PRESS RELEASE

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Rachmat Gobel Maintains the Trade Balance Surplus Trend

Jakarta, 18 May 2015 – Indonesia's trade performance continues to excite. The Indonesian Minister of Trade, Rachmat Gobel, was able to maintain the tradition of non-oil and gas trade balance surplus in April 2015. The Ministry of Trade recorded a USD 13.1 billion export total in April 2015. Meanwhile, the import total reached USD 12.6 billion. With those figures, the trade balance in April 2015 was a surplus of USD 454.4 million comprising a USD 1.3 billion non-oil and gas surplus and a USD 877.9 million oil and gas deficit.

"Cumulatively, the trade balance up until April 2015 was recorded a as a surplus if 2.8 billion, comprising a USD 4.0 billion non-oil and gas surplus and a USD 1.3 billion oil and gas trade deficit. Indonesia was able to maintain the trade balance surplus trend until April 2015," said Minister of Trade Rachmat Gobel at the press conference today, Monday (18/5), at the Ministry of Trade Office, Jakarta.

The development of this month's surplus was bolstered by the increase of non-oil and gas surplus and the increasing oil and gas deficit. The oil and gas deficit was triggered by the increase of the oil products trade deficit to USD 1.1 billion in April 2015, an increase 6.9% compared to March 2015.

Indonesia's trade partners that contributed to the non-oil and gas trade balance surplus in April 2015 were India, the United States (US), the Philippines, the Netherlands, and Pakistan. These five countries in total contributed USD 2.3 billion to the non-oil and gas trade balance surplus. Meanwhile, the trade partners that contributed most to the non-oil and gas trade balance deficit included South Korea, Thailand, Australia, Japan, and China with a total contribution amounting to USD 2.2 billion.

Manufacturing Exports Increased Significantly

The signs shown by improving non-oil and gas export performance throughout January-April 2015 to several trade partner countries such as India, Malaysia, Taiwan, Vietnam, Saudi Arabia, Pakistan, and Switzerland indicated a significant increase compared to the same period of the previous year. Exports to India rose by 13.4%; Malaysia by 5.4%; Taiwan by 8.9%; Vietnam by 11.6%; Arab Saudi by 17.7%; Pakistan by 6.0%; and Switzerland by more than 2,000%.

In April, the agricultural sector was still the non-oil and gas export primadona with an increase of 4.7% (YoY). Meanwhile, exports in the industrial sector rose 2.4% (YoY). On the other hand, exports in the mining sector shows signs of improvement though still with a negative growth of 14.0% (YoY). Meanwhile, exports of manufactured products also increased. Some non-oil and gas export products whose exports increased throughout January-April 2015 were iron ores, slags, and ash up 122.0%, jewelry/gems up 45.8%, copper up 35.1%, and footwear up 16.7%.

Indonesia's position compared to other ASEAN countries in terms of exports to Brazil is 27th with a 0.8% market share while other ASEAN countries positions vary between the 22nd to the 169th position as Brazil's supplier for their needs. Vietnam is in 22nd position with others as follows: Thailand (23rd), Malaysia (25th), Singapore (43rd), the Philippines (60th), Cambodia (78th), Myanmar (119th), and Brunei Darussalam (129th).

Imports for All Types of Goods Categories Drop

The imports total in April 2015 was an increase of 0.2% compared to the previous month. However, the cumulative import performance in January to April 2015 was still a decrease of 17.0% compared to the same period of the previous year. The imports decline in January to April 2015 was triggered by the plummeting of demand for oil and gas imports by 42.6%, comprising a 45.3% decline of oil products imports; 38.1% of crude oil imports, and 38.5% of gas imports.

Imports in January-April 2015 were still dominated by raw/auxiliary materials whose value declined by 17.8% (YoY). The goods considered raw/auxiliary materials whose imports dropped significantly were organic chemicals, plastics and articles thereof, and also iron and steel. On the other hand, imports of capital goods also declined throughout January-March 2015 by 13.9% (YoY). As for the capital goods whose imports dropped significantly, they include electrical machinery/equipment, machinery/mechanical appliances, and motor vehicles. Imports of consumer goods, which only amounted to 7.0% from the total imports, declined 15.7% (YoY). The consumer goods whose imports dropped significantly included meats, toys, and not knitted articles of clothing.

According to import origin country, the trade partners that experienced the highest import increase were Australia with an increase of 30.1% followed by Taiwan and the US with a 15.0% and 12.3% increase respectively. Goods from Australia whose imports skyrocketed included live animals and inorganic chemicals. Goods from Taiwan whose imports rose were machinery/mechanical appliances, artificial filaments, and woven cloth. Meanwhile, imported goods from the US that increased were electrical machinery/equipment, residues/waste of the food industry, and inorganic chemicals.

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