

Business Standard

Exports grow 11 months on trot, rise 43% to \$35.65 billion in October



Photo: Bloomberg

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Merchandise [exports](#) grew for the eleventh consecutive month to \$35.65 billion, up 43 per cent on-year in October, as external demand continued to remain robust.

The preliminary data released by the commerce and industry ministry showed growth being driven by higher demand for items, primarily engineering goods, petroleum products, gems and jewellery, as well as organic and inorganic chemicals, among other items.

Compared with pre-Covid levels of October 2019, growth in the value of goods exported was up nearly 36 per cent. [Exports](#) have been on an upward trajectory for close to a year now, with the value of [exports](#) hovering around \$30 billion over the past eight months, amid gradual recovery in key western markets.

Vijay Kalantri, chairman, MVIRDC, World [Trade](#) Center Mumbai, said a strong world demand across eight consumer goods categories — carpets, handicrafts, leather goods, spices, marine products, meat (including poultry and dairy products), plastics, and electronic goods — is expected to further increase in

future.

“These eight goods account for 12 per cent of our outward shipment. We expect world demand for these eight goods to grow in the months to come as economic growth and income levels recover from the lows of the pandemic,” said Kalantri.

On a cumulative basis, India’s [merchandise exports](#) in April-October was \$233.54 billion, up 55.23 per cent on-year and up 26 per cent, compared with the same period in 2019. This translates into India achieving 58 per cent of its export target of \$400 billion for the current fiscal year.

Imports continued to remain elevated in October.

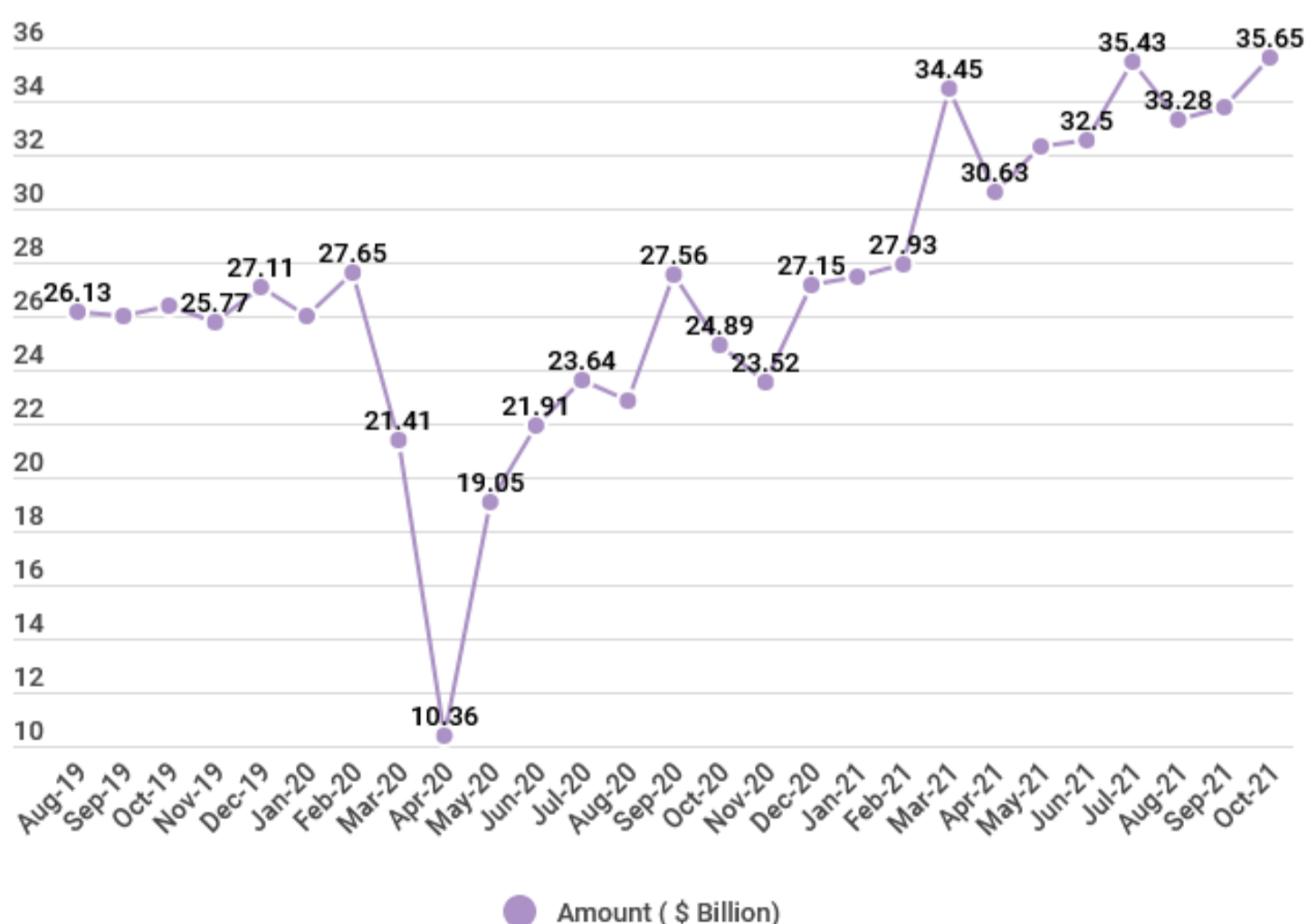
With the onset of the festival season, India imported goods worth \$55.37 billion, up 62.5 per cent on-year and 45.7 per cent, compared with October 2019.

[Trade](#) deficit, however, fell to \$19.73 billion in October after expanding to a record high of \$22.59 billion in September. The widening of deficit was led by a surge in import of goods ahead of the festival season and the hardening of commodity prices.

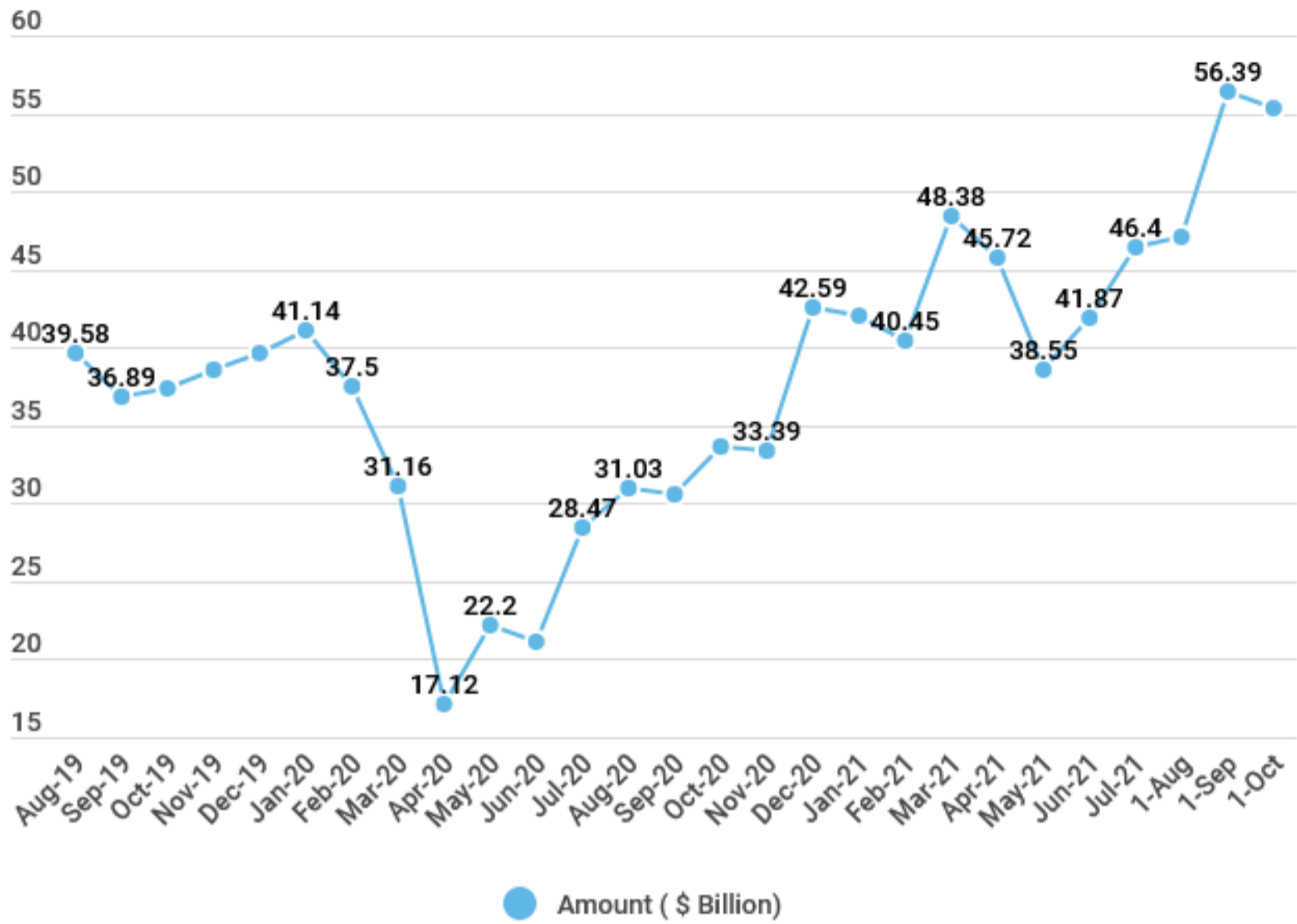
“This is the second consecutive month to post imports of over \$55 billion, of which non-petroleum and non-gems and jewellery imports amounted to \$32 billion, which show the mounting demand for machines and materials spurring manufacturing activity. Although this pace would lead to growing [trade](#) deficit and associated challenges, it is required to lift economic revival,” said Prahalathan Iyer, chief general manager, research & analysis, India Exim Bank.

Non-petroleum and non-gems and jewellery exports in October were \$26.09 billion, up 27.7 per cent on-year. They witnessed a 37 per cent jump, compared with October 2019.

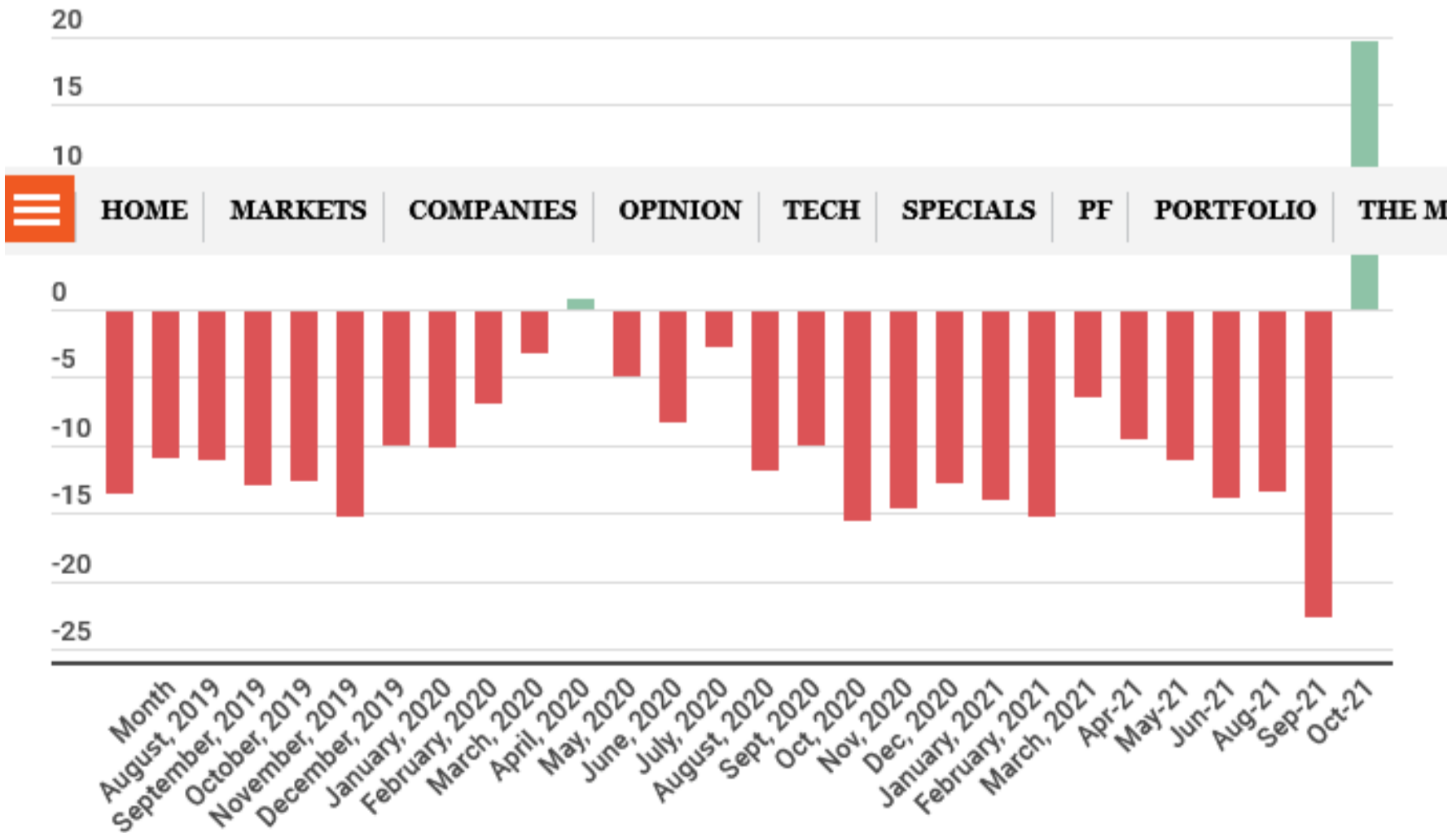
Exports



Imports



Trade Balance (\$ bn)



Source: Ministry of Commerce & Industry