



Labour-heavy exports regain ground

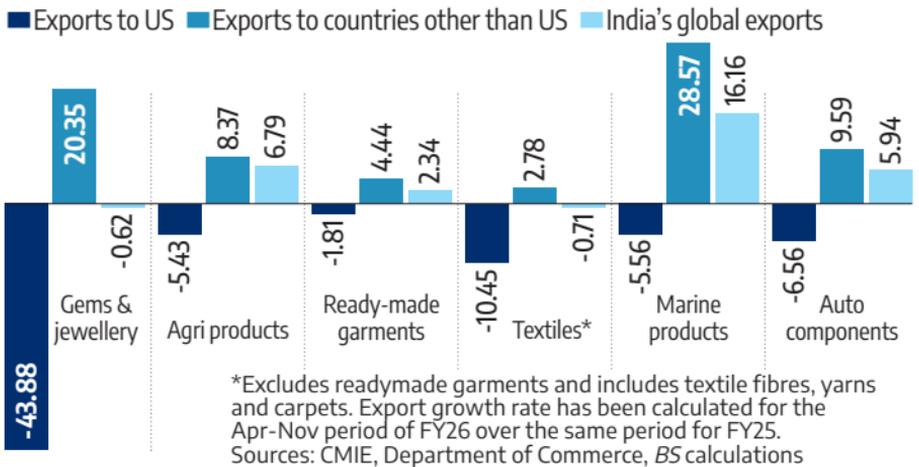
YASH KUMAR SINGHAL

India and the United States (US) have agreed to a trade deal where Washington decided to reduce the reciprocal tariff from 50 per cent to 18 per cent. The deal is expected to bolster India's labour-intensive exports to the US, which took a hit due to the imposition of such tariffs.

Marine products, auto parts find new avenues

India's exports to the US increased year-on-year by over 11 per cent in FY26 (Apr-Nov). However, exports of gems & jewellery, textiles, and auto components to the US dropped on account of higher tariffs. Outward shipments of such products, though, were able to gain ground in other export markets of India.

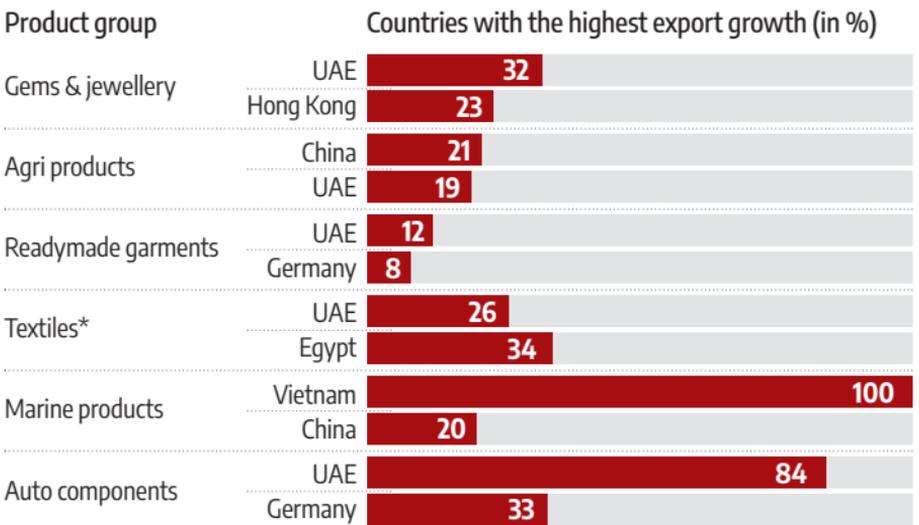
Export growth rate for products whose exports to US fell after tariffs (in %)



Exports to UAE, China rise

The United Arab Emirates (UAE) has become a major export market for India's diversification efforts. Exports of major labour-intensive products, severely impacted by the US tariffs, increased the most to the UAE in absolute value year-on-year in FY26 (Apr-Nov).

Countries where Indian exports increased after 50% tariffs were imposed



Crude oil imports from Russia, US rose in Nov

US President Donald Trump, in his social media post, said that India had agreed to stop buying Russian crude oil. In November 2025, Russia's share in India's crude oil import bill went up to 34 per cent — the highest since the US tariff on Russian purchases were imposed. Meanwhile, the share of the US also rose to 13.19 per cent — the highest since Dec 2022

Share in India's petroleum crude imports by value (in %)

