

# Exports continue to fall in May

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Declining for the 18th straight month in May, exports dipped by 0.79 per cent to \$22.17 billion due to slowdown in global demand.

Imports also contracted by 13.16 per cent to \$28.44 billion in the month under review as against \$32.75 billion in May 2015. Deficit in May narrowed to \$6.27 billion from \$10.4 billion in the same month last year.

"The decline in exports for India has slowed considerably," the commerce ministry said in a statement while releasing the trade data. Exports have been falling since December 2014 due to weak global demand.

During April-May 2016, the exports contracted by 3.74 per cent to \$42.73 billion.

Imports during the period too fell by 18.15 per cent to \$53.85 billion, leaving a trade deficit of \$11.11 billion.

Oil imports in May dipped by 30.45 per cent to \$5.93 billion. Non-oil imports too fell by 7.06 per cent to \$22.5 billion. Gold imports contracted for the fourth consecutive month in the month of May.

It declined by 39.14 per cent to \$1.47 billion during the month, which is expected to keep a lid on the country's current account deficit.

The sliding prices of the precious metal in both global and domestic markets is seen as a contributory factor for the plunge.

Gold imports stood at \$2.42 billion in May 2015. The contraction in the imports helped narrow trade deficit to \$6.27 billion in the last month.