

India's Foreign Trade: 2005-06 (April-June)*

The recent release of data on India's foreign trade for June 2005 by the Ministry of Commerce and Industry indicates a steady expansion in the merchandise trade deficit during the first quarter (Q1) 2005-06.

HIGHLIGHTS

- Merchandise exports up on year-on-year (y-on-y) basis, but moderating off the high base of the previous year.
- Oil imports accelerating, triggered by sharp increase in international crude oil prices as well as volume growth.
- Indian basket crude oil price above US \$ 52 per barrel in June and July 2005.
- Non-oil imports surging on the back of strong industrial pick-up.
- Trade deficit nearly doubled during April-June 2005 over a year ago.

Exports

The underlying pace of merchandise exports growth in US dollar terms remained firm during Q1 of 2005-06, although there was substantial loss of momentum in relation to the previous year (Table A). Besides the high base of the previous year, seasonal demand patterns

Table A: India's Merchandise Trade

| (US \$ million) | | |
|-----------------|----------------------|----------------------|
| Items | 2004-05 (April-June) | 2005-06 (April-June) |
| Exports | 17,491 (34.0) | 20,898 (19.5) |
| Imports | 23,477 (36.6) | 32,357 (37.8) |
| Oil | 7,212 (57.6) | 9,598 (33.1) |
| Non-Oil | 16,265 (29.0) | 22,760 (39.9) |
| Trade Balance | -5,986 | -11,459 |

Note : Figures in parentheses show percentage change over the previous year.

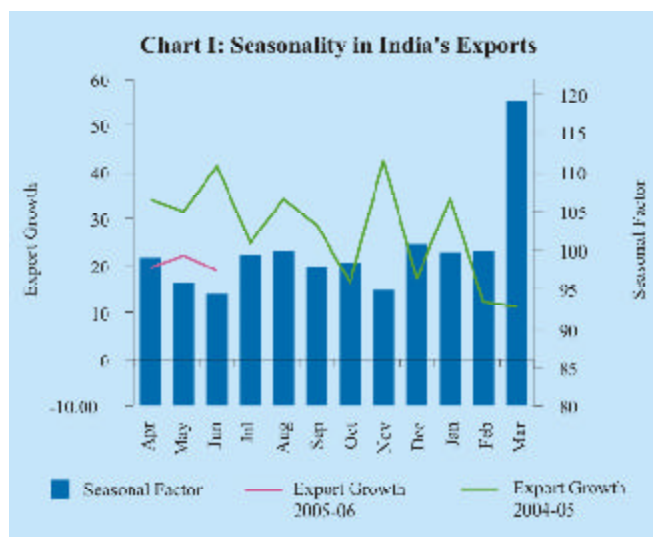
Source : DGCI&S.

associated with various commodity sectors and the evolving configurations in global demand impacted on export performance in the Q1 of 2005-06 [Statement 1 and Statement 2].

The seasonal pattern of India's merchandise exports¹ indicates peaks in July-August and March with a pronounced trough in June (Chart I).

Under primary products, the turnaround to positive growth trajectory, which occurred in 2002-03, was built upon with exports rising by 17.3 per cent during April-May 2005. Exports of iron ore and minerals (58.7 per cent) were the mainstay. The erstwhile growth driver - iron and steel - was affected by sharp reduction in iron and steel prices. Global steel prices have plunged by around 35 per cent since the peak reached during January 2005. In volume terms, strong buying interest from China continued to be the principal source of external demand.

Under agricultural goods, the key performers were rice, coffee and cashew. The demand for rice (other than basmati) picked up in the wake of strong demand in



* Prepared in the Division of International Trade, Department of Economic Analysis and Policy, Reserve Bank of India.

¹ Monthly Seasonal Factors of Selected Economic Time Series, RBI Bulletin January 2004.

Bangladesh, Africa (Cote de Voire, and South Africa) and the UAE. According to the US Department of Agriculture (USDA), India is projected to become the second largest rice exporter in the world replacing the US by 2012. On the other hand, wheat and oil meals faced slowdown in demand from markets in East Asia and Middle-East. Marine products exports witnessed a turnaround due to significant buying interest from Japan, Spain and the US. During April-May 2005, India's exports of marine products to Japan posted a volume growth of 84 per cent.

In the category of manufactured goods, engineering goods, led by transport equipments, metals and manufactures, machinery and parts and chemicals were the key drivers of export growth (Statement 3). The surge in exports of transport equipments, which contributed about one-fourth of the expansion in manufacturing exports during April-May 2005, was propelled by demand from France and Italy in Europe and Singapore, Korea and Thailand in East Asia. The Engineering Export Promotion Council (EEPC) projects exports of engineering goods and services at US \$ 17.3 billion during the 2005-06 as against US \$ 13.7 a year ago.

The sharp expansion in export growth of chemicals during April-May 2005 was powered by organic and inorganic chemicals and dyes and intermediates. The main constituent, *viz.*, drugs and pharmaceuticals, however, slowed down during April-May 2005 due to declining demand in the US, Europe and select countries of Africa. According to Associated Chambers of Commerce and Industry of India rising transactions costs may have impacted on exports of drugs and pharmaceuticals.

Dynamic export categories in India's export basket, *viz.*, gems and jewellery and petroleum products, underwent moderation in growth, against a high base of the previous year, reinforced by ebbing seasonal demand and trends in prices of gold and rough diamonds. According to the World Gold Council, demand for jewellery is characterised with peaks during the first and fourth quarters and troughs during the second and third quarters of the calendar year.

Textiles exports registered a significant pick up in April-May 2005. Export growth of ready-made garments (RMG), which account for about 60 per cent, was higher by 90 per cent than the previous year, indicative of the positive impact on India's textiles industry from the elimination of MFA quotas effective January 2005. The pick-up in demand was evident in major markets, *i.e.*, US and Europe (Belgium, France, Germany and Spain). The Apparel Export Promotion Council (AEPC) projects India's apparel export to the US to treble to US \$ 6 billion in 2005-06.

Destination-wise, there was a significant shift in India's exports. Export growth to the US was substantially lower than a year ago. Africa emerged as the fastest growing region for India's exports followed by Latin America, Europe and East Asia. Singapore, China, Korea, Hong Kong, France and United Kingdom emerged as the major markets for India's exports (Statement 4). In an environment of improvement in bilateral trade relations, Singapore became the leading destination of India's exports during April-May 2005 (Box).

Box : India-Singapore Comprehensive Economic Cooperation Agreement

India and Singapore have signed a Comprehensive Economic Cooperation Agreement (CECA) on June 29, 2005. This is India's first arrangement with any country incorporating an integrated package covering multiple areas of cooperation in trade in goods and services and investment flows. According to the CECA, implementation of the agreement on goods by India covering 11,666 lines would begin with an early harvest programme where the customs duty would be eliminated on 506 lines immediately on entry into force of the CECA. This will be followed by phased elimination of

2,202 lines and phased reduction of remaining 2,407 lines by 2009. A negative list includes 6,551 lines where no concessions have been offered. Singapore has offered zero duty for all products made in India. In services, India and Singapore have taken commitments beyond their offers at the WTO to exploit synergies between India and Singapore in the IT, ITES and financial sectors.

India's exports to Singapore have accelerated from about US \$ 1 billion during the mid-1990s to US \$ 3.8

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billion in 2004-05 (Chart). In 2004-05, Singapore was the fourth largest market for India's exports. During April-May 2005-06, India's exports to Singapore posted a growth of 88 per cent on y-on-y basis, the highest growth among India's major trading partners.

The striking feature of the recent years is the surge in exports of 'petroleum products', which accounted for 44.7 per cent of India's total exports to Singapore in 2004-05. Other major exports to Singapore are engineering goods (19.7 per cent of India's total exports to Singapore), 'gems and jewellery' (14.8 per cent) and chemical products (6.5 per cent). From the perspective of Singapore, India has also become an important trading partner. In 2004, India was the twelfth largest destination for Singapore's exports and fourteenth largest source of Singapore's imports. Excluding industrial countries, India was the sixth largest destination for Singapore's exports and ninth largest source of imports for Singapore.



Singapore is a significant investor in all the ASEAN countries, China and India. Its outward FDI amounted to Singaporean \$ 146 billion (i.e., US \$ 82 billion) in 2002. Singapore is the eleventh largest investor into India in terms of approved foreign direct investment during the period from 1991 and 2002. In the area of infrastructure, Singaporean companies have made significant investments in the Software Technology Park in Bangalore, Tuticorin port in Tamil Nadu and telecommunications.

During the last four decades, Singapore has transformed itself from a small trading entrepot to a global business hub with a strong manufacturing base in electronics, chemical and biomedical products and a well-developed services sector. Singapore is a highly trade-dependent economy with a strategic location within the Association of South East Asian Nations (ASEAN) representing a combined market of over 500 million people. Its trade to gross domestic product (GDP) ratio at over 300 per cent is the highest in the world. Free trade is attached high importance in foreign economic policy. Singapore is active in regional fora such as the ASEAN, the Asia Pacific Economic Cooperation (APEC), the Asia-Europe Meeting (ASEM) and the Forum on East Asia-Latin America Economic Cooperation (FEALAC). Singapore has so far concluded six Free Trade Arrangements (FTAs) with New Zealand, European Free Trade Association (Switzerland, Iceland, Liechtenstein and Norway), Australia, the US, Japan, Jordan and India and is engaged in FTA discussion with several other countries. The comprehensive cooperation between India and Singapore will provide several opportunities for both countries and have significant implications for bilateral trade in the future.

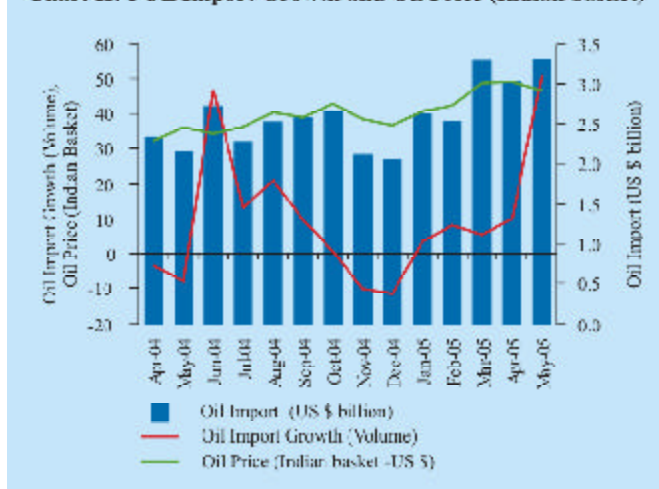
Imports

Imports have surged in an environment of buoyant economic activity. Cumulative imports during Q1 of 2005-06 increased by 37.8 per cent (36.6 per cent a year ago), driven by both oil and non-oil imports (Statement 2).

The rise in POL imports (33.1 per cent) in Q1 2005 was propelled by a sharp increase in international crude oil prices as well as a pick-up in volume growth (Chart II). The average crude oil price (Indian basket)² crossed the level of US \$ 52.3 per barrel recorded in June 2005 and firmed up to US \$ 54.9 per barrel in July 2005. In

² Indian basket comprising of 57 per cent of 'sour' variety benchmarked by Dubai crude and 43 per cent of 'sweet' variety benchmarked by UK Brent crude.

Chart II: POL Import Growth and Oil Price (Indian basket)

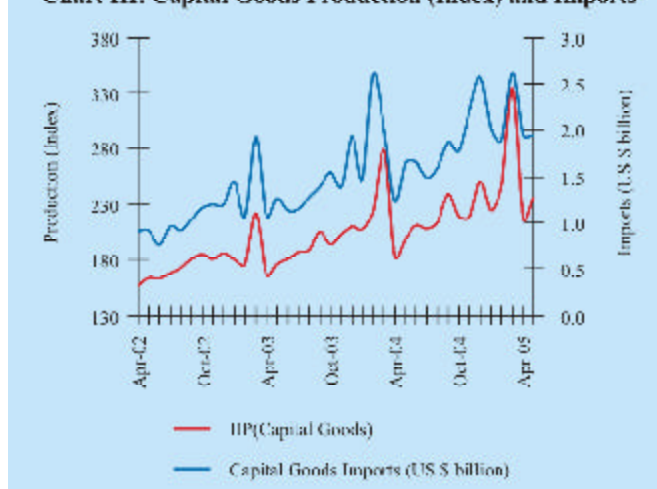


volume terms, oil imports registered a sharp increase of 31.6 per cent during April-May 2005 as against a decline of 5.9 per cent a year ago. According to Ministry of Petroleum and natural gas, indigenous production of crude oil declined during April-May 2005. Non-oil imports maintained high growth during Q1 of 2005 in tune with acceleration in industrial activity to a eight year peak in May 2005. 'Non-oil imports excluding gold and silver' witnessed substantial increase (61.1 per cent) during April-May 2005 led by imports of mainly industrial inputs (non-oil imports net of gold and silver, bulk consumption goods, manufactured fertilisers and professional instruments). Within industrial inputs, capital goods were the key drivers posting a growth of 34.3 per cent in April-May 2005 (Statement 5). The robust expansion of capital goods imports, accompanied by a strong growth of domestic production of capital goods, reflect substantial build-up in capacity of the industrial sector (Chart III).

Imports of mainly export related items (pearls, precious stones and chemicals) rose by 77.8 per cent in April-May 2005 as against a decline of 4.5 per cent in April-May 2004. Among bulk goods, edible oil and pulses recorded decline while fertiliser and non-ferrous metals registered steep rise in April-May 2005. Imports of iron and steel increased sharply by 88.0 per cent during April-May 2005, mainly attributable to domestic supply constraints arising from lower steel prices.

Destination-wise, China was the largest source of India's imports during April-May 2005, followed by the

Chart III: Capital Goods Production (Index) and Imports



US, Belgium, Germany, Australia, Korea and UAE (Statement 6).

Trade Deficit

The trade deficit nearly doubled to US \$ 11.5 billion during April-June 2005 from US \$ 6.0 billion in April-June 2004. Increase in non-oil imports was the major factor underlying the expansion in the trade deficit. During April-May 2005, non-oil trade balance showed a deficit of US \$ 2.7 billion as against a surplus of US \$ 0.1 billion a year ago.

GLOBAL DEVELOPMENTS

According to the July 2005 issue of the IMF's *International Financial Statistics*, world merchandise exports growth in US dollar terms slowed to 14.3 per cent during January-April 2005 (20.2 per cent a year ago). This mainly reflected the performance of industrial economies in which export growth slowed down to 10.6 per cent in January-April 2005 from 18.8 per cent a year ago. The deceleration in export growth was marked in the euro area (10.3 per cent in January-April 2005 as against 29.5 per cent a year ago). Developing economies, however, maintained higher export growth at 20 per cent. India's export growth surpassed that of world exports.

In the US, unabated consumer spending and lower unemployment has driven a robust expansion in trade. Although the trade deficit in the US declined in May 2005, merchandise import growth outstripped merchandise

exports. In China, the acceleration of GDP growth to 9.5 per cent in the first half of 2005 was led by strong export growth (35 per cent) and accommodative financial conditions, which have kept investment growth rates high. In Japan, early indications for the second quarter confirm that the recovery of the first quarter had a solid base in better domestic demand but exports remained weak. The euro area continued to remain constrained by anaemic consumer spending and weak exports.

In emerging economies, higher oil prices have begun to affect East Asian countries including Taiwan, Thailand, Singapore, Philippines, Indonesia and South Korea, which have shown deceleration in growth and in merchandise trade. In Korea, export growth slowed down to 10 per cent during January-April 2005 from 37.5 per cent a year

ago. In Indonesia, export growth slipped to negative trajectory (-5.4 per cent) from as high as 32 per cent a year ago. In Singapore, Thailand and Malaysia, although export growth remained positive, it was lower by 30-40 per cent than a year ago. In Eastern Europe, exports in Russia surged by 41 per cent during January-April 2005 (20 per cent a year ago). In Latin America, exports growth in Brazil, and Mexico during January-April 2005 was higher by 7-15 per cent than the previous year while the same witnessed a substantial deceleration in Chile.

Soaring international crude oil prices holds the key to world growth and trade. Despite the sign of some reduction in global oil demand, slow expansion of global crude oil supplies and refining capacity are major factors underlying the elevated international crude oil prices.

Statement 1 : India's Foreign Trade for the month of June 2005

| Year | Export | | | Import | | | Trade Balance | | |
|--------------------------|------------------|-----------------|------------------|------------------|------------------|------------------|---------------|---------|---------|
| | Total | Oil | Non-Oil | Total | Oil | Non-Oil | Total | Oil | Non-Oil |
| Rupees crore | | | | | | | | | |
| 2004-05 R | 27,184 (37.8) | 1,778 (43.2) | 25,406 (37.4) | 38,866 (49.8) | 12,395 (83.4) | 26,471 (38.0) | -11,682 | -10,617 | -1,065 |
| 2005-06 P | 30,992 (14.0) | .. | .. | 48,383 (24.5) | 14,170 (14.3) | 34,213 (29.2) | -17,391 | | |
| US dollar million | | | | | | | | | |
| 2004-05 R | 5,974 (41.4) | 391 (47.0) | 5,583 (41.0) | 8,541 (53.8) | 2,724 (88.2) | 5,817 (41.7) | -2,567 | -2,333 | -234 |
| 2005-06 P | 7,111 (19.0) | .. | .. | 11,101 (30.0) | 3,251 (19.4) | 7,850 (35.0) | -3,990 | | |
| SDR million | | | | | | | | | |
| 2004-05 R | 4,075 (36.4) | 267 (41.8) | 3,808 (36.1) | 5,826 (48.4) | 1,858 (81.6) | 3,968 (36.7) | -1,751 | -1,591 | -160 |
| 2005-06 P | 4,846 (18.9) | .. | .. | 7,565 (29.8) | 2,216 (19.2) | 5,349 (34.8) | -2,719 | | |

P : Provisional. R : Revised. ..Not available.

Note : Figures in brackets relate to percentage variation over the corresponding previous period.

Source : DGCI & S.

Statement 2 : India's Foreign Trade

| Year | Exports | | | Imports | | | Trade Balance | | |
|--------------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|---------------|----------|---------|
| | Total | Oil | Non-Oil | Total | Oil | Non-Oil | Total | Oil | Non-Oil |
| April-March | | | | | | | | | |
| Rupees crore | | | | | | | | | |
| 2002-2003 | 255,137 (22.1) | 12,469 (23.4) | 242,668 (22.0) | 297,206 (21.2) | 85,367 (27.9) | 211,839 (18.7) | -42,069 | -72,898 | 30,829 |
| 2003-2004 R | 293,367 (15.0) | 16,397 (31.5) | 276,969 (14.1) | 359,108 (20.8) | 94,520 (10.7) | 264,588 (24.9) | -65,741 | -78,123 | 12,382 |
| 2004-2005 P | 356,069 (21.4) | 30,518 (86.1) | 325,551 (17.5) | 481,064 (34.0) | 134,094 (41.9) | 346,970 (31.1) | -124,995 | -103,576 | -21,419 |
| US dollar million | | | | | | | | | |
| 2002-2003 | 52,719 (20.3) | 2,577 (21.6) | 50,143 (20.2) | 61,412 (19.4) | 17,640 (26.0) | 43,773 (17.0) | -8,693 | -15,063 | 6,370 |
| 2003-2004 R | 63,843 (21.1) | 3,568 (38.5) | 60,274 (20.2) | 78,149 (27.3) | 20,569 (16.6) | 57,580 (31.5) | -14,307 | -17,001 | 2,694 |
| 2004-2005 P | 79,247 (24.1) | 6,792 (90.3) | 72,455 (20.2) | 107,066 (37.0) | 29,844 (45.1) | 77,222 (34.1) | -27,819 | -23,052 | -4,767 |
| SDR million | | | | | | | | | |
| 2002-2003 | 39,785 (14.6) | 1,944 (15.8) | 37,841 (14.6) | 46,345 (13.8) | 13,312 (20.0) | 33,033 (11.5) | -6,560 | -11,367 | 4,807 |
| 2003-2004 R | 44,663 (12.3) | 2,496 (28.4) | 42,167 (11.4) | 54,672 (18.0) | 14,390 (8.1) | 40,282 (21.9) | -10,009 | -11,894 | 1,885 |
| 2004-2005 P | 53,202 (19.1) | 4,560 (82.7) | 48,642 (15.4) | 71,878 (31.5) | 20,036 (39.2) | 51,842 (28.7) | -18,676 | -15,476 | -3,200 |
| April-June | | | | | | | | | |
| Rupees crore | | | | | | | | | |
| 2004-2005 R | 78,527 (27.9) | 5,950 (64.3) | 72,577 (25.6) | 105,402 (30.3) | 32,378 (50.3) | 73,024 (23.1) | -26,875 | -26,428 | -447 |
| 2005-2006 P | 91,126 (16.0) | .. | .. | 141,093 (33.9) | 41,851 (29.3) | 99,242 (35.9) | -49,967 | | |
| US dollar million | | | | | | | | | |
| 2004-2005 R | 17,491 (34.0) | 1,325 (72.2) | 16,165 (31.6) | 23,477 (36.6) | 7,212 (57.6) | 16,265 (29.0) | -5,986 | -5,886 | -100 |
| 2005-2006 P | 20,898 (19.5) | .. | .. | 32,357 (37.8) | 9,598 (33.1) | 22,760 (39.9) | -11,459 | | |
| SDR million | | | | | | | | | |
| 2004-2005 R | 11,990 (28.3) | 908 (64.9) | 11,081 (26.0) | 16,093 (30.8) | 4,944 (50.9) | 11,149 (23.5) | -4,103 | -4,035 | -68 |
| 2005-2006 P | 14,008 (16.8) | .. | .. | 21,689 (34.8) | 6,433 (30.1) | 15,256 (36.8) | -7,681 | | |

P : Provisional. R : Revised. .. Not available.

Note : 1. Figures in brackets relate to percentage variation over the corresponding period of the previous year.

2. Data conversion has been done using period average exchange rates.

Source : DGCI & S.

Statement 3 : India's Exports of Principal Commodities

(US \$ million)

| Commodity Group | April-May | | | Percentage Variation | |
|---|----------------|-----------------|-----------------|----------------------|-------------|
| | 2003-04 | 2004-05 | 2005-06 P | (3)/(2) | (4)/(3) |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I. Primary Products | 1,320.5 | 1,853.9 | 2,174.8 | 40.4 | 17.3 |
| | (15.2) | (16.1) | (15.6) | | |
| A. Agricultural & Allied Products | 1,031.3 | 1,314.5 | 1,385.5 | 27.5 | 5.4 |
| <i>of which :</i> | (11.9) | (11.4) | (9.9) | | |
| 1. Tea | 34.5 | 48.0 | 47.3 | 39.3 | -1.4 |
| 2. Coffee | 43.3 | 45.8 | 64.9 | 6.0 | 41.5 |
| 3. Rice | 178.2 | 160.4 | 297.3 | -10.0 | 85.4 |
| 4. Wheat | 48.2 | 105.4 | 47.4 | 118.6 | -55.1 |
| 5. Cotton Raw incl. Waste | 4.6 | 36.1 | 43.9 | 686.6 | 21.7 |
| 6. Tobacco | 30.7 | 43.3 | 41.7 | 41.1 | -3.6 |
| 7. Cashew incl. CNSL | 46.9 | 58.2 | 94.8 | 24.2 | 63.0 |
| 8. Spices | 48.4 | 69.3 | 63.6 | 43.0 | -8.2 |
| 9. Oil Meal | 30.0 | 227.1 | 100.5 | 656.0 | -55.7 |
| 10. Marine Products | 176.1 | 128.0 | 164.3 | -27.3 | 28.4 |
| 11. Sugar & Mollases | 91.9 | 10.3 | 6.5 | -88.8 | -37.2 |
| B. Ores & Minerals | 289.2 | 539.4 | 789.2 | 86.5 | 46.3 |
| <i>of which :</i> | (3.3) | (4.7) | (5.7) | | |
| 1. Iron Ore | 114.0 | 318.5 | 505.5 | 179.4 | 58.7 |
| 2. Processed Minerals | 69.9 | 114.3 | 129.7 | 63.4 | 13.5 |
| II. Manufactured Goods | 6,606.3 | 8,355.0 | 9,954.9 | 26.5 | 19.1 |
| <i>of which :</i> | (76.1) | (72.6) | (71.3) | | |
| A. Leather & Manufactures | 298.9 | 328.0 | 334.6 | 9.7 | 2.0 |
| B. Chemicals & Related Products | 1,322.2 | 1,733.1 | 2,014.1 | 31.1 | 16.2 |
| 1. Basic Chemicals, Pharmaceuticals & Cosmetics | 847.6 | 992.7 | 1,230.6 | 17.1 | 24.0 |
| 2. Plastic & Linoleum | 207.8 | 442.3 | 435.1 | 112.9 | -1.6 |
| 3. Rubber, Glass, Paints & Enamels etc., | 213.5 | 238.5 | 262.2 | 11.7 | 10.0 |
| 4. Residual Chemicals & Allied Products | 53.3 | 59.7 | 86.2 | 12.1 | 44.3 |
| C. Engineering Goods | 1,695.7 | 2,258.3 | 2,972.4 | 33.2 | 31.6 |
| <i>of which :</i> | | | | | |
| 1. Manufactures of metals | 338.8 | 421.1 | 531.6 | 24.3 | 26.2 |
| 2. Machinery & Instruments | 411.5 | 489.8 | 644.4 | 19.0 | 31.6 |
| 3. Transport equipments | 212.8 | 377.1 | 780.2 | 77.2 | 106.9 |
| 4. Iron & steel | 385.0 | 461.2 | 580.7 | 19.8 | 25.9 |
| 5. Electronic goods | 239.2 | 298.1 | 241.5 | 24.6 | -19.0 |
| D. Textiles | 1,733.6 | 1,865.3 | 2,036.4 | 7.6 | 9.2 |
| <i>of which :</i> | | | | | |
| 1. Cotton Yarn, Fabrics, Made-ups, etc., | 496.7 | 514.7 | 509.1 | 3.6 | -1.1 |
| 2. Readymade Garments | 872.1 | 959.9 | 1,146.4 | 10.1 | 19.4 |
| 3. Manmade Yarn, Fabrics, Made-ups, etc., | 255.9 | 276.4 | 248.9 | 8.0 | -9.9 |
| E. Gems & Jewellery | 1,283.1 | 1,909.3 | 2,284.0 | 48.8 | 19.6 |
| F. Handicrafts | 75.7 | 60.7 | 61.6 | -19.9 | 1.6 |
| G. Carpets | 95.3 | 84.0 | 115.0 | -11.9 | 36.9 |
| 1. Handmade | 91.2 | 81.5 | 111.8 | -10.6 | 37.3 |
| 2. Millmade | 0.0 | 0.0 | 0.0 | | |
| 3. Silk | 4.1 | 2.5 | 3.1 | -39.4 | 25.2 |
| III. Petroleum Products | 503.9 | 935.6 | 1,250.3 | 85.7 | 33.6 |
| | (5.8) | (8.1) | (9.0) | | |
| IV. Others | 251.9 | 369.6 | 582.3 | 46.7 | 57.5 |
| | (2.9) | (3.2) | (4.2) | | |
| Total Exports | 8,682.7 | 11,514.0 | 13,962.2 | 32.6 | 21.3 |

P : Provisional.

Note : Figures in brackets relate to percentage share to total exports for the period.

Source : DGCI & S.

Statement 4 : Destination of India's Exports

(US \$ million)

| Group/Country | April-May | | | Percentage Variation | |
|--|----------------|-----------------|-----------------|----------------------|--------------|
| | 2003-04 | 2004-05 | 2005-06 P | (3)/(2) | (4)/(3) |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I. OECD Countries | 4,265.6 | 5,012.1 | 5,983.9 | 17.5 | 19.4 |
| A. EU | 1,979.3 | 2,299.7 | 3,033.3 | 16.2 | 31.9 |
| <i>Of which:</i> | | | | | |
| 1. Belgium | 272.4 | 357.4 | 400.8 | 31.2 | 12.1 |
| 2. France | 161.1 | 245.9 | 367.9 | 52.7 | 49.6 |
| 3. Germany | 375.8 | 410.3 | 471.2 | 9.2 | 14.8 |
| 4. Italy | 260.9 | 288.1 | 331.9 | 10.4 | 15.2 |
| 5. Netherland | 174.1 | 191.4 | 261.0 | 9.9 | 36.3 |
| 6. U K | 421.0 | 471.4 | 725.7 | 12.0 | 53.9 |
| B. North America | 1,769.0 | 2,134.8 | 2,295.7 | 20.7 | 7.5 |
| 1. Canada | 110.0 | 120.7 | 132.9 | 9.7 | 10.1 |
| 2. U S A | 1,659.0 | 2,014.1 | 2,162.8 | 21.4 | 7.4 |
| C. Asia and Oceania | 383.6 | 361.0 | 461.6 | -5.9 | 27.9 |
| <i>Of which:</i> | | | | | |
| 1. Australia | 89.4 | 86.7 | 103.1 | -3.0 | 19.0 |
| 2. Japan | 283.5 | 263.0 | 343.7 | -7.2 | 30.7 |
| D. Other OECD Countries | 133.7 | 216.6 | 193.3 | 62.0 | -10.8 |
| <i>Of which:</i> | | | | | |
| 1. Switzerland | 64.3 | 82.7 | 70.7 | 28.7 | -14.6 |
| II. OPEC | 1,187.7 | 1,917.7 | 1,897.2 | 61.5 | -1.1 |
| <i>Of which:</i> | | | | | |
| 1. Indonesia | 164.2 | 191.8 | 186.6 | 16.8 | -2.7 |
| 2. Iran | 109.8 | 192.2 | 88.7 | 75.0 | -53.9 |
| 3. Iraq | 3.3 | 15.3 | 6.3 | 363.8 | -59.1 |
| 4. Kuwait | 37.3 | 82.7 | 67.9 | 121.9 | -17.9 |
| 5. Saudi Arabia | 148.9 | 215.5 | 257.5 | 44.7 | 19.5 |
| 6. U A E | 605.1 | 1,082.4 | 1,056.6 | 78.9 | -2.4 |
| III. Eastern Europe | 217.8 | 267.1 | 278.1 | 22.7 | 4.1 |
| <i>Of which:</i> | | | | | |
| 1. Romania | 4.9 | 12.0 | 16.2 | 145.2 | 35.4 |
| 2. Russia | 104.2 | 91.4 | 110.5 | -12.2 | 20.9 |
| IV. Developing Countries | 2,985.5 | 4,236.4 | 5,781.3 | 41.9 | 36.5 |
| <i>Of which:</i> | | | | | |
| A. Asia | 2,313.5 | 3,453.9 | 4,455.0 | 49.3 | 29.0 |
| a) SAARC | 525.7 | 685.9 | 710.0 | 30.5 | 3.5 |
| 1. Bangladesh | 233.0 | 221.9 | 254.3 | -4.8 | 14.6 |
| 2. Bhutan | 15.9 | 20.6 | 19.4 | - | -5.7 |
| 3. Maldives | 4.8 | 4.7 | 7.1 | -1.7 | 51.8 |
| 4. Nepal | 82.7 | 146.1 | 120.8 | 76.5 | -17.3 |
| 5. Pakistan | 17.9 | 92.7 | 83.9 | 418.1 | -9.5 |
| 6. Sri Lanka | 171.4 | 200.0 | 224.5 | 16.7 | 12.2 |
| b) Other Asian Developing Countries | 1,787.8 | 2,768.0 | 3,745.0 | 54.8 | 35.3 |
| <i>Of which:</i> | | | | | |
| 1. People's Rep of China | 339.8 | 566.9 | 864.4 | 66.8 | 52.5 |
| 2. Hong Kong | 385.6 | 542.5 | 665.5 | 40.7 | 22.7 |
| 3. South Korea | 90.8 | 161.5 | 216.5 | 77.8 | 34.1 |
| 4. Malaysia | 111.1 | 191.2 | 138.9 | 72.1 | -27.4 |
| 5. Singapore | 234.2 | 521.6 | 1,026.8 | 122.7 | 96.8 |
| 6. Thailand | 93.5 | 114.7 | 146.8 | 22.7 | 27.9 |
| B. Africa | 435.2 | 509.5 | 899.8 | 17.1 | 76.6 |
| <i>Of which:</i> | | | | | |
| 1. Benin | 10.3 | 4.7 | 10.5 | -54.0 | 121.3 |
| 2. Egypt Arab Republic | 44.9 | 61.9 | 119.6 | 37.8 | 93.3 |
| 3. Kenya | 30.5 | 38.8 | 119.1 | 27.2 | 206.6 |
| 4. South Africa | 63.7 | 102.3 | 236.7 | 60.7 | 131.5 |
| 5. Sudan | 14.0 | 19.8 | 53.6 | 40.7 | 171.3 |
| 6. Tanzania | 22.4 | 25.3 | 27.5 | 13.2 | 8.5 |
| 7. Zambia | 6.9 | 5.0 | 11.8 | -27.4 | 136.2 |
| C. Latin American Countries | 236.7 | 273.1 | 426.6 | 15.4 | 56.2 |
| V. Others | 19.4 | 11.3 | 11.7 | -41.8 | 3.8 |
| VI. Unspecified | 6.8 | 69.4 | 10.0 | 925.1 | -85.6 |
| Total Exports | 8,682.7 | 11,514.0 | 13,962.2 | 32.6 | 21.3 |

P : Provisional.

Source : DGCI & S.

Statement 5 : India's Imports of Principal Commodities

(US \$ million)

| Commodity Group | April-May | | | Percentage Variation | |
|--|--------------------------|--------------------------|---------------------------|----------------------|--------------|
| | 2003-04 | 2004-05 | 2005-06 P | (3)/(2) | (4)/(3) |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I. Bulk Imports | 4,488.7 (38.6) | 6,019.0 (40.3) | 8,602.2 (39.8) | 34.1 | 42.9 |
| A. Petroleum, Petroleum Products & Related Material | 3,128.8 (26.9) | 4,481.4 (30.0) | 6,346.7 (29.4) | 43.2 | 41.6 |
| B. Bulk Consumption Goods | 528.3 | 393.1 | 352.5 | -25.6 | -10.3 |
| 1. Cereals & Cereal Preparations | 2.4 | 4.3 | 4.9 | 76.9 | 13.3 |
| 2. Edible Oil | 441.0 | 331.6 | 258.0 | -24.8 | -22.2 |
| 3. Pulses | 84.9 | 57.0 | 49.5 | -32.9 | -13.1 |
| 4. Sugar | 0.0 | 0.2 | 40.1 | - | - |
| C. Other Bulk Items | 831.6 | 1,144.5 | 1,903.0 | 37.6 | 66.3 |
| 1. Fertilisers | 73.4 | 86.0 | 243.5 | 17.1 | 183.1 |
| a) Crude | 17.1 | 49.2 | 43.6 | 187.0 | -11.2 |
| b) Sulphur & Unroasted Iron Pyrites | 6.0 | 17.7 | 14.2 | 195.9 | -19.7 |
| c) Manufactured | 50.3 | 19.2 | 185.6 | -61.9 | 867.4 |
| 2. Non-Ferrous Metals | 131.4 | 168.7 | 245.8 | 28.4 | 45.7 |
| 3. Paper, Paperboard & Mgfd. incl. Newsprint | 88.0 | 92.8 | 142.7 | 5.5 | 53.7 |
| 4. Crude Rubber, incl. Synthetic & Reclaimed | 38.0 | 57.4 | 71.8 | 51.2 | 25.0 |
| 5. Pulp & Waste Paper | 67.7 | 68.1 | 80.3 | 0.5 | 18.0 |
| 6. Metalliferrous Ores & Metal Scrap | 209.2 | 310.9 | 441.2 | 48.6 | 41.9 |
| 7. Iron & Steel | 223.9 | 360.6 | 677.8 | 61.0 | 88.0 |
| II. Non-Bulk Imports | 7,130.2 (61.4) | 8,903.5 (59.7) | 13,009.1 (60.2) | 24.9 | 46.1 |
| A. Capital Goods | 2,349.1 | 2,882.2 | 3,871.8 | 22.7 | 34.3 |
| 1. Manufactures of Metals | 100.6 | 120.8 | 161.1 | 20.0 | 33.4 |
| 2. Machine Tools | 52.0 | 75.4 | 140.6 | 45.0 | 86.6 |
| 3. Machinery except Electrical & Electronics | 650.3 | 816.9 | 1,230.9 | 25.6 | 50.7 |
| 4. Electrical Machinery except Electronics | 125.5 | 163.7 | 189.0 | 30.4 | 15.4 |
| 5. Electronic Goods incl. Computer Software | 1,095.4 | 1,420.3 | 1,596.4 | 29.7 | 12.4 |
| 6. Transport Equipments | 232.7 | 215.1 | 446.3 | -7.6 | 107.5 |
| 7. Project Goods | 92.6 | 70.0 | 107.5 | -24.4 | 53.7 |
| B. Mainly Export Related Items | 1,805.4 | 1,724.8 | 3,066.0 | -4.5 | 77.8 |
| 1. Pearls, Precious & Semi-Precious Stones | 1,036.6 | 810.1 | 1,710.5 | -21.8 | 111.1 |
| 2. Chemicals, Organic & Inorganic | 572.7 | 686.5 | 1,035.8 | 19.9 | 50.9 |
| 3. Textile Yarn, Fabric, etc. | 181.3 | 200.5 | 265.6 | 10.6 | 32.4 |
| 4. Cashew Nuts, raw | 14.9 | 27.6 | 54.1 | 85.8 | 96.2 |
| C. Others | 2,975.7 | 4,296.5 | 6,071.3 | 44.4 | 41.3 |
| <i>of which :</i> | | | | | |
| 1. Gold & Silver | 1,444.4 | 2,185.3 | 1,967.0 | 51.3 | -10.0 |
| 2. Artificial Resins & Plastic Materials | 146.2 | 191.7 | 298.5 | 31.1 | 55.7 |
| 3. Professional Instruments etc. except electrical | 175.7 | 207.6 | 262.3 | 18.2 | 26.3 |
| 4. Coal, Coke & Briquettes etc. | 209.9 | 535.5 | 463.2 | 155.1 | -13.5 |
| 5. Medicinal & Pharmaceutical Products | 105.0 | 106.5 | 122.9 | 1.4 | 15.4 |
| 6. Chemical Materials & Products | 78.4 | 111.2 | 158.7 | 41.8 | 42.8 |
| 7. Non-Metallic Mineral Manufactures | 45.3 | 54.8 | 81.7 | 20.9 | 49.1 |
| Total Imports | 11,618.9 | 14,922.4 | 21,611.3 | 28.4 | 44.8 |
| MEMO ITEMS | | | | | |
| Non-Oil Imports | 8,490.1 | 10,441.0 | 15,264.7 | 23.0 | 46.2 |
| Non-Oil Imports excl. Gold & Silver | 7,045.7 | 8,255.7 | 13,297.6 | 17.2 | 61.1 |
| Mainly Industrial Inputs* | 6,291.4 | 7,635.8 | 12,497.2 | 21.4 | 63.7 |

P : Provisional.

Note : Figures in brackets relate to percentage to total imports for the period.

* Non oil imports net of gold and silver, bulk consumption goods, manufactured fertilizers and professional instruments.

Source : DGCI & S.

Statement 6 : Sources of India's Imports

(US \$ million)

| Group/Country | April-May | | | Percentage Variation | |
|-------------------------------------|-----------------|-----------------|-----------------|----------------------|--------------|
| | 2003-04 | 2004-05 | 2005-06 P | (3)/(2) | (4)/(3) |
| 1 | 2 | 3 | 4 | 5 | 6 |
| I. OECD Countries | 4,443.5 | 5,245.3 | 7,956.2 | 18.0 | 51.7 |
| A. EU | 2,161.3 | 2,129.0 | 3,354.5 | -1.5 | 57.6 |
| <i>Of which:</i> | | | | | |
| 1. Belgium | 618.4 | 511.5 | 894.1 | -17.3 | 74.8 |
| 2. France | 152.4 | 170.1 | 220.5 | 11.6 | 29.7 |
| 3. Germany | 376.4 | 477.7 | 815.3 | 26.9 | 70.7 |
| 4. Italy | 164.6 | 193.2 | 232.9 | 17.4 | 20.5 |
| 5. Netherland | 81.4 | 96.8 | 193.6 | 19.0 | 99.9 |
| 6. U K | 509.9 | 348.7 | 578.1 | -31.6 | 65.8 |
| B. North America | 789.5 | 839.9 | 1,270.6 | 6.4 | 51.3 |
| 1. Canada | 78.7 | 67.7 | 137.9 | -14.0 | 103.8 |
| 2. U S A | 710.8 | 772.2 | 1,132.6 | 8.6 | 46.7 |
| C. Asia and Oceania | 652.0 | 1,076.1 | 1,280.5 | 65.0 | 19.0 |
| <i>Of which:</i> | | | | | |
| 1. Australia | 263.1 | 637.3 | 800.6 | 142.2 | 25.6 |
| 2. Japan | 376.7 | 415.2 | 457.1 | 10.2 | 10.1 |
| D. Other OECD Countries | 840.6 | 1,200.4 | 2,050.7 | 42.8 | 70.8 |
| <i>Of which:</i> | | | | | |
| 1. Switzerland | 777.8 | 1,172.2 | 1,998.4 | 50.7 | 70.5 |
| II. OPEC | 699.4 | 1,229.5 | 1,646.2 | 75.8 | 33.9 |
| <i>Of which:</i> | | | | | |
| 1. Indonesia | 316.4 | 382.8 | 347.5 | 21.0 | -9.2 |
| 2. Iran | 38.4 | 46.3 | 101.1 | 20.7 | 118.3 |
| 3. Iraq | 0.0 | 0.2 | 0.4 | - | - |
| 4. Kuwait | 15.1 | 29.9 | 46.2 | 98.7 | 54.2 |
| 5. Saudi Arabia | 89.7 | 138.8 | 225.2 | 54.7 | 62.2 |
| 6. U A E | 194.7 | 530.4 | 803.2 | 172.4 | 51.4 |
| III. Eastern Europe | 260.8 | 338.8 | 590.5 | 29.9 | 74.3 |
| <i>Of which:</i> | | | | | |
| 1. Romania | 10.6 | 27.5 | 57.3 | 159.5 | 108.0 |
| 2. Russia | 140.5 | 173.0 | 325.1 | 23.1 | 88.0 |
| IV. Developing Countries | 3,036.2 | 3,613.2 | 5,047.8 | 19.0 | 39.7 |
| <i>Of which:</i> | | | | | |
| A. Asia | 2,159.1 | 2,820.6 | 4,060.3 | 30.6 | 44.0 |
| a) SAARC | 83.4 | 79.1 | 172.1 | -5.2 | 117.7 |
| 1. Bangladesh | 16.9 | 4.4 | 9.9 | -74.1 | 125.5 |
| 2. Bhutan | 11.1 | 6.7 | 17.0 | -39.4 | 152.7 |
| 3. Maldives | 0.0 | 0.1 | 0.3 | - | - |
| 4. Nepal | 23.3 | 32.2 | 49.9 | 38.0 | 55.0 |
| 5. Pakistan | 11.2 | 6.2 | 18.2 | -44.2 | 192.2 |
| 6. Sri Lanka | 20.9 | 29.5 | 76.9 | 40.9 | 160.9 |
| b) Other Asian Developing Countries | 2,075.7 | 2,741.5 | 3,888.2 | 32.1 | 41.8 |
| <i>Of which:</i> | | | | | |
| 1. People's rep of China | 563.3 | 942.3 | 1,304.6 | 67.3 | 38.5 |
| 2. Hong Kong | 224.3 | 183.4 | 329.6 | -18.3 | 79.8 |
| 3. South Korea | 319.6 | 471.0 | 586.6 | 47.3 | 24.6 |
| 4. Malaysia | 306.7 | 270.5 | 390.1 | -11.8 | 44.2 |
| 5. Singapore | 240.9 | 333.7 | 473.2 | 38.5 | 41.8 |
| 6. Thailand | 75.2 | 96.4 | 168.9 | 28.3 | 75.2 |
| B. Africa | 685.0 | 544.2 | 723.3 | -20.6 | 32.9 |
| <i>Of which:</i> | | | | | |
| 1. Benin | 6.5 | 11.6 | 23.5 | 78.2 | 102.8 |
| 2. Egypt Arab Republic | 23.3 | 19.0 | 36.0 | -18.4 | 89.4 |
| 3. Kenya | 5.7 | 7.7 | 8.1 | 35.7 | 5.5 |
| 4. South Africa | 549.2 | 340.5 | 480.2 | -38.0 | 41.0 |
| 5. Sudan | 4.6 | 4.2 | 4.0 | -8.6 | -5.0 |
| 6. Tanzania | 4.1 | 3.4 | 4.1 | -16.3 | 21.2 |
| 7. Zambia | 0.1 | 3.3 | 3.0 | - | -8.9 |
| C. Latin American Countries | 192.1 | 248.4 | 264.1 | 29.3 | 6.3 |
| V. Others | 1.1 | 0.6 | 4.0 | -48.2 | 620.7 |
| VI. Unspecified | 3,177.9 | 4,495.0 | 6,366.6 | 41.4 | 41.6 |
| Total Imports | 11,618.9 | 14,922.4 | 21,611.3 | 28.4 | 44.8 |

P:Provisional.

Note : Country-wise break-up of imports of petroleum and petroleum products amounting to US \$ 3,128.8 million during April-May 2003 (26.9 per cent of total imports) US \$ 4,481.4 million during April-May 2004 (30.0 per cent of total imports) and 6,346.7 million during April-May 2005 (29.4 per cent of total imports) which are included in total imports is not available.

Source : DGCI & S.