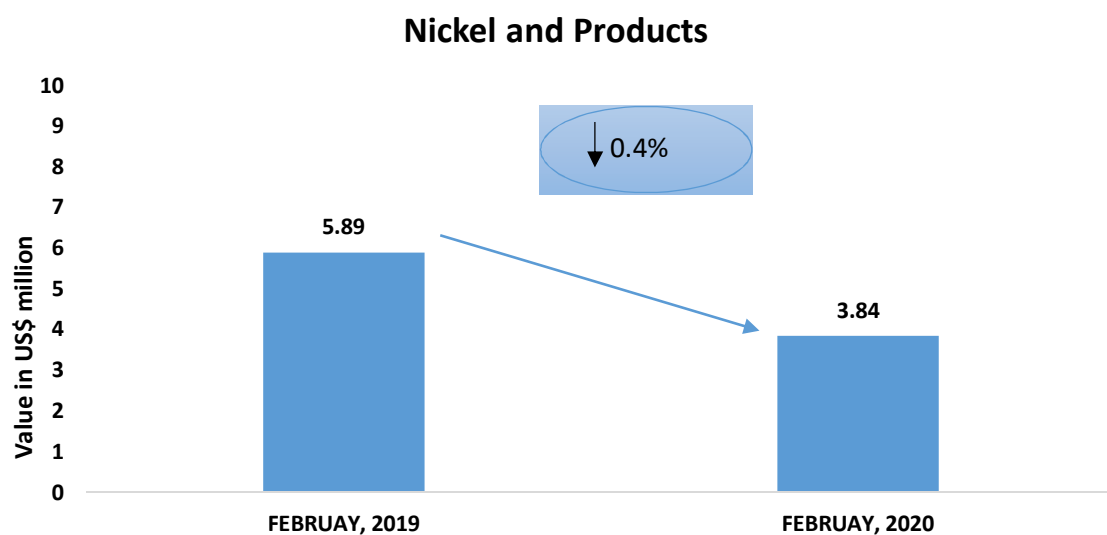


Reasons for the fall

Globally all base metal markets have been reeling under the growing trade tensions, coronavirus threat from China, one of the largest markets and falling LME prices.

Slump in Nickel and Products exports

Figure 8: Slump in Nickel and products Exports in February 2020 v/s February 2019 (in USD million)

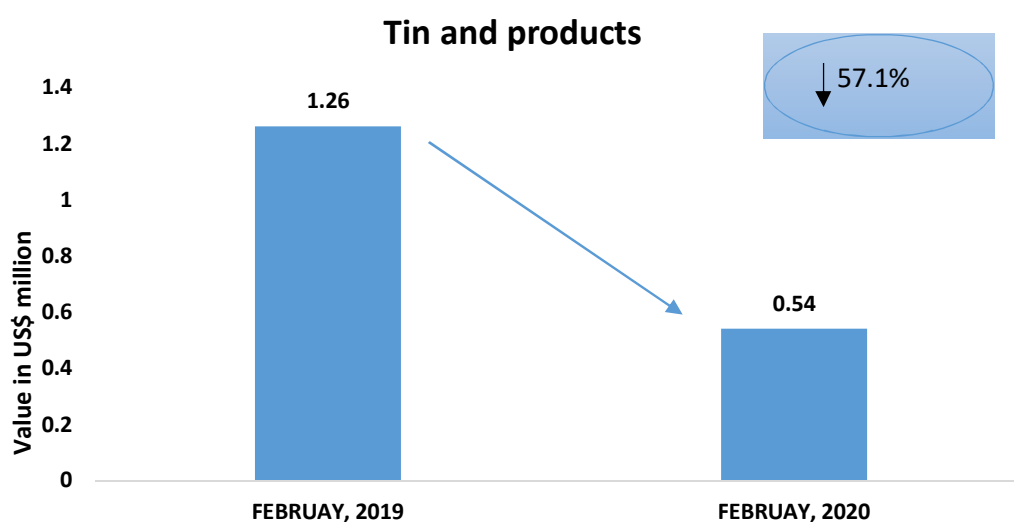


Reasons for the fall

The global demand which is created significantly by China is also depressed due to the ongoing trade tension and the coronavirus threat in China.

Slump in Tin and Products exports

Figure 9: Slump in Tin and products Exports in February 2020 v/s February 2019 (in USD million)



Reasons:

Globally all base metal markets have been reeling under the growing trade tensions, coronavirus threat from China, one of the largest markets and falling LME prices.

5. Engineering panels – country-wise analysis

We now analyse the performance of some of the important products during February 2020. We have taken the major panels and computed the top importers and sharp declines to get an idea of the current trade pattern. (Tables 11-19)

Table 14: Export of Iron & Steel
US\$ Million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)

Top Five Importers						
VIETNAM	103.51	81.56	-21.20	408.83	1038.38	153.99
NEPAL	61.88	83.64	35.16	1064.52	897.03	-15.73
U A E	50.03	68.02	35.97	649.61	700.36	7.81
ITALY	101.07	28.25	-72.05	729.44	652.14	-10.60
CHINA	33.16	20.34	-38.66	272.94	494.00	80.99
High cumulative growth						
VIETNAM	103.51	81.56	-21.20	408.83	1038.38	153.99
CHINA	33.16	20.34	-38.66	272.94	494.00	80.99
BHUTAN	4.52	7.92	75.10	47.91	75.66	57.91
RUSSIA	6.33	7.95	25.52	72.82	105.20	44.46
OMAN	8.42	13.68	62.42	80.64	109.20	35.42
PORTUGAL	2.66	1.79	-32.49	55.86	69.94	25.21
Sharp cumulative decline						
SAUDI ARABIA	21.92	5.66	-74.16	154.85	90.43	-41.60
ETHIOPIA	2.75	2.51	-8.94	77.71	46.01	-40.79
KOREA	32.60	18.92	-41.96	419.31	266.12	-36.53
MEXICO	8.75	5.29	-39.50	97.38	65.30	-32.94
INDONESIA	16.24	12.43	-23.44	256.52	179.40	-30.06
BELGIUM	57.56	20.23	-64.86	559.49	393.56	-29.66

(Source: Department of Commerce, Government of India)

- ❖ Vietnam, Nepal and UAE were the three top three importers of Indian Iron and Steel during April 2019- February 2020 with market shares of 12.09 percent, 10.45 percent and 8.16 percent respectively.
- ❖ Vietnam, China and Bhutan recorded more than 50 percent year-on-year growth in exports of Indian Iron and Steel during April 2019- February 2020 compared to April 2018- February 2019.
- ❖ Ethiopia, Saudi Arabia and Korea experienced sharp downfall to the extent of more than 35% drop in exports during April 2019- February 2020 compared to same period last fiscal.

Table 15: Export of Products of Iron & Steel

US\$ Million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)
Top Five Importers						
U S A	159.85	124.95	-21.84	1534.76	1482.15	-3.43
U A E	34.75	35.52	2.22	406.86	386.38	-5.03
CANADA	18.82	38.22	103.09	252.65	357.89	41.65

GERMANY	32.23	28.51	-11.55	389.27	351.48	-9.71
U K	26.95	27.45	1.84	290.11	278.63	-3.96
High cumulative growth						
PERU	0.89	4.74	431.32	5.26	65.68	1148.01
LIBYA	0.13	1.61	1148.16	3.88	24.17	522.76
CAMEROON	0.10	5.65	5580.37	4.43	22.08	398.84
ETHIOPIA	0.93	3.36	261.53	12.65	46.70	269.22
OMAN	4.93	8.94	81.28	71.07	115.77	62.89
INDONESIA	3.73	3.50	-6.17	52.55	83.00	57.94
Sharp cumulative decline						
MAURITANIA	3.23	0.44	-86.41	35.78	5.59	-84.37
IRAQ	0.27	1.06	286.66	31.68	5.48	-82.71
TANZANIA	3.54	0.77	-78.31	75.47	29.08	-61.47
EGYPT	2.79	2.75	-1.30	84.38	33.19	-60.67
KUWAIT	4.24	5.56	31.23	98.51	59.72	-39.38
SOUTH AFRICA	6.72	3.90	-41.98	82.86	53.88	-34.97
COLOMBIA	3.05	2.18	-28.62	37.76	27.81	-26.36

(Source: Department of Commerce, Government of India)

- ❖ USA, UAE and Canada were the top three importers of India's 'Products of Iron & Steel' during April 2019- February 2020 with 22.74 percent, 5.93 percent and 5.49 percent shares respectively in India's global import of the same.
- ❖ Peru, Libya, Cameroon and Ethiopia experienced more than 250% growth in import of 'Products of Iron and Steel' during April 2019- February 2020.
- ❖ Iraq, Mauritania, Egypt and Tanzania conceded substantial decline in imports by more than 60% for the said product group from India during April 2019- February 2020.

Table 16: Export of Industrial Machinery

US\$ Million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)
Top Five Importers						
U S A	185.06	187.74	1.45	2102.76	1973.96	-6.13
THAILAND	57.39	59.49	3.66	570.36	632.61	10.91
BANGLADESH	71.86	46.93	-34.69	617.18	601.11	-2.60
GERMANY	54.47	48.95	-10.13	590.66	553.63	-6.27
CHINA	36.54	40.99	12.17	464.26	525.17	13.12
High cumulative growth						

RUSSIA	9.91	12.65	27.68	117.87	257.19	118.20
UGANDA	4.74	6.35	33.99	52.10	79.47	52.52
SINGAPORE	23.42	23.65	0.99	202.05	294.17	45.59
MYANMAR	4.63	4.71	1.85	47.55	66.26	39.36
NIGERIA	43.84	44.78	2.13	360.09	500.48	38.99
BRAZIL	15.88	24.12	51.90	189.35	233.44	23.29
PHILIPPINES	9.28	4.53	-51.19	78.33	95.99	22.55
Sharp cumulative decline						
IRAN	2.33	4.02	72.30	161.62	52.06	-67.79
VIETNAM	7.82	10.43	33.42	169.14	113.68	-32.79
KENYA	10.98	11.48	4.57	182.51	125.32	-31.34
INDONESIA	46.74	20.93	-55.22	365.76	257.64	-29.56
SAUDI ARABIA	26.67	22.37	-16.13	348.82	250.29	-28.25
TURKEY	25.33	30.28	19.54	406.74	299.44	-26.38

(Source: Department of Commerce, Government of India)

- ❖ USA was the largest importer of Indian 'Industrial machinery' during April 2019- February 2020 with 15.70 percent share in India's global import of the product group. Thailand and Bangladesh were the two immediate followers of USA with 5.03 percent and 4.78 percent shares respectively.
- ❖ Russia, Uganda and Singapore were among the major importing nations witnessing growth of more than 45% in imports of Industrial machinery from India during April 2019- February 2020 over the same period last fiscal.
- ❖ Among the major importers, Iran, Vietnam and Kenya recorded over 30 percent year-on-year declines in imports during April 2019- February 2020.

Table 17: Automobiles

US\$ Million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)
Top Five Importers						
MEXICO	98.22	137.53	40.02	1221.14	1321.89	8.25
U S A	117.19	96.22	-17.90	1061.92	892.34	-15.97
SOUTH AFRICA	36.70	62.24	69.58	659.15	854.28	29.60
SAUDI ARABIA	33.72	64.36	90.86	288.64	638.47	121.20
NIGERIA	40.68	41.88	2.95	386.52	498.93	29.08
High cumulative growth						

SAUDI ARABIA	33.72	64.36	90.86	288.64	638.47	121.20
U A E	13.40	31.74	136.90	197.17	303.72	54.04
KUWAIT	11.27	5.87	-47.93	57.73	85.18	47.55
PERU	5.15	9.44	83.34	108.90	147.94	35.85
ETHIOPIA	6.52	5.73	-12.03	62.03	81.38	31.19
SOUTH AFRICA	36.70	62.24	69.58	659.15	854.28	29.60
Sharp cumulative decline						
BELGIUM	1.00	0.00	-100.00	56.66	10.19	-82.01
EGYPT	12.82	10.30	-19.67	134.54	32.42	-75.90
ALGERIA	33.31	0.00	-100.00	245.25	80.74	-67.08
SPAIN	4.95	0.20	-95.98	62.38	20.56	-67.04
INDONESIA	33.03	10.38	-68.57	353.82	167.06	-52.78
CANADA	13.02	10.40	-20.12	121.62	63.90	-47.46

(Source: Department of Commerce, Government of India)

Automobiles include Motor Vehicles/cars and Two and Three Wheelers

- ❖ Mexico, USA and South Africa were top three importers of India's Automobiles during April 2019- February 2020 with 14.40, 9.72 and 9.31 percent share in India's global exports respectively over the same period last fiscal.
- ❖ Saudi Arabia recorded over 120 percent growth in imports of the product group from India during April 2019- February 2020 over the same period last fiscal.
- ❖ Countries like Belgium, Egypt, Spain and Algeria saw their imports of automobile lower by more than 65% during April 2019- February 2020 compared to same period last fiscal.

Table 18: Export of Non-Ferrous metals
US\$ Million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)
Top Five Importers						
MALAYSIA	48.02	99.39	106.99	887.37	1179.96	32.97
KOREA	46.59	82.43	76.93	779.41	1079.31	38.48
U S A	84.91	87.65	3.22	968.02	857.71	-11.40
CHINA	10.34	26.24	153.68	264.55	434.91	64.40
TAIWAN	17.19	15.35	-10.74	330.04	240.75	-27.06
High cumulative growth						
CHINA	10.34	26.24	153.68	264.55	434.91	64.40

TANZANIA	0.91	2.53	178.33	18.49	28.73	55.35
EGYPT	1.01	10.39	933.19	35.41	50.38	42.28
KOREA	46.59	82.43	76.93	779.41	1079.31	38.48
MALAYSIA	48.02	99.39	106.99	887.37	1179.96	32.97
ETHIOPIA	2.23	1.12	-49.93	25.34	33.00	30.24
Sharp cumulative decline						
TURKEY	34.53	3.62	-89.53	503.37	46.91	-90.68
SPAIN	11.88	7.34	-38.25	202.79	78.38	-61.35
ITALY	9.37	9.71	3.57	254.20	107.66	-57.65
MEXICO	19.69	11.69	-40.61	303.93	130.61	-57.03
NETHERLAND	8.37	5.57	-33.42	167.58	88.68	-47.08
BANGLADESH	21.26	12.17	-42.78	236.58	159.32	-32.66

(Source: Department of Commerce and CSO)

- ❖ Malaysia, Korea, and USA were the top three importers of India's Non-ferrous metals and products' during April 2019- February 2020 with 16.78 percent, 15.35 percent and 12.20 percent shares respectively in India's global import of the same.
- ❖ China and Tanzania experienced more than 55% growth in import of Non-ferrous metals and products ' during April 2019- February 2020.
- ❖ Turkey, Italy, Mexico and Spain conceded substantial decline in imports by more than 55% for the said product group from India during April 2019- February 2020 vis-à-vis same period last fiscal.

Table 19: Export of Electrical Machinery and Components
US\$ Million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)
Top Five Importers						
U S A	151.49	277.96	83.49	1807.07	2481.38	37.32
GERMANY	71.75	50.59	-29.49	825.25	805.50	-2.39
U K	44.24	33.73	-23.76	471.14	599.76	27.30
SINGAPORE	71.24	22.77	-68.04	492.80	405.80	-17.65
FRANCE	43.35	59.71	37.74	228.61	286.29	25.23
High cumulative growth						
NIGERIA	9.62	22.16	130.39	78.85	237.64	201.38
SOUTH AFRICA	3.23	9.15	183.55	34.54	63.97	85.17
TURKEY	6.62	29.25	341.88	101.72	170.09	67.21

POLAND	6.72	17.14	154.98	71.44	110.73	54.99
KOREA	3.27	2.75	-15.86	36.49	51.77	41.90
Sharp cumulative decline						
INDONESIA	7.53	6.43	-14.60	160.29	47.14	-70.59
BELGIUM	3.40	3.78	11.15	318.27	97.54	-69.35
EGYPT	2.37	1.73	-26.72	50.77	21.11	-58.43
JAPAN	29.47	19.22	-34.77	233.80	112.24	-51.99
SWITZERLAND	3.81	1.20	-68.53	42.86	23.58	-44.99

(Source: Department of Commerce and CSO)

- ❖ USA, Germany and UK were the three top importers of Indian Electrical Machinery and Components during April- February 2020 with market shares of 30.26 percent, 9.82 percent and 7.31 percent respectively. Out of these top five importers, Singapore and Germany experienced a drop in imports during April 2019- February 2020 compared to April 2018- February 2019.
- ❖ Nigeria, South Africa, Turkey and Poland recorded more than 50% growth in imports of India's Electrical Machinery and Components during April 2019- February 2020 vis-a-vis April 2018- February 2019.
- ❖ Belgium and Indonesia experienced the sharp decline of about 70% in its imports in April 2019- February 2020 when compared to April 2018- February 2019. It is also the case for Egypt and Japan which experienced more than 50 percent drop.

Table 20: Export of Aircrafts and Space crafts
US\$ million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019 - FEBRUARY 2020	Growth (%)
Top Five Importers						
U S A	34.96	39.73	13.63	487.38	469.74	-3.62
U K	12.79	24.46	91.28	199.70	163.02	-18.37
SINGAPORE	8.51	11.93	40.22	213.64	159.12	-25.52
FRANCE	9.94	14.19	42.78	210.83	155.20	-26.39
GERMANY	5.78	7.21	24.67	101.98	68.30	-33.03
High cumulative growth						
MAURITIUS	0.00	0.00	-	0.50	4.53	812.99
U A E	0.45	15.79	3393.18	7.90	21.99	178.34
SPAIN	0.24	0.32	31.97	1.87	4.40	135.58
MEXICO	0.48	1.32	174.64	5.28	11.36	115.01
RUSSIA	0.20	0.82	312.65	15.92	31.08	95.24
VIETNAM	0.14	0.00	-100.00	3.04	5.93	95.07

Sharp cumulative decline						
SEYCHELLES	2.87	0.01	-99.69	26.08	0.15	-99.43
BELGIUM	0.49	0.04	-91.22	13.10	1.78	-86.42
IRELAND	0.01	0.00	-100.00	12.80	2.11	-83.55
POLAND	0.31	0.37	21.19	11.95	4.09	-65.78
SWITZERLAND	1.05	0.38	-64.18	21.53	7.48	-65.25

(Source: Department of Commerce and CSO)

- ❖ USA, UK and Singapore were the top three importers of India's 'Aircrafts and Spacecrafts' during April 2019- February 2020 with around 35.10, 12.18 and 11.89 percent shares respectively in India's total global exports of the product.
- ❖ Mauritius, UAE, Spain and Mexico registered substantial growths of more than 100% in import of the product group from India during April 2019- February 2020 as compared with the same period last fiscal.
- ❖ On the flipside, demand for India's 'Aircrafts &Spacecrafts' from Seychelles, Ireland, Belgium, Poland and Switzerland dropped more than 65 percent on a year-on-year basis during April 2019- February 2020 when compared to April 2018- February 2019.

Table 21: Export of Ships, Boats and Floating Structures and parts
US\$ million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)
Top Five Importers						
U A E	37.89	183.03	383.05	1323.26	1188.47	-10.19
SINGAPORE	237.99	54.39	-77.15	705.70	903.95	28.09
INDONESIA	120.93	415.31	243.42	230.53	507.50	120.14
CYPRUS	0.00	0.00	#DIV/0!	0.00	349.98	-
SRI LANKA	109.92	17.31	-84.25	674.05	228.69	-66.07
High cumulative growth						
NORWAY	0.00	0.00	-100.00	0.00	58.33	7879122.5
U K	0.00	0.00	-	0.01	209.36	1810290.8
NETHERLAND	0.00	61.23	-	0.03	74.61	218871.3
MALAYSIA	0.00	7.58	-	8.52	198.93	2235.5
INDONESIA	120.93	415.31	243.42	230.53	507.50	120.1
Sharp cumulative decline						
BAHARAIN	0.00	0.00	-	63.63	0.00	-100.00
NAMIBIA	0.00	0.00	-	24.01	0.00	-100.00
SOUTH AFRICA	0.00	0.00	-	198.48	0.00	-100.00

BELGIUM	0.00	0.00	-	150.05	0.01	-100.00
NIGERIA	0.00	0.00	-	24.87	0.00	-99.99
QATAR	0.38	0.00	-100.00	29.39	0.01	-99.97
SAUDI ARABIA	0.00	0.00	-	104.60	4.71	-95.49

Note: Export figures in case of some nations are showing zero due to rounding off but actually they are very small in value.

(Source: Department of Commerce and CSO)

- ❖ UAE, Singapore and Indonesia became the largest importer of ships, boats and floating structures followed by Cyprus and Sri Lanka. Their respective shares are 27.48 percent, 20.91 percent, 11.74 percent, 8.09 percent and 5.29 percent.
- ❖ Imports to Norway, UK and Netherlands recorded meteoric increase as they had practically no import in April 2018- February 2019. Malaysia registered substantial growth of 2235.5% in import of the product group from India during April 2019- February 2020 as compared with the same period last fiscal.
- ❖ However, sharp decline was noticed in exports to Saudi Arabia. In fact exports to these countries have been less than US\$ 5 million in April 2019- February 2020. Whereas the exports dropped to zilch for Bahrain, Namibia, South Africa, Belgium, Nigeria and Qatar.

Table 22: Export of Auto Components
US\$ Million

COUNTRY	FEBRUARY 2019	FEBRUARY 2020	Growth (%)	APRIL 2018- FEBRUARY 2019	APRIL 2019- FEBRUARY 2020	Growth (%)
Top Five Importers						
U S A	106.75	93.08	-12.80	1153.35	1084.33	-5.98
BANGLADESH	31.01	24.22	-21.90	282.95	258.62	-8.60
BRAZIL	27.38	23.65	-13.63	266.74	250.34	-6.15
TURKEY	20.92	24.89	18.95	287.14	246.77	-14.06
GERMANY	22.46	21.56	-4.02	245.31	239.15	-2.51
High cumulative growth						
PHILIPPINES	3.85	5.91	53.29	45.86	83.85	82.83
CZECH REPUBLIC	2.02	2.15	6.49	19.19	31.71	65.25
MOROCCO	1.28	1.92	49.81	10.39	15.55	49.70
TAIWAN	1.94	2.19	12.80	17.18	23.11	34.51
CHILE	2.03	1.55	-23.95	17.98	21.50	19.57
Sharp cumulative decline						

UZBEKISTAN	0.11	0.58	424.96	15.66	3.62	-76.90
SINGAPORE	0.95	1.07	13.14	29.87	13.88	-53.54
ROMANIA	7.97	3.05	-61.73	90.21	61.78	-31.52
KENYA	0.75	0.96	27.65	22.33	15.32	-31.36
RUSSIA	7.98	5.70	-28.57	82.70	62.98	-23.85

(Source: Department of Commerce and CSO)

- ❖ USA remained the top importer of auto components in April 2019- February 2020 with a share of 22.06 percent. It is followed by Bangladesh, Brazil, Turkey and Germany with respective shares of 5.26 percent, 5.10 percent, 5.02 percent and 4.87 percent.
- ❖ Philippines and Czech Republic recorded maximum increase of more than 65 percent in imports from April 2019- February 2020 when compared to April 2018- February 2019.
- ❖ However, Uzbekistan, Singapore, Kenya and Romania recorded significant decline of more than 30 percent in April 2019- February 2020 when compared to April 2018- February 2019.

Analysis of India's engineering imports

India's Engineering imports during February 2020 were valued at US\$ 8447 million compared to US\$ 8381.5 million in February 2019 recording a marginal positive growth of 0.8 percent in dollar terms, after a long time.

Cumulative engineering imports during April-February 2019-20 was recorded at US\$ 93.4 billion as against US\$ 100.7 billion during the same period last fiscal registering a fall of 7.2 percent.

Engineering imports for the year 2018-19 was recorded at US\$ 104.2 billion as against US\$ 93.9 billion during 2017-18 and US\$ 81.83 billion in 2016-17 registering a cumulative growth of 10.9 and 11.6% respectively.

The share of engineering imports in India's total merchandise imports in February 2020 has decreased to that of during February 2019 estimated at 22.5%.

The monthly engineering import figures for fiscal February 2020 vis-à-vis February 2019 is depicted below as per the latest availability of figure:

Table 23: Engineering Imports
(US\$ Million)

Months	2018-19	2019-20	Growth (%)
April	8139.45	8143.84	0.1
May	8536	8875.2	4.0
June	8890.89	7827.95	-12.0
July	9272.5	8938.2	-3.6

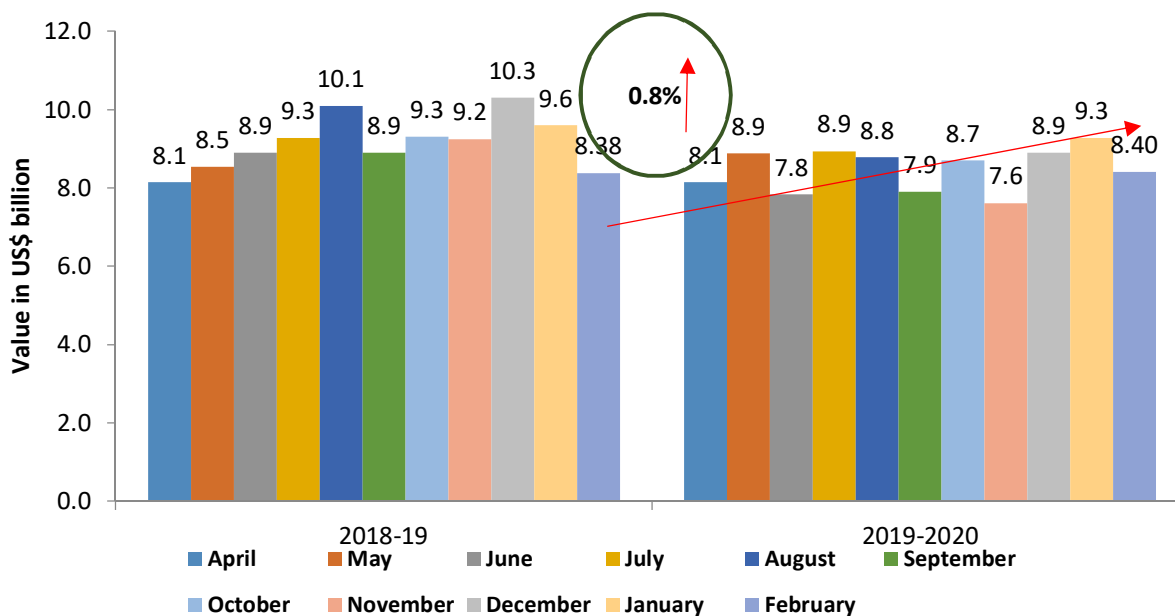
Months	2018-19	2019-20	Growth (%)
August	10097.3	8779.3	-13.1
September	8858.41	7915.5	-10.6
October	9346.29	8711.71	-6.8
November	9245.44	7611.71	-17.7
December	10331.2	8896.1	-13.9
January	9594.17	9271.98	-3.4
February	8381.48	8446.97	0.8

Source: Department of Commerce, Government of India

Figure below depicts the monthly trend in engineering imports for **February 2020 and February 2019**

Fig 10: Monthly Engineering Imports for 2019-20 vis-a-vis 2018-19
US\$ billion

Monthly Engineering Imports for 2019-20 vis-a-vis 2018-19



Source: EEPIC India analysis

Trend in two-way engineering trade

We now present the trend in two way yearly trade for the engineering sector from 2014-15 to 2018-19 as well as the first ten months of the current fiscal 2019-20 depicted in the table below:

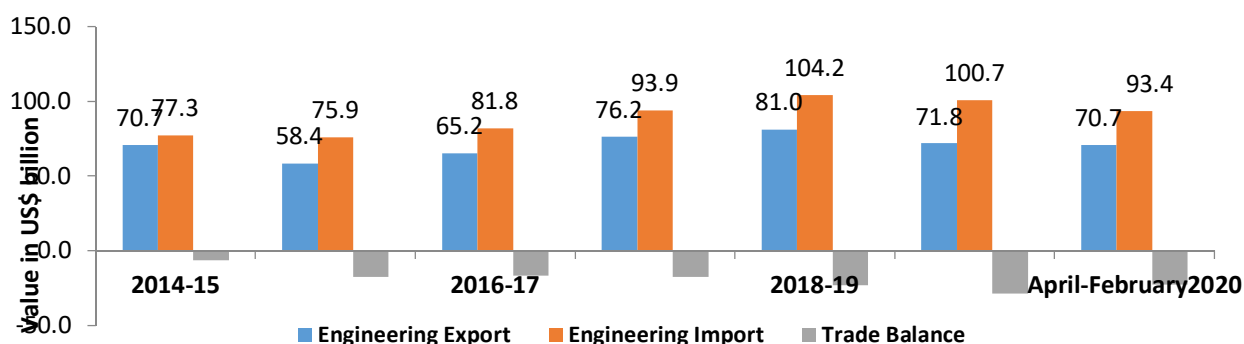
Table 24: Engineering Trade
(US\$ Billion)

Trade Flow	2014-15	2015-16	2016-17	2017-18	2018-19	Growth %	April-February 2019	April-February 2020	Growth %
Engineering Export	70.7	58.4	65.2	76.2	81.0	6.3	71.8	70.7	-1.6
Engineering Import	77.3	75.9	81.8	93.9	104.2	10.9	100.7	93.4	-7.2
Trade Balance	-6.6	-17.5	-16.6	-17.7	-23.1		-28.9	-22.8	

(*) Figures for 2016-17 both the Engineering Export and Import values are updated as per latest Quick Estimate values

Figure 7 below depicts the yearly trend in engineering trade from 2014-15 to 2018-19 as well as April-February 2019-20 of the current fiscal

Figure 11: Trend in Monthly Engineering Trade



To conclude...

After two months of consecutive fall, India's engineering exports registered a growth in February at 3.29%. While this is a positive news the government and the industry has to be cautious given the impending threat of the global coronavirus outbreak. Already WTO has predicted 'substantial impact' of the crisis on global trade. A recent D&B report found that at least five million companies around the world have some sort of supply connection in the impacted regions of China. Therefore, the outbreak of the disease has disrupted major supply chains across the world.

However, we must laud government's actions to address the growing crisis. The government has already started consulting the industry to identify the supply chain issues that that Indian businesses may face. Simultaneously through the Indian Missions abroad, the government is engaging with industries in different countries to identify areas where Indian exports can replace the disrupted Chinese supplies. The information gathered is being regularly shared with the councils and industry associations and members are encouraged to take upon them. We strongly feel that such steps will go a long way in protecting our exporters from the crisis. Additionally it may provide new market opportunities for them.

Overall the current global scenario continues to remain tense and it would take some more time to assess the actual impact of the crisis on world trade. Till then, we have to maintain our cautious approach and look for new opportunities as and when available. With these steps we strongly hope that Indian exporters would be able to remain protected from this crisis.

