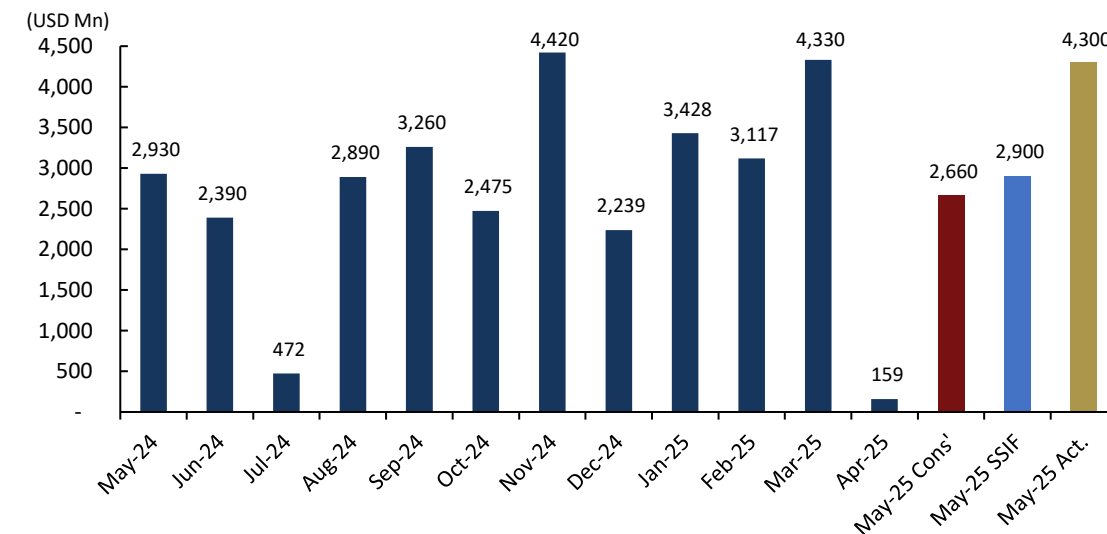


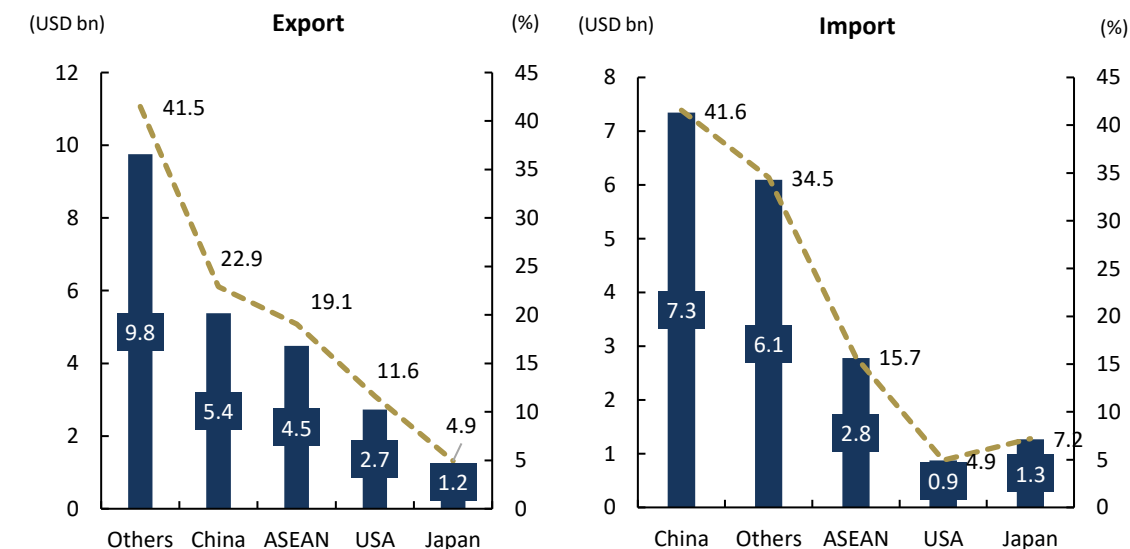
# Balance of Trade: 1 July 2025

- Helped by the rush in the lead up to Trump's tariff implementation on 9 July, Indonesia's trade surplus in May-25 continued to beat expectations coming in much stronger than anticipated, reaching USD 4.30 bn, well above both market expectations of USD 2.40 bn and our projection at Samuel Sekuritas Indonesia (USD 2.90 bn). While this marked a slight narrowing compared to the previous month, the figure remains historically elevated.
- The strong performance was underpinned by a robust surge in exports, which grew 9.68% year-on-year to USD 24.61 bn, the highest monthly export value in nearly three years. This far exceeded consensus expectations of just a 1% increase and marked a clear acceleration from April's 5.76% growth. Other than attempts to beat tariff deadline, the rebound also reflects a combination of easing global trade tensions and resilient demand for key Indonesian commodities—particularly palm oil, coal, and mineral-based products. At the same time, the data suggests that Indonesia's downstreaming strategy is beginning to pay off, with processed nickel and copper products gaining traction in markets such as China and India. Improved logistics and shorter delivery times also likely contributed to the strong export performance.
- Imports also surprised on the upside, rising 4.14% YoY to USD 20.31 bn, defying expectations of a slight contraction. Although with June PMI having contracted further, coupled with the import growth rate having moderated from April's 21.84% spike, this positive trend's sustainability remains to be seen, especially in intermediate goods and capital equipment.
- Looking ahead, with Indonesia's trade proposal to the US rejected, all of our future exports post 9 July will see 42 to 47% tariffs. Additionally, we expect the trade export growth may moderate as base effects fade and global commodity prices stabilize, while import volumes—particularly of capital goods—are expected to rise in line with Indonesia's infrastructure acceleration, IKN development, and broader investment cycle.
- However, for now we maintain our full-year trade surplus forecast in the range of USD 27–30 bn, with import dynamics remaining a key variable to watch, particularly in relation to current account pressures and potential foreign exchange volatility in the face of shifting global headwinds.

## Indonesia Trade Balance



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



## Export, Import Value (USD mn)

| Description                          | Apr-25        | May-25        | May-24        | % (MoM)     | % (YoY)    |
|--------------------------------------|---------------|---------------|---------------|-------------|------------|
| <b>Exports</b>                       | <b>20,744</b> | <b>24,614</b> | <b>22,442</b> | <b>18.7</b> | <b>9.7</b> |
| Agriculture, Forestry, and Fisheries | 480           | 634           | 398           | 32.2        | 59.5       |
| Oil and Gas                          | 1,169         | 1,111         | 1,419         | -5.0        | -21.7      |
| Mining and Others                    | 3,145         | 3,109         | 4,214         | -1.1        | -26.2      |
| Manufacturing                        | 15,949        | 19,759        | 16,412        | 23.9        | 20.4       |
| <b>Imports</b>                       | <b>20,585</b> | <b>20,312</b> | <b>19,505</b> | <b>-1.3</b> | <b>4.1</b> |
| Consumption Goods                    | 1,703         | 1,827         | 1,735         | 7.3         | 5.3        |
| Capital Goods                        | 3,911         | 4,440         | 3,556         | 13.5        | 24.9       |
| Intermediate Goods                   | 14,971        | 14,045        | 14,214        | -6.2        | -1.2       |