

FICCI comments on Trade Data, released today

New Delhi, 16 July 2014: FICCI President Mr Siddharth Birla welcomed the double digit growth in exports for the second consecutive month in June and said that the 10.2% growth in exports last month is good news. “While the rise of over 9% in our cumulative exports during the first quarter of this fiscal year reflects steady improvement in global demand, we need to stay vigilant on trade deficit that has shot up to an 11-month high”, Mr Birla said.

Even though external sector risks are now lowered with the narrowing of current account deficit as a proportion of GDP to 1.7% in 2013-14, it would be good to remain watchful in view of the uncertain global environment including concerns about crude oil prices, observed FICCI President.

Keeping the trade deficit within manageable limits would be a medium-term challenge particularly because some restrictions on non-essential imports are likely would be phased out and imports would rise with a pick-up in our GDP growth.

Mr Birla welcomed the initiative to include ‘services trade statistics’ in the monthly release of India’s trade data and expressed satisfaction over 8.8% rise in export of services as well as nearly \$6 billion surplus in services trade in the month of May.

FICCI MEDIA DIVISION