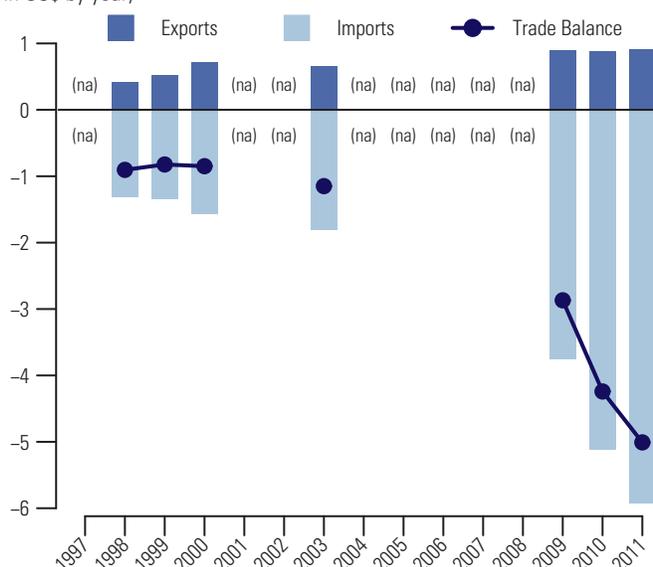


Overview:

In 2011, exports of Nepal decreased by 3.8 percent to reach 907.6 mln US\$ (see table 1 and graph 1). During the same period, imports increased by 15.6 percent and amounted to 5.9 bln US\$ (see table 2 and graph 1). This resulted in a trade deficit of 5.0 bln US\$ in 2011 (see graph 1). By MDG regions, trade with Southern Asia accounted for a large part of the deficit (-3.2 bln US\$) (see graph 2). Significant deficits were also recorded with Eastern Asia and Western Asia (-0.8 bln US\$ and -0.4 bln US\$ respectively). Trade was concentrated among a few partners: in 2011, 4 (respectively 3) major partners accounted for 80 percent of exports (respectively imports) (see graph 3). See footnote*.

Graph 1: Total imports, exports and trade balance

(Bln US\$ by year)


Exports Profile:

Manufactured goods classified chiefly by material (SITC section 6) accounted for 54.2 percent of exports in 2011 (see table 1). Other major commodity groups included food, live animals, beverages and tobacco (SITC sections 0+1) and miscellaneous manufactured articles (SITC section 8), respectively with 18.3 and 15.6 percent of exports. Major markets for exports included India, USA and Germany (see table 4). In 2011, top products for exports were flat-rolled products of iron or non-alloy steel (HS code 7210), carpets and other textile floor coverings, knotted, whether or not made up (HS code 5701) and yarn (other than sewing thread) of synthetic staple fibres (HS code 5509) (see table 3).

Table 1: Exports by SITC sections

(Value in million US\$, growth and shares in percentage)

SITC	2011	Avg. Growth rates (%)		2011 share
		2007-2011	2010-2011	
Total	907.6	...	3.8	100.0
0+1	165.8	...	-4.2	18.3
2+4	49.1	...	-0.2	5.4
3	0.0	...	-88.1	0.0
5	50.2	...	21.4	5.5
6	491.9	...	4.9	54.2
7	9.2	...	-43.2	1.0
8	141.5	...	12.8	15.6
9	0.0	...	717.4	0.0

Table 2: Imports by SITC sections

(Value in million US\$, growth and shares in percentage)

SITC	2011	Avg. Growth rates (%)		2011 share
		2007-2011	2010-2011	
Total	5915.9	...	15.6	100.0
0+1	517.1	...	14.7	8.7
2+4	530.0	...	32.6	9.0
3	1225.2	...	36.5	20.7
5	713.8	...	24.0	12.1
6	1216.5	...	8.5	20.6
7	1087.2	...	-9.8	18.4
8	358.5	...	26.5	6.1
9	267.8	...	47.0	4.5

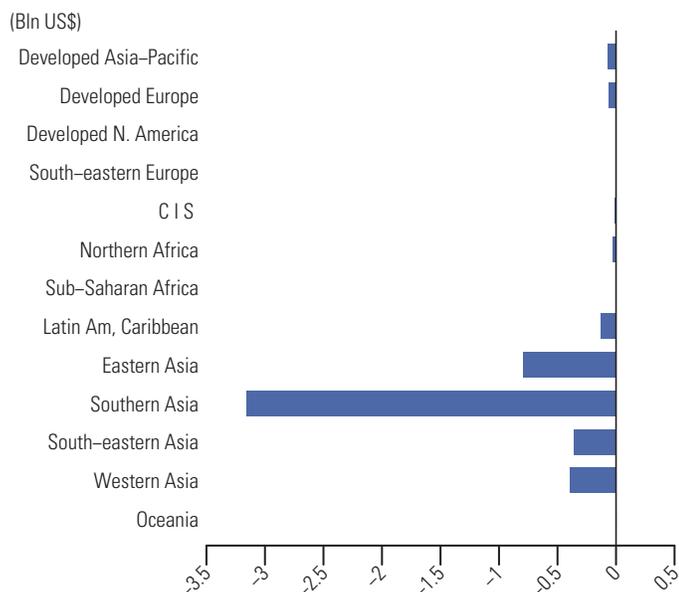
Table 3: Top 10 export commodities 2009 to 2011

(Value in million US\$)

HS code	4-digit heading of Harmonized System 2007	Value (million US\$)			Unit value			SITC code
		2009	2010	2011	2009	2010	2011	
	All Commodities.....	886.0	874.2	907.6				
7210	Flat-rolled products of iron or non-alloy steel.....	72.9	85.7	87.7	1.0	1.1	1.3	US\$/kg 674
5701	Carpets and other textile floor coverings, knotted, whether or not made up.....	72.1	64.4	76.5		74.7	96.9	US\$/m ² 659
5509	Yarn (other than sewing thread) of synthetic staple fibres.....	48.4	61.1	66.0		2.0	2.6	US\$/kg 651
0713	Dried leguminous vegetables, shelled, whether or not skinned or split.....	79.0	59.2	24.7	1.3	1.3	1.1	US\$/kg 054
5407	Woven fabrics of synthetic filament yarn.....	46.0	55.5	53.9				653
6305	Sacks and bags, of a kind used for the packing of goods.....	30.4	37.6	40.3				658
6214	Shawls, scarves, mufflers, mantillas, veils and the like.....	25.8	20.5	25.7	13.0	9.7		US\$/unit 846
7306	Other tubes, pipes and hollow profiles.....	24.0	22.9	23.2	0.4	0.7	0.8	US\$/kg 679
0908	Nutmeg, mace and cardamoms.....	17.4	20.5	30.7	1.8	4.3	7.5	US\$/kg 075
7217	Wire of iron or non-alloy steel.....	18.1	20.8	28.5	0.9	1.0	1.0	US\$/kg 678

*Data up to 2009 reported by fiscal year. Data beginning 2010 reported by calendar year.

Graph 2: Trade Balance by MDG Regions in 2011



Graph 3: Partner concentration of trade in 2011

(Cumulative share by ranked partners)

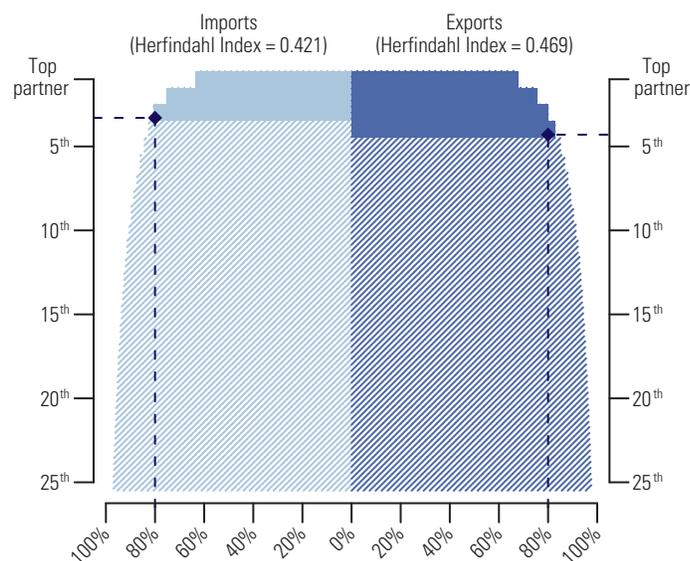


Table 4: Exports by principal countries and SITC sections in 2011

(Value in million US\$, percentages of country total)

Country	Total	Shares by SITC sections (%)									Total
		0+1	2+4	3	5	6	7	8	9		
World.....	907.6	18.3	5.4	0.0	5.5	54.2	1.0	15.6	0.0	100	
India.....	614.4	19.7	6.5	...	7.4	59.7	0.8	5.9	...	100	
USA.....	70.3	3.3	0.5	...	0.1	62.6	0.2	33.4	...	100	
Germany.....	40.9	2.4	0.5	...	0.2	59.5	1.4	36.0	...	100	
Bangladesh.....	26.0	96.5	0.2	...	0.3	2.6	0.0	0.4	...	100	
United Kingdom.....	19.8	3.1	2.5	...	0.8	33.4	0.2	60.0	0.1	100	
France.....	15.6	2.1	0.3	...	1.3	20.1	...	76.2	...	100	
Canada.....	11.6	1.4	0.3	...	0.2	45.1	...	53.1	...	100	
Italy.....	10.6	0.1	1.7	...	0.2	52.1	...	45.8	...	100	
China.....	10.2	20.9	18.3	...	11.6	36.5	0.6	12.1	...	100	
Japan.....	9.2	4.7	8.8	...	0.8	18.3	0.0	67.4	...	100	

Imports Profile:

In 2011, imports of mineral fuels, lubricants and related materials (SITC section 3) accounted for 20.7 percent of imported goods (see table 2). Other major commodity groups for imports included manufactured goods classified chiefly by material (SITC section 6) and machinery and transport equipment (SITC section 7), respectively with 20.6 and 18.4 percent of imports. In 2011, top imported products included petroleum oils, other than crude (HS code 2710), gold (including gold plated with platinum) (HS code 7108) and semi-finished products of iron or non-alloy steel (HS code 7207) (see table 5).

Table 5: Top 10 import commodities 2009 to 2011

(Value in million US\$)

HS code	4-digit heading of Harmonized System 2007	Value (million US\$)			Unit value			SITC code
		2009	2010	2011	2009	2010	2011	
All Commodities.....		3754.4	5115.9	5915.9				
2710 Petroleum oils, other than crude.....		480.5	696.3	956.5	0.7	0.8	US\$/kg	334
7108 Gold (including gold plated with platinum).....		166.8	182.0	267.7	26.5	36.5	52.4 thsd US\$/kg	971
7207 Semi-finished products of iron or non-alloy steel.....		109.8	226.2	200.9	1.2	0.6	0.7 US\$/kg	672
2711 Petroleum gases and other gaseous hydrocarbons.....		98.2	148.3	202.3	3.8	2.0	US\$/kg	343
2523 Portland cement, aluminous cement, slag cement.....		104.2	180.2	149.2	0.1	0.1	US\$/kg	661
8517 Electrical apparatus for line telephony or line telegraphy.....		77.8	160.4	155.5				764
1507 Soya-bean oil and its fractions.....		96.7	94.3	128.8	1.1	0.9	1.3 US\$/kg	421
3003 Medicaments (excluding goods of heading 30.02, 30.05 or 30.06).....		82.6	102.2	121.2	1.0	5.1	US\$/kg	542
8711 Motorcycles (including mopeds) and cycles fitted with an auxiliary motor.....		64.8	116.8	93.4	829.0		US\$/unit	785
7208 Flat-rolled products of iron or non-alloy steel.....		61.3	106.4	84.7	0.9	0.6	0.7 US\$/kg	673