

## Macro Insights

### Highlights:

#### Trade Deficit narrows to a 5-month low of 24.53 USD billion in November 2025

The difference between imports and exports of goods stood at \$24.53 billion in November 2025. It narrowed from \$41.71 billion in October 2025. It was recorded at \$31.93 billion in November 2024.

- Merchandise exports surged to \$38.13 billion in November 2025, representing a robust year-on-year growth of 19.36% from \$31.94 billion in November 2024. This marks the highest export value recorded for November in last 10 years.
- Exports of petroleum and non-petroleum products stood at \$3.93 billion and \$34.20 billion in November 2025 respectively, recording a yearly improvement of 11.6% and 20.3%.
- Meanwhile, merchandise imports declined by 1.89% YoY to reach \$62.66 billion in the month of November 2025.
- Imports of gold fell sharply by 59.15% YoY while silver imports saw a substantial increase of 125.40% YoY in the month of November 2025.

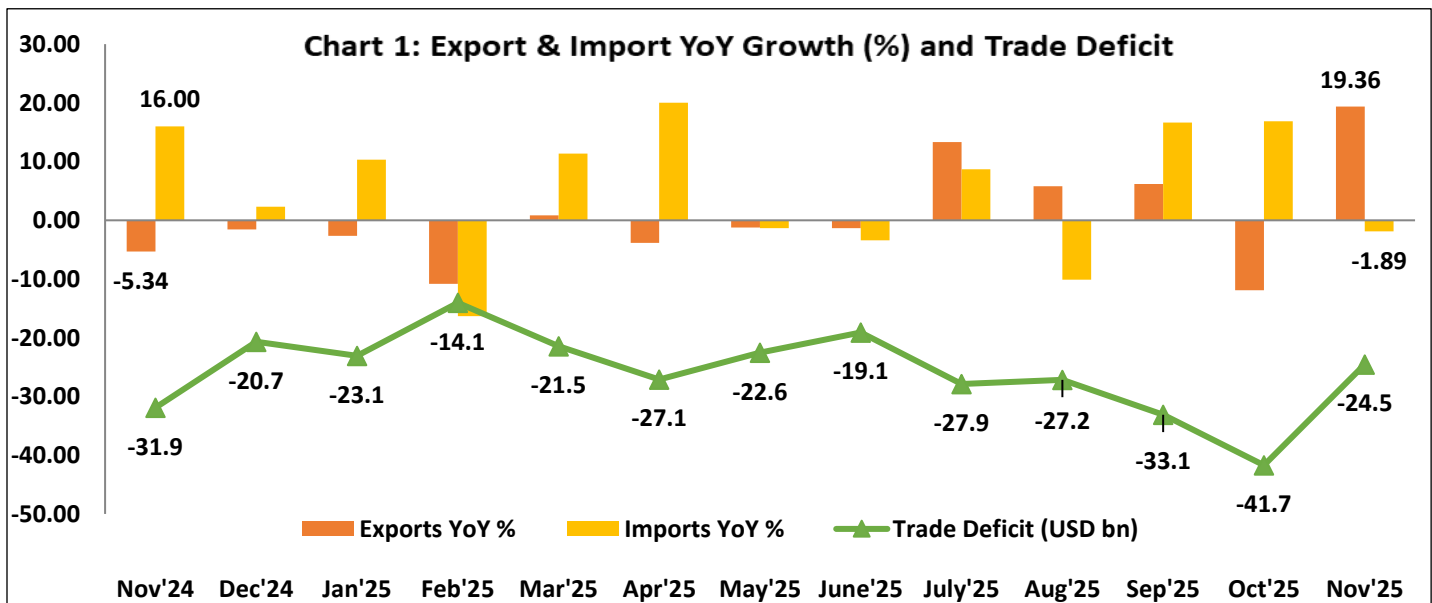
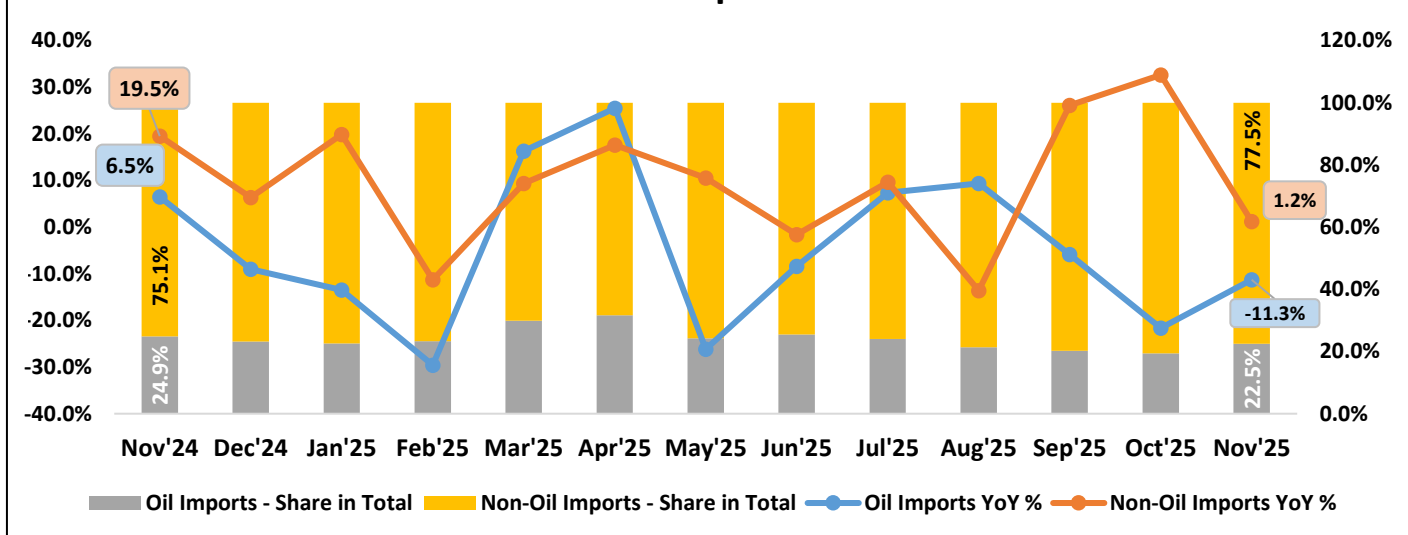


Table: Merchandise Exports and Imports (USD Bn)

Month	Exports	Imports	Trade Balance
Nov'24	31.94	63.87	-31.93
Oct'25	34.35	76.06	-41.71
Nov'25	38.13	62.66	-24.53
YoY Growth (%)	19.36	-1.89	

Chart 2: Oil &amp; Non-Oil Imports Share &amp; Growth %



### Insights:

- ✓ The share of oil imports within merchandise increased to 22.5% in November 2025 from 19.5% in the previous month. Correspondingly, the share of non-oil imports decreased to 77.5% from 80.5% during the same period.
- ✓ Exports of petroleum products grew by 11.6% year-on-year to \$3.9 billion in November 2025, while exports of non-petroleum products increased by 20.3% during the same period. Out of the 30 major commodity group, 25 recorded a YoY increase in exports. Major commodities that saw an increase in exports were iron ore (70.2% YoY), cashew (57.2% YoY) and oil meals (40.3% YoY).
- ✓ Imports of crude oil and petroleum products witnessed a decline of 11.3% YoY while imports of non-crude oil and non-petroleum products rose by 1.2% on YoY basis in November 2025.
- ✓ Out of the 30 major commodity group, 21 showed a YoY increase in imports. Major commodities among non-oil imports which recorded a positive growth in November 2025 were Sulphur & unroasted iron pyrites (214.0% YoY), silver (125.4% YoY) and Pearls, precious & semi-precious stones (90.6% YoY).
- ✓ Estimates of services exports during November 2025 stood at \$35.86 billion, registering an improvement of 11.7% YoY, while services imports increased by 4.1% YoY to \$17.96 billion.
- ✓ India's exports to markets such as Spain (181.33%), Tanzania (126.36%), China (90.12%), USA (22.61%) and UAE (13.16%) recorded the most significant growth in November 2025 compared to the previous year.
- ✓ India's imports for November 2025 grew the most from Thailand (80.96%), Brazil (77.42%), Hong Kong (41.44%), USA (38.29%) and China (18.28%) compared to the previous year.

### Views:

- ✓ Despite persistent global headwinds, India witnessed a narrowing of the trade deficit in November 2025, primarily driven by record-high merchandise exports for the month and a declining import.
- ✓ The recent depreciation of the Indian rupee has boosted exports, as a weaker rupee makes Indian goods more competitive in international markets.
- ✓ Exports to the US increased by 22.61% YoY in November 2025, led mainly by tariff-free sectors such as electronics and pharmaceuticals. Simultaneously, India has been diversifying exports from tariff-hit segments to alternate markets, including China, Hong Kong, Brazil, and Spain, thereby mitigating concentration risks.
- ✓ Notwithstanding challenging global conditions, India's export performance remained resilient, supported by a sharp moderation in imports of gold, crude oil, and petroleum products.
- ✓ A significant decline in gold imports by 59.16% YoY from US\$ 14.72 billion in October 2025 to US\$ 4.02 billion in November 2025 played a crucial role in narrowing the merchandise trade deficit.
- ✓ However, ongoing trade negotiations, particularly with the US and the risk of proposed tariffs from Mexico, continue to pose downside risks to India's trade deficit.

### Top commodity groups exhibiting the most positive and negative growths YoY:

Exports				
Commodity groups exhibiting positive growth				
Sl. No.	Commodities	(Values in Million USD)		% Change
		July'24	July'25	
1	Other cereals	12.2	21.0	72%
2	Coffee	104.1	174.2	67%
3	Electronic Goods	2812.2	3765.3	34%
Commodity Groups exhibiting negative growth				
Sl. No.	Commodities	(Values in Million USD)		% Change
		July'24	July'25	
1	Iron Ore	234.5	86.8	-63%
2	Oil Meals	132.2	85.4	-35%
3	Petroleum Products	5791.9	4341.3	-25%

Imports				
Commodity groups exhibiting positive growth				
Sl. No.	Commodities	(Values in Million USD)		% Change
		July'24	July'25	
1	Silver	94.4	506.5	437%
2	Sulphur & Unroasted Iron Pyrites	21.4	112.7	426%
3	Fertilisers, Crude & manufactured	683.5	1593.1	133%
Commodity Groups exhibiting negative growth				
Sl. No.	Commodities	(Values in Million USD)		% Change
		July'24	July'25	
1	Pulses	293.3	141.9	-52%
2	Leather & leather products	151.1	89.0	-41%
3	Newsprint	47.6	35.4	-26%

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