Economic Research Vertical

14th July 2026

India Trade Data: June 2026

I. India's Trade Snapshot – As on June 2026:

In June 2026, India's merchandise exports improved by 15.52% to $40.41 billion from $34.98 billion in June 2025, while merchandise imports also increased by 30.99% to $70.84 billion. This resulted in an increased merchandise trade deficit of $30.43 billion compared to $19.10 billion in the previous year.

Service exports stood at $33.03 billion (increased 2.87%), and service imports were $17.92 billion (increased 12.70%), leading to a services surplus of $15.11 billion, but marginally **lower** than the previous year.

Overall, total exports increased 9.46% to $73.44 billion, total imports also increased 26.84% to $88.76 billion, and the overall trade deficit widened to $15.32 billion from $2.89 billion year-on-year.

Cumulatively for the quarter, compared to last year the Trade Deficit on Merchandise increased to $86.86 billion from $68.74 billion y-o-y. Trade balance in Services sector improved from $47.9 billion to $49.44 billion y-o-y. overall, the trade deficit increased to $37.42 billion dollars.

(All figures in US$ Billion)

Category	Jun-25	Jun-26	% YoY	CUMMULATIVE		
				APR-JUN,25	APR-JUN,26	% YOY
MERCHANDISE EXPORTS	34.98	40.41	15.52%	111.57	129.32	15.91%
MERCHANDISE IMPORTS	54.08	70.84	30.99%	180.31	216.18	19.89%
TRADE BALANCE (Merchandise)	-19.1	-30.43	Increased deficit	-68.74	-86.86	Gap Increased
SERVICE EXPORTS	32.11	33.03	2.87%	97.41	103.41	6.16%
SERVICE IMPORTS	15.9	17.92	12.70%	49.51	53.97	9.01%
TRADE BALANCE (Services)	16.21	15.11	FALL BACK	47.9	49.44	Improved
TOTAL EXPORTS (M+S)	67.09	73.44	9.46%	208.98	232.73	11.36%
TOTAL IMPORTS (M+S)	69.98	88.76	26.84%	229.82	270.15	17.55%
TRADE BALANCE (M-S)	-2.89	-15.32	Deficit Increased	-20.84	-37.42	Deficit Increased

II. Core Deficit Widens 18.33% cumulatively despite Modest Export Growth!

on a core basis (excluding petroleum and gems & jewelry), exports grew 16.49% to $35.54 billion, and core imports grew by 27.90% to $51.52 billion. As a result, the core trade deficit widened by -15.12% from $8.00 billion in June 2025 to $15.12 billion in June 2026.

Cumulatively Non-petroleum, non-gems & jewelry (gold, silver & precious metals) imports in April-June 2026- 27 were US$ 140.22 Billion, compared to US$ 117.92 Billion in April-June 2025-26 and the trade deficit increased to $ 26.08 billion from $ 22.04 billion.

Trade excluding Petroleum and Gems & Jewellery during FY 26 (USD Billion)						
Category	Jun-25	Jun-26	% YoY	CUMMULATIVE		
				APR-JUN,25	APR-JUN,26	% YOY
Non- petroleum exports	30.51	35.54	16.49%	94.54	106.3	12.44%
Non- petroleum imports	40.28	51.52	27.90%	131.07	155.56	18.68%
Non-petroleum & *Non Gems & Jewellery exports	28.73	33.13	15.32%	87.88	99.04	12.70%
Non-petroleum & Non Gems & Jewellery imports	36.73	48.25	31.36%	117.92	140.22	18.91%
Core Trade Balance (Non-petroleum & Non Gems & Jewellery)	-8.00	-15.12	Deficit Increased	-22.04	-26.08	18.33% (GAP WIDENED)

** Gems & Jewellery Imports include Gold, Silver & Pearls, precious & Semi-precious stones*

In June 2026, India's **non-petroleum, non-gems & jewelry (non-PGJ)** trade segment recorded **double-digit growth in both exports and imports**, but imports grew faster, mirroring the broader deficit widening.

The above chart indicates **solid underlying export momentum** into June, with June non-PGJ exports at **$33.13 bn** in the elevated range. The pattern across Apr–Jun suggests a **step-up in the base level** of non-PGJ exports compared to prior years, but imports have stepped up even more. This matters because it shows import growth isn't just an oil-and-gold story — the underlying non-commodity import bill is also climbing.

June's slight dip in core-exports compared to May ($34.24 billion Vs $33.13billion) is a speed bump, not a reversal**, while the widening headline deficit is overwhelmingly explained by petroleum and gold price effects rather than a loss of manufacturing competitiveness**.

Note: Petroleum export/import values swing heavily with crude oil prices — largely outside India's control given the Middle East conflict. Gems & jewelry swings with global gold prices and festive/wedding demand cycles.

Snapshot on GOLD and Silver Imports: -

To curb the widening trade deficit caused by high gold and silver import bills, government aggressively raised the total effective import duty from 6% to 15% with effect from 13.05.2026 which led to declined in import of physical gold and silver.

Source: - trade stat (Only Gold and Silver data)

GOLD Import	TONNES	Silver Import	TONNES
JAN-2026	99.387	JAN-2026	747.495
FEB-2026	66.361	FEB-2026	613.196
MAR-2026	32.864	MAR-2026	247.008
APR-2026	45.623	APR-2026	182.215
MAY-2026	29.442	MAY-2026	46.773

III. Sectoral Export Performance - Top 10 Sectors Where Export Increased!

Rank	Sector / Commodity	YoY % Growth	Value June'25 (US$ Million)	Value May'26 (US$ Million)	Value June'26 (US$ Million)	Contribution
1	Other Cereals	244.29	21	76	73	**High Base Effect**
2	Handicrafts Excl Hand Made Carpet	59.69	130	180	208	**Strong Growth**
3	Meat, Dairy & Poultry Products	54.63	373	630	577	**Strong Growth**
4	Iron Ore	49.97	126	188	190	**Strong Growth**
5	Gems And Jewelry	34.64	1788	2534	2407	**Strong Growth**
6	Plastic And Linoleum	21.24	711	921	862	**Solid**
7	Engineering Goods	20.74	9507	12311	11479	**Solid**
8	Tobacco	19.8	134	140	161	**Solid**
9	Organic & Inorganic Chemicals	19.42	2316	2720	2766	**Solid**
10	Electronic Goods	18.93	4143	5097	4927	**Solid**

Insights

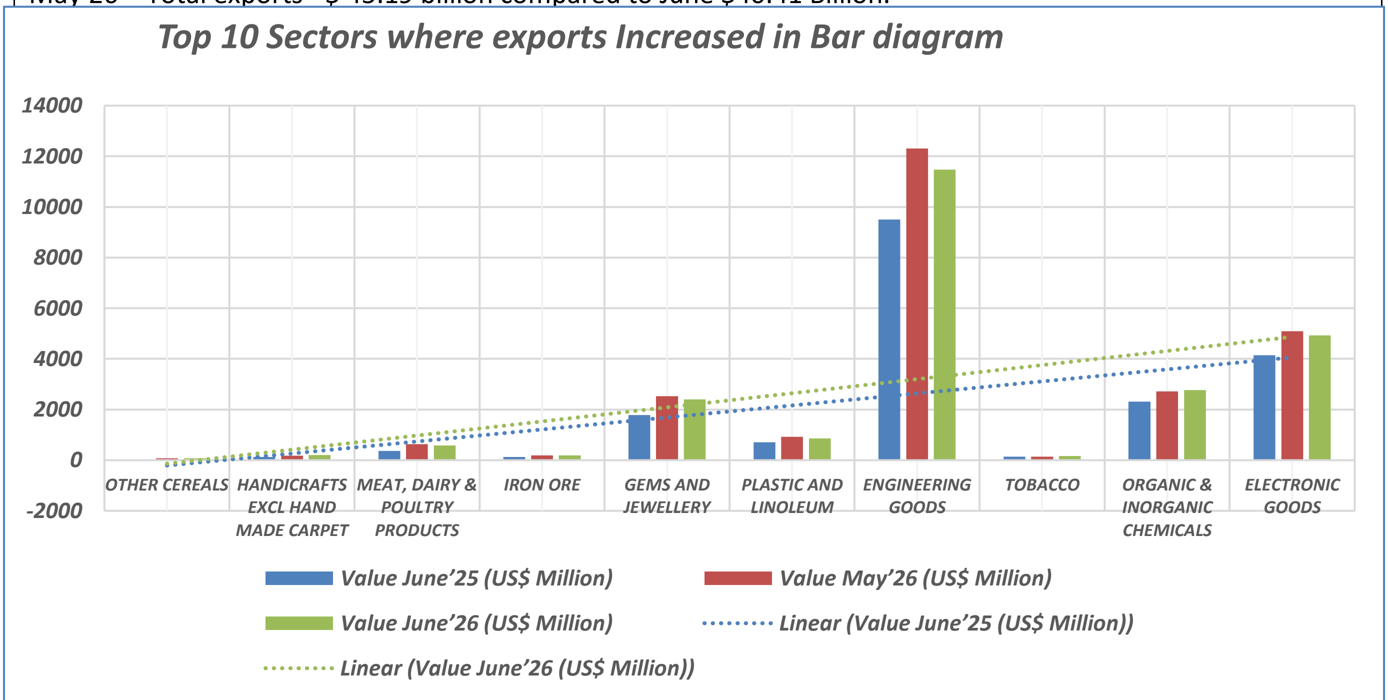
✓ ***Overall Merchandise Exports: US$ 40.41 bn** | **+15.52% YoY***

✓ ***20 out of 30** major commodities recorded **positive growth***

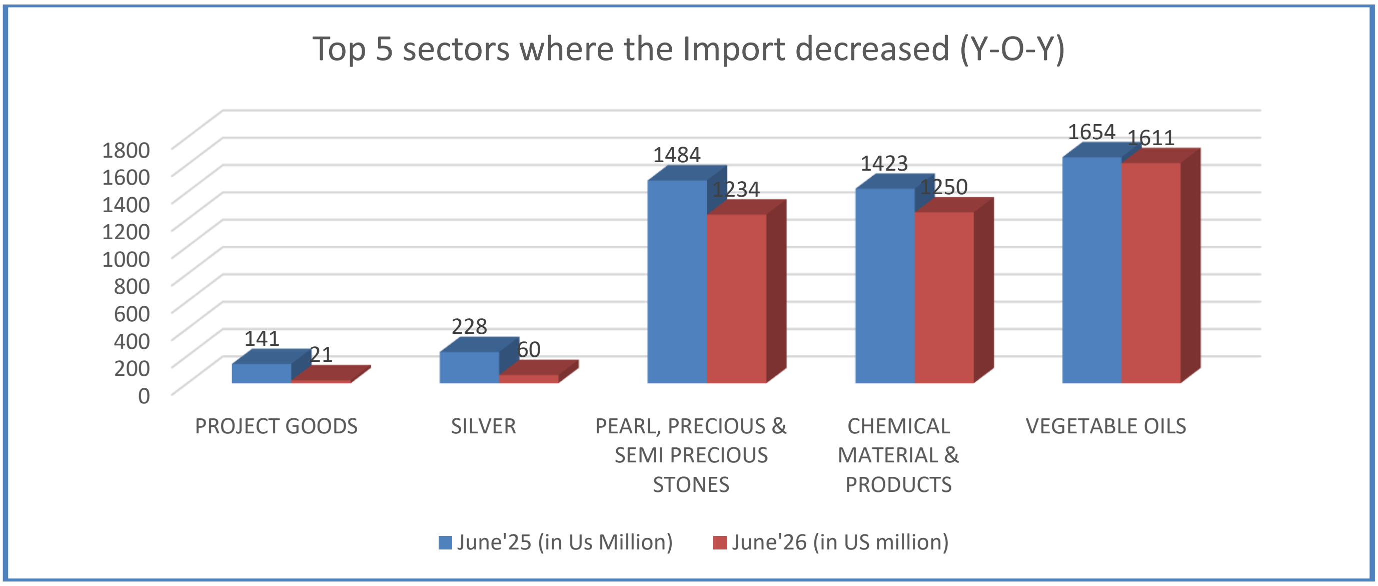
✓ ***High-value & diversified** growth driving the momentum*

✓ *Exports actually dip from month-on-month in June after a strong May. Though June YOY comparison is till solidly positive.*

May'26 – Total exports - $ 45.19 billion compared to June $40.41 Billion.



IV. Top 5 Sectors where the Import Decreased (Y-O-Y):



Highlights: -

- Report for June 2026 highlight that **silver imports fell** compared to the very high base in preceding months, despite the overall import surge.
- June 2026 data commentary notes that **imports of some chemical and plastic intermediates** softened.

V. Export Destination:

SR NO	COUNTRY	JUNE'25 (IN US $ Million)	JUNE'26 (IN US $ Million)	APR-JUN'25 (IN US $ Million)	APR-JUN'26 (IN US $ Million)
1	USA	**8274**	**8175**	**25483**	**25468**
2	UAE	**2614**	**2707**	**9019**	**7952**
3	SINGAPORE	**973**	**1449**	**3240**	**6519**
4	CHINA	**1374**	**1807**	**4389**	**5598**
5	NETHERLAND	**1454**	**1479**	**5526**	**4519**
6	UK	**1149**	**1248**	**3322**	**3691**
7	SOUTH AFRICA	**493**	**1055**	**1784**	**3149**
8	GERMANY	**895**	**996**	**2766**	**3105**
9	BANGLADESH	**874**	**875**	**2638**	**3059**
10	TANZANIA	**377**	**730**	**1177**	**2905**

Note:

- ✓ In June 2026, **traditional Western markets (USA, Netherlands)** softened slightly, while **Africa (South Africa, Tanzania)** and **Asia (Singapore, China, Bangladesh)** showed strong momentum.
- ✓ The **growth engine** in Q1 FY27 has clearly shifted toward **Asia (Singapore, China, Bangladesh)** and **Africa (Tanzania, South Africa)**, while **Gulf (UAE)** and **Rotterdam gateway (Netherlands)** have weakened, and **USA** is flat.

VI. Import Destination:

SR NO	COUNTRY	JUNE'25 (IN US $ Million)	JUNE'26 (IN US $ Million)	APR-JUN'25 (IN US $ Million)	APR-JUN'26 (IN US $ Million)
1	CHINA	9513	13342	29733	38042
2	RUSSIA	4740	8771	16767	25600
3	USA	4115	5508	13449	16654
4	UAE	4210	5247	16795	15027
5	SAUDI ARAB	2270	1595	7108	7561
6	KOREA	1699	2214	5332	6822
7	SINGAPORE	1891	2168	5478	6576
8	JAPAN	1531	1746	5278	5917
9	GERMANY	1219	1870	4496	5382
10	HONG KONG	1560	1862	4924	5149

Note:

- **It shows a clear** re-orientation of India's import bill **toward** China, Russia and the US**, with** Gulf suppliers (UAE, Saudi Arabia) losing share**.**
- **China - Rising dependence on** Chinese intermediates, electronics, machinery, and chemicals**. Positive for Indian manufacturers using Chinese inputs, but raises** supply-chain and geopolitical risk **if tensions or restrictions escalate.**
- **Russia - Heavily tilted toward** energy (crude, coal) **and some fertilizers/defence. Supports** energy security and cost competitiveness**, but creates** FX, sanctions, and payment-mechanism risks **for banks and importers.**
- **USA - Higher imports of** high-value tech, capital goods, and possibly energy**.**
- **UAE - June's spike will be** oil shipment timing or re-exports**, but the** quarter shows reduced reliance
- **Saudi Arabia - Sharp** June drop **suggests** oil cargo substitution **(more from Russia, possibly Iraq/others) or** price/mix effects
- **Korea, Singapore Germany & hong kong - Reflects broad-based demand for** capital goods, electronics, chemicals, and high-tech intermediates **from advanced Asian and European economies.**

VII. Implications:

- ✓ **India becomes more sensitive to** oil price shocks, global risk-off episodes, and capital flow reversals**.**
- ✓ Gold and electronics import **also add to** demand pressure **and, via rupee depreciation pass-through, could feed into** core inflation **over time.**
- ✓ **Strong gold/electronics imports indicate robust demand but also** policy risk **(import curbs, duty changes) and** sensitivity to FX and rates
- ✓ **Wider CAD implies potentially** higher external borrowing needs **and sensitivity to global rates**
- ✓ **June 2026 trade data confirms an** investment- and consumption-driven upcycle **but flags** rising external imbalances**: a** wider goods deficit, higher oil/electronics import dependence, and elevated CAD risk**.**

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