

## India Trade Data- Aug 2025

15<sup>th</sup> Sep, 2025

### **India's Merchandise Trade Deficit narrowed to \$26.49 Bn in Aug'25**

India's merchandise trade deficit narrowed to \$26.49 bn in Aug'25 from \$27.35 bn in Jul'25, indicates strong export drivers and reduced import pressure. However, the sustainability depends on managing global headwinds (Tariffs, oil prices) and reviving domestic investment demand.

Merchandise exports during Aug'25 was \$35.10 bn as compared to \$32.89 bn in Aug'24 up about 6.7%. Merchandise imports during Aug'25 was \$61.59 bn as compared to \$68.53 bn in Aug'24- a drop of around 10%. Imports fell sharply in several category including Gold, Silver, Transport & Equipment etc which helped reduce the import bill. Export held up, in part, due to good performance in Electronics, Engineering and Gems & Jewellery Sectors etc.

#### **Imports:**

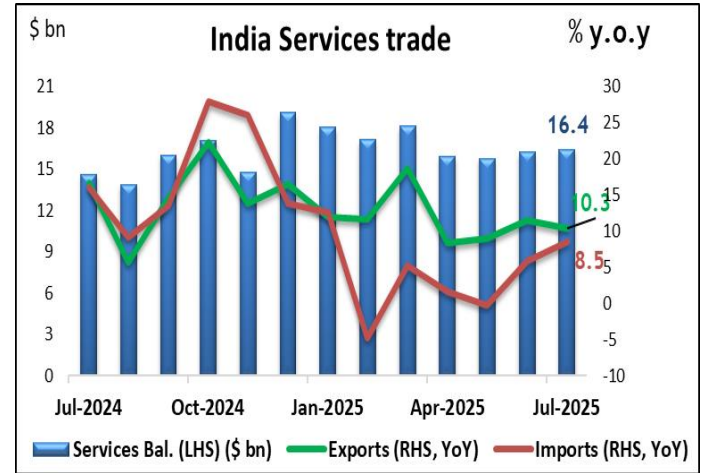
- Big declines in Imports of Project Goods (-90.63%), Pulses (-64.14%), Silver (-59.67%), Gold (-56.67%), Newsprint (-35.28%), Leather & Leather Products (-27.04%), Dyeing/Tanning/Colouring Mtrls. (-26.84%), Transport Equipment (-26.54%), Coal, Coke & Briquettes, etc. (-26.2%) during August 2025 over the corresponding month of last year.
- Wood & Wood Products (-14.46%), Iron & Steel (-10.98%), Artificial Resins, Plastic Materials, etc. (-9.69%), Organic & Inorganic Chemicals (-5.19%), Chemical Material & Products (-3.73%), Pulp and Waste Paper (-3.25%) recorded negative growth during August 2025 over the corresponding month of last year.

#### **Exports:**

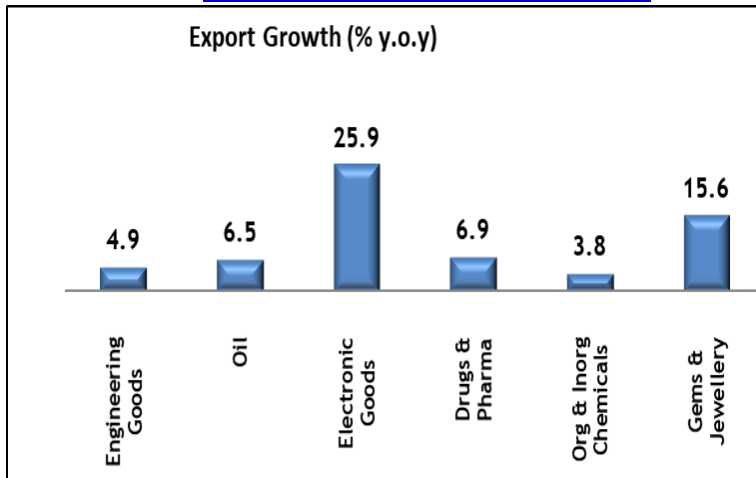
- Strong rise in exports of Other Cereals (89.69%), Electronic Goods (25.93%), Mica, Coal & Other Ores, Minerals Including Processed Minerals (24.57%), Tea (20.52%) during Aug'25 over the corresponding month of last year.
- Significant growth in Meat, Dairy & Poultry Products (17.69%), Gems & Jewellery (15.57%), Rice (11.94%), Ceramic Products & Glassware (11.4%), during Aug'25 over the corresponding month of last year.
- Marine Products (7.87%), Cereal Preparations & Miscellaneous Processed Items (7.3%), Drugs & Pharmaceuticals (6.94%), Petroleum Products (6.54%), Fruits & Vegetables (5.77%), Engineering Goods (4.91%) recorded positive growth during August 2025 over the corresponding month of last year.



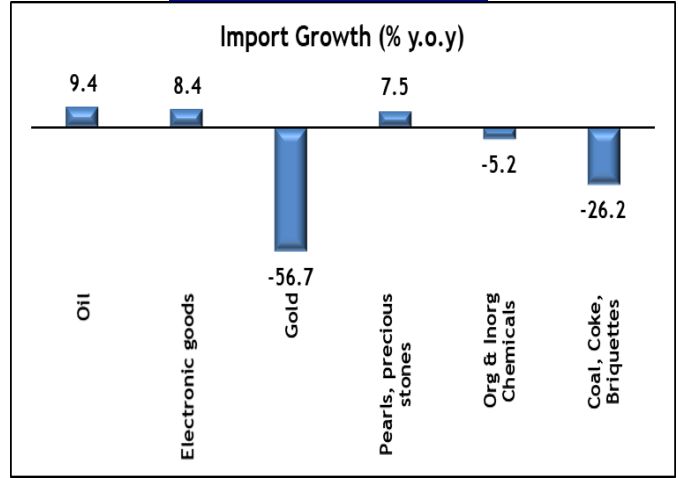
**Trade deficit narrowed in Aug'2025**



**Services surplus in Jul'25**



**Electronic Goods export recorded sharp rise in Aug'25**



**Gold Import recorded sharp decline in Aug'25**

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

Commodity	Share (%)	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	y-o-y growth in Aug-2025
Engineering Goods	28.20%	9.44	9.82	11.26	8.90	10.84	9.42	9.08	10.82	9.51	9.89	9.50	10.43	9.90	4.9%
Oil	12.76%	4.20	4.74	4.59	3.72	4.92	3.56	5.81	4.90	7.37	5.64	4.62	4.34	4.48	6.5%
Electronic Goods	8.34%	2.32	2.07	3.43	3.47	3.58	4.11	3.79	4.56	3.69	4.57	4.15	3.77	2.93	25.9%
Drugs & Pharma	7.15%	2.35	2.57	2.62	2.16	2.49	2.59	2.47	3.68	2.49	2.48	2.62	2.66	2.51	6.9%
Org & Inorg Chemicals	6.88%	2.33	2.36	2.72	1.99	2.45	2.35	2.23	2.87	2.27	2.68	2.33	2.47	2.42	3.8%
Gems & Jewellery	6.59%	2.00	2.82	3.25	2.07	2.13	3.00	2.53	2.90	2.50	2.38	1.79	2.39	2.31	15.6%
Ready Made Garments	3.52%	1.27	1.11	1.23	1.12	1.46	1.61	1.53	1.53	1.37	1.51	1.31	1.34	1.23	-2.6%
Cotton Yarn/Fab	2.81%	1.01	1.05	1.05	0.87	1.05	1.04	0.98	1.12	0.96	0.97	0.93	1.02	0.99	-2.3%
Rice	2.51%	0.79	0.69	1.05	1.14	1.43	1.37	1.19	1.18	1.08	0.97	0.86	0.92	0.88	11.9%
Plastic & Linoleum	2.08%	0.76	0.79	0.81	0.70	0.78	0.73	0.68	0.81	0.70	0.76	0.71	0.78	0.73	-4.3%
Marine Products	1.70%	0.55	0.63	0.81	0.76	0.72	0.54	0.51	0.68	0.58	0.73	0.63	0.65	0.60	7.9%
Meat, dairy & poultry	1.44%	0.43	0.43	0.45	0.45	0.51	0.52	0.45	0.48	0.37	0.44	0.37	0.48	0.51	17.7%
Coal, Mica	1.30%	0.37	0.37	0.44	0.34	0.49	0.47	0.50	0.52	0.46	0.47	0.43	0.46	0.46	24.6%
Leather & pdts	1.16%	0.41	0.36	0.37	0.33	0.37	0.38	0.33	0.36	0.32	0.39	0.39	0.45	0.41	-0.1%
Man-made Yarn/Fabs	1.16%	0.42	0.42	0.44	0.35	0.42	0.43	0.40	0.44	0.38	0.41	0.37	0.42	0.41	-3.1%
Ceramic products	1.01%	0.32	0.32	0.36	0.30	0.37	0.33	0.30	0.36	0.34	0.37	0.32	0.36	0.35	11.4%
Spices	0.96%	0.33	0.33	0.38	0.32	0.37	0.34	0.43	0.52	0.44	0.40	0.31	0.35	0.34	0.5%
Fruits & Vegetables	0.88%	0.29	0.28	0.32	0.29	0.33	0.30	0.41	0.48	0.38	0.31	0.26	0.30	0.31	5.8%
Cereal preparations	0.82%	0.27	0.26	0.28	0.22	0.26	0.26	0.26	0.28	0.26	0.26	0.27	0.28	0.29	7.3%
Tobacco	0.45%	0.21	0.21	0.20	0.18	0.16	0.17	0.14	0.14	0.20	0.18	0.13	0.15	0.16	-23.7%
<b>Grand Total Exports</b>	<b>91.71%</b>	<b>32.89</b>	<b>34.31</b>	<b>39.00</b>	<b>32.04</b>	<b>38.01</b>	<b>36.43</b>	<b>36.91</b>	<b>41.97</b>	<b>38.49</b>	<b>38.73</b>	<b>35.14</b>	<b>37.24</b>	<b>35.10</b>	<b>6.7%</b>

Trends in Indian Imports - Top 20 Commodity (Value in USD Bn)

Commodity	Share (%)	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	yoy% growth in Aug-25
Oil	21.54%	12.13	12.54	18.30	16.11	15.27	13.43	11.89	19.01	20.72	14.75	13.80	15.58	13.27	9.4%
Electronic goods	15.80%	8.98	8.47	8.35	7.62	8.34	9.36	7.57	9.43	9.25	9.09	8.42	9.84	9.73	8.4%
Gold	8.83%	12.55	3.30	4.68	9.84	4.70	2.69	2.34	4.48	3.10	2.55	1.84	3.97	5.44	-56.7%
Elec & non-elect Machinery	8.37%	5.00	4.53	4.63	4.49	4.70	4.73	4.32	4.65	4.67	5.01	4.43	5.36	5.15	3.1%
Org & Inorg Chemicals	4.05%	2.63	2.43	2.39	2.30	2.32	2.54	2.04	2.26	2.45	2.56	2.26	2.53	2.49	-5.2%
Non-ferrous metals	4.02%	2.36	2.12	2.33	2.12	1.75	1.94	1.79	2.11	2.32	2.39	2.12	2.45	2.48	5.0%
Transport equipment	3.71%	3.11	2.29	2.25	2.60	2.79	2.68	2.61	2.55	2.60	2.37	2.01	2.80	2.29	-26.5%
Coal, Coke, Briquettes	3.35%	2.79	2.30	2.35	2.38	1.95	2.69	2.06	2.25	2.71	2.66	2.38	2.36	2.06	-26.2%
Vegetable Oil	3.29%	1.58	1.13	1.53	1.88	1.32	1.38	1.20	1.23	1.23	1.40	1.65	1.93	2.03	28.6%
Iron & Steel	3.28%	2.27	2.00	2.15	1.78	1.87	2.20	1.57	1.78	1.76	1.91	1.59	2.00	2.02	-11.0%
Artificial resins, plastic	3.28%	2.24	1.87	2.05	1.93	1.79	1.72	1.57	1.88	1.95	1.98	1.86	2.06	2.02	-9.7%
Fertilisers	2.69%	0.53	0.78	1.32	1.35	1.21	0.84	0.60	0.62	0.65	0.69	0.76	1.59	1.66	210.9%
Pearls, precious stones	2.30%	1.32	1.61	1.38	0.96	1.27	1.23	1.28	2.14	1.67	1.56	1.48	1.74	1.41	7.5%
Metalliferous ores	1.77%	1.08	0.84	1.06	0.86	1.14	1.25	0.83	0.79	1.05	0.84	1.14	1.19	1.09	1.2%
Chemical & Pdts	1.63%	1.04	0.93	1.05	0.99	1.13	1.35	1.25	1.26	1.97	3.43	1.43	1.01	1.00	-3.7%
Professional instrument	1.27%	0.71	0.66	0.74	0.74	0.77	0.68	0.63	0.82	0.73	0.75	0.73	0.82	0.79	10.6%
Medicinal & Pharma	1.27%	0.77	0.65	0.79	0.79	0.83	0.79	0.70	0.74	0.75	0.79	0.71	0.85	0.78	1.3%
Wood & Pdts	0.90%	0.65	0.61	0.66	0.61	0.62	0.66	0.52	0.53	0.54	0.55	0.53	0.59	0.56	-14.5%
Machine tools	0.86%	0.49	0.47	0.47	0.45	0.54	0.54	0.43	0.49	0.53	0.63	0.53	0.57	0.53	6.6%
Silver	0.73%	1.12	0.33	0.33	0.66	0.42	0.88	0.43	0.12	0.16	0.57	0.23	0.51	0.45	-59.7%
<b>Total Imports</b>	<b>92.94%</b>	<b>68.53</b>	<b>54.00</b>	<b>63.13</b>	<b>63.86</b>	<b>59.95</b>	<b>59.42</b>	<b>50.96</b>	<b>63.51</b>	<b>64.91</b>	<b>60.61</b>	<b>53.92</b>	<b>64.59</b>	<b>61.59</b>	<b>-10.1%</b>

## Implications:

- India's exports are growing while imports are falling or growing much less leading to narrowed trade deficit. Narrower trade deficit will ease pressure on the Current Account Deficit (CAD) and support the rupee.
- Sectors like electronics, engineering, gems and Jewellery are performing well. Growth indicates improving competitiveness and diversification. This suggests resilience despite global demand uncertainty. However, the increased tariff rate effected from 27 Aug may dampen exports in coming months especially for labor intensive sectors like textile, leather and Gems & Jewellery.
- Sharp fall in imports of gold, silver, coal, transport equipment, project goods signal both positive (lower commodity bill, less external vulnerability) and some concerns (sluggish domestic investment demand). If imports remain weak due to lower capital goods demand, it could hint at softer domestic investment momentum.
- To support exporters, the government eased Advance Authorization Scheme norms, allowing duty-free import of raw materials amid ongoing US tariffs and also emphasized on Policy measures like export diversification, reducing reliance on certain imports seems to be helping but external headwinds from increased US tariffs pose a clear threat especially for some vulnerable sectors.

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