

Exports snap 18-month downward spiral in June

■ Merchandise exports up 1.27% at \$22.57 billion last month

New Delhi, July 15

INDIA'S exports turned positive after 18 months in June, recording a growth of 1.27%, pushed up by increase in shipments of agri commodities, pharmaceuticals and engineering goods.

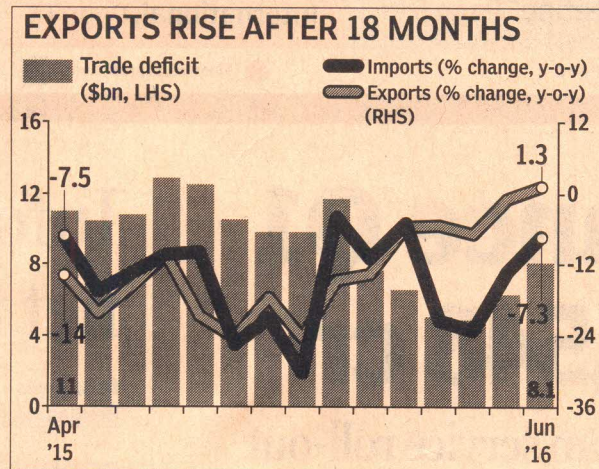
The merchandise exports totalled \$22.57 billion as against \$22.28 billion in the same month last year.

Rising exports and decline in imports also brought down the trade deficit in June to \$8.11 billion as against \$ 10.82 billion in the year-ago month.

Exports have been falling since December 2014 due to weak global demand and slide in oil prices.

As per the data released by Commerce and Industry Ministry, imports in June were at \$30.68 billion, down 7.33% from \$33.11 billion in the year-ago month. Gold too imports drop over 38% in June to \$1.2 billion.

Apex exporters body FIEO said positive figure has instilled optimism among exporters, though global scenario remains challenging.



“Positive exports by engineering, marine, drugs and pharma, plantation commodities, electronic goods, carpets and handicrafts sectors is very encouraging as these are high employment generating sectors as well,” said FIEO president SC Ralhan.

Industry body CII said the rise is “a much needed boost to the confidence” of Indian exporters.

“All the recent initiatives taken by Department of Commerce to revive exports have finally yielded positive

results,” it said.

The government data revealed that imports of petroleum, crude and related products were down 16.42 per cent in June while that of coal, coke and briquettes shrunk by about 13 per cent.

Commerce and Industry Minister Nirmala Sitharaman had yesterday said the decline in exports have bottomed out and the outbound shipments are expected to witness gradual improvement in the coming months depending upon pick up in global demand.

In value terms, imports of fertilisers too were down by 22.77% at \$712.36 million. Gold import was recorded at \$1.20 billion in June, a decline of 38.54 over the year-ago period.

Cumulative value of merchandise exports for April-June 2016-17 was \$65.31 billion as against \$66.69 billion, a decline of 2.07%.

Overall imports in the first quarter of the fiscal stood at \$84.54 billion, down 14.53% year-on-year.

The trade deficit for April-June was estimated at \$19.23 billion, lower than the deficit of \$32.225 billion in the corresponding period last fiscal.

In case of services, exports (receipts) during May (latest data available) were valued at \$13.46 billion, registering a growth of 4.28%, and imports stood at \$7.92 billion, a growth of 10.29%.

Overall the trade balance (merchandise and service sectors) has improved. Taking merchandise and services together, overall trade deficit for April-June is estimated at \$7.97 billion which is 62.01% lower from \$20.98 billion year-on-year. PTI