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# September 2023 Trade Statistics

**Trade deficit on a seasonally adjusted basis continues to contract, backed by robust exports**

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## Summary

- According to September 2023 trade statistics, export value grew for the first time in three months by +4.3% y/y. This was due mainly to the effects of recovery production of motor vehicles and a narrowing of the range of decline in exports of semicon machinery etc. On a seasonally adjusted basis, export value grew for the first time in two months by +7.2% m/m. Meanwhile, import value was down for the sixth consecutive month by -16.3% y/y. On a seasonally adjusted basis, it grew for the first time in two months by +5.4% m/m. As a result, the trade balance was back in the black for the first time in three months at +62.4 bil yen. The trade deficit on a seasonally adjusted basis continues to contract at -434.1 bil yen.
- Export volume in September grew for the first time in two months by +6.2% m/m in a rebound from the steep decline suffered in August. Export volume is growing moderately despite fluctuations. Performance was buoyed by exports of semiconductor related goods to the US and Asia, as well as exports of motor vehicle related goods to the US and Europe. On the other hand, motor vehicles, for which recovery exports had been progressing, marked time in comparison to the previous month. Looking at export volume by source of demand, all regions achieved growth, with exports to the US up by +5.1%, exports to the EU up by +6.7%, and exports to Asia up by +9.8%.
- Export volume is expected to continue in a moderate growth tone. Exports will likely be driven by motor vehicles as recovery production continues, while in addition, underlying strength in the US economy will encourage exports of a wide range of goods. However, according to the results of the BOJ Tankan Survey, pent-up demand for motor vehicles in the overseas market will likely peter out sometime during FY2023. In addition, in the US and Europe, corporate capital investment is likely to be on the downside under the tight financial environment, therefore exports of capital goods to the region are expected to remain sluggish for the time being.

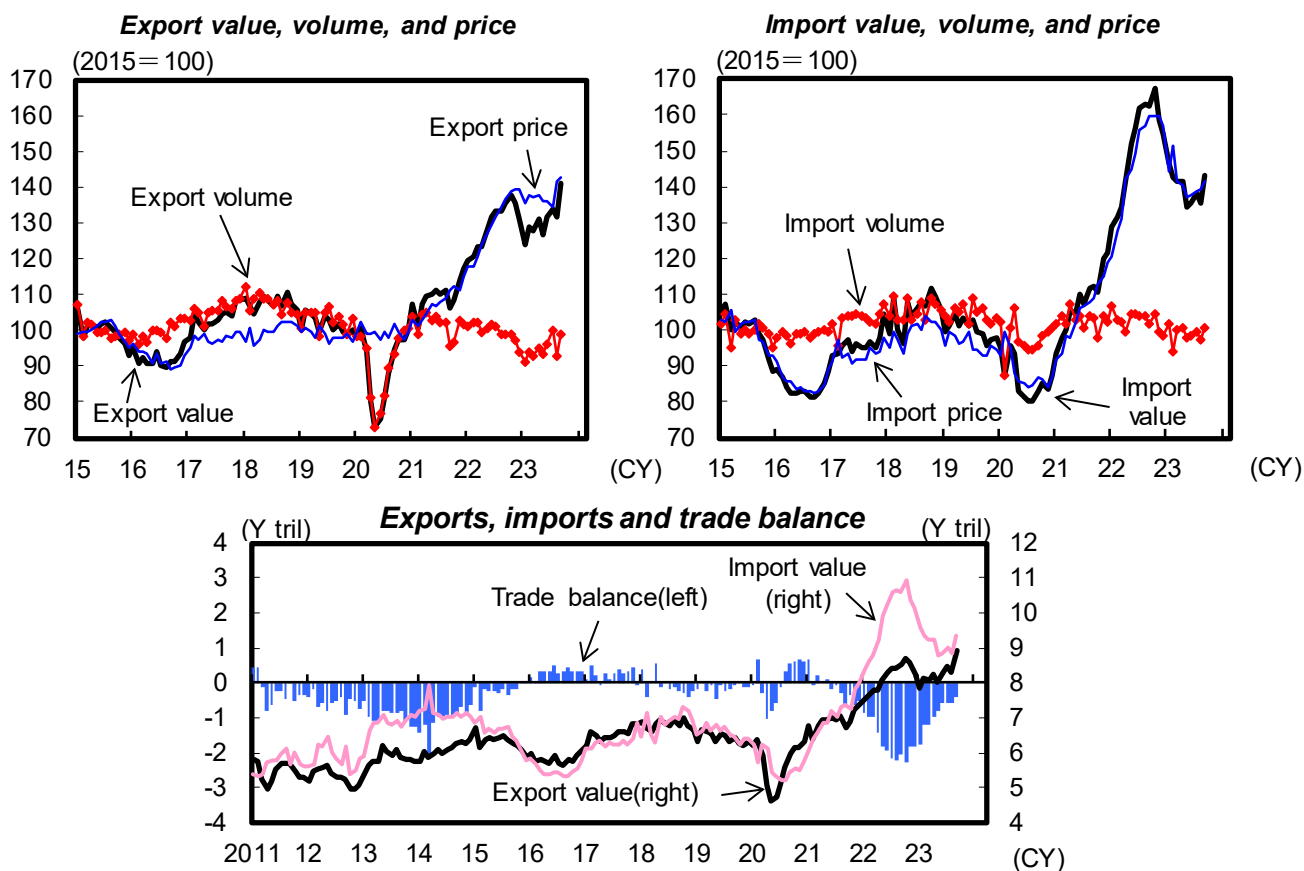
**Trade Statistics** **Chart 1**

	2023									
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Export value (y/y %)	3.5	6.5	4.3	2.6	0.6	1.5	-0.3	-0.8	4.3	
Market consensus (Bloomberg)									3.0	
DIR estimate									3.1	
Import value (y/y %)	17.6	8.5	7.4	-2.3	-9.8	-12.9	-13.6	-17.7	-16.3	
Export volume (y/y %)	-10.9	-7.8	-8.1	-6.0	-6.4	-4.8	-3.2	-5.2	0.7	
Export price (y/y %)	16.1	15.5	13.6	9.2	7.4	6.6	3.0	4.7	3.6	
Import volume (y/y %)	-2.3	-7.9	-2.6	-0.4	-5.2	-6.0	-4.5	-7.2	-2.6	
Import price (y/y %)	-0.0	-0.0	10.2	-2.0	-0.0	-7.3	-9.6	-11.3	-14.1	
Trade balance (Y100 mil)	-35,064	-9,199	-7,588	-4,364	-13,821	392	-637	-9,378	624	
Export value (SA, m/m %)	-5.3	4.1	-1.0	2.5	-3.1	3.6	1.9	-1.7	7.2	
Export volume (SA, m/m %)	-2.7	2.6	-0.7	2.3	-2.0	3.3	3.5	-6.7	6.2	
Export price (SA, m/m %)	-2.7	1.4	-0.3	0.3	-1.1	0.3	-1.6	5.4	1.0	
Import value (SA, m/m %)	-5.2	-2.6	-0.9	-0.0	-5.0	0.8	1.9	-1.9	5.4	
Import volume (SA, m/m %)	3.2	-7.4	6.3	0.6	-2.8	0.6	1.0	-2.3	3.8	
Import price (SA, m/m %)	-8.2	5.2	-6.7	-0.6	-2.3	0.2	0.9	0.4	1.6	
Trade balance (SA, Y100 mil)	-17,629	-11,972	-11,979	-9,926	-7,836	-5,680	-5,829	-5,530	-4,341	
The Japan Customs rate (yen/dlr)	132.08	130.38	134.97	132.23	135.31	139.24	142.32	142.23	146.44	

Source: Ministry of Finance, Bloomberg; compiled by DIR.

Note: Volume and price seasonally adjusted by DIR.

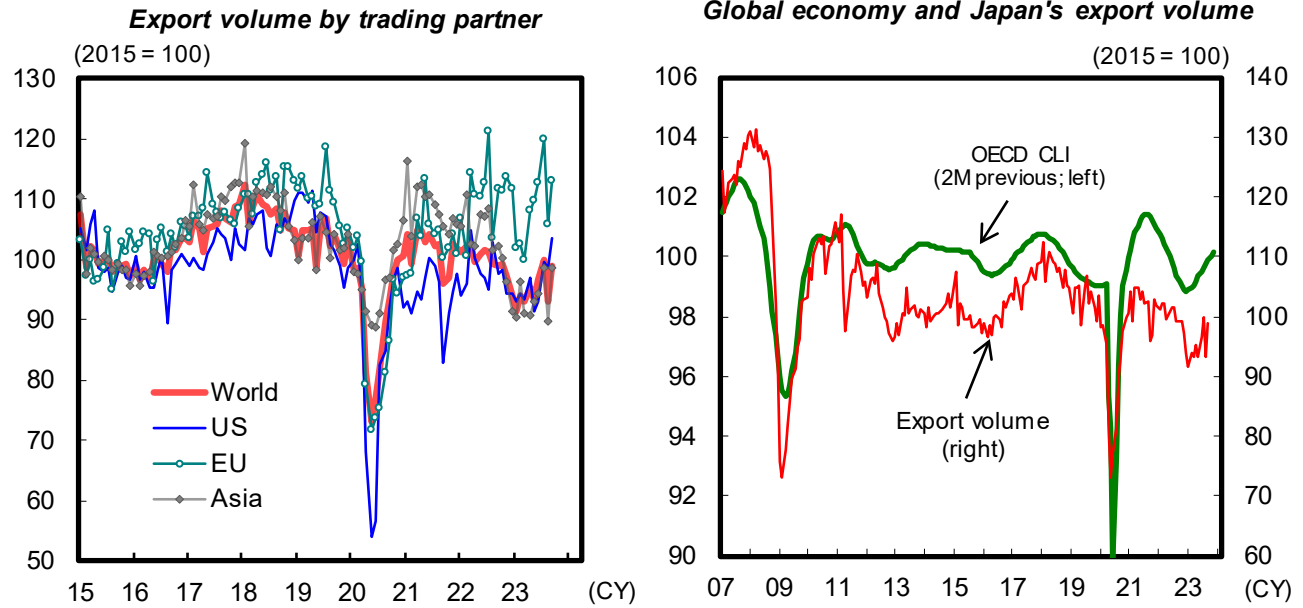
**Export (Value, Volume and Price), Import (Value, Volume and Price) and Trade Balance** **Chart 2**



Source: Ministry of Finance; compiled by DIR.

Note: Export volume and export price seasonally adjusted by DIR.

**Export Volume by Trade Partner; Global Economy and Japan's Export Volume** **Chart 3**



Source: Ministry of Finance; OECD; compiled by DIR.  
 Notes: 1) OECD CLI (Composite Leading Indicator): G20 countries.  
 2) Export volume seasonally adjusted by DIR.