

## Export Growth in April 2018 Still Below Target



Jakarta, 2 May 2018 - Exports performance in April 2018 recorded USD 14.5 billion, down 7.2% compared to March 2018 (MoM), but up 9.01% compared to April last year (YoY). The drop of April's exports over the previous month (MoM) was driven by slowing exports of oil and gas by 11.3% to USD 1.2 billion and non-oil and gas by 6.8% to USD 13.3 billion. Meanwhile, being compared to last year's performance (YoY), improved exports in April 2018 were owing to growing oil and gas and non-oil and gas exports respectively by 14.5% and 8.6%. The cumulative exports during January-April 2018 period totaled USD 58.7 billion, up 8.8%. Export growth in mining and other sectors contributed significantly to such increase in the corresponding period. Mining exports soared by 33.4% as a result of escalated value and volume. Exports of

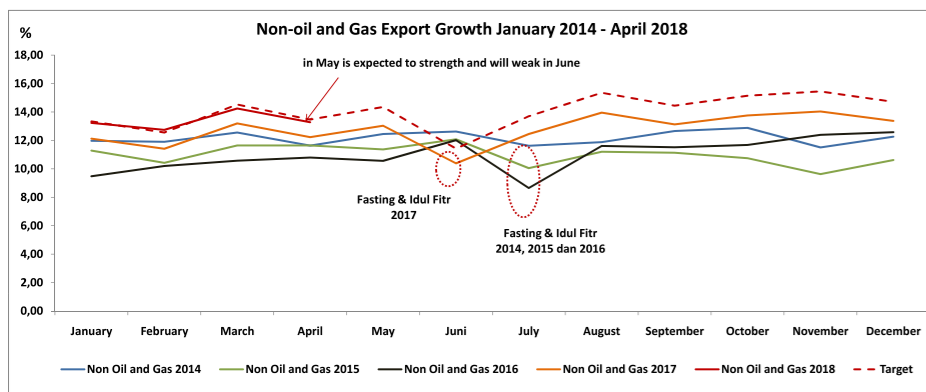
**Table 1. Indonesia Export Performance**

Description	Value (USD Million)		Growth January - April YoY (%)	Growth April 2018 MoM (%)	Growth April 2018 YoY (%)
	April 2018	January - April 2018			
<b>TOTAL</b>	<b>14.465,8</b>	<b>58.738,7</b>	<b>8,8</b>	<b>-7,2</b>	<b>9,0</b>
Oil and Gas	1.186,5	5.239,0	4,0	-11,3	14,5
Crude Oil	281,2	1.505,9	-12,8	-39,0	-6,9
Oil Products	115,6	470,0	-19,7	-3,6	-21,4
Gas	19,2	40,0	22,4	16,9	230,0
<b>Non Oil and Gas</b>	<b>13.279,3</b>	<b>53.499,7</b>	<b>9,3</b>	<b>-6,8</b>	<b>8,5</b>
Agricultural	298,5	1.072,4	-5,1	6,1	7,4
Industrial	10.643,1	42.682,6	5,5	-4,8	7,7
Mining and Others	2.337,7	9.744,6	33,4	-16,0	12,8

Source: BPS (processed by Puskadaglu, BPPP)

industrial sectors, which dominated Indonesian total exports amounted to 72%, only grew 5.3%. In contrast, those of agricultural dropped slightly by -5.1%. Similar condition also occurred to crude oil and oil products whose exports went down individually by -12.8% and -19.7%. In contrast, gas exports with a small contribution to the national's total exports rose considerably by 22.4% (Table 1).

**Graph 1. Non-oil and Gas Export Growth January 2014 - April 2018**



Source: BPS (processed by Puskadaglu, BPPP)

Decelerating non-oil and gas exports performance in April 2018 compared to the month before indicated a pattern which was reflected in previous monthly export performances. The upcoming exports in May 2018 is

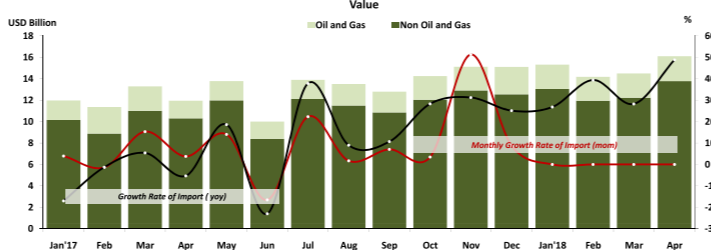
**Table 2. Indonesia Export Commodity Performance**

Product that Negative Contribute to Largest Export Jan-Apr 2018					Product that Positive Contribute to Largest Export Jan-Apr 2018				
NO	HS	DESCRIPTION	Jan-Apr (USD Million)	GROWTH VALUE YOY (%)	NO	HS	DESCRIPTION	Jan-Apr (USD Million)	GROWTH VALUE YOY (%)
1	15	Animal or vegetable fats and oils	6.789,9	(15,7)	1	27	Mineral Fuel	8.109,7	20,1
2	40	Rubber and articles thereof	2.254,1	(22,0)	2	26	Ore, slag and Metal Ash	1.832,8	128,4
3	09	Coffee, tea, mate and spices	445,0	(29,8)	3	72	Iron and Steel	1.619,8	113,9
4	29	Organic chemicals	343,0	(8,3)	4	71	Jewelry / Gems	1.272,1	24,7
5	80	Tin and articles thereof	445,9	(9,1)	5	48	Paperboard	1.466,3	26,5
6	89	Ships, boats and floating	32,5	(30,4)	6	47	Wood Pulp / Pulp	891,9	46,7
7	31	Fertilizers	82,2	(19,5)	7	74	Copper and articles thereof	749,8	53,2
8	44	Man-made filaments, strip	321,3	(8,3)	8	44	Wood and articles of wood	1.488,4	15,7
9	63	Other made-up textile articles	73,3	(14,5)	9	09	Fish and Shellfish	1.184,7	29,3
10	20	Preparations of vegetables	86,0	(9,0)	10	38	Chemical Products	1.487,4	13,3

Source: BPS (processed by Puskadaglu, BPPP)

Relatively significant increase in exports indicates an improving demand for Indonesia's export products in world market. In terms of non-oil and gas, exports to several trading partners during January-April 2018 showed a good performance. Exports to China, Japan, and Vietnam jumped respectively by 29.5% 23.7% and 17.6% (YoY). (Table 1)

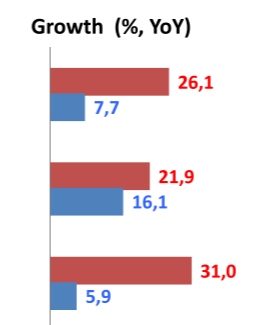
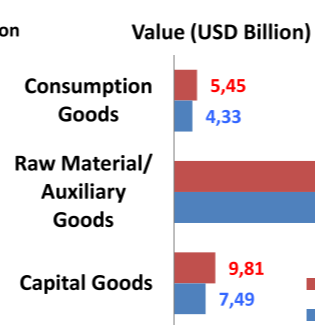
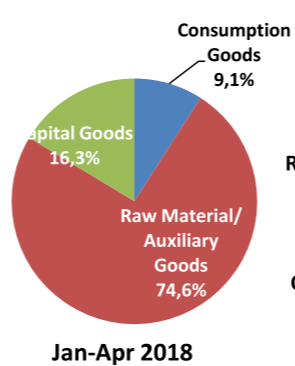
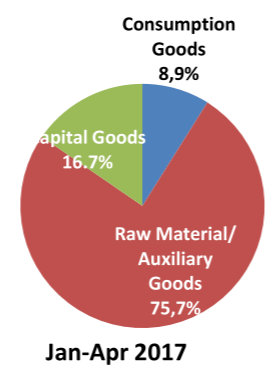
**Graph 2. Indonesia's Import Performance**



Source: BPS (processed by Puskadaglu, BPPP)

Indonesia imports in April 2018 amounted to USD 16.1 billion, up 11.3% compared to that in March 2018 (MoM) driven by increased oil and gas and non-oil and gas respectively by 3.6% and 12.7%. The growth of oil and gas imports was owing to widened oil imports by 10.6% and gas imports by 2.2% while imports of crude oil only fell by 5.6%. (Graph 2).

**Graph 3. Indonesia's Imports Performance by Types of Goods Use**



Source: BPS (processed by Puskadaglu, BPPP)

Improved export performance during January-April 2018 was supported by both oil and gas and non-oil and gas exports performance. However, decelerating non-oil and gas exports in the period was caused by weakening of some of Indonesia's major commodity exports including: animal/vegetable fats and oil (HS 15) (-15.7%), Rubber and

**Table 3. Non-oil and Gas Exports to Main Trading Partners**

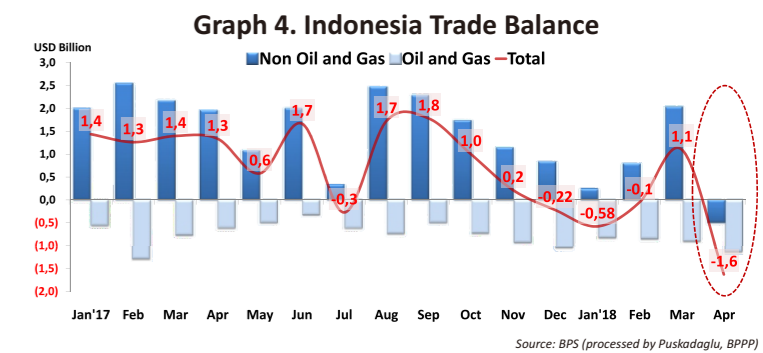
COUNTRY	USD MILLION		GROWTH (YoY)	
	Jan-May 2017	Jan-May 2018	USD Million	%
CHINA	6.297,7	8.155,2	1.857,5	29,5
UNITED STATES	5.648,0	5.853,2	205,3	3,6
JAPAN	4.424,7	5.472,9	1.048,2	23,7
INDIA	4.594,4	4.220,3	(374,1)	(8,1)
SINGAPORE	2.924,7	3.180,8	256,2	8,8
MALAYSIA	2.250,0	2.551,4	301,4	13,4
SOUTH KOREA	2.106,8	2.272,7	165,9	7,9
PHILIPPINES	1.935,0	2.101,0	166,0	8,6
THAILAND	1.678,8	1.945,1	266,2	15,9
NETHERLANDS	1.339,8	1.297,8	(42,0)	(3,1)
VIETNAM	1.068,9	1.257,1	188,2	17,6
TAIWAN	859,1	929,1	70,0	8,1
HONGKONG	868,8	912,6	43,8	5,0
GERMANY	827,8	875,4	47,7	5,8
SPAIN	728,5	747,5	19,0	2,6
PAKISTAN	718,1	741,3	23,2	3,2
AUSTRALIA	654,7	734,4	79,7	12,2
BANGLA DESH	605,2	675,0	69,8	11,5
ITALY	680,4	660,5	(20,0)	(2,9)
UNI EMIRAT ARAB	509,6	565,3	55,7	10,9

Source: BPS (processed by Puskadaglu, BPPP)

In cumulative, total imports from January to April 2018 rose 23.7% to USD 60.1 billion which derived from growing oil and gas imports by 10.1% and non-oil and gas imports by 26.4%. As for oil and gas, imports of crude oil soared 51.9% to USD 3.2 billion, making it the largest share to total import growth. While for non-oil and gas sector, inclined imports of industrial products: raw/auxiliaries materials by 28.0% to USD 47.5 billion contributed the largest increase of the national's total imports. The rising non-oil and gas imported products was parallel to growing imported raw/auxiliary materials. Demand for imported goods for raw/auxiliary materials hiked 21.9% to USD 44.8 billion during January-April 2018. Similarly, those of capital goods and consumer goods went up individually by 31.0% to USD 9.8 billion and 26.1% to USD 5.5 billion.

## Trade performance in April 2018 resulted in USD 1.6 billion deficit

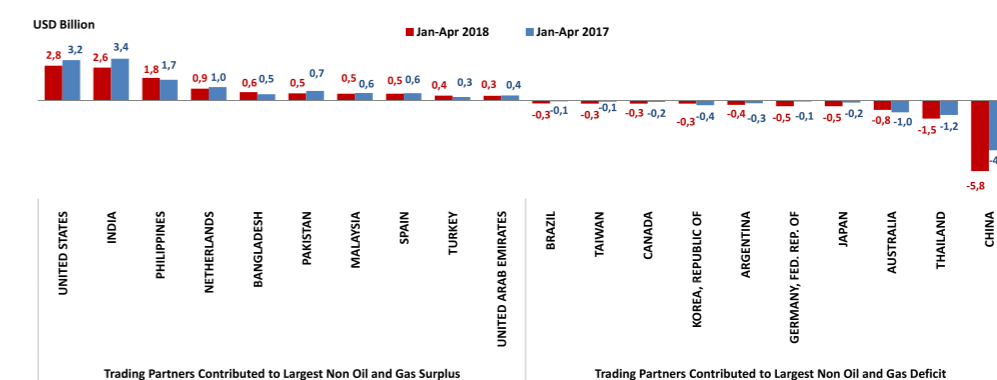
Indonesia's trade balance in April 2018 suffered a substantial deficit of USD 1.6 billion, the lowest figure since April 2014. The pressure on the trade deficit was due to slowing exports compared to the month's before performance (MoM ) despite increasing from last year's achievement (YoY). As the result, it affected the overall trade balance during January to April 2018 which led a total of deficit of USD 1.3 billion. The trade deficit in the said period was caused by widened trade deficit of non-oil and gas products to USD 4.8 billion compared to last year's USD 3.5 billion surplus. This condition was triggered by high demand for imports which soared by 28% while exports only grew 5.3%. In addition, oil and gas



Source: BPS (processed by Puskadaglu, BPPP)

trade deficit also contributed to the total trade balance from January to April 2018. Meanwhile, the trade balance for mining products contributed a surplus of USD 7.0 billion as well as agricultural products with a surplus of USD 286,1 million.

**Graph 5. Top Trading Partners for Non-oil and Gas Trade Surplus and Deficit**



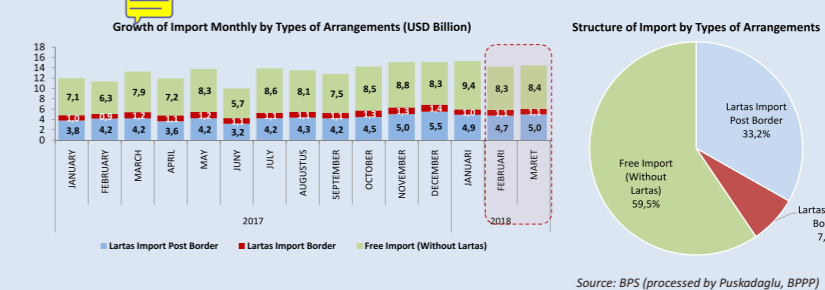
Source: BPS (processed by Puskadaglu, BPPP)

During January-April 2018, The United States, India, the Philippines, the Netherlands, and Bangladesh were top trading partners for non-oil and gas surplus amounting to USD 8.8 billion. While China, Thailand, Australia, Japan, and Germany were top trading partners for non-oil and gas deficit with overall value of USD 9.1 billion.

## Growth of Import by Types of Arrangements

Referring to Indonesian imports realization from January to March 2018 (Graph 6), it can be seen that the enactment of Post-Border Policy since 1 February 2018 did not lead to an import surge. The shares of "Post-Border" and "at Border" were respectively 33.2% and 7.3% of total import. While the rest 59.5% were goods other than prohibited and/or restricted goods (*lartas*).

**Graph 6. Perkembangan Impor Menurut Jenis Pengaturan**



Source: BPS (processed by Puskadaglu, BPPP)

Since Post-Border Policy implemented two months ago, the realization of total imports registered USD 28.6 billion, up 16.3% (YoY). However, the increase was mainly driven by imported *non-lartas* goods which amounted to USD 16.8 billion or 58.7% of share. Meanwhile, the realization of imported goods regulated by *lartas* post-border policy amounted to USD 9.7 billion or accounted for 33.6% of total imports.