



Indonesia Investments

October 2021 Trade Balance

- Indonesia's Export Performance & Trade Surplus at Record Highs in October 2021
- Impressive Export Performance Comes on the Back of High Coal & Palm Oil Prices
- Global Trade Is Losing Its Momentum after Strong Recovery over Past Year, Says World Trade Organization (WTO)
- Export Performance in November 2021 Bound to Ease as Coal Prices Plunge

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Update – 18 November 2021

‘October 2021 Trade Balance of Indonesia’



Preface

In addition to our reports, Indonesia Investments sends updates on key economic, political or social developments to our subscribers to make sure that our subscribers do not miss out on vital information. Topics in these updates will often be discussed in more detail (and in an updated form) in forthcoming monthly reports.

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- Macroeconomic Indicators -

Trade Balance of Indonesia: Export Performance and Trade Surplus Reach All-Time Record Highs

Indonesia's October 2021 export performance was impressive. Based on the latest data from Statistics Indonesia (*Badan Pusat Statistik*, BPS), Indonesia exported USD \$22.03 billion worth of goods in October 2021, thereby setting a new all-time record high. And because Indonesia's import performance has more-or-less been showing stagnation over the past couple of months (although staying at a decent level around USD \$16.3 billion), the country's overall trade balance was able to show an all-time high surplus too in October 2021.



However, we immediately warn that it seems unlikely that Indonesia can continue this impressive export performance in November 2021. Why? Well, as we shall see below, Indonesia's October 2021 export performance was heavily influenced by the

record high coal and palm oil prices in October 2021. However, so far in November 2021, global coal prices have fallen quite considerably (to their weakest levels since July 2021). Hence, while the export performance of Indonesia will – most likely – remain strong in November 2021 because, overall, commodity prices are still high, it will probably not be as impressive as the performance we saw in October 2021.

Meanwhile, the data (released by BPS on 15 November 2021) show that Indonesia enjoyed a USD \$5.73 billion trade surplus in October 2021, the highest monthly trade surplus in the country’s history. This is a 60.2 percent year-on-year (y/y) increase compared to the country’s trade surplus in October 2020 (see the table below), and a 31.1 percent month-on-month (m/m) rise compared to the surplus in September 2021.

Trade Balance of Indonesia:

	October 2020	October 2021	Y/Y Change
Oil & Gas Balance (in million USD)	-464.3	-872.8	-88.0%
Non-Oil & Gas Balance (in million USD)	4,041.7	6,605.9	+63.4%
Overall Balance (in million USD)	3,577.4	5,733.1	+60.2%

Red color indicates deficit; Green color indicates surplus

Source: Badan Pusat Statistik (BPS)

[...]

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