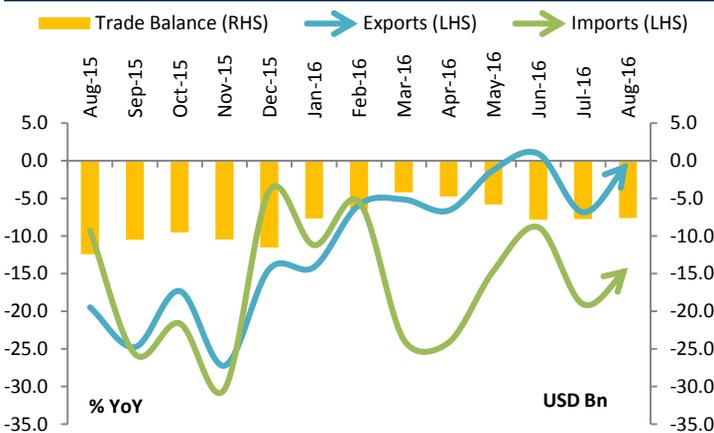


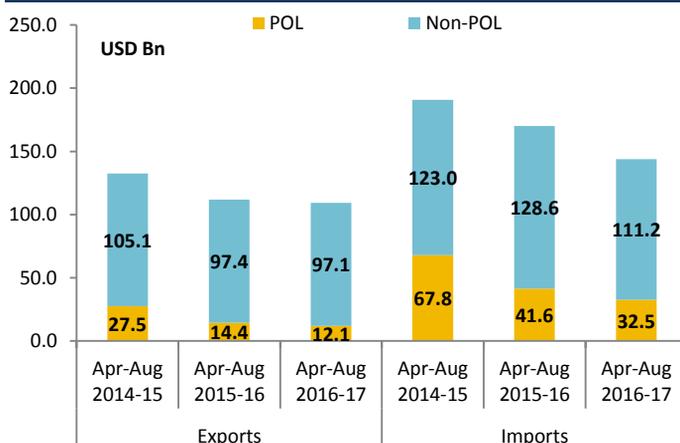
Trade deficit stood at USD 7.6 billion in August 2016

- ❖ India's trade deficit stood at USD 7.6 billion in August 2016 vis-à-vis USD 12.4 billion in August 2015.
- ❖ Total merchandise exports declined by 0.3 percent in the month of August 2016 as compared to a decline of 19.5 percent noted in the same month previous year. Overall exports were valued at USD 21.5 billion in August 2016. While oil exports contracted by 11.3 percent, non-oil exports posted a recovery, growing by 14.2 percent in August 2016. Major export commodities such as engineering goods, drugs & pharmaceuticals, gems & jewellery, electronic goods and readymade garments reported growth during the month.
- ❖ Overall imports for the month of August 2016 stood at USD 29.1 billion, declining by 14.2 percent as against USD 33.9 billion worth of imports in August 2015. Oil imports fell by 8.3 percent while non-oil imports noted a decline of 15.9 percent in August 2016. Gold imports remained in the contractionary zone and were valued at USD 1.2 billion during the month.

Trend in India's Merchandise Trade



Non Oil- Non Oil Trade (Cumulative)

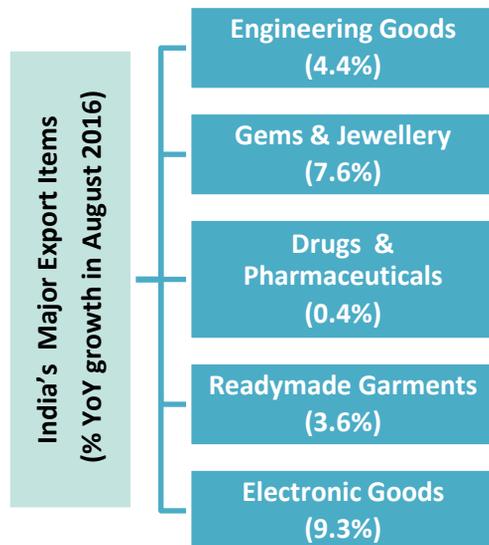


India's merchandise exports continued to report contraction in August 2016 after posting a weak recovery in June 2016. On the positive side, however, broadly all major non-oil export items reported growth during the month raising hopes for a better performance in the near term.

In addition, recent measures taken by the government to support outbound shipments is a step in the right direction.

Measures taken to aid exports:

1. Additional 2901 items, which fell under different product categories added under Merchandise Exports from India Scheme (MEIS).
2. MEIS rates of 575 product items falling under 11 products categories have been increased.
3. Finance Ministry has revised the declarations to be furnished by certain exporters.
4. CBEC has recently revised the Authorised Economic Operator (AEO) programme in order to expedite clearance of cargo from ports, and reduce time and cost in cross border trade.



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