

Trump signals no more trade talks, Goyal says parleys still on

Commerce minister confident India's FY26 exports will exceed last year's tally

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New Delhi, 8 August

US President Donald Trump ruled out the possibility of fresh trade negotiations with India on Thursday, a day after the US decided to levy a 50 per cent tariff on Indian goods shipments into the country. However, on Friday evening, Union Commerce and Industry Minister Piyush Goyal stated that India was negotiating trade agreements with several countries, including the US.

The minister also averred that reciprocal tariffs imposed by the US administration would not lead to de-globalisation but result in countries restructuring their trade routes and partners, while underlining his confidence that India's exports in 2025-26 (FY26) will exceed the FY25 tally. India had shipped out goods worth \$437 billion in FY25.

Earlier, responding to a question in the Oval Office about whether he expected increased trade negotiations with India since his 50 per cent tariff announcement, Trump said: "No, not until we get it resolved."

Last week, the US administration had announced a 25 per cent reciprocal tariff, effective August 7, on Indian goods. On Wednesday, it imposed another 25 per cent tariff on Indian exports to the US, blaming its crude oil purchases from Russia.

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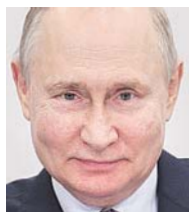


RESPONDING TO A QUESTION ABOUT WHETHER INCREASED TRADE NEGOTIATIONS WITH INDIA ARE EXPECTED, US PRESIDENT DONALD TRUMP SAID: "NO, NOT UNTIL WE GET IT RESOLVED."

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Modi, Putin reaffirm commitment to deepening ties amid US tariff tension

Prime Minister Narendra Modi had a telephonic conversation with Russian President Vladimir Putin on Friday. They reaffirmed their commitment to "further deepen" the 'special and privileged strategic partnership' between India and Russia. The phone call is significant for its timing, as it took place 48 hours after US President Donald Trump imposed a penalty of 25 per cent on Indian goods over New Delhi's purchase of Russian oil.



Prime Minister Narendra Modi invited Russian President Vladimir Putin to visit India later this year

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US tariff shock: MSMEs seek Centre's intervention

India's micro, small and medium enterprises (MSMEs) — which contribute over 45 per cent to outbound shipments — are facing a major disruption following the United States decision to impose 50 per cent additional tariffs on the country's exports. MSME industry bodies have raised an alarm over the deep impact, seeking immediate government intervention.

■ India should "aggressively pursue" FTA with EU: Panagariya

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Indices log longest weekly losing run since pandemic

Indian equity benchmarks fell on Friday, marking their longest weekly losing streak in five years amid concerns over US trade tariffs and lacklustre corporate earnings. The Sensex closed the session at 79,858, down 765 points, or 0.9 per cent, while the Nifty ended at 24,263, down 233 points or 0.9 per cent.

■ Oil set for steepest weekly losses since June

WORLD

US sparks fresh turmoil in gold with import tariff

The US' move to put tariffs on imports of gold bars is unleashing fresh turmoil in the bullion market. Gold futures in New York — which are backed by those forms of bullion — surged to a record high, as traders, analysts and executives across the industry were left reeling.

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Trump signals no more trade talks

The cumulative tariff hike of 50 per cent is to kick in from August 27, three days after a team of US trade negotiators is expected to land in New Delhi for fresh parleys to resolve outstanding issues, which include the US' pitch for market access to its dairy products and genetically modified crops. These issues appear to have scuttled months of negotiations after Prime Minister Narendra Modi and Trump agreed to work towards a bilateral trade agreement (BTA) in February.

Goyal responded to a query about Trump tariffs at an event hosted by Business Today, saying India finds opportunities in crisis. "The nation's morale is high... There is a lot of strength in the Indian economy... India will emerge as the winner (in any kind of crisis)," he said.

Without naming a country, the minister further said that a successful deal relies on mutual respect and sincerity. "Remember in life that a deal can only work when it's a win-win. It can never be a lopsided, one-sided leadership. If you respect the other person, you receive corresponding respect," Goyal remarked.

On his reading of the world trade situation, the minister said international trade always finds new pathways and "what we are seeing today is possibly a churn that was bound to happen over every few years... new countries come up, some countries go down and this is part of the history of nations".

In a comment issued on Friday, Moody's Ratings warned that the US tariffs increase risks to India's growth and inflation trajectory, with GDP growth likely to be about 30 basis points lower than the 6.3 per cent it had earlier projected for FY26.

"Should India continue to

procure Russian oil at the expense of the headline 50 per cent tariff rate on goods it ships to the US, which is currently its largest export destination, we project that real GDP growth may slow by around 0.3 percentage points compared with our current forecast of 6.3 per cent growth for fiscal 2025-26," Moody's said.

"On the other hand, a decision to curtail Russian oil imports to avoid the imposition of the penalty tariff could pose difficulties in procuring alternative sources of crude petroleum in sufficient amounts and in a timely fashion, proving disruptive to economic growth if the over-arching supply of oil to the economy is interrupted. Since India is among the world's largest oil importers, a shift toward non-Russian oil would tighten supply elsewhere, raise prices and pass through to higher inflation," Moody's reckoned.

Beyond 2025, Moody's cautioned that India's 'much wider tariff gap compared with other Asia-Pacific countries' would severely curtail ambitions to develop its manufacturing sector, particularly in higher value-added sectors such as electronics, and may even reverse some of the gains made in recent years in attracting related investments.

"We expect there will likely be a negotiated solution that falls between the two scenarios described above. The magnitude of the drag on growth from tariff obstacles will influence the government's decision to pursue a fiscal policy response, although we anticipate the government will adhere to its focus on gradual fiscal and debt consolidation," the ratings agency concluded.

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With inputs from PTI