NEWSletter

KEMENTERIAN PERDAGANGAN REPUBLIK INDONESIA

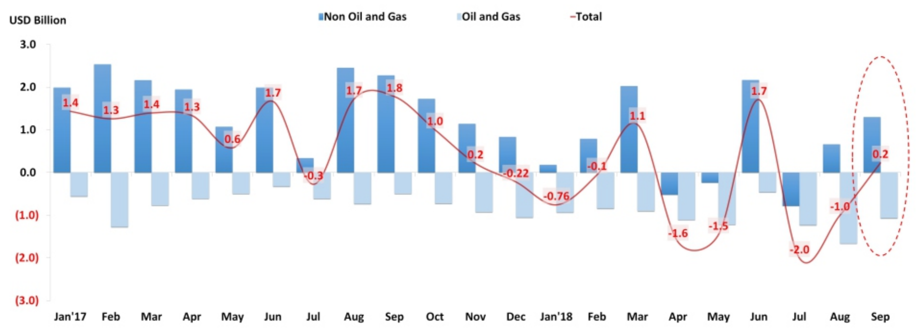
MINISTRY OF TRADE

November 2018

Trade Balance in September 2018 Recorded Another Surplus

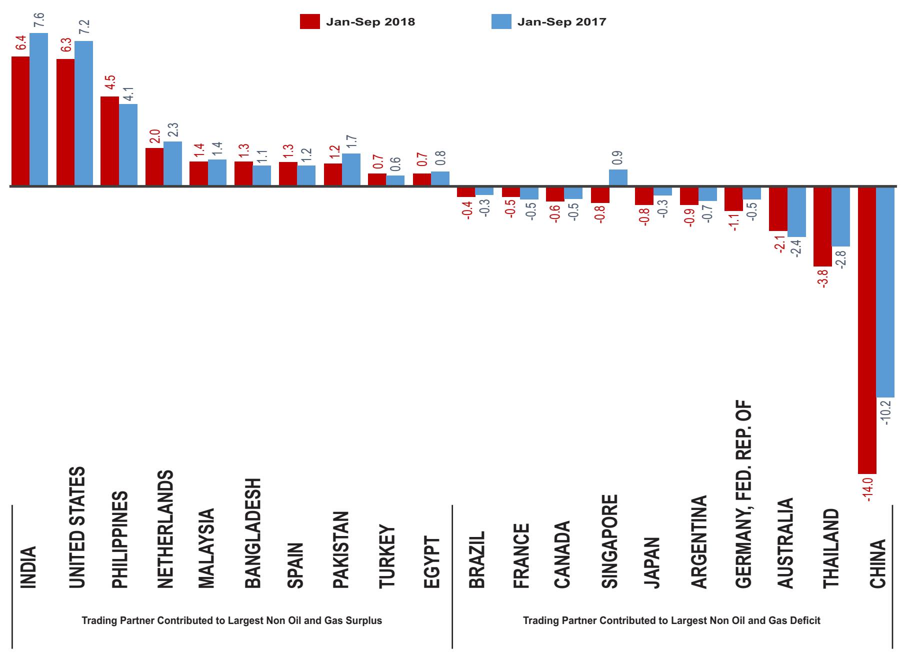
Jakarta, 1 November 2018 - Amid increasing global oil prices, oil and gas trade balance in September 2018 registered a deficit of USD 1.07 billion, lower than the previous month's figure of USD 1.61 billion. In contrast, non-oil and gas trade balance recorded a surplus of USD 1.29 billion, a two-fold increase from the month before. Strengthening non-oil and gas surplus resulted trade surplus to trade balance valued USD 227.1 million. Indonesia's cumulative trade balance in January-September period was a deficit of USD 3.78 billion, narrowd from deficit in the January-August period which stood at USD 4.01 billion. The deficit was derived from oil and gas trade deficit of USD 9.78 billion and non oil and gas trade surplus of USD 5.59 billion. (Graph 1).

Graph 1. Indonesian Monthly Trade Balance Jan 2017 – Sep 2018



Source : BPS (Processed by Puskadaglu, BPPP)

Graph 2. Top Trading Partners for Non-oil and Gas Trade Surplus and Deficit



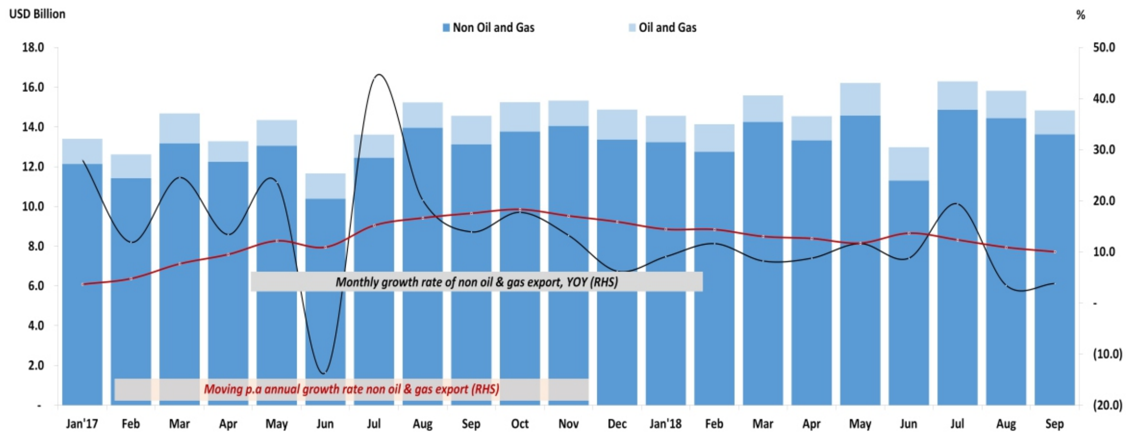
Source : BPS (Processed by Puskadaglu, BPPP)

Indonesia's top trading partners for non-oil and gas trade surplus included India, the United States, the Philippines, the Netherlands, and Malaysia with total value amounted to USD 20.7 billion. The highest growth was trade with Philippines which increased from USD 4.1 billion in January-September 2017 to USD 4.5 billion this year. Meanwhile, the deepest decline in surplus was trade with India, down from USD 7.6 billion to USD 6.4 billion. In terms of trade deficit, top trading partners for non-oil and gas were China, Thailand, Australia, Germany, and Argentina. The overall trade deficit with the said countries totaled USD 21.9 billion. The highest increase in trade deficit was with China, soaring to USD 14.0 billion from USD 10.1 billion last year. Besides China, trade with Thailand also recorded a widened deficit from USD 2.8 billion to USD 3.8 billion in January-September 2018 (Graph 2).

Exports to Some Countries Predicted to Reach Targets

Non-oil and gas exports in September 2018 were USD 13.62 billion, down 5.67% compared to the month before (MoM). Non-oil and gas exports from January to September 2018 valued USD 122.31 billion, up 9.29% (YoY). The achievement strengthened the optimism for achieving 2018's non-oil and gas export target of 11% (Graph 3).

Graph 3. Monthly Export Performance



Source : BPS (Processed by Puskadaglu, BPPP)

Table 1. Export Performance to Top Designated Countries

No	Country	USD Million		Growth (YoY)	
		Jan-Sep 2017	Jan-Sep 2018	%	USD Million
1	CHINA	14,596.6	18,521.0	26.9	3,924.5
2	UNITED STATES	12,819.0	13,198.7	3.0	379.7
3	JAPAN	10,596.3	12,510.9	18.1	1,914.6
4	INDIA	10,228.5	10,098.4	-1.3	-130.2
5	SINGAPORE	6,714.0	6,636.7	-1.2	-77.3
6	MALAYSIA	5,172.2	5,823.7	12.6	651.5
7	TAIWAN	2,038.5	2,733.8	34.1	695.3
8	KOREA, REPUBLIC OF	4,689.9	5,564.0	18.6	874.1
9	PHILIPPINES	4,725.6	5,178.8	9.6	453.2
10	THAILAND	4,046.2	4,388.7	8.5	342.5
11	VIET NAM	2,560.0	3,166.5	23.7	606.4
12	NETHERLANDS	2,954.0	2,912.2	-1.4	-41.8
13	GERMANY, FED. REP. OF	1,987.0	2,011.5	1.2	24.5
14	HONG KONG	1,735.9	2,001.8	15.3	265.9
15	SPAIN	1,516.2	1,788.1	17.9	271.9
16	PAKISTAN	1,796.6	1,692.6	-5.8	-104.0
17	AUSTRALIA	1,460.1	1,637.2	12.1	177.2
18	ITALY	1,429.0	1,485.1	3.9	56.1
19	BANGLADESH	1,123.6	1,342.4	19.5	218.9
20	UNITED ARAB EMIRATES	1,196.4	1,104.5	-7.7	-92.0

Source : BPS (Processed by Puskadaglu, BPPP)

Stronger non-oil and gas exports in January-September 2018 was driven by growing exports to several export designated countries namely China (26.9%), Japan (18.1%), Taiwan (34.1%), South Korea (18.6%), Vietnam (23.7%), and Bangladesh (19.5%). Not only showing significant increase, the export growth was also predicted to support this year's non-oil and gas export target achievement. (Table 1)

During January-September 2018 period, top non-oil and gas commodities which contributed significantly to the export growth were iron and steel (HS 72); Crust, Ore and Metal Ash (HS 26); Various Chemical Products (HS 38); Paper / Cardboard (HS 48); and Mineral Fuels (HS 27). (Table 2)

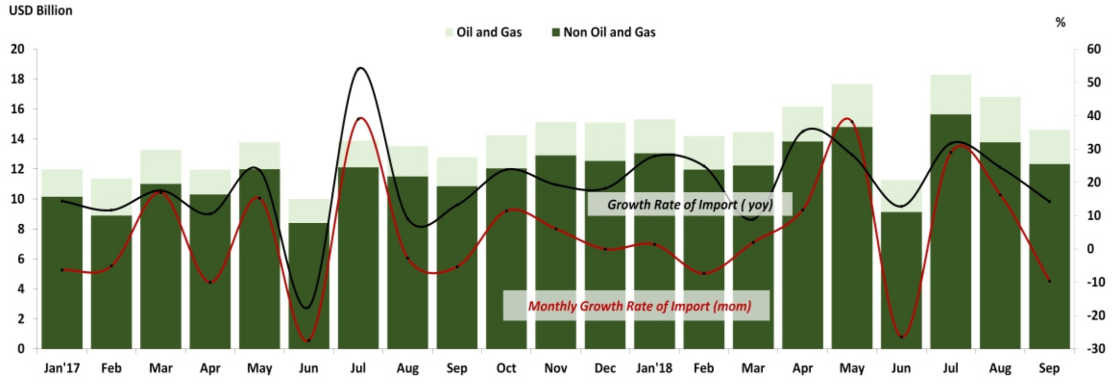
Tabel 2. Kinerja Ekspor Menurut Kelompok HS 2 Digit Utama

HS	Desription	USD Million		Growth (YoY)	
		Jan-Sep 2017	Jan-Sep 2018	USD Million	%
27	Mineral Fuel	15,145.3	18,419.9	3,274.6	21.6
15	Animal or vegetables fats	17,101.0	15,267.3	-1,833.7	-10.7
85	Electrical machinery	6,380.4	6,575.2	194.7	3.1
87	Vehiches and Parts thereof	5,075.4	5,510.0	434.6	8.6
40	Rubber and articles thereof	6,000.8	4,943.7	-1,057.1	-17.6
84	Machinery, mechanical appliance	4,326.1	4,314.3	-11.8	-0.3
26	Ore, Crust and Metal Ash	2,213.5	4,267.6	2,054.2	92.8
71	Jewelry / Gems	4,310.1	4,249.4	-60.7	-1.4
72	Iron and Steel	2,142.2	4,152.6	2,010.4	93.8
38	Various chemical products	2,845.8	3,824.5	978.7	34.4
64	Footwear	3,573.4	3,733.2	159.8	4.5
48	Paperboard	2,764.9	3,416.5	651.6	23.6
62	Apparel, not knitted	3,109.5	3,377.3	267.8	8.6
44	Wood and articles of wood	2,908.4	3,325.1	416.7	14.3
61	Knitwear	2,799.0	3,088.3	289.3	10.3
03	Fish and Crustaens	2,280.6	2,411.3	130.7	5.7
29	Organic chemicals	2,299.2	2,184.8	-114.4	-5.0
47	Pulp of wood	1,626.4	2,111.4	485.0	29.8
39	Plastick and articles thereof	1,791.7	1,968.1	176.4	9.8
74	Copper and articles thereof	1,486.5	1,668.0	181.6	12.2

Source : BPS (Processed by Puskadaglu, BPPP)

Imports in September 2018 Down 13.18%

Graph 4. Monthly Imports Performance

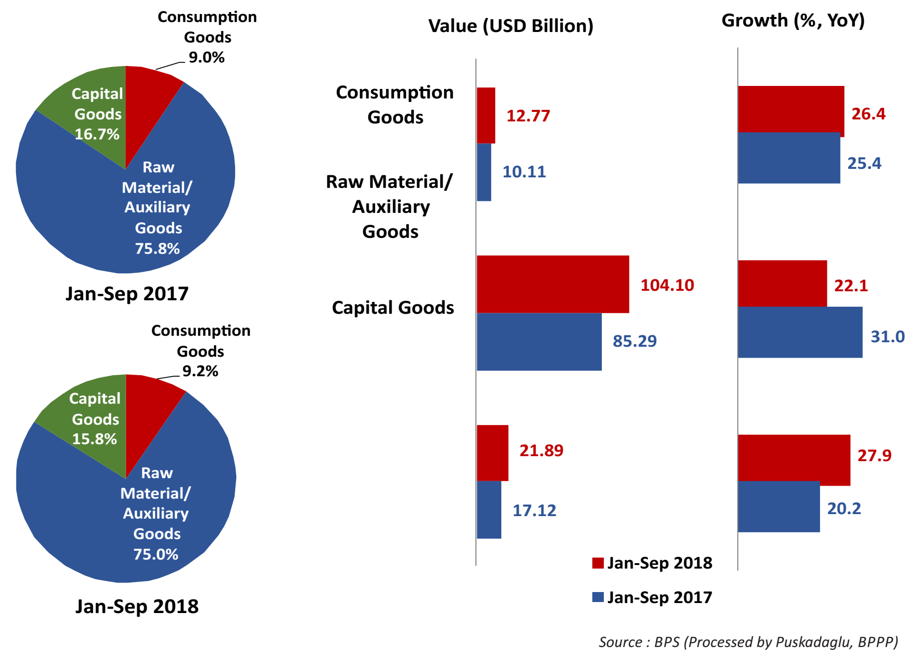


Source : BPS (Processed by Puskadaglu, BPPP)

Total imports in September 2018 narrowed to USD 14.60 billion, down 13.18% per month (MoM) at USD 16.82 billion. Non-oil and gas import fell by 10.52% while that of oil and gas rose by 25.20%. Widened oil and gas imports was on account of increasing global crude oil price from USD 71.1 per barrel in August 2018 to USD 75.4 per barrel in September 2018. (Graph 4)

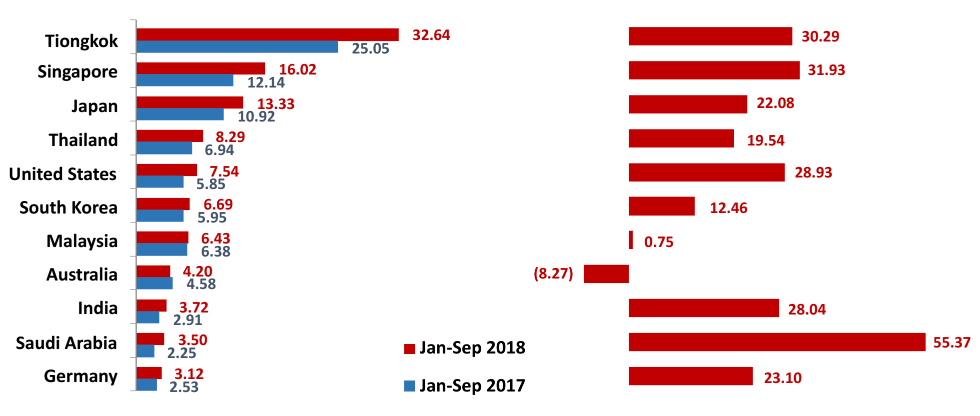
Cumulative imports from January to September 2018 were USD 138.77 billion, up 23.33% from USD 112.52 billion in the same period last year (YoY). Growing imports was mainly driven by increased imports of all goods classifications namely Capital goods (up 27.9%), raw/auxiliary materials (22.1%), and consumer goods (26.4%) (YoY). After Asian Games 2018 ended in early September, all classifications of imported goods for domestic consumption were likely to slow down. Consumers good with considerable narrowed imports included fuels and lubricants; processed foods and beverages for households; and perishable consumer goods. Raw/auxiliary materials such as fuels and lubricants; raw materials for industry; spare parts and capital goods equipments also declined. (Graph 5)

Graph 5. Imports by Types of Goods Use



Source : BPS (Processed by Puskadaglu, BPPP)

Grafik 6. Impor Berdasarkan Mitra Dagang Utama



Source : BPS (Processed by Puskadaglu, BPPP)

Among top trading partners, China remains to be the main source for Indonesian imports with a value of USD 32.6 billion until the third quarter, up 30.3% over the same period last year. In general, most imports from top trading partners tend to rise. The highest increase was imports from Saudi Arabia by 55.7%. Meanwhile, the deepest narrowed imports was from Australia and Malaysia. Imports from Australia declined 8.27% to USD 4.2 billion. Similarly, that of Malaysia was down by 0.75% (Graph 6).

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