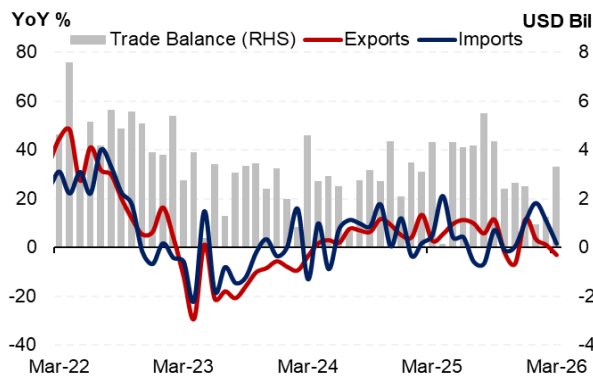


Indonesia External Trade (Mar 26)

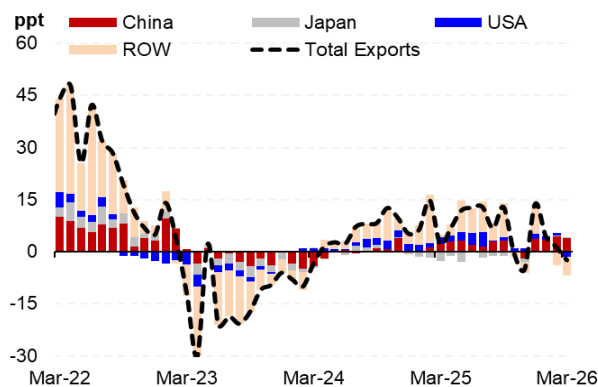
March external trade weakens as Middle East tensions hit flows

- **Exports declined 3.1% YoY in March (Feb: 1.0%), the weakest reading in four months and below consensus (0.6%).**
 - MoM (1.6%; Feb: 0.1%): Expanded further, led by a rebound in non-O&G shipments.
- **Softness in O&G and non-O&G exports amid Middle East tensions dragged exports momentum**
 - **Non-O&G** (-2.5%; Feb: 1.3%): Contracted amid broad-based weakness, led by agriculture (-44.1%; Feb: -31.4%), then mining (-2.2%; Feb: -18.2%) and manufacturing (-1.3%; Feb: 5.2%)
 - **Non-O&G top destination:** Shipments to the US fell sharply (-12.8%; Feb: 6.0%), marking the first contraction in 28 months. This was partially offset by firmer exports to Japan (6.6%; Feb: 4.7%), and China (16.2%; Feb: 21.2%), although China's pace slowed.
 - **O&G** (-11.8%; Feb: -4.2%): Contracted for a twelfth straight month at an accelerating pace, driven by a decline in manufacturing (-17.6%; Feb: 18.0%) and persistently weak mining (-8.0%; Feb: -13.3%).
- **Imports slowed sharply to 1.5% (Feb: 10.8%), well below consensus (10.6%). The primary drag was non-O&G imports (1.5%; Feb: 18.2%), partly offset by a rebound in O&G (1.3%; Feb: -30.4%)**
 - **By category:** Weakness was led by a contraction in consumer goods (-10.8%; Feb: 19.8%), followed by a sharp moderation in capital goods (5.0%; Feb: 33.7%) and raw materials (2.1%; Feb: 4.2%).
 - MoM (-8.1%; Feb: -1.5%): Contracted sharply, extending the decline for a third straight month.
- **Trade surplus widened (USD3.3b; Feb: USD1.3b), beating consensus (USD2.1b), as imports fell sharply while exports expanded on a MoM basis**
 - **Total trade:** Contracted (-1.0% YoY; Feb: 5.6%) to a four-month low, reflecting weaker exports and softer imports.
- **2026 export growth forecast retained at 1.9% in 2026 (2025: 6.1%) amid elevated geopolitical risks**
 - **Risk factors:** Downside risks to Indonesia's external outlook remain elevated. Escalating Middle East tensions have increased volatility in global energy markets and disrupted global trade flows. These developments have weighed on both non-O&G and O&G exports, particularly manufactured goods and bulk commodities.
 - **Growth drivers:** Indonesia's commodity exports, especially coal and selected energy-related products, could receive near-term support from higher global energy prices. Government measures reinforced this, including approvals for higher annual coal production quotas and streamlined export processes. Authorities are also stepping up efforts to diversify export markets to cushion against external shocks. These measures provide partial support but are unlikely to fully offset the drag from a more challenging global trade environment.

Graph 1: External Trade Growth Trend

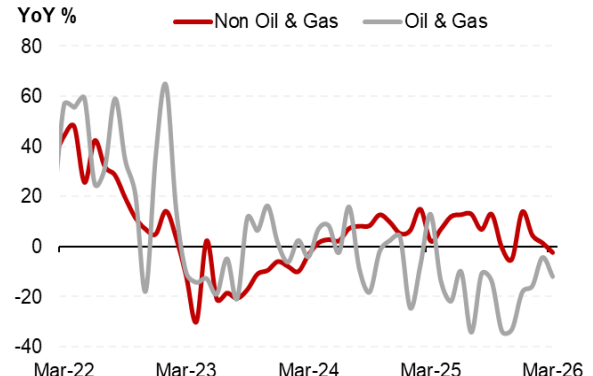


Graph 3: Non-Oil & Gas Exports by Destination (Top-3)

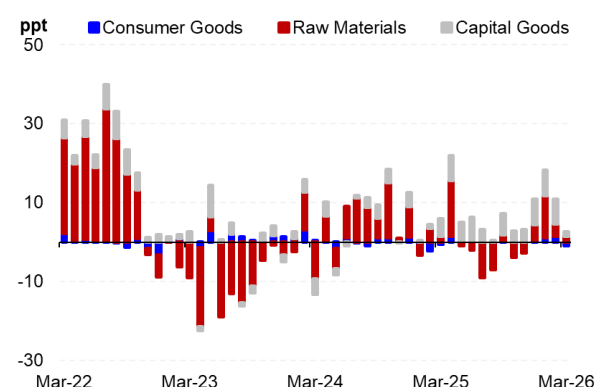


Source: BPS Indonesia, Macrobond, Kenanga Research

Graph 2: Exports Growth by Group



Graph 4: Imports by Categories



Source: BPS Indonesia, Macrobond, Kenanga Research

05 May 2026

Table 1: Indonesia External Trade Growth Trend

		2024	2025	Mar -25	Apr -25	May -25	Jun -25	Jul -25	Aug -25	Sep -25	Oct -25	Nov -25	Dec -25	Jan -26	Feb -26	Mar -26
Total Trade	YoY %	4.0	4.6	3.8	12.7	7.1	8.0	2.1	0.0	9.5	-1.8	-3.4	11.2	10.1	5.6	-1.0
Trade Balance	USD bn	31.3	41.1	4.3	0.2	4.3	4.1	4.2	5.5	4.3	2.4	2.7	2.5	1.0	1.3	3.3
Exports	YoY %	2.7	6.1	2.8	5.3	9.7	11.3	9.9	5.8	11.4	-2.3	-6.6	11.6	3.4	1.0	-3.1
Non-Oil & Gas	YoY %	2.9	7.7	2.2	6.7	11.8	12.6	12.8	6.7	12.8	-0.5	-5.1	13.7	4.4	1.3	-2.5
	Share	94.0	95.4	93.8	94.4	95.5	95.3	96.2	95.7	96.0	96.3	96.1	95.2	96.0	95.1	94.3
Oil & Gas	YoY %	-0.3	-17.7	13.0	-13.4	-21.7	-9.8	-34.1	-10.9	-13.6	-33.6	-32.9	-18.1	-15.6	-4.2	-11.8
	Share	6.0	4.6	6.2	5.6	4.5	4.7	3.8	4.3	4.0	3.7	3.9	4.8	4.0	4.9	5.7
Imports	YoY %	5.4	2.8	5.0	21.1	4.1	4.3	-5.9	-6.6	7.2	-1.2	0.5	10.8	18.2	10.8	1.5
Non-Oil & Gas	YoY %	6.2	5.1	7.5	29.0	5.4	12.1	-1.3	-8.0	7.6	3.3	-1.1	12.5	16.7	18.2	1.5
	Share	84.6	86.5	83.5	87.8	87.0	88.5	87.8	86.0	87.0	87.1	85.6	85.9	85.1	90.4	83.5
Oil & Gas	YoY %	1.2	-9.7	-6.0	-15.6	-3.8	-32.1	-29.4	3.2	4.3	-23.3	11.2	1.7	27.5	-30.4	1.3
	Share	15.4	13.5	16.5	12.2	13.0	11.5	12.2	14.0	13.0	12.9	14.4	14.1	14.9	9.6	16.5

Source: BPS Indonesia, Macrobond, Kenanga Research

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