

India Trade Data- Jul 202516th Aug, 2025**India's Merchandise Trade Deficit Widens to \$27.35 Bn in Jul'25- hit an eight-month high**

India's merchandise trade deficit significantly widened to \$27.35 bn in Jul'25 from \$18.77 bn in June, attributable to sharp increase in Imports to \$64.59 bn led by higher imports of crude oil and gold. However, exports increased to \$37.24 bn. The widening trade deficit coincides with the imposition of 25% additional tariff on Indian exports to the US, slated to come into effect around Aug 27 unless a deal is struck within the current available negotiation window. On yearly basis, imports rose by 8.6% while exports rose by 7.3%.

Imports:

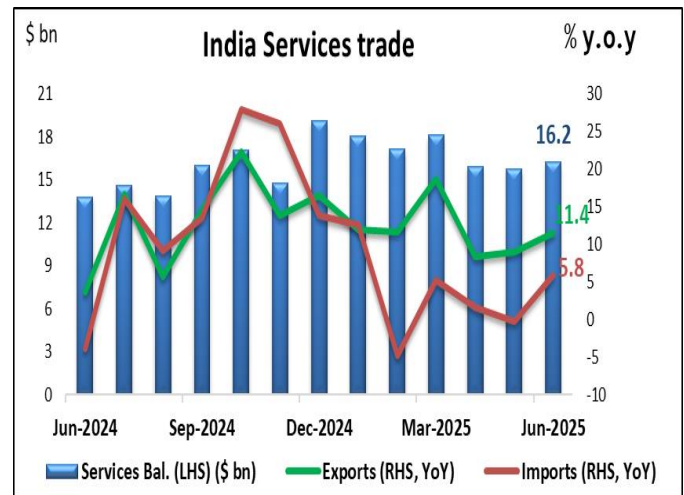
- Gold imports surged 13.8% YoY supported by festive and investment demand whereas silver jumped sharply by 436.6% indicating a shift toward industrial and investment use. Gold imports were \$3.97 bn in Jul'25 compared to \$1.84 bn in Jun'25 and silver imports were \$0.51 bn and \$ 0.23 bn respectively in Jul'25 and Jun'25. The higher gold import bill is also attributable to surging gold prices.
- Oil imports saw a significant jump YoY of 7.5% and 13.0% M-o-M to \$15.58 billion in Jul'25 as compared to \$13.80 billion in Jun'25. Higher crude imports were a major contributor to the widening of India's trade deficit in Jul'25.
- Imports of commodities like fertilisers (+133.1%), Metalliferous ores (+41.8%), pearls & precious stones (+28.6%) and machine tools (22.4%) increased while Pulses (-51.62%), leather and leather products (-41.1%), Newsprint (-25.73%), Coal and coke (-20.9%) recorded negative growth YoY.
- Electronics goods imports rose by 12.8 % YoY at \$9.84 bn compared to \$8.72 bn in the previous year and imports of machinery rose by 20% YoY at \$5.36 bn in Jul'25 compared to \$4.47 bn in Jul'24 reflecting India's manufacturing and digital push.

Exports:

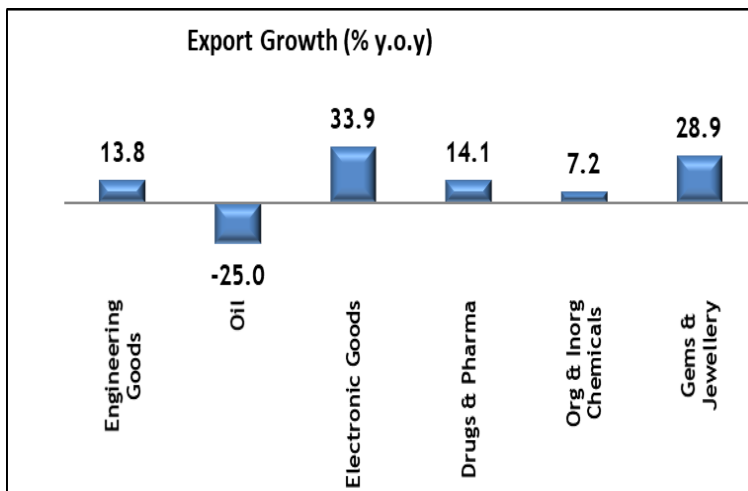
- Exports of items like -Electronic goods (+33.9%) saw the sharpest move while gems and Jewellery (+28.9%) and Engineering goods (+13.8%) registered significant Y-o-Y growth.
- Drugs and pharma (+14.1%) maintained strong momentum reflecting India's growing role as a global medicine supplier.
- Exports of items like Coffee (+67.5%), Coal & Mica (+27.1%), Meat, dairy & poultry (+31.2%) also grew and recorded a positive growth during July 2025 over the corresponding month of last year.
- Oil exports declined by 25% YoY \$4.34 bn in Jul'25 reflecting declining global crude prices.



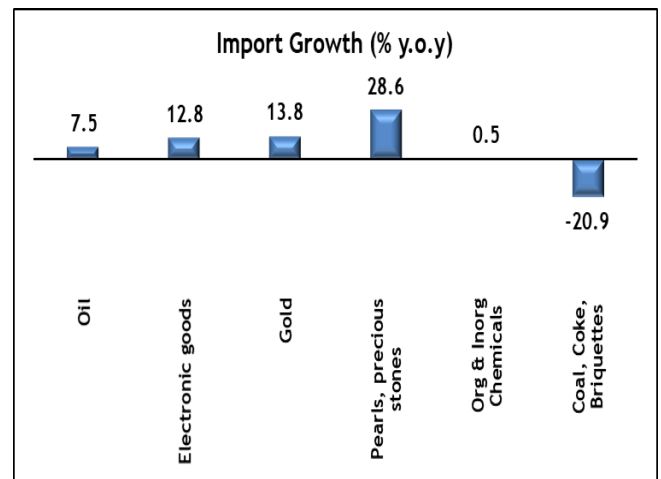
Trade deficit widens in Jul' 2025



Services surplus in Jun25



Electronic Goods export recorded sharp rise in Jul' 25



Coal, Coke & Briquettes Import declined in Jul'25

Trends in Indian Exports - Top 20 Commodities (Value in USD Bn)

Commodity	Share (%)	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	y-o-y growth in Jul-2025
Engineering Goods	28.00%	9.17	9.44	9.82	11.26	8.90	10.84	9.42	9.08	10.82	9.51	9.89	9.50	10.43	13.8%
Oil	11.66%	5.79	5.96	4.74	4.59	3.72	4.92	3.56	5.81	4.90	7.37	5.64	4.62	4.34	-25.0%
Electronic Goods	10.11%	2.81	2.33	2.07	3.43	3.47	3.58	4.11	3.79	4.56	3.69	4.57	4.15	3.77	33.9%
Drugs & Pharma	7.15%	2.33	2.35	2.57	2.62	2.16	2.49	2.59	2.47	3.68	2.49	2.48	2.62	2.66	14.1%
Org & Inorg Chemicals	6.63%	2.30	2.37	2.36	2.72	1.99	2.45	2.35	2.23	2.87	2.27	2.68	2.33	2.47	7.2%
Gems & Jewellery	6.42%	1.85	2.00	2.82	3.25	2.07	2.13	3.00	2.53	2.90	2.50	2.38	1.79	2.39	28.9%
Ready Made Garments	3.59%	1.28	1.27	1.11	1.23	1.12	1.46	1.61	1.53	1.53	1.37	1.51	1.31	1.34	4.7%
Cotton Yarn/Fab	2.74%	0.97	1.01	1.05	1.05	0.87	1.05	1.04	0.98	1.12	0.96	0.97	0.93	1.02	5.2%
Rice	2.47%	0.83	0.79	0.69	1.05	1.14	1.43	1.37	1.19	1.18	1.08	0.97	0.86	0.92	11.0%
Plastic & Linoleum	2.09%	0.74	0.76	0.79	0.81	0.70	0.78	0.73	0.68	0.81	0.70	0.76	0.71	0.78	4.4%
Marine Products	1.75%	0.57	0.55	0.63	0.81	0.76	0.72	0.54	0.51	0.68	0.58	0.73	0.63	0.65	14.0%
Meat, dairy & poultry	1.30%	0.37	0.43	0.43	0.45	0.45	0.51	0.52	0.45	0.48	0.37	0.44	0.37	0.48	31.2%
Coal, Mica	1.23%	0.36	0.37	0.37	0.44	0.34	0.49	0.47	0.50	0.52	0.46	0.47	0.43	0.46	27.1%
Leather & pdts	1.20%	0.42	0.41	0.36	0.37	0.33	0.37	0.38	0.33	0.36	0.32	0.39	0.39	0.45	7.8%
Man-made Yarn/Fabs	1.13%	0.41	0.42	0.42	0.44	0.35	0.42	0.43	0.40	0.44	0.38	0.41	0.37	0.42	4.0%
Ceramic products	0.96%	0.32	0.32	0.32	0.36	0.30	0.37	0.33	0.30	0.36	0.34	0.37	0.32	0.36	12.3%
Spices	0.93%	0.33	0.34	0.33	0.38	0.32	0.37	0.34	0.43	0.52	0.44	0.40	0.31	0.35	4.0%
Fruits & Vegetables	0.80%	0.28	0.28	0.28	0.32	0.29	0.33	0.30	0.41	0.48	0.38	0.31	0.26	0.30	6.6%
Cereal preparations	0.76%	0.25	0.27	0.26	0.28	0.22	0.26	0.26	0.26	0.28	0.26	0.26	0.27	0.28	14.5%
Coffee	0.47%	0.10	0.15	0.16	0.12	0.10	0.10	0.12	0.18	0.26	0.20	0.20	0.18	0.17	67.5%
Grand Total Exports	91.39%	34.71	34.48	34.31	39.00	32.04	38.01	36.43	36.91	41.97	38.49	38.73	35.14	37.24	7.3%

Trends in Indian Imports - Top 20 Commodity (Value in USD Bn)															
Commodity	Share (%)	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	yoy% growth in Jul-25
Oil	24.12%	14.49	11.02	12.54	18.30	16.11	15.27	13.43	11.89	19.01	20.72	14.75	13.80	15.58	7.5%
Electronic goods	15.23%	8.72	8.92	8.47	8.35	7.62	8.34	9.36	7.57	9.43	9.25	9.09	8.42	9.84	12.8%
Elec & non-elect Machinery	8.30%	4.47	4.97	4.53	4.63	4.49	4.70	4.73	4.32	4.65	4.67	5.01	4.43	5.36	20.0%
Gold	6.15%	3.49	8.64	3.30	4.68	9.84	4.70	2.69	2.34	4.48	3.10	2.55	1.84	3.97	13.8%
Transport equipment	4.34%	2.74	2.59	2.29	2.25	2.60	2.79	2.68	2.61	2.55	2.60	2.37	2.01	2.80	2.3%
Org & Inorg Chemicals	3.92%	2.52	2.62	2.43	2.39	2.30	2.32	2.54	2.04	2.26	2.45	2.56	2.26	2.53	0.5%
Non-ferrous metals	3.79%	2.23	2.37	2.12	2.33	2.12	1.75	1.94	1.79	2.11	2.32	2.39	2.12	2.45	9.5%
Coal, Coke, Briquettes	3.66%	2.99	2.79	2.30	2.35	2.38	1.95	2.69	2.06	2.25	2.71	2.66	2.38	2.36	-20.9%
Artificial resins, plastic	3.18%	2.05	2.21	1.87	2.05	1.93	1.79	1.72	1.57	1.88	1.95	1.98	1.86	2.06	0.5%
Iron & Steel	3.09%	1.94	2.26	2.00	2.15	1.78	1.87	2.20	1.57	1.78	1.76	1.91	1.59	2.00	3.1%
Vegetable Oil	3.00%	1.87	1.57	1.13	1.53	1.88	1.32	1.38	1.20	1.23	1.23	1.40	1.65	1.93	3.5%
Pearls, precious stones	2.70%	1.36	1.31	1.61	1.38	0.96	1.27	1.23	1.28	2.14	1.67	1.56	1.48	1.74	28.6%
Fertilisers	2.47%	0.68	0.54	0.78	1.32	1.35	1.21	0.84	0.60	0.62	0.65	0.69	0.76	1.59	133.1%
Metalliferous ores	1.84%	0.84	1.08	0.84	1.06	0.86	1.14	1.25	0.83	0.79	1.05	0.84	1.14	1.19	41.8%
Chemical & Pdts	1.56%	0.99	1.03	0.93	1.05	0.99	1.13	1.35	1.25	1.26	1.97	3.43	1.43	1.01	2.0%
Medicinal & Pharma	1.32%	0.75	0.75	0.65	0.79	0.79	0.83	0.79	0.70	0.74	0.75	0.79	0.71	0.85	13.3%
Professional instrument	1.27%	0.74	0.69	0.66	0.74	0.74	0.77	0.68	0.63	0.82	0.73	0.75	0.73	0.82	10.2%
Wood & Pdts	0.91%	0.57	0.65	0.61	0.66	0.61	0.62	0.66	0.52	0.53	0.54	0.55	0.53	0.59	3.5%
Machine tools	0.89%	0.47	0.49	0.47	0.47	0.45	0.54	0.54	0.43	0.49	0.53	0.63	0.53	0.57	22.4%
Silver	0.78%	0.09	1.32	0.33	0.33	0.66	0.42	0.88	0.43	0.12	0.16	0.57	0.23	0.51	436.6%
Total Imports	92.51%	59.48	62.57	54.00	63.13	63.86	59.95	59.42	50.96	63.51	64.91	60.61	53.92	64.59	8.6%

Implications:

- Despite the imposition of tariffs exports show momentum as exporters were rushing to offload stocks ahead of the tariffs kicking in. However, from the second half of the fiscal year starting September, the impact of tariffs would be more visible unless a bilateral deal is struck.
- Import growth of 8.6% reflects a recovery in domestic demand but it also raises concerns about the trade deficit unless export growth keeps pace as it would have repercussions on Current Account Deficit (CAD).
- Rising electronic and machinery imports not only suggest manufacturing and digital prowess gaining momentum but also growing dependence on imported components.
- Oil imports remain elevated keeping the import bill vulnerable to crude price swings.
- While imports are rising, exporters face global demand headwinds and potential tariff challenges. If exports do not keep pace, the trade deficit will widen, putting pressure on the rupee, possibly leading to imported inflation.

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