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Important Commercial News – December 2012

U.S. December International Trade in Goods and Services

The U.S. Census Bureau and the U.S. Bureau of Economic Analysis, through the [Department of Commerce](#), announced today that total December exports of \$178.8 billion and imports of \$227.6 billion resulted in a goods and services deficit of \$48.8 billion, up from \$47.1 billion in November, revised. December exports were \$1.2 billion more than November exports of \$177.5 billion. December imports were \$3.0 billion more than November imports of \$224.6 billion.

In December, the goods deficit increased \$1.8 billion from November to \$64.3 billion, and the services surplus was virtually unchanged from November at \$15.5 billion. Exports of goods increased \$0.9 billion to \$127.1 billion, and imports of goods increased \$2.7 billion to \$191.4 billion. Exports of services increased \$0.3 billion to \$51.7 billion, and imports of services increased \$0.3 billion to \$36.2 billion.

The November to December increase in exports of goods reflected increases in industrial supplies and materials (\$1.0 billion); automotive vehicles, parts, and engines (\$0.7 billion); other goods (\$0.3 billion); and foods, feeds, and beverages (\$0.2 billion). Decreases occurred in [consumer goods](#) (\$1.0 billion) and capital goods (\$0.2 billion).

The November to December increase in imports of goods reflected increases in capital goods (\$1.0 billion); consumer goods (\$0.9 billion); automotive vehicles, parts, and engines (\$0.5 billion); and industrial supplies and materials (\$0.3 billion). A decrease occurred in foods, feeds, and beverages (\$0.1 billion). Other goods were virtually unchanged.

US' Export-Import Bank to extend \$2.1 billion credit to Reliance Industries

The US' Export-Import (Ex-Im) Bank has extended \$2.1 billion credit to [Reliance Industries](#) (RIL), which will be primarily used to [finance](#) goods and services sourced from America for expanding Reliance's projects at Jamnagar.

"We are once again partnering with major [US](#) suppliers for cutting edge technology, critical project management services and equipment from a wide section of American exporters for rolling out our next phase of growth," Alok Agarwal, RIL's [Chief Financial Officer](#) said in a statement.

Ex-Im bank, which is an independent federal agency, said the board of Ex-Im Bank had voted to extend a \$1.06 billion direct loan and to guarantee a \$1.06 billion JPMorgan Chase loan to Reliance, for the export of American goods and services. The bank creates and maintains US jobs by filling gaps in private export financing at no cost to American taxpayers.

The credit will support approximately 12,300 US jobs and 6% of the financing is expected to support American small businesses, the bank said.

"The transaction is the single largest Ex-Im Bank has ever authorized for Reliance, and it represents Reliance's first attempt at [funding](#) through the capital markets with an Ex-Im Bank guaranteed bond issuance," it said.

US-based Woxi Media launches SmartPod for TV in India

Sunnyvale, California based technology company Woxi Media launched an Android device that will allow users to surf internet and play games on TV.

SmartPod for TV, priced at Rs 9,499, is build with Android featuring multi-user login capability which can be used with every kind of television set. "SmartPod will revolutionise the way people consume the internet and enjoy gaming on TV. SmartPod features AppCasts technology that delivers various content applications through one Android application on the device," Woxi Media President Amit Gattani told reporters here.

The device, powered by dual processors, also acts as a WiFi router which can connect up to 12 devices like PCs, laptops, and smart phones. It comes with a magic motion remote with build in sensors for motion gaming. The remote also functions as a Qwerty keyboard.

In addition to individual electronics retail stores across the country, the device will be available at Croma's stores in Delhi, Mumbai, Bangalore and Pune.

iTunes, now in India

Apple's online media store iTunes has finally marched to Bollywood with the service now available to Indian iPad, iPod and iPhone users. Music (both Bollywood and regional), movies and books can be purchased from the store in rupees.

"Customers can choose from over 20 million songs available to purchase and download on the iTunes Store," an Apple statement said

iTunes in India offers movies for both rent and purchase, while music is only purchase, with individual songs priced at Rs. 12. Latest albums, such as Bollywood's 'Ek tha Tiger', are available at Rs. 96.

This move comes at a time when rival YouTube is considering rolling out its pay-per-view service for the Indian market.

Facebook to replace Infosys on Nasdaq 100

Infosys will make way for Menlo Park, California based global social networking giant Facebook on the Nasdaq-100, a key U.S. stock market index, effective December 12.

Infosys is the only Indian company to figure on Nasdaq-100, where it was included six years ago, and its imminent exit from the benchmark index follows the IT giant's announcement last week to shift its listing to the New York Stock Exchange (NYSE).

Nasdaq said in a statement that Facebook would become a component of the NASDAQ-100 Index, the NASDAQ-100 Equal Weighted Index, and the NASDAQ-100 Technology Sector Index prior to market open on December 12.

On all these indices, Facebook will replace Infosys.

Prior to its inclusion to Nasdaq-100 index, Infosys had become the first Indian company to get listed on Nasdaq in 1999.

However, it has now decided to transfer its Nasdaq-listed American Depositary Shares (ADS) to another American bourse, the New York Stock Exchange (NYSE), and is also planning to get listed on Paris and London exchanges.

US producers seek more duty on Indian shrimp

India's seafood export industry is facing a serious threat after an American shrimp producers' organization has filed petitions against subsidizing shrimp exports by seven countries, including India.

On Friday, the Coalition of Gulf Shrimp Industries (COGSI) filed petitions with the US government, seeking relief from the subsidised shrimp imports from China, Ecuador, India, Indonesia, Malaysia, Thailand and Vietnam. The petitions seek imposition of countervailing duties (CVD) on shrimp from these countries. These duties are needed to offset the unfair trade advantage currently held by these countries, they said.

If Washington imposes CVD on imports, India's seafood exports industry will be in deep crisis as the US is the largest importer of Indian seafood in value terms. The exports industry is already hit by a drop in exports to other major markets, such as the European Union, Japan, South-east Asia and China. During April-September, however, the US imported 45,540 tonnes valued at Rs 1,947 crore, registering a growth of 11.42 per cent in value terms. The US is the only country which recorded growth in import during the period.

Trade Delegations:

J&K Biz Delegation Explores Trade Opportunities in US:

A business delegation from Jammu and Kashmir, the first ever from the state to visit the US, met officials from the State and Commerce departments here to explore the possibilities of enhanced trade with the country.

The delegation led by Waseem Trumboo, executive director of Trumboo Industries Pvt Ltd, comprises of young business leaders that own or operate small and mid-sized enterprises (SMEs) across a wide spectrum of industries. Travelling under the initiative of the Confederation of Indian Industry (CII), the delegation among other things impressed upon the State Department to withdrawal the US government-issued travel advisories to J&K, as has been done by countries like Germany, Japan and Britain.

"This is the first ever business delegation we are bringing from Jammu and Kashmir. Young entrepreneurs in the State are ready to look out for promoting international trade, expansions, partnerships and learn from various technological advancements that exist globally," Trumboo said.

"The idea is to promote growth of our local economy and this step will go long way in that direction. This also speaks volumes about how drastically the entrepreneurial spirit as well as the industrial environment is changing in the state," Trumboo said.

The delegation would continue with its meetings in Washington including an interaction with the members of the US India Business Council.

During their US trip, from December 10 to 17, the business leaders would also travel to New York, California and Colorado. In California, the delegates will meet the Los Angeles Chamber of Commerce and explore logistics involved in hydro power in Los Angeles area dams.

In Colorado, the delegation will hold meetings and site visits in Denver and Aspen to learn about the infrastructure developed for tourism.

"This is a great opportunity to promote destination Kashmir and to create

awareness about all that the state has to offer in terms of unique natural resources and adventure tourism potential," said Asif Iqbal Burza, director Senator Inns Pvt Ltd and Ahad Hotels and Resorts.

Trade Enquiries

Following companies approached us for various queries during the month and appropriate information was provided to each of these.

M/S ANBU Pharmaceuticals, Tamil Nadu

M/S DAKS International. Surat

M/S Ara India, New Delhi

M/S KHV Fashion, India

M/S Multiquip Inc. Boise, ID

M/S A2International, Jaipur

M/S OM SAI Sourcing, Noida

M/S Agarwal Handicrafts, Jaipur

M/S Bathla Agro, Kota

M/S BRK Minerals, Rajasthan

M/S Sunflower Export Import Pvt. Ltd. Rajkot

M/S RD&C Export, Chennai

M/S Camaraderie International, Gorakhpur

M/S Orient Fans, New Delhi