

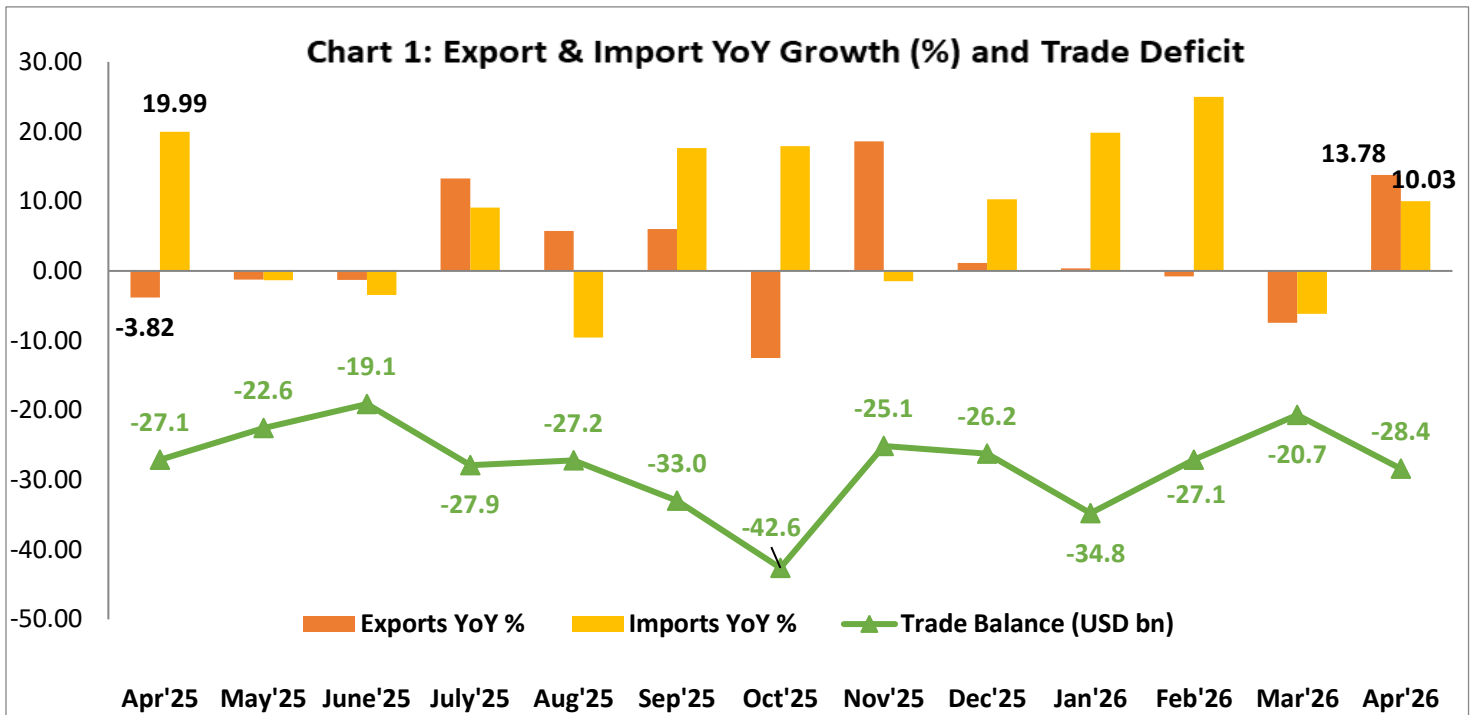
# Macro Insights

## Highlights:

### Trade deficit widens to 28.4 USD billion in April 2026

The gap between imports and exports of goods stood at \$28.38 billion in April 2026. It increased from \$27.10 billion in April 2025. It was recorded at \$20.67 billion in March 2026.

- Merchandise exports rose to \$43.56 billion in April 2026 from \$38.28 billion in April 2025, registering an increase of 13.78% on YoY basis.
- Exports of non-petroleum products increased by 9.01% YoY to \$33.97 billion, while petroleum product exports surged 34.66% YoY to \$9.59 billion.
- Merchandise imports grew by 10.03% YoY to \$71.94 billion in April 2026, primarily driven by higher imports of gold and silver.
- Gold imports witnessed a sharp rise of 81.69% YoY, while silver imports more than doubled to \$411.06 billion recording a growth of 157.16% YoY.

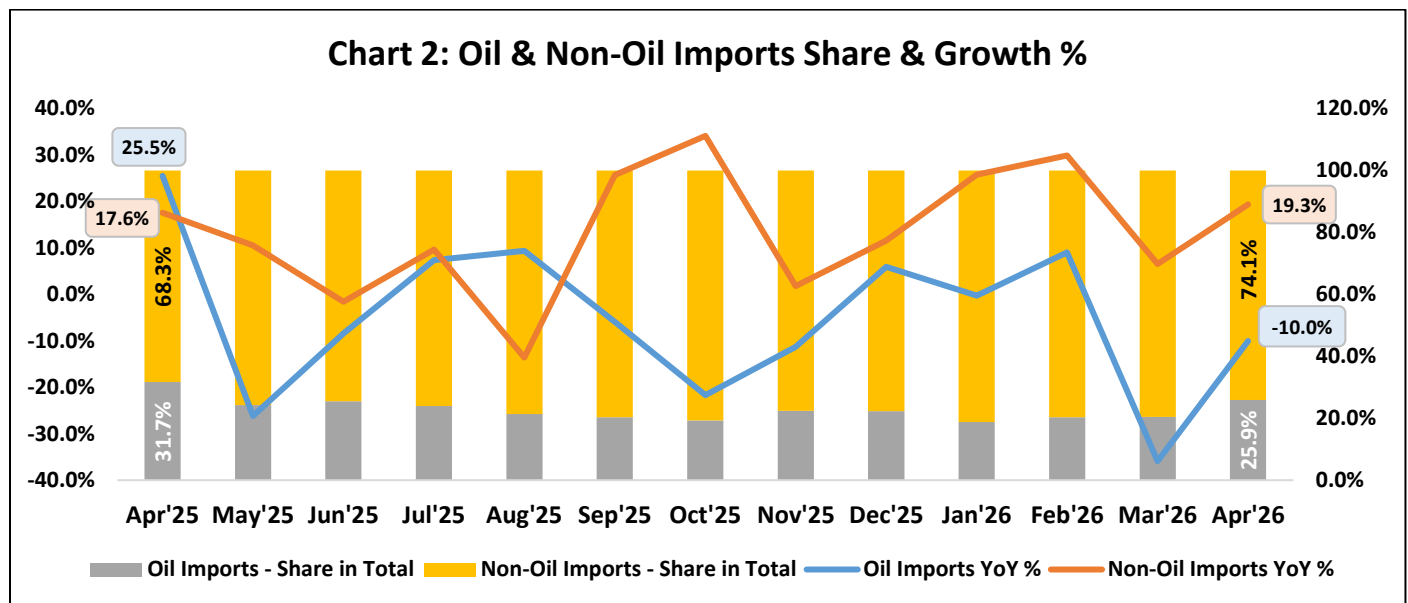


Source: Department of Commerce, Ministry of Commerce & Industry

**Table: Merchandise Exports and Imports**

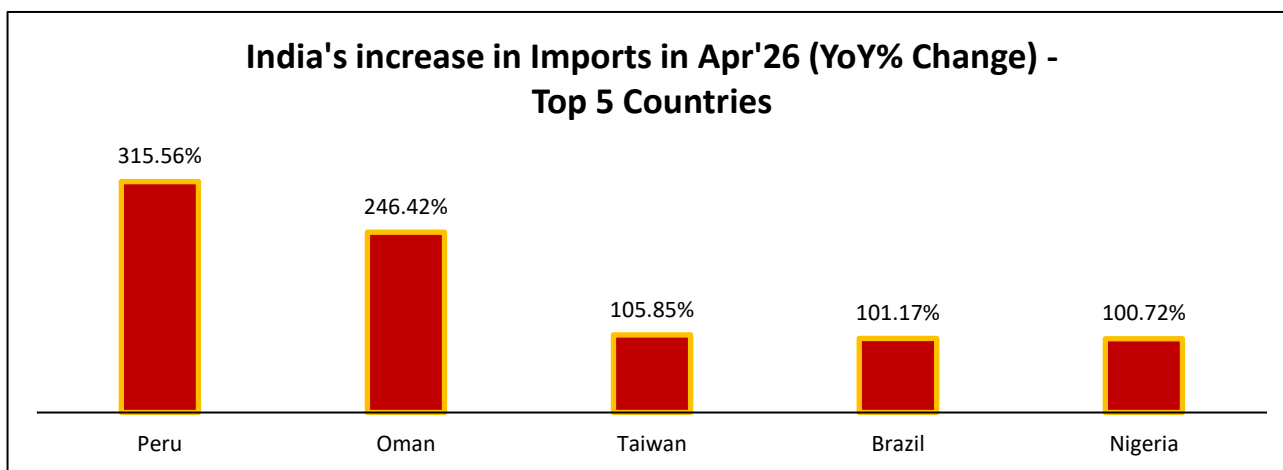
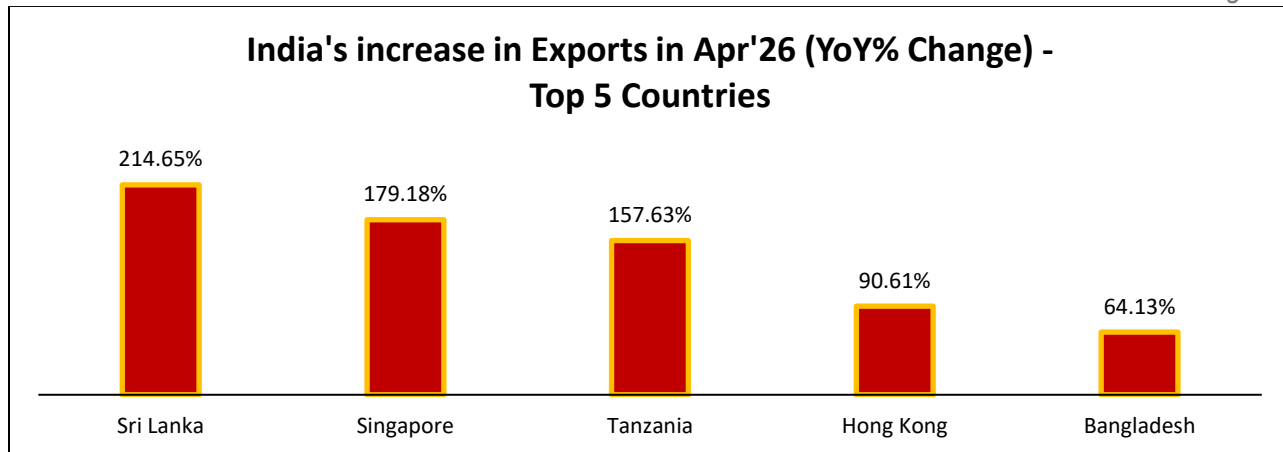
(\$ billion)

Month	Exports	Imports	Trade Balance
Apr'25	38.28	65.38	-27.10
Mar'26	38.92	59.59	-20.67
Apr'26	43.56	71.94	-28.38
YoY Growth (%)	13.78	10.03	



**Insights:**

- ✓ The share of oil imports within merchandise imports increased to 25.9% in April 2026 from 20.4% in the previous month. Correspondingly, the share of non-oil imports decreased to 74.1% from 79.6% during the same period.
- ✓ Despite the ongoing crisis in West Asia, total merchandise exports rose to a 49-month high, driven largely by higher commodity prices and sustained efforts towards market diversification.
- ✓ Out of the 30 major commodity groups, 7 registered a YoY fall in exports, indicating resilience of our export sector despite facing headwinds. Major commodities that saw decline were ceramic products & glassware (-41.4% YoY), tobacco (-40.4% YoY) and fruits & vegetables (-21.1% YoY).
- ✓ Out of the 30 major commodity group, 19 showed a YoY increase in imports. Major commodities among non-oil imports which recorded a positive growth in March 2026 were silver (157.2% YoY), project goods (99.9% YoY) and gold (81.7% YoY). Major commodities that saw decline were chemical material & products (-35.4% YoY), pulses (-29.7% YoY) and pearls, precious & semi-precious stones (-15.96% YoY).
- ✓ Services exports are estimated to reach \$37.24 billion in April 2026 as compared to \$32.85 billion in April 2025 while estimated services imports decreased to \$16.66 billion from \$16.91 billion a year earlier.



**Views:**

- ✓ India's foreign trade remained under pressure amid heightened geopolitical tensions, particularly in West Asia, resulting in supply-chain disruptions, higher freight charges and delays in cargo movement. The blockade of the Strait of Hormuz has further increased logistics and transportation costs adversely impacting exporters.
- ✓ Merchandise trade deficit widened during the month, primarily due to higher imports of crude oil, petroleum products, gold and electronic goods amid elevated global commodity and energy prices. Consequently, both the merchandise trade deficit and the current account deficit are expected to remain elevated in the near term, despite some relief from higher customs duty on gold and silver.
- ✓ Despite global uncertainties, India's export sector demonstrated resilience, supported by robust overall exports of goods and services and continued market diversification, indicating that the external sector continues to remain on a relatively stable footing.
- ✓ Going forward, continued policy support to exporters, export diversification and recent bilateral and regional trade agreements are expected to support export momentum, improve market access and strengthen India's integration with global value chains.

**Major commodities exhibiting the most positive and negative growth (YoY%) in Apr'26:**

<b>Exports (Non POL*)</b>				
<b>Major Commodities exhibiting positive growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Apr'25	Apr'26	
1	Other Cereals	17.86	55.39	210.19
2	Meat, dairy & poultry products	372.40	551.28	48.03
3	Electronic Goods	3690.03	5177.51	40.31
<b>Major Commodities exhibiting negative growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Apr'25	Apr'26	
1	Ceramic products & glassware	340.69	199.72	-41.38
2	Tobacco	197.57	117.80	-40.38
3	Fruits & Vegetables	385.04	303.87	-21.08
<b>Imports (Non POL)</b>				
<b>Major Commodities exhibiting positive growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Apr'25	Apr'26	
1	Silver	159.85	411.06	157.16
2	Project goods	93.30	186.49	99.88
3	Gold	3097.00	5626.87	81.69
<b>Major Commodities exhibiting negative growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Apr'25	Apr'26	
1	Chemical material & products	1967.26	1270.87	-35.40
2	Pulses	314.45	221.08	-29.69
3	Pearls, precious & Semi-precious stones	1672.61	1405.73	-15.96

\* POL - Petroleum, Oil and Lubricants

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