Indian trade growth continues to slow down and comes close to stagnation

Key findings:
- Trade in India continues to slow as the overall index drops -6 points to 53, indicating a mild growth projection. Both imports and exports are expected to lose momentum in the next quarter.
- The air trade outlook in India is expected to decelerate by -7 points to 45, thus indicating negative growth.
- Indian ocean trade remains solid at 59 despite dipping -4 points, as ocean imports and exports contribute to the positive ocean trade outlook, with a bigger rise expected in imports.

Ocean imports and exports contribute to the positive ocean trade outlook, with a bigger expected rise in imports. The ocean imports forecast is primarily affected by a positive outlook for Industrial and Basic Raw Materials, while other industries are expected to contribute little to the overall sea import outlook. In contrast, ocean exports are boosted by Basic Raw Materials, Chemicals & Products, Temperature or Climate Control goods and Land Vehicles & Parts, though partially negated by the decline in Industrial Raw Materials exports.

The DHL Global Trade Barometer found some particularly strong trends within certain sectors in India. Basic Raw Materials fell -15 points to 60, Chemicals & Products fell -13 points to 44, High Technology fell -21 points to 26, and Personal & Household goods fell -14 points to 57, marking particularly notable shifts.

India’s slowdown in trade continues as the overall index drops -6 points to 53 since March, indicating a mild growth projection. The air trade outlook is expected to decelerate -7 points to 45, thus indicating negative growth. Ocean trade remains solid at 59 despite dipping -4 points. After the GTB’s launch in January 2018 and for a couple of subsequent quarters, India has seen the most bullish trade outlooks, with historical values in the 70s for both its air and ocean trade. This makes it the GTB country with the highest losses this year.
About the DHL Global Trade Barometer:

The DHL Global Trade Barometer is an early indicator for the current state and future development of global trade. It is based on import and export data for a number of intermediates and early-cycle commodities that serve as the basis for further industrial production. Sources for the index are aggregated market data from air and containerized ocean freight from seven countries (China, South Korea, Germany, India, Japan, UK, USA), which account for more than 75 percent of world trade. These data are evaluated using artificial intelligence and various statistical methods and compressed to a single index value that represents the weighted average of the current growth and the upcoming two months of trade. The index, which was designed in cooperation with Accenture, is published four times a year by DHL on a global scale as well as for each of the seven countries surveyed.

About DHL:

Being the world’s leading logistics provider, DHL is ideally equipped to derive a global trade outlook from logistics data. DHL has both, a deep understanding of the driving forces behind global trade volumes and the industry expertise to analyze and interpret occurring market data. With its family of divisions, DHL offers an unrivalled portfolio of logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management. DHL employs about 350,000 people in more than 220 countries and territories worldwide, reliably enabling global trade flows. With specialized solutions for growth markets and industries including technology, life sciences and healthcare, energy, automotive and retail, a proven commitment to corporate responsibility and an unrivalled presence in developing markets, DHL is decisively positioned as “The logistics company for the world.”

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