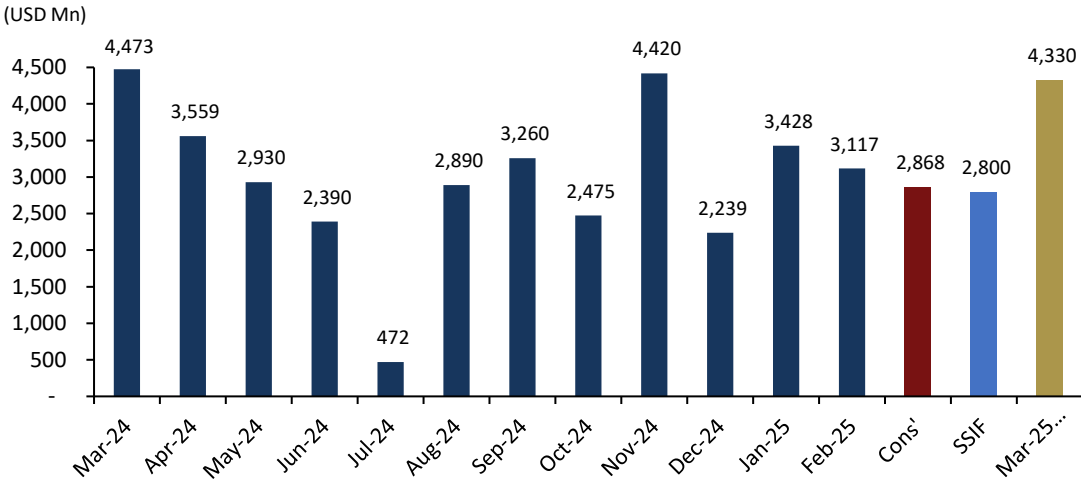


# Balance of Trade: 21 April 2025

- Indonesia recorded trade surplus of USD 4.33 bn in March 2025, rising from USD 3.1 bn in the previous month and exceeding both our forecast of USD 2.8 bn and market expectations of USD 2.64 bn. Exports unexpectedly sustained positive momentum, growing 3.16% YoY and marking the 12<sup>th</sup> consecutive month of expansion—though this was the slowest pace since Jul-24.
- Export growth defied expectations of 3.4% contraction, despite easing from 14.05% surge in February. Non-oil and gas exports rose 2.56% to USD 21.80 bn, a notable deceleration from 15.40% increase in the previous month. Nonetheless, March’s export performance remained relatively resilient amid ongoing global economic uncertainties, including escalating trade tensions and weakening global demand.
- Caution is warranted, however, as the March figures have not yet factored in the potential impact of the Trump administration’s new tariffs, which could weigh on export growth in the coming months, particularly given lower commodity prices. However, the recent depreciation of the IDR has played a significant role in supporting export volumes, particularly in key commodities such as animal/vegetable fats and oils (up 48.25%), iron and steel (up 11.84%), and machinery and mechanical equipment (up 19.94%). That said, the depreciation effect is unlikely to be sustainable. While a weaker exchange rate may boost exports in the short term, it also raises input costs for domestic industries. Continued IDR weakness could eventually undermine industrial expansion, thereby putting downward pressure on future export performance.
- Imports also showed moderate growth, rising 5.34% YoY—below the forecasted 6.6% increase. The lower-than-expected import growth during Ramadan reflects sluggish domestic demand, indicating pressures on household consumption remaining evident.
- Looking ahead, the sustainability of Indonesia’s trade surplus remains uncertain, as external risks and shifting domestic demand could influence trade flows in 2025. While exports have had a strong start to the year, challenges remain. Softening global demand from key trading partners such as China, the US, and Europe could dampen export momentum, particularly in the manufacturing and resource-based sectors. Additionally, commodity price volatility remains a key risk, as fluctuations in global energy and mineral prices may impact Indonesia’s export revenues. Given these factors, Indonesia’s trade surplus is expected to decline gradually throughout 2025 as we face ongoing external risks, resulting in widening CAD of 1.5% by year end.

## Indonesia Trade Balance



## Export, Import Value (USD mn)

Description	Feb-25	Mar-25	Mar-24	% (MoM)	% (YoY)
Exports	21,944	23,249	22,538	5.9	3.2
Agriculture, Forestry, and Fisheries	564	574	432	1.7	32.8
Oil and Gas	1,128	1,453	1,285	28.8	13.0
Mining and Others	2,622	3,066	4,164	17.0	-26.4
Manufacturing	17,630	18,156	16,657	3.0	9.0
Imports	18,849	18,920	17,961	0.4	5.3
Consumption Goods	1,467	1,742	1,849	18.7	-5.8
Capital Goods	3,450	3,701	2,906	7.3	27.4
Intermediate Goods	13,932	13,477	13,206	-3.3	2.1

## Export & Import Values of Non-Oil & Gas Goods, Mar-25

