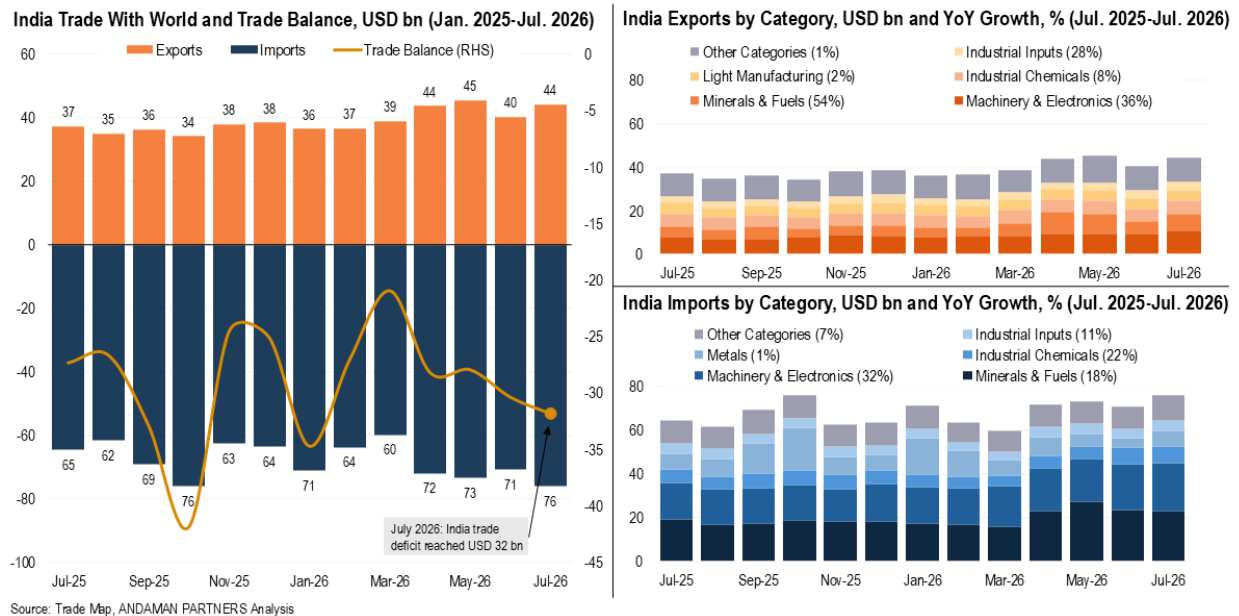


India's Trade Deficit Widens as Machinery and Chemicals Drive Import Growth

Imports reached USD 76 billion in July 2026, with machinery & electronics up 32% year-on-year and industrial chemicals rising 22%, adding to a widening trade imbalance



India's trade deficit continues to widen. In July 2026, imports reached USD 76 billion, compared with exports of USD 44 billion, leaving a trade deficit of USD 32 billion. Machinery & electronics imports rose 32% year-on-year, while industrial chemicals increased 22%, pointing to strong demand for manufactured goods, equipment and industrial inputs. Minerals & fuels remain the largest import category, growing 18%.

On the export side, India recorded particularly strong growth in minerals & fuels (+54%) and machinery & electronics (+36%), although these gains were insufficient to offset the larger import bill.

For global businesses, India's trade profile highlights an important opportunity: a large market with substantial demand for energy, industrial inputs, machinery and technology. At the same time, its persistent trade deficit underscores the challenge of expanding domestic production and export capacity sufficiently to meet that demand.

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