Press Release

U.S.-India Energy Trade Deal: Is It Achievable?

ALLIE WATSON | FEBRUARY 20, 2026

The United States and India recently reached a trade agreement. In a new insight, Director of Energy and Environmental Policy Shuting Pomerleau and Trade Policy Analyst Jacob Jensen summarize the U.S.-India trade deal, analyze the energy market dynamics between the two nations, and explain why India is unlikely to meet the trade deal's target.

Key points:

> - *Under the agreement, India is expected to purchase $500 billion worth of goods including energy, technology, and other products from the United States over the next five years.*
> - *In 2025, U.S. goods exports to India were nearly $39 billion, with energy exports accounting for about a third of the total; based on historical trends, these exports are projected to total $261 billion over the next five years, leaving a $239 billion gap relative to the trade deal's target.*
> - *Given the U.S.-India energy market dynamics and trade relationship, it is unlikely that India will be able to achieve the intended imports target within the next five years; the trade deal's $500 billion number for the selected traded products seems to be symbolic rather than practical.*

Read the analysis.