

India Increases US Energy Imports in Push for Balanced Trade



In a strategic move to address trade imbalances, India is significantly increasing its energy imports from the United States. This surge in purchases follows a February agreement between President Donald Trump and Prime Minister Narendra Modi, where both leaders committed to expanding energy cooperation. The substantial increase in crude oil and liquefied natural gas (LNG) imports is seen as a direct response to the Trump administration's emphasis on rebalancing trade relationships. This shift allows India to diversify its energy sources while also strengthening its economic partnership with a key global power.

According to data cited by sources, India's crude oil imports from the U.S. have surged by 51% in the first half of 2025 compared to the same period last year. Liquefied natural gas (LNG) imports have also seen a dramatic rise, nearly doubling from \$1.41 billion in fiscal year 2023-24 to \$2.46 billion in the following fiscal year. This trend is a clear indicator of New Delhi's commitment to a February agreement where India pledged to increase American energy imports to \$25 billion, up from \$15 billion in 2024. The long-term goal for bilateral trade is to more than double from \$200 billion to \$500 billion by 2030.

The move is strategically beneficial for both nations. For India, a country poised to become the world's largest driver of oil demand growth, increasing imports from the U.S. provide a reliable and diverse source of energy. American LNG, in particular, is an attractive proposition for many Indian companies due to its competitive pricing, which is benchmarked against the Henry Hub. For the United States, this rise in exports aligns with plans to expand its oil and gas export

capacity, a policy that reversed the Biden administration's pause on processing LNG export licenses.

While the ramp-up in U.S. energy purchases serves to rebalance trade ties and ensure India's energy security, the issue of India's continued purchase of Russian crude remains a point of contention with the Trump administration. Despite this friction, India's government continues to prioritize its national energy needs while actively pursuing a more robust and balanced trade relationship with the United States. This multifaceted approach showcases India's independent foreign policy, where it maneuvers to secure its interests on a complex global stage.