

Asia – Pacific Trade Briefs: Singapore

- In 2012 exports from Singapore fell by 0.3%, while exports from the Asia-Pacific region grew by 2% on average. Import growth remained relatively robust, and therefore, there was a decline in the trade balance from a surplus of 18% of GDP in 2010 to 11% of GDP in 2012 [Figures 1 and 2].
- Exports are dominated by machinery and transport equipment which accounts for 47% of total merchandise exports. Fuel related products, chemicals and other manufacturing goods contribute 18%, 12% and 11%, respectively [Figure 5].
- Singapore performed well in attracting FDI. From 2010 to 2012 the country received inflows of over \$50 billion annually. In 2012 its inward FDI stock as a share of GDP was far above the regional average. Companies from Singapore also invest strongly overseas with annual outflows of over \$20 billion since 2009 [Figures 1 and 3]
- Singapore is one of the most open economies in the Asia-Pacific region. The country has minimal restrictions on trade in goods and services; as a result import penetration into the domestic economy is far higher than the regional average [Figure 1].
- Singapore is the one of the best performers in Asia-Pacific on measures of trade facilitation: the completion of trade procedures there takes only 5 days compared with 28 days for the region on average. The country has lower than average trade costs with most Asia-Pacific subregions. The only exception is trade with North and Central Asia which incurs high trade costs mainly due to geographical barriers and poor infrastructure [Figures 1 and 4].

Figure 1. Trade and Investment Performance Indicators (2012)

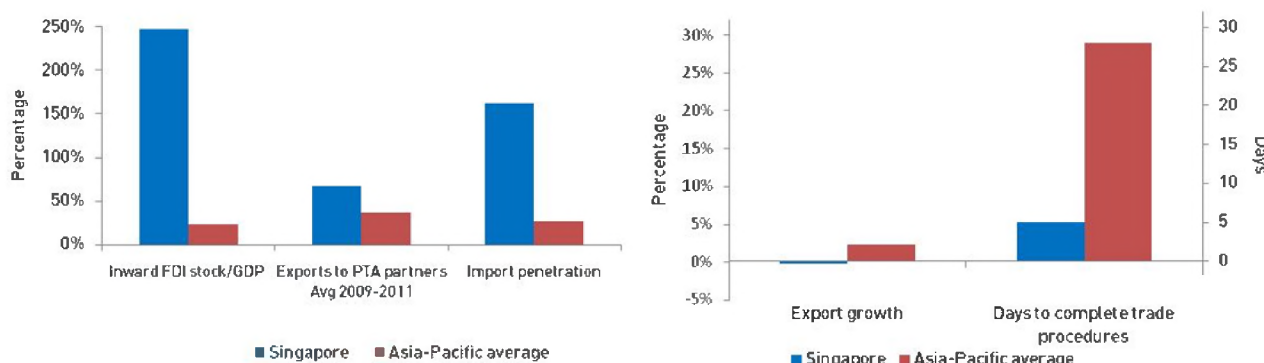


Figure 2. Merchandise Trade

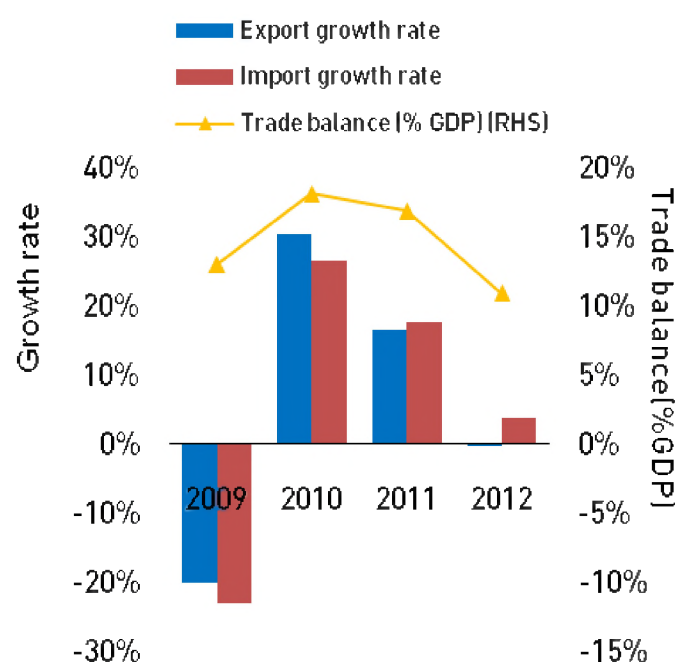


Figure 3. FDI Flows

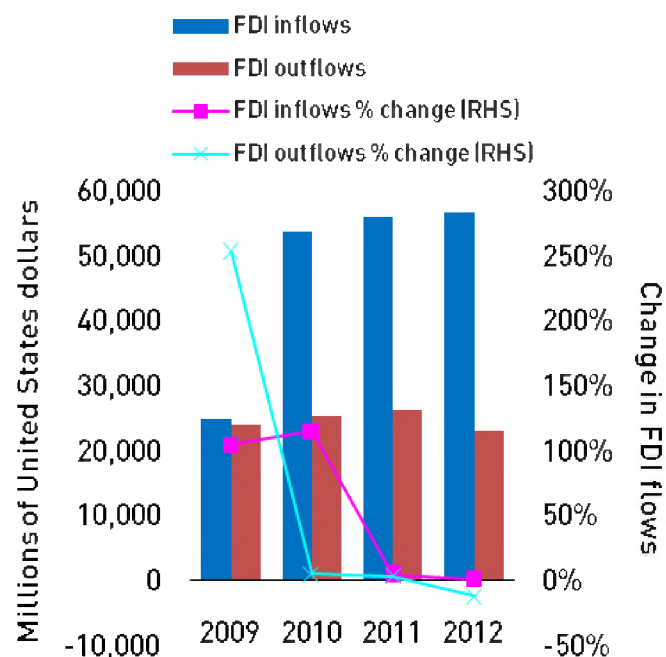


Figure 4. Trade Costs (excl. tariffs) with Asia-Pacific Subregions

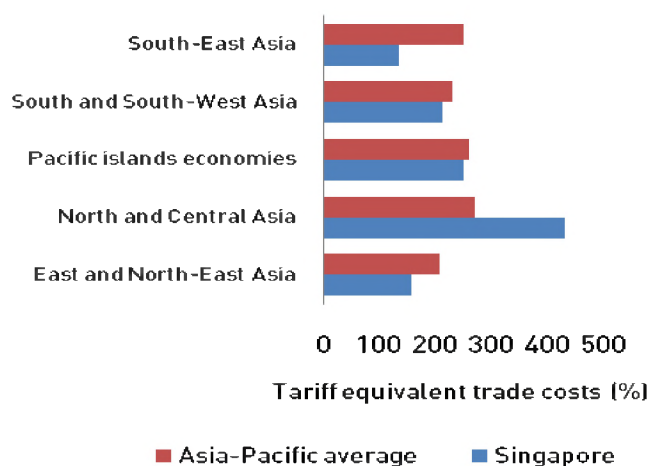
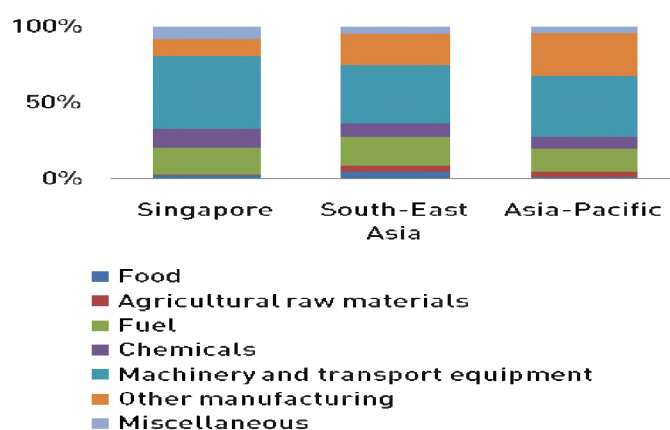


Figure 5. Export Composition by Category (2010-2012)



Notes

FDI: foreign direct investment

PTA: preferential trade agreement

MFN: most-favoured-nation

STRI: Services Trade Restrictiveness Index <http://iresearch.worldbank.org/service/trade/>

Definitions:

Import penetration: share of imports in domestic demand

PTA coverage: share of exports to PTA partners in total exports.

Average over 2009-11

Trade costs: all costs involved in trading goods internationally relative to those involved in trading goods domestically. Average over 2006-11

MFN applied: tariffs applied on imports among WTO members.

MFN Bound: maximum MFN tariff levels agreed to as part of WTO obligations.

Source: Asia-Pacific Trade and Investment Report (APTIR) 2013 unless otherwise specified.

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