



Trade deficit in April 2021-January 2022

MARCH 10

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Introduction

In April 2021-January 2022, total export from India was 340.24 billion USD which was 48.63% more than total export of 228.92 billion USD in April 2020-January 2021. This is around 85% of total export target of 400 billion USD in FY22.

Again Indian import in April 2021-January 2022 was 495.11 billion USD, up by 62.44% over 304.79 billion USD Indian import in April 2020-January 2021.

Indian is usually net importer, while huge import in April 2021-January 2022 has widened the trade deficit in this period. In April 2020-January 2021, Import was 33% more than export while in April 2021-January 2022, Import was 45% more than export. This well defines the big trade deficit of April 2021-January 2022.

Table 1: Total import & export in April 2021-January 2022 & April 2020-January 2021 (in billion USD)

	April 2020- January 2021	April 2021- January 2022	% Growth
Import	304.79	495.11	62.44%
Export	228.92	340.24	48.63%
Import as % more than export	33%	46%	-
Trade deficit	75.87	154.87	104.13%

Commodity responsible

Table 2 is showing top 10 Principal commodities and bottom 10 Principal commodities w.r.t trade deficit in April 2021-January 2022. These top 10 Principal commodities had positive trade deficit (import more than export) while bottom 10 Principal commodities had negative trade deficit (import less than export). It is clear that total contribution of these top 10 Principal commodities so high that they nullifies the effect of bottom 10 Principal commodities.

Crude Petroleum is mostly imported in Indian and it is not a contrast during April 2021-January 2022 with around 19% contribution in total import. Its trade deficit is more than double in April 2021-January 2022 comparing to April 2020-January 2021.

Trade deficit for gold is double in April 2021-January 2022 comparing to April 2020-January 2020. This is also happen for Coal,Coke and Briquittes etc, Electronics Components, and Vegetable Oils.

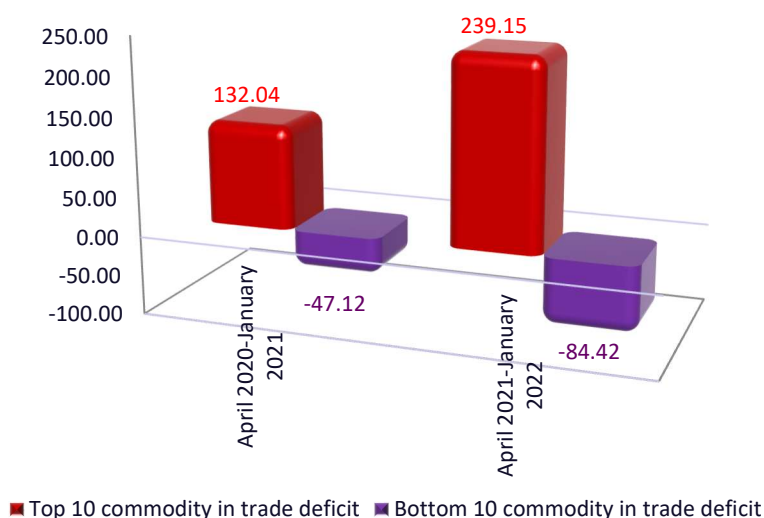
In contrary, trade deficit declined mostly for Petroleum product in April 2021-January 2022 over same period of previous year and trade deficit for remaining bottom 9 Principal commodities, was not declined that much in this period. Finally contribution of top 10 Principal commodities overcame the effects of bottom 10 Principal commodities in trade deficit in April 2021-January 2022.

The impact of remaining 148 Principal commodities in trade deficit is not much.

Table 2: Principal Commodity wise trade deficit

Commodity	Value in billion USD	
	April 2020-January 2021	April 2021-January 2022
Petroleum: Crude	45.62	94.73
Gold	20.27	40.27
Coal,Coke and Briquittes etc	13.13	23.67
Electronics Components	9.79	16.70
Vegetable Oils	8.67	15.70
Computer hardware, peripherals	8.30	12.21
Fertilizers manufactured	6.43	9.57
Plastic raw materials	4.60	8.71
Organic chemicals	2.50	5.74
Electronics instruments	3.66	4.78
Cotton Yarn	-2.17	-4.55
Rice(other than basmati)	-3.52	-4.98
Motor vehicle/cars	-3.85	-5.72
Cotton fabrics, madeups etc.	-4.48	-6.35
Marine products	-4.78	-6.48
RMG cotton incl accessories	-5.09	-6.56
Gold and oth pres metl jwlery	-4.78	-8.80
Iron and Steel	-2.84	-8.95
Drug formulations, biologicals	-13.64	-12.89
Petroleum products	-1.97	-19.14
Total	75.87	154.87
Top 10 commodity in trade deficit	132.04	239.15
Bottom 10 commodity in trade deficit	-47.12	-84.42

Chart1: Commodity effect in Trade Deficit



Country responsible

Table 3: Country wise trade deficit

Country	Value(billion USD)	
	April 2020- January 2021	April 2021- January 2022
CHINA P RP	35.22	58.23
IRAQ	9.77	22.50
SWITZERLAND	9.60	19.19
SAUDI ARAB	8.23	18.97
U ARAB EMTS	6.76	13.50
QATAR	5.16	9.00
KOREA RP	6.15	8.12
KUWAIT	3.29	7.53
INDONESIA	6.68	7.43
AUSTRALIA	2.86	7.17
SPAIN	-1.32	-2.03
TOGO	-0.72	-2.03
ITALY	-0.43	-2.55
U K	-2.39	-2.62
SRI LANKA DSR	-2.15	-3.63
TURKEY	-1.85	-5.21
NETHERLAND	-2.34	-5.68
NEPAL	-4.67	-6.69
BANGLADESH PR	-6.05	-11.33
U S A	-19.41	-27.94
Grand Total	75.87	154.87
Top 10 country in trade deficit	93.73	171.64
Bottom 10 country in trade deficit	-41.33	-69.71

Chart 2: Country effect in Trade Deficit

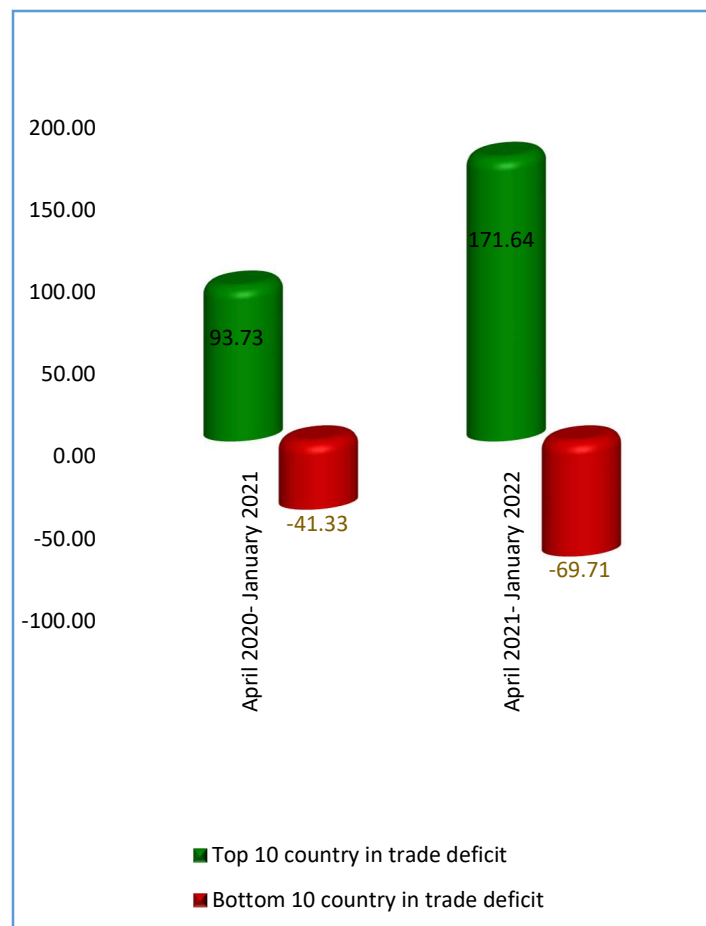


Table 3 shows top 10 countries with positive trade deficit and bottom 10 countries with negative trade deficit. Contribution of these bottom 10 countries in trade deficit could not reduce effect of top 10 countries.

China, as usual, top-most contributing country in import with share 15.5% in April 2021-January 2022 and its contribution in import is more than that in export. Thus its trade deficit is highest in April 2021-January 2022. Trade deficit w.r.t Iraq, Switzerland, Saudi Arab, UAE and Qatar in April 2021-January 2022 is approximately double comparing to April 2020-January 2021.

While trade deficit for top 5 countries were 2-digited, the same for only bottom 2 countries, namely, Bangladesh and USA, were 2-digited. Thus top-most commodities and countries have pushed trade deficit to more than double in April 2021-January 2022 over April 2020-January 2021.

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