

India's Foreign Trade : June 2019

Merchandise exports and imports grew by (-)10% and (-)9% respectively in June 2019

Merchandise Trade

Exports

Exports in June 2019 were USD 25 billion, as compared to USD 28 billion in June 2018, exhibiting a negative growth of 10 per cent. In Rupee terms, exports were Rs. 1,73,682 crore in June 2019, as compared to Rs. 1,87,800 crore in June 2018, registering a negative growth of 7 per cent.

Cumulative value of exports for the period April-June 2019-20 was USD 81 billion (Rs.5,63,984 crore) as against USD 82 billion (Rs.5,52,782 crore) during the period April-June 2018-19, registering a negative growth of 2 per cent in Dollar terms (positive growth of 2 per cent in Rupee terms).

The decline in exports in June 2019 is due in large part to a base effect of an extraordinarily good month in June 2018 impacting growth figures for June 2019. While the average exports in the month of June have been USD 22-23 billion since

Imports

Imports in June 2019 were USD 40 billion (Rs. 2,79,771 crore), which was 9 per cent lower in Dollar terms and 7 per cent lower in Rupee terms over imports of USD 44 billion (Rs.3,00,352 crore) in June 2018.

Cumulative value of imports for the period April-June 2019-20 was USD 127 billion (Rs.8,83,653 crore), as against USD 127 billion (Rs.8,54,097 crore) during the period April-June 2018-19, registering a negative growth of 0.29 per cent in Dollar terms (positive growth of 3 per cent in Rupee terms).

The decline in June 2019 is also witnessed in the merchandise imports. Import of petroleum crude & products in June 2019 (USD 11 billion) has recorded a negative growth of 13% as compared to June 2018 (USD 13billion).

2015-16, the exports in June 2018 were relatively quite high at USD 28 billion.

The negative growth in June 2019 is also consistent with certain global trends, which have impacted India's exports in recent months. The World Bank in its Global Economic Prospects (June 2019) has projected weakening of global trade in 2019. Global trade is projected to grow at 2.6% this year – a full percentage point below their previous forecast.

India's Trade Statistics at a Glance

Merchandise	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-Mar 2018-19	Apr-19	May-19	June-19
Exports (USD billion)	27	26	28	26	27	33	331	26	30	25
Growth (%)	18	1	0.3	4	2	11	9	0.6	4	-10
Imports (USD billion)	44	43	41	41	36	43	507	41	45	40
Growth (%)	18	4	2	0.01	-5	1	9	4.4	4.3	-9
Trade Balance (USD billion)	-17	-17	-13	-14.7	-10	-11	-176	-15	-15	-15

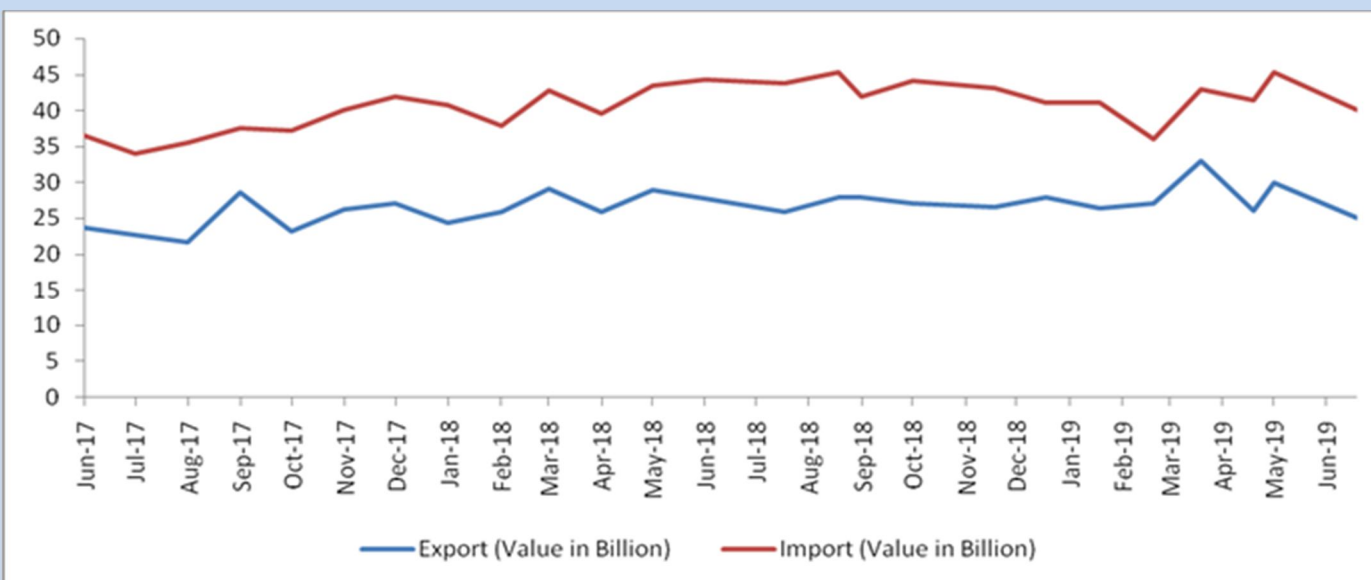
Source: PHD Research Bureau, compiled from Ministry of Commerce and Industry, Government of India

Trend in Exports-Imports Growth (%)



Source: PHD Research Bureau, compiled from Ministry of Commerce and Industry, Government of India

Trend in Exports-Imports Value (in USD Billion)



Source: PHD Research Bureau, compiled from Ministry of Commerce and Industry, Govt of India

Top exported products in June 2019

During June 2019, major commodity groups of export showing positive growth over the corresponding month of last year are Iron Ore (155%), Electronic Goods (44%), Ceramic products & glassware (20%); Tea (17%), Spices (17%), among others.

List of top exported products in June 2019

Sl. No.	Commodities	(Values in Million USD)		% change
		JUNE'18	JUNE'19	JUNE'19
1	Iron Ore	85	217	155
2	Electronic Goods	648	932	44
3	Ceramic products & glassware	200	239	20
4	Tea	61	71	17
5	Spices	250	292	17
6	Drugs & Pharmaceuticals	1581	1837	16
7	Fruits & Vegetables	154	171	11
8	Cereal preparations & miscellaneous processed items	121	126	4
9	Jute Mfg. including Floor Covering	27	27	2
10	Engineering Goods	6743	6564	-3

Source: PHD Research Bureau, compiled from Ministry of Commerce and Industry, Government of India

Imported products in June 2019

Major commodity groups of import showing negative growth in June 2019 over the corresponding month of last year are Metaliferrous ores & other minerals (-46%); Sulphur & Unroasted Iron Pyrites (-34%); Transport equipment (-33%); Pearls, precious & Semi-precious stones (-24%); Vegetable Oil (-23%), among others.

List of imported products in June 2019

Sl. No.	Commodities	(Values in Million USD)		% change
		JUNE'18	JUNE'19	JUNE'19
1	Metaliferrous ores & other minerals	644	349	-46
2	Sulphur & Unroasted Iron Pyrites	11	7	-34
3	Transport equipment	1469	982	-33
4	Pearls, precious & Semi-precious stones	2770	2115	-24
5	Vegetable Oil	844	651	-23
6	Fertilisers, Crude & manufactured	961	757	-21
7	Newsprint	80	65	-18
8	Medicinal & Pharmaceutical products	623	535	-14
9	Petroleum, Crude & products	12726	11029	-13
10	Non-ferrous metals	1298	1137	-12

Source: PHD Research Bureau, compiled from Ministry of Commerce and Industry, Government of India

Non-Petroleum and Non-Gems Exports

Non-petroleum and Non Gems and Jewellery exports in June 2019 were USD 19 billion, as compared to USD 20 billion in June 2018, exhibiting a negative growth of 5 per cent. Non-petroleum and Non Gems and Jewellery exports in April-June 2019-20 were USD 60 billion, as compared to USD 60 billion for the corresponding period in 2018-19, an increase of 0.40 per cent.

Crude oil and Non-Oil Imports

Oil imports in June 2019 were USD 11 billion (Rs. 76,587 crore), which was 13 percent lower in Dollar terms (11 percent lower in Rupee terms), compared to USD 13 billion (Rs. 86,271 crore) in June 2018. Oil imports in April-June 2019-20 were USD 35 billion (Rs. 2,42,39 crore) which was 0.62 per cent higher in Dollar terms (4 percent higher in Rupee terms) compared to USD 35 billion (Rs. 2,32,269 crore), over the same period last year.

In this connection it is mentioned that **the global Brent price (\$/bbl) has decreased by 16% in June 2019 vis-à-vis June 2018 as per data available from World Bank.**

Non-oil imports in June 2019 were estimated at USD 29 billion (Rs. 2,03,184 crore) which was 7 per cent lower in Dollar terms (5 percent lower in Rupee terms), compared to USD 32 billion (Rs. 2,14,081 crore) in June 2018. Non-oil imports in April-June 2019-20 were USD 92 billion (Rs. 6,41,254 crore) which was 0.62 per cent lower in Dollar terms (3 percent higher in Rupee terms), compared to USD 93 billion (Rs. 6,21,828 crore) in April-June 2018-19.

Trade in Services

EXPORTS (Receipts)

As per the latest press release by RBI dated 15th July 2019, exports in May 2019 were USD 18 billion (Rs. 1,30,329 crore) registering a positive growth of 15 per cent in dollar terms, vis-à-vis May 2018. The estimated value of services export for June 2019* is USD 19 billion.

IMPORTS (Payments)

As per the latest press release by RBI dated 15th July 2019, imports in May 2019 were USD 12 billion (Rs. 87,160 crore) registering a positive growth of 22 per cent in dollar terms, vis-à-vis May 2018. The estimated value of service Import for June 2019* is USD 14 billion.

Services	Aug-18	Sept-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19
Exports (Receipts) (USD billion)	16	16	17	16	18	18	17	17.9	18	18
Imports (Payments) (USD billion)	10	10	10	10	11	11	10	11.3	11	12
Trade Balance (USD billion)	6	6	7	6	7	7	7	6.58	7	6

Source: PHD Research Bureau, compiled from Ministry of Commerce and Industry, Government of India

Overall Trade Balance

Taking merchandise and services together, overall trade deficit for April-June 2019-20* is estimated at USD 27 billion as compared to USD 26 billion in April-June 2018-19. *Note: The latest data for services sector released by RBI is for May 2019. The data for June 2019 is an estimation, which will be revised based on RBI's subsequent release.

MERCHANDISE: The trade deficit for June 2019 was estimated at USD 15 billion as against the deficit of USD 17 billion in June 2018.

SERVICES: As per RBI's Press Release dated 15th July 2019, the trade balance in Services (i.e. Net Services export) for May, 2019 is estimated at USD 6 billion.

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