



Current Account Deficit (CAD)

Why in news: India's Current Account Deficit (CAD) has gained attention due to fluctuations in global crude oil prices, changing trade patterns, and concerns regarding external sector stability highlighted in economic reports.

Key Details

- CAD reflects excess of imports over exports in external trade.
- Rising oil imports significantly influence India's current account balance.
- Strong services exports and remittances help moderate the deficit.
- Persistent CAD may weaken the rupee and increase external vulnerability.
- Export promotion and reduced import dependence are essential for stability.



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