CHAPTER-VI

EXPORT GROWTH AND INSTABILITY: SELECTED COMMODITY AND COUNTRY

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6.1 INTRODUCTION

One of the main arguments against the existing international order is that the developing countries have to face a high degree of instability in their exports earnings. This in turn impedes their development efforts. It is in this context that in chapter four and five of this study, that trend and instability index of Indian exports was undertaken country wise and commodity wise. However, it is also essential that we have to identify the country, which is responsible for the higher (lower) export growth as well as higher (lower) instability in export earnings.

This becomes necessary to suggest appropriate policy measures to avoid excessive fluctuations in foreign exchange receipts. In final analysis, this will help to minimize the fluctuations in domestic activities. Further, such an analysis will also provide avenues for Indian products in non-traditional markets. These issues are taken up in this chapter. This chapter is structured as follows. In section two methodology is explained, in the section three the findings are presented and finally the conclusion is provided in the last section.

6.2 METHODOLOGY

To examine the commodity and country wise export instability, six commodities out of seventeen commodities have been selected. Based on the average percentage share these six commodities accounted for more than 60 percent of India's total exports. The commodities are Gems & jewellery (16.80%), Engineering goods (15.13%), Readymade garments (11.14%), Chemicals (8.09%), Cotton (6.80%), leather and manufactures (5.21%).The methodology for examining the Instability is the same as was adopted in previous chapters.

6.3 ANALYSIS

For the six selected commodities, the findings have been presented in three parts. Part one explains, the exports growth trend. In part two, the instability of export is given and lastly the relationship between growth and instability is dealt with.[90]

6.3. a. Gems and Jewellery: Gems and jewellery has the highest percentage share in total exports. It is mainly exported to countries such as U.S.A (34.41%), Belgium (13.35%) and Hong- Kong (19.86%). The average percentage share of gems & jewellery registered a fall during post-reform and post-adjustment period. This is mainly due to the lower demand from the countries such as Belgium, Japan, U.K and U.S.A during post-reform period and mainly Japan during post-adjustment period. (See, Table 6.1)

The growth in percentage share indicates that exports of gems and jewellery to U.A.E (16.06%) and Israel (6.23%) have shown higher growth during study period. While exports to countries such as U.S.A, U.K, Belgium and Japan registered negative growth. As a result the overall export of gems & jewellery recorded negative growth during study period. During the post-reform period, also exports of gems & jewellery to all the countries have shown deterioration except U.A.E and Israel. Similar trend of deterioration in export growth is indicated during the post-adjustment period.[91] Though export of gems & jewellery to countries like Israel, Singapore and U.A.E have shown some improvement but this has failed to provide any significant impact on the falling trend of exports of gems & jewellery.

Thus, the analysis of growth shows a poor performance as far as export of gems & jewellery to all the major countries was concerned. But, it also indicates that there are few countries which may provide a better market and potential for the future exports of gems & jewellery. These are Israel,

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[90] Here the analysis is done on the basis of percentage share rather than absolute value because, if the exports or imports of different commodity group or country groups, at one point of time are compared with the other. Then the use of current price figure does not provide the true picture, because it includes the effects of the price movement over a period of time.

[91] During post-adjustment period all the major importer have shown negative growth this includes countries such as U.S.A (-2.58%), Belgium (-4.53%), Hong-Kong (-0.75%) and Japan (-10.91%).

Singapore and U.A.E. Here, the pertinent question is whether this growth is sustainable. The instability index can provide an answer.[92]

Instability index in terms of percentage share reveals a least instability or high stability in exports of gems & jewellery to U.S.A and Belgium during the study period (See, Table 6.1).

During the post-reform period export of gems & jewellery to countries such as Belgium, Hong-Kong and Israel have recorded lower instability as compared to pre-reform period. While all other countries including U.S.A, which constitute the largest share has registered the high instability during post-reform period as compared to pre-reform period. During the post-adjustment period, the exports of gems & jewellery indicate higher instability (12.05). This is mainly due to higher instability shown by exports to countries such as Singapore (129.04), U.A.E (32.10), Thailand (31.11) and U.K (32.10).

From the above it can be stated that exports instability of gems & jewellery has gone up during the latter part of the reforms. This is mainly due to the uncertainty in demand for gems & jewellery in major countries except Hong-Kong, Switzerland and U.S.A.

6.3. b. Engineering Goods: Engineering goods accounted for 15.13% of the total exports. It is mainly exported to countries such as U.S.A (16.09%), U.A.E (5.72%) and U.K (5.59%). The average percentage share of engineering goods registered a rise during post-reform and post-adjustment period. This is mainly due to the higher demand from the countries such as Germany, Hong-Kong, Italy, U.A.E, U.K and U.S.A during post-reform period and mainly U.A.E and U.S.A during post-adjustment period. (See, Table 6.2)

The growth in percentage share indicates that exports of engineering goods to Italy (6.79%), U.A.E (6.23%) and U.S.A (4.96%) have shown a higher growth during study period. As a result the export of engineering goods recorded positive and significant growth during study period. During the post-reform period also exports of engineering goods to the countries such as

[92] The instability index will be considered for other five commodities also.

U.S.A, Italy and Germany have shown improvement. Similar trend of improvement in export growth is indicated during the post-adjustment period.[93]

Thus, the analysis of growth shows a satisfactory performance as far as export of engineering goods is concerned. The credit goes to Italy, which has shown interest in the engineering goods towards the latter part of the reforms there by providing a boost to the exports of engineering goods. Here, again the instability index will provide an indication whether this growth is sustainable or not.

Instability index in terms of percentage share reveals a least instability or high stability in exports of engineering goods to U.K (11.10) and Germany (17.58) during the study period (table 6.2).

During the post-reform period export of engineering goods to countries such as Germany, Italy, Singapore and U.A.E have recorded lower instability as compared to pre-reform period. While all other countries including U.S.A, which constitute the largest share has registered the high instability during post-reform period as compared to pre-reform period. During the post-adjustment period, the exports of engineering goods indicate higher instability (6.87). This is mainly due to higher instability shown by exports to countries such as Hong-Kong (26.43), Malaysia (54.52), Singapore (22.99), U.A.E (19.12), U.K (10.10) and U.S.A (48.11).Thus, exports instability of engineering goods has gone up during the latter part of the reforms.

6.3. c. Readymade Garments: Readymade garments accounted for 11.14 % share in total exports. It is mainly exported to countries such as U.S.A (30.31%), Germany (10.47%) and U.K (9.52%). The average percentage share of readymade garments registered a fall during post-reform and post-adjustment period. This is mainly due to the lower demand from the countries

[93] During post-adjustment period, export of engineering goods to Italy has shown improvement from -15.51% in adjustment period to 4.79% during post-adjustment period.

such as Germany, C.I.S, Japan and U.K during both the periods. (See, Table 6.3)

The growth in percentage share indicates that exports of readymade garments to U.A.E (7.97%), Canada (1.76%) and France (0.91%) have shown a higher growth during study period. While exports to countries such as, C.I.S, Germany and U.K registered a negative growth. As a result, the export of readymade garments recorded negative growth during study period. During the post-reform period, also exports of readymade garments to all the countries have shown deterioration except U.S.A, Italy and Canada. Similar trend of deterioration in export growth is indicated during the post-adjustment period.[94] Though export of readymade garments to countries like Italy, Japan, U.A.E and U.K have shown some improvement but this has failed to provide any significant impact on the falling trend of exports of readymade garments.

Thus, the analysis of growth shows a poor performance as far as export of readymade garments to all the major countries was concerned. But, it also indicates that there are few countries which may provide a better market and potential for the future exports of readymade garments. These are Italy, Japan and U.A.E.

The instability index in terms of percentage share reveals a least instability or high stability in exports of readymade garments to France (7.01), U.S.A (11.08) and U.K (11.36) during the study period (Table 6.3).

During the post-reform period export of readymade garments to countries such as Italy, Japan and U.K have recorded lower instability as compared to pre-reform period. While all other countries including U.S.A, which constitute the largest share has registered the high instability during post-reform period as compared to pre-reform period. During the post-adjustment period, the exports of readymade garments indicate higher instability (10.56). This is mainly due to higher instability shown by exports to

[94] During post-adjustment period all the major importer have shown negative growth this includes countries such as U.S.A (-0.81%), C.I.S (15.02%), Germany (-3.09%), Canada (-1.49%) and France (0.35%).

countries such as Germany (14.06), Japan (18.69), C.I.S (13.42), U.A.E (40.40) and U.K (11.80). Thus, the trend is similar to other commodities described above.

6.3. d. Chemicals: Chemicals constitute about 8.09% shares in total exports. It is mainly exported to countries such as U.S.A (12.17%), C.I.S (10.90%) and Germany (7.04%). The average percentage share of chemicals registered a rise during post-reform and post-adjustment period. This is mainly due to the higher demand from all the countries except Germany and C.I.S during post-reform period and mainly China, U.A.E and U.S.A during post-adjustment period. (See, Table 6.4)

The growth in percentage share indicates that exports of chemicals to China (27.49%), Brazil (22.32%) and U.A.E (4.59%) have shown higher growth during study period. While export to countries such as C.I.S, Hong-Kong, Germany and U.K have registered a negative growth. However, the exports of chemicals still managed to maintain a positive and significant growth of 2.83% during the study period. During the post-reform period, exports of chemicals have shown a declining trend. Although the exports of chemicals to China and U.A.E have recorded, a positive and significant growth but this failed to provide a significant impact on the falling trend. During the post-adjustment period, the exports of chemicals have shown some improvement from -1.06% in adjustment period to 1.04% during post-adjustment period.

In other words, the analysis of growth shows a conflicting picture of deterioration in post-reform period and improvement in post-adjustment period. It also indicates the countries such as Brazil, China and C.I.S, which may provide a better market and potential for the future exports of chemicals. Table 6.4 also reveals that exports of chemicals to U.S.A (12.34) and Germany (13.14) during the study period had a high stability.

Further, during the post-reform period, exports of chemicals to countries such as U.K, Germany, Hong-Kong and China have recorded lower instability as compared to pre-reform period. While all other countries

including U.S.A, which constitute the largest share has registered the high instability during post-reform period as compared to pre-reform period. During the post-adjustment period, the exports of chemicals indicate lower instability (4.90). This is mainly due to lower instability shown by exports to all countries mainly China, Germany, C.I.S and U.S.A. All these created stabilizing effect on the exports of chemicals from India.

From the above it can be stated that exports instability of chemicals has gone down during the latter part of the reforms.

6.3. e. Cotton: Cotton accounted about 6.80% shares of total exports. It is mainly exported to countries such as U.S.A (14.74%), U.K (7.96%) and Bangladesh (7.87%). The average percentage share of cotton registered a rise during post-reform period. This is mainly due to higher demand from countries like Hong-Kong, South Korea and U.S.A. However, during post-adjustment period the average percentage share witnessed a fall. This is mainly due to the lower demand from the countries such as Bangladesh, Germany, Japan, U.A.E and U.K. (See, Table 6.5)

The growth in percentage share indicates that exports of cotton to South. Korea (6.47%), U.S.A (2.51%) and Mauritius (2.10%) have shown higher growth during study period. While exports, to countries such as Bangladesh, Germany, U.A.E and U.K have registered negative growth. During the post-reform period, also exports of cotton to all the countries have shown deterioration except Italy, South Korea and U.S.A. Similar trend of deterioration in export growth is indicated during the post-adjustment period.[95] However, export of cotton to countries like Italy, U.A.E and U.S.A. has shown some improvement but this has failed to provide any significant impact on the falling trend of exports of Cotton. Thus, the analysis of growth shows a poor performance as far as export of cotton to all the major countries was concerned with some exceptions.

[95] During post-adjustment period all the major importer have shown negative growth this includes countries such as Bangladesh (-3.56%), Germany (-3.32%), Hong-Kong (-14.39%), Japan (-3.88%) and U.K (-7.21%).

The instability index in terms of percentage share reveals a least instability or high stability in exports of cotton to Germany (9.92), U.S.A (11.76) and U.K (14.11) during the study period (Table 6.5).

During the post-reform and post-adjustment period export of cotton have registered lower instability. This is mainly, due to the lower instability recorded by exports of cotton to all the countries except Hong-Kong, Mauritius and U.S.A. During the post-adjustment period, the exports of cotton indicate lower instability (7.43). This is mainly due to lower instability shown by exports to countries such as U.K (6.74), Germany (7.43) and Hong-Kong (20.52). From the above it can be stated that exports instability of cotton has gone down during the latter part of the reforms.

6.3. f. Leather Manufactures: Leather manufactures constitute about 5.21% shares in total exports. It is mainly exported to countries such as Germany (19.46%), U.S.A (14.34%) and U.K (12.26%). The average percentage share of leather manufactures registered a fall during post-reform and post-adjustment period. This is mainly due to the lower demand from the countries such as France, Germany, C.I.S and U.S.A during post-reform period and mainly Germany and U.S.A during post-adjustment period. (See, Table 6.6).

The growth in percentage share indicates that exports of leather manufactures to Spain and Hong-Kong have shown higher growth during study period. Where as, exports to countries such as, U.S.A, C.I.S and Germany registered negative growth. As a result, the export of leather manufactures recorded negative growth during study period. During the post-reform period, also exports of leather manufactures to all the countries have shown deterioration except France, Hong-Kong and Netherlands. Similar trend of deterioration in export growth is indicated during the post-adjustment period.[96]

[96] During post-adjustment period all the major importer have shown negative growth this includes countries such as U.S.A (-5.17%), U.K (-1.57%) and Germany (-5.71%).

Thus, the analysis of growth shows a poor performance as far as export of leather manufactures to all the major countries was concerned. But, it also indicates that there are few countries such as France, Hong-Kong and Spain which may provide a better market and potential for the future exports of leather manufactures.

The instability index in terms of percentage share reveals a least instability or high stability in exports of leather manufactures to Germany (8.97), U.K (9.28) and Netherlands (10.86). (See, Table 6.6).

Table 6.6 also indicates that exports instability of leather manufactures has gone up during the latter part of the reforms. This is mainly, due to the uncertainty in demand for leather manufactures in major countries, except France, Netherlands, Portugal, C.I.S and Spain.

As mentioned in the previous chapters the growth and instability analysis cannot be viewed in isolation. There is a need to relate growth with instability. The relationship, between growth and instability provides four different possibilities. Of these, it is the possibility of higher export growth and lower export instability, which is favorable to a country like India. Based on the analysis undertaken to establish this link, different countries have a favorable combination for different commodities. This has been summarised below.

Higher Export Growth and Low Export Instability:

Sr. No	Commodities	Countries
1.	Gems & Jewellery	Switzerland
2.	Engineering Goods	Italy
3.	Readymade Garments	Italy
4.	Chemicals	C.I.S & U.S.A
5.	Cotton	Nil
6.	Leather Manufacturing	France, Portugal, C.I.S, Spain

Source: Compiled from Tables 6.1, 6.2, 6.3, 6.4, 6.5, and 6.6.

6.4 CONCLUSION

This chapter provides an insight in to the pattern as well as the behaviour of Indian exports to selected commodities. The main findings are as follows:

1. The growth analysis in percentage share reveals that exports of Gems & jewellery, Readymade garments, cotton and Leather manufacturing have declined during post-reform period. The same trend of deterioration in export growth continued during post-adjustment period except for commodities like Engineering goods and Chemicals that have shown improvement in export growth. In all the overall export, growth has shown a dismal performance. This indicates that situation has not improved even in the libralisation era.

2. The instability analysis on the other hand indicated improvement in the stability of exports. This is because the instability index has registered lower index in post-reform period as compared to pre-reform period for all the six commodities. However, with the passage of time, instability has increased during post-adjustment period. Both growth and instability analysis shows that falling export growth is accompanied by the higher fluctuations further portraying a grim situation for a developing country like India.

3. Though the growth and instability analysis in isolation has given an unfavorable result, the relationship between the two has given some respite by suggesting some solution to the existing situation. It reveals that it is advantageous to export Gems & jewellery (Switzerland), Engineering goods & Readymade garments (Italy), Chemicals (C.I.S & U.S.A) and Leather manufacturing (France, Portugal, C.I.S and Spain).

On the basis of this it is suggested that appropriate trade policy be framed so as to enable the country to export more the goods identified to the countries concerned. Such a policy is required to achieve the objective of higher export growth with stability.

After analysing the trend and instability of Indian exports, it is now necessary to examine the role of Imports in a developing country like India. India in the future is bound to import more for its development requirement. This may increase trade deficits further. It is in this context that, next chapter analyses trend and instability of Indian imports.

TABLE 6.1

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE (% SHARE)

(GEMS AND JEWELLERY)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07			1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07	Overall	
1	**Gems & Jewelry**					
	Instability.I % share	21.61	6.20	12.05	11.18	13.02
	CGR % share	-2.25	1.91	-1.13	-0.58	-0.86*
	Avg % share	18.41	16.71	16.26	16.40	16.80
1	**Belgium**					
	Instability.I % share	7.44	5.55	7.43	7.15	8.81
	CGR % share	9.57*	-4.54*	-4.53	-3.53*	-3.10*
	Avg % share	16.56	14.56	11.60	12.55	13.35
2	**Hong-kong**					
	Instability.I % share	13.84	11.30	7.94	11.01	11.24
	CGR % share	3.40	14.80*	-0.75*	0.93	2.90*
	Avg % share	13.13	20.46	22.04	21.55	19.86
3	**Isreal**					
	Instability.I % share	18.29	10.05	17.06	14.93	16.76
	CGR % share	-6.96	5.30	5.88	7.11*	6.23*
	Avg % share	2.02	2.28	4.24	3.62	3.30
4	**Japan**					
	Instability.I % share	4.99	10.04	17.48	17.34	16.35
	CGR % share	0.63	-4.39	-10.91*	-12.10**	-10.86*
	Avg % share	18.38	14.31	5.02	7.92	10.02
5	**Singapore**					
	Instability.I % share	27.48	16.72	129.04	98.87	86.10
	CGR % share	10.77	3.44	6.65	3.51	5.11*
	Avg % share	1.02	1.73	2.48	2.25	2.00
6	**Switzerland**					
	Instability.I % share	6.56	27.27	15.47	22.13	19.81
	CGR % share	-0.37	-9.03	-7.27	-2.49	-3.57*
	Avg % share	2.26	1.40	1.46	1.44	1.60

Continue...

TABLE 6.1

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(GEMS AND JEWELLERY)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07			1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07	Overall	
7	**Thailand**					
	Instability.I % share	17.86	24.22	31.11	29.15	30.28
	CGR % share	31.61*	8.20	-1.95	-3.19*	-2.00
	Avg % share	3.09	3.39	2.40	2.71	2.79
8	**U.A.E**					
	Instability.I % share	29.22	17.61	32.10	36.27	48.05
	CGR % share	6.45	-17.87*	24.55*	16.81	16.06*
	Avg % share	1.24	2.52	9.32	7.19	6.00
9	**U.K**					
	Instability.I % share	18.01	17.59	29.61	26.08	25.41
	CGR % share	7.11	-6.48	-3.43	0.36	-0.61
	Avg % share	2.25	1.64	2.05	1.92	1.99
10	**U.S.A**					
	Instability.I % share	4.60	10.55	7.18	8.56	8.30
	CGR % share	-7.18	-2.11	-2.58	-0.67	-0.46
	Avg % share	34.75	33.54	34.70	34.32	34.41

Source: Compiled from Appendix Table: A.11, A.13 and A.15.

(*): Significant at the 1 percent level, (**): Significant at the 5 percent level.

TABLE 6.2

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(ENGINEERING GOODS)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07		Overall	1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07		
2	**Engineering goods**					
	Instability.I % share	7.45	3.15	6.87	5.97	6.39
	CGR % share	8.96**	1.79	5.27	3.76	3.63*
	Avg % share	11.34	13.36	17.32	16.08	15.13
1	**Bangladesh**					
	Instability.I % share	22.89	32.04	34.14	35.48	33.93
	CGR % share	0.11	11.01	-8.61**	-3.77	-3.58*
	Avg % share	3.84	3.08	2.74	2.84	3.04
2	**Germany**					
	Instability.I % share	21.45	18.72	11.89	16.23	17.58
	CGR % share	-3.26	6.49**	-0.33**	0.35	1.90*
	Avg % share	2.85	3.90	4.11	4.07	3.83
3	**Hong-kong**					
	Instability.I % share	26.16	11.00	26.43	28.75	28.92
	CGR % share	-10.11	29.21*	-7.92*	-1.18	3.31**
	Avg % share	0.88	1.98	2.15	2.10	1.85
4	**Italy**					
	Instability.I % share	39.25	62.01	26.68	39.16	48.33
	CGR % share	1.21	-15.51**	4.79*	4.23	6.49*
	Avg % share	1.02	2.08	2.93	2.66	2.33
5	**Malaysia**					
	Instability.I % share	17.36	19.10	54.52	46.60	44.99
	CGR % share	30.92**	0.28	-9.02	-4.23**	0.45
	Avg % share	1.56	2.76	2.56	2.62	2.41
6	**Singapore**					
	Instability.I % share	63.44	22.47	22.99	23.27	33.13
	CGR % share	5.66	5.77	0.21	-1.85	-0.78
	Avg % share	5.09	6.02	4.65	5.08	5.08

Continue...

TABLE 6.2

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(ENGINEERING GOODS)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07		Overall	1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07		
7	**S.lanka**					
	Instability.I % share	109.46	26.49	18.50	20.66	40.23
	CGR % share	-6.78	5.12	-2.45	-2.35	0.64
	Avg % share	2.25	3.68	2.96	3.19	3.00
8	**U.A.E**					
	Instability.I % share	40.53	14.13	19.12	17.58	25.62
	CGR % share	18.57*	8.57**	2.10	2.13**	6.71*
	Avg % share	2.24	5.96	6.87	6.59	5.72
9	**U.K**					
	Instability.I % share	9.87	7.30	10.10	11.13	11.10
	CGR % share	-5.59	9.10*	-4.39*	-1.33	0.09
	Avg % share	4.84	5.84	5.75	5.78	5.59
10	**U.S.A**					
	Instability.I % share	9.10	6.67	48.11	38.61	34.50
	CGR % share	-3.18	8.81	3.87	5.03	4.96*
	Avg % share	9.96	12.22	20.08	17.62	16.09

Source: Compiled from Appendix: Table A.11, A.13 and A.15.

(*): Significant at the 1 percent level, (**): Significant at the 5 percent level.

TABLE 6.3

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(READYMADE GARMENTS)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07		Overall	1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07		
3	**Readymade**					
	Instability.I % share	10.47	7.84	10.56	9.61	9.70
	CGR % share	2.99	-1.60	-5.14	-3.03	-1.79*
	Avg % share	11.50	12.18	10.54	11.05	11.14
1	**Canada**					
	Instability.I % share	6.73	5.87	8.63	8.02	8.20
	CGR % share	1.39	1.12	-1.49	1.14	1.76*
	Avg % share	2.85	3.17	3.88	3.66	3.49
2	**France**					
	Instability.I % share	4.41	11.92	5.49	7.61	7.01
	CGR % share	-0.08	1.31	0.35	0.66	0.91*
	Avg % share	6.15	6.65	7.07	6.94	6.78
3	**Germany**					
	Instability.I % share	6.66	5.12	14.06	11.77	11.80
	CGR % share	5.31	-2.78	-3.09	-4.66	-4.53*
	Avg % share	14.56	12.52	8.05	9.45	10.47
4	**Italy**					
	Instability.I % share	13.27	15.09	9.33	12.80	15.37
	CGR % share	-15.19**	-3.80	5.51**	1.12**	-0.12
	Avg % share	3.96	3.62	3.46	3.51	3.60
5	**Japan**					
	Instability.I % share	24.89	7.69	18.69	17.19	22.69
	CGR % share	17.56**	-6.51	-5.43	-8.33*	-5.71*
	Avg % share	2.88	3.62	1.61	2.24	2.37
6	**Netherland**					
	Instability.I % share	5.33	10.19	14.13	13.00	12.10
	CGR % share	1.62	3.75	0.13	-1.22	-1.16*
	Avg % share	4.13	4.16	3.51	3.71	3.80

Continue...

TABLE 6.3

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(READYMADE GARMENTS)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07		Overall	1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07		
7	**C.I.S**					
	Instability.I % share	18.12	50.69	113.42	92.48	82.16
	CGR % share	-5.61	-14.44	-15.02	-7.03	-9.97*
	Avg % share	10.44	3.08	3.26	3.21	4.65
8	**U.A.E**					
	Instability.I % share	18.85	27.87	40.40	37.39	39.58
	CGR % share	59.03*	-11.06	3.17	4.64*	7.97*
	Avg % share	2.35	4.30	7.24	6.32	5.53
9	**U.K**					
	Instability.I % share	15.47	5.95	11.80	10.15	11.36
	CGR % share	3.16	-1.59	3.25	-0.20	-0.98
	Avg % share	10.96	10.03	8.75	9.15	9.52
10	**U.S.A**					
	Instability.I % share	9.44	11.17	9.57	10.09	11.08
	CGR % share	-9.11*	3.67	-0.81	0.31*	0.58
	Avg % share	28.00	29.67	31.44	30.89	30.31

Source: Compiled from Appendix Table: A.11, A.13 and A.15.

(*): Significant at the 1 percent level, (**): Significant at the 5 percent level.

TABLE 6.4

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(CHEMICALS)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07			1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07	Overall	
4	**Chemicals**					
	Instability.I % share	10.18	12.88	4.9	8.16	10.14
	CGR % share	16.06*	-1.06	1.04	2.18*	2.83*
	Avg % share	6.22	7.28	9.14	8.56	8.09
1	**Brazil**					
	Instability.I % share	16.78	42.76	15.38	31.93	30.14
	CGR % share	34.13	59.26*	6.37*	15.28	22.32*
	Avg % share	0.11	0.67	2.18	1.71	1.39
2	**China**					
	Instability.I % share	152.07	81.39	18.15	69.48	98.12
	CGR % share	-52.58	145.89*	14.70*	24.80*	27.49*
	Avg % share	0.18	1.00	3.87	2.97	2.41
3	**Germany**					
	Instability.I % share	18.33	15.64	10.15	11.99	13.14
	CGR % share	-8.17*	-1.00	-3.98	-4.34	-3.89*
	Avg % share	9.04	8.33	5.78	6.54	7.04
4	**Hong-kong**					
	Instability.I % share	63.58	5.30	28.31	27.07	35.40
	CGR % share	5.23	11.04	-18.03*	-9.04	-4.48**
	Avg % share	2.35	3.20	2.53	2.74	2.66
5	**Italy**					
	Instability.I % share	10.46	26.98	11.54	17.00	16.19
	CGR % share	-11.04**	3.52	-4.52**	-2.22	-1.02
	Avg % share	2.48	2.78	2.52	2.60	2.58
6	**Netherland**					
	Instability.I % share	12.23	10.47	11.49	14.35	14.21
	CGR % share	-5.41	13.86*	-6.56*	-2.00	0.29
	Avg % share	2.50	3.34	3.38	3.40	3.22

Continue...

TABLE 6.4

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(CHEMICALS)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07			1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07	Overall	
7	**C.I.S**					
	Instability.I % share	16.99	98.35	32.94	56.25	51.45
	CGR % share	15.73	-25.02*	-5.54**	-10.93	-14.09*
	Avg % share	31.30	11.46	3.22	5.80	10.90
8	**U.A.E**					
	Instability.I % share	11.95	33.06	25.12	27.29	30.63
	CGR % share	-16.83**	7.54	-2.44	1.15**	4.59*
	Avg % share	1.40	2.80	3.47	3.26	2.89
9	**U.K**					
	Instability.I % share	21.79	16.03	19.50	18.48	18.70
	CGR % share	-0.18	3.02	-4.41	-3.28	-1.72*
	Avg % share	4.45	5.22	4.16	4.49	4.48
10	**U.S.A**					
	Instability.I % share	1.29	12.83	11.98	13.28	12.34
	CGR % share	-4.09	-3.88	0.56	0.08	0.50
	Avg % share	11.18	12.41	12.43	12.42	12.17

Source: Compiled from Appendix Table: A.11, A.13 and A.15.

(*): Significant at the 1 percent level, (**): Significant at the 5 percent level.

TABLE 6.5

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(COTTON)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07			1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07	Overall	
5	**Cotton**					
	Instability.I % share	18.46	11.05	7.43	11.68	13.32
	CGR % share	-4.13	3.75	-10.34*	-4.86	-2.21**
	Avg % share	6.23	7.61	6.64	6.94	6.80
1	**Bangladesh**					
	Instability.I % share	26.95	14.34	27.76	24.14	25.89
	CGR % share	22.53**	1.37	-3.56	-6.20**	-4.03*
	Avg % share	8.99	11.11	6.00	7.60	7.87
2	**Germany**					
	Instability.I % share	10.71	10.22	7.43	8.58	9.92
	CGR % share	3.42	-3.30	-3.32	-4.82**	-4.48*
	Avg % share	7.59	6.78	4.28	5.06	5.57
3	**Hong-kong**					
	Instability.I % share	31.74	48.83	20.52	36.17	35.60
	CGR % share	10.71	7.28	-14.39*	-1.97	1.36
	Avg % share	2.35	3.08	4.68	4.18	3.81
4	**Italy**					
	Instability.I % share	27.09	11.95	15.72	18.44	20.27
	CGR % share	-5.13	0.13	3.96	1.37	-0.23
	Avg % share	5.89	4.81	4.91	4.88	5.08
5	**Japan**					
	Instability.I % share	54.64	15.53	17.03	16.14	25.44
	CGR % share	-4.05	2.68	-3.88	-2.91	-2.07*
	Avg % share	3.79	3.81	3.10	3.32	3.42
6	**S.korea**					
	Instability.I % share	68.30	111.82	35.10	58.49	78.15
	CGR % share	-26.58**	5.02	4.32	6.19**	6.47*
	Avg % share	2.06	2.93	4.66	4.12	3.71

Continue...

TABLE 6.5

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(COTTON)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07			1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07	Overall	
7	**Mauritus**					
	Instability.I % share	16.19	10.99	17.74	19.29	18.90
	CGR % share	11.81	19.06*	-8.13*	-1.87	2.10
	Avg % share	1.24	2.26	2.38	2.34	2.12
8	**U.A.E**					
	Instability.I % share	45.89	13.06	16.52	16.20	27.06
	CGR % share	20.35**	-12.20*	-1.37*	-3.54*	-1.86**
	Avg % share	3.52	4.19	2.94	3.33	3.37
9	**U.K**					
	Instability.I % share	31.71	10.45	6.74	8.53	14.11
	CGR % share	-5.25	-4.91*	-7.21	-7.94	-6.41*
	Avg % share	11.06	10.88	5.50	7.18	7.96
10	**U.S.A**					
	Instability.I % share	1.86	8.91	10.74	10.47	11.76
	CGR % share	-10.33*	-2.57	4.77*	3.40*	2.51*
	Avg % share	12.68	12.78	16.38	15.25	14.74

Source: Compiled from Appendix Table: A.11, A.13 and A.15.

(*): Significant at the 1 percent level, (**): Significant at the 5 percent level.

TABLE 6.6

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(LEATHER MANUFACTURES)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07			1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07	Overall	
6	**Leather manufacture**					
	Instability.I % share	9.18	8.23	8.71	8.49	8.93
	CGR % share	-0.61	-6.08**	-7.27	-6.59**	-5.96*
	Avg % share	7.63	6.29	3.85	4.61	5.21
1	**France**					
	Instability.I % share	10.89	20.05	7.51	12.41	12.72
	CGR % share	-8.17**	-0.94	2.08	0.28**	0.25
	Avg % share	4.85	5.17	4.94	5.01	4.98
2	**Germany**					
	Instability.I % share	12.62	6.56	7.21	7.38	8.97
	CGR % share	4.80	0.30	-5.71*	-4.42**	-2.99*
	Avg % share	21.70	23.08	17.00	18.90	19.46
3	**Hong-kong**					
	Instability.I % share	20.37	17.28	18.84	17.73	21.28
	CGR % share	-15.09	8.44	14.56	9.98**	9.47*
	Avg % share	2.07	3.31	6.63	5.60	4.89
4	**Italy**					
	Instability.I % share	16.41	7.75	14.43	13.09	14.41
	CGR % share	1.75	7.83**	0.28**	1.40	1.11*
	Avg % share	10.84	10.74	12.24	11.77	11.58
5	**Netherland**					
	Instability.I % share	8.78	15.64	9.48	11.28	10.86
	CGR % share	-1.41	3.71	1.60	3.70	3.98*
	Avg % share	1.64	1.95	2.84	2.56	2.38

Continue...

TABLE 6.6

INDIAN EXPORTS: INSTABILITY INDEX, GROWTH RATE AND AVERAGE PERCENT SHARE

(LEATHER MANUFACTURES)

	Commodity	1980-81 to 1990-91	1991-92 to 2006-07		Overall	1980-81 to 2006-07
			1991-92 to 1995-96	1996-97 to 2006-07		
6	**Portugal**					
	Instability.I % share	11.18	21.10	19.16	19.35	17.83
	CGR % share	5.82	-5.32	-0.26	1.52	1.95*
	Avg % share	1.23	1.34	1.67	1.57	1.50
7	**C.I.S**					
	Instability.I % share	26.21	63.15	48.60	56.69	51.42
	CGR % share	-11.19	-23.79**	-17.87	-18.82	-19.56*
	Avg % share	15.93	5.90	1.18	2.66	5.31
8	**Spain**					
	Instability.I % share	16.06	23.40	13.31	16.16	16.39
	CGR % share	17.13	4.38	9.24	9.81	158.82*
	Avg % share	1.32	2.36	5.36	4.42	3.80
9	**U.K**					
	Instability.I % share	4.27	5.27	11.19	9.92	9.28
	CGR % share	5.18	-0.01	-1.57	0.52	0.80**
	Avg % share	11.26	11.41	13.02	12.52	12.26
10	**U.S.A**					
	Instability.I % share	9.16	9.80	10.35.	11.52	11.56
	CGR % share	2.97	4.42	-5.17*	-2.89	-0.58
	Avg % share	12.18	16.48	14.15	14.88	14.34

Source: Compiled from Appendix Table: A.11, A.13 and A.15.

(*): Significant at the 1 percent level, (**): Significant at the 5 percent level.