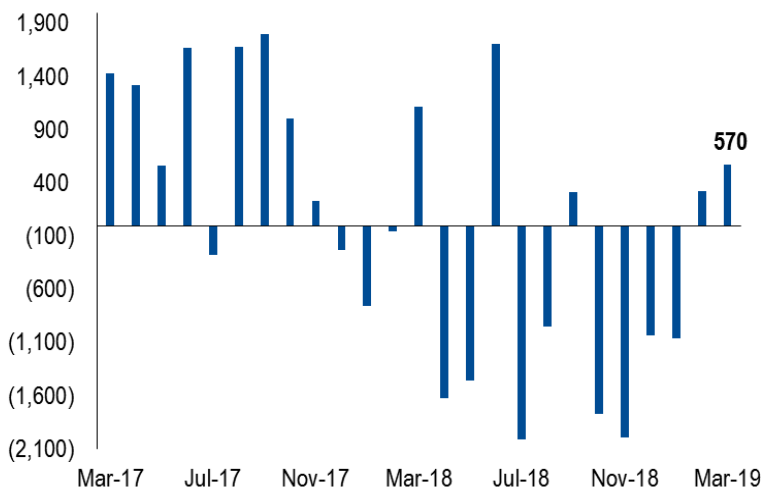


March's Trade Balance

Resurpluses

Indonesia's Trade Balance



Source: Indonesia Statistics, NHKS research

Highlights of March's Trade Balance

March's trade balance posted surpluses of USD0.57 billion, surging from February's USD0.33 billion. March's reading was the second surpluses in 2019 after suffering 4-consecutive-month deficits since October 2018. The upbeat surpluses of non-oil and gas balance was the impetus for March's figure amid downbeat deficits of oil and gas trade.

Furthermore, March's non-oil & gas trade surpluses were at USD0.99 billion, topping February's USD0.80 thanks to the raising of non-oil & gas exports of USD1.49 billion (m-m), much higher than the upbeat oil & gas imports of USD1.30 billion (m-m).

Meanwhile, March's oil & gas trade deficits were at USD0.45 billion, a slight increase from February's USD0.47 billion. The slight hike was attributable to declines in oil & gas imports of USD0.04 billion (m-m), yet oil & gas exports only decreased at USD0.02 billion (m-m).

Although March's figure was at surpluses, its accumulated figures since 1Q19 were at deficits of USD0.19 billion: the sharp decline from 1Q18 surpluses of USD0.31 billion. The decline was underlined by downbeat commodity prices, particularly coal prices, sliding down to 9% in 1Q19 as 1Q19 exports volume was higher than that in 1Q18.

Muhammad Rizaldi

+62 21 797 6202, ext:164

aldi@nhsec.co.id

Please consider important disclaimer

Better Export Performance

March's exports were upbeat in numbers. Exports hiked by 10.03% m-m to USD14.03 billion. March's figure was the payback for consecutive export declines since August 2018. Meanwhile, March's figure, on an annual basis, declined by 10.1%.

Other industries, miners in particular, also surged in export numbers. The other industries and miners surged by 31.08% m-m to USD2.36 billion. Meanwhile, the agricultural and processing industries were upbeat at 15.91% m-m to USD0.27 billion and at 9.48% to USD10.31 billion, respectively.

February's Rebound Imports

March's imports edged up 11.10% m-m to USD13.89 billion, a sharp increment from February's USD12.50 billion, while its March's figure, on an annual basis, dropped by 7.40%.

Based on the category of goods use, all imported components hiked, particularly imported consumption goods increasing by 13.49% m-m. We gauge that imported consumption goods are likely to pick up ahead of Ramadhan and Eid Mubarak festive. Meanwhile, imported raw material and capital good are also leveraging at 12.34% m-m and 0.47% m-m, respectively.

April's Trade Balance Surpluses

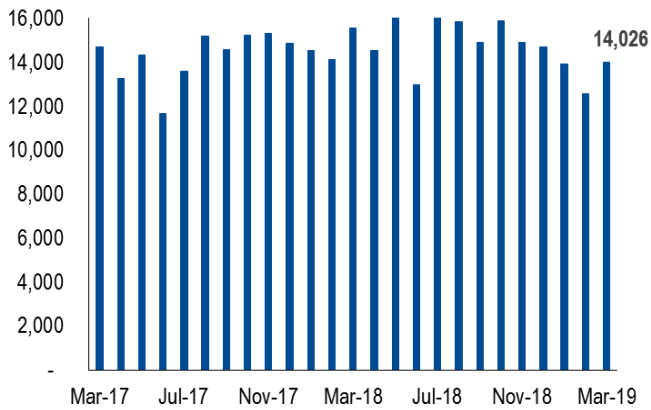
We pencil in that April's trade balance is likely to be at surpluses on the grounds of March's better performance. The external stimulus of China's brighter economy was the positive catalyst of our projection as China is Indonesia's biggest export market. Despite such positive catalyst, Indonesian authorities must be cautious about the possible hike in imports of April. The upbeat domestic demand ahead of Ramadhan and Eid Mubarak festive are drivers for rising imports.

Trade Balance Statistics (USD mn)

	Oct'18	Nov'18	Dec'18	Jan'19	Feb'19	Mar'19
Trade Balance	-1,773.4	-1,996.0	-1,031.7	-1,063.5	329.9	570.2
Export	15,894.2	14,905.8	14,333.2	13,927.9	12,555.9	14,026.4
Oil and Gas	1,536.6	1,371.4	1,746.4	1,234.4	1,110.2	1,092.8
Non Oil and Gas	14,357.6	13,534.4	12,586.8	12,634.3	11,445.7	12,933.6
Import	-17,667.6	-16,901.8	-15,364.9	-14,991.4	-12,226.0	-13,456.2
Oil and Gas	-2,916.9	-2,866.7	-2,025.3	-1,656.6	-1,584.0	-1,541.2
Non Oil and Gas	-14,750.7	-14,035.1	-13,339.6	-13,334.8	-10,642.0	-11,945.0

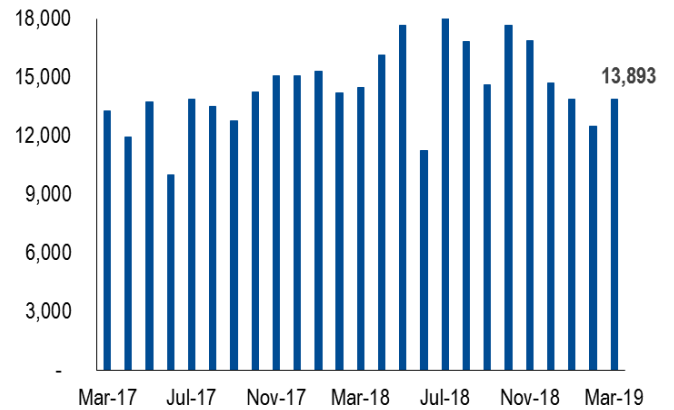
Source: Indonesia Statistics

Export (USD mn)



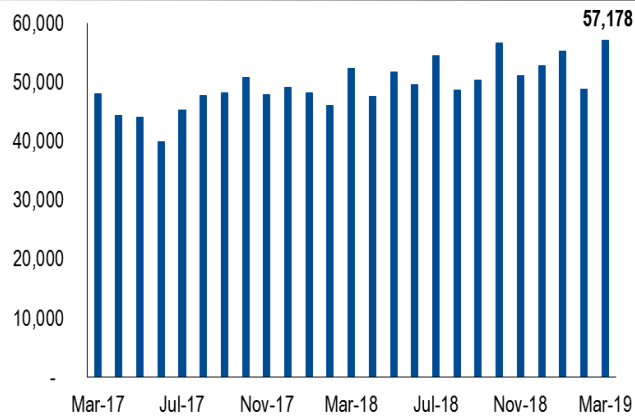
Source: Indonesia Statistics, NHKS Research

Import (USD mn)



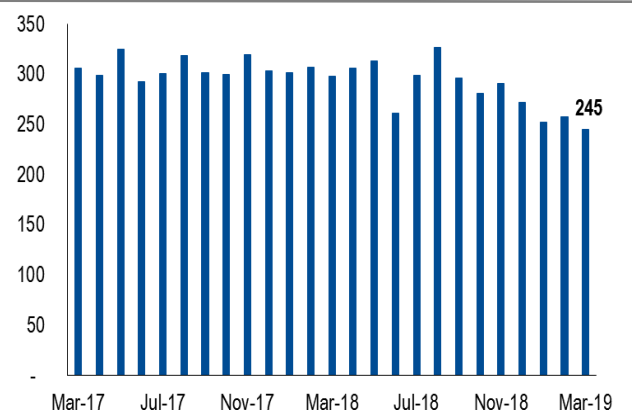
Source: Indonesia Statistics, NHKS research

Export Volume ('000 ton)



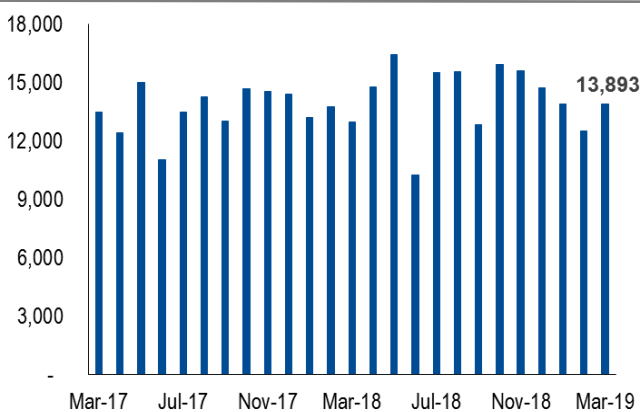
Source: Indonesia Statistics, NHKS research

Avg. Aggregate Exported Product (USD/ton)



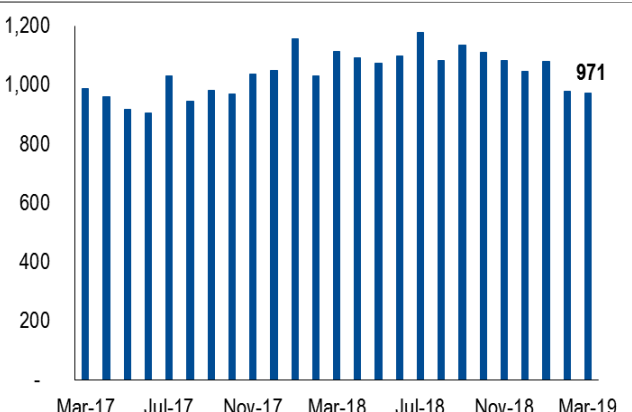
Source: Indonesia Statistics, NHKS research

Import Volume ('000 ton)



Source: Indonesia Statistics, NHKS research

Avg. Aggregate Exported Product (USD/ton)



Source: Indonesia Statistics, NHKS research

DISCLAIMER

This report and any electronic access hereto are restricted and intended only for the clients and related entity of PT NH Korindo Sekuritas Indonesia. This report is only for information and recipient use. It is not reproduced, copied, or made available for others. Under no circumstances is it considered as a selling offer or solicitation of securities buying. Any recommendation contained herein may not suitable for all investors. Although the information here is obtained from reliable sources, its accuracy and completeness cannot be guaranteed. PT NH Korindo Sekuritas Indonesia, its affiliated companies, respective employees, and agents disclaim any responsibility and liability for claims, proceedings, action, losses, expenses, damages, or costs filed against or suffered by any person as a result of acting pursuant to the contents hereof. Neither is PT NH Korindo Sekuritas Indonesia, its affiliated companies, employees, nor agents liable for errors, omissions, misstatements, negligence, inaccuracy arising herefrom.