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TRADE GAP WIDENS TO ALL-TIME HIGH; MERCHANDISE EXPORTS UP FOR 12TH STRAIGHT MONTH

Exports up 26.49% to \$29.9b in Nov

GAP WIDENS All-time high trade deficit of \$23.27 billion after imports rose 57.18% to \$53.15 billion

Our Bureau

New Delhi: India's merchandise exports increased for the twelfth consecutive month in November clocking a growth of 26.49% year on year at \$29.88 billion, led by engineering goods, petroleum products, plastics and cotton yarn.

However, sequentially, exports declined 16% to \$29.88 billion in November from \$35.65 billion in October.

Official data released on Wednesday showed a 57.18% rise in imports at \$53.15 billion leaving an all-time trade deficit of \$23.27 billion compared to \$10.19 billion in November 2020. Non-oil, non-gems and jewellery imports, an indicator of the strength of domestic demand,

rose 49.52% on-year.

"The holidays in the festive season have substantially dented the momentum in merchandise exports in November, bringing them down to the lowest level of FY22," said Aditi Nayar, chief economist, ICRA.

Exports of gems and jewellery fell 11% while those of pharmaceuticals dropped 7%. Gold imports rose 39.67% at \$4.2 billion.

In the first eight months of the fiscal, exports increased 50.71% at \$262.46 billion while

imports rose 75.39% at \$384.44 billion.

"This performance showcases the continuous resilience of India's exports sector. The enthusiasm with which the Exim community has impressively performed during the year

has further given a boost to the sector," said A Sakthivel, president, Federation of Indian Export Organisations.

Value of non-petroleum exports in November was \$26.06 billion, registering a growth of 18.1% over the same period in 2020 and a growth of 18.69% at \$21.95 billion in November 2019, the commerce and industry ministry said in a statement.

Value of non-petroleum imports was \$38.47 billion, up 39.9% year-on-year and 40.12% higher than November 2019.

"We are cautiously optimistic that the exports momentum will revive, although the uncertainty engendered by the Omicron variant poses a concern regarding the immediate outlook," said Nayar.

Export Momentum

MONTH	EXPORTS GROWTH (%)
Apr	195.7
May	69.35
June	48.3
July	49.85
Aug	45.17
Sep	22.76
Oct	35.16
Nov	26.49

Nov trade deficit all-time high

Engg. petroleum prods drive exports

Gems & jewellery, pharma exports decline

Strong domestic demand as non-oil, non-gold imports up 49.52%

Burgeoning imports matter of concern

