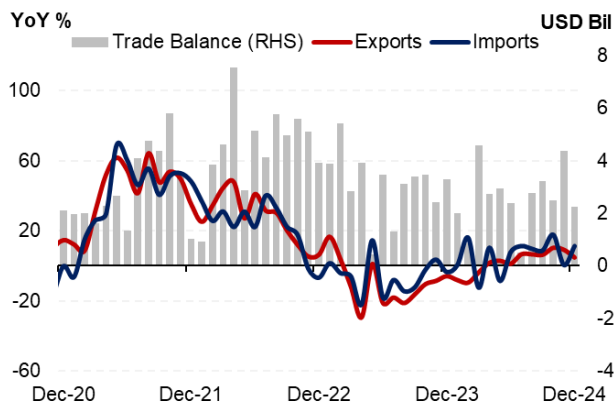


Indonesia External Trade

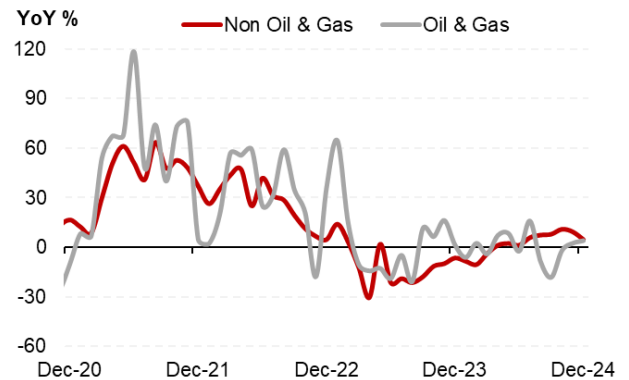
Exports moderated in December; overall growth rebounded modestly in 2024

- **Exports slowed in December (4.8% YoY; Nov: 9.1%), below market expectations (7.4%). Overall, 2024 export growth rebounded modestly to 2.3% (2023: -11.3%), exceeding our forecast of 0.8%**
 - MoM (-2.2 %; Nov: -1.7%): contracted for the second straight month.
- **Lower exports due to slower non-O&G demand and weak shipments to China**
 - **Non-O&G** (4.8%; Nov: 9.5%): Slowed as strong agriculture growth (64.0%; Nov: 56.7%) was offset by moderate growth of manufacturing (12.2%; Nov: 13.9%) and continued mining weakness (-23.4%; Nov: -10.6%).
 - **By top destination:** Shipments to China slowed sharply (0.4%; Nov: 15.5%) with Japan contracting (-10.2%; Nov: 2.8%) weighing on overall growth. Notably, shipments to the US (19.2%; Nov: 20.7%) remained relatively stable.
 - **O&G** (4.1%; Nov: 2.5%): Reached a five-month high, supported by a mining rebound (-8.8%; Nov: 23.3%).
- **Imports surged in December (11.1%; Nov: 0.2%) to a two-month high, well above consensus (4.7%) led by non-O&G (13.9%; Nov: 6.0%)**
 - **By category:** A broad-based recovery was driven by a strong rebound in capital goods (19.6%; Nov: -1.7%), followed by consumer goods (12.4%; Nov: 0.6%) and raw materials (8.8%; Nov: 0.7%).
 - **MoM:** rebounded strongly (8.1%; Nov: -10.7%) after experiencing a sharp contraction in the previous month.
- **Trade surplus narrowed (USD2.2b; Nov: USD4.4b) to a five-month low, below consensus (USD3.7b), as import growth outpaced export on a YoY basis**
 - **Total trade:** Expanded (7.7% YoY; Nov: 4.9%), a two-month high.
- **We revise 2025 export growth to 6.1% from 9.8%, reflecting caution over China’s economic recovery**
 - Exports outperformed house expectations in 2024, and positive momentum is expected to carry into 2025.
 - **Cautious Outlook:** Nevertheless, we are pencilling a cautious outlook as external trade remains susceptible to downside risks, particularly from uncertainties in China’s economic recovery and the impact of policy shifts in the new US administration.

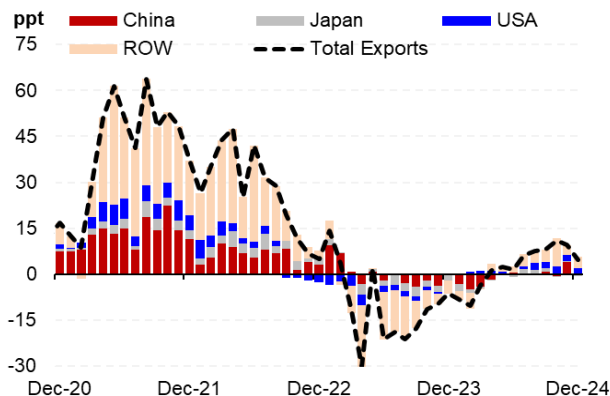
Graph 1: External Trade Growth Trend



Graph 2: Exports Growth by Group

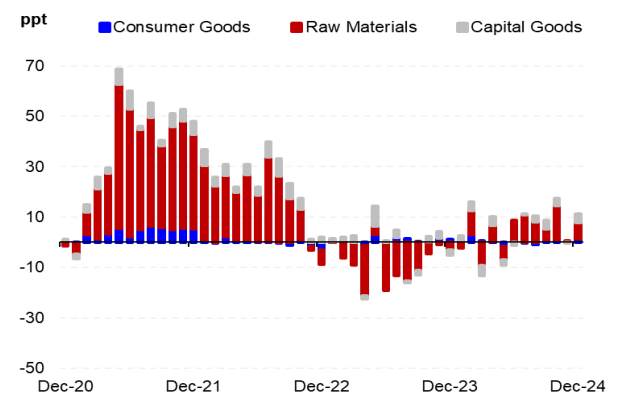


Graph 3: Non-Oil & Gas Exports by Destination (Top-3)



Source: BPS Indonesia, Macrobond, Kenanga Research

Graph 4: Imports by Categories



Source: BPS Indonesia, Macrobond, Kenanga Research

16 January 2025

Table 1: Indonesia External Trade Growth Trend

		2023	2024	Dec -23	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Jul -24	Aug -24	Sep -24	Oct -24	Nov -24	Dec -24
Total Trade	YoY %	-9.2	3.7	-4.9	-4.4	1.3	-8.0	5.4	-2.9	4.1	8.8	7.9	7.3	13.6	4.9	7.7
Trade Balance	USD bn	36.9	31.0	3.3	2.0	0.8	4.6	2.7	2.9	2.4	0.5	2.8	3.2	2.5	4.4	2.2
Exports	YoY %	-11.3	2.3	-5.9	-8.2	-9.6	-3.7	1.7	2.9	1.2	6.6	6.6	6.3	10.3	9.1	4.8
Non-Oil & Gas	YoY %	-12.0	2.5	-6.3	-8.3	-10.3	-3.7	1.3	2.5	1.4	6.0	7.5	8.1	11.1	9.5	4.8
	Share	93.8	94.0	93.4	93.2	93.7	94.3	93.1	93.6	94.1	93.6	94.9	94.8	94.5	94.5	93.4
Oil & Gas	YoY %	-0.5	-0.3	1.4	-6.1	2.6	-4.0	7.3	8.4	-2.3	16.0	-8.7	-18.1	-1.8	2.5	4.1
	Share	6.2	6.0	6.6	6.8	6.3	5.7	6.9	6.4	5.9	6.4	5.1	5.2	5.5	5.5	6.6
Imports	YoY %	-6.6	5.3	-3.8	0.3	15.8	-12.8	10.1	-8.8	7.6	11.1	9.5	8.6	17.5	0.2	11.1
Non-Oil & Gas	YoY %	-5.6	6.1	-5.6	1.7	14.4	-16.7	12.3	-8.2	1.7	10.6	11.1	16.3	18.1	6.0	13.9
	Share	83.9	84.5	82.3	85.4	83.8	81.5	82.3	85.8	82.3	83.6	87.2	86.6	83.3	86.9	84.5
Oil & Gas	YoY %	-11.3	1.2	5.4	-7.2	23.8	10.3	1.0	-12.3	47.2	13.6	-0.5	-24.0	14.3	-26.3	-2.2
	Share	16.1	15.5	17.7	14.6	16.2	18.5	17.7	14.2	17.7	16.4	12.8	13.4	16.7	13.1	15.5

Source: BPS Indonesia, Macrobond, Kenanga Research

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