



Foreign &  
Commonwealth  
Office

**MONTHLY TRADE REPORT**  
**INDIA TRADE POLICY TEAM**  
**SEPTEMBER - OCTOBER 2018**

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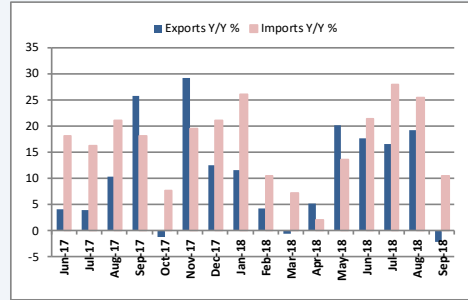
**1. India @ the G20 Conference** - Commerce Minister Suresh Prabhu led the Indian delegation for the G-20 Trade Ministers Meeting (TMM) held at Mar del Plata, Argentina on 14 September 2018. He attended all three plenary sessions of the G-20 TMM programme on current international trade developments, Agro Food Global Value Chains (GVCs) and New Industrial Revolution (NIR). He highlighted that developing countries suffer due to protectionist and unilateral measures and the need for dispute resolution through dialogue. Minister Prabhu highlighted the need to tackle non-tariff barriers (SPS measures) that are trade distorting and urged the G-20 to focus on the potential of services for enhancing the global trade. Minister Prabhu also endorsed India's commitment to the rule-based WTO and called for collective action for revitalising it. On NIR, he asked G-20 to encourage work towards reducing gaps in the digital divide within and across nations through capacity building measures, technology adaptation and meaningful investments with an aim of job creation. The G-20 TMM deliberations will feed into the G-20 Leaders Declaration at the Annual G-20 Summit in early December in Buenos Aires where Indian PM Narendra Modi along with other Heads of state is expected to participate.

**2. India - Bangladesh FTA** - Minister Suresh Prabhu visited Bangladesh from 24 – 27 September to hold trade related talks with his counterpart, Mr. Tofail Ahmed. In view that Bangladesh will soon graduate as a LDC from the South Asian FTA and will no longer have a duty-free and quota-free access to the Indian market, Minister Prabhu proposed a Comprehensive Economic Partnership Agreement (CEPA) to facilitate trade in goods, services and investments. Seven [border haats](#) to promote cross-border trade will be setup by March 2019, in addition to a Joint Business Group related to Jute sector. Goods bilateral trade between the two countries was valued \$7.5 billion in 2016-17 – with 90% of goods flowing from India to Bangladesh.

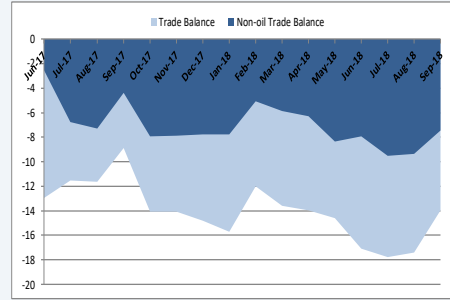
**3. World Bank Report: ‘A Glass Half Full’** - The World Bank group released a report ‘A Glass Half Full’ focussing on importance of regional trade cooperation in South Asia in September. Minister Prabhu launched and endorsed the report to tap the potential in the home region. It highlights that South Asia is one of the least integrated regions as intra-regional trade accounts for only 5% of region's total trade, compared to 25% in ASEAN (35% in East Asia, 60% in Europe). If cost and connectivity barriers reduce gradually, intra-regional trade in South Asia could increase from the current \$23 billion to \$67 billion. It further suggests that deeper regional trade and connectivity can reduce the isolation of northeast India, give India better access to markets in East Asia, and allow it to substitute fossil fuels by cleaner hydropower from Nepal and Bhutan.

**Merchandise trade: exports/imports / trade balance**

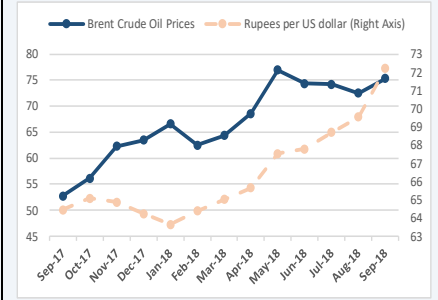
**Export/Imports growth (% y/y)**



**Trade balance (\$bn)**

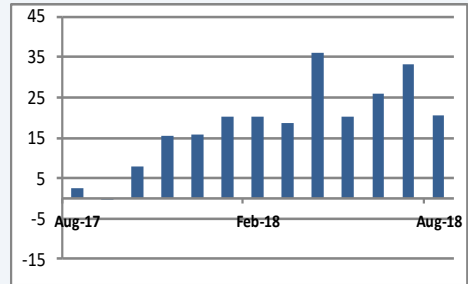


**Global Oil Price vs. Rupee Depreciation (\$)**

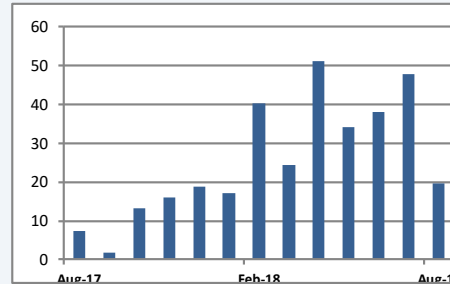


**Services trade: exports / imports / trade balance**

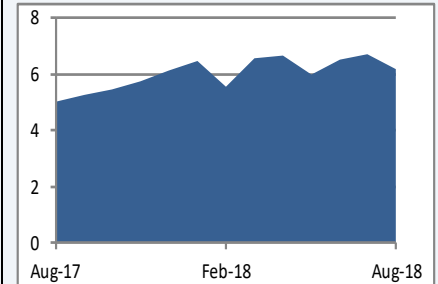
**Export growth (% y/y)**



**Imports (% y/y)**

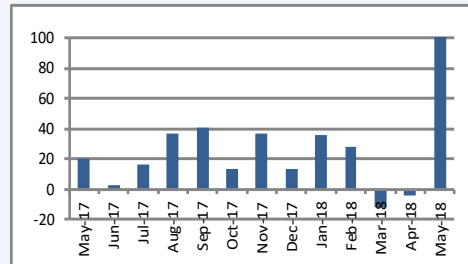


**Trade balance (\$bn)**

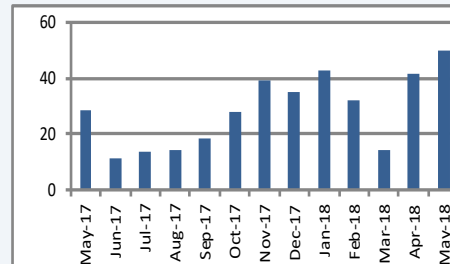


**Petroleum Oil Lubricant (POL) trade**

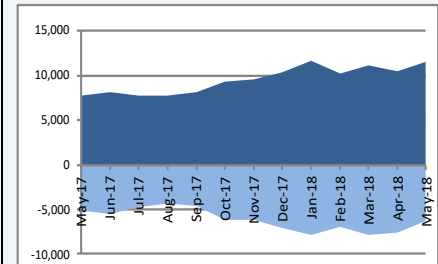
**Export growth (% y/y)**



**Imports (% y/y)**

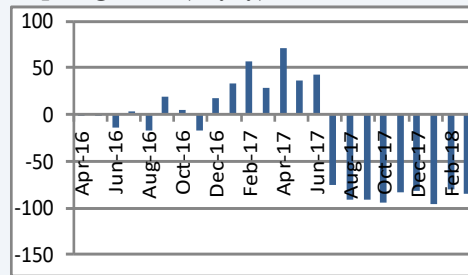


**Trade balance (\$bn)**

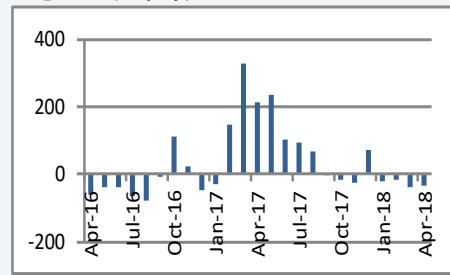


**Gold trade**

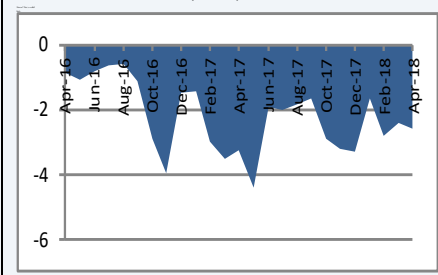
**Export growth (% y/y)**



**Imports (% y/y)**

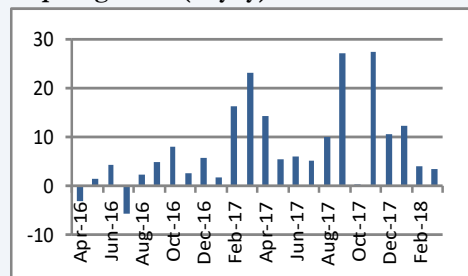


**Trade balance (\$bn)**

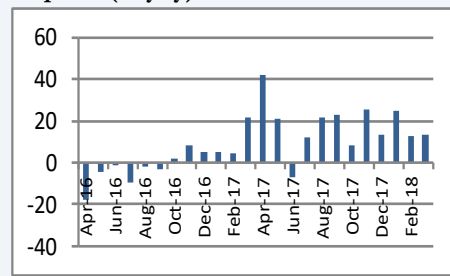


**Non-oil/Non gold trade**

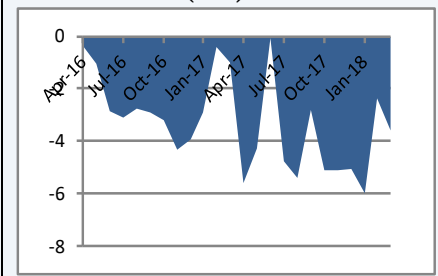
**Export growth (% y/y)**



**Imports (% y/y)**



**Trade balance (\$bn)**



Data Sources : Government of India and Reserve Bank of India official statistics

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Read our analysis on the [India Economic Share Point](#)