

Goods export up 19% in August at \$27.84 b

But a sharp rise in import of oil, gold widens trade gap to \$17.4 billion

OUR BUREAU

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An increase in exports of goods across sectors such as petroleum, electronics, engineering goods, gems & jewellery, pharmaceuticals and chemicals pushed the country's overall exports to \$27.84 billion in August, a growth of 19.21 per cent.

A sharper increase in import of items such as petroleum and gold, however, pushed total imports in the month by 25.41 per cent to \$45.24 billion resulting in higher trade deficit of \$17.4 billion compared to a deficit of \$12.72 billion in August 2017, according to provisional data published by the Commerce Ministry on Friday. The trade gap during the month, though, was a tad lower than last month's



Sore point Exports from a number of labour-intensive sectors such as readymade garments and marine products continued to fall

five-year high of \$18.02 billion. While import of petroleum, crude & products rose 51.62 per cent to \$11.83 billion, inflow of gold increased 92 per cent to \$3.63 billion with demand increasing partly due to the upcoming festival season.

Proving to be a worrying trend for the economy, exports from a number of labour-intensive sectors such as ready made garments, carpets and marine products continued to fall in August

as well. Most of the sectors had posted a dip in exports in July as well.

Cumulatively, exports grew at 16.13 per cent to \$136.09 billion during April-August 2018-19. Imports for the period were \$216.43 billion, a growth of 17.34 per cent.

"It goes to the credit of Indian exporters that they have been performing well for the past several months, braving a turbulent global trade environment, marked

by a pressure on the currencies of the emerging markets, tariff war and uncertainty over Iran," said EEP (Engineering Export Promotion Council) India Chairman Ravi Sehgal, adding that the government and the RBI must accord top priority to the sector as it generates employment.

India's overall exports (merchandise and services combined) in April-August 2018-19 are estimated to be \$221.83 billion, registering a growth of 20.70 per cent over the same period last year. Overall imports during the five-month period are estimated to be \$269.54 billion, exhibiting a growth of 21.01 per cent over the comparable period last year.

The Commerce Ministry pointed out that the services export and import figures for August 2018 had been extrapolated from RBI's April-July 2018 data and would be revised as per RBI's next press release for August data.