

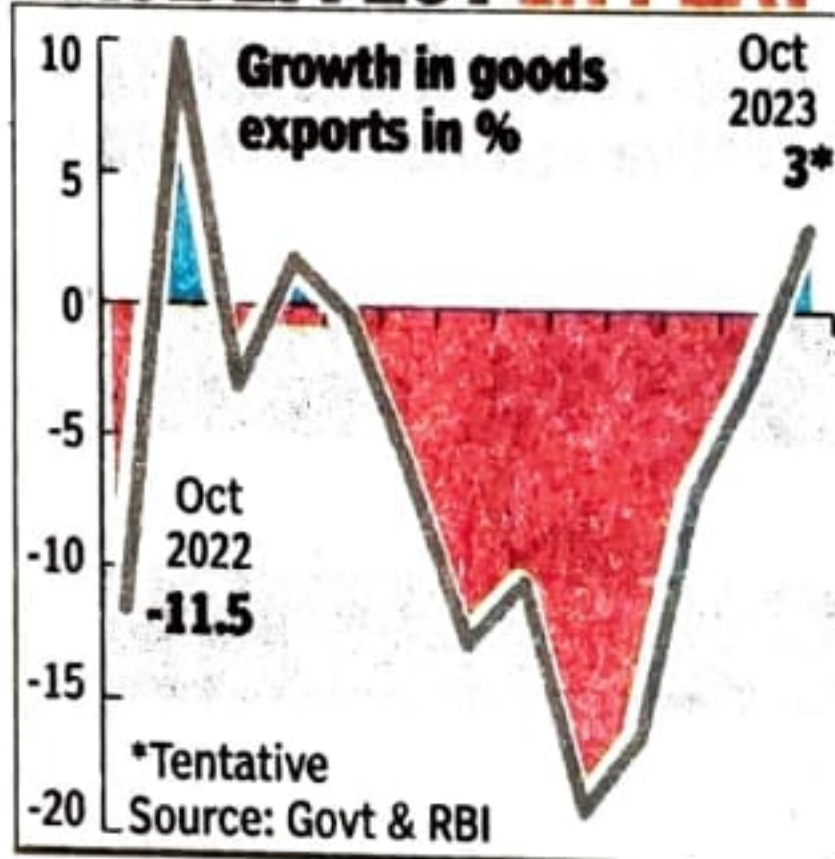
Goods exports rise for first time in 8 mths

Grow 3% From \$31.6Bn Led By Pharma, Engineering Sectors

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New Delhi: After a gap of eight months, India's goods exports rose for the first time in October, driven by pharma and engineering exports. While official numbers are due to be released on November 15, preliminary data accessed by TOI estimated that exports went up by around 3% over last year's level of \$31.6 billion. Imports, which have also been falling for nine months, have also shown improvement, a source said. The government and experts have attributed the fall in exports to weak demand and moderation in commodity prices, which spiked last year after the Ukraine war. Besides, the base effect is also expected to come into play as it contracted for the first time in October 2022 after a period of sharp increase, which helped goods exports cross the \$400-billion mark for the first time in FY22. The tension in West Asia had made businesses and markets nervous last month but economists and policymakers believe that the conflict will have a

BASE EFFECT IN PLAY



limited impact unless it escalates, and more countries join in.

While goods exports have remained depressed, services have held firm and maintained a rising trend, helping narrow the overall trade deficit and keep the current account deficit under check. "If exports are turning positive in these challenging times, it suggests that the industry is on the road to recovery due to the resilience shown by it. Demand is still an issue in many markets due to high inventory and we may be eating into the share of some other country," said Ajay Sahay, director general of the Federation of Indian Export Organisations.