

● **HARD NUMBERS**

Exports jump 20% in May, trade deficit widens

FE BUREAU
New Delhi, June 15

MERCHANDISE EXPORTS IN May jumped 20.2%, the fastest pace in six months, as a rise in oil prices helped boost outbound shipment value, although engineering goods, chemicals and pharmaceutical products registered decent expansion.

The trade deficit widened to a four-month high of \$14.62 billion as a higher net oil import bill negated gains from a contraction in gold and precious stone imports. The labour-

intensive garment segments continued slide, with exports declining 16.6% in May. Leather exports inched up only 2%.

But what could comfort policymakers is that, even discounting petroleum and gems and jewellery, exports rose a decent 13.9%. For the first two months of this fiscal, non-petroleum and non-gems and jewellery exports grew 12.8% from a year ago, slightly higher than the 12.6% rise in overall goods exports during this period.

Continued on Page 2