

## **Engineering goods shipments cross \$9 billion for the third month in a row in September**

Engineering goods shipments crossed \$9 billion for the third month in a row in September with 22 out of 25 top export destinations such as China, UK and UAE recording positive growth.

Out of 33 engineering product categories, 27 witnessed positive growth in exports during September 2021 when compared with the same month last year. Maximum year-on-year decline was witnessed in zinc; aircraft, spacecraft and parts; ships and floating structure and electrical machinery during this period. .. Share of engineering goods in total merchandise export was 26.65% in September 2021.

During September, the US remained top destination for engineering goods exports with the total value of the shipment at \$1.29 billion, up 12.2 per cent compared to \$1.15 billion in the same month last year. China was the second biggest market with total shipments growing 49% year-on-year to \$568 million during this period.

India's engineering goods exports to UAE grew by 48 per cent to \$399.6 million in September 2021 as against \$268.6 million in the same month last year.

Among other countries which had positive growth included Germany, Turkey, Italy, UK, Vietnam, Singapore and Mexico. Rapid pace of recovery, declining Coronavirus cases, pent-up demand and policy measures taken by the government have been key factors supporting high engineering goods exports from the country.

Among various engineering panels and sub-groups which reported record exports during September included iron and steel, aluminium and products made from them, industrial machinery, automobiles and auto-components.

As per EEPIC India analysis of exports figures for the month of September, iron and steel exports jumped 136% year-on-year to \$2.2 billion.

Industrial machinery comprising boilers, IC engines and parts, pumps of all types, ACs and refrigerators grew by 27% to \$1.37 billion in September this year as compared to \$1.08 billion in September, 2020. Automobiles exports comprising motor vehicle/cars, two and three-wheelers, auto components and parts posted 25% year-on-year growth in September to \$1.47 billion.

While Zinc exports exhibited a decline since May 2021, this month also

witnessed decline in lead and tin exports mainly on the account of decline in demand from the Chinese economy.

While aircrafts and spacecraft parts and products recorded a decline in exports to the tune of 46.4% during September, the ships boats and floating products and parts panel fell 83%.