

India Trade Data- May 2025

16th June, 2025

India's Merchandise Trade Deficit narrows to \$21.88 Bn in May'25

- Trade deficit narrows to \$21.88 bn in May 2025, down from \$26.42 billion in April 2025, a positive sign after a higher deficit in April due to fall in Imports to \$60.61 billion from \$64.91 billion in April supported by a slight rise in exports to \$38.73 billion in May from \$38.49 billion in April 2025.
- On yearly basis, imports and exports declined by 1.73% and by 2.17% in May'25 respectively.

Imports:

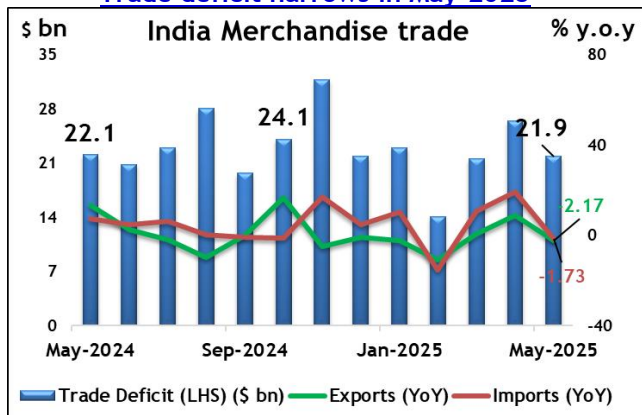
- Gold imports were \$2.55 bn compared to \$3.09 bn in the previous month and on a yearly basis declined by 12.60% in May'25. Lower gold imports are attributable to rising gold prices. Gold prices could rise beyond \$3500/ounce.
- Oil imports saw a significant year-on-year decline of 26.14% in value, reaching \$14.75 billion compared to the same month last year. The reduction in crude imports was a major contributor to the narrowing of India's trade deficit in May 2025.
- Pearls, precious stone declined by 18.5% and Coal, Coke, Briquettes declined by 19.4% y/y.

Exports:

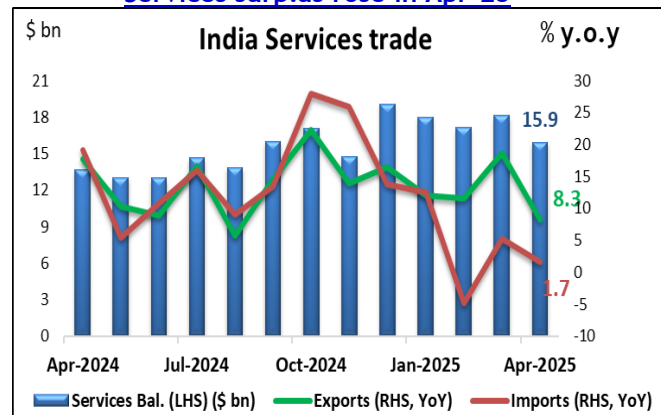
- Oil exports declined by 23.46% in May'25 compared to previous month and 30.32% over May'24.
- Non-oil exports increased by 6.34% in May'25 over the previous month.
- Exports of electronic goods including mobile phones saw the sharpest year on year jump of 54.1%. Exports of chemicals grew by 16% and pharmaceuticals rose 7.4 % compared to the same month last year whereas Gems and Jewellery exports declined by 13.9 %. The PLI scheme helped boost mobile phone shipments.

Narrowing of India's trade deficit was primarily driven by petroleum products, Gold and Coal. Slight improvement in exports, which was partly seasonal, helped to reduce the trade deficit in May 2025 over the previous month. The government is actively pursuing Free Trade Agreements/bilateral trade agreements, which may influence future trade patterns and facilitate export growth.

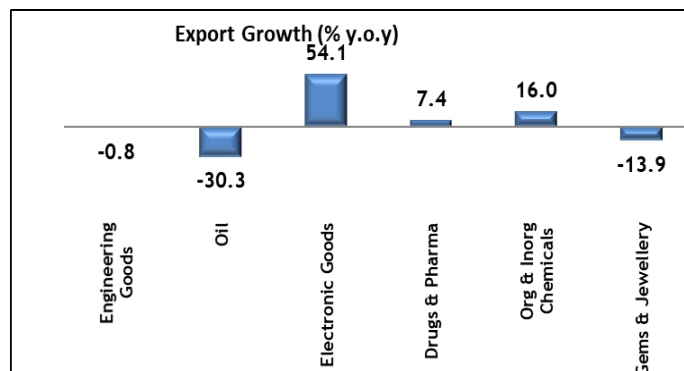
Trade deficit narrows in May'2025



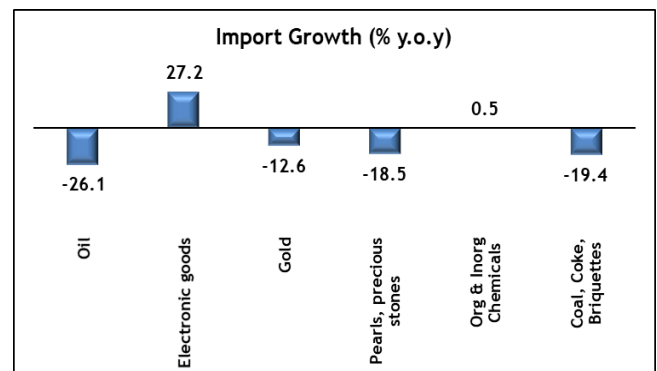
Services surplus rose in Apr'25



Heavy-weight export items recorded sharp rise in May'25



Gold Import declined in May'25



Implications:

- Low trade deficit augurs well for stability of Rupee. However, the geo political conflicts could push up oil imports and thereby trade deficit and current account deficit. Exports could also face a slowdown. India sources 51% of oil imports from West Asia and a sustained rise in brent crude prices could be inflationary.
- USD-INR pair could continue to range between 86-86.5 depending on the duration of the conflict.
- Exports to West Asia and Europe through the Red Sea and Strait of Hormuz (35% of exports) could be adversely impacted which could shave off 25-50bps off GDP growth depending on the extent of the hit to exports.

Trends in Indian Exports - Top 20 Commodities (Value in USD Bn)															
Commodity	Share (%)	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	y-o-y% growth in May-2025
Engineering Goods	25.53%	9.97	9.39	9.04	9.44	9.82	11.26	8.90	10.84	9.42	9.08	10.82	9.51	9.89	-0.8%
Oil	14.57%	8.10	5.52	5.23	5.96	4.74	4.59	3.72	4.92	3.56	5.81	4.90	7.37	5.64	-30.3%
Electronic Goods	11.80%	2.97	2.82	2.81	2.33	2.07	3.43	3.47	3.58	4.11	3.79	4.56	3.69	4.57	54.1%
Org & Inorg Chemicals	6.93%	2.31	2.29	2.27	2.37	2.36	2.72	1.99	2.45	2.35	2.23	2.87	2.27	2.68	16.0%
Drugs & Pharma	6.39%	2.31	2.47	2.31	2.35	2.57	2.62	2.16	2.49	2.59	2.47	3.68	2.49	2.48	7.4%
Gems & Jewellery	6.14%	2.76	2.25	1.84	2.00	2.82	3.25	2.07	2.13	3.00	2.53	2.90	2.50	2.38	-13.9%
Ready Made Garments	3.90%	1.36	1.29	1.28	1.27	1.11	1.23	1.12	1.46	1.61	1.53	1.53	1.37	1.51	11.4%
Rice	2.50%	1.00	0.85	0.83	0.79	0.69	1.05	1.14	1.43	1.37	1.19	1.18	1.08	0.97	-3.7%
Cotton Yarn/Fab	2.50%	1.01	0.96	0.97	1.01	1.05	1.05	0.87	1.05	1.04	0.98	1.12	0.96	0.97	-4.3%
Plastic & Linoleum	1.95%	0.76	0.70	0.73	0.76	0.79	0.81	0.70	0.78	0.73	0.68	0.81	0.70	0.76	-0.6%
Marine Products	1.89%	0.58	0.56	0.57	0.55	0.63	0.81	0.76	0.72	0.54	0.51	0.68	0.58	0.73	26.8%
Coal, Mica	1.20%	0.42	0.42	0.36	0.37	0.37	0.44	0.34	0.49	0.47	0.50	0.52	0.46	0.47	11.6%
Meat, dairy & poultry	1.14%	0.38	0.31	0.46	0.43	0.43	0.45	0.45	0.51	0.52	0.45	0.48	0.37	0.44	16.9%
Man-made Yarn/Fabs	1.06%	0.41	0.38	0.41	0.42	0.42	0.44	0.35	0.42	0.43	0.40	0.44	0.38	0.41	-1.0%
Spices	1.04%	0.36	0.32	0.34	0.34	0.33	0.38	0.32	0.37	0.34	0.43	0.52	0.44	0.40	11.2%
Leather & pdts	1.00%	0.36	0.39	0.41	0.41	0.36	0.37	0.33	0.37	0.38	0.33	0.36	0.32	0.39	6.9%
Ceramic products	0.95%	0.36	0.32	0.32	0.32	0.32	0.36	0.30	0.37	0.33	0.30	0.36	0.34	0.37	2.3%
Fruits & Vegetables	0.79%	0.30	0.25	0.28	0.28	0.28	0.32	0.29	0.33	0.30	0.41	0.48	0.38	0.31	2.6%
Cereal preparations	0.68%	0.27	0.25	0.25	0.27	0.26	0.28	0.22	0.26	0.26	0.26	0.28	0.26	0.26	-2.1%
Coffee	0.52%	0.19	0.20	0.10	0.15	0.16	0.12	0.10	0.10	0.12	0.18	0.26	0.20	0.20	8.2%
Grand Total Exports	92.48%	39.59	35.16	33.81	34.48	34.31	39.00	32.04	38.01	36.43	36.91	41.97	38.49	38.73	-2.2%

Trends in Indian Imports - Top 20 Commodity (Value in USD Bn)															
Commodity	Share (%)	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	yoy% growth in May-25
Oil	24.34%	19.97	15.05	13.87	11.02	12.54	18.30	16.11	15.27	13.43	11.89	19.01	20.72	14.75	-26.1%
Electronic goods	15.00%	7.15	7.70	8.66	8.92	8.47	8.35	7.62	8.34	9.36	7.57	9.43	9.25	9.09	27.2%
Elec & non-elect Machinery	8.27%	4.15	4.09	4.47	4.97	4.53	4.63	4.49	4.70	4.73	4.32	4.65	4.67	5.01	20.8%
Chemical & Pdts	5.67%	0.95	0.96	0.98	1.03	0.93	1.05	0.99	1.13	1.35	1.25	1.26	1.97	3.43	260.1%
Coal, Coke, Briquettes	4.39%	3.30	2.94	2.99	2.79	2.30	2.35	2.38	1.95	2.69	2.06	2.25	2.71	2.66	-19.4%
Org & Inorg Chemicals	4.22%	2.54	2.48	2.51	2.62	2.43	2.39	2.30	2.32	2.54	2.04	2.26	2.45	2.56	0.5%
Gold	4.21%	2.92	2.48	2.57	8.64	3.30	4.68	9.84	4.70	2.69	2.34	4.48	3.10	2.55	-12.6%
Non-ferrous metals	3.94%	2.07	2.31	2.23	2.37	2.12	2.33	2.12	1.75	1.94	1.79	2.11	2.32	2.39	15.3%
Transport equipment	3.91%	3.30	2.00	1.89	2.59	2.29	2.25	2.60	2.79	2.68	2.61	2.55	2.60	2.37	-28.2%
Artificial resins, plastic	3.26%	1.89	1.91	2.02	2.21	1.87	2.05	1.93	1.79	1.72	1.57	1.88	1.95	1.98	4.7%
Iron & Steel	3.15%	1.70	1.80	1.93	2.26	2.00	2.15	1.78	1.87	2.20	1.57	1.78	1.76	1.91	12.2%
Pearls, precious stones	2.57%	1.91	1.81	1.33	1.31	1.61	1.38	0.96	1.27	1.23	1.28	2.14	1.67	1.56	-18.5%
Vegetable Oil	2.31%	1.45	1.42	1.87	1.57	1.13	1.53	1.88	1.32	1.38	1.20	1.23	1.23	1.40	-3.6%
Metalliferous ores	1.39%	0.97	0.87	0.84	1.08	0.84	1.06	0.86	1.14	1.25	0.83	0.79	1.05	0.84	-13.5%
Medicinal & Pharma	1.30%	0.76	0.71	0.74	0.75	0.65	0.79	0.79	0.83	0.79	0.70	0.74	0.75	0.79	3.0%
Professional instrument	1.24%	0.65	0.67	0.74	0.69	0.66	0.74	0.74	0.77	0.68	0.63	0.82	0.73	0.75	16.5%
Fertilisers	1.13%	0.94	0.75	0.68	0.54	0.78	1.32	1.35	1.21	0.84	0.60	0.62	0.65	0.69	-26.6%
Machine tools	1.04%	0.45	0.45	0.47	0.49	0.47	0.47	0.45	0.54	0.54	0.43	0.49	0.53	0.63	41.4%
Silver	0.93%	0.08	0.21	0.17	1.32	0.33	0.33	0.66	0.42	0.88	0.43	0.12	0.16	0.57	589.4%
Wood & Pdts	0.91%	0.54	0.55	0.57	0.65	0.61	0.66	0.61	0.62	0.66	0.52	0.53	0.54	0.55	1.9%
Total Imports	93.16%	61.68	55.99	56.84	62.57	54.00	63.13	63.86	59.95	59.42	50.96	63.51	64.91	60.61	-1.7%

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