

# India's exports to HK rise by a fifth in Apr-Oct

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Outbound shipments to Hong Kong grew by 20.7 per cent to \$4.36 billion during the first seven months of the current financial year (April-October) against \$3.61 billion reported during the same period of the previous year, due to strong demand for items such as gems and jewellery, telecom instruments. Hong Kong is among India's top 10 export destinations, accounting for close to 2 per cent of the country's total out-bound shipments.

"(Exports) data for Hong Kong and China suggests India's growing integration with North East Asia. And that too in some of the value added segments which is a good sign. This signals that the policy of diversification and de-risking in a limited way has started showing results," Ajay Sahai, director-general and chief executive officer, Federation of Indian Export Organisations said.

The growth in exports came against the backdrop of fall in exports to India's key trade partners such as Netherlands, United Kingdom (UK), Singapore, Saudi Arabia during April-October.

While total outbound shipments during these seven months witnessed 0.63 per cent growth at \$254 billion, exports contracted 11.8 per cent to \$34.38 billion in October, amid global uncertainties and steep, double digit tariffs imposed by the US on several Indian products.

A senior government official said that as far as exports to Hong Kong is concerned, the monthly data shows a consistent improvement, with sharp spikes during the mid-year. For instance, exports in July surged by two-third, followed by 62.46 per cent growth in August, signalling strong restocking demand and a rebound in the gems and jewellery trade.

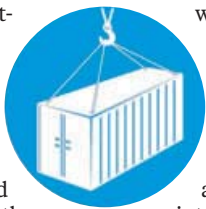
Considering that Hong Kong is an important trade hub that connects businesses to East Asian countries as well as the rest of the world, increase in the exports to the country suggests there's strong demand for Indian products and there's deeper integration in international value chains, the official told *Business Standard*.

Pearl, precious and semi-precious stones were India's top export item to Hong Kong that grew by 18.32 per cent to touch \$2.33 billion in April-September. Gold and other precious metal jewellery saw 10.24 per cent growth at \$544.37 million.

Together, these sectors account for the bulk of India's value-driven exports to Hong Kong and reflect the recovery of global luxury markets, the official said.

The disaggregated data for the month of October wasn't immediately available.

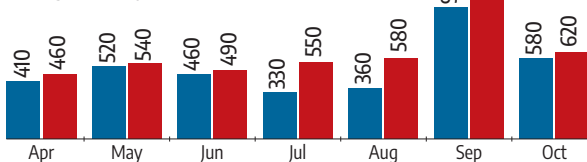
Exports of telecom instruments more than doubled \$300.31 million, indicating rising integration of India into Asia's electronics supply chain in April-September.



## Holding steady

Merchandise exports to Hong Kong (\$ million)

■ FY25 ■ FY26



Source: Department of Commerce