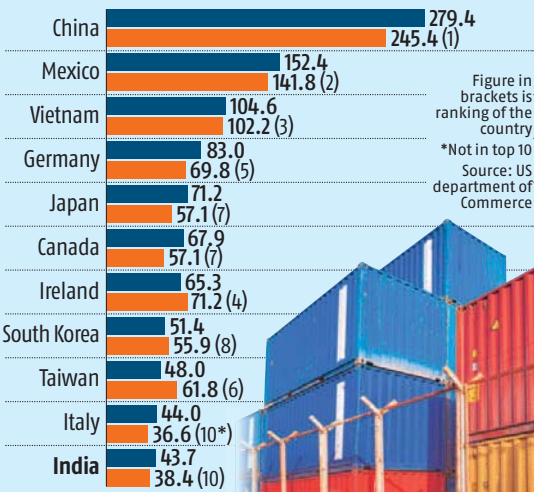


# India on 10th spot in US trade deficit rankings

## TRADE TALLY

Trade deficit with US (\$ bn)

■ In 2023 ■ From Jan–Oct 2024



**SURAJEET DAS GUPTA**

New Delhi, 18 December

India may not have been on the list of the top 10 countries with which the US had the highest trade deficit in calendar year (CY) 2023, but there was cause for concern for India. Based on data from January to October of CY 2024, and due to a significant increase in electronics exports to the US, India is now on the 10th spot, replacing Italy.

Trump has made it publicly clear that he does not approve of the widening trade deficit with certain countries and plans to reduce it through measures such as imposing stiff tariffs. His transition team is already scrutinising a list of countries contributing to the growing US trade deficit.

At the top of the list for CY 2023 is China, with which the US had a trade deficit of \$279 billion, followed by Mexico (\$152 billion) and Vietnam (\$104 billion). The 10th country on the list was Italy, with which the US had a trade deficit of \$44 billion.

The US had a trade deficit of \$43.7 billion with India, putting it in 11th position.

Two other Asian countries following India were Thailand (\$40.7 billion) and Malaysia (\$26.7 billion).

Driven by electronics exports, from January to October CY 2024, the US trade deficit with India rose to \$38 billion, displacing Italy (\$36 billion) and pushing India into the 10th spot.

The Trump administration has earmarked three key areas for determining trade negotiations.

First, it aims to reduce its trade deficit with certain countries.

Second, it has made clear that high tariffs will be targeted. Trump has repeatedly referred to India as a “tariff king” in recent months.

Trump has threatened to retaliate with high tariffs. In a recent social media post, he announced plans to impose a 25 per cent tariff on imports from Canada and Mexico, two countries with which the US runs large trade deficits, unless they stem the flow of migrants and drugs across the border.

This is in addition to his threat to impose a 20 per cent duty on all imports across categories and a 60 per cent duty on all Chinese goods.

Finally, he has also threatened BRICS members — Brazil, Russia, India, China, and South Africa — with a 100 per cent duty if they replace the US dollar as the main global currency.