



Trends November 2018

Despite Q3 2018-19 GDP slowing down in comparison to Q2 and Q1 2018-19, India remained one of the fastest growing nations in Q3 2018-19, its GDP also topping those of the top ten crude steel producing nations of the world during the third quarter of 2018 .

WORLD ECONOMY AT A GLANCE

- Conditions in the global manufacturing sector remained lacklustre in November 2018 with the J.P.Morgan Global Manufacturing PMI at 52.0, unchanged from October 2018's 23-month low, a fallout of the fact that growth of output and new orders remained below their respective long-run averages, as per Markit Economics Report.
- The reports indicate that during November 2018, manufacturing business conditions improved in the USA, the Eurozone, Japan, China, the UK, Brazil and India while declining in South Korea, Italy, Taiwan, Mexico, Poland, Turkey, Thailand and Malaysia.
- Growth of new orders remained static, the level of incoming new export business fell and the rate of job creation was weaker than in October 2018. Inflationary pressures eased in November 2018 and input costs increased at the slowest pace since August 2017.

Key Economic Figures			
Country	GDP Q3 2018: %change*	Manufacturing PMI	
		October 2018	November 2018
India	7.1	53.1	54.0
China	6.5	50.1	50.2
Japan	0.3	52.9	52.2
USA	3.0	55.7	55.3
EU 28	1.7	52.0	51.8
Brazil	1.3	51.1	52.7
Russia	1.3	51.3	52.6
South Korea	2.0	51.0	48.6
Germany	1.1	52.2	51.8
Turkey	-	44.3	44.7
Italy	0.7	49.2	48.6

Source:GDP: official releases; PMI- Markit Economics, *provisional

GLOBAL CRUDE STEEL PRODUCTION

World Steel Association data shows that world crude steel production for October 2018 was 156.58 million tonnes (mt), up by 5.8% year-on-year (yoy) i.e. over October 2017 and stood at 1502.02 mt during January-October 2018, up by 4.7% yoy.

World Crude Steel Production: January-October 2018 (p)			
Rank	Country	Qty (mt)	% yoy change
1	China	782.46	6.4
2	India	88.43	5.6
3	Japan	87.19	-0.1
4	USA	71.74	5.1
5	South Korea	60.37	2.2
6	Russia	60.29	1.6
7	Germany	35.55	-2.4
8	Turkey	31.29	0.8
9	Brazil	29.23	2.6
10	Italy	20.61	2.7
	Top 10	1267.16	4.8
	World	1502.02	4.7
Source: worldsteel; p= provisional; mt=million tonnes			

- China produced 82.55 mt of crude steel in October 2018, up by 9.1% over October 2017 and production during January-October 2018 stood at 782.46 mt, up by 6.4% yoy. China remained the largest crude steel producer in the world, fuelling world production, which, excluding China, was up by 3%. China accounted for 74% of Asian and 52% of world crude steel production during this period.
- With a 6% share in total world production and a 5.6% rise in production over same period of last year, Indian crude steel production during January-October 2018 (88.43 mt) was few notches above Japan and the country remained the 2nd largest producer during this period.
- October 2018 Japanese crude steel production (8.56 mt) was down by 4.5% yoy and production during January-October 2018 stood at 87.19 mt, down by 0.1% yoy. The country was the 3rd largest crude steel producer in the world in 2018 so far.
- Crude steel production in the EU (28) countries during October 2018 was at 14.75 mt, down by 0.8% yoy and production during January-October 2018 stood at 140.61 mt, down by 0.4% yoy.
- At 110.52 mt, Asian crude steel production was up by 7.6% in October 2018 and production during January-October 2018 stood at 1057.63 mt, up by 5.7% yoy. Asia accounted for 70% of world crude steel production during this period.
- The top 10 countries accounted for 84.4% of total world crude steel production in January-October 2018 and saw production go up by 4.8% yoy during this period. South Korea regained its 5th largest ranking while Russia slipped into the 6th largest spot during this period. Italy was back as 10th largest producer, replacing Iran.

THE AMERICAS

- Steel Dynamics Inc. has received approval from its board of directors to construct a new EAF-based 3 million st/year flat-rolled steel mill which will also include a galvanizing line with an annual capacity of 450,000 st and a paint line with an annual capacity of 250,000 st.
- The WTO's dispute settlement body has agreed to establish panels to rule on whether the US Section 232 tariffs on steel and aluminum imports comply with WTO rules.
- The US Court of International Trade has ordered the US Department of Commerce (USDoC) to further explain or reconsider a portion of the anti-dumping duty order on imports of wire rod from Mexico's Deacero.
- Concamin, the Mexican Industrial Chambers Confederation, is urging the country's authorities to negotiate an end to the USA's use of Section 232 import tariffs before signing the US-Mexico-Canada Agreement.
- The USDoC after an administrative review of the countervailing duty order on HRC imports from South Korea has preliminarily determined that Hyundai Steel Co. and Posco received countervailable subsidies.
- The Canada Border Services Agency has set final dumping and subsidy rates on imports of CRC/S from China, South Korea and Vietnam. China's CRC exports to Canada received a final dumping margin of 91.9% and a subsidy rate of 11.6%, while CRC imports from South Korea received a final dumping margin of 53% and subsidy rate of 11.3%. CRC exports from Vietnam received a final dumping margin of 99.2% and subsidy rate of 6.5%.
- Brazilian steelmaker Gerdau has announced an investment of Brazilian Real 550 million (\$144.5 million) in its Pindamonhangaba special steel plant to raise capacity to 1 mtpa of crude steel from 0.62 mtpa currently.

ASIA

- Wuan in northern China's Hebei province, has published detailed plans on output cuts for 14 local mills over November 1-December 31, 2018.
- Central China's Henan province has released details for 2018-2019 winter air pollution controls, with local steel mills classified into three categories in a response to differential output cut policy.
- JFE Steel has temporarily banked its No. 2 BF in the Kurashiki section of its West Japan works, expecting to lose 0.4 mt of crude steel output from this stoppage.
- Mukand Sumi Special Steel Limited - a JV between Mukand Limited, India and Sumitomo Corporation, Japan – is setting up a new steel rolling facility by mid-2020 at an approximate cost of Rs 600 crore in the southern state of Karnataka, India.
- India's JSW Steel plans to pump in over Rs 50 billion to strengthen its downstream manufacturing capacity and is also keen to pursue stressed downstream assets.
- India's Tata Steel has begun work to raise capacity of its Kalinganagar mill to 8 mtpa from 3 mtpa, at an overall estimated cost of Rs 235 billion (\$3.24 billion).
- South Korea has denied Japan's claims that the former's subsidies to domestic shipbuilders break global trade rules.

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- South Korea has introduced a slew of measures to support small and mid-sized domestic shipbuilders which entails the government and private companies placing orders for 140 ships fuelled by LNG by 2025, including two vessels in 2019.
 - Malaysia has begun a review of ADD imposed on CRC import from China, South Korea and Vietnam. Duties of 3.06-23.78% were imposed on the three countries for five years, starting from May 24,2016, until May 23, 2021.
 - Imports of hot-dipped galvanized steel coils and sheets from China and Vietnam into Malaysia will be subject to provisional anti-dumping duties ranging from 3.33% to 16.13%.
 - Thailand's Millcon Steel plans to increase its billet production capacity to 0.8 mtpa from 06 mtpa.

RUSSIA, MID-EAST, AFRICA, AUSTRALIA

- Blast furnace outages at Metinvest resulted in a 9% drop in hot metal production, to 1.94 mt, during Q3, 2018. However, for January – September 2018, hot metal production was up 8% to 6.23 mt.
- Steelmakers in Ukraine were continuing operations and shipments as normal on November 28, 2018, despite the country imposing martial law after the latest military clash with Russia.
- The Australian government's Anti-Dumping Commission has launched a dumping and subsidy investigation into imports of rebar from Turkey.
- The economic sanctions imposed by the United States against Iran since early August have had direct and indirect negative effects not only on the Middle Eastern country's steel exports but also on its domestic consumption.
- Morocco has filed an appeal with the WTO against its recent ruling that the country's anti-dumping duty on Turkey-origin HRC violated the trade body's rules.

EU AND OTHER EUROPE

- ArcelorMittal has completed the acquisition of Italy's largest steelmaker Ilva, effective November 1, 2018 which will be now known as ArcelorMittal Italia.
- The European Commission has announced that the proposed Thyssenkrupp-Tata JV will face a more detailed "phase two" anti-trust review.
- The European Commission has decided that flat stainless steel products originating from South Africa should be excluded from the scope of its provisional safeguard measures on steel product imports.
- Turkish longs producer Koc Metalurji plans to suspend production in January 2019 for one month amid slow steel demand and high raw material prices.
- Thyssenkrupp has lifted the force majeure it implemented on deliveries from its Duisburg facility earlier this month over low water levels on Germany's Rhine River.

[Source Credit: Metal Bulletin, Platts, leading news papers (India news)]

WORLD STEEL PRICE TRENDS

Uncertainty ruled and confidence slowed in the 2nd month of Q4 2018 that led global steel prices to drop markedly across markets. The spotlight was on the continuing rise in domestic steel supply in China as crude steel production rose by a phenomenal 9% in October 2018. With demand in a slowdown mode, this had a direct bearing on prices. But more critically, it created jitters among stakeholders about the stability of the market, the possibility of a rise in Chinese exports and the same creating a global glut and depressing current growth trends and in turn, led to question the efficacy of the production/capacity cut measures implemented so far by China, even as it entered the winter heating season and accompanying fresh restrictions.

Long Product

- US rebar prices remained steady in November 2018, with import inflow kept in check by Section 232 tariffs. Transactions, as per Metal Bulletin reports, were quoted around \$710/t at month-end.
- EU rebar prices showed limited movement in November 2018 with market sentiments affected by tepid demand conditions. Transactions, as per Metal Bulletin reports, were quoted around €530-540/t (\$600-611) in Southern Europe and around €540-560/t (\$611-634) in Northern Europe at month-end.
- China's rebar prices moved south in November 2018 affected by slow demand. Transactions, as per Metal Bulletin reports, were quoted around 3,820-3,850 yuan/t (\$549-553) in Shanghai and around 3,530-3,560 yuan/t in Beijing.
- Russian rebar prices moved south in November 2018 affected by slowdown in their secondary market. Transactions for Russian 12mm A500C rebar, including 18% VAT, as per Metal Bulletin reports, were quoted around 36,500 roubles/t (\$546) cpt Moscow at month-end.

Flat Product

- Increased domestic supply and largely-static demand made US HRC prices move south in November 2018, with prices reportedly falling below \$40 per hundredweight for the first time since President Trump announced the Section 232 tariffs. Transactions, as per Metal Bulletin reports, were quoted around 770\$/t at month-end.
- With seasonal demand slowdown in, EU markets saw limited transactions and sentiments too remained lowly in November 2018, impacting domestic HRC prices adversely. Transactions, as per Metal Bulletin reports, were quoted around €470-520/t (\$532-588) in Southern Europe and around €540-550/t in Northern Europe at month-end.
- China's HRC prices moved south in November 2018 affected by slow demand. Transactions, as per Metal Bulletin reports, were quoted around 3,580-3,600 yuan/t (\$515-518) in Shanghai and around 3,490-3,500 yuan/t in Tianjin.
- Russian HRC prices dipped in November 2018, affected by slow demand and suspension of operations at ArcelorMittal Temirtau, following an explosion in a gas pipeline. Metal Bulletin's assessment for Russia-origin 4mm HR sheet stood at 40,000-41,000 roubles/t (\$606-621) cpt Moscow, including 18% VAT.

[Source Credit: Metal Bulletin]

SPECIAL FOCUS

India, Iran drives up global DRI production by 12% in January-October 2018

Global output of direct reduced iron (DRI) increased by 6.9% year-on-year (yoy) in October 2018 and by 11.8% during January-October 2018, as per provisional World Steel Association (worldsteel) report. DRI production worldwide rose to 6.87 million tonnes (mt) in October 2018, up by 6.9% over same period of last year, according to worldsteel, driven by India (decline in production by 2%) and Iran (production up by 16%) during the month.

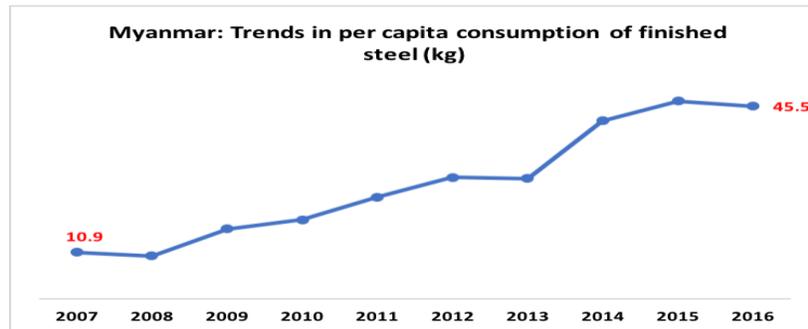
For January-October 2018, provisional worldsteel report indicates that global DRI output (69.44 mt, up by 11.8%) continued to be driven by India (25.46 mt) at the number one spot with a 4.4% growth in production when compared to same period of last year. The country also accounted for 37% of total global output during this period. For the cumulative period, Iran's DRI output (20.59 mt) saw a growth (31.6%) and along with India, these two countries accounted for 67% of global DRI output during this period. Together, the top five countries (details below) accounted for 86% of the world DRI production during this period and saw their cumulative output rise by 13% as compared to same period of last year.

World DRI Production: January-October 2018*			
Rank	Country	Qty (mt)	%change over last year
1	India	25.46	4.4
2	Iran	20.59	31.6
3	Mexico	4.99	-1.8
4	Egypt	4.76	22.4
5	Saudi Arabia	4.19	0.2
	Top 5	59.99	13.0
	World	69.44	11.8
	%Share: Top 5	86	-
Source: World Steel Association; *provisional			

SEASI projects Myanmar's steel demand will reach 5 mtpa in 2025

In their latest report, the South East Asia Iron & Steel Institute (SEASI) has singled out Myanmar as a burgeoning steel market to watch out for in the coming days in the Southeast Asian region. As per SEASI, Myanmar's annual steel consumption is expected to exceed 3 million tonnes in 2020 on an average growth rate of 8% before reaching 5 million tonnes in 2025, driven largely by its expanding construction sector, which would drive demand for building materials such as rebar, galvanized and color-coated steel sheet, hot-rolled coil and plate. Economic development is expected to be the driver behind perceived infrastructure development in the short-to-medium term. The report also highlights that the country's per capita steel consumption has increased from 11.4 kg in 2000 to 21.9 kg in 2011 and is expected to reach 58.7 kg in 2020 and 83.8 kg in 2025. However, much of the local consumption is imported as indigenous production facility is still inadequate. Industry reports__

indicate that EAFs account for some odd-0.3 mtpa and IF, an odd-01 mtpa of domestic steel making capacity.



INDIAN STEEL MARKET ROUND-UP

Performance of Indian Steel Industry: April-October 2018

The following is a status report on the performance of Indian steel industry during April - October 2018, based on provisional data released by JPC. It is to be noted that total finished steel includes both non-alloy and alloy (including stainless steel) and all comparisons are made with regard to same period of last year.

Item	Indian steel scene (million tonnes)		
	April - October 2018 (prov)	April - October 2017 (final)	% change (prov)
Crude Steel Production	61.028	58.056	5.1
Hot Metal Production	41.344	38.634	7.0
Pig Iron Production	3.442	3.196	7.7
Sponge Iron Production	17.169	17.102	0.4
Total Finished Steel (alloy + non-alloy)			
Production	75.048	71.730	4.6
Import	4.720	4.920	-4.1
Export	3.739	5.627	-33.6
Consumption	55.992	51.900	7.9
Source: JPC			

I. Crude Steel:

- During April - October 2018 (prov.), crude steel production was 61.028 million tonnes (mt), a growth of 5.1 per cent over same period of last year.
- SAIL, RINL, TSL, Essar, JSWL & JSPL together produced 36.517 mt during April - October 2018 (prov.) which was a growth of 9.1 per cent compared to same period of last year. The rest 40 per cent i.e. 24.511 mt came from the Other Producers, which was a decline of 0.3 per cent over same period of last year.
- With a 80 per cent share, the Private Sector (49.03 mt, up by 4.3 per cent) led crude steel production (61.028 mt) during April-October 2018 (prov.).

- Shares of the Oxygen Route (28.76 mt), EAF Route (16.2 mt) and IF Route (16.07 mt) stood at 47 per cent, 27 per cent and 26 per cent respectively in total crude steel production during April-October 2018 (prov.).

II. Hot Metal:

- During April - October 2018 (prov.), hot metal production was 41.344 million tonnes (mt), a growth of 7 per cent over same period of last year.
- SAIL, RINL, TSL, Essar, JSWL & JSPL together produced 34.618 mt during April - October 2018 (prov.) which was a growth of 8.5 per cent over same period of last year. The rest 16 per cent i.e. 6.726 mt came from the Other Producers, which was a growth of 0.1 per cent over same period of last year.
- With a 69 per cent share, the Private Sector (28.39 mt, up by 6 per cent) led hot metal production (41.344 mt) during April-October 2018 (prov.).

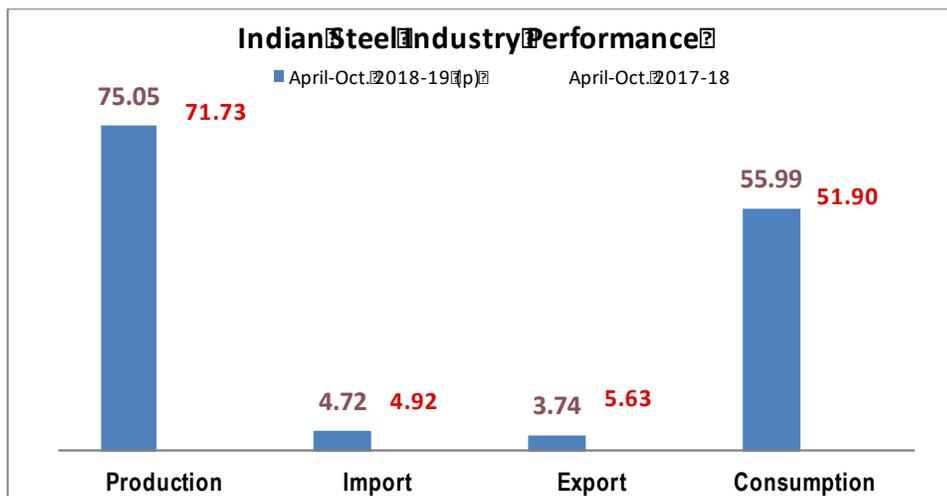
III. Pig Iron:

- During April - October 2018 (prov.), pig iron production was 3.442 mt, up by 7.7 per cent over same period of last year.
- SAIL, RINL, TSL, Essar, JSWL & JSPL together produced 0.482 mt during April - October 2018 (prov.) which was a growth of 19 per cent over same period of last year. The rest 86 per cent i.e. 2.96 mt came from the Other Producers, which was a growth of 6.1 per cent over same period of last year.
- With a 91 per cent share, the Private Sector (3.126 mt, up by 4 per cent) led pig iron production (3.442 mt) during April-October 2018 (prov.).

IV. Sponge Iron:

- During April - October 2018 (prov.), sponge iron production was 17.169 mt, up by 0.4 per cent over same period of last year.
- The Other Producers (12.233 mt) accounted for 71 per cent of total production, a decline of 3.4 per cent over same period of last year.

V. Total Finished Steel



A. Gross Production

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- During April-October 2018 (prov.), gross production of total finished steel stood at 75.048 mt, a growth of 4.6 per cent compared to last year, in which contribution of the non-alloy steel segment stood at 68.719 mt (up by 3 per cent), while the rest was the contribution of the alloy steel segment (including stainless steel) where production was up by 26.3 per cent.
 - SAIL, RINL, TSL, Essar, JSWL & JSPL together produced 41.892 mt during April – October 2018 (prov.) which was a growth of 6 per cent over same period of last year. The rest 44 per cent i.e. 33.156 mt came from the Other Producers, which was a growth of 3 per cent over same period of last year
 - Analyzing by broad divisions, in the total production of finished non-alloy steel during April-October 2018 (prov.), contribution of the non-flat segment stood at 27.282mt (up by 10.2 per cent) while that of the flat segment stood at 41.437mt (down by 1.3 per cent) .
 - In the non-alloy, non-flat segment, in volume terms, major contributor to production of total finished steel was bars & rods (21.68 mt, up by 8.9 per cent) while growth in the non-alloy, flat segment was led by HRC (21.49 mt, down by 1 per cent) during April-October 2018 (prov.).

B. Exports

- During April-October 2018 (prov.), export of total finished steel stood at 3.739 mt, a decline of 33.6 per cent compared to last year, in which contribution of the non-alloy steel segment stood at 3.418 mt (down by 32.4 per cent), while the rest was the contribution of the alloy steel segment (including stainless steel) where export was down by 43.6 per cent.\
- Analyzing by broad divisions, in the total export of finished non-alloy steel during April-October 2018 (prov.), contribution of the non-flat segment stood at 0.311mt (down by 80.4 per cent) while that of the flat segment stood at 3.11mt (down by 10.5 per cent) .
- In the non-alloy, non-flat segment, in volume terms, major contributor to export was bars & rods (0.233 mt, down by 84 per cent) while non-alloy, flat export was led by HRC (1.6 mt, up by 20 per cent) during April-October 2018 (prov.).

C. Imports

- During April-October 2018 (prov.), import of total finished steel stood at 4.72 mt, a decline of 4.1 per cent compared to last year, in which contribution of the non-alloy steel segment stood at 3.581 mt (down by 2.2 per cent), while the rest was the contribution of the alloy steel segment (including stainless steel) where import was down by 9.6 per cent.
- Analyzing by broad divisions, in the total import of finished non-alloy steel during April-October 2018 (prov.), contribution of the non-flat segment stood at 0.28mt (up by 33 per cent) while that of the flat segment stood at 3.3mt (down by 4.3 per cent) .
- In the non-alloy, non-flat segment, in volume terms, major contributor to import was bars & rods (0.225 mt, up by 24.4 per cent) while non-alloy, flat import was led by HRC (1.2 mt, up by 1.4 per cent) during April-October 2018 (prov.).
- India was a net importer of total finished steel in April - October 2018 (prov.).

D. Consumption

- During April-October 2018 (prov.), consumption of total finished steel stood at 55.992 mt, a growth of 7.9 per cent compared to last year, in which contribution of the non-alloy steel segment stood at 49.93 mt (up by 6.6 per cent), while the rest was the contribution of the alloy steel segment (including stainless steel) where consumption was up by 19.5 per cent.
- Analyzing by broad divisions, in the total consumption of finished non-alloy steel during April-October 2018 (prov.), contribution of the non-flat segment stood at 26.36 mt (up by 8.5 per cent) while that of the flat segment stood at 23.57 mt (up by 4.6 per cent).
- In the non-alloy, non-flat segment, in volume terms, major contributor to consumption was bars & rods (20.96 mt, up by 9.4 per cent) while non-alloy, flat consumption was led by HRC (8.64 mt, up by 5.9 per cent) during April-October 2018 (prov.).

III. JPC Market Prices (Retail)

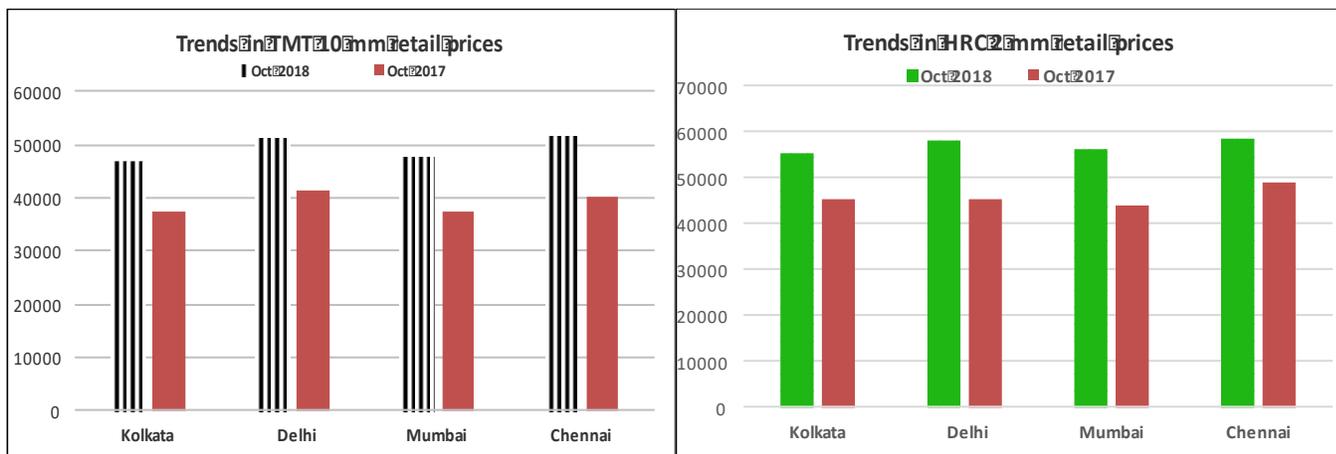
Delhi market prices: Compared to October 2017, average (retail) market prices in Delhi market in October 2018 increased for both long products (represented by TMT 10 mm) and flat products (represented by HRC 2 mm), largely in response to domestic demand-supply conditions and global influences. The trend was similar when compared to September 2018 for HRC while TMT prices registered a minor decline. The situation in October 2018 with regard to October 2017 is shown in the table below for TMT 10 mm and HRC 2.0 mm for retail market prices in the Delhi market.

Trends in JPC market price (retail) in Delhi market in October 2018		
Item	Delhi market prices (Rs/t)	per cent change over October 2017
TMT, 10 mm	51,212	23.9
HRC, 2.0 mm	58,115	28.1
Source: JPC		

All markets: Compared to October 2017, average (retail) market prices in October 2018 increased for both long products (represented by TMT 10 mm) and flat products (represented by HRC 2 mm), in response to domestic demand-supply conditions and partly global influence. The trend was, however, different when compared to September 2018 : while TMT prices declined in all markets except Chennai, prices of HRC increased in all markets except Mumbai. The situation in October 2018 with regard to October 2017 is shown in the table below for TMT 10 mm and HRC 2.0 mm for all the four markets.

Trends in JPC (retail) market price: per cent change in October 2018 over October 2017				
Item	Kolkata	Delhi	Mumbai	Chennai
TMT 10mm	25.6	23.9	28.1	28.1
HR Coils 2.00mm	22.4	28.1	27.8	19.3
Source: JPC				

TMT prices were highest in the Chennai market (Rs 51,708/t) and lowest in the Mumbai market (Rs 47,880/t) while HRC prices were highest in the Chennai market (Rs. 58,646/t) and lowest in Kolkata market (Rs. 55,400/t) during October 2018.



INDIAN ECONOMY – HIGHLIGHTS OF PERFORMANCE

GDP: The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product (GDP) for the 2nd quarter (July-September) Q2, of 2018-19, both at constant (2011-12) and current prices. As per CSO Report, GDP at Constant (2011-12) Prices in Q2 of 2018-19 is estimated at Rs 33.98 lakh crore, showing a growth rate of 7.1 per cent. Quarterly GVA (Basic Price) at Constant (2011-2012) Prices for Q2 of 2018-19 is estimated at Rs 31.40 lakh crore, showing a growth rate of 6.9 per cent over same quarter of previous year. The Economic Activities which registered growth of over 7 per cent in Q2 of 2018-19 over Q2 of 2017-18 are ‘Manufacturing, ‘Electricity, Gas, Water Supply & Other Utility Services’, ‘Construction’ and ‘Public Administration, Defence and Other Services’. The growth in the ‘Agriculture, Forestry and Fishing’, ‘Mining and Quarrying’, ‘Trade, Hotels, Transport, Communication and Services related to Broadcasting’ and Financial, Real Estate and Professional Services is estimated to be 3.8 per cent, (-) 2.4 per cent, 6.8 per cent, and 6.3 per cent respectively during this period.

Industrial Production: Provisional CSO data show that the growth rate of the Index of Industrial Production (IIP) was up by 5.1 per cent during April-September 2018 (prov.), encouraged by stable growth in Electricity (6.2 per cent) and Manufacturing (5.3 per cent) though Mining (3.3 per cent) reported a low level of growth. The Use-Based scenario of the Index of Industrial Production (IIP) during April-September 2018 (prov.) recorded a growth in all the leading steel-related end-use sectors with Infrastructure/Construction Goods (8.7 per cent) reporting the highest and Intermediate Goods, the lowest (1.2 per cent).

Infrastructure Growth: Provisional data released by the CSO indicate that the growth rate of the Eight Core Infrastructure Industries was up by 5.5 per cent during April-September 2018 (prov.), encouraged by growth in most sectors, specially Coal (9.6 per cent) and Cement (14.4 per cent) but pulled down by decline in growth rate in case of Crude Oil (- 3.4 per cent) and Natural Gas (- 0.8 per cent).

Inflation: The annual rate of inflation, based on monthly WPI, stood at 5.28 per cent in October 2018 (prov.) while the all India CPI inflation rate (combined) stood at 3.31 per cent in October 2018 (prov.) and moved in directions opposite to one another during the month as compared to the preceding month.

Trade: Provisional figures from DGCI&S show that during April-October 2018, in dollar terms, overall exports were up by 13.27 per cent while overall imports were up by 16.37 per cent, both on yoy basis. During the same period, oil imports were valued at \$ 83.94 billion which was 50.48 per cent higher yoy while non-oil imports were valued at USD 218.53 billion which was 7.05 per cent higher yoy. The overall trade deficit for April-October 2018-19 is estimated at USD \$66.57 Billion as compared to US\$ 52.23 Billion in April-October 2017-18.

Prepared by: Joint Plant Committee