

# Exports grow in June, but at a slower 4.39%

## Trade deficit widens to \$12.95 billion

### OUR BUREAU

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Export of goods grew for the ninth straight month in June, posting a 4.39 per cent increase to \$23.56 billion on continued demand for engineering goods, petro products and chemicals.

However, exporters are concerned about the slackening pace of growth and a drop in exports across major sectors such as pharmaceuticals, leather and gems & jewellery.

### Imports up 19%

Imports posted an increase of 19 per cent to \$36.52 billion in June, with an increase in inward shipments of petroleum, crude, electronics, pearls and precious stones and machinery. Gold imports doubled to \$2.45 billion.

Higher imports widened the trade deficit to \$12.95 billion in June from \$8.11 billion in June 2016.

The slowdown in export growth over the last four months, from 27.59 per cent in March and 20 per cent in April to 8 per cent in May and 4.39 per cent in June, has exporters worried.

"Export growth in June 2017 is of concern as 15 out of 30 major product groups showed a fall," FIEO President Ganesh Kumar Gupta pointed out. He suggested that a sectoral analysis be done to pinpoint factors for the decline.

"The currency impact, in terms of a stronger rupee hurting exports, is visible from the fact that exports, measured in the Indian rupee, are showing negative growth," said Engineering Exports Promotion Council Chairman TS Bhasin.

Cumulative export earnings for the first quarter of FY18 were 10.57 per cent higher, at \$72.21 billion, over the year-ago period.

Total imports during the period were valued at \$112.26 billion, an increase of 32.78 per cent.

