DUBAI, UAE, October 12, 2013 /PRNewswire/ --

India will remain a top five trading corridor for the UAE, Egypt and Saudi Arabia, according to HSBC's latest Trade Forecast report. By 2030, the country will be the UAE's top export destination accounting for 14% of exports, and Saudi Arabia's second largest export destination accounting for 18.5% of exports. India is already Egypt's number one export destination and will maintain that position through to 2030, accounting for 15.4% of exports.

Speaking at HSBC's MENA - India Conference held today, **Tim Reid, Regional Head of Commercial Banking of HSBC Middle East and North Africa** said: "India and the MENA nations have been trading for many centuries and the opportunities certainly remain strong today. It's no surprise that India is a top five trading partner with each nation in the MENA group. With its huge population, rapidly growing middle class and capabilities in industrial and post-industrial sectors, India is a market with considerable potential.

"The prospect of Expo 2020 in Dubai and other infrastructure projects in the region offer excellent opportunities for MENA businesses to bring the chance to benefit from

India's know-how into the region with new partnerships. India's strength in industrial and information technology can also help MENA businesses support the region's political programme of economic diversification."

The Trade Forecast predicts that globally by 2020, India will overtake the USA to import the highest share of goods for infrastructure as it invests in building its domestic networks. According to India's Ministry of Commerce and Industry earlier this year, the country requires approximately US$1 trillion worth of infrastructure investment by 2018.

Trade between the UAE and India:

In the UAE, as the country continues to diversify away from mineral manufactures and invest heavily in its infrastructure; growth in imports of goods for infrastructure and investment equipment from India will significantly outstrip growth in other imports during 2013-30. The UAE also pledged US$2 billion of investments in Indian infrastructure earlier this year.

The UAE is India's largest export market, accounting for just over 10% of total merchandise exports. The UAE is forecast to maintain this preeminent position out to 2030 due to robust demand growth. Important Indian exports to the UAE include gems and jewelry; electronic goods, fabrics, machinery and equipment. India also uses the UAE as a gateway to other markets in the region, with many Indian exports transshipped from the UAE onto other countries in the Gulf, South-East Asia and East Africa.

Trade between Saudi Arabia and India:

In 2012, approximately 25% of Saudi Arabian exports to India were oil & gas. Diversification means that the biggest growth in exports to India will be in chemicals, which will account for over 80% of total exports from Saudi Arabia to India between 2013 and 2030. There will also be strong growth in exports of infrastructure goods as India focuses on increasing its infrastructure spending and boosting growth potential, as seen in its latest Economic Plan.

India's exports to Saudi Arabia were just 2.9% of total exports in 2012. This share is expected to increase to 4% by 2030, ranking it India's fourth largest export destination. The main contributors to this increase will be in the sectors of manufacturing, machinery and transport, and chemicals. Saudi Arabia's commitment to industrialisation and diversification will also offer opportunities to Indian investors.

Trade between Egypt and India:

India was Egypt's second biggest export market after the USA with 9% of all exports in 2012. Egypt's less developed economy and industrial base means it has less scope to benefit from India's fast-growing economy and demand for a rapid modernisation in its infrastructure. Nevertheless, investment equipment exports to India are forecast to grow at a double-digit annual rate in the years to 2030. Fastest-growing export sectors will be manufactures, chemicals and mineral fuels, which together will account for some 85% of the increase in exports from Egypt to India between 2013 and 2030.

India will represent one of the fastest growing import sources for Egypt between 2013 and

2030. The biggest contributors to the increase will be machinery & transport equipment and manufactures, together accounting for over 70% of this increase.
India's
strengthening economy will also drive double-digit annual growth in its exports of infrastructure goods to
Egypt
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Notes to editors:

About the HSBC Trade Forecast - Modelled by Oxford Economics

Oxford Economics has tailored a unique service for HSBC which forecasts bilateral trade for total exports/imports of goods, based on HSBC's own analysis and forecasts of the world economy to generate a full bilateral set of trade flows for total imports and exports of goods, and balances between 180 pairs of countries.

Oxford Economics employs a global modelling framework that ensures full consistency between all economies, in part driven by trade linkages. The forecasts take into account factors such as the rate of demand growth in the destination market and the exporter's competitiveness. Exports, imports and trade balances are identified, with both historical estimates and forecasts for the periods 2013-15, 2016-20 and 2021-30. The model looks at two-digit classifications from the COMTRADE database, grouped in to 30 sector headings. More information about the sector modeling can be found on http://www.globalconnections.hsbc.com/

HSBC in the MENA Region

HSBC is the largest and most widely represented international banking organisation in the Middl e East
and
North Africa
(MENA), with a presence in 14 countries across the region. HSBC has operations in the
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Qatar
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Oman
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Bahrain
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Kuwait
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Pakistan
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Algeria
and the Palestinian Autonomous Area. In
Saudi Arabia
, HSBC is a 40% shareholder of Saudi British Bank (SABB), and a 49% shareholder of HSBC Saudi Arabia for investment banking in the Kingdom. HSBC also maintains a representative office in
Libya
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This presence, the widest reach of any bank in the region, comprises some 295 offices and around 12,000 employees. In the first half of 2013, HSBC in the MENA region made a profit before tax of US$909m.

HSBC Commercial Banking

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