

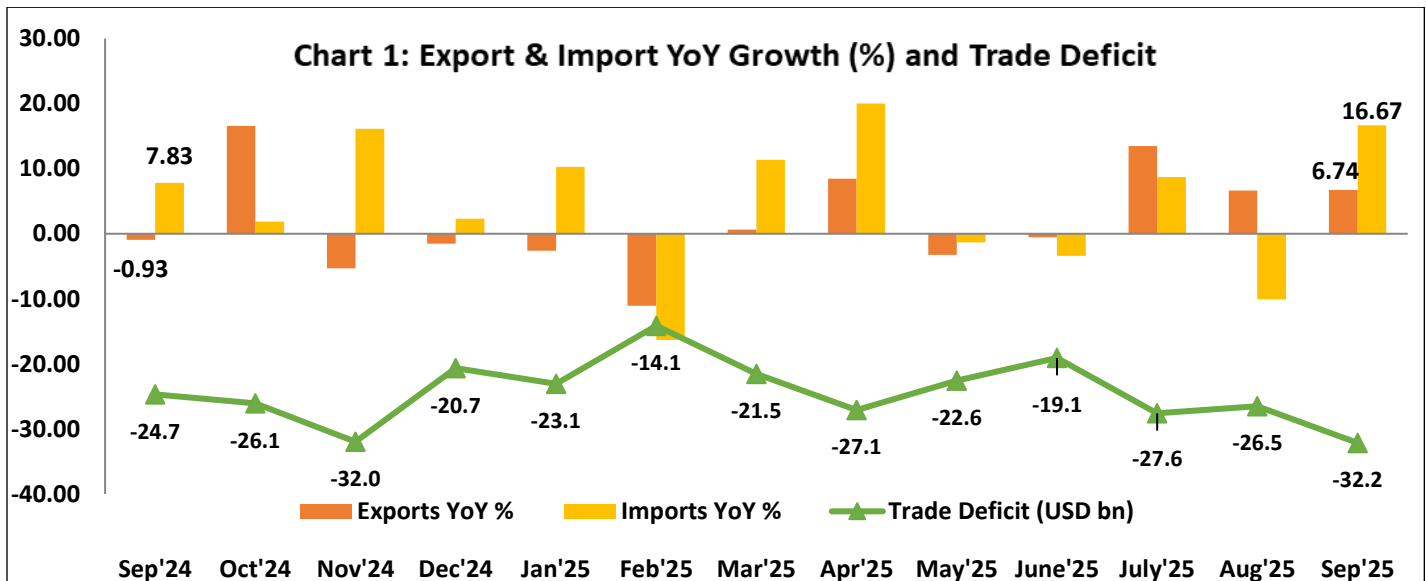
## Macro Insights

### Highlights:

#### Trade Deficit widens to a 13-month high of 32.15 USD billion in September 2025

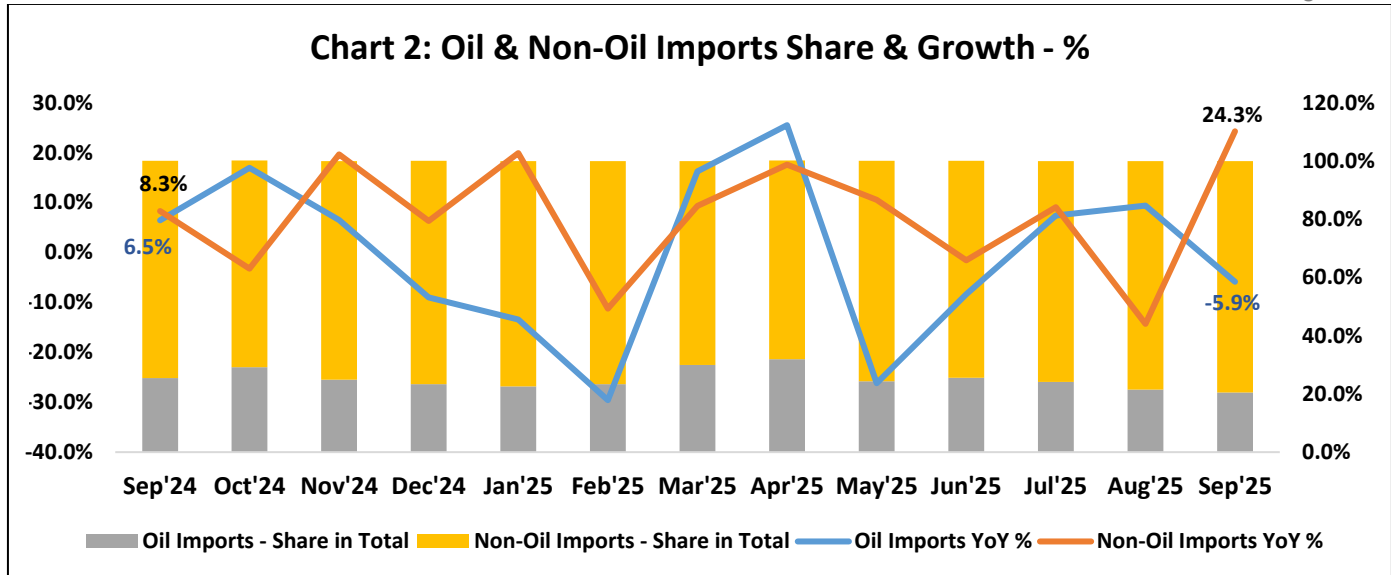
The difference between imports and exports of goods stood at \$32.15 billion in September 2025. It widened from \$26.49 billion in August 2025. It was recorded at \$24.66 billion in September 2024.

- Merchandise exports stood at \$36.38 billion in September 2025, increased by 6.74% on year-on-year basis, from \$34.08 billion in September 2024.
- Non-petroleum and non-gems & jewellery exports in September 2025 were US\$ 28.59 billion compared to US\$ 26.95 billion in September 2024, growing at a rate of 6.08%.
- Meanwhile, merchandise imports increased by 16.67% YoY for the month of September 2025 to \$68.53 billion.
- Non-petroleum, non-gems & jewellery imports in September 2025 were US\$ 41.77 billion compared to US\$ 36.96 billion in September 2024, showing an improvement of 13.01%.



**Table: Merchandise Exports and Imports (USD Bn)**

Month	Exports	Imports	Trade Balance
Sep'24	34.08	58.74	-24.66
Aug'25	35.10	61.59	-26.49
Sep'25	36.38	68.53	-32.15
YoY Growth (%)	6.74	16.67	



### Insights:

- ✓ The share of oil imports within merchandise decreased to 20.5% in September 2025 from 21.5% in the previous month. Correspondingly, the share of non-oil imports increased to 79.5% from 78.5% during the same period.
- ✓ Exports of crude and petroleum products saw a YoY growth of 15.1% to reach \$4.9 billion (bn) in September 2025. Exports of non-petroleum products saw a 5.5% YoY increase in the month of September. Out of the 30 major commodity group, 17 showed a YoY increase in exports. Major commodities that saw an increase in exports were cashew (106.4% YoY), other cereals (58.2% YoY) and electronic goods (50.5% YoY).
- ✓ Imports of crude oil and petroleum products witnessed a decline of 5.9% YoY while imports of non-crude oil and non-petroleum products rose by 24.3% on YoY basis in September 2025.
- ✓ Out of the 30 major commodity group, 21 showed a YoY increase in imports. Major commodities among non-oil imports which recorded a positive growth in September 2025 were fertilizers, crude & manufactured (202.3% YoY), silver (139.0% YoY) and project goods (134.7% YoY).
- ✓ Estimates of services exports during September 2025 stood at \$30.82 bn, registering a decline of 5.5% YoY, while services imports decreased by 7.6% YoY to \$15.29 bn.
- ✓ Exports saw most significant growth in markets like UAE (24.33%), Spain (150.81%), China (34.18%), Bangladesh (23.06%) and Egypt (67.29%) compared to the same period last year.
- ✓ The five countries that recorded the highest growth in import value for September 2025 compared to September 2024 were Switzerland (254.57%), the UAE (32.83%), China (16.35%), Saudi Arabia (18.86%), and Nigeria (896.11%).

### Views:

- ✓ Despite September being the first full month impacted by the imposition of 50% tariffs, India's goods exports still registered a 6.7% YoY growth. In contrast, services which have previously supported India's overall export performance contracted by 5.5%
- ✓ Exports to the US experienced a sharp decline, dropping to 15% of total exports in September, compared to over 20% earlier this year.

- ✓ Despite challenging global conditions, India's exports have remained resilient. However, imports grew at a much faster pace in September, primarily driven by significant increases in gold, silver, fertilizers, and electronics.
- ✓ The sharp rise in gold imports, nearly doubling to \$9.6 bn in September 2025 from \$4.6 bn in August 2025 was supported by robust demand for physically backed gold exchange-traded funds, especially amid weak stock market returns.
- ✓ Ongoing trade negotiations with the United States and various trade agreements like India-EFTA TEPA – Trade & Economic Partnership Agreement (member states – Iceland, Liechtenstein, Norway, and Switzerland), India-Chile CEPA, etc. are expected to positively influence India's overall trade position.

**Top commodity groups exhibiting the most positive and negative growths YoY:**

<b>Exports</b>				
<b>Commodity groups exhibiting positive growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Sep'24	Sep'25	
1	Cashew	20.5	42.4	106.41
2	Other cereals	16.3	25.9	58.19
3	Electronic Goods	2,069.7	3,115.8	50.54
<b>Commodity Groups exhibiting negative growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Sep'24	Sep'25	
1	Handicrafts excl. handmade carpet	180.5	147.6	-18.20
2	Tobacco	206.4	174.1	-15.64
3	Carpet	130.8	110.8	-15.28

<b>Imports</b>				
<b>Commodity groups exhibiting positive growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Sep'24	Sep'25	
1	Fertilisers, crude & manufactured	781.6	2,363.2	202.34
2	Silver	546.8	1,306.9	139.03
3	Project goods	94.5	221.9	134.71
<b>Commodity Groups exhibiting negative growth</b>				
Sl. No.	Commodities	(Values in Million USD)		% Change
		Sep'24	Sep'25	
1	Pulses	425.1	190.8	-55.11
2	Newsprint	31.4	25.8	-17.74
3	Dyeing/tanning/colouring materials	382.0	318.6	-16.59

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