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Containerized trade growth slows to 1%

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Chennai: While India's containerized trade growth slowed to 1% in Q2 2019, (9% in the same period last year) due to a combination of international factors including slowing trade growth, and growing trade tensions – coupled with domestic factors like rural consumer distress, tightening liquidity and a slow-down in key manufacturing sectors. Exports to the north America, predominantly the US rose 14% y-o-y.

India's exports to China declined by 20%, led by a re-

duction in demand for textiles and apparel, which were large export commodities in the corresponding period last year. Imports from China contracted more, by 22%.

TRADE WOES

On the other hand, the increasing economic cooperation between India and Saudi Arabia led the latter to emerge as one the strongest export partners in Q2 2019, growing by 74%, with vegetables and tiles, stone and glass exports from India leading this growth, said Maersk India Trade Re-

port.

Overall trade with Europe grew 10% in Q2 2019, while containerized trade with the Mediterranean countries was flat, primarily due to a 2% contraction in exports.

Shipments to the US was driven by sea food, more specifically shrimps — that grew 14% y-o-y. "India has a great opportunity to position itself as a beneficiary of the global trade tensions, provided it can attract investment, move up the ease of doing business index and reduce costs related to logistics," said Steve Felder, MD, Maersk South Asia.