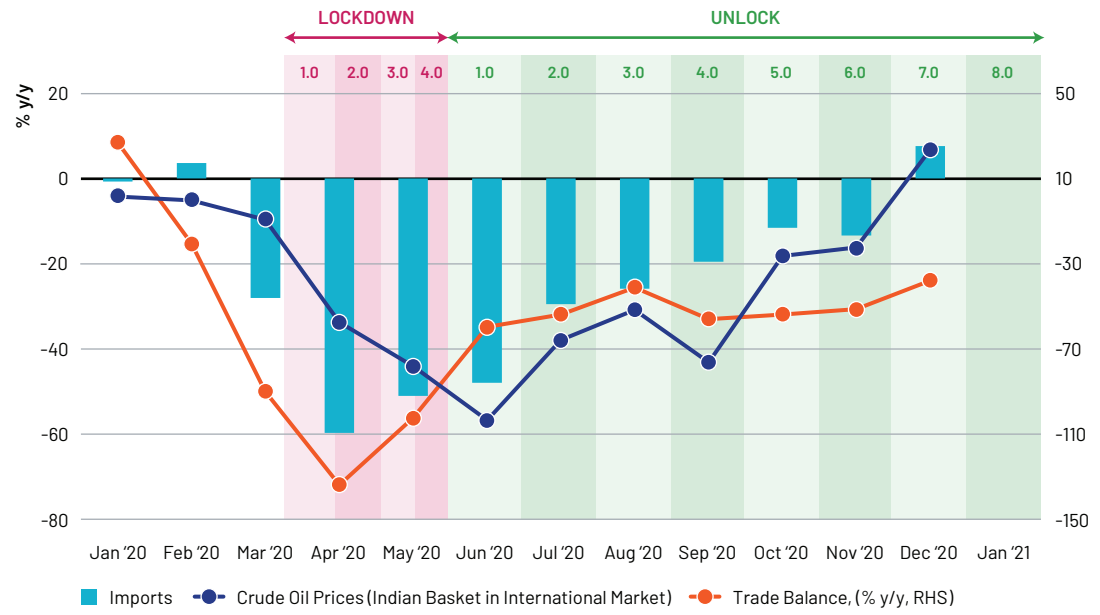


Chart 12: Trade balance - deep in negative...

Source: PPCA, DGCIS, Acuity Knowledge Partners
 Note: Trade data for December is provisional



- » Trade posted its first surplus in over 18 years in June, but has turned back to deficit since then, retaining India as a net importer
- » Trade deficit widened to USD15.4bn in December (YTD: -USD57.5bn) as imports grew at a faster rate than exports
- » Imports rose sharply, growing by 7.6% y/y on the back of strong gold imports (88.0% y/y)
- » While oil imports declined 10.6% y/y in December, crude oil prices (Indian basket in the international market) fell around 23.9% y/y. To some extent, this has improved the trade balance during the tumultuous lockdown/unlock phases