

Embassy of India, Zagreb



Monthly Economic Newsletter

November, 2018

PART I: INDIAN ECONOMY

News Features

1. **Engineering exports likely to touch USD 80 billion:**

According to the Engineering Export Promotion Council (EEPC), India's engineering exports are likely to touch USD 80 billion this fiscal on account of healthy growth in key markets, including the US and Europe. In 2017-18, the exports stood at USD 76 billion. The sector accounts for about 25% of the India's total merchandise exports. Shipments to North America and Europe account for about 40% of the total exports from the sector.



2. **Nearly 16% growth in Foreign Tourist Arrivals on medical visa:**

The Foreign Tourist Arrivals (FTAs) in India on medical visa during 2016 and 2017 registered a positive growth of 15.9%. Medical Tourism holds immense potential for India. The Indian systems of medicines, viz. Ayurveda, Yoga, Panchakarma, Rejuvenation Therapy, etc., are among the most ancient systems of medical treatment in the world. India can provide medical and health care of international standards at low costs. India excels in the state of the art medical facilities, reputed health care professionals, quality nursing facilities and traditional healthcare therapies.



3. **India registered 10% growth in containerised trade in Q3 2018:**

According to the Maersk's report, global container shipping company, India's containerised trade with the world grew by 10% year-on-year in the July-September quarter. The demand for India-made goods such as vehicles and mechanical appliances as well as refrigerated cargo such as onions, meat, seafood, and pharmaceuticals have driven exports. Increasing competitiveness of Indian exports, coupled with improved demand in various destination countries, propelled exports to grow at 10% year-on-year... Simultaneously, imports rose 9% year-on-year, largely dominated by a heavy inflow of paper, metal and white goods.



4. **IndiGo first Indian carrier to have 200 aircraft in its fleet:**

IndiGo has become the first airline in India to have 200 aircraft in its fleet. The airline's fleet now comprises 123 A320neos (current engine option), 61 A320neos (new engine option) as well as 12 regional jets ATR. IndiGo currently offers over 1,200 flights to 49 domestic and 14 international destinations.



Main Economic Indicators

| Gross Domestic Product – GDP | | | | |
|-------------------------------------|---------|---------|---------|-----------------|
| Fiscal Year | 2015-16 | 2016-17 | 2017-18 | Est. 2018-19 |
| Real GDP (% change, YoY) | 8.2% | 7.1% | 6.7% | 7.2% |
| GDP (US \$ billion), current prices | 2251.1 | 2300 | / | / |

Source: Indian Central Statistics Office and Moody's

Foreign Trade

| I. Merchandise Trade | | |
|---|-------------|--------------|
| Exports & Imports: (US \$ billion) (Provisional) | Nov 2018 | Apr-Nov 2018 |
| Exports (including re-exports) | | |
| 2017-18 | 26.29 | 194.93 |
| 2018-19 | 26.50 | 217.52 |
| % Growth 2018-19/2017-18 | 0.80 | 11.58 |
| Imports | | |
| 2017-18 | 41.39 | 301.31 |
| 2018-19 | 43.17 | 345.64 |
| % Growth 2018-19/2017-18 | 4.31 | 14.71 |
| Trade balance | | |
| 2017-18 | -15.10 | -106.37 |
| 2018-19 | -16.67 | -128.13 |
| II. Trade in Services | | |
| Exports & Imports: (US \$ billion) (Provisional) | Oct 2018 | Apr-Oct 2018 |
| Exports (Receipts) | 16.82 | 117.88 |
| Imports (Payments) | 10.10 | 72.67 |
| Trade balance | 6.72 | 45.21 |

Source: RBI Press Release, dated 15th Dec 2018.

Industry

According to Indian Central Statistics Office (CSO) data, annual industrial production increased 8.1% in Oct 2018, up from 4.5% in Sep 2018. The uptick was driven by stronger output growth in the electricity sector and the manufacturing sector, which represents nearly 80% of total industrial production in India.

Foreign Direct Investment (FDI)

India remained an attractive investment destination. The improvement on the ease of doing business index, low external and household debt, reform-friendly government and the enormous market made India an attractive proposition. India is approaching towards USD 100 billion FDI inflow per annum by 2022 as volumes of foreign direct investment are increasing year after year. The annual FDI inflows in the country increased from USD 36 billion in 2013-14 to USD 62 billion in 2017-18. Make in India has been instrumental during the last four years to attract FDI reforms in the country. Despite the global challenges, the country was able to attract tremendous flow of investments.

Inflation

Indian Central Statistics Office (CSO) data showed that India's wholesale price inflation fell to a three-month low of 4.64% in Nov 2018, as prices of food articles, especially vegetables, softened. Data also showed that the retail or consumer price index-based inflation for Nov 2018 also fell to a 17-month low at 2.33%.

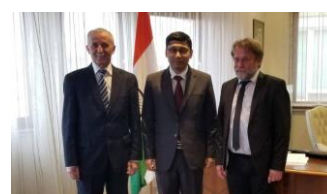
PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

1. **New Indian Ambassador to Croatia:** Ambassador H.E. Mr. Arindam Bagchi presented (13/11) his credentials to Croatian President H.E. Ms. Kolinda Grabar-Kitarovic. Ambassador Bagchi has held different assignments in Spain, Peru, New York, Sri Lanka, as well as in New Delhi.



2. **Meeting with the representatives of ViroExpo Fair:** Ambassador met (19/11) with Mr. Darko Zuzak, Deputy County Prefect, Virovitica-Podravina County and Mr. Milan Vandura, Director, Virovitica County Chamber of Economy to discuss Embassy's participation at the International Fair of Economy, Crafts and Agriculture "ViroExpo", 15-17 Mar 2019 in Virovitica.



3. **Increase of Indian tourist arrivals to Croatia:** According to data published (07/12) by the Croatian Central Bureau of Statistics (DZS), in the period Jan-Oct 2018, Croatia had a total of 61,957 Indian tourist arrivals or 14.27% more than in the same period of 2017, with 135,977 overnight stays, 13.22% more than in the same period of 2017.

Bilateral Trade

During the period Jan-Sep 2018 (for which local statistics are available) the total bilateral trade stood at Euro 105.87 million, i.e. India's exports worth Euro 97.80 million and India's imports worth Euro 8.07 million.

Euro million

| Year | 2014 | 2015 | 2016 | 2017 | Jan-Sep 2018 |
|-------------------|----------|----------|----------|----------|--------------|
| Croatia's Exports | € 13.50 | € 17.53 | € 11.05 | € 15.36 | € 8.07 |
| Croatia's Imports | € 88.19 | € 104.5 | € 100.60 | € 126.14 | € 97.80 |
| Total Trade | € 101.69 | € 122.03 | € 111.65 | € 141.50 | € 105.87 |

(Source: Croatian Central Bureau of Statistics)

| Trade Queries from India for Import/Export attended by the Mission | | | |
|---|---------------------------|-----------------|----------------------|
| No. | Enquiry Originator | Product | Nature |
| | | | Import/Export |
| 1 | Travica Exports Pvt. Ltd. | Steel & Copper | Export |
| 2 | Aumento Polymer Tekniks | Woven Bags | Export |
| 3 | Lens Tiles Impex | Tiles | Export |
| 4 | Konark Exports | Medical Devices | Export |

| | | | |
|----|----------------------------|------------------------|--------|
| 5 | Kuvar Impex | Aggregate Stone Chips | Export |
| 6 | KENT RO Systems Ltd. | Home Appliances | Export |
| 7 | Futurelife Pharmaceuticals | Pharmaceuticals | Export |
| 8 | Taas International | Agro Products | Export |
| 9 | Shlok Global Exim | Rice & Wheat Flour | Export |
| 10 | Ajay Weber International | Pet Accessories | Export |
| 11 | Shiv Forgings | Hand Tools | Export |
| 12 | Krishna Exports | Agricultural Machinery | Export |
| 13 | God International | Fabric & Yarn | Export |
| 14 | Asvy Ceramics | Tiles | Export |

PART III: UPCOMING EVENTS, FAIRS, CONFERENCES & TENDERS IN INDIA

| No. | Organizer | Event / Tender | Date | City/State |
|-----|---|---|--------------------|------------------------------|
| 1 | Trade Promotion Council of India (TPCI) | INDUSFOOD | 14-15 Jan 2019 | Greater Noida, Uttar Pradesh |
| 2 | Apparel Export Promotion Council (AEPCC) | 62 nd India International Garment Fair | 16-18 Jan 2019 | Greater Noida, Uttar Pradesh |
| 3 | Ministry of Steel, Government of India | International Exhibition & Conference on Steel Industry – 'INDIA STEEL EXPO 2019' | 22-24 Jan 2019 | Mumbai, Maharashtra |
| 4 | Centre for Development of Stones (CDOS) | INDIA STONEMART 2019- International Stone Industry Exhibition | 31 Jan-03 Feb 2019 | Jaipur, Rajasthan |
| 5 | Electronics and Computer Software Export Promotion Council (ESC) | 19 th edition of INDIASOFT 2019 | 04-05 Feb 2019 | Hyderabad, Telengana |
| 6 | Federation of Trade & Industry Saurashtra | 6 th Edition of SVUM 2019 International Trade Show | 11-15 Feb 2019 | Rajkot Gujarat |
| 7 | The Economic Times | Global Business Summit 2019 | 22-23 Feb 2019 | New Delhi |
| 8 | Department of Industrial Policy and Investment Promotion | Global Investors Summit 2019 | 23-24 Feb 2019 | Indore, Madhya Pradesh |
| 9 | World Trade Centre (WTC) and All India Association of Industries (AIAI) | 8 th Global Economic Summit 2019 | 06-08 Mar 2019 | Mumbai, Maharashtra |
| 10 | Pharmaceuticals Export Promotion Council of India(Pharmexcil) | International Exhibition of Pharma and Healthcare (iPHEX) | 10-12 Apr 2019 | Gandhinagar, Gujrat |

| | | | | |
|----|--|---|----------------|-----------|
| 10 | Indian Council of Food and Agriculture | 2 nd edition of AgroWorld and FoodWorld 2019 | 05-08 Nov 2019 | New Delhi |
|----|--|---|----------------|-----------|

Compiled by
Mario Stančin
Marketing Executive
Embassy of India

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