

Exports fall in January

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New Delhi: The country's exports contracted for the sixth month running by 1.66 per cent in January to \$25.97 billion, amidst fears the outbreak of the coronavirus will put a downward pressure on the world economy and impact export demand.

Imports, too, declined 0.75 per cent to \$41.14 billion, leaving a trade deficit of \$15.17 billion in January. The deficit was \$15.05 billion in January 2019, according to data released by the commerce ministry.

The president of the Federation of Indian Export Organisations (Fieo), Sharad Kumar Saraf, said, "Global and domestic factors have again pulled down the monthly exports. Besides protectionism and liquidity concerns, the sudden spread of the coronavirus in China has further worsened the global sentiment and the exporters are delaying their shipments."

Out of the 30 major items each in India's export and import baskets, 21 export items and 17 imported goods witnessed contraction.

Exports of ready-made garment fell 5 per cent, gems and jewellery 11.6 per cent and engineering fell 4 per cent.

Aditi Nayar, principal economist at Icra Ltd, said the rise in the trade deficit to a seven-month high has primarily been led by a sharp rise in crude oil imports, which grew 15.3 per cent.

"The impact and duration of the coronavirus threat on

CORONA CLOUD

	\$ bn	% change
Exports	25.97	↓ 1.66
Imports	41.14	↓ 0.75
Deficit	15.17	↑ 0.79



manufacturing supply chains, tourism and trade poses a risk to the level of exports and imports of goods and services in the ongoing quarter. Regardless, the decline in commodity prices will cushion the impact on the current account deficit, which is now expected to print around 1 per cent of GDP in 2019-20," she added.

Trade with US

With less than 10 days left for the visit of US President Donald Trump to India, officials of both the countries are yet to resolve differences in various sectors, including agriculture, poultry and dairy.

The deal should be mutually beneficial and it should not compromise India's interest, PTI said quoting sources.

Although talks are ongoing on, there is no clarity if a trade pact will be signed during Trump's two-day visit, beginning February 24.

The sources said India has clearly stated that dairy and milk products should not be derived from animals that are fed internal organs, blood meal or tissues of ruminant origin as it would hurt the sentiments of the society at large.