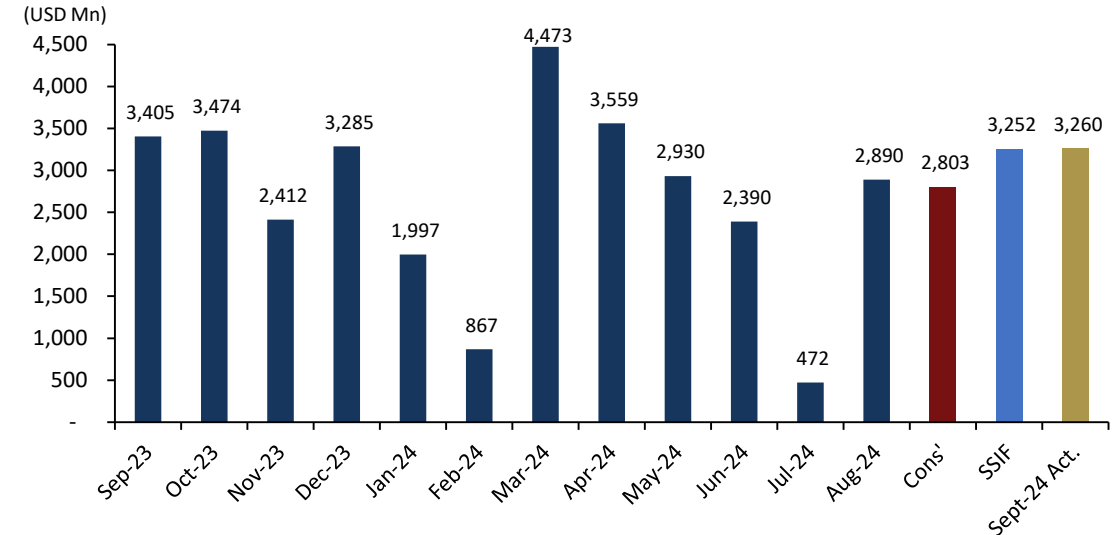


Balance of Trade: 15 October 2024

- In September 2024, Indonesia experienced USD 3.3bn surplus, in line with our upper-bound forecast of USD 3.3bn and surpassing market expectations of USD 2.8bn, indicating resilience amidst global uncertainties. This marks the 53rd consecutive surplus since May 2020. However, the September surplus narrowed from USD 3.4bn in the same month last year with both exports and imports registering growth, although the pace of export expansion softened compared to previous months, reflecting external challenges and shifting market dynamics.
- Exports rose 6.4% YoY, marking the 6th consecutive month of rise. However, this growth was the slowest in three months, falling short of the 8% gain markets had anticipated. Strong exports were recorded to the US (20.5%), Japan (14.8%), the EU (17.0%), ASEAN (12.2%), and China (3.5%). The slower increase in exports to China signals potential headwinds, likely stemming from economic slowdown and dampened demand for commodities such as coal and palm oil.
- While export figures reflect continued momentum, the softer growth rate points to broader global challenges. Slowing commodity prices and lingering uncertainties in the global economy, particularly within energy markets, have begun to impact Indonesia's trade performance. Nevertheless, Indonesia's growing export ties with ASEAN and the EU provide a positive signal, diversifying trade away from reliance on commodity demand from China.
- On imports, growth of 8.6% YoY come in below the 11.8% expected by the market, representing slight deceleration from August's 9.5% growth. The government's recent plans to impose import duties on various commodities are curbing some local demand as businesses and consumers adjust to these policy shifts.
- Indonesia's trade sector remains on solid ground. In 9M24, the country posted cumulative trade surplus of USD 27.7bn, with exports inching up 0.3% and imports growing 3.9%. While trade surpluses remain intact, these numbers suggest that import growth outpaced exports, driven by higher domestic consumption and infrastructure projects requiring imported materials.
- Going forward, Indonesia's trade performance will hinge on global conditions, commodity prices and domestic policy shifts. Balance between fostering local industry and maintaining trade relations with key partners will remain crucial. With global uncertainties, our ability to diversify exports and manage imports efficiently is vital in sustaining trade momentum ahead.

Indonesia Trade Balance



Export, Import Value (USD mn)

Description	Aug-24	Sep-24	Sep-23	% (MoM)	% (YoY)
Exports	23,440	22,082	20,745	-5.8	6.4
Agriculture, Forestry, and Fisheries	546	562	405	2.9	38.7
Oil and Gas	1,204	1,170	1,405	-2.8	-16.7
Mining and Others	4,105	3,885	3,563	-5.4	9.0
Manufacturing	17,586	16,465	15,372	-6.4	7.1
Imports	20,665	18,825	17,342	-8.9	8.6
Consumption Goods	1,979	1,853	1,665	-6.4	11.3
Capital Goods	3,806	3,534	2,984	-7.2	18.4
Intermediate Goods	14,880	13,438	12,693	-9.7	5.9

Export & Import Values of Non-Oil & Gas Goods, Sept-24

