

# Trade deficit at 11-month high in Sept on import surge

**KEY FACTORS.** Gold, silver, fertilizer and electronics buys outstrip exports

**Our Bureau**  
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India's merchandise trade deficit widened to \$32.15 billion in September, the highest in 11 months, on higher import of gold, silver, fertilizers and electronics items.

While exports rose by 6.75 per cent y-o-y to \$36.38 billion last month, imports surged 16.67 per cent to \$68.53 billion.

During H1 FY25, exports rose over 3 per cent to \$220.12 billion, while imports were higher by 4.5 per cent at \$375.11 billion with a trade deficit of almost \$155 billion, Commerce Ministry data showed.

## CRITICAL AREAS

On higher imports, Commerce Secretary Rajesh Agrawal said: "There are four critical areas that have led to this increase. These are gold, fertilizers, electronics and some amount due to silver. This could also be as Diwali is in October. However, the cumulat-

## Trade data

		Sep-24	Sep-25
		(\$ billion)	
Merchandise	Exports	34.08	36.38
	Imports	58.74	68.53
Services*	Exports	32.6	30.82
	Imports	16.54	15.29
Total trade (Merchandise + Services) *	Exports	66.68	67.2
	Imports	75.28	83.82
Trade balance		-8.6	-16.61

ive (April-September) import of gold is below last year's.

"Fertilizer imports have been higher this year, which may be due to more demand from agriculture. Imports of electronics, I think, a lot of components of smartphones supply chain are increasingly being imported as the country's production and export of smartphones have gone up, he added.

"This has been a turbulent year for trade. But the good news is that in all this turbulence, if we look at the data, in H1 FY26, we have

achieved a total export of \$413.30 billion, 4.45 per cent up from H1 FY25. It is up around \$18 billion last year despite all the headwinds. Both merchandise and services have improved," Agrawal noted.

## RIISING GOLD VALUE

As far as gold is concerned, Agrawal pointed out that the increase has been in the range of \$5 billion in value terms.

The impact is also due to record high prices of the precious metal.

"From \$4.6 billion (September 2024) it has

gone up to \$9.6 billion (September 2025). There has been a 106 per cent y-o-y increase in value terms for September.

In quantity terms, there has been an increase from 61 tonnes (September 2024) to 102 tonnes in September, growing by 65 per cent. On a unit price basis, there has been an increase of 25 per cent y-o-y in the cost of the commodity," he added.

However, the overall import (H1 FY26) of gold has been lower than last year. Trade deficit also has been lower than last year, he added.

"If you look at H1 FY26, the import value of gold has declined by 8.7 per cent y-o-y. Last year, we did \$29 billion (H1 FY25), this year it was only \$26.5 billion. In quantity terms, there has been a reduction by 25 per cent.

"Last year, we did 401 tonnes and this year it is 299 tonnes. However, the average unit price has gone up by 20-25 per cent," Agrawal said.