

Significant growth for Indo-German trade in 2017

According to the provisional figures published by the German Federal Statistical Office, Wiesbaden, after Indian imports from Germany showed a moderate increase of 0.5% and exports increased by 0.9% in the previous year, in 2017, Indo-German trade posted a significant increase.

Bilateral trade grew to EUR 19.15 billion in 2017, from EUR 17.44 billion in 2016. Indian imports from Germany amounted to EUR 10.69 billion and exports to Germany reached a volume of EUR 8.47 billion in 2017. This year saw an increase of 9.2% in the imports, 10.7% in the exports and 9.9% increase in the total trade volume between India and Germany.

Machinery, electro-technology and chemical products continue to be India's top three imports from Germany, in 2017 (Table 5)

In 2017, India's top three imports from Germany comprised of machinery, electrotechnology and chemical products, in that order. After declining by 0.45% in 2016, the imports of German machinery posted a growth of 4.31% in 2017, being valued at EUR 3.29 billion and constituting the maximum percentage share of imports from Germany (30.78%).

The value of electrotechnology imports was close to EUR 1.4 billion (increase of 8.26% as compared to imports in 2016) and they comprised 13.07% share of total imports from Germany, in 2017. Imports of chemical products grew by 9.16%, were valued at nearly EUR 1.3 billion, and constituted 12.12% share of India's total imports from Germany, in 2017.

Table 4 Indo-German Trade since 2000 (in EUR million)

Year	Indian Imports from Germany	Change from the Previous Year (%)	Indian Exports to Germany	Change from the Previous Year (%)	Trade Volume	Change from the Previous Year (%)
2000	2084	+12.8	2464	+15.7	4548	+14.2
2001	2307	+10.7	2524	+2.4	4831	+6.2
2002	2422	+5.0	2543	+0.8	4965	+2.8
2003	2443	+0.9	2637	+3.7	5080	+2.3
2004	3289	+34.6	2957	+12.1	6246	+23.0
2005	4194	+27.5	3407	+15.2	7601	+21.7
2006	6364	+51.7	4218	+23.8	10,582	+39.2
2007	7339	+15.3	4746	+12.5	12,085	+14.2
2008	8192	+11.6	5281	+11.3	13,473	+11.5
2009	8094	-1.2	5099	-3.4	13,193	-2.1
2010	9282	+14.7	6241	+22.4	15,523	+17.7
2011	10,856	+17.0	7536	+20.7	18,392	+18.5
2012	10,421	-4.0	7022	-6.8	17,443	-5.2
2013	9146	-12.2	6968	-0.8	16,114	-7.6
2014	8894	-2.8	7087	+1.7	15,981	-0.8
2015	9734	+9.4	7584	+7.0	17,318	+8.4
2016	9805	+0.7	7635	+0.7	17,440	+0.7
2017	10,685	+9.2	8473	+10.7	19,158	+9.9

Source: Federal Statistical Office, Wiesbaden

Table 5 Indian imports from Germany (in EUR 1,000)

Category	2015	2016	% Change	2017	% Change	% Share (2017)
Machinery, apparatus	3,169,222	3,155,049	-0.45	3,291,123	+4.31	30.78
Electrotechnology	1,255,937	1,291,026	+2.79	1,397,608	+8.26	13.07
Chemical products including petrochemicals, fertilizers and cosmetics	1,163,510	1,187,577	+2.07	1,296,319	+9.16	12.12
Optical and photographic equipment	821,003	920,334	+12.10	1,041,491	+13.16	9.74
Metal and metal products	891,727	800,863	-10.19	854,311	+6.67	7.99
Plastics	523,365	538,281	+2.85	602,097	+11.86	5.63
Automobile and ancillary products	615,231	522,090	-15.14	571,235	+9.41	5.34
Aircraft and aerospace equipment	170,534	218,219	+27.96	410,112	+87.94	3.84
Paper, cardboard, printing material	116,045	133,301	+14.87	171,270	+28.48	1.60
Pharmaceuticals	168,991	147,905	-12.48	167,605	+13.32	1.57
Rubber and articles thereof	105,535	109,239	+3.51	125,265	+14.67	1.17
Textiles and garments including wool, fur, yarns	109,794	101,470	-7.58	116,813	+15.12	1.09
Glass and ceramic products	90,147	81,922	-9.12	89,250	+8.95	0.83
Furniture including fixtures	84,506	85,166	+0.78	82,683	-2.92	0.77
Pearls, precious stones, etc.	37,244	115,049	+208.91	76,117	-33.84	0.71
Wood, cork, without furniture	63,291	60,680	-4.13	73,838	+21.68	0.69
Food, beverages and tobacco	34,320	39,172	+14.14	51,369	+31.14	0.48
Track vehicles	30,892	39,811	+28.87	49,406	+24.10	0.46
Ships, boats	48,628	6386	-86.87	43,393	+579.50	0.41
Stones, stone products, cement	26,071	26,976	+3.47	30,668	+13.69	0.29
Leather and shoes	125,73	14,761	+17.40	15,348	+3.98	0.14
Others	195,709	188,447	-3.71	135,502	-28.10	1.27
Total	9,734,275	9,783,724	+0.51	10,692,823	+9.29	100

Source: Federal Statistical Office, Wiesbaden

A significant growth was observed in imports of aircraft and aerospace equipment (87.94% with an imports share of 3.84%), food beverages and tobacco (31.14% with an imports share of 0.48%), paper, cardboard, printing material (28.48% with an imports share of 1.6%) and track vehicles (24.10% with an imports share of 0.46%). After registering a decline of 86.87% in 2016, the imports of ships, boats increased significantly by over 500%, in 2017.

While imports of pearls, precious stones, etc. declined by 33.84%, imports of furniture including fixtures declined by 2.92%, in 2017.

The top five product categories accounted for 73.7%, while the top three categories accounted for nearly 56% of India's total imports from Germany, in 2017.

Textiles, chemical products, food, beverages and tobacco are India's top three exports to Germany, in 2017 (Table 6)

While textiles and garments and chemical products consolidated their position as the top two product categories of India's exports to Germany; food, beverages and tobacco emerged as the new entrant in the top three, pushing leather products to the fourth position in the list of India's exports to Germany, in 2017.

The growth in exports of textiles and garments was 7.73% (as compared to growth of 4.09% in 2016). Textiles and garments constituted 23.32% of India's total exports to Germany in 2017, and were valued at EUR 1.97 billion. After posting a slight decline of 8.19% in 2016, exports of chemical products picked up and registered a growth of 7.56% in 2017. Valued at EUR 1.07 billion, they comprised 12.69% of

India's total exports to Germany in 2017. Exports of food, beverages and tobacco grew by 28.16% in 2017 (after declining by 2.83% in 2016), were valued at EUR 0.87 billion, and formed 10.38% of India's total exports to Germany.

Significant growth was seen in exports of aircraft and aerospace equipment (60.34% with an exports share of 0.5%), pharmaceuticals (22.66% with an exports share of 3.45%), metal and metal products (18.58% with an exports share of 7.72) and rubber products (17.97% with an exports share of 2.31%), from India to Germany, in 2017.

Following a significant decline of 63.16% in 2016, India's exports of ships, boats, to Germany, further declined by 28.57%, in 2017. Other product categories among India's exports to Germany, which posted a decline in 2017, were automobile and ancillary products (-1.5% with an exports share of 5.74%), pearls, precious stones, etc. (-1.69% with an exports share of 1.42%), and glass and ceramic products (-7.39% with an exports share of 0.5%).

The top 5 categories accounted for 64.44% share of India's total exports to Germany, while the top three accounted for 46.39% share of the total exports.

Partners in Trade

India and Germany

According to data published by the Federal Statistical Office, Wiesbaden, Germany trades with 239 countries, and in 2017, India ranked 26th in terms of overall revenues (exports + imports) from trade with Germany. This is two

Category	2015	2016	% Change	2017	% Change	% Share (2017)
Textiles and garments including wool, fur, yarns	1,758,462	1,830,330	+4.09	1,971,823	+7.73	23.32
Chemical products including petrochemicals, fertilizers and cosmetics	1,086,502	997,544	-8.19	1,073,002	+7.56	12.69
Food, beverages and tobacco	705,138	685,158	-2.83	878,086	+28.16	10.38
Leather and shoes	774,988	792,136	+2.21	809,973	+2.25	9.58
Machinery, apparatus	614,464	631,759	+2.81	716,097	+13.35	8.47
Metal and metal products	632,689	550,499	-12.99	652,761	+18.58	7.72
Electrotechnology	432,173	447,517	+3.55	519,247	+16.03	6.14
Automobile and ancillary products	375,323	493,167	+31.40	485,749	-1.50	5.74
Pharmaceuticals	246,738	238,096	-3.50	292,047	+22.66	3.45
Rubber and articles thereof	156,640	165,611	+5.73	195,372	+17.97	2.31
Plastics	165,976	170,918	+2.98	185,533	+8.55	2.19
Furniture including fixtures	139,964	130,423	-6.82	135,616	+3.98	1.60
Optical and photographic equipment	104,589	117,047	+11.91	132,804	+13.46	1.57
Pearls, precious stones, etc.	128,006	121,980	-4.71	119,915	-1.69	1.42
Stones, stone products, cement	70,975	66,903	-5.74	67,583	+1.02	0.80
Glass and ceramic products	47,623	47,964	+0.72	44,419	-7.39	0.53
Aircraft and aerospace equipment	12,874	26,505	+105.88	42,499	+60.34	0.50
Wood, cork, without furniture	13,926	14,180	+1.82	15,811	+11.50	0.19
Paper, cardboard, printing material	11,843	10,782	-8.96	12,103	+12.25	0.14
Track vehicles	3113	2339	-24.86	2353	+0.60	0.03
Ships, boats	19	7	-63.16	5	-28.57	0.0001
Others	102,011	111,992	+9.78	103,225	-7.83	1.22
Total	7,584,036	7,652,857	+0.91	8,456,023	+10.49	100.00

Source: Federal Statistical Office, Wiesbaden

ranks lower as compared to 2016, when India had ranked 24th. In terms of exports to Germany, India ranked 27th in the list of countries, moving one rank higher as compared to last year and in terms of imports from Germany, India ranked 25th, moving down one place, as compared to its 24th rank in 2016. However, the percentage share of Germany's trade with India, in Germany's total trade worldwide is still at 0.8%, and has not yet touched the 1% mark. On the other hand, Germany being one of India's main trade partners, the percentage share of Germany's trade with India, in India's total trade worldwide is 2.85%.

The Top Ten Trading Partners

Germany's top ten trading partners worldwide (Table 7)

China was the main supplier of products to Germany in 2016 and retained its top exporter position in 2017 as well. China supplied 9.7% of Germany's imports in 2017. Netherlands was the second most important supplier to Germany. However, its share in Germany's total imports increased from 8.7% in 2016 to 8.8% in 2017. France, USA and Italy retained their third, fourth and fifth positions in the list of main exporters to Germany, by comprising of 6.2%, 5.9% and 5.4% of Germany's total imports in 2017, respectively. While France and USA saw their share of Germany's total imports reduce as compared to 2016, Italy retained its 5.4% share of Germany's total imports in 2017. Poland retained its sixth position with 4.9% share of Germany's total imports in 2017, while Switzerland and Czech Republic exchanged their positions as compared to

2016. In 2017, Czech Republic was on the seventh position (with 4.5% share of Germany's imports as compared to 4.4% last year) and Switzerland was on the eighth position (with 4.4% share of Germany's imports as compared to 4.6% last year). Belgium retained its tenth position, with an import share of 3.9% in 2017, as compared to 4.0% in 2016.

USA continued to be the main importer from Germany in 2017, as in 2016 and accounted for 8.7% of Germany's exports in 2017 (8.9% in 2016). France retained its second position with 8.2% share of Germany's exports. United Kingdom, which was on the third position last year, moved down two positions to be fifth (with an export share of 6.6% in 2017 as compared to 7.1% in 2016). China moved up two positions to be third (with an export share of 6.7% in 2017 as compared to 6.3% in 2016). Netherlands retained its fourth position and comprised a share of 6.7% of Germany's exports in 2017. The positions and export share of Italy (sixth, 5.1%), Switzerland (ninth, 4.2%) and Belgium (tenth, 3.5%) saw no change in 2017, as compared to 2016. While Austria and Poland retained their seventh and eighth position as compared to 2016, in 2017, Austria's share in Germany's exports decreased from 5.0% to 4.9% and Poland's share increased from 4.5% to 4.7%.

Germany's total trade volume in 2017 was EUR 2,313,425 million and its top trading partners overall (considering imports as well as exports) were China, Netherlands, USA, France, United Kingdom, Italy, Poland, Austria, Switzerland, Czech Republic, ranked one to ten, respectively. Netherlands moved from the fourth to the second position and France slipped from the second to the fourth position.

India's top ten trading partners worldwide (Table 8)

Among the top ten exporters to India, according to the statistics by the Ministry of Commerce and Industry, Government of India, the value of goods imported from China was highest. India's imports from China accounted for 16.4% (15.9% in 2016-17) of India's total imports in 2017-18. The second, third, fourth and fifth positions of the top ten exporters to India remained the same as 2016-17, and were occupied by USA (5.7% of India's total imports), Switzerland (4.1% of India's total imports), Indonesia (3.5% of India's total imports), and South Korea (3.5% of India's total imports) respectively in 2017-18. Australia and Germany switched positions as compared to 2016-17. In 2017-18, Australia moved up one space to be the sixth largest exporter to India (3.0% of India's total imports) and Germany

Rank	Main exporters to Germany 2017	% Share	Rank	Main importers from Germany 2017	% Share
1	China	9.7	1	USA	8.7
2	Netherlands	8.8	2	France	8.2
3	France	6.2	3	China	6.7
4	USA	5.9	4	Netherlands	6.7
5	Italy	5.4	5	United Kingdom	6.6
6	Poland	4.9	6	Italy	5.1
7	Czech Republic	4.5	7	Austria	4.9
8	Switzerland	4.4	8	Poland	4.7
9	Austria	4.0	9	Switzerland	4.2
10	Belgium	3.9	10	Belgium	3.5
27	India	0.8	25	India	0.8

Source: Federal Statistical Office, Wiesbaden



Rank	Main exporters to India in 2017-18	% Share	Rank	Main importers from India in 2017-18	% Share
1	China	16.4	1	USA	15.8
2	USA	5.7	2	Hong Kong	4.8
3	Switzerland	4.1	3	China	4.4
4	Indonesia	3.5	4	Singapore	3.4
5	South Korea	3.5	5	United Kingdom	3.2
6	Australia	3.0	6	Germany	2.9
7	Germany	2.9	7	Bangladesh	2.8
8	Japan	2.4	8	Vietnam	2.6
9	Hong Kong	2.3	9	Nepal	2.2
10	Nigeria	2.0	10	Netherlands	2.1

Source: Ministry of Commerce & Industry, Govt. of India

NOTE: In the table, Petroleum-Oil-Lubricant (POL) countries are not listed due to their considerable share of oil-related trade with India



Source: Ministry of Commerce Et Industry, Govt. of India

slipped one space to be the seventh largest exporter to India (2.9% of India's total imports). Japan retained its eighth position (2.4% of India's total imports) and Hong Kong moved up one space to be the ninth largest exporter to India (2.3% of India's total imports). Malaysia, which was on the ninth position last year slipped below the tenth position, and Nigeria was a new entrant to the list, being the tenth largest exporter (2.0% of India's total imports) to India in 2017-18.

Holding its position from the financial year 2016-17, USA was the top buyer of Indian goods, accounting for about 15.8% of India's total exports in 2017-18. On the second position was Hong Kong (4.8% of India's total exports) - followed by China accounting for 4.4% of India's total exports in 2017-18. Singapore, United Kingdom and Germany retained their positions and ranked fourth, fifth and sixth, with shares of 3.4%, 3.2% and 2.9% of India's total exports respectively, in 2017-18. Bangladesh and Vietnam interchanged their positions as compared to 2016-17. In 2017-18, Bangladesh ranked as the seventh largest importer from India (2.8% of India's total exports) and Vietnam was eighth (2.6% of India's total exports). Nepal moved up one position to be India's ninth largest importer (2.2% of India's total exports) and Netherlands was a new entrant to the list, on the tenth position (2.1% of India's total exports). Belgium, which was India's ninth largest importer in 2016-17, did not make it to the top ten in 2017-18.

In the financial year 2017-18, India's foreign trade was to the tune of INR 49,562 billion and the top ten trading partners were China, USA, Hong Kong, Germany, South Korea, Indonesia, Switzerland, Australia, Singapore and Japan, in that order.

Trade with the EU countries

Germany's trade with the EU (Table 9)

All the 27 EU countries together, (without Germany), namely Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom, were responsible for 57.07% of the Germany's overall imports of EUR 1034.49 billion, in 2017. Netherlands continued to be the biggest supplier to Germany. The country accounted for 15.5% of the EUR 590.41 billion worth of goods that Germany imported from the EU in 2017. France was the next most important supplier for Germany (10.9% of Germany's imports from EU), followed by Italy (9.5% of Germany's imports from EU). Poland (fourth with 8.6% of Germany's imports from EU), Czech Republic (fifth with 7.8% of Germany's imports from EU), Austria (sixth with 7.0% of Germany's imports from EU), Belgium (seventh with 6.9% of Germany's imports from EU), United Kingdom (eighth with 6.3% of Germany's imports from

EU), Spain (ninth with 5.4% of Germany's imports from EU) and Hungary (tenth with 4.4% of Germany's imports from EU) retained their positions. The top ten EU exporters to Germany accounted for nearly 82.18% (82.4% in 2016) of Germany's total imports from the EU in 2017.

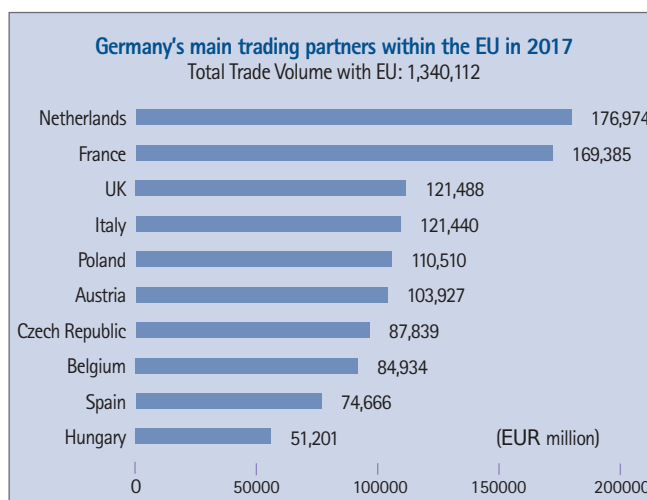
Among the destination countries for German exports, France was once again on top of the list with a share of 14.0% of the EUR 749.7 billion that Germany exported to the EU in 2017. Netherlands and United Kingdom interchanged their positions as compared to 2016. In 2017, Netherlands and United Kingdom followed in the second and third positions with a share of 11.4% and 11.3% of Germany's exports to the EU, respectively. Italy (fourth with 8.7% of Germany's exports to EU), Austria (fifth, with 8.4% of Germany's exports to EU), Poland (sixth with 7.9% of Germany's exports to EU), Belgium (seventh with 5.9% of Germany's exports to EU), Spain (eighth with 5.7% of Germany's exports to EU), Czech Republic (ninth with 5.6% of Germany's exports to EU) and Sweden (tenth with 3.6% of Germany's exports to EU) retained their positions in 2017, as compared to 2016. These top ten EU importers absorbed 82.55% of German exports to EU, and 58.62% of Germany's total exports worldwide.

The top trading partners for Germany, considering imports and exports, within the EU in 2017, were Netherlands, France, United Kingdom, Italy, Poland, Austria, Czech Republic, Belgium, Spain, Hungary, in that order. These countries together accounted for 82.25% of Germany's total trade within the EU.

Table 9 Germany's trade with the EU – Top Ten (2017)

Rank	Germany imports from	% Share in total imports from the EU	Germany exports to	% Share in total exports to the EU
1	Netherlands	15.5	France	14.0
2	France	10.9	Netherlands	11.4
3	Italy	9.5	United Kingdom	11.3
4	Poland	8.6	Italy	8.7
5	Czech Republic	7.8	Austria	8.4
6	Austria	7.0	Poland	7.9
7	Belgium	6.9	Belgium	5.9
8	United Kingdom	6.3	Spain	5.7
9	Spain	5.4	Czech Republic	5.6
10	Hungary	4.4	Sweden	3.6

Source: Federal Statistical Office, Wiesbaden



Source: Federal Statistical Office, Wiesbaden

India's trade with the EU (Table 10)

Rank	India imports from	% Share in total imports from the EU	India exports to	% Share in total exports to the EU
1	Germany	27.8	United Kingdom	18.07
2	France	13.6	Germany	16.21
3	Belgium	12.5	Netherlands	11.68
4	United Kingdom	10.0	Belgium	11.58
5	Italy	9.8	Italy	10.66
6	Netherlands	5.2	France	9.14
7	Spain	3.5	Spain	7.46
8	Sweden	3.1	Poland	2.88
9	Finland	2.9	Denmark	1.46
10	Austria	2.0	Sweden	1.44

Source: Ministry of Commerce & Industry, Govt. of India

In the fiscal 2017-18, Germany maintained its position as the top supplier for India among the 28 EU countries, while accounting for a share of 27.8% of India's imports from the EU. Following Germany, France and Belgium interchanged their positions as compared to 2016-17. In 2017-18, France was second (13.6% of India's imports from the EU) and Belgium was third (12.5% of India's imports from EU). Similarly, United Kingdom and Italy, as well as Netherlands and Spain interchanged their positions as compared to 2016-17. In 2017-18, United Kingdom was fourth (10.0% of India's imports from the EU), Italy was fifth (9.8% of India's imports from EU), Netherlands was sixth (5.2% of India's imports from EU) and Spain was seventh (3.5% of India's imports from EU). Sweden (eighth with 3.1% of India's imports from EU), Finland (ninth with 2.9% of India's imports from EU) and Austria (tenth with 2.0% of India's imports from EU) retained their positions in 2017-18, as compared to 2016-17.

India's total exports to the EU nations were about INR 3454.2 billion in the fiscal 2017-18. Among them, United Kingdom with a share of 18.07% of India's exports to EU, was the biggest buyer of Indian goods. Behind United Kingdom, Germany followed with a 16.21% share of India's exports to EU and was the second most important destination for Indian goods. Netherlands and Belgium interchanged



their positions as compared to 2016-17. In 2017-18, Netherlands was third (11.68% of India's exports to EU) and Belgium was fourth (11.58% of India's exports to EU). Italy (fifth with 10.66% of India's exports to EU), France (sixth with 9.14% of India's exports to EU), Spain (seventh with 7.46% of India's exports to EU) and Poland (eighth with 2.88% of India's exports to EU) retained their positions, as compared to 2016-17. In 2017-18, Denmark and Sweden interchanged their positions as compared to 2016-17, with Denmark being ninth (1.46% of India's exports to EU) and Sweden being tenth (1.44% of India's exports to EU). These top ten buyers accounted for nearly 90.58% of India's total exports to EU countries.

India's top ten trading partners in the EU, during the financial year 2017-18, in terms of total trade volume were Germany, United Kingdom, Belgium, France, Italy, Netherlands, Spain, Sweden, Finland, Austria.

Trade with the APAC Countries

Germany's trade with the APAC countries (Table 11)

Trade between Germany and the APAC countries continued growing and improved by 9.67%. German imports from these countries, which had moderately grown by 3.1% in 2016, saw a significant 10.0% growth in 2017. German exports to

Sr. No.	Country	German Imports		% Change	Country	German Exports		% Change
		2017	2016			2017	2016	
1	China	100,681	94,172	+6.9	China	86,170	76,046	+13.3
2	Japan	22,880	21,922	+4.4	Japan	19,531	18,307	+6.7
3	South Korea	11,339	7751	+46.3	South Korea	17,450	17,232	+1.3
4	Vietnam	9608	8806	+9.1	India	10,685	9784	+9.2
5	Taiwan	9583	8570	+11.8	Australia	9493	8984	+5.7
6	Malaysia	8796	7643	+15.1	Taiwan	7678	7543	+1.8
7	India	8473	7653	+10.7	Singapore	6929	6708	+3.3
8	Singapore	6281	5367	+17.0	Hong Kong	6865	6752	+1.7
9	Thailand	5974	5376	+11.1	Malaysia	5023	4750	+5.7
10	Bangladesh	5349	4924	+8.6	Thailand	4690	4397	+6.7
	Total ASEAN	40,385	35,647	+13.3	Total ASEAN	25,309	23,323	+8.5
	Total APAC	206,306	187,394	+10	Total APAC	187,435	171,609	+9.2
	Total worldwide	1,034,491	954,917	+8.3	Total worldwide	1,278,935	1,203,833	+6.2

Source: Federal Statistical Office, Wiesbaden

the region which had seen a growth of 4.5% in 2016, went up by 9.2% in 2017. German imports from the APAC countries amounted to EUR 206,306 million, while exports to these nations were to the tune of EUR 187,435 million. Hence the trade volume amounted to EUR 393,741 million.

The trade volume with Germany's most important trading partner in Asia, China, grew by 9.8% in 2017 after increasing by 4.4% in 2016. In 2017, exports to the Asian country grew by 13.3% to reach a volume of EUR 86.17 billion and German imports from China increased by 6.9% to around EUR 100.68 billion. German exports to China take up 45.97% of total exports to the APAC region, and about 6.73% of Germany's total exports worldwide.

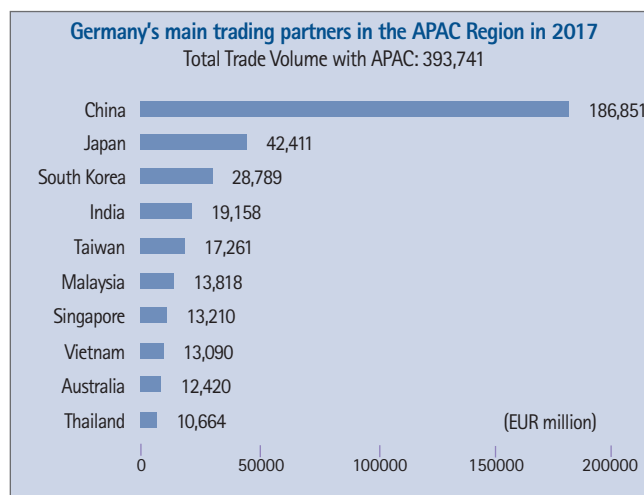
Germany's imports from the each of the top ten APAC countries it trades with showed an increase in 2017. The most significant growth was seen in imports from South Korea (+46.3%), Singapore (+17.0%) and Malaysia (+15.1%). According to the final trade figures, German imports from India grew by 10.7% to reach a volume of EUR 8473 million and continued a significant growth. The composition of the top ten APAC countries that Germany imports from remained the same in 2017, as compared to that in 2016.

German exports to the APAC countries grew by 9.2% in 2017, as compared to the 4.5% increase in 2016. In 2017, exports to China experienced a surge and appreciated by 13.3%, to touch EUR 86,170 million. The composition of the top ten importers of German goods in 2017 remained the same as in 2016. Germany's exports to India (+9.2%), Japan (+6.7%) and Thailand (+6.7%) also posted a healthy growth.

In 2017, India slipped one place to become the seventh most important supplier to Germany and retained its position as the fourth most important buyer of German products in the APAC region. Overall, with total trade with Germany amounting to EUR 19.15 billion in 2017, India remains the fourth most important trading partner for Germany in the APAC region.

The top ten trading partners for Germany in the APAC region are: China, Japan, South Korea, India, Taiwan, Malaysia, Singapore, Vietnam, Australia, and Thailand,

in that order. The most important trading partners and their positions remain the same as in the previous year, but with a change in the percentages of growth. The top ten countries accounted for 90.83% of Germany's total trade volume with the APAC countries.



Source: Federal Statistical Office, Wiesbaden

India's trade with the APAC countries (Table 12)

Around 31.62% of the overall trade of goods between India and the APAC countries was with China (total trade with APAC: INR 18,262 billion), during the fiscal 2017-18.

In the year 2017-18, China once again was the biggest supplier of goods to India with Indian imports from China amounting to INR 4915 billion and increasing by 19.6% over the previous fiscal. In the meanwhile, India's exports to the Asian giant increased by a significant 26.0% in 2017-18 and amounted to INR 860 billion in 2017-18. In spite of this increase, however, Hong Kong still maintained its position as the most important destination country for Indian products, with India's exports to the country touching INR 947 billion. Exports to China constituted 13.29% of India's total exports to the APAC countries and imports from China accounted for 41.67% of India's imports from the APAC region.

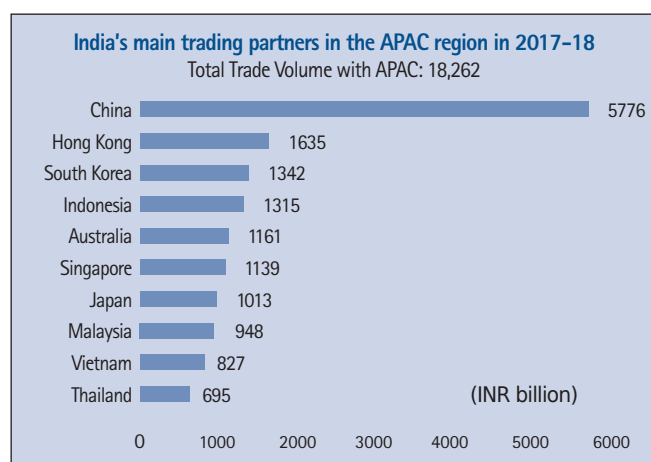
Sr. No.	Country	Indian Imports			Country	Indian Exports		
		2017-18	2016-17	% Change		2017-18	2016-17	% Change
1	China	4915	4111	+19.6	Hong Kong	947	941	+0.6
2	Indonesia	1060	901	+17.6	China	860	682	+26.0
3	South Korea	1054	844	+24.9	Singapore	658	641	+2.6
4	Australia	902	749	+20.5	Bangladesh	545	457	+19.2
5	Japan	707	654	+8.2	Vietnam	504	455	+10.7
6	Hong Kong	688	549	+25.3	Nepal	425	366	+16.2
7	Malaysia	581	599	-3.0	Malaysia	367	350	+4.8
8	Singapore	481	475	+1.2	Japan	305	258	+18.3
9	Thailand	460	363	+26.6	Sri Lanka	289	262	+10.0
10	Vietnam	324	223	+45.3	South Korea	288	284	+1.1
	Total ASEAN	3038	2724		Total ASEAN	2205	2076	+6.2
	Total APAC	11,793	10,059	+17.2	Total APAC	6469	5873	+10.2
	Total worldwide	30,010	25,777	+11.5	Total worldwide	19,555	18,494	+5.7

Source: Ministry of Commerce and Industry, Government of India

After China and with a substantial gap, the next most important supplier to India was Indonesia with a share of 8.98% of India's total imports from the APAC countries, followed by South Korea with a share of 8.93%. While India's imports from Indonesia increased by a significant 17.6% in 2017-18, India's imports from South Korea jumped by an impressive 24.9%, after declining by 1.1% in 2016-17. Australia (fourth with 20.5% growth in exports to India), Japan (fifth with 8.2% growth in exports to India), Hong Kong (sixth with 25.3% growth in exports to India), Malaysia (seventh with 3% decline in exports to India), Singapore (eighth with 1.2% growth in exports to India), Thailand (ninth with 26.6% growth in exports to India) and Vietnam (tenth with a significant 45.3% growth in exports to India) retained their positions among India's top ten suppliers in 2017-18, except Hong Kong and Malaysia who interchanged their positions as compared to 2016-17. The top ten supplier countries to India in 2017-18 accounted for 94.73% of India's total imports from the APAC countries.

In 2017-18, Indian exports to the APAC countries increased from INR 5873 billion to INR 6469 billion. However, the share of exports to the top ten APAC countries decreased from a share of 81.87% in 2016-17, to a share of 80.19%, of India's total exports to the APAC countries in 2017-18. Indian exports to all the countries in the list of top ten destination countries for Indian products in the APAC region, posted an increase in 2017-18. Hong Kong retained its position as the top destination country for Indian products with exports to the country amounting to INR 947 billion, followed by China which accounted for INR 860 billion worth of India's exports. Singapore (third with 2.6% increase in imports from India) retained its position as compared to 2016-17, while Bangladesh (fourth with 19.2% increase in imports from India) and Vietnam (fifth with 10.7% increase in imports from India) interchanged their positions in 2017-18. Nepal (sixth with 16.2% increase in imports from India) and Malaysia (seventh with 4.8% increase in imports from India) retained their positions in 2017-18, while Japan moved up two places as compared to 2016-17, and was the eighth most important destination to Indian products, posting an increase of 18.3% in imports from India, in 2017-18. Sri Lanka (ninth with 10.0% increase in imports from India) retained its position in 2017-18, while South Korea slipped down two places as compared to 2016-17 and was tenth on the list, with a slight increase of 1.1% in imports from India, in 2017-18. The top ten buyers for India in the APAC region accounted for 80.19% of India's exports to the region, while the overall share of India's exports to the APAC countries was 33.08% of India's total exports worldwide.

The top ten trading partners for India among the APAC countries, in 2017-18, were China, Hong Kong, South Korea, Indonesia, Australia, Singapore, Japan, Malaysia, Vietnam and Thailand, in that order.



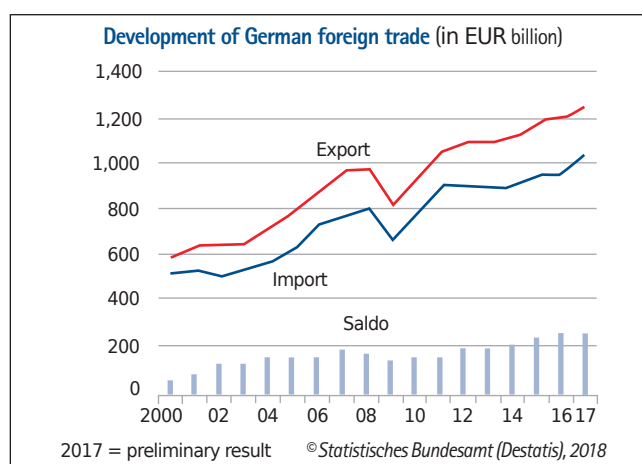
Source: Ministry of Commerce and Industry, Government of India

Trading with the world

Germany's foreign trade

German exports in 2017: + 6.2% in 2017

Germany exported goods worth EUR 1278.9 billion and imported goods worth EUR 1034.5 billion, in 2017. Based on provisional data, the Federal Statistical Office (Destatis) also reports that German exports increased by 6.2% and imports by 8.3% in 2017, compared with 2016. In 2017, export and import levels were higher than the previous all-time highs recorded in 2016. In 2016, goods worth EUR 1203.8 billion were exported and goods worth EUR 954.9 billion were imported. The foreign trade balance showed a surplus of EUR 244.4 billion in 2017. In 2016, the surplus of the foreign trade balance had reached an all-time high (EUR 248.9 billion).



Source: Federal Statistical Office, Wiesbaden

58.6% of German exports went to European Union Member States in 2017

The European Union (EU) is Germany's most important trade market. To coincide with the Europe Day on May 9, 2018, the Federal Statistical Office (Destatis) reported that Germany exported goods worth EUR 749.7 billion to the other 27 EU Member States in 2017. These exports accounted for 58.6% of the country's total exports. The value of goods imported from EU Member States amounted to EUR 590.5 billion, which accounted for 57.1% of all imports. In 2017, seven EU Member States were among Germany's ten most important trading partners regarding both exports and imports.

	German Exports (EUR billion) (January to April 2018)	German Imports (EUR billion) (January to April 2018)
Total	438.3	357.5
EU Member States	263.2	205.2
Euro Area	167.4	133.6
Non-Euro Area	95.7	71.6
Third Countries	175.2	152.3

Source: Federal Statistical Office, Wiesbaden

Motor vehicles again Germany's most important export goods in 2017

According to provisional results, German exports of motor vehicles, trailers and semi-trailers amounted to EUR 234.4 billion in 2017. The Federal Statistical Office (Destatis) reports that motor vehicles, trailers and semi-trailers continued to be Germany's most important export goods in 2017. They were followed by machinery (EUR 183.6 billion) and chemicals and chemical products (EUR 114.7 billion).

The People's Republic of China is again Germany's main trading partner

According to provisional results, goods worth EUR 186.6 billion were traded between Germany and China in 2017 (exports and imports). The Federal Statistical Office (Destatis) reports that China was Germany's most important trading partner in 2017 for the second consecutive year. Next came the Netherlands, with a trading volume of EUR 177.3 billion, followed by USA in third place, with a foreign trade turnover of EUR 172.6 billion. France dropped from second to fourth in the list of main trading partners in

2017. From 1975 to 2014, France was Germany's most important trading partner.

The main German trading goods, 2017 in EUR billion, export

Motor vehicles, trailers and semi-trailers (235)
Machinery and equipment n.e.c. (184)
Chemicals and chemical products (115)
Computer, Electronic and optical products. (111)
Electrical equipment (83)
Basic pharmaceutical products and preparations (76)
Other transport equipment (58)
Food products (54)
Basic metals (54)
Rubber and Plastic products (46)
Preliminary result
© Statistisches Bundesamt, (Destatis) 2018

Germany's major trading partners, 2017 in EUR billion

Export		Import	
United States	111	101	China
France	105	91	Netherlands
China	86	64	France
Netherlands	86	61	United States
United Kingdom	84	56	Italy
Italy	66	51	Poland
Austria	63	46	Czech Republic
Poland	59	46	Switzerland
Switzerland	54	41	Austria
Belgium	44	41	Belgium
Preliminary result			
© Statistisches Bundesamt, (Destatis) 2018			

German exports to Russia totalled roughly EUR 25.9 billion in 2017

According to provisional results, in 2017 Germany exported goods worth EUR 25.9 billion to Russia, while it imported goods worth EUR 31.4 billion from there. The Federal Statistical Office (Destatis) also reports that, in the trade with Russia, both exports and imports increased for the first time in five years. Compared with 2016, exports increased by 20.2% and imports by 18.7% in 2017, following four years of declining levels. The previous record highs in the German trade with the Russian Federation were reached in 2012 (exports: EUR 38.1 billion, imports EUR 42.8 billion).

782,000 tonnes of chocolate were exported from January to November 2017

Sweets from Germany are in high demand abroad. To coincide with the International Sweets and Biscuits Fair held in Cologne from 28 to 31 January 2018, the Federal Statistical Office (Destatis) reported that 782,000 tonnes of chocolate and other food preparations containing cocoa were exported from Germany in the period from January to November 2017. The exports were worth EUR 3.7 billion. In terms of quantity, this was an increase of 2.9% compared with the same period a year earlier.

India's foreign trade (Table 14)

India's trade with the countries of the world has seen some ups and downs since the year 2000. Highest growths in the volume of trade were recorded in the years 2004-05, 2008-09 and 2011-12, where India's foreign trade grew 34.3%, 32.8% and 34.9% respectively. After the dip in the year 2001-02, the trade volume grew for several years posting a double-digit growth. So far, 2015-16 was the worst year where the growth of trade declined by 9.2%, while 2011-12 seems to have been the best. In 2012-13, growth again dipped to 12.9% while in 2013-14, India's foreign trade posted a lower growth of 7.3%, which was followed by a slight growth of 0.4% in the fiscal year 2014-15. After an encouraging growth of 5.3% in 2016-17, following the decline in 2015-16, in 2017-18, trade has picked up even more and has posted a growth of 11.9% in trade volume.

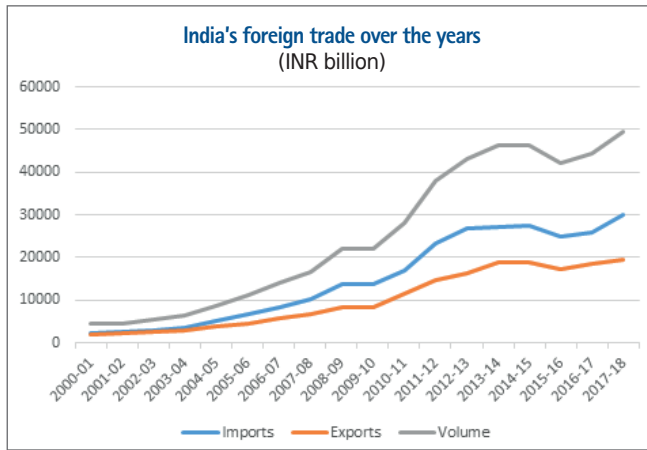
On the imports side, 2004-05, 2008-09, 2011-12 were very good years with imports registering the highest increases of 39.5%, 35.8% and 39.3% respectively. 2015-16 was the worst performing year with Indian imports declining by 9%. With the slowdown in the Indian economy, 2013-14 too was not good year for imports, which posted only a slight growth of 1.8%. In the fiscal year 2014-15, Indian imports

slightly increased by 0.7%. After a moderate growth of 3.5% in 2016-17, Indian imports increased significantly by 16.4%, to touch INR 30010 billion, in 2017-18. The best years for Indian exports were 2004-05 (+27.9%), 2008-09 (+28.2%), 2010-11 (+35.2%) and 2011-12 (28.3%), with 2010-11 posting the highest growth since 2000. The lowest growths in exports were seen in the years 2001-02 (2.7%) and 2009-10 (+0.6%). Exports during 2013-14 experienced a healthy growth of 16.2%, followed by a slight decrease of 0.1% in 2014-2015, and in 2015-16, Indian exports decreased further by 9.5%. However, in the fiscal 2016-17, India's exports have posted a significant growth of 7.9%, followed by a moderate growth of 5.6% in 2017-18, to reach INR 19,555 billion.

Table 14 India's foreign trade over the years (in INR billion)

Year	Imports	% Change over Previous Year	Exports	% Change over Previous Year	Volume	% Change over Previous Year
2000-01	2309	+7.1	2036	+27.6	4345	+15.9
2001-02	2452	+6.2	2090	+2.7	4542	+4.5
2002-03	2972	+21.2	2551	+22.1	5523	+21.6
2003-04	3591	+20.8	2934	+15.0	6525	+18.1
2004-05	5011	+39.5	3753	+27.9	8764	+34.3
2005-06	6604	+31.8	4564	+21.6	11,168	+27.4
2006-07	8405	+27.3	5718	+25.3	14,123	+26.5
2007-08	10,123	+20.4	6559	+14.7	16,682	+18.1
2008-09	13,744	+35.8	8408	+28.2	22,152	+32.8
2009-10	13,637	-0.8	8455	+0.6	22,092	-0.3
2010-11	16,835	+23.5	11,429	+35.2	28,264	+27.9
2011-12	23,455	+39.3	14,660	+28.3	38,115	+34.9
2012-13	26,692	+13.8	16,343	+11.5	43,035	+12.9
2013-14	27,174	+1.8	18,997	+16.2	46,171	+7.3
2014-15	27,371	+0.7	18,970	-0.1	46,341	+0.4
2015-16	24,903	-9.0	17,164	-9.5	42,067	-9.2
2016-17	25,774	+3.5	18,523	+7.9	44,297	+5.3
2017-18	30,010	+16.4	19,555	+5.6	49,565	+11.9

Source: Ministry of Commerce and Industry, Government of India



Source: Ministry of Commerce and Industry, Government of India

World Economic Outlook for 2018

Advanced economies

- In USA, near-term momentum in the economy is expected to strengthen temporarily, with growth projected at 2.9% in 2018 and 2.7% in 2019.
- Growth in the Euro Area economy is projected to slow gradually, from 2.4% in 2017 to 2.2% in 2018, and to 1.9% in 2019.
- The growth forecast for Japan has been marked down to 1.0% for 2018, following a contraction in the first quarter, owing to weak private consumption and investment. The economy is expected to strengthen over the remainder of the year and into 2019.

Emerging and developing economies

- Emerging and Developing Asia is expected to maintain its robust performance, growing at 6.5% in 2018–19. Growth in China is projected to moderate from 6.9% in 2017 to 6.6% in 2018, and 6.4% in 2019.
- India's growth rate is expected to rise from 6.7% in 2017 to 7.3% in 2018 and 7.5% in 2019, as drags from the currency exchange initiative and the introduction of the Goods and Services Tax (GST) fade.
- In Emerging and Developing Europe, growth is projected to moderate from 5.9% in 2017 to 4.3% in 2018, and further to 3.6% in 2019. Financial conditions have tightened for some economies with large external deficits— notably Turkey, where growth is set to soften from 7.4% in 2017 to 4.2%, this year.
- Oil exporters in the Middle East, North Africa, Afghanistan, and Pakistan region, have benefitted from the improved outlook for oil prices, but the outlook for oil importing countries remains fragile. Several economies still face large fiscal consolidation needs, and the threat of intensifying geopolitical conflict continues to weigh on growth in the region. Growth is projected to strengthen from 2.2% in 2017 to 3.5% in 2018, and further to 3.9% in 2019.
- The recovery in Sub-Saharan Africa is set to continue, supported by the rise in commodity prices. For the region, growth is expected to increase from 2.8% in 2017 to 3.4% this year, rising further to 3.8%, in 2019. Despite the weaker-than-expected first quarter outturn in South Africa (in part due to temporary factors), the economy is expected to recover somewhat, over the remainder of 2018 and into 2019, as confidence improvements associated with the new leadership, are gradually reflected in strengthening private investment.

Source

World Economic Outlook – April 2018