

Engineering Exports and Imports Monitor

January 2021



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Analysis of Indian engineering exports and imports for January 2021
19th February 2021

Overall Scenario

Merchandise trade

Exports recorded year-on-year growth for the third month in Fiscal 2020-21

- ✚ After a slight 0.14 percent increase in December 2020, India's Merchandise exports grew by a higher 6.16 percent year-on-year in January 2021. This is the third month in the ongoing fiscal when merchandise exports recorded year-on-year growth. Exports in January 2021 was recorded at USD 27.45 Billion as against USD 25.85 Billion during January 2020. In rupee terms, the growth was higher at 8.84 percent.
- ✚ The commodities/commodity recorded positive year-on-year growth during January 2021 included Other cereals (343.57%), Oil meals (257.50%), Iron Ore (108.84%), Cereal preparations & miscellaneous processed items (44.88%), Jute mfg. including floor covering (27.68%), Rice (26.33%), Tobacco (26.16%), Fruits & vegetables (24.34%) and Carpet (23.69%) among others. On the other hand, Petroleum products (-32.06%), Leather & leather products (-18.6%), RMG of all Textiles (-10.73%), Man-made yarn/fabs./made-ups etc. (-9.62%), Meat, dairy & poultry products (-8.03%) were among the losers during the reporting month.
- ✚ Cumulative exports for the period April-January 2020-21 however recorded 13.58 percent decline over the same period last fiscal as it was down to USD 228.25 Billion from USD 264.13 Billion during April-January 2019-20. In rupee terms, the decline was 8.88 percent.
- ✚ Imports in January 2021 also rose by 2.03 percent to USD 41.99 Billion from USD 41.15 Billion in January 2020. The growth was 4.60 percent in Rupee terms.
- ✚ Cumulative value of imports for the period April-January 2020-21 was USD 300.26 Billion as against USD 405.33 Billion during the period April-January 2019-20, registering a negative growth of 25.92 percent. In Rupee terms, the decline was 21.93 percent.
- ✚ Trade deficit once again narrowed down by 4.97 percent to USD 14.54 billion in January 2021 from USD 15.30 billion in January 2020. On a cumulative basis, deficit declined by 49.01 percent to USD 72.01 billion during April-January 2020-21 from USD 141.21 billion during the same period last fiscal.

Engineering exports recorded its highest year-on-year growth in January 2021

- ✚ Following the broader merchandise export, engineering exports recorded its highest growth at 15.90 percent year-on-year during January 2021. Shipment of engineering products from India recorded at USD 6,886.37 Million in January 2021 as against USD 5,941.41 Million during the same month last fiscal.
- ✚ Despite the highest monthly growth, cumulative engineering exports from India continued to decline. During April-January 2020-21, cumulative exports from India at USD 57,577.58 billion was 8.94 percent lower as compared to the same period last fiscal at USD 63,227.61 billion.
- ✚ Share of engineering in total merchandise exports increased to 25.09 percent in January 2021 from 24.42 percent in December 2020, 23.69 percent in November and 23.24 percent in October 2020. This share was 23.84 percent in September, 25.42 percent in August, 27.12 percent in July 2020, 26.57 percent in June 2020 and 28.72 percent in May 2020. On a cumulative basis, the share of engineering in total merchandise exports was recorded at 25.23 percent.
- ✚ Out of 33 engineering panels, only 9 panels recorded negative growth and 24 panels recorded positive growth in exports during January 2021 vis-à-vis January 2020. In cumulative terms, 28 out of 33 panels exhibited a year-on-year decline in exports, while remaining four panels exhibited positive growth.
- ✚ 5 out of 25 countries recorded positive cumulative growth in engineering exports during April-January 2020-21 over April- January 2019-20. While 16 out of 25 countries recorded positive year on year growth in January 2021.

India's January engineering imports down by 1.7%

- ✚ India's Engineering imports during January 2021 were valued at US\$ 9106.0 million compared to US\$ 9265.7 million in January 2020 registering a negative growth of 5.5% percent in dollar terms.
- ✚ The share of engineering imports in India's total merchandise imports has increased during January 2021 in comparison to January 2020 which has been estimated at 21.7%.

Analysis of India's engineering exports

1. Engineering exports: Monthly trend

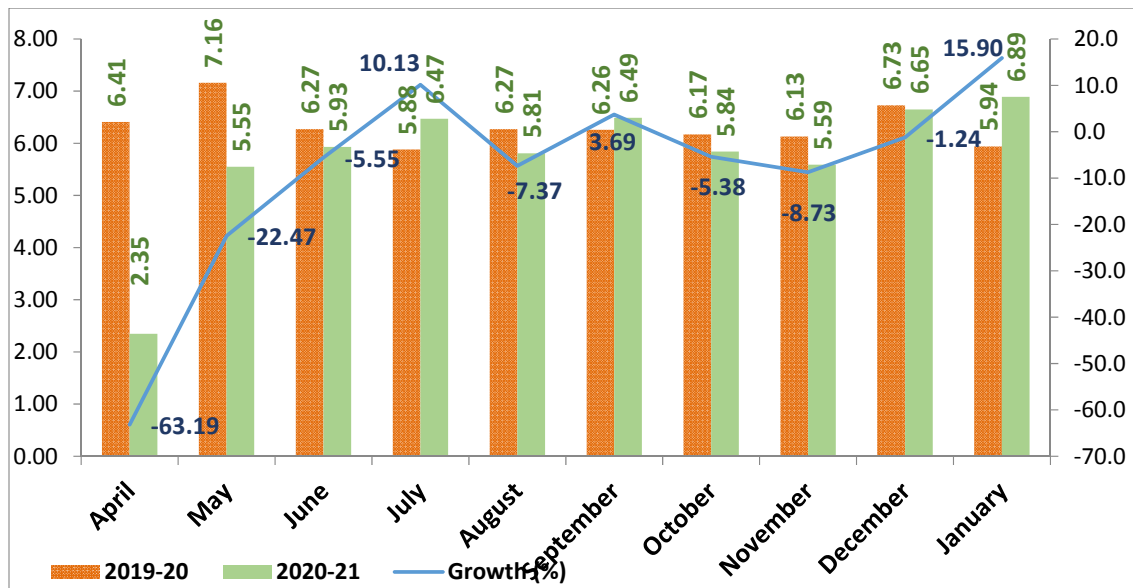
The monthly engineering figures for 2020-21 vis-à-vis 2019-20 are shown below as per the latest DGCIS estimates:

Table 1: Engineering Exports: Monthly trend 2020-21
(US\$ million)

Month	2019-20	2020-21	Growth (%)
April	6410.79	2359.77	-63.19
May	7159.43	5550.72	-22.47
June	6274.90	5926.69	-5.55
April-June	19845.12	13837.18	-30.27
July	5877.95	6473.50	10.13
August	6273.83	5811.20	-7.37
September	6257.50	6488.36	3.69
July-September	18409.28	18773.06	1.98
October	6171.31	5839.10	-5.38
November	6129.02	5593.94	-8.73
December	6731.46	6647.94	-1.24
October-December	19031.79	18080.97	-5.00
January	5941.41	6886.37	15.90
April-January	63227.62	57577.58	-8.94

Source: DGCIS, Govt. of India.

Figure 1: Monthly Engineering Exports in 2020-21 vis-à-vis 2019-20



Source: DGCIS&S, EEPC research

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.

During fiscal 2019-20, engineering exports growth and manufacturing growth moved in the same direction in as many as nine out of twelve months, including March 2020. The first four months of Fiscal 2020-21 saw both of them moved in the same direction but the month of August saw the opposite. However, both moved in the same direction during September 2020 when both engineering exports and manufacturing output witnessed improvement over the month. The month of October however saw manufacturing output came back to growth path but engineering exports recorded negative growth while the month of November and December 2020 saw both of them moving in the same direction once again. The following table depicts the short-term trend of both manufacturing output and engineering exports.

Table 2: Engineering exports growth vis-à-vis manufacturing growth from April 2019

Months/ Year	Engg. Export Growth (%)	Manufacturing Growth (%)
April 2019	-7.70	2.5
May 2019	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	3.0
December 2019	-1.05	-0.3
January 2020	-4.52	1.6
February 2020	8.90	3.1
March 2020	-42.52	-20.6
April 2020	-63.19	-66.6
May 2020	-22.47	-37.8
June 2020	-5.55	-17.0
July 2020	10.13	-11.4
August 2020	-7.37	-7.6
September 2020	3.69	-0.2
October 2020	-5.38	4.1
November 2020	-8.73	-1.7
December 2020	-1.24	-1.6

Months/ Year	Engg. Export Growth (%)	Manufacturing Growth (%)
January 2021	15.90	N A

(Source: Department of Commerce and CSO)

We also present the month-wise **revised engineering exports for 2019-20** as compared to 2018-19.

Table 3: Revised engineering exports for 2019-20 (US\$ million)

Months	2018-19	2019-20	Growth (%)
April	7020.54	6410.79*	-8.69
May	6928.08	7159.43*	3.34
June	6512.31	6274.90*	-3.65
Quarter 1	20460.93	19845.12*	-3.01
July	6052.64	5877.95*	-2.89
August	6974.48	6273.83*	-10.05
September	6769.15	6257.50*	-7.56
Quarter 2	19796.27	18409.28*	-7.01
October	6151.93	6171.31*	0.32
November	5740.17	6129.02*	6.77
December	6905.63	6731.46*	-2.52
Quarter 3	18797.73	19031.79*	1.25
January	6295.94	5941.41*	-5.63
February	6442.37	7015.51	8.90
March	9162.3	5266.90	-42.52
Quarter 4	21900.61	18223.82*	-16.79
April-March	80955.54	75510.03*	-6.73

Source: DGCI&S * Revised data

Impact of Exchange Rate

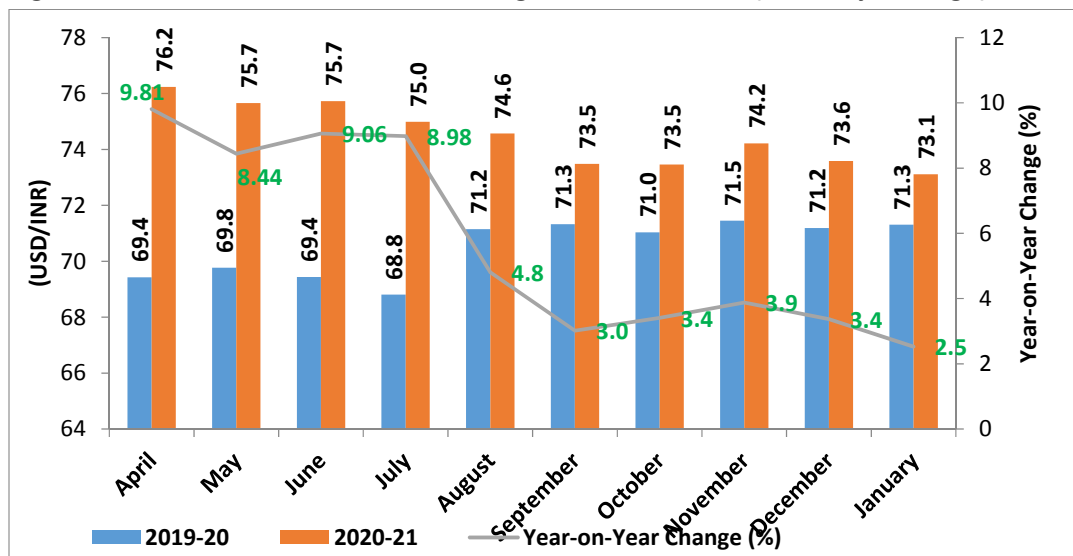
How did the exchange rate fare during January 2021 and what was the recent trend in Re-Dollar movement? In order to get a clearer picture of the recent Re-Dollar trend, not only we took the exchange rate of January 2021, but considered monthly average exchange rate of Rupee vis-à-vis the US Dollar for each month of fiscal 2019-20 against those of 2020-21 as mere one month figure does not reflect any trend. The tables and the charts below depict the short-term trend clearly:

Table 4A: USD-INR monthly average exchange rate in 2020-21
(As per latest data released by FBIL)

Monthly Average Exchange Rate	Direction	Direction
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Month	(1 USD to INR)		Year-on-Year Change (%)		Month-on-Month Change (%)	
	2019-20	2020-21				
April	69.43	76.24	9.81	Depreciation	2.54	Depreciation
May	69.77	75.66	8.44	Depreciation	-0.76	Appreciation
June	69.44	75.73	9.06	Depreciation	0.09	Depreciation
July	68.81	74.99	8.98	Depreciation	-0.98	Appreciation
August	71.15	74.57	4.80	Depreciation	-0.56	Appreciation
September	71.33	73.48	3.00	Depreciation	-1.46	Appreciation
October	71.04	73.46	3.40	Depreciation	-0.03	Appreciation
November	71.45	74.22	3.90	Depreciation	1.03	Depreciation
December	71.19	73.59	3.40	Depreciation	-0.85	Appreciation
January	71.31	73.11	2.50	Depreciation	-0.65	Appreciation

Figure2A: Movement of USD-INR Exchange Rate in 2020-21 (Monthly Average)



Source: RBI, FBIL, EEP Research

Rupee continued to weaken vis-à-vis the US Dollar on a year-on-year (y-o-y) basis but month-on-month (m-o-m) trend showed the opposite: While rupee depreciated by 2.5 percent during January 2021 over the same month last fiscal, the month-on-month figures showed that rupee has been appreciating during the last six months. Rupee appreciated by 0.65 percent to 73.11 in January 2021 from 73.59 during December 2020. After a record low in April 2020, rupee continued to strengthen vis-à-vis the greenback and was broadly confined in the range of 74.5 – 73.0 per US Dollar during the last six months.

Note: For the purpose of both y-o-y and m-o-m trend analysis, monthly average of the USDINR exchange rate as obtained from FBIL was considered.

Outlook still seems in favour of rupee: After sliding down to below 74.5 per US Dollar, Rupee started rising from Mid-November 2020 and strengthened to below 73 per USD by the end of January 2021. High current account surplus during the first two quarters of the current fiscal and recent drop in oil prices is still favoring Rupee. The Pandemic-led sell off in the domestic capital market have stabilized and RBI, after building an all-time high foreign exchange reserve, is expected to intervene less in the currency market. These factors, coupled with the prospects of foreign inflows in the near term may lead to a gradual recovery of rupee at around 72 per US Dollar by the end of the ongoing fiscal.

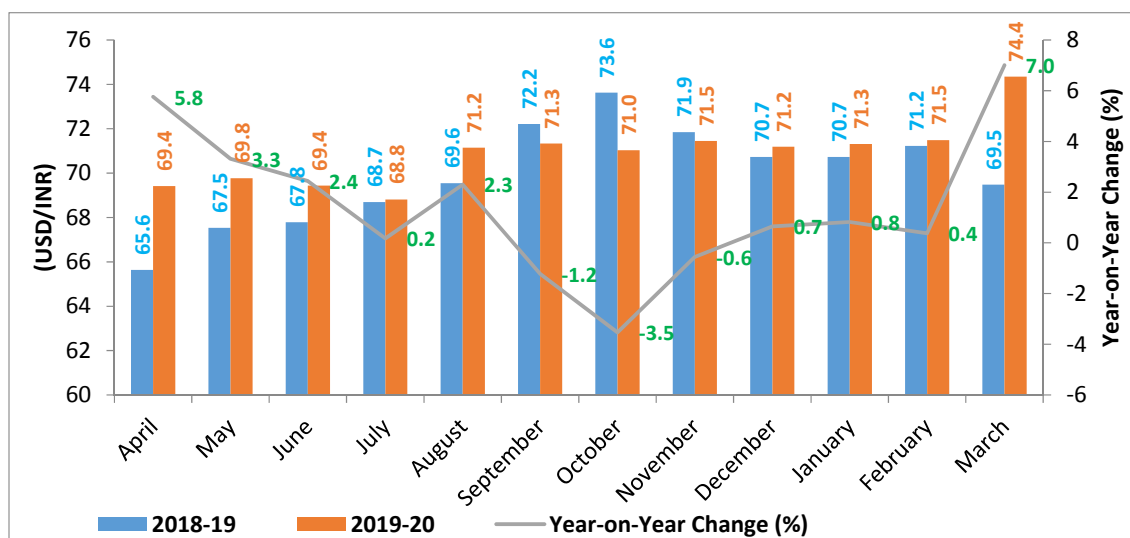
Rupee-Dollar Trend in 2019-20 vis-à-vis 2018-19

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

Month	Average Exchange Rate (1 USD to INR)		Year-on-Year Change (%)	Direction
	2018-19	2019-20		
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	0.38	Depreciation
March	69.48	74.35	7.01	Depreciation
April – March (Monthly Avg.)	69.92	70.90	1.46	Depreciation

During 2019-20, Rupee depreciated over the US Dollar between April to August 2019 but at a narrowing rate over the month and then witnessed some appreciation in the next three months. December 2019 to February 2020 again saw marginal depreciation of rupee over the greenback but the month of March 2020 saw a record low of rupee as COVID-19 Pandemic started taking toll on investors' sentiment. 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 January 2021

We now look at the export scenario of the top 25 nations that had highest demand for Indian engineering products during April- January 2021 over April- January 2020.

Table-5: Engineering exports country wise (April-January 2021)

US\$ million

Row Labels	January 2020	January 2021	Growth (%)	Apr-Jan, 2020	Apr-Jan, 2021	Growth (%)
U S A	929.29	1052.13	13.2	9724.72	8459.89	-13.0
CHINA	155.88	212.44	36.3	1857.60	4032.27	117.1
UAE	270.26	214.26	-20.7	3550.79	2591.98	-27.0
SINGAPORE	144.87	155.07	7.0	1980.64	2280.11	15.1
GERMANY	263.50	244.35	-7.3	2557.79	2082.07	-18.6
MALAYSIA	184.87	177.86	-3.8	1970.87	2073.97	5.2
NEPAL	220.26	295.82	34.3	2155.97	1705.46	-20.9
KOREA RP	143.83	141.63	-1.5	1626.55	1617.26	-0.6
MEXICO	155.06	182.42	17.6	1959.84	1555.70	-20.6
BANGLADESH	161.09	183.38	13.8	1985.49	1504.84	-24.2
VIETNAM	104.09	97.50	-6.3	1512.75	1482.22	-2.0
SAUDI ARAB	163.92	189.73	15.7	1330.20	1459.57	9.7
U K	391.65	195.85	-50.0	2264.69	1405.49	-37.9
ITALY	181.21	198.21	9.4	1652.88	1370.66	-17.1
THAILAND	119.69	192.48	60.8	1298.74	1274.69	-1.9
SOUTH AFRICA	86.39	562.10	550.6	1281.65	1265.19	-1.3
INDONESIA	77.18	53.71	-30.4	1023.18	1074.38	5.0

FRANCE	110.61	155.56	40.6	1130.22	1007.96	-10.8
NIGERIA	162.71	118.82	-27.0	1461.71	972.76	-33.5
TURKEY	106.94	133.65	25.0	945.73	904.94	-4.3
JAPAN	60.63	140.50	131.7	830.71	799.24	-3.8
BRAZIL	90.02	115.33	28.1	871.49	773.58	-11.2
SRI LANKA	76.53	54.11	-29.3	1023.75	766.37	-25.1
BELGIUM	68.92	89.27	29.5	868.61	732.69	-15.6
NETHERLAND	80.41	82.41	2.5	716.58	696.13	-2.9
Total engineering exports to top 25 countries	4509.83	5238.57	16.2	47583.12	43889.44	-7.8
Total engineering exports	5941.41	6886.37	15.9	63227.62	57577.58	-8.9
Share (%)	75.90	76.07		75.26	76.23	

Source: DGCI&S

India's top 25 engineering export destinations: Some observations

- 🚩 Like the previous month 5 out of 25 countries recorded positive cumulative growth in engineering exports during April- January 2021 over April- January 2020. While 16 out of 25 countries recorded positive year on year growth in January 2021, which is a commendable growth after a long hiatus post COVID-19 pandemic.
- 🚩 Once again USA has retained its top position of being the numero uno destination for India's engineering products during April-January 2021 over April-January 2020, registering a positive monthly growth. But exports to USA fell down in cumulative terms.
- 🚩 Exports to China, India's second largest export destination have recorded a positive monthly as well as positive cumulative growth of more than 117%.
- 🚩 India's exports to South Africa has recorded a massive monthly growth in January 2021 over January 2020, recording a growth of more than 550%.
- 🚩 Like the previous month within the ASEAN region, monthly export growth recorded positive for Singapore and Thailand. Negative monthly export growth was noted in Malaysia, Indonesia and Vietnam. In cumulative terms though, exports to all the above mentioned ASEAN countries grew barring Thailand and Vietnam.
- 🚩 UAE retained its third position of largest export destination for Indian engineering sector although it recorded negative export growth both in cumulative and monthly terms.
- 🚩 Two European nations- France and Belgium, among India's top 25 engineering export destinations recorded significant positive monthly growth after a long time, while Italy and Netherland recorded a positive monthly growth. All the European countries recorded a negative cumulative growth during April- January 2021 over April-January 2020.
- 🚩 The share of India's engineering exports to its top 25 nations accounted for 76.2 percent of India's total engineering exports in April-January 2021. This significant high share is indicative of the dependence of India's engineering export on the traditional markets.

4. Region wise India's engineering exports

The following table depicts region wise India's engineering exports for April-January 2021 as opposed to April-January 2020.

Table 6: Region wise engineering exports in April-January 2021

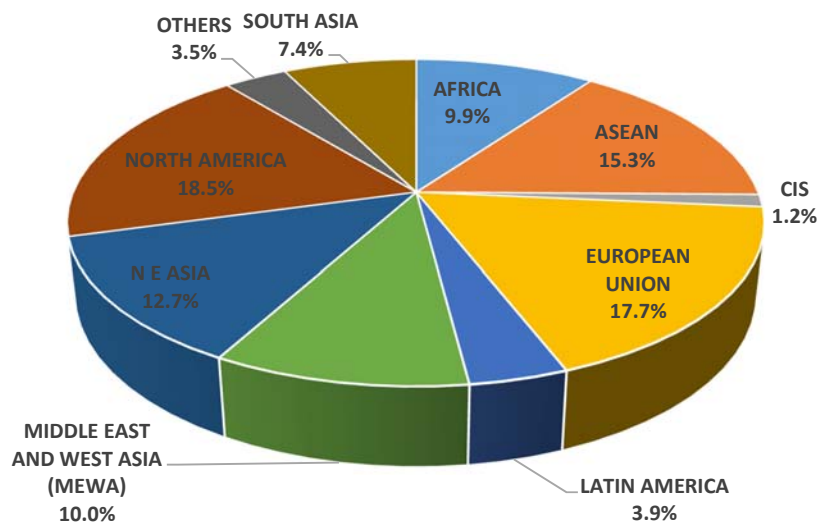
US\$ million

Region	Jan-20	Jan-21	Growth (%)	Apr-Jan, 2020	Apr-Jan, 2021	Growth (%)
NORTH AMERICA	1187.7	1300.0	9.5	12432.6	10630.2	-14.5
EUROPEAN UNION	1364.4	1325.0	-2.9	12217.9	10163.9	-16.8
ASEAN	715.3	746.7	4.4	8652.3	8818.4	1.9
N E ASIA	410.1	581.8	41.9	5097.5	7308.9	43.4
MIDDLE EAST AND WEST ASIA (MEWA)	631.9	606.9	-4.0	7070.6	5755.5	-18.6
AFRICA	592.7	1136.2	91.7	6417.2	5711.5	-11.0
SOUTH ASIA	491.5	556.2	13.2	5599.4	4244.8	-24.2
LATIN AMERICA	288.7	317.2	9.9	2811.5	2231.9	-20.6
OTHERS	190.8	253.7	33.0	2101.8	2008.9	-4.4
CIS	68.5	62.7	-8.6	826.8	703.6	-14.9
Grand Total	5941.4	6886.4	15.9	63227.6	57577.6	-8.9

Source: DGCI&S

Note: *Figures have been rounded off. Source: DGCI&S; **Myanmar has been included in ASEAN and not in South Asia, since ASEAN is a formal economic grouping.

Figure 3: Region-wise shares of India's engineering exports during April-January 2021



Source: Data from DGCI&S and EEPIC India analysis

Region wise engineering exports: some observations

- ✚ North America ranked as the numero uno destination, as the region with highest shipment of engineering products from India during April-January 2021 over April-January 2020 with a share of 18.5% percent of total engineering exports.
- ✚ India's exports to EU and ASEAN ranked second and third in terms of global shipments of Indian engineering goods in April-January 2021 with a share of 17.7 percent and 15.3 percent of total engineering exports respectively.
- ✚ North East Asia ranked fourth in global shipments of Indian engineering goods in April-January 2021 with a share of 12.7 percent, which is lower in comparison to its last month share.
- ✚ Barring exports to EU, MEWA and CIS all the other regions recorded positive monthly growth during January 2021 compared to that of last year. In cumulative terms like before only North East Asia and ASEAN recorded positive growth.

5. Panel Wise Engineering Exports

We begin by looking at the Engineering Panel wise exports for the month of January 2021 vis-a-vis January 2020 as well as April-January 2020-21 vis-à-vis April-January 2019-20. The data is given in Table 7 below:

Table 7: Trends in engineering panel Exports for January 2021 compared to January 2020 as well as April-January 2020-21 vis-à-vis April-January 2019-20

US\$ Million						
Engineering Panels	January 2020	January 2021	Growth (%)	Apr-January 2020	Apr-January 2021	Growth (%)
Iron and Steel and Products made of Iron and Steel						
Iron and Steel	721.29	847.28	17.47	7948.47	9403.18	18.3
Products of Iron and Steel	649.10	636.54	-1.93	5934.74	5136.88	-13.4
Sub Total	1370.39	1483.82	8.28	13883.2	14540.1	4.73
Non-Ferrous Metals and Products made of Non-Ferrous Metals						
Copper and products	83.10	138.50	66.66	791.41	1029.08	30.03
Aluminium and products	422.95	511.96	21.05	4307.90	4643.01	7.78
Zinc and products	51.95	72.17	38.91	458.06	611.86	33.58
Nickel and products	8.13	8.87	9.1	90.27	47.07	-47.86
Lead and products	25.66	29.22	13.88	321.39	289.89	-9.80
Tin and products	1.23	0.59	-51.86	8.60	7.20	-16.30
Other Non-Ferrous Metals	49.24	60.92	23.71	458.69	434.98	-5.17

Engineering Panels	January 2020	January 2021	Growth (%)	Apr-January 2020	Apr-January 2021	Growth (%)
Sub Total	642.263	822.229	28.02	6436.32	7063.08	9.74
Industrial Machinery						
Industrial Machinery like Boilers, parts, etc	65.15	48.59	-25.4	697.14	429.65	-38.4
IC Engines and Parts	220.07	244.27	11.0	2142.79	1939.18	-9.5
Pumps of all types	86.08	79.54	-7.60	825.87	698.18	-15.46
Air condition and Refrigerators	96.49	107.63	11.5	1172.99	838.69	-28.5
Industrial Machinery for dairy, food processing , textiles etc	395.36	444.82	12.5	4149.34	3643.87	-12.2
Machine Tools	34.63	41.76	20.57	365.74	319.85	-12.55
Machinery for Injecting moulding, valves and ATMs	154.82	140.86	-9.0	1491.56	1277.61	-14.3
Sub Total	1052.6	1107.46	5.2	10845.4	9147.03	-15.66
Electrical Machinery	697.63	823.81	18.09	7388.22	6552.15	-11.32
5. Automobiles and Auto components and Parts						
Motor Vehicle/cars	452.39	439.31	-2.9	6426.63	4057.33	-36.9
Two and Three Wheelers	170.31	218.07	28.0	1765.47	1535.02	-13.1
Auto Components/Part	435.51	542.39	24.54	4480.16	3765.61	-15.95
Sub Total	1058.208	1199.768	13.38	12672.25	9357.956	-26.15
Aircrafts and Spacecraft parts and products	122.37	94.63	-22.67	1204.98	970.10	-19.49
Ships Boats and Floating products and parts	311.62	564.74	81.23	3519.50	3613.63	2.67
8. Other engineering products						
Medical and Scientific instruments	148.74	161.56	8.62	1482.76	1379.56	-6.96
Railway Transport	8.29	9.57	15.49	226.08	81.67	-63.88
Hand Tools & Cutting Tools	69.40	72.27	4.14	640.31	560.09	-12.53
Electrodes Accumulators	3.60	4.13	14.58	47.13	34.37	-27.07
Accumulator and Batteries	31.24	40.78	30.55	354.89	310.69	-12.46

Engineering Panels	January 2020	January 2021	Growth (%)	Apr-January 2020	Apr-January 2021	Growth (%)
Bicycle & Parts	30.38	36.31	19.50	327.98	271.79	-17.13
Cranes Lifts & Winches	43.86	43.43	-1.00	481.57	372.74	-22.60
Office Equipment	9.87	12.48	26.42	153.81	103.85	-32.48
Other Construction Machinery	109.05	120.90	10.86	1181.40	942.85	-20.19
Prime Mica & Mica Products	2.56	2.46	-3.82	34.78	20.00	-42.49
OTHER MISC. ITEMS	229.33	286.01	24.72	2347	2255.96	-3.88
Sub Total	686.3	789.9	15.1	7277.7	6333.6	-13.0
Total engineering exports	5941.4	6886.4	15.90	63227.6	57577.6	-8.9

Source: DGCI&S

Engineering ferrous and non-ferrous products with negative growth in January 2021

- Exports of Products of Iron and Steel under Chapter 73: fell by 1.93 in January 2021
- Exports of Tin and Products under Chapter 80: fell by 51.86% in January 2021 and by 16.30% in April-January 2020-21

- ✚ Displaying a remarkable turnaround, Indian engineering exports have increased by 15.9 percent during January 2021 with exporters expressing optimism about external demand in the remaining months of the current financial year 2020-21. Indian engineering exports showed remarkable recovery in the month of January 2021 increasing by 15.9% (year-on-year) from US\$ 5941.4 million in January 2020 to US\$ 6886.4 million in January 2021. On a broader perspective, India's merchandised exports in January 2021 was recorded at USD 27.45 Billion as against USD 25.85 Billion during January 2021 exhibiting a growth of 6.16%. In cumulative terms, engineering exports in the first ten months recorded a decline to the extent of 8.9% from US\$ 63227.62 million in April-January 2019-20 to US\$ 57577.6 million in April-January 2020-21, given the fact that COVID still continues to impact global trade and economy negatively.
- ✚ Out of 33 engineering panels, 9 panels recorded negative growth and 24 panels recorded positive growth in exports during January 2021 vis-à-vis January 2020. In cumulative terms, 28 out of 33 panels exhibited a year-on-year decline in exports, while remaining five panels exhibited positive growth.
- ✚ Exports of iron and steel recorded positive growth to the extent of 17.47% in January 2021 compared to same period last year. With progressive unlocking of the economy and improving economic activities leading to better domestic demand, resulted in moderation in exports in recent months. Furthermore, exports of products of iron and steel declined slightly by 1.93% in January 2021 thereby resulting a growth in export of the total group

by 8.28 percent. The total segment recorded a 4.73 percent jump in exports in cumulative terms.

- ✚ In case of non-ferrous metals, segments like Copper and products, Aluminium and products, Zinc and products, Lead and products and Nickel and products witnessed growth in exports to the extent of 66.66%, 21.05%, 38.91%, 13.88% and 9.1% respectively during January 2021. While sector like Tin and products witnessed negative growth to the extent of 51.86% in the month of January 2021.
- ✚ Within industrial machinery, overall there has been growth in monthly exports to the extent of 5.2% and fall in cumulative exports to the extent of 15.66% during April-January 2020-21. Negative export performance was noticed in segments including Industrial Machinery like Boilers (25.4%), Pumps and Valves (7.60%) and other industrial machinery (9.0%) during January 2021 compared to same period last fiscal. Remaining segments witnessed positive growth like Machine tools witnessed maximum growth to the extent of 20.57% during January 2021 compared to same period last year. In cumulative terms, the growth was definitely negative to the extent of 15.66%, given the significant decline in exports witnessed in all the sub sectors during April-January 2020-21.
- ✚ The electrical machinery segment showed positive growth in January 2021 unlike the pattern observed in the previous months. In January, exports increased by 18.09% while in cumulative terms the exports dropped by 11.32%, given the sharp decline in exports the sector faced in the last few months of the current fiscal.
- ✚ Surprisingly in the auto components and parts sector, exports of two and three wheelers and auto components parts witnessed positive growth to the extent of 28% and 24.54% respectively during January 2021 vis-à-vis January 2020. On the other hand, exports in the entire automobile sector remained positive in monthly exports and negative in cumulative terms mainly due to subdued demand in Motor vehicles and cars. Exports in Automobiles increased by 5.6% in January 2021 (on monthly basis) and dropped by 31.7% (on cumulative terms) during April-January 2020-21 compared to same period last fiscal.
- ✚ Exports of aircraft, spacecraft and parts exhibited negative growth both monthly by 22.67% in January 2021 and in cumulative terms to the extent of 19.49% respectively. On the other hand, exports of ships, boats and floating structures witnessed abnormal increase to the extent of 81.23% from US\$ 311.62 million in January 2020 to US\$ 564.74 million in January 2021 and in cumulative terms increased by 2.67%.
- ✚ In the rest of the engineering segments, there has been negligible decline. Increase in exports was noticed in case of Medical Devices and Equipment (8.62%), Railway, Transport and Equipment by 15.49%, Hand Tools and Cutting Tools increased by 4.14%, Electrodes and Accumulators increased by 14.58%, Accumulators and Batteries increased by 30.55% , Bicycle and parts increased by 19.50%, Office Equipment increased by 26.42% and Other Construction Machinery increased by 10.86% during January 2021 compared to January 2020. Prominent panels like Cranes, Lifts and Winches and Prime Mica products

witnessed decline in exports during January 2021 vis-à-vis January 2020 to the extent of 1% and 3.82% respectively.

➤ **Data for ferrous and non-ferrous panels experiencing a decline in the month of December 2020 vis-à-vis December 2019**

Table 8A: Chapter 73: Products of Iron & Steel					
Values in US\$ Million					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	565.04	557.10	-1.1	101.74	-81.74
May	575.87	544.83	-5.3	375.08	-30.9
June	587.78	591.46	0.6	478.60	-18.8
July	539.72	592.28	10.5	528.83	-10.71
August	691.22	624.46	-9.3	542.10	-13.1
September	615.69	570.35	-7.36	653.69	4.8
October	569.97	592.72	3.99	618.65	15.1
November	533.39	572.77	7.38	543.76	-4.7
December	666.88	650.97	-2.07	627.64	-3.6
January	562.16	649.11	15.5	636.54	-1.9
February	539.59	590.07	9.35		
March	723.35	461.36	-36.2		
April-March	7259.37	7004.58	-3.51		

Table 8B: Chapter 73: Products of Iron & Steel					
Quantities in '000 MT					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	265.95	264.77	-0.44	53.48	-79.80
May	295.46	247.80	-15.99	150.79	-39.15
June	288.75	292.80	1.60	234.20	-20.01
July	237.38	271.11	14.21	215.35	-20.54
August	327.95	284.78	-13.16	222.29	-21.95
September	293.51	259.36	-11.63	260.63	0.46
October	247.69	263.81	6.49	236.54	-10.33
November	241.06	267.61	11.01	195.51	-26.94
December	323.76	305.79	-5.55		
January	278.10	306.58	10.24		
February	276.80	306.94	10.89		
March	349.72	231.34	-33.85		

April-March	3426.18	3303.70	-3.57		
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Table 9A: Chapter 80: Tin and Products					
Values in US\$ Million					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	0.56	0.65	16.1	0.18	-70.77
May	0.38	0.91	139.5	0.35	-61.54
June	0.84	0.97	15.5	0.55	-43.30
July	0.84	0.48	-42.9	0.87	81.25
August	0.81	1.22	50.6	0.51	-58.20
September	0.58	0.84	44.8	1.58	88.0
October	0.69	0.77	13.0	0.66	-14.2
November	1.17	1.09	-6.0	0.53	-51.7
December	0.46	1.23	167.4	0.59	-52.0
January	0.57	1.24	117.5		
February	1.26	0.54	-57.1		
March	1.25	0.48	-61.60		
April-March	9.83	9.86	0.31		

Table 9B: Chapter 80: Tin and Products					
Quantities in '000 MT					
Month	2018-19	2019-20	Growth (%)	2020-21	Growth (%)
April	0.073	0.062	-15.05	0.021	-65.32
May	0.123	0.119	-2.92	0.042	-64.50
June	0.130	0.098	-23.99	0.051	-47.82
July	0.063	0.061	-10.69	0.058	-2.02
August	0.072	0.110	52.22	0.050	-54.04
September	0.038	0.070	75.19	0.110	66.77
October	0.043	0.069	60.22	0.035	-52.19
November	0.063	0.074	17.38		
December	0.067	0.038	-42.63		
January	0.073	0.062	-15.05		

February	0.123	0.119	-2.92		
March	0.130	0.098	-23.99		
April-March	0.063	0.061	-10.69		

Reason for fall: This month witnessed a recovery in metal sector riding on reviving demand in the global market. This is also reflected in India's metal exports which experienced an overall rise. Among the metal sub-sectors, decline in exports was only witnessed in products of iron and steel and tin. The decline in exports of products of iron and steel is very marginal while that of tin is high. However, a recovery is expected in the coming months.

Figure 4: Slump in Exports of Products of iron and steel in January 2021 v/s January 2020 (in USD Million)

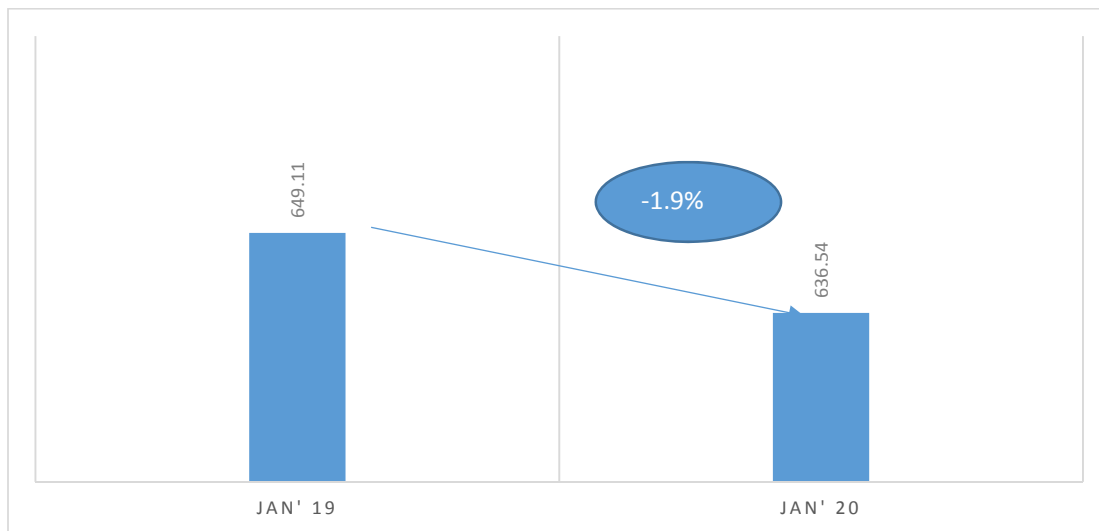
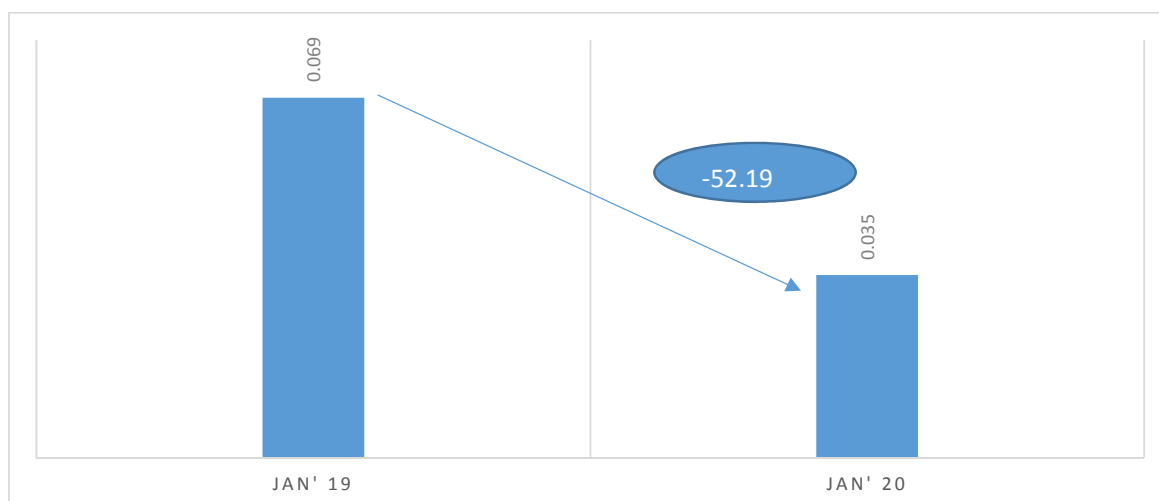


Figure 5: Slump in Exports of Tin and its products in January 2021 v/s January 2020 (in USD Million)



6. Engineering panels – country-wise analysis

We now analyze the performance of some of the important products during January 2021. We have taken the major panels and computed the top importers and sharp declines to get an idea of the current trade pattern. (Tables 14-22)

Table 10: Export of Iron & Steel
US\$ Million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
CHINA	21.87	24.12	10.27	473.65	2355.51	397.31
VIETNAM	65.36	32.05	-50.97	956.82	877.33	-8.31
NEPAL	98.92	138.99	40.51	813.40	709.39	-12.79
U A E	62.96	31.65	-49.73	632.34	625.32	-1.11
ITALY	85.96	98.34	14.41	623.89	607.78	-2.58
High cumulative growth						
CHINA	21.87	24.12	10.27	473.65	2355.51	397.31
KENYA	0.92	19.62	2040.66	22.58	90.82	302.29
PHILIPPINES	6.98	2.49	-64.26	68.79	108.47	57.70
THAILAND	15.93	21.70	36.25	158.50	221.63	39.84
HONG KONG	0.33	0.22	-33.47	63.81	87.93	37.81
Sharp cumulative decline						
BHUTAN	6.20	1.51	-75.65	67.94	32.81	-51.71
MALAYSIA	5.91	17.34	193.52	209.23	112.85	-46.06
BANGLADESH	28.53	21.69	-23.98	291.51	175.58	-39.77
GERMANY	9.04	12.72	40.75	127.40	91.12	-28.48

KOREA	20.22	20.91	3.43	247.20	188.60	-23.71
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(Source: Department of Commerce, Government of India)

- China, Vietnam and Nepal were the three top three importers of Indian Iron and Steel during April 2020-January 2021 with market shares of 25.05 percent, 9.33 percent and 7.54 percent respectively.
- China recorded a substantial growth of 397.31 percent followed by Kenya and Philippines exhibiting growth of 302.29 percent and 57.70 percent respectively in exports of Indian Iron and Steel during April 2020-January 2021 compared to April 2019- January 2020.
- Malaysia and Bhutan experienced sharp downfall to the extent of more than 45% in exports during April 2020-January 2021 compared to same period last fiscal.

Table 11: Export of Products of Iron & Steel

US\$ Million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
U S A	145.90	153.99	5.55	1359.79	1143.23	-15.93
U A E	33.62	27.38	-18.55	350.88	255.72	-27.12
GERMANY	33.75	30.71	-9.00	322.83	252.99	-21.63
CANADA	60.38	22.13	-63.35	319.67	248.30	-22.33
SAUDI ARABIA	24.15	20.14	-16.59	184.25	211.39	14.73
High cumulative growth						
ALGERIA	1.23	0.61	-50.37	8.95	22.36	149.91
EGYPT	2.38	2.84	19.32	30.43	60.00	97.15
VIETNAM	1.81	2.32	28.13	19.73	30.47	54.47
OMAN	19.12	15.19	-20.55	106.82	150.43	40.83
GHANA	2.03	6.79	233.96	31.17	42.82	37.39
Sharp cumulative decline						
PERU	8.77	1.07	-87.84	60.94	13.37	-78.06
NIGERIA	6.65	6.48	-2.52	105.86	63.56	-39.96
KUWAIT	5.23	3.14	-39.99	54.16	33.10	-38.88
U A E	33.62	27.38	-18.55	350.88	255.72	-27.12
FRANCE	13.37	11.26	-15.73	128.96	94.06	-27.06

(Source: Department of Commerce, Government of India)

- USA, UAE and Germany were the top three importers of India's 'Products of Iron & Steel' during April 2020-January 2021 with 22.26 percent, 4.98 percent and 4.93 percent shares respectively in India's global import of the same.

- ✚ Algeria experienced more than 149% growth followed by Egypt and Vietnam in import of 'Products of Iron and Steel' during April 2020-January 2021 compared to same period last fiscal.
- ✚ Peru and Nigeria conceded decline in imports by 78.06% and 40% respectively for the said product group from India during April 2020-January 2021.

Table 12: Export of Industrial Machinery

US\$ Million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
U S A	162.05	169.87	4.82	1638.91	1412.91	-13.79
THAILAND	52.06	91.12	75.02	527.98	565.81	7.16
GERMANY	52.38	62.03	18.43	496.39	491.00	-1.09
CHINA	50.63	43.97	-13.16	483.21	464.95	-3.78
U A E	60.55	33.77	-44.23	440.25	382.80	-13.05
High cumulative growth						
BENIN	0.20	4.06	1900.08	3.73	16.33	337.79
TOGO	0.33	0.83	154.62	3.59	11.56	221.92
ALGERIA	2.73	18.02	559.07	42.63	68.99	61.84
ANGOLA	0.84	5.16	514.45	11.17	16.47	47.36
GUINEA	1.14	2.36	107.75	8.77	12.40	41.35
Sharp cumulative decline						
INDONESIA	19.12	14.09	-26.31	233.77	129.82	-44.47
RUSSIA	12.64	7.91	-37.43	243.87	143.58	-41.13
NIGERIA	50.41	29.17	-42.13	453.19	274.88	-39.34
BANGLADESH	39.28	39.18	-0.25	495.04	334.91	-32.35
NEPAL	21.65	27.57	27.36	259.55	196.62	-24.25

(Source: Department of Commerce, Government of India)

- ✚ USA was the largest importer of Indian 'Industrial machinery' during April 2020-January 2021 with 15.45 percent share in India's global import of the product group. Thailand and Germany were the two immediate followers of USA with 6.19 percent and 5.37 percent shares respectively.
- ✚ Benin was the top importer with substantial growth of 337.79 percent followed by Togo, witnessing growth of more than 220 percent in imports of Industrial machinery from India followed by Algeria, Angola and Guinea during April 2020- January 2021 over the same period last fiscal.

- Among the major importers, Indonesia, Russia and Nigeria exhibited decline of more than 35 percent in imports of Indian 'Industrial machinery' during April 2020- January 2021.

Table 13: Automobiles
US\$ Million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
MEXICO	86.38	43.95	-49.12	1184.28	835.78	-29.43
U S A	57.68	33.20	-42.45	796.10	513.22	-35.53
SAUDI ARABIA	77.67	35.60	-54.16	571.22	440.19	-22.94
SOUTH AFRICA	46.96	63.44	35.10	791.32	437.27	-44.74
NIGERIA	52.43	57.32	9.34	455.57	366.01	-19.66
High cumulative growth						
EGYPT	5.16	17.65	242.27	22.12	105.37	376.28
AUSTRIA	9.59	5.74	-40.07	27.82	51.82	86.25
IRAQ	3.92	3.48	-11.22	42.81	59.37	38.66
TUNISIA	0.00	9.09	204879.12	42.83	57.99	35.38
AUSTRALIA	6.44	7.01	8.87	39.66	53.46	34.80
Sharp cumulative decline						
SRI LANKA	15.62	0.44	-97.21	211.16	6.06	-97.13
SOUTH AFRICA	46.96	63.44	35.10	791.32	437.27	-44.74
BANGLADESH	26.12	24.57	-5.93	307.83	191.95	-37.64
U S A	57.68	33.20	-42.45	796.10	513.22	-35.53
U A E	16.15	26.13	61.83	250.48	167.40	-33.17
NEPAL	24.02	43.86	82.64	358.12	249.01	-30.47

(Source: Department of Commerce, Government of India)

Automobiles include Motor Vehicles/cars and Two and Three Wheelers

- Mexico, USA and Saudi Arabia were top three importers of India's Automobiles during April 2020-January 2021 with 14.95, 9.18 and 7.87 percent share in India's global exports respectively over the same period last fiscal.
- Egypt recorded a substantial growth of 376.28% followed by Austria with more than 85% growth in imports of the product group from India during April 2020- January 2021 over the same period last fiscal.
- Sri Lanka saw substantial decline of 97% in imports of automobile followed by South Africa which experienced the drop of more than 40% during April 2020- January 2021 compared to same period last fiscal.

Table 14: Export of Non-Ferrous metals
US\$ Million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
MALAYSIA	137.87	114.38	-17.04	1080.56	1344.78	24.45
KOREA	94.72	83.93	-11.39	996.88	1109.08	11.25
CHINA	46.92	92.23	96.55	409.40	804.00	96.39
U S A	61.27	85.24	39.11	770.06	636.20	-17.38
SINGAPORE	16.03	33.05	106.19	92.78	353.72	281.26
High cumulative growth						
GREECE	2.32	0.82	-64.49	16.14	66.67	313.06
SINGAPORE	16.03	33.05	106.19	92.78	353.72	281.26
CHINA	46.92	92.23	96.55	409.40	804.00	96.39
CANADA	3.70	8.54	130.62	30.69	50.01	62.95
ETHIOPIA	3.31	1.55	-53.11	31.88	45.76	43.52
Sharp cumulative decline						
ITALY	10.72	10.26	-4.34	97.95	61.36	-37.36
NEPAL	15.88	14.38	-9.43	150.40	109.90	-26.93
THAILAND	15.34	32.67	113.01	181.82	135.54	-25.45
JAPAN	10.02	11.55	15.22	137.01	103.09	-24.75
U S A	61.27	85.24	39.11	770.06	636.20	-17.38

(Source: Department of Commerce and CSO)

- ✚ Malaysia, Korea and China were the top three importers of India's Non-ferrous metals and products' during April 2020-January 2021 with 19.04 percent, 15.70 percent and 11.38 percent shares respectively in India's global import of the same.
- ✚ Greece and Singapore experienced massive growth of 313.06% and 281.26% respectively followed by China at 96.39% in import of Non-ferrous metals and products during April 2020- January 2021.
- ✚ Italy conceded decline in imports by more than 35% for the said product group from India during April 2020- January 2021 vis-à-vis same period last fiscal.

Table 15: Export of Electrical Machinery and Components
US\$ Million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
U S A	204.79	219.59	7.23	2200.98	2128.31	-3.30
GERMANY	87.88	48.72	-44.56	754.93	523.12	-30.71
SINGAPORE	19.86	25.10	26.37	383.03	276.39	-27.84
U A E	24.36	16.02	-34.25	199.31	248.79	24.82
U K	61.59	34.44	-44.09	566.12	226.43	-60.00
High cumulative growth						
NEW ZEALAND	0.80	12.72	1485.20	4.42	61.81	1299.24
HONG KONG	3.21	2.74	-14.64	32.97	96.35	192.19
JAPAN	5.26	62.64	1090.04	93.03	187.25	101.28
NETHERLAND	6.76	10.08	49.17	46.46	89.45	92.51
VIETNAM	2.99	3.70	23.80	53.85	96.73	79.63
Sharp cumulative decline						
U K	61.59	34.44	-44.09	566.12	226.43	-60.00
NIGERIA	32.43	7.73	-76.16	215.48	97.70	-54.66
CHINA	9.82	10.04	2.26	191.95	116.56	-39.28
GERMANY	87.88	48.72	-44.56	754.93	523.12	-30.71
SINGAPORE	19.86	25.10	26.37	383.03	276.39	-27.84

(Source: Department of Commerce and CSO)

- ✚ USA, Germany and Singapore were the top three importers of Indian Electrical Machinery and Components during April 2020-January 2021 with market shares of 32.48 percent, 7.98 percent and 4.22 percent respectively.
- ✚ New Zealand recorded massive growth of 1299.24 % followed by Hong Kong and Japan at 192.19% and 101.28% in imports of India's Electrical Machinery and Components during April 2020-January 2021 vis-a-vis April 2019-January 2020.
- ✚ UK experienced the sharp decline of more than 60% in imports during April 2020-January 2021 when compared to April 2019-January 2020. It is also the case for Nigeria and China which experienced more than 35% drop.

Table 16: Export of Aircrafts and Space crafts
US\$ million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
U S A	46.82	35.34	-24.52	432.12	336.29	-22.18
FRANCE	13.19	13.19	0.06	142.53	157.06	10.19
SINGAPORE	16.02	12.68	-20.86	148.75	93.78	-36.95
U K	13.33	6.86	-48.55	138.58	67.47	-51.32
INDONESIA	0.10	0.03	-73.86	0.86	46.96	5369.40
High cumulative growth						
INDONESIA	0.10	0.03	-73.86	0.86	46.96	5369.40
IRELAND	0.16	0.00	-99.99	2.11	10.86	415.94
U A E	0.15	0.25	72.37	6.21	26.62	328.75
SWITZERLAND	0.24	4.36	1717.21	7.12	20.37	186.20
CANADA	1.21	0.47	-61.45	13.98	21.85	56.34
Sharp cumulative decline						
U K	13.33	6.86	-48.55	138.58	67.47	-51.32
MALAYSIA	3.56	1.91	-46.15	45.87	24.08	-47.49
GERMANY	6.77	3.98	-41.13	61.80	38.91	-37.04
SINGAPORE	16.02	12.68	-20.86	148.75	93.78	-36.95
U S A	46.82	35.34	-24.52	432.12	336.29	-22.18

(Source: Department of Commerce and CSO)

- ✚ USA, France and Singapore were the top three importers of India's 'Aircrafts and Spacecrafts' during April 2020- January 2021 with around 34.67, 16.19 and 9.67 percent shares respectively in India's total global exports of the product.
- ✚ Indonesia is the top importer for the said product group with monumental growth of 5369.40% during April 2020- January 2021. Also, Ireland and U A E registered substantial growth of 415.94% and 328.75% respectively in import of the product group from India during April 2020- January 2021 as compared to the same period last fiscal.
- ✚ On the flipside, demand for India's 'Aircrafts &Spacecrafts' from UK, Germany, Malaysia and Singapore dropped by more than 35 percent year-on-year basis during April 2020- January 2021 when compared to April 2019 - January 2020.

Table 17: Export of Ships, Boats and Floating Structures and parts
US\$ million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
SINGAPORE	33.70	32.00	-5.03	849.56	1053.40	23.99
SOUTH AFRICA	0.00	437.55	-	0.00	437.55	-
INDONESIA	0.65	0.94	45.71	92.19	403.74	337.93
U A E	15.11	19.74	30.66	1005.44	394.80	-60.73
SRI LANKA	15.93	0.00	-100.00	211.39	263.61	24.70
High cumulative growth						
MALTA	0.00	0.00	-	0.01	115.16	1746592.03
PORTUGAL	0.00	0.00	-	0.01	143.81	987165.03
SAUDI ARABIA	0.00	43.09	-	4.71	242.10	5036.53
INDONESIA	0.65	0.94	45.71	92.19	403.74	337.93
MALAYSIA	0.02	0.01	-24.54	191.35	248.17	29.69
Sharp cumulative decline						
CYPRUS	0.00	0.00	-	349.98	0.00	-100.00
LIBERIA	0.00	0.00	-	69.04	0.00	-100.00
NORWAY	0.00	0.00	-	58.33	0.00	-100.00
U K	199.75	0.00	-100.00	209.35	0.00	-100.00
OMAN	0.00	6.75	-	130.55	10.41	-92.02

(Source: Department of Commerce and CSO)

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

- ❖ Singapore, South Africa and Indonesia became the largest importer of ships, boats and floating structures in April 2020- January 2021 followed by U A E and Sri Lanka. Their respective shares are 29.15 percent, 12.11 percent, 11.17 percent, 10.93 percent and 7.29 percent.
- ❖ Though Malta and Portugal recorded negligible imports in January 2021 but the cumulative Imports to both the nations recorded meteoric increase as they had negligible import in April 2019 –January 2020. Saudi Arabia registered substantial growth of 5036.53% in import of the product group from India during April 2020- January 2021 as compared with the same period last fiscal.
- ✚ However, sharp decline of more than 90 percent was noticed in exports to Oman from India during April 2020-January 2021 as compared with the same period last fiscal whereas the exports dropped to zilch for Cyprus, Liberia, Norway and U K.

Table 18: Export of Auto Components
US\$ Million

COUNTRY	JANUARY 2020	JANUARY 2021	Growth (%)	APRIL 2019- JANUARY 2020	APRIL 2020- JANUARY 2021	Growth (%)
Top Five Importers						
U S A	96.25	124.65	29.51	991.25	852.99	-13.95
BANGLADESH	23.00	37.44	62.78	234.38	224.02	-4.42
TURKEY	22.25	27.78	24.86	221.89	218.74	-1.42
GERMANY	22.22	30.25	36.17	217.59	213.31	-1.97
VIETNAM	14.01	26.88	91.82	162.19	195.65	20.63
High cumulative growth						
CONGO	0.34	0.37	9.83	2.92	6.22	112.54
IRAQ	0.70	0.38	-44.70	3.45	6.24	81.00
SLOVAKIA	1.51	2.21	46.20	9.50	15.73	65.53
GUINEA	0.22	0.53	138.25	4.02	6.06	50.79
SLOVENIA	1.98	2.46	24.26	12.20	17.93	47.01
Sharp cumulative decline						
PHILIPPINES	7.31	3.53	-51.70	77.94	22.29	-71.41
U A E	9.00	8.18	-9.17	137.54	62.76	-54.37
INDONESIA	9.63	7.83	-18.71	102.12	51.30	-49.76
NEPAL	8.47	9.54	12.61	85.10	56.19	-33.97
BRAZIL	20.09	26.09	29.86	226.69	162.32	-28.39

(Source: Department of Commerce and CSO)

- ✚ USA remained the top importer of auto components in April 2020-January 2021 with a share of 22.65 percent followed by Bangladesh, Turkey, Germany and Vietnam with respective shares of 5.95 percent, 5.81 percent, 5.66 percent and 5.20 percent.
- ✚ Congo and Iraq recorded increase of more than 80 percent followed by Slovakia, Guinea and Slovenia in imports from April 2020- January 2021 when compared to April 2019 – January 2020.
- ✚ Philippines and U A E recorded significant decline of more than 50 percent in April 2020-January 2021 when compared to April 2019 – January 2020.

Analysis of India's engineering imports

India's Engineering imports during January 2021 were valued at US\$ 9106.0 million compared to US\$ 9265.7 million in January 2020 registering a negative growth of 1.7 percent in dollar terms. In cumulative terms, engineering imports recorded a decline to the extent of 26.7% from US\$ 87725.6 million in April-January 2019-20 to US\$ 64296.3 million in April-January 2020-21.

The major engineering panels, like iron and steel and non-ferrous metals witnessed an increase in import while sectors like transport equipment and professional instrument, optical goods, etc. recorded a decline during January 2021 compared to January 2020.

The share of engineering imports in India's total merchandise imports has decreased during January 2021 in comparison to January 2020 which has been estimated at 21.7%.

The monthly engineering import figures for fiscal April- January 2021 vis-a-vis April- January 2020 is depicted below as per the latest availability of figure:

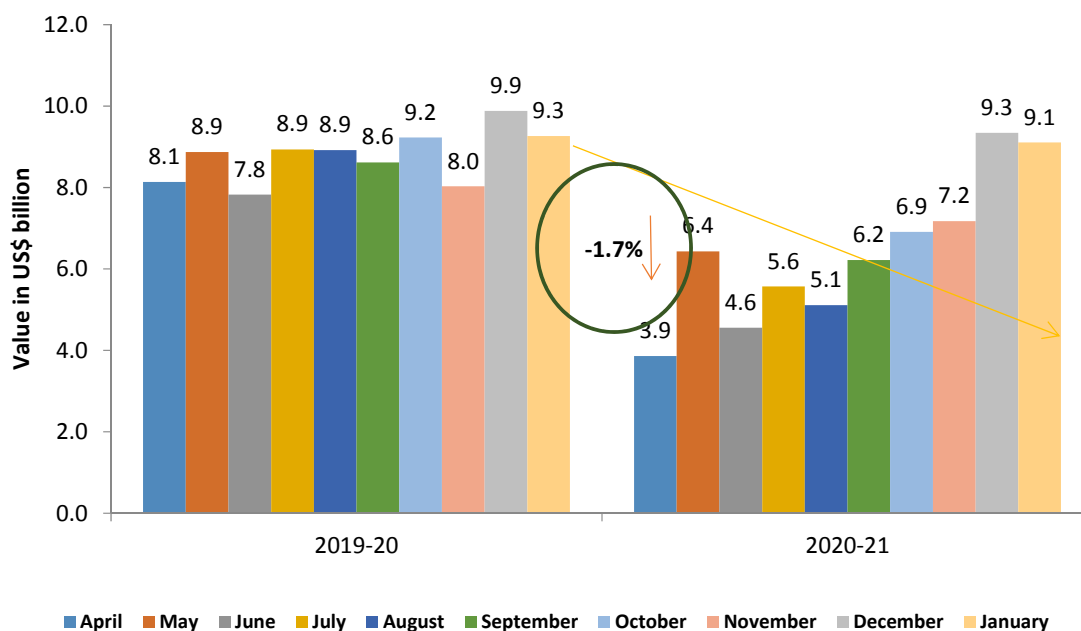
Table 19: Monthly engineering Imports during 2020-21 (US\$ Mn.)

Months	2019-20	2020-21	Growth (%)
April	8143.84	3858.97	-52.6
May	8875.24	6433.42	-27.5
June	7827.95	4558.01	-41.8
July	8938.17	5571.34	-37.7
Aug	8917.11	5114.42	-42.6
Sep	8618.02	6218.92	-27.8
Oct	9228.91	6911.83	-25.1
Nov	8029.28	7178.30	-10.6
Dec	9883.20	9342.97	-5.5
Jan	9265.69	9106.00	-1.7

The figure below depicts engineering imports for April-Jan 2021 compared to April-Jan 2020

Figure 6: Monthly Engineering Imports for April- Jan 2021 vis-a-vis April- Jan 2020

Monthly Engineering Imports for 2020-21 vis-a-vis 2019-20



Source: EEPC India analysis

We now present the trend in two way yearly trade for the engineering sector from 2014-15 to 2019-20 as well as the current fiscal 2020-21 depicted in the table below:

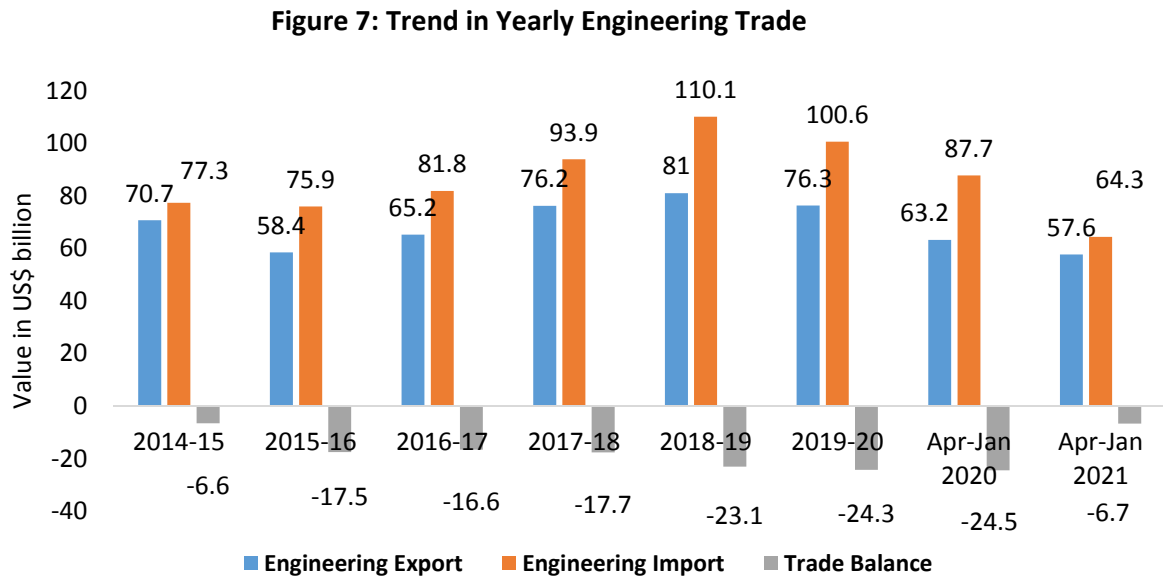
Table 20: Tear-wise trend in engineering trade

(US\$ Billions)

Trade Flow	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Growth (%)	Apr-Jan 2020	Apr-Jan 2021	Growth (%)
Engineering Export	70.7	58.4	65.2	76.2	81.0	76.3	-5.8	63.2	57.6	-8.9
Engineering Import	77.3	75.9	81.8	93.9	110.1	100.6	-8.7	87.7	64.3	-26.7
Trade Balance	-6.6	-17.5	-16.6	-17.7	-23.1	-24.3		-24.5	-6.7	

Source: DGCI&S, EEPC India Analysis

Figure 6 below depicts the yearly trend in engineering trade from 2014-15 to 2019-20 as well as the current fiscal April-Jan 2020-21



Conclusion

After a few months of abysmal performance, engineering exports turned around this month mainly due to growing global demand. Revival of exports was witnessed in most of the critical engineering sectors such as ferrous and non-ferrous metals, industrial and electric machinery, etc. Infact leaders around the world have stayed positive for a quick recovery. A recent survey commissioned by the global logistics firm DP World has found 70 percent of the global businesses to be optimistic of a trade recovery at a faster rate compared to the global financial crisis. In such scenario an upward trend in engineering exports is definitely a positive news. It also needs to be mentioned that in the recent budget government has provided a number of benefits for the engineering community. The PLI scheme, doubling of MSME allocation and incentives for start-ups would ensure better access to finance. At the same time lower customs duty for key inputs such as copper scrap, steel scrap, etc. would ensure better availability. Finally the newly announced infrastructural projects and schemes like scrapping of old vehicles would create the demand in the market. The announcement of the new foreign trade policy along with schemes such as RODTEP is expected to further pave the way for

engineering exporters. With such concerted efforts in the domestic front and reviving global trade we surely hope to revive from the COVID crisis in a much stronger way.

