

COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S INDIA-BRAZIL BILATERAL TRADE RELATIONS

INTRODUCTION & BRIEF ECONOMIC OVERVIEW

1. The Federal Republic of Brazil, the fifth largest country in the world, lies in central and north eastern South America. To the north are Venezuela, Colombia, Guyana, Suriname and French Guiana, to the west Peru and Bolivia, and to the south Paraguay, Argentina and Uruguay. Brazil has a very long coastline on the Atlantic Ocean. Brazil is a member of the UN, WTO, OECD, OAS (**Organization of American States**). This report emphasises India-Brazil trade relations, inter-alia. As per available data from DGCI&S database India and Brazil have observable bilateral (goods) trade relations primarily in the form of India export to Brazil and Brazil had ranked 20th as an export destination of India in 2023-24.

2. Brazil is a developing country with an upper-middle income mixed market economy that is rich in natural resources. It has the largest national economy in Latin America, the eighth largest economy in the world by nominal GDP, and the eighth largest by PPP. After rapid growth in preceding decades, Brazil entered an ongoing recession in 2014 amid a political corruption scandal and nationwide protests; in 2024, the economy began showing consistent significant growth. As per available report of IMF Executive Board Article IV Consultation with Brazil July 17, 2025, Brazil's economy has grown strongly over the past three years, surprising on the upside, and, as expected, is showing signs of moderation. The expansion has reflected strong consumption supported by fiscal stimulus on the demand side, and supply-side factors. Growth is projected to moderate from 3.4 percent in 2024 to 2.3 percent in 2025, amid tight monetary and financial conditions, a scaling back of fiscal support, and heightened global policy uncertainty. Over the medium term, growth is forecasted to recover to 2.5 percent, supported by the normalization of monetary policy and supportive structural factors, notably the implementation of the efficiency-enhancing VAT reform and the acceleration in hydrocarbon production. Inflation is expected to reach 5.2 percent by end-2025, before gradually converging to the 3 percent target by end of 2027.

A snapshot of Brazil's selected economic indicators is as under.

TABLE -1

Brazil: Selected Economic Indicators, 2023-30								
		Proj.						
	2023	2024	2025	2026	2027	2028	2029	2030
National accounts and prices								
GDP at current prices	8.6	7.3	6.2	5.8	5.8	5.9	6.0	6.1
GDP at constant prices	3.2	3.4	2.3	2.1	2.2	2.3	2.4	2.5
Consumption	3.4	4.2	2.3	1.6	1.9	2.1	2.2	2.2
Investment (GFCF)	-3.0	7.3	1.3	1.4	1.8	1.9	2.1	2.1
Consumer prices (IPCA, average)	4.6	4.4	5.3	4.2	3.3	2.9	2.9	2.9
Consumer prices (IPCA, end of period)	4.6	4.8	5.2	3.8	3.0	2.9	2.9	2.9
GDP deflator	5.2	3.8	3.8	3.6	3.5	3.5	3.5	3.5
Gross domestic investment								
Private sector	12.0	12.8	12.6	12.5	12.4	12.4	12.3	12.3
Public sector	3.8	4.1	4.1	4.1	4.1	4.1	4.1	4.1
Gross national saving								
Private sector	21.8	19.6	22.2	21.3	19.9	18.9	18.6	18.4
Public sector	-7.3	-5.5	-7.9	-7.0	-5.6	-4.5	-4.1	-4.0

Public sector finances								
Central government primary balance (national representation, incl. BCB) 1/	-2.4	-0.4	-0.6	-0.4	0.3	0.8	1.2	1.4
General government NLB primary balance	-2.2	-0.2	-0.6	-0.4	0.3	0.8	1.2	1.4
General government NLB structural primary balance (in percent of potential GDP)	-1.5	-1.4	-0.9	-0.5	0.2	0.8	1.2	1.4
General government NLB	-7.7	-6.2	-8.5	-7.6	-6.2	-5.1	-4.8	-4.6
Net public sector debt	60.4	61.5	65.7	70.2	72.6	74.0	74.7	74.3
General government gross debt, Authorities' definition	73.8	76.5	80.9	84.5	86.4	87.4	87.8	87.8
General government gross deb	84.0	87.3	91.6	95.5	97.6	98.6	99.0	98.9
Of which: Foreign currency linked	3.5	4.5	4.6	4.6	4.7	4.7	4.8	4.8
Money and credit								
Base money 2/	20.4	13.2	6.2	5.8	5.8	5.9	6.0	6.1
Broad money 3/	15.6	12.4	6.2	5.8	5.8	5.9	6.0	6.1
Bank loans to the private sector	7.0	11.3	9.2	7.5	6.6	5.9	6.0	6.1
Balance of payments								
Trade balance	92.3	65.8	60.7	64.8	67.4	70.8	73.5	76.6
Exports	343.8	339.9	342.1	350.1	360.3	373.3	386.8	400.3
Imports	251.5	274.0	281.5	285.3	292.9	302.5	313.4	323.8
Current account	-27.9	-61.2	-51.6	-51.4	-51.4	-51.3	-52.4	-53.0
Capital account and financial account	26.6	69.5	51.6	51.4	51.4	51.3	52.4	53.0
Foreign direct investment (net inflows)	37.3	46.8	48.4	50.5	52.4	54.4	56.5	58.7
Terms of trade (percentage change)	2.4	-0.7	-2.0	-1.2	-1.0	-0.5	-0.6	-0.7
Merchandise exports (in USD, annual percentage change)	1.1	-1.2	0.7	2.3	2.9	3.6	3.6	3.5
Merchandise imports (in USD, annual percentage change)	-12.9	8.9	2.7	1.4	2.7	3.3	3.6	3.3
Total external debt (in percent of GDP)	33.4	33.1	34.7	35.4	35.2	34.9	34.5	34.0
Memorandum items:								
Output Gap	0.4	1.1	0.8	0.4	0.2	0.0	0.0	0.0
Current account (in percent of GDP)	-1.3	-2.8	-2.4	-2.3	-2.2	-2.1	-2.0	-1.9
Unemployment rate 4/	8.0	6.9	7.1	7.3	7.3	7.4	7.4	7.4
Gross official reserves (in USD billions)	355	330	330	330	330	330	330	330
REER (annual average in percent; appreciation +)	4.9	-4.2	
Sources: Central Bank of Brazil, Ministry of Finance, IBGE, IPEA, and Fund staff estimates.								
1/ Includes federal government, Central Bank, and the social security system (INSS). The 2023 primary balance excludes pandemic-related funds from PIS/PASEP, as per BCB definition.								
2/ Currency issued, required deposits held at the Central Bank plus other Central Bank liabilities to other depository corporations.								
3/ Currency outside depository corporations, transferable deposits, other deposits and securities other than shares.								
4/ Unemployment rate for 2022, 2023, and 2024 shows the average of March, June, September, and December.								

FOREIGN TRADE

3. As per recent available inputs on WITS (World Integrated Trade Solution), the five major merchandise export partners of Brazil are China, United States, Argentina, Netherlands and Spain. On the other hand five major import partners of Brazil are China, United States, Argentina, Germany and India. Major five exported goods of Brazil are (i) Soya beans, (ii) Petroleum oils and oils obtained from bituminous, (iii) Non-agglomerated iron ores and concentrates, (iv) Petroleum oils, etc, (excl. crude); preparation and (v) Maize (excl. seed). On the other hand major five imported goods of Brazil are (i) Petroleum oils, etc, (excl. crude); preparation, (ii) Petroleum oils and oils obtained from bituminous, (iii) Potassium chloride, (iv) Monolithic integrated circuits, digital and (v) Bituminous coal, not agglomerated.

4. Brazil's total exports in 2020 were of the order of USD 209180 million. It was USD 337,036 million in 2024. Exports from Brazil increased by 34.25% in the year 2021 followed by another 19.10% increase in the year 2022 over the previous year. During the period from 2020 to 2024, the annual average compound rate of growth of exports was 12.67%.

5. Brazil's total imports in 2020 were of the order of USD 166336 million and which was USD 277549 million in 2024. Imports of Brazil jumped up by 41.09% in the year 2021 and 24.57% in the year 2022 over the previous year. During the period from 2020 to 2024, the annual average compound rate of growth of imports was 13.65%.

6. Brazil runs an overall Balance of Trade surplus from 2020 to 2024 and that scaled up to USD 86986 million in 2023. During the period from 2020 to 2024, the annual average compound rate of growth of total volume of trade was 13.11%.

A snapshot of Brazil's overall Trade Statistics is presented in Table 2 and Figure 1 below

TABLE - 2

BRAZIL'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE BETWEEN 2020 TO 2024

(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020	209180		166336		3,75,516		42844
2021	280815	34.25	234690	41.09	5,15,505	37.28	46125
2022	334463	19.10	292344	24.57	6,26,807	21.59	42119
2023	339696	1.56	252710	-13.56	5,92,406	-5.49	86986
2024	337036	-0.78	277549	9.83	6,14,585	3.74	59487

Annual Compound Growth Rate

12.67

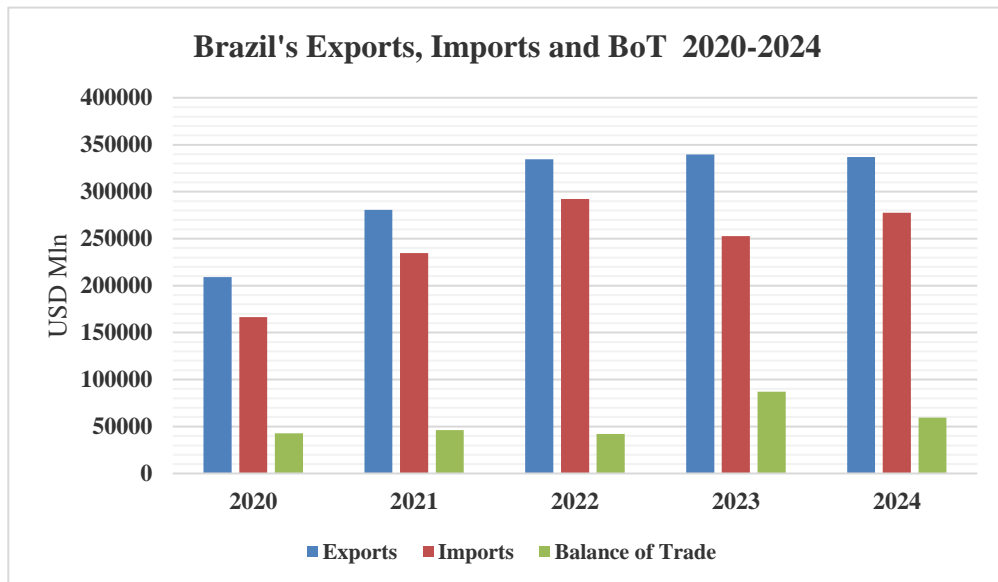
13.65

13.11

NOTE : Figures relate to calendar year (January to December)

SOURCE : UN COMTRADE PUBLICATION

FIGURE-1



BILATERAL TRADE WITH INDIA

Merchandise Trade

7. Brazil is one of the most important trading partners of India in the entire LAC (Latin America and Caribbean) region. India-Brazil bilateral trade has increased substantially in the last two decades. However, the global drop in commodity prices and the economic recession in Brazil started in 2015 affected Brazil's overall trade. India and Brazil maintain a strong, multifaceted partnership, exemplified by their collaboration in key multilateral organizations, including **BRICS**, G-20, IBSA, and the United Nations. Brazil ranked 16th as an export destination of India in FY 2024-25. India's exports to Brazil was 1.55 % of its total export value in FY 2024-25. In the same financial year imports from Brazil was only 0.99% of India's total import value. Brazil was the 27th major import partner of India in FY 2024-25. Almost 1.02% of India's total international trade value was between India and Brazil as has been recorded in FY 2024-25 as per DGCI&S database.

8. Indo- Brazil total volume of bilateral trade in FY 2020-21 was of the order of USD 7260.93 million. It was USD 13,840.18 million in FY 2024-25. The annual compound growth rate of total volume of trade during the period from 2020-21 to 2024-25 has been of the order of 17.50%.

9. It appears from the available figures that between 2020-21 and 2024-25, India had a surplus Balance of Trade with Brazil but from FY 2020-21 to 2022-23 but in 2023-24 and 2024-25 it was a little deficit balance of trade. Exports from India to Brazil increased steeply by 52.86% in FY 2021-22 followed by another 52.87% increase in FY 2022-23 over their previous years. The annual average compound rate of growth of Exports was 12.38%. On the other hand, imports from Brazil to India increased by 89.43% in FY 2021-22 followed by a moderate 16.79% hike in FY 2022-23 over the previous FY. During the period from 2020-21 to 2024-25, the annual average compound rate of growth of imports was 23.73%.

A snapshot of India's merchandise trade statistics w.r.t. Brazil is presented in **Table 3 & Figure 2**.

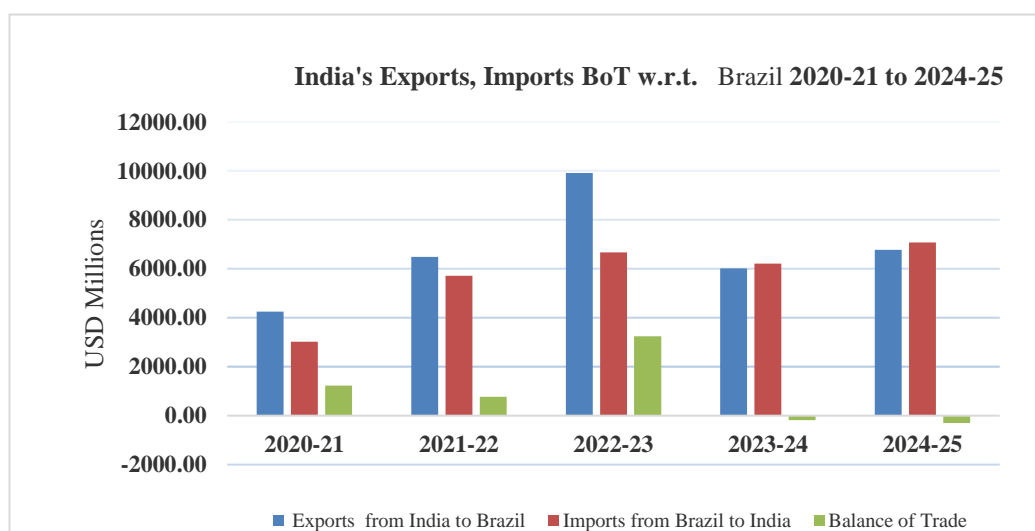
TABLE - 3
INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. BRAZIL
FY 2020-21 to 2024-25

(Value in USD Million)

Year	Exports from India to Brazil	Percentage Growth in Exports	Imports from Brazil to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020-21	4244.94		3015.99		7260.93		1228.95
2021-22	6489.02	52.86	5713.32	89.43	12202.34	68.05	775.70
2022-23	9919.59	52.87	6672.52	16.79	16592.11	35.97	3247.07
2023-24	6021.95	-39.29	6210.17	-6.93	12232.12	-26.28	-188.22
2024-25	6770.78	12.44	7069.40	13.84	13840.18	13.15	-298.62
Annual Compound Growth Rate		12.38		23.73		17.50	

NOTE : Figures relate to Financial Year (April to March)
SOURCE : DGCI&S, M/o C&I

FIGURE-2



10. Additionally, from Tables 4 & 5 presented below the following are stated:

a. **Agro Chemicals, Petroleum Products and Drugs Formulations Biologicals** occupied the top three slots in India's exports to Brazil in the year 2024-25. **Agro Chemicals** occupied the bulk 16.48% share of export value of India to Brazil in 2024-25.

b. **Petroleum: Crude, Sugar and Vegetable Oils** were the three major commodities in India's imports list from Brazil in the year 2024-25, India imports a significant amount of **Petroleum: Crude** and **Sugar** from Brazil with a share of 37.18% and 19.26% respectively of total imports from Brazil recorded in 2024-25.

TABLE- 4**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO BRAZIL
2020-21 TO 2024-25 AND THEIR GROWTH RATES****(Value in USD Million)**

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	Agro Chemicals	892.60	1242.96	1340.79	975.57	1115.55	39.25	7.87	-27.24	14.35
	Share in total export	21.03	19.15	13.52	16.20	16.48				
2	Petroleum Products	346.55	1270.33	4480.99	825.28	893.95	266.56	252.74	-81.58	8.32
	Share in total export	8.16	19.58	45.17	13.70	13.20				
3	Drugs Formulations Biologicals	314.17	372.40	386.36	413.44	516.45	18.53	3.75	7.01	24.92
	Share in total export	7.40	5.74	3.89	6.87	7.63				
4	Auto Components/Parts	212.04	308.48	393.69	356.92	473.42	45.48	27.62	-9.34	32.64
	Share in total export	5.00	4.75	3.97	5.93	6.99				
5	Residual Chemical And Allied Products	173.87	186.74	210.73	191.99	253.48	7.40	12.85	-8.89	32.03
	Share in total export	4.10	2.88	2.12	3.19	3.74				
6	Organic Chemicals	254.71	269.63	270.00	255.65	242.32	5.86	0.14	-5.31	-5.21
	Share in total export	6.00	4.16	2.72	4.25	3.58				
7	Bulk Drugs, Drugs Intermediates	187.86	185.61	227.58	205.58	229.33	-1.20	22.61	-9.67	11.55
	Share in total export	4.43	2.86	2.29	3.41	3.39				
8	Indl. Machinery For Dairy Etc.	123.92	218.63	238.75	188.44	220.02	76.43	9.20	-21.07	16.76
	Share in total export	2.92	3.37	2.41	3.13	3.25				
9	Manmade Yarn Fabrics, Made ups	169.38	268.29	155.78	135.18	207.55	58.40	-41.94	-13.22	53.54
	Share in total export	3.99	4.13	1.57	2.24	3.07				
10	IC Engine And Parts	61.62	93.37	120.82	133.94	176.06	51.53	29.40	10.86	31.45
	Share in total export	1.45	1.44	1.22	2.22	2.60				
	Total exports to BRAZIL	4244.94	6489.02	9919.59	6021.95	6770.78	52.86	52.87	-39.29	12.44

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

TABLE -5**INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM BRAZIL
2020-21 TO 2024-25 AND THEIR GROWTH RATES**

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Import					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	Petroleum Crude	929.93	2230.18	1885.50	1457.38	2628.27	139.82	-15.46	-22.71	80.34
	Share in total import	30.83	39.03	28.26	23.47	37.18				
2	Sugar	611.18	148.17	280.91	1952.59	1361.27	-75.76	89.59	595.09	-30.28
	Share in total import	20.26	2.59	4.21	31.44	19.26				
3	Vegetable Oils	252.49	1059.28	2393.99	1025.34	773.91	319.53	126.00	-57.17	-24.52
	Share in total import	8.37	18.54	35.88	16.51	10.95				
4	Cotton Raw Incl. Accessories	12.01	5.96	66.33	24.36	361.69	-50.37	1012.92	-63.27	1384.77
	Share in total import	0.40	0.10	0.99	0.39	5.12				
5	Iron And Steel	104.84	130.15	137.60	195.12	244.28	24.14	5.72	41.80	25.19
	Share in total import	3.48	2.28	2.06	3.14	3.46				
6	Petroleum Products	3.32	18.35	21.25	16.22	170.18	452.71	15.80	-23.67	949.20
	Share in total import	0.11	0.32	0.32	0.26	2.41				
7	Sesame Seeds	22.61	3.19	27.00	84.78	141.24	-85.89	746.39	214.00	66.60
	Share in total import	0.75	0.06	0.40	1.37	2.00				
8	Pulses	23.06	71.86	56.84	48.92	140.34	211.62	-20.90	-13.93	186.88
	Share in total import	0.76	1.26	0.85	0.79	1.99				
9	Other Crude Minerals	33.29	72.82	117.28	99.80	86.79	118.74	61.05	-14.90	-13.04
	Share in total import	1.10	1.27	1.76	1.61	1.23				
10	Other Wood And Wood Products	37.36	47.65	45.11	63.75	83.90	27.54	-5.33	41.32	31.61
	Share in total import	1.24	0.83	0.68	1.03	1.19				
	Total import from BRAZIL	3015.99	5713.32	6672.52	6210.17	7069.40	89.43	16.79	-6.93	13.84

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

“NOTICE”

Rights of permission for reproduction in part or entirely of these official papers published in the Indian Trade Journal is reserved by the Directorate General of Commercial Intelligence & Statistics, Kolkata – 700 107.