



February, 2020.



PART I: INDIAN ECONOMY

News Features

1. India becomes second largest steel producer of Crude Steel: According to World Steel Association, India became the second largest steel producer of crude steel after China in 2018 and 2019, replacing Japan in second position. India's crude steel production in 2018 was at 109.3 MT, an increase of 7.7 % from 101.5 MT in 2017. Steel being a deregulated sector, the Government does not set any annual targets for steel production. Decision on quantity of steel production is taken by individual companies based on commercial considerations and market requirements.



2. India Inc's foreign investment jumps 40 %: According to Reserve Bank of India (RBI), the investments made by Indian firms in foreign countries in (Jan 2020) increased by nearly 40 % to US\$ 2.10 bn on a yearly basis. Compared to in Jan 2019 at US\$ 1.47 bn. Out of the total capital invested by the India Inc in (Jan 2020), US\$ 793.82 mn was in the form of equity capital, US\$ 368.55 came in as debt capital, whereas the rest US\$ 890.75 mn was through the issuance of guarantee. Among the major investors were Bharti Airtel Ltd, Serum Institute of India and Allcargo Logistics .



3. Four AAI airports in India among the best in world: According to Airports Authority of India (AAI) report released recently (Feb 2020) Chandigarh, Mangaluru, Trivandrum and Lucknow airports have been adjudged among the best aerodromes in the world winning 10 awards in four different categories at the 2019 ASQ awards. ASQ is a globally established programme that measures passengers' satisfaction while travelling through an airport. Airports Council International (ACI), which is an independent agency of airport operators, carries out international benchmarking of aerodromes. The survey measures passengers' satisfaction across 34 key performance indicators that includes eight major categories such as access, check-in, security, airport facilities, food and beverage, retail, airport environment and arrival services.



Main Economic Indicators

Gross Domestic Product – GDP				
Fiscal Year	2016-17	2017-18	2018-19	Est.
				2019-20
Real GDP (% change, YoY)	8.2%	7.2%	7.2%	6.1%
GDP (US \$ bn), current prices	2251.1	2300	2600	/

Source: Indian Central Statistics Office and Moody's

Foreign Trade

I. Merchandise Trade		
Exports & Imports: (US \$ bn)	Feb 2020	Apr-Feb 2019/2020
(Provisional)		
Exports (including re-exports)		
2018-19	26.87	297.36
2019-20	27.65	292.91
% Growth 2019-20/2018-19	2.91	-1.50
Imports		
2018-19	36.59	470.36
2019-20	37.50	436.03
% Growth 2019-20/2018-19	2.48	-7.30
Trade balance		
2018-19	-9.72	-173.00
2019-20	-9.85	-143.12
II. Trade in Services		
Exports & Imports: (US \$ bn)	Jan 2020	Apr-Jan 2019-20
(Provisional)		
Exports (Receipts)	18.99	179.26
Imports (Payments)	12.00	110.99
Trade balance	6.98	68.26

Source: RBI Press Release, dated 15th Mar 2020. (<https://pib.gov.in/newsite/PrintRelease.aspx?relid=200234>)

Industry

According to Indian Central Statistics Office (CSO) and Ministry of Statistics and Programme Implementation data India's industrial output rose 2 % in Jan 2020 YOY. The cumulative growth for the period Apr-Jan 2019-20 over the corresponding period of the previous year stands at 0.5 %.

Foreign Direct Investment (FDI)

According to Department for Promotion of Industry and Internal Trade (DPIIT) FDI into India dipped marginally by 1.4% to \$ 10.67 bn during Oct-Dec 2019-20. During Apr-Dec 2019-20, foreign investments into the country grew 10 % to \$ 36.76 bn as against \$ 33.49 bn in the same period of 2018-19. Sectors which attracted maximum foreign inflows during the nine month period include services (\$ 6.52 bn), computer software and hardware (\$ 6.35 bn), telecommunications (\$ 4.29 bn), automobile (\$ 2.50 bn) and trading (\$ 3.52 bn).

Inflation

Indian Central Statistics Office (CSO) data showed Retail inflation in India slowed to 6.58 % in Feb 2020 over the previous month mainly due to easing food prices. The retail inflation based on Consumer Price Index (CPI) was 7.59 % in Jan and 2.57 % in Feb 2019. The inflation in the food basket was 10.81 % in Feb 2020, lower from 13.63 % in the previous month.

PART II: INDIA-IRELAND ECONOMIC RELATIONS

1. Impact of Covid-19 on business: Embassy shall continue to monitor the economic impact of Covid-19 and alleviation measures being formulated by the Government. The impact is likely to be long-term.



2. IIBA Investment Forum 2020: This was organised (12 Feb) by Ireland India Business Association (IIBA), with the theme of projecting Irish and Indian Experiences in doing business. The event was hosted by Ernst & Young, Dublin, Ireland. Event provided first-hand insight from perspective of various investors touching upon business models, recruitment, skills development, success stories and challenges, as well as recent acquisitions in Ireland and India. Indian Ambassador delivered the keynote address, with the message that no matter which Government came to power in Ireland after the recent elections, trade and investment policies with respect to Asia, including India, would not change. He also referred to the recently released Asia-Pacific Strategy “*Global Ireland: Delivering in the Asia Pacific Region, to 2025*” of Irish Dept. of Foreign Affairs, envisioning enhanced trade and investment with the region. He also provided details of India’s budget, 2020-21, with measures to help India become USD 5 trillion economy by 2025. He urged Irish industry to participate in India flagship programs like *Make in India, Skill India, Digital India* etc.



Ambassador with Frank O'Keeffe, Managing Partner EY Ireland and Nila Kanthi Ford, chair of the Ireland-India Business Association (IIBA)

3. "Chai with Ambassador": The Embassy initiated a new programme, “Chai with Ambassador” with town-hall kind of open interactions of Ambassador with students of different Universities touching on all topics related to India. The first such event was held (4 Feb) at Trinity College Dublin (TCD) organised by Trinity India Society, with discussion on a wide range of topics, including diplomacy, India-Ireland relations as well as current affairs in India. Similar events are planned at other higher educational institutions across the country. Student outreach is very important component of the Embassy’s outreach programme.



Ambassador with TCD students at "Chai with Ambassador" event

4. UCD 'India Day' Celebration: University College Dublin organized (25 Feb) an ‘India Day’ event at its premises, showcasing India’s vibrant culture, with links to business. Embassy has in the past, organised events to link research with business, as well as to familiarise UCD students with the job market in Ireland.



5. Consultancy / Business level meetings: During the month, meetings were held with various business leaders in the sectors of financial services, ICT, agro-processing, pharmaceuticals, med-tech, tourism, audit, investments, and consultancy. Ambassador visited (10 Feb) Royal College of Surgeons Ireland (RCSI) and met with Professor Cathal Kelly, CEO and Heads of various Depts. It was an opportunity to discuss elements of collaboration between medical institutions of our two countries; students and faculty exchange; internships; joint research in medical sciences; recognition of degrees; etc. Ambassador also met with Indian medical students at RCSI. Numbers of Indians students is constantly growing in last few years.



Ambassador with Indian students at RCSI

Bilateral Trade

Analysis of data available for the period Jan-Dec 2019 showed total bilateral trade stood at Euro 1.116 bn **(+25.82%)**. India's exports to Ireland stood at Euro 636 mn (+13.58%) and imports from Ireland were Euro 480 mn (+46.80%). Balance of trade stood at Euro 156 mn in favour of India. ***Record year.**

For the month of Jan 2020, total bilateral trade stood at Euro 84 mn. India's exports to Ireland were worth Euro 49 mn and India's imports from Ireland worth Euro 35 mn. Balance of trade was Euro 14 mn in favor of India.

Year/Period	2016	2017	2018	2019	Jan 2020
Ireland's Exports	€ 296	€ 353	€ 327	€480 (+46.80%)	€35
Ireland's Imports	€ 544	€ 683	€ 560	€636 (+13.57%)	€49
Total Trade	€ 840	€1036	€ 887	*€1116 (+25.82%)	€84

Source: Central statistics office Ireland, www.cso.ie

Euro million

PART III: TRADE QUERIES

Sample of trade queries from India attended by the Mission			
No.	Enquiry Originator	Product	Nature Import/Export
1	ALBA Tradebiz	Vegetables, Fruits, Handicrafts, Artificial Jewellery, Leather Goods	Export
2	SHETKARI INTERNATIONAL	Drumstick (Moringa Stick)	Export
3	Katyal Overseas India	Copper bottle and all other Handicrafts Item	Export
4	Sai Madhav Group	Agriculture Products (Vegetables, Fruits, Nuts, Dry fruit etc.)	Export
5	VISHAKHA IMPEX	Agriculture Products (Vegetables, Fruits, Nuts, Dry fruit etc.)	Export
6	Bluebirds International	Jute shopping bags, hand bags	Export
7	SHOBHA SALES COMPANY	Jute & Cotton Bags	Export
8	Nisarg Universe	Turmeric, Cinnamon as well mixture of spices in powder form	Export
9	Tamil Nadu Coimbatore	Reusable Plastic and Disposable Paper products	Export
10	Palani Group	Guar Gum Powder & Psyllium	Export

PART IV: UPCOMING EVENTS

Upcoming events, fairs, conferences in India				
No.	Organizer	Event / Tender	Date	City/State
1	Pharmaceuticals Export Promotion Council of India (Pharmexcil) with the support of Department of Commerce & Industry, Govt. of India	iPHEX-2020: India's Mega Pharma Exhibition	06-08 May 2020	IEML, Knowledge Park II, Greater Noida, India https://www.iphex-india.com/
2	Chamber for Import, Export & Health, Government of Maharashtra	The 7th Annual TTI: Travel & Tourism India (TTI)	29-31 Jul 2020 03-05 Dec 2020	GOA: 29 - 31 July 2020, Panaji (India) MUMBAI: 3 - 5 December 2020, Maharashtra (India) http://www.ttindiaexpo.com/

On account of exigencies associated with Covid-19, Monthly Economic Newsletter for March 2020 can be delayed.

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