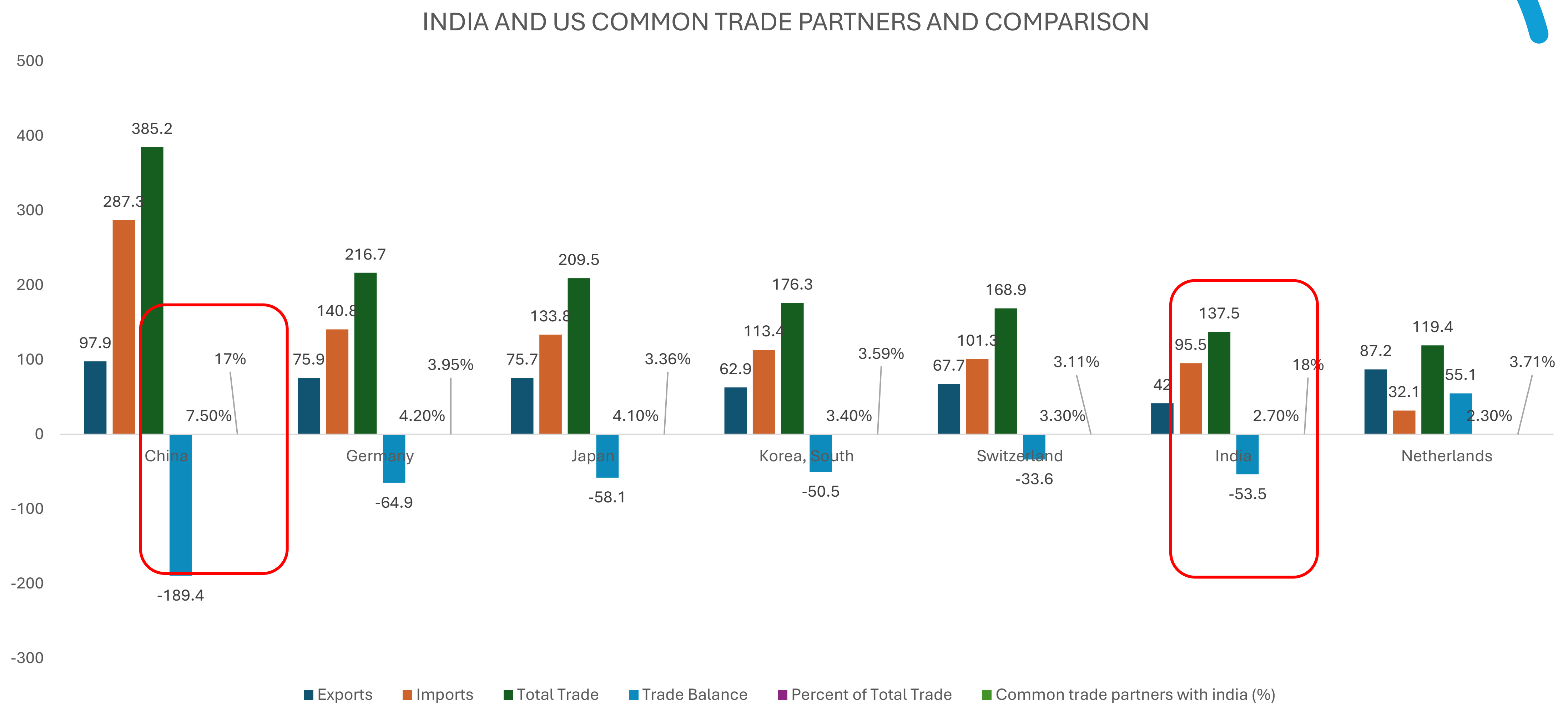
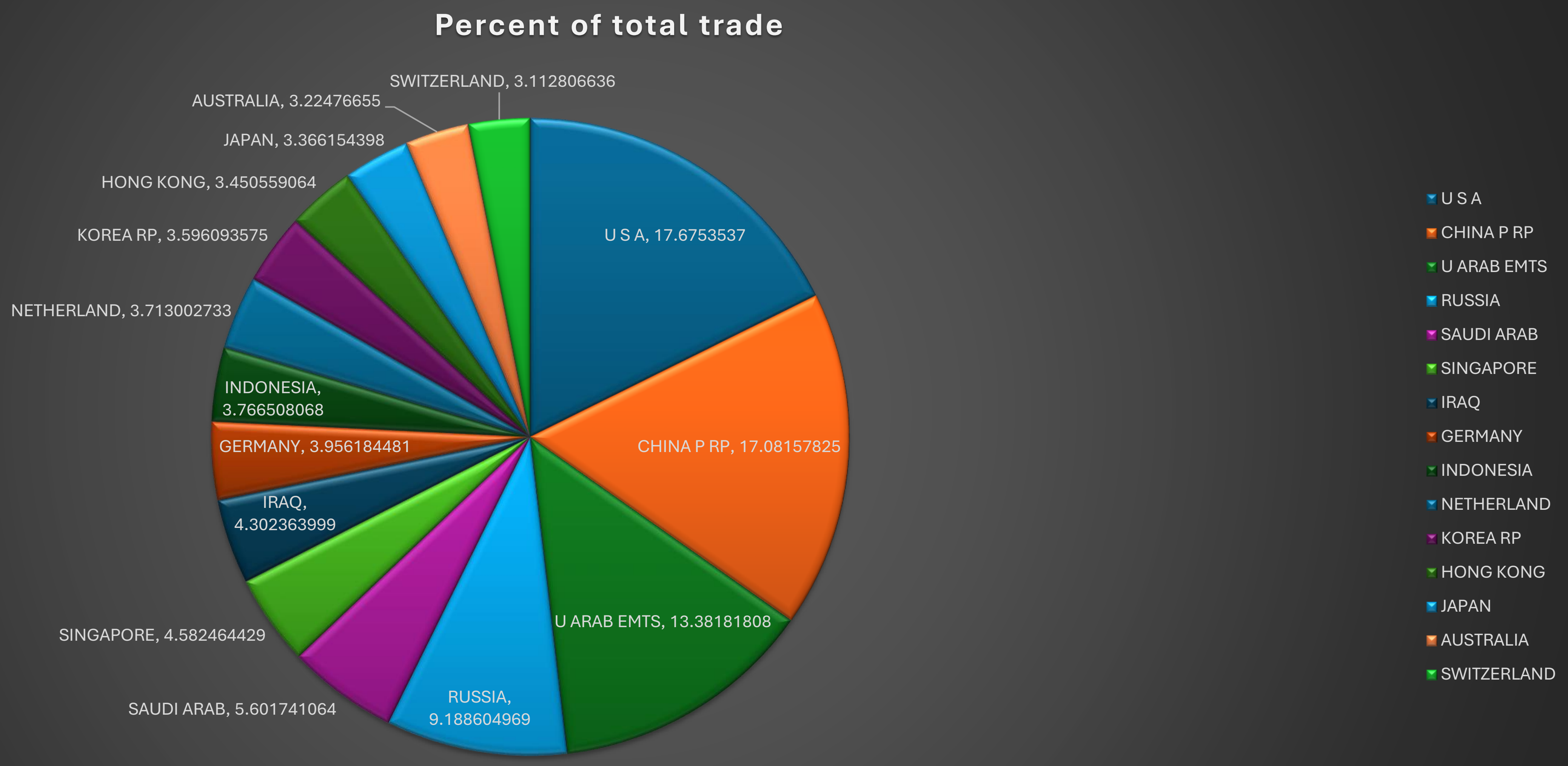
US VS INDIA TRADE DATA HEAD TO HEAD

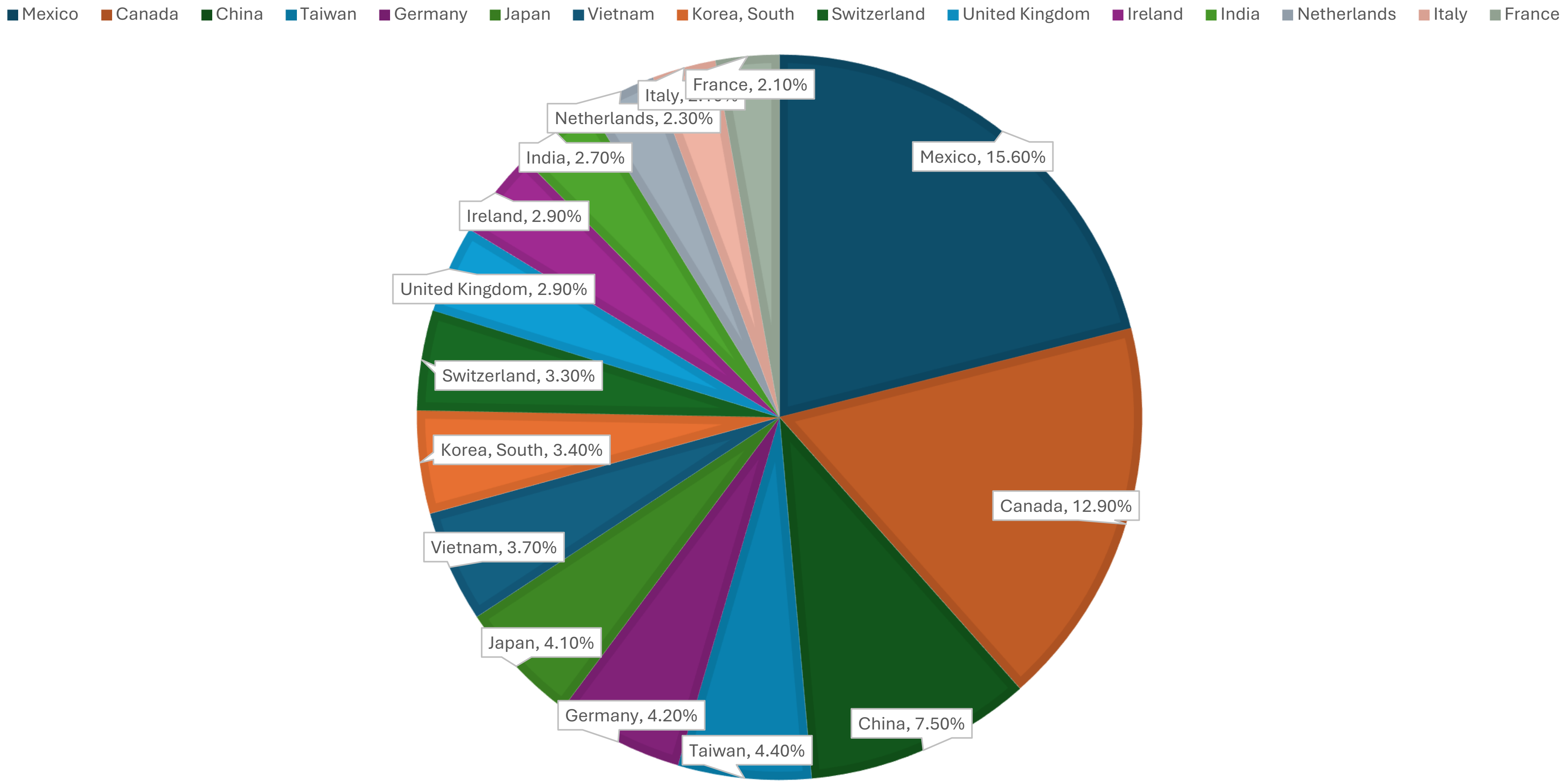
(AS OF 2024-25 FY)


INDIA AND US COMMON TRADE PARTNERS AND COMPARISON
500
400
300
200
100
0
-100
-200
-300
385.2
287.3
97.9
17%
7.50%
-189.4
China
216.7
140.8
75.9
3.95%
4.20%
-64.9
Germany
209.5
133.8
75.7
3.36%
4.10%
-58.1
Japan
176.3
113.4
62.9
3.59%
3.40%
-50.5
Korea, South
168.9
101.3
67.7
3.11%
3.30%
-33.6
Switzerland
137.5
95.5
42
18%
2.70%
-53.5
India
119.4
87.2
32.1
55.1
3.71%
2.30%
Netherlands
Exports
Imports
Total Trade
Trade Balance
Percent of Total Trade
Common trade partners with india (%)

INDIA TRADE VOLUME WITH TOP 15 PARTNERS



PERCENT OF TOTAL TRADE (US TOP TRADE PARTNERS)

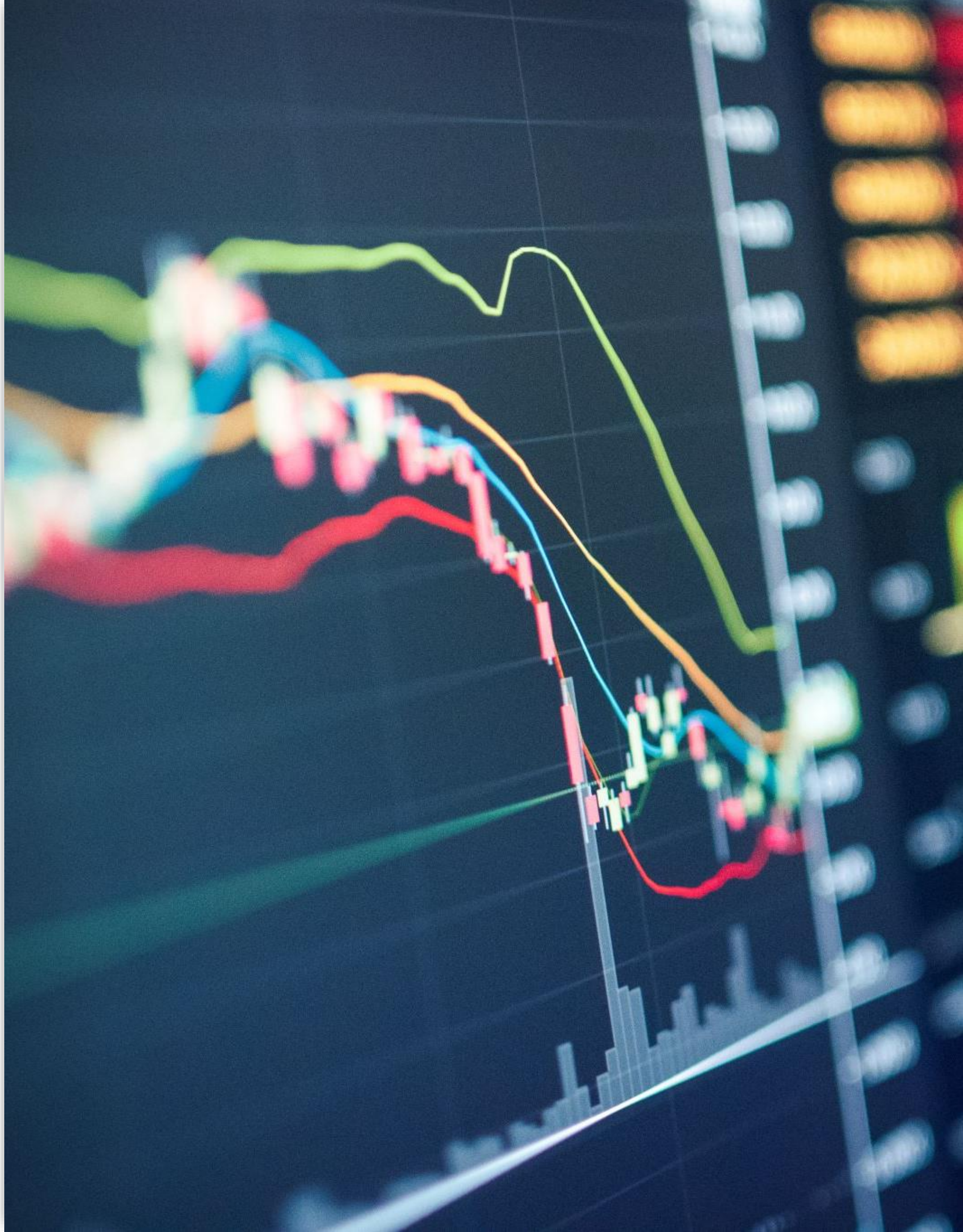


KEY TAKEWAYS FROM INDIA’S TRADE DATA

- Key partners include US,China ,Russia and gulf nations like Saudi,UAE
- Large trade deficit with China and Russia accounting for 57% approx. of total trade balance followed by UAE,I raq
- Very high surplus with US implying future tariffs can impact exports and make textiles, automobiles costlier in a key market denting margins of Indian suppliers
- Key to mitigate tariff risks and dependency, need to ramp up manufacturing exponentially by 2047 and diversify partners like recently had fta with new zealand, uk, eu ,Canada ,brazil in pipeline.
- Apart from diversification and scaling ,make high quality finished products competing with China, Japan and South Korea for eg chips,assembled components, ev’s, advanced machinery and not just stick to textiles, steel, pharma, crops and it services which have been the main components of india’s exports

CONTRAST BETWEEN INDIA AND US TRADE DATA

- US being the largest economy in the world has total trade volume of 5.4 trillion which is approx. 18% of gdp contrary to that India is a developing middle income nation with trade volume 820 billion as of 2024-25 which is 20% of the gdp .
- But the trade US does is highly concentrated as a net importer ,EU,Canada,Mexico being the top 3 partners with China being distant 4th (7.5%) , and India being only 2.7% of the total trade , concluding the tariffs will have higher impact on Indian goods then American goods because India sells US double of what they do



KEY TAKEWAYS FOR US FROM TRADE DATA

1. Heavier reliance on **Mexico & Canada**
2. Supply chains shortened for reliability
3. Near-shoring > friend-shoring
4. Direct imports from China down
5. Indirect imports via ASEAN, Mexico, Vietnam up
6. Core inputs still Chinese-origin
7. Redesign products to avoid Chinese choke inputs
8. Invest in:
9. Materials science
10. Substitutable components
11. Open-source standards over proprietary ones
12. Scale exports of:
13. Capital goods
14. Industrial machinery
15. Energy technology

SUMMARY

Deficits are manageable only with leverage
Trade deficits are sustainable when backed by **technology, IP, services, or strategic control**—not when driven by commodity or consumer-goods dependence.

Diversification beats substitution
Replacing one dominant partner with another increases risk. The goal is a **balanced portfolio of medium-sized trade partners**, not new dependencies.

What you export matters more than where you trade
High-value, hard-to-replace exports (capital goods, services, advanced manufacturing) create resilience; low-value trade deepens vulnerability.

Supply-chain resilience now outweighs cost efficiency
The post-globalisation world rewards **reliability, redundancy, and geopolitical alignment**, even at higher short-term costs.

Long-term contracts create power, not spot trade
Strategic trade today is built on **multi-year agreements, co-production, and financing**, not transactional flows.

THANK YOU

- BY VIKRAM RATHORE