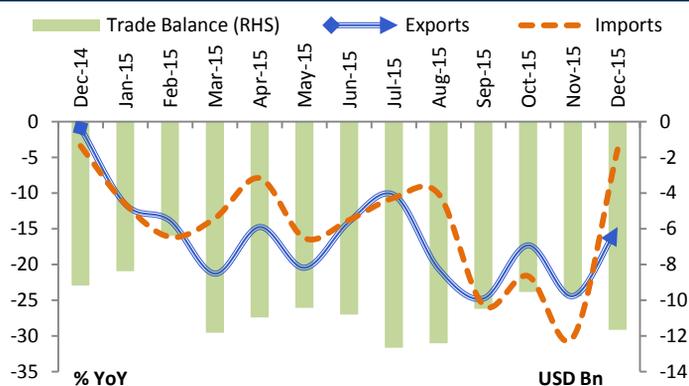


Trade deficit rose to USD 11.7 billion in December 2015

- ❖ India's trade deficit increased from USD 9.8 billion in November 2015 to USD 11.7 billion in December 2015. On a cumulative basis, trade deficit stood at USD 99.2 billion in April-December 2015-16 as against USD 111.7 billion recorded in the corresponding period of previous fiscal year.
- ❖ Overall exports during the month of December 2015 were valued at USD 22.3 billion, 14.8 percent lower than the level of USD 26.2 billion recorded in the corresponding month of the previous fiscal year.
- ❖ Total imports for the month of December 2015 fell by 3.9 percent and stood at USD 34.0 billion vis-à-vis USD 35.3 billion worth of imports recorded in December 2014. Oil imports contracted by 33.2 percent while non-oil imports registered a growth of 7.6 percent in December 2015 with gold imports surging 179 percent during the month.

Trend in India's Merchandise Trade



Oil and Non-oil Imports

Time period	Imports (USD Billion)		Growth rate (% YoY)	
	Oil	Non-Oil	Oil	Non-Oil
Dec-2014	10.0	25.4	-28.4	12.0
Dec-2015	6.7	27.3	-33.2	7.6
Apr-Dec 2014-15	116.6	235.1	-4.7	9.2
Apr-Dec 2015-16	68.1	227.7	-41.6	-3.1

Merchandise exports have contracted for thirteen consecutive months ending December 2015. Primarily, weak global demand and subdued commodity prices have contributed to the decline in our outbound shipments.

India's exports to Asia contracted by 30 percent in November 2015 as compared to growth of 10 percent in November 2014. Asian countries constitute almost half of our total export basket and a steep fall in growth is worrisome. Similar trend was noticed in our exports to Europe and America. However, our exports to Africa have witnessed further contraction in November 2015 as compared to the decline noted in November 2014.

The commerce ministry has recently prepared a strategy to boost shipments to Africa and has identified engineering as a major sector for export to several nations of that continent. The Department of Commerce plans to hold consultation meetings with the Ambassadors and High Commissioners of major African nations and industry stakeholders to implement the strategy. The step is expected to boost exports of engineering goods which forms a major chunk of our exports basket.

Growth in some Export Commodities

Items	Dec-14	Nov-15	Dec-15
Petroleum & crude products	-7.2	-53.9	-47.7
Engineering goods	27.4	-28.6	-15.7
Gems and jewellery	-1.1	-21.5	-7.8
Drugs, pharmaceuticals & fine chemicals	2.8	1.0	8.2
Readymade garments	10.1	3.0	5.0
Carpets	8.8	8.2	18.4

India's Exports to Regions

	YoY growth			% share in total exports		
	Nov-14	Oct-15	Nov-15	Nov-14	Oct-15	Nov-15
Asia	10.3	-22.3	-30.3	50.0	46.0	47.9
Europe	16.3	-6.5	-28.1	19.9	20.5	19.7
America	20.1	-13.9	-20.8	17.7	20.8	19.3
Africa	-8.9	-23.5	-28.5	10.0	9.9	9.8

Source: Ministry of Commerce and Industry, Economic outlook CMIE and FICCI Research