

Monthly Economic Analysis
Fortune 2009

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Recent Trends in Indian Economy

Industrial growth

Latest data available for the month of June 09 shows that industrial production recorded a growth of 7.8 percent. While the manufacturing sector recorded a growth of 7.5 percent, electricity generation registered a growth of 8 percent. The mining sector contributed to this overall strong performance by registering a growth of 15.4 percent in the month of June 09.

A look at the numbers as per use based classification show that both basic goods and intermediate goods sector recorded strong growth of 10.1 percent and 7.9 percent respectively. What is noteworthy is the strong performance turned out by the capital goods segment which saw production going up by 11.8 percent in the month of June 09. These numbers point towards a recovery process and highlight that investments may just be picking up after a long period of low activity.

Further, while the consumer goods sector overall may have registered a growth of just about 4 percent, consumer durables turned a strong performance of 15.5 percent indicating that the market is responding to lowering of interest rates by the banks for consumer loans.

Core sector growth

Core industries also turned in a strong performance in the month of June 09. After a subdued growth of 2.8 percent in the month of May 09, core sector grew by a reasonable 6.5 percent in the month of June 2009. The charge was led by coal sector that grew by 14.7 percent followed by cement and power sectors that grew by 12.8 percent and 7 percent respectively. While finished steel and crude petroleum sectors registered a growth of 5.3 percent and 4 percent respectively, it was crude petroleum that bucked the trend and remained in negative territory for the third successive month in this fiscal.

Inflation

Inflation rate in the economy as per the headline inflation index continues to be in the negative territory. While in the month of June 09 inflation stood at (-) 1.3 percent, in July 09 it came down further to (-) 1.4%. Amongst the three broad categories, fuel, power, light and lubricants and manufactured products saw inflation rates to be in the negative territory. While in the case of fuel, power, light and lubricants inflation recorded a negative 10.3 percent in July 09, in case of manufactured products inflation stood at (-) 1 percent. Prices of primary articles, particularly food articles, have been rising for a fairly long time. This trend was reflected in the inflation data which shows inflation in case of primary articles being at 4.8 percent in July 09. It must be noted that while inflation, according to movement in the WPI, is in the negative zone,

inflation measured using the consumer price index (CPI) shows that prices at the retail level are rising at a fairly fast pace. Even today inflation based on CPI stands at close to 9 percent.

Monetary Indicators

In June 09 the money supply expanded by 3.6 percent as compared to the expansion of 2.2 percent seen in the previous year. The net bank credit to the government rose by 8.8 in June 2009 percent exceeding the growth rate of 4.0 percent registered in the previous year. Rate of borrowing by the commercial sector was observed to decline as compared to the growth rate a year ago. Aggregate deposits swelled by 3.9 percent as against the rate of increase of 2.5 percent. There was a sharp increase in the investments in the government and approved securities, going up by 12.9 percent as against 1.7 percent recorded previously. The growth in the bank credit has been minimal and largely seen in the credit kitty of food.

Stock Market

The 30 stock index Sensex in February 09 declined to near 9.5 K points (High) from 10K points (High) achieved in January 2009. In March 09 the index again rose to cross 10K points although the movement was characterized by high volatility.

Fiscal Management

The growth in the gross tax collection in July 2009 continues to remain negative, lower by 11.1 percent in July 2009 compared to 26.2 percent in the same month a year ago. Growth in direct taxes slipped sharply compared to the high growth posted in the previous year and rate of collection from the indirect tax sources (customs, excise, other taxes and service tax) was also observed to decline sharply.

Foreign trade

One of the channels through which India has been impacted due to the global economic crisis is the trade channel. The slowdown in global growth has taken a toll on India's export performance. Beginning October 08, India's merchandise exports have seen negative growth on an year on year basis for nine straight months. Latest numbers indicate that India's exports contracted by 27.7 percent in the month of June 09. The situation with regard to India's exports is not likely to change much at least till the end of this year (2009).

However, some initial signs of stabilization are emerging and findings of FICCI's latest export survey show that the quantum of decline on a year on year basis may come down in the months ahead. In other words, there is expected to be an improvement but only in terms of the fall in exports getting smaller as we move ahead in time. For exports to register and show reasonable positive growth, we will have to wait at least till the end of this year.

In case of imports too we see that during the last six months India's imports have been contracting. The contraction in imports was particularly severe in the months of March, April and May 09. This is a reflection of the weakness seen in economic activity within the country.

Foreign investments

The year 2008 saw a slowdown in foreign investment flows into the Indian market. This slowdown was led by the reverse flows seen in case of portfolio / foreign institutional investors. Direct investment flows had also declined with the slowdown being very apparent during the closing months of 2008. Things however have improved in the recent months. While on one hand portfolio investments have again gone back into the positive territory, on the other hand FDI inflows are on the rise. Latest figures show that FDI inflows into India in the month of June 09 totaled US\$ 2.6 billion. Portfolio investments during the same month totaled US\$ 353 million. With the Indian economy on the recovery path, it is expected that with time both portfolio investments and foreign direct investments would go up further.

Exchange rate

Indian Rupee / US\$ gained well in the first fortnight of August 2009 averaging 47.7 and weakened to 48.6 in the second fortnight, averaging 48.3 for the month. The trend of INR / Euro exchange rate was similar to that of the INR/ US\$. INR against the Euro averaged at 68.9 during the month.

Lead Stories of the Month

Credit Suisse ups GDP growth to 6.2 per cent

Revising upwards its forecast on India's GDP growth to 6.2 per cent, global financial services major Credit Suisse said the Reserve Bank of India may start increasing interest rates from the first quarter of calendar year 2010.

The Reserve Bank of India may be forced to increase (rates) to ensure that price pressures do not increase, Credit Suisse economist, Cem Karacadag, told.

"The scope for expanding fiscal policy had exhausted and the RBI was unlikely to hike interest rates till the end of this year," Karacadag said.

India's economy may grow at a rate of 6.2 per cent in the current fiscal against the 4.9 per cent as projected by Credit Suisse earlier, he said.

There are limited policy options, he said, adding that "fiscal and monetary policy needs to be tightened, if not now than later."

Investments in India to grow despite slump: Crisil

Capital expenditure will continue to rise in India despite slowing economic growth thanks to pent-up demand and banks picking up the slack from reduced foreign investment, according to a survey of 500 industrial projects.

In the next three years, Indian companies will pour Rs 10.5 trillion (\$215.25 billion) into industrial expansion, research and ratings agency Crisil said in the report covering 11 sectors of the economy released.

That's down about 25% from announced capital spending plans, but still represents an average compound annual growth rate of 7% through the fiscal year ending March 2012, said Crisil research head Manoj Mohta.

Though investment in textiles and autos will be weak, investment in power is expected to rise 30 to 40% over the next three years, and investment in gas transmission and distribution is expected to double, he said. "This is a healthy sign for our economy."

During past economic slowdowns in India, notably 1997-1998 and 2002-2003, private sector investment contracted by 1 to 2% a year due to cautious bank lending and weak demand, he said.

During the last four-year boom, however, Indian companies built up cash and today banks remain willing to lend to high-demand sectors like power and telecommunications, both of which are rapidly expanding, Mohta said.

Indian Inc signs \$50-m biz orders with Syria, Jordan

Coming as a shot in the arm for Indian businesses, 19-member business delegation during their visit to Syria and Jordan earlier this month has been able to chart new business ties with the two countries.

They have successfully raised new business orders in excess of \$50 million and have evaluated other business offers which if materialize, would substantially raise the figures. The delegation which went under the Ficci banner had CEOs from 19 Indian companies representing chemicals, infrastructure development, textiles, power, steel, home furnishings, agricultural goods and engineering services to name a few.

The Syrian deputy Prime Minister for Economic Affairs Abdullah Dardari, told that, "Indian and Syrian companies should establish joint venture projects in Syria and benefit from the diversity of its investment map and features."

Reviewing the growing relations of cooperation between the two countries, Dardari apprised the Indian delegation of the investment opportunities available in various areas and to further enhance the prospects of cooperation and increase the volume of trade exchange between the two countries. He also called the on the businessmen and Indian companies to establish joint investment projects in Syria and benefit from the diversity of its investment map and features and facilities provided by the government to the Arab and foreign investors.

Dr Amit Mitra, secretary general, Ficci, said, "the business delegation's visit to Syria and Jordan has indeed been path-breaking in more than one way. Apart from evaluating and successfully signing new business contracts, it has opened newer vistas for Indian businesses to proactively raise their presence in other West Asian markets.

India, South Korea ink free trade pact

India and South Korea signed a comprehensive economic partnership agreement which will make Korean consumer products and auto-parts cheaper in India.

The deal excludes fully built-up vehicles, and provides for easier movement of contractual service providers and professionals between the two countries and treatment of investments from the one another's country at par with domestic investments.

This is the second CEPA signed by India, the other being with Singapore. This is also India's first bilateral trade agreement with an OECD country.

As per the agreement, South Korea will eliminate duties on 93% of its industrial and agricultural products and India will do the same on 85% of its goods. India has excluded sensitive items farm products, textile items and built up automobiles from

tariff elimination commitments. Duties will be phased out on most of these products in the next eight years.

The Indian subsidiary of Korean electronic goods manufacturer, Samsung India, pointed out that the pact will further strengthen business relationship between the two countries. "It will become easier to get new technology and innovative products into the country. Besides, the move will attract more Korean investments into India and vice-versa," Samsung India deputy managing director R Zutshi told.

South Korean auto manufacturers with operations in India, too, are celebrating the pact as gradual elimination of the 12% duty on auto components would considerably bring down their input costs.

"It will make us more price competitive. Though the actual benefits of the FTA will result in a few years, but the reduction in duties on components and other automotive parts will bring down their effective prices and help create price advantage from our Indian operations," Hyundai Motor India spokesman said.

The Indian industry is looking at the pact as an opportunity to bridge the bilateral trade deficit in favour of South Korea and improve export of services.

"We have projected a doubling of trade between India and South Korea within the next 5 years. Of the \$10.2 billion bilateral trade for the period April 2008-February 2009, India had a deficit of \$4.6 billion with Korea and this imbalance has to be corrected through greater market access for exports from India, said Ficci secretary general Amit Mitra.

Liberalisation in movement of service professionals is among the major gains expected for Indian industry out of the India-Korea CEPA, CII director general Chandrajit Banerjee pointed out. "India has a comparative advantage in services, such as IT/ITeS, Educational Services etc. We welcome the market access provided by Korea for Indian service providers", said Mr. Banerjee.

Auto cos log double-digit growth on new launches

Driving on the back of new models, passenger car manufacturers like Hyundai Motor India Ltd (HMIL), Tata Motors, Mahindra and Mahindra (M&M) and Fiat India witnessed a high double-digit growth in July sales.

While Hyundai Motor India, the country's second largest passenger car manufacturer, registered a 53.19% jump in domestic sales last month at 23,193 units against 15,066 units in July last year on the back of recently launched i20, its close competitor Tata Motors posted an increase of 17.3% at 17,191 units as compared to 14,652 units during the same month last year, courtesy the Tata Nano.

“HMIL registered a steady growth rate in July and it seems the market is stabilising at this point,” Arvind Saxena, senior vice-president (marketing and sales) said, adding that strong demand for its latest models i20 has helped HMIL maintain its share in the domestic market.

According to Saxena, in the next few months, the company hopes to see both export and domestic markets picking up, especially as the festival season kickstarts from next month.

The recently launched Mahindra Xylo helped utility vehicle major M&M to register a growth of 26.9% at 21,957 units last month as against 17,302 units in July 2008, while the Grand Punto resulted in a 552.9% growth for Fiat India at 2,690 units vis-à-vis 412 units in July last year.

General Motors India, on the contrary, registered a decline of 13.8% in sales last month at 4,914 units against 5,706 units during the same month last year and analysts attribute this to the absence of new products in the portfolio as well as a fallout of the parent company going bankrupt in the US.

Earlier on August 1, Maruti Suzuki India had reported a 27.6% jump in sales in the domestic market at 67,528 units in July against 52,911 units during the same month last year. Even Honda Siel Cars India (HSCI), which has recently forayed into the compact car category with its premium small car Jazz, also said that it posted a growth of 12% in sales last month at 4,857 units vis-à-vis 4,337 units in July 2008.

India's steel output rises 5.9%

India's steel production rose 5.9% to 4.79 million tonne in July, steel secretary Pramod Rastogi said. Output in the period April to July 2209 gained 3.8% to 18.77 million tonne, he said.

Cement sector logs 10.56% despatch growth in July

The domestic cement industry has again, in July, shown a double-digit despatch growth, fifth month in a row since March. The 227-million tonne industry grew at 10.56 per cent in July, which in the corresponding month last year stood at 8.13 per cent.

The industry, with over 50 players, despatched 16.02 million tonnes of the building material in the month. The production grew to 16.28 mt, up 11.2 per cent, as per provisional data from the Cement Manufacturers' Association (CMA).

Though the sector managed to sustain a double-digit growth in July, the month so far has registered the lowest growth in the current financial year. On a sequential basis, the growth dipped by over 2 per cent.

Hari Mohan Bangur, president of CMA, said, "Demand has remained strong during the month and the growth came because of the low base effect. We hope this kind of growth will continue till September."

Corporate India upbeat on domestic M&As: report

India Inc has emerged as a very attractive and enthusiastic player in the M&A space, both domestically and globally, though it is in the domestic space that its success is more evident, a report said.

"Indian acquirers domestic M&A deals are more successful, generate significantly higher shareholder value and outperform overall market returns, compared to those involved in cross-border M&A deals," a Watson Wyatt's Horizon Report on M&A in Emerging Markets said.

Watson Wyatt's Horizon report tracks M&A activity in emerging markets. "Success, domestically, is because it is easier to achieve efficiencies. Familiarity with legal and regulatory environment, accounting issues and the culture makes it easy for Indian firms to succeed in the Indian market more than overseas," Watson Wyatt's managing director, Dhritiman Chakrabarti, said.

"Investor confidence goes up almost immediately and the market responds positively," he said. However, when these firms venture outside, they under-perform the Indian market. "The dismal performance is more prominent in US acquisitions compared to that in the UK. Indian acquirers in the US under-perform Indian acquirers in the UK by nearly 43%," the Horizon report said.

"Indian companies experience a greater familiarity with the UK environment in terms of legal, accounting and regulatory framework and hence it is easy for them to adjust there," Chakrabarti said.

The US, on the other hand, is extremely market-oriented.

"The practices adopted there are very different to India and even Europe. Cultural issues also come into play," Chakrabarti said, adding, however, that "there is no empirical evidence to show this."

Success in M&As primarily boils down to cultural factors, human issues and integration, he said.

"Indian companies are good in financials and strategic decisions but not as good in corporate culture and this delays a successful merger," the Watson Wyatt official said.

The Horizon report pointed out that a high-performing Indian stockmarket, excess cash flow, an appreciating Rupee and higher interest rates at home than abroad boosted M&A activity for Indian firms.

“Indian firms are driven by the need to be more competitive. They want to gain market-share, specialised areas of expertise and global branding. Organic growth will be slow, M&A gives scale and size quickly,” Chakrabarti said.

PMI steady in July, expands for 4th month

The Markit Purchasing Managers’ Index (PMI) for the month of July remained stationary at the previous month’s level of 55.3 mainly driven by strong growth in the domestic market while demand from abroad also picked up slightly.

Production of new businesses continued to grow considerably while employment levels remained broadly unchanged.

A reading of 50 in the seasonally adjusted index, which gets responses from purchasing managers from 500 industrial companies, indicates expansion of the particular variable while a figure below 50, an overall decrease. The overall index saw an expansion for the fourth consecutive month.

“Business conditions in India’s manufacturing economy continued to strengthen in July. The domestic market remained the primary impetus to growth, although the export market also played a part as its recovery gained pace,” said Gemma Wallace, economist at Markit.

New order index saw a significant rise to 59.7 in July from 58.6 in June. Respondents linked new order and output growth to a combination of better global economic conditions, successful promotional activities and government expenditure, particularly in infrastructure and water projects.

IIP growth hits a gusher in June

The domestic industry recorded a year-on-year growth of 7.8 per cent in June, marking a 16-month high.

The 7.8-per cent annual increase in the Index of Industrial Production (IIP) for June comes on top of a 5.44 per cent growth registered during the same month last year. This is indicative of a genuine recovery, and not a result of any statistical illusion (‘base effect’).

“A 7.8-per cent is way above our expectation. While there have been signs of economic pick-up , 3.5-4 per cent growth was what we were anticipating,” said Dr Pronab Sen, Chief Statistician of India.

Sectoral numbers

All the three major sectoral components of the IIP contributed to the 7.8 per cent overall growth number for June, which is the best since the 9.52 per cent of February 2008.

The manufacturing index went up 7.27 per cent against a corresponding year-on-year increase of 6.14 per cent for June 2008, while electricity rose 7.97 per cent (2.55 per cent).

Most impressive was the performance of mining, which returned a growth of 15.43 per cent (0.13 per cent). The rebound in mining is being attributed to the ramping up of gas production from Reliance Industries' recently commissioned Krishna-Godavari D-6 fields.

April-June growth

For the April-June period, the general IIP growth amounted to 3.74 per cent (versus 5.33 per cent during the same quarter of 2008-09); the break-up being 3.25 per cent (5.76 per cent) for manufacturing, 6.04 per cent (1.98 per cent) for electricity and 7.27 per cent (3.98 per cent) for mining.

The 'use-based' break-up of manufacturing gives further cause for optimism. Capital goods production was up 11.75 per cent over last year, after having logged three successive months of negative growth.

Again, there seems to be no base effect here, given that the year-on-year growth in capital goods last June stood at 7.81 per cent. "The double-digit growth in capital goods is suggestive of renewed investment activity happening, though we cannot infer this on the basis of one month's data.

A more plausible explanation is that projects that were kept on hold during the acute crisis period are now being restarted," noted Dr Sen.

But for an all-round investment recovery, it is not enough for promoters to execute their already approved capital expenditure. What is required is drawing up implementation of new capex plans. "Whether that would happen is something that only the coming months' data will show," Dr Sen told.

Consumer durables

Among other use-based industries, the index for consumer durables rose 15.46 per cent in June (4.61 per cent in June 2008), while the corresponding year-on-year growth rates were 0.33 per cent (11.59 per cent) for consumer non-durables, 10.11 per cent (2.18 per cent) for basic goods and 7.85 per cent (2.85 per cent) for intermediate goods.

Indian economy set for positive growth in 2010: S&P

The turbulence in the global economy and its financial markets during the last year or so has brought home to all of us that were witnessing a shift in the economic world order, from being G-8 focused to, increasingly, the more inclusive and relevant G-20.

As signs of stabilization and even a turnaround have begun to manifest, Standard & Poor's Asia-Pacific chief economist, Subir Gokarn, presents a mid-year review of the Indian economy.

"We anticipate that India will remain in positive growth territory throughout this global recession and financial turmoil," observed Dr Gokarn. Explaining this he added, "Domestic policy responses, both monetary and fiscal, appear to have played a significant role in shoring up domestic demand in an environment of drastically reduced exports."

India's GDP growth is forecast at 5.8-6.3 per cent in 2009 and 6.8-7.3 per cent in 2010. GDP will be driven by the Indian economy's very strong domestic consumption, which has been held up by stable rural demand and the recent hike in public sector salaries."

A review of the last two quarters shows that the expansionary domestic policies and relatively limited financial integration significantly helped India to sustain positive growth in the first quarter. India discarded its fiscal consolidation targets and rapidly increased spending to bolster domestic industry, infrastructure, and construction-and propel domestic consumption.

The elections in India also helped sustain spending in the first half of 2009. Besides the boost to industry, India gave direct stimulus to the larger rural population, low income earners, and pensioners in the form of farm-loan waivers, subsidies to buy consumer durables, tax incentives, and so on.

Some of the potential threats that could slow down or even derail the recovery include revival of inflation, high interest rates and persistent global sluggishness. Although inflation continues to drop, fiscal boosts and previously-pumped-in liquidity are cautioning the central bank against further rate cuts, waiting for fiscal policy to play out.

India receives \$ 15 billion foreign investment in April-June

Signs of India's economic recovery appears to have raised the confidence among foreign investors with the flow of foreign investment surging five times in the April-June quarter.

As against a flow of nearly USD three billion in the preceding quarter of Jan-March, the direct and portfolio investments flow together rose sharply to USD 15 billion during April-June this year, data released by RBI revealed.

Of the total investment flows during the quarter, portfolio investments accounted for \$8.270 billion, while direct inflows contributed \$7.016 billion to the total flows, Reserve Bank data showed.

In the three months ended March, 2009, total inflows into the domestic market was a mere \$3.589 billion.

Foreign fund inflows had sharply declined in FY09 after the global financial turmoil triggered panic among foreign institutional investors, prompting them to pull out money from emerging markets.

While the country received a total investment of \$61.633 billion in 2007-08, for the full financial year ended March 31, 2009, total investments dropped to \$21.313 billion.

Of the total fund flows that reached the country in 2008-09, direct investment contributed \$35.168 billion while portfolio investments posted a negative flow of \$13.855 billion.

India, America talk up bilateral investments

India and the US have started formal talks on a pact on liberalising and protecting bilateral investments. A team of trade officials from the US put in place by the new Barack Obama administration was in New Delhi for the negotiations. The contentious issue of the protection to be given to foreign investors prior to investments actually taking place, however, continues to weigh heavily on the talks.

The two countries had begun exploratory negotiations on a proposed bilateral investment promotion agreement (Bipa) last year under the Bush administration. The talks, however, got stalled due to the election process in the US and later in India.

The US is India's third-largest source of foreign investment after Mauritius and Singapore. Deputy US trade representative Demetrios Marantis, who is leading the group of officials, pointed out that the bilateral investment treaty would help improve investment conditions in both India and the US.

"Negotiations are ongoing and we will probably take some time to do this. We are very optimistic about it we hope to create an environment where investments of both India and US is protected," Mr Marantis told.

Exports likely to be in positive territory by Dec: Survey

With European and Asian countries like France, Germany and Hong Kong pulling themselves out of the downward spiral, Indian exporters can expect a reasonable growth by December, says a Ficci survey.

In a survey conducted by Federation of Indian Chamber of Commerce and Industry, majority of respondents said exports are expected to be in positive terrain by December this year.

The chamber expects an improvement but only in terms of stemming the falling exports on a year-to-year basis in the months ahead.

"Exports are likely to register a reasonable positive growth but we will have to wait at least till the end of this year," the survey said.

Exports have declined by 26 per cent in June for tenth month in a row due to less demand from the global markets.

Countries like Hong Kong, Germany and France are showing fresh signs of global recovery, with the European economy recording marginal GDP growth of 0.3 per cent and Asian economy expanding 3.3 per cent in the second quarter of 2009.

The survey said, "While orders are not coming in thick and fast, still some foreign clients have started placing some new orders or at least reduced the pace of order cancellation."

Ficci surveyed 316 exporters in different sectors such as automotive, gems and jewellery, textiles, handicrafts, leather and marine IT products during June and July 2009.

India aims for robust GDP growth despite drought

India's economy can achieve in the year to March 2010 the same level of growth seen a year earlier despite worsening dry conditions that threaten to dent its nascent recovery, Commerce and Industry Minister Anand Sharma said.

Speaking to reporters after signing a free trade agreement with the Association of South East Asian Nations, Sharma said serious monsoon rain shortfalls since June had affected farm crops but they would not produce food shortage in the country.

"We grew 6.7 percent last year and we hope to be able to maintain that despite the difficulties that we face. Our domestic demand and consumption is strong. Fundamentally, our economy is strong," he said.

"India keeps substantial buffer stocks of food grains after our two successive years of buffer crops. We have enough of what we have to sustain availability of food," he said.

"We do not visualize any food scarcity in India at all. That is what I can categorically say."

With time running out on the summer sowing season and increasingly gloomy reports from India's farm regions, economists warn that growth could lose as much as 2 percentage points in the current fiscal year if rains don't improve soon.

SEZs exports up 25% in Q1

Bucking the trend, exports from special economic zones (SEZs) increased by over 25% in three months ended June 2009, even as overseas sale of Indian goods remained in the negative territory during the period.

Briefing the Board of Approval (BoA) on SEZs on Tuesday, commerce secretary Rahul Khullar said between April and June this year, exports from 98 functional SEZs stood at Rs 39,410 crore.

"This is substantial, but could have been better," Khullar told reporters after the meeting.

The BoA on Tuesday gave its in-principal approval to India's largest solar energy-based SEZ. The 101-hectare zone will be built by Lanco Solar Pvt Ltd in Ramdaspur near Cuttak, Orissa. The developer is yet to complete land acquisition for the zone and so was given in-principle approval. There are four other solar energy-based SEZs, which had been cleared by the BoA in its earlier meetings.

The board formally approved two other SEZs which have completed land acquisition formalities. They are Brooke Bond Real Estates Pvt Ltd, Bangalore, and Karnataka State Electronics Development Corporation Ltd in Shimoga, Karnataka.

Overall merchandise exports from India in the three month period under review contracted 25.7% and stood at Rs 2,48,171 crore, as demand for goods in traditional overseas markets in the United States and Europe weakened. In fact, exports saw contraction for nine consecutive months ended June 2009.

"Over 90% of SEZ exports are from the manufacturing sector ranging from handicraft to hi-tech goods. The growth is despite the fact that none of the multi-product zones having area above 1,000 hectares have become operational," said a commerce ministry official.

The ongoing economic slowdown has adversely impacted the development of zones as many developers have asked for more time to build their SEZs. In Tuesday's meeting, the board allowed 25 formally approved SEZs an additional year to become operational. The zones have cited limited availability of liquidity and lesser demand for space in SEZs as reasons for slow development of the zones.

Khullar said that the commerce ministry is in discussion with other members of the board to establish a sub-committee under the BoA. It will look into procedural issues. The move will decrease the load on the BoA, and is expected to speed up clearance of SEZ-related policy bottlenecks.

India's June FDI up 8% at \$2.58 billion

India has attracted foreign direct investment (FDI) worth \$2.58 billion in June this year, an 8% increase over the same month last year, said department of industrial policy and promotion (DIPP) secretary Ajay Shankar.

He was speaking on the sidelines of an event organised by industry body CII. A part of the commerce ministry, DIPP collates data related to FDI in the country.

The rise in FDI in June comes along with robust growth in index of industrial production that rose 7.8%, fuelling hopes of a strong revival in the industrial sector.

Higher FDI in June also comes as a reversal in trend after the first two months of the fiscal reported 40% drop in total inflow in the country to \$4.54 billion. FDI inflow in May 2009 was \$2.2 billion, as compared with \$3.9 billion in same month last year and April reported FDI worth \$2.34 billion as compared with \$3.74 billion in the year-ago period.

India, Nepal agree for new trade treaty

India and Nepal reached a new trade treaty and an agreement to control unauthorised trade, particularly from a third country, aimed at widening the bilateral economic engagement.

The trade treaty, which has been negotiated for the last two years, aims at enlarging the scope of the existing institutional framework, under which India gives duty-free access to its market to goods manufactured in Nepal.

However, the trade treaty and the agreement to control unauthorised trade would be formally signed later, an official said.

The agreements were initialled by Commerce Secretary Rahul Khullar and Nepalese Secretary of Commerce and Supplies Purushottam Ojha here.

External Affairs Minister S M Krishna and Nepalese Minister of Commerce and Supplies Rajendra Mahto were also present on the occasion.

The new pacts will replace the existing arrangements since 1991, extended from time to time.

The agreements were initialled on the last day of the five-day visit of Nepalese Prime Minister Madhav Kumar Nepal.

The bilateral trade takes place generally in Indian currency barring for a few items. Indian rupee is legal tender in Nepal and is freely convertible.

The trade between the two countries was USD 1.8 billion in 2008-09 (April-February).

Indo-Thai trade may jump to \$10 bn by 2010

Indo-Thai trade should jump from \$6 billion to \$10 billion by 2010. And, trade between India and the Asean countries is poised to climb from around \$48 billion to \$60 billion in this span. There is also tremendous scope for growth in tourism between India and Thailand. There are half a million Indians visiting Thailand yearly, but only 60,000 from Thailand arriving in India annually. Even here, there is ample room for expansion from both ends.

This was the call that Mr Kiat Sittheeamorn, president of Thailand Trade Representative (TTR), took at a meet in Kolkata. TTR enjoys the rank of deputy prime minister. The interactive session with the media was fielded by the Confederation of Indian Industry, eastern region and The Royal Thai Consulate General. "Thailand is looking at setting up trade cooperation with India in pharmaceuticals, infrastructure, hospitality, real estate and logistics," Mr Sittheeamorn said.

His visit will pave the way for a series of roadshows that will be led by Prime Minister Abhisit Vejjajiva in November and by deputy prime minister Korbassak Sapawasu in October. "These series of high level visits reaffirm the importance Thailand attaches to India. Dialogues at the high levels will lead to concrete outcomes for the benefits of the two countries and the betterment of the peoples," he said.

He added that Thai investment in India is pegged at \$831.2 million, while India's investment into Thailand amounted to \$282.11 in projects.

Agri exports up 24% in '08-09

Despite global recession affecting India's foreign trade, agriculture exports from the country grew by more than 24% in 2008-09, largely because of huge demand for fruits, vegetables and basmati rice (aromatic rice).

According to figure released by Agricultural and Processed Food Products Export Development Authority (Apeda), exports rose to Rs 39,461 crore during 2008-9 from Rs 31,712 crore a year.

"The Gulf countries are the key rising market for us and there is huge opportunity for greater export of fruits and vegetables to these countries," Asit Tripathy, chairman, Apeda said.

After the government banned exports of non-basmati rice last year, there was fear that rice exports could be affected, but exports picked up due to huge demand of Pusa 1121 variety of basmati rice. Rice exports from the country in 2008-09 were to the tune of Rs 11,162 crore during last fiscal from Rs 11,755 crore achieved during the year before.

“Rise in basmati rice exports has replaced the lost ground because of ban on non-basmati rice export,” Tripathy said. Fruits and vegetables exports during last fiscal grew by huge a 128% to Rs 3,552 crore from only Rs 1,525 crore achieved a year before. Tripathy also said that the deficient monsoon this year would not have any impact on the agri exports as ‘most of areas for agricultural exports have irrigation facilities’.

“Basmati-rice areas do not have problems as farmers use under-ground water and other sources, while fresh fruits and vegetables have assured irrigation facilities,” Tripathy said, adding that processed foods may even perform better.

The basmati-rice areas have increased this year, the Apeda chairman said, but the quantum of the rise would be available after the second round of satellite survey.

Govt announces foreign trade policy 2009-14

The foreign trade policy for 2009-14 announced by the commerce and industry minister Anand Sharma has brought cheer to exporters from the eastern region which is the largest exporter of tea and jute goods from the country, apart from being one of the important export hubs for engineering goods, gems & jewellery and leather goods.

Inclusion of tea under the Visesh Krishi and Gram Udyog Yojana (VKGUY), jute and several engineering goods under the Focus Product Scheme (FPS), extension of duty drawback for gems and jewellery exports, proposal for setting up a diamond bourse in the country and allowing re-export of unsold imported raw hides & skins and semi-finished leather, although subject to certain conditions, are some of the major export sops which have particularly enthused exporters from the region.

All these sops come as part of the foreign trade policy for 2009-14, which was unveiled by the commerce minister to boost total exports from the country.

"The export incentives and facilitation packages in totality, which have been unveiled by the commerce minister, would help make India's exportable goods more competitive in the global market. But, we are particularly happy that the commerce minister has listened to our request to take appropriate measures to boost exports from the region," said Federation of Indian Export Organisation's (FIEO) eastern region chairman Ramesh K Agarwal.

Pankaj Parekh, chairman of the gem & jewellery export promotion council (eastern region), said extension of duty drawback to gold jewellery exports would enable small-time jewellery manufacturers to venture into exports. This incentive comes as a boon to the eastern region, which is dominated by small-time plain gold jewellery exporters., added Mr Parekh.

Lauding the foreign trade policy, EEPIC India's ex-chairman Rakesh Shah said the eastern region is an important production hub of castings, agricultural machinery,

parts of trailers, hand tools and garden tools. Inclusion of these engineering goods under the FPS would help to boost exports of these products, added Mr Shah. For products under the FPS, Mr. Sharma has increased the duty credit facility up to 2% of the FOB value of exports.

With inclusion of tea under the VKGUY scheme, tea exporters can now import goods duty free up to 5% of the value of their export. If they do not need to import, they can sell this duty scrip in the open market at a discount to other exporters.

Additionally, sale limit of instant tea by EOUs in the domestic tariff area has been enhanced from 30% to 50% and minimum value addition under advance authorisation scheme for export of tea has been reduced from the existing 100% to 50%.

India's Q1 GDP up 6.1 pc, meets forecasts

India's economy grew 6.1 per cent in the June quarter from a year earlier, roughly in line with forecasts, as government stimulus measures helped spur demand, although a poor monsoon threatens to crimp growth later in the year even as it drives inflation.

The economy accelerated from its 5.8 per cent rate in the previous quarter, data showed, propelled by a pick-up in activity in the mining, manufacturing, electricity and services sectors from the previous quarter.

Growth was just above analysts' median forecast of 6 per cent annual expansion, and economists said weakness in agriculture could be offset by growth in manufacturing and services later in the year.

Abheek Barua, chief economist at HDFC Bank in New Delhi, expects growth for the full year of 5.8 per cent, with agriculture declining by 3 per cent, although strength in industrial output and services may prompt him to lift his forecast.

He expects the Reserve Bank of India to hold off on any tightening measures until the end of 2009.

"I think by January they would want to send some kind of monetary signal to thwart inflationary expectations," he said.

"By April policy we will see the first rate hike of 25 basis points preceded by a 50 basis point increase in CRR (cash reserve ratio)," he said.

Data showed manufacturing output expanded 3.4 per cent in the June quarter while farm output was up 2.4 per cent.

The services sector grew 7.8 per cent in the June quarter, compared with 10.2 per cent in the same year-ago period.

The benchmark stock index trimmed losses to 1 per cent from 1.1 per cent before the data release.

The benchmark 10-year bond yield was unmoved at 7.45 per cent, its highest in 9-½ months, from before the release of the data. The partially convertible rupee was unchanged at 48.85/87 from earlier.

Forex reserves climb to \$271 bn

India's foreign exchange reserves climbed by \$932-million for the week ended August 21 to \$271.957 billion compared to \$271.025 billion in the previous week.

The foreign currency assets, during the week, went up to \$260.938 billion, up USD 928 million, compared to \$260.010 billion in the week-ago period, Reserve Bank said in its weekly report.

Foreign currency assets expressed in US dollar terms include the effect of appreciation or depreciation of non-US currencies (such as Euro, Sterling, Yen) held in reserves, RBI said. Gold reserves, during the week, stood unchanged at USD 9.671 billion, RBI said.

Country's reserve position in the international monetary fund stood at USD 1.348-billion during the week, the central bank said.

Indo-Thai trade estimated to hit Rs 50,000-cr by 2010: Nuntawan

Trade between India and Thailand is estimated to reach Rs 50,000 crore from present Rs 30,000 crore by 2010, Director of Trade Negotiation Nuntawan Sakuntanaga said.

Addressing the members of Federation of Andhra Pradesh Chambers of Commerce and Industry (FAPCCI) at a meeting, she said free trade agreement between India and Thailand signed in 2003 resulted in creating significant business and increase in the level of two-way trade between the two countries.

There are several opportunities for collaboration in sectors like gems and jewellery, chemicals and petrochemicals, automotive and auto components and Tourism, she said.

Chairman, International Trade and Relations Committee, FAPCCI, Srinivas Ayyadevara said that the enlargement of Free Trade Agreement by adding 3,000 other items will definitely boost the trade and investment between the two countries.

Indo-Asean trade in goods agreement is a significant step ahead

After a six-year-long wait, the Trade in Goods Agreement (TIG) under the proposed Comprehensive Economic Cooperation Agreement, between India and the 10

member Association of South East Asian Nations (Asean), was finally signed on August 13, 2009 in Bangkok. The Asean, a collaboration between Indonesia, Malaysia, Singapore, Thailand, Vietnam, Brunei, Philippines, Cambodia, Laos PDR and Myanmar has been established with the objective of accelerating economic growth, social progress and cultural development amongst the member nations.

The TIG would come into force with effect from January 1, 2010 or from such date by which the Centre and the government of at least one Asean state issue notifications in relation to the same.

Salient features of the TIG

The essential benefit of the TIG, is the phased elimination/reduction of customs duty applicable on the import of goods between the signatory countries. With the implementation of the TIG, not only would the cost of procurement of imported goods from the signatory countries become lower, but manufacturers in India as well as the Asean countries will have greater access into the markets of the other signatory countries.

The TIG is applicable on around 90% of the goods that are traded between India and the Asean and with the implementation thereof, the 1.7 billion consumers' market in South East Asia would be open for free flow of trade. Therefore, the TIG is expected to have an unparalleled impact on trade, both in terms of volume and quality between the signatory countries.

Trade thru Nathu La resumes

Border trade between Sikkim and Tibet Autonomous Region (TAR) Nathu La after a gap of more than two weeks.

Traders used the Rongli-Nathu La road as the main route of Jawaharlal Nehru Marg, connecting Nathu La and Gangtok, was blocked due to landslides. A stretch of the road was washed away and no trade had happened for more than two weeks as traders were unable to reach the Sherathang trade mart or cross the border.

State Commerce and Industries department officials said 17 Sikkimese traders used the alternative route of Rongli-Nathu La road to reach the trade mart.

The total exports till July via this route is Rs 9.24 lakh, while the figures for August is nil as the road was closed.

Hotel Industry in India witnesses tremendous boom

A touch of tenderness, a helping hand, a welcoming visage... the Indian hospitality sector is certainly the most apt replication of the belief 'Atithi devo bhava'. Good

quality products and services at affordable prices should be the USP of any successful venture - and hotels in the country boast of exactly this!

According to the world travel and tourism council, the growth in the hospitality industry is pegged at 15% every year, and with 2, 00,000 rooms (both luxury and budget) needed in the country, the segment is poised for a stupendous growth.

Travel tales

While the high influx of foreign tourists has ensured huge footfalls for the sector over the years, internal tourism too has, off late, begun offering great potential. With travelers taking new interests in the country, players in the hospitality sector have had to offer the best of services, at affordable prices. Also, with the USD 23 billion software services sector pushing the Indian economy skywards, more and more IT professionals are flocking to Indian metro cities, thus signaling a boomtime for the hotel and hospitality segment. Several other factors such as Commonwealth Games in Delhi are fueling the need further.

The best bet

The Indian hospitality industry is projected to grow at a rate of 8.8% between 2007-16, placing India as the second-fastest growing tourism market in the world. Initiatives like massive investment in hotel infrastructure and open sky policies made by the government are all aimed at propelling growth in the hospitality sector.

"Hotel and hospitality industries are among the biggest employment generators in the country. Towards propelling its growth, while the government should confer infrastructure status to the hotel industries, several taxation issues also need to be rationalised. Further permits and licenses required for the hotel operations need to be rationalised by offering a "single window" mechanism," says Sanjay Gupta, CMD, Neesa Leisure Ltd - the Group which boasts of providing state-of-the-art facilities and services at its hotels.

Be it Cambay Sapphire - the elegant 3 star business hotel at Ahmedabad or The Cambay Grand - the upcoming 5 star hotel in Ahmedabad that takes contemporary luxury to new heights with opulent rooms and suites, exotic spa, virtual golf, and multi cuisine fine dining, redefining luxury is the perennial mantra in each of Cambay's hospitality projects. Some of the Group's forthcoming ventures include The Cambay Spa & Resort at Neemrana, Rajasthan - a proposed five star business hotel boasting of one of the largest conference and convention facilities, another venture of Neesa Leisure Ltd in Dahej (SEZ) to have 100 rooms including apartment and conference facilities and Cambay Sapphire, Jodhpur - a business hotel. Exclusive and innovative initiatives like the Cambay projects certainly focus on ensuring a bright future for the Indian hotel industry.

The government's decision to substantially upgrade 28 regional airports in smaller towns and privatization & expansion of Delhi and Mumbai airport has improved the

business prospects of hotel industry in India. Also, the upgrading of national highways connecting various parts of India has opened new avenues for the development of budget hotels in India. Couple this with the availability of qualified human resources and the hospitality sector has already got great growth prospects!

The right call

A focus on quality, behaviour-based evaluation, market choice and market response has predominantly shaped the State's hospitality industry. Increased competition and increase in demand has consolidated the hospitality segment, whilst opening up a plethora of opportunities. Fierce competition has led to innovative ideas by hotel majors, thereby delivering impressive hospitality products and services.

This has, in turn, also prompted them to generate new lines of revenue with creative approaches, be it by reducing transaction costs, increasing productivity or promoting traditional Indian values.

A pioneering initiative, herein, is the concept of mixed-use developments, wherein the real estate typically includes an apartment block of a commercial block along with a hotel. Still in its nascent stages in India, the concept offers inspiring potential. Also, the entry of multinationals and Indian hotel chains expanding internationally only reinforces the segment's untapped business potential.

Combining unparalleled growth prospects and unlimited business potential, this industry is certainly on the foyer towards being a key player in the nation's changing face.

'India share in global trade to go up to 3%'

India will try to step up its share in global trade from the current 1.5 per cent to three per cent by 2015, according to Mr. Subodh Kant Sahai, Union Minister for Food Processing.

During the period, the size of the food processing industry with huge export potential too would rise substantially and 35 per cent of perishables produced would undergo processing as compared with six per cent now. Under GST, there would be no tax on the processing of perishables, he said.

Addressing members of the Merchants' Chamber of Commerce, the Minister said the food processing industry remained by and large unaffected by the recessionary trend as was evident from its 14.6 per cent growth. However, the industry was dominated by small units, mostly in the unorganised sector.

The Ministry would assist in the setting up of more and more food processing units in the coming days so that the industry could create 10 million jobs by 2015, he said. The development of specialised hubs based on local produce in West Bengal was also being considered, he added.

Textiles export to US to go up by \$1.5 bn: Maran

India's exports to the US can increase by \$1.5-billion if it made an effort to bail out the ailing textiles sector, according to Textiles Minister Dayanidhi Maran, on an official visit to the US.

"My visit will help exporters grab a large chunk of the market, which is expected to rebound by 2010 and 2011," Maran said while inaugurating the India Pavilion at "Sourcing Magic" fair in Las Vegas.

The minister said that after the quota phaseout in 2004, garment exports to the US stood at \$2.68 billion till June this year, compared to \$2.76 billion in the first six months in 2008.

Maran is currently leading a delegation comprising officials from his ministry and trade councils such as the Apparel Export Promotion Council, Cotton Textile Export Promotion Council and Synthetic and Rayon Textiles Export Promotion Council. Approximately 31 per cent of India's textiles and garments exports are to the US, which constitute about four per cent of America's garment imports.

"Between January-June 2009, the total textiles import by US was \$37.54 billion, of which apparels were \$28.9 billion, and India's total export of textiles and clothing in the same period was \$2.43 billion, of which apparel is \$1.59 billion," Maran said.

Iron ore exports up in July

India exported 5.9-million-tonne iron ore in July, a 2% increase over the same period last year after clocking 26 million tonne of exports during the April-June quarter, the same as the year-ago period, according to data collated by Association of Iron Ore Exporters.

The growth comes at a time when the finance ministry is considering a proposal by the steel ministry to levy 10% tax on export of iron ore to ensure availability of ore to domestic steel makers. Iron ore is a key input in steel making.

The steel ministry recently wrote to Finance Minister Pranab Mukherjee suggesting that the proposed export duty has become essential for ensuring availability of iron ore to domestic steel companies, which have been facing lower supply of the raw material for the past 5-6 months.

Such a move would affect top iron ore exporters such as Sesa Goa, MSPL, Roongta Mines, Chowgule, besides government-owned trading house Mineral and Metal Trading Corporation (MMTC).

The iron ore exports rose around 5.4% in July from 5.6 million tonne in June, according to the study conducted jointly by Goa Mineral Ore Exporters Association, Kudremukh Iron Ore Company and MMTTC.

“Demand for ore is coming mainly from small steel makers in China, which are dependent on the raw material sold in the spot market,” said RK Sharma, secretary general, Federation of Indian Mineral Industries.

Iron ore exports will continue to vary over the next few months till demand revives from large steel producers, he added. The large steel makers in China are still negotiating with global ore suppliers like BHP Billiton and Rio Tinto seeking price cuts of up to 50% on annual long-term iron ore contracts. As a result, supply orders for the large Chinese steel firms are yet to pick up. India produces close to 200 million tonne of iron ore every year, half of which is exported.

Around 80% of the country’s ore exports go to China, while the rest to Japan and Korea.

India July consumer price index up 11.89 pc y/y

India's consumer price index rose 11.89 percent in July from a year earlier, rising sharply from June's annual rise of 9.29 percent as prices of food items increased, government data showed.

The consumer price index for industrial workers increased by 7 points to 160 in July from a month ago.

Last week, the wholesale price index fell 0.95 percent in the 12 months to Aug. 15, compared with the previous week's annual decline of 1.53 percent.

The wholesale price index is more closely watched in India because it covers a higher number of products and is released weekly.

External Sector: Foreign Trade April-February

Region/Country	Export		
	US \$ million		% change
	2007-08	2008-09	2008-09
World	143639.2	153223.6	6.7
Africa	12833.0	12890.2	0.4
Egypt	1208.8	1445.7	19.6
Ghana	770.4	492.4	-36.1
Kenya	1355.4	1225.5	-9.6
Mauritius	1016.8	912.4	-10.3
Nigeria	976.9	1240.2	27.0
South Africa	2360.0	1730.7	-26.7
America	24620.9	25354.2	3.0
Brazil	2131.0	2475.7	16.2
Canada	1138.8	1247.9	9.6
USA	18716.2	18436.0	-1.5
Asia (excl. Middle East)	45597.6	46113.7	1.1
Bangladesh	2232.7	2267.6	1.6
China	9462.6	7757.5	-18.0
Hong Kong	5596.4	5708.9	2.0
Indonesia	1752.1	2150.4	22.7
Japan	3198.4	2735.0	-14.5
Korea DPR (North)	692.8	885.1	27.8
Korea Republic (South)	2592.5	2852.7	10.0
Malaysia	2113.0	3213.1	52.1
Nepal	1282.2	1315.5	2.6
Pakistan	1696.9	1292.5	-23.8
Philippines	559.9	657.4	17.4
Singapore	6438.8	7283.2	13.1
Sri Lanka	2527.0	2257.9	-10.7
Taiwan (Taipei)	1560.1	1350.8	-13.4
Thailand	1615.1	1631.9	1.0
Viet Nam	1379.5	1375.0	-0.3
Middle East	24807.4	28857.0	16.3
Iran	1849.1	2350.3	27.1
Israel	1442.7	1291.8	-10.5
Kuwait	590.3	700.5	18.7
Oman	851.0	695.8	-18.2
Saudi Arabia	3079.9	4542.7	47.5
Syria	637.5	330.3	-48.2
UAE	14040.3	16580.1	18.1
Yemen	968.5	712.4	-26.4
Europe	34328.9	37662.7	9.7
Belgium	3728.5	3988.3	7.0

France	2305.6	2643.4	14.6
Germany	4570.5	5291.3	15.8
Italy	3525.3	3411.6	-3.2
Netherlands	4539.6	5736.1	26.4
Russia	813.0	930.2	14.4
Spain	2019.4	2276.0	12.7
Turkey	1583.0	1289.5	-18.5
UK	5988.4	5573.3	-6.9
Oceania	1267.4	1486.0	17.3
Australia	1039.5	1209.4	16.3

Region/Country	Import		
	US \$ million		% change
	2007-08	2008-09	2008-09
World	215702.8	262622.2	21.8
Africa	18799.7	22890.2	21.8
Algeria	1167.6	993.5	-14.9
Angola	1017.7	1162.1	14.2
Egypt	1799.3	1770.4	-1.6
Libya	1133.5	626.8	-44.7
Nigeria	6878.0	8502.5	23.6
South Africa	3240.9	5022.0	55.0
America	19839.0	26713.9	34.7
Brazil	911.2	1104.6	21.2
Canada	1805.7	2040.4	13.0
Chile	1685.5	1374.9	-18.4
Mexico	982.5	1480.9	50.7
USA	12183.5	15740.3	29.2
Asia (excl. Middle East)	63587.7	75842.8	19.3
China	24830.1	28145.5	13.4
Hong Kong	2515.1	5319.1	111.5
Indonesia	4368.4	6060.4	38.7
Japan	5681.3	6903.8	21.5
Korea Republic (South)	5392.8	7493.9	39.0
Malaysia	5577.1	6662.7	19.5
Singapore	7099.2	6637.8	-6.5
Taiwan (Taipei)	2190.1	2388.6	9.1
Thailand	2105.8	2418.4	14.8
Middle East	59118.1	73198.7	23.8
Iran	9955.4	11295.9	13.5
Iraq	5633.3	7406.7	31.5

Israel	1333.9	1936.8	45.2
Kuwait	6583.9	8859.3	34.6
Oman	1069.8	1056.1	-1.3
Qatar	2028.2	3106.7	53.2
Saudi Arabia	17406.7	18688.8	7.4
UAE	12215.6	17005.5	39.2
Yemen	1424.1	655.7	-54.0
Europe	46697.6	55114.9	18.0
Belgium	4213.4	5152.9	22.3
Finland	859.5	976.3	13.6
France	2587.9	2797.4	8.1
Germany	8607.4	9580.5	11.3
Italy	3445.4	3900.7	13.2
Netherlands	1809.3	1545.4	-14.6
Norway	1533.9	1040.5	-32.2
Russia	2289.4	4149.3	81.2
Spain	872.3	895.9	2.7
Sweden	1877.5	1807.8	-3.7
Switzerland	8894.5	11195.1	25.9
Turkey	1466.6	1425.7	-2.8
UK	4611.2	5458.0	18.4
Oceania	7660.7	8861.7	15.7
Australia	7143.8	8207.4	14.9