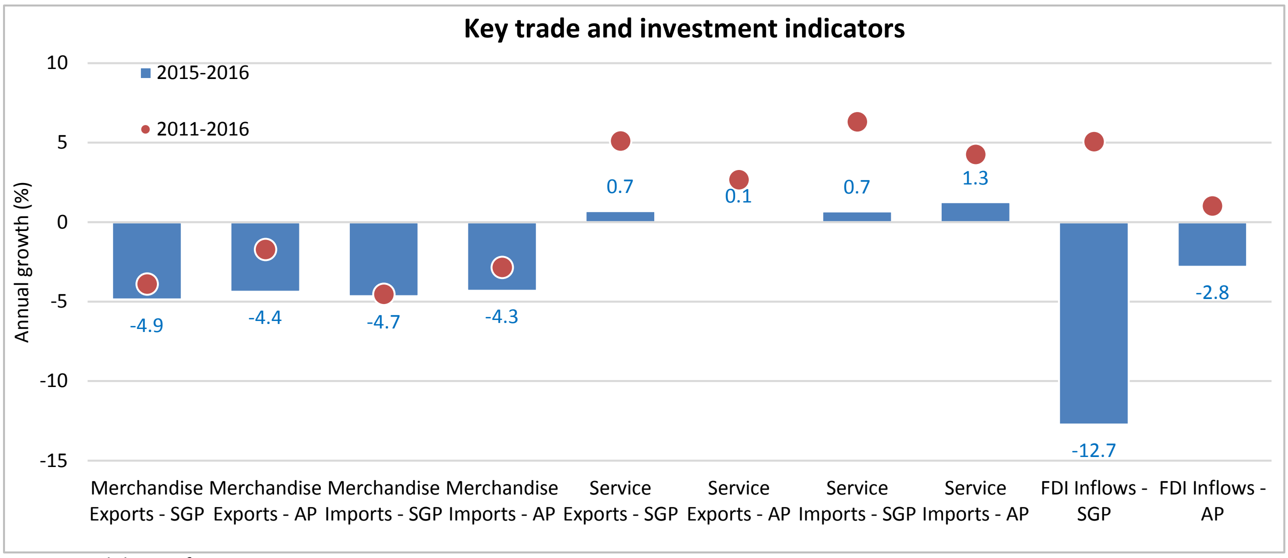
Asia-Pacific Trade and Investment Briefs
Singapore



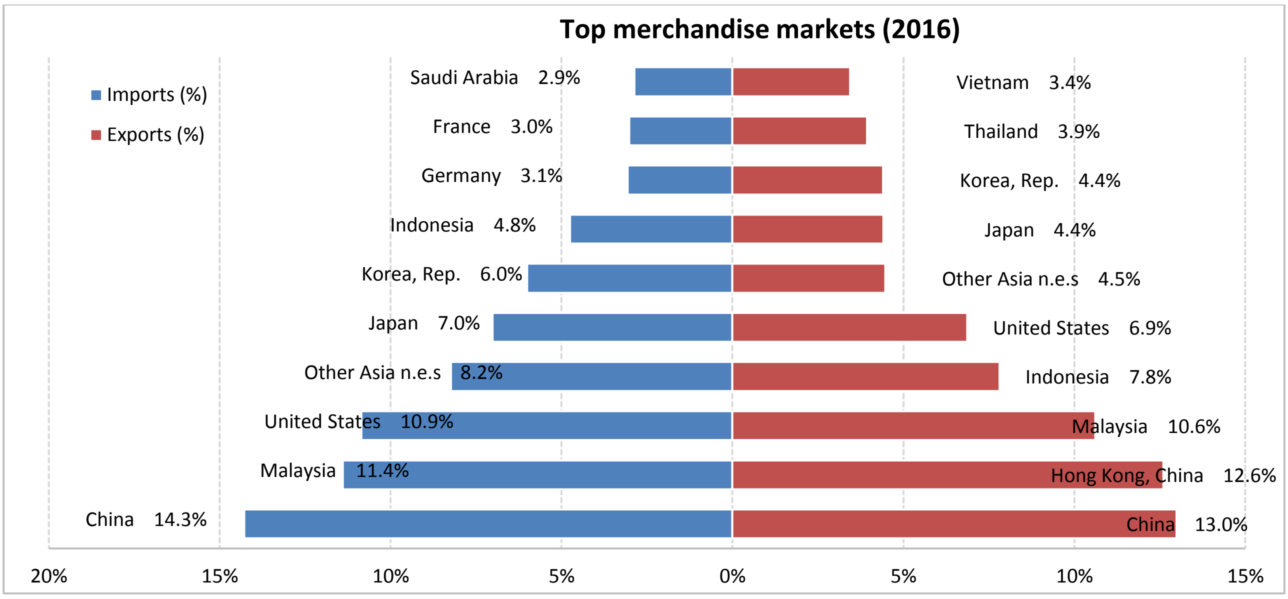
AP: Asia and the Pacific average

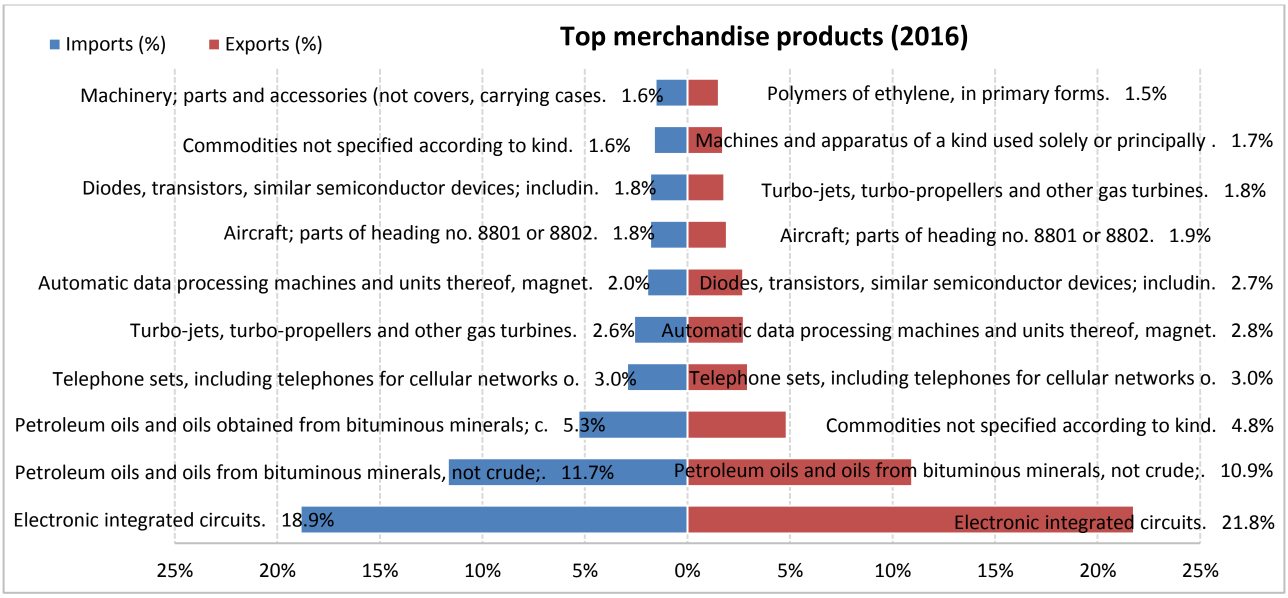
Merchandise trade: Merchandise trade in 2016 accounted for 66.8% of total trade. However, exports by Singapore have been affected by the global decline of petroleum and electronics exports. Goods exports contracted by 3.9% on average during 2011-2016, compared with the Asia-Pacific average exports decline of 1.7%. In 2016, merchandise exports contracted modestly by 4.9%. Similarly, imports contracted by 4.7% in the same year due to lower imports of crude oil prices as well as less demand for intermediate and final goods.

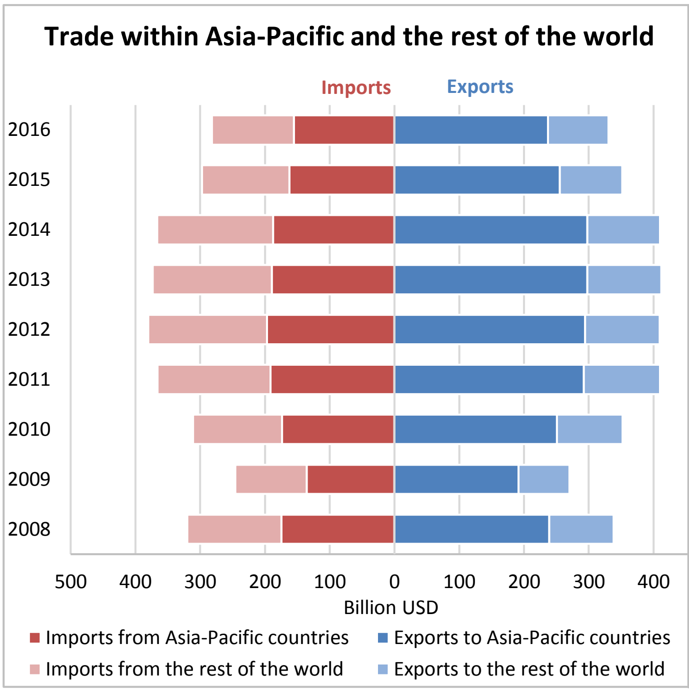
Services trade: Commercial services trade in Singapore accounted for 33.2% of total trade in 2016, in line with the share of 32.0% in 2015. Commercial services exports increased by only 0.7%, rebounding from the 3.1% decrease recorded in 2015, but still lower than the five-year average growth rate of 5.1%. Similarly, commercial services imports grew by 0.7%, lower than the five-year average growth rate of 6.3%. Other commercial service was the largest sector in both exports and imports, among which business services contributed the most, 50.6% and 54% to commercial services exports and imports respectively.

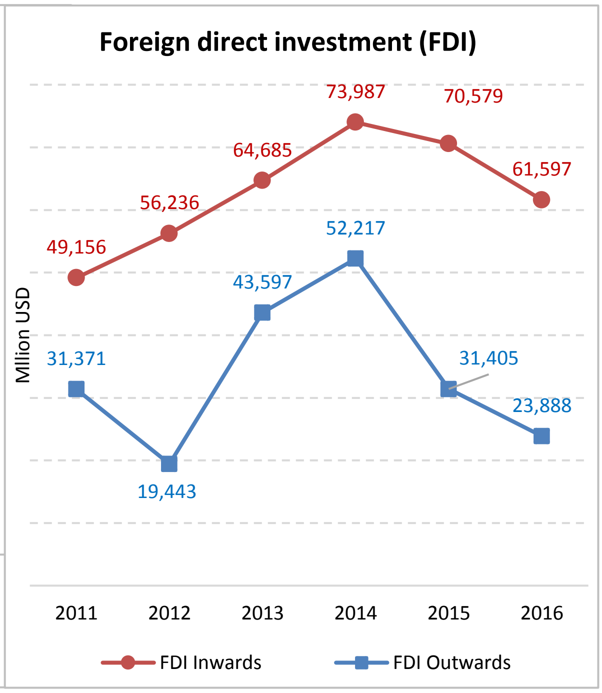
Intraregional trade: Most of Singapore's exports and imports were with China, Hong Kong, China and Malaysia. Of total trade in 2016, 71.8% was intraregional. The two largest export destinations were China (13.0%) and Hong Kong, China (12.6%). Meanwhile, intraregional imports accounted for 55.0% of total imports, with China (14.3%) and Malaysia (11.4%) being the largest import sources.

Foreign direct investment (FDI): Singapore has recorded a decrease in FDI inflows by 12.7% in 2016, although remained as the largest recipient of FDI inflows among South-East Asian countries. This contrast with the solid growth in FDI inflows to Singapore by 5.1% on average per year in 2011-2016, more than the Asia-Pacific region's average annual growth of FDI inflows by 1.0% during the same period. The United States, Australia and the United Kingdom were the largest foreign investors, primarily investing in the real estate, software and IT services and transportation sectors. The slowdown of FDI inflows was probably due to the weak global economic and trade growth. In addition, Singapore has recorded a fall in FDI outflows by 23.9% in 2016, due to uncertainty in global economy.


Top merchandise markets (2016)
Imports (%)
Exports (%)
Saudi Arabia 2.9%
France 3.0%
Germany 3.1%
Indonesia 4.8%
Korea, Rep. 6.0%
Japan 7.0%
Other Asia n.e.s 8.2%
United States 10.9%
Malaysia 11.4%
China 14.3%
Vietnam 3.4%
Thailand 3.9%
Korea, Rep. 4.4%
Japan 4.4%
Other Asia n.e.s 4.5%
United States 6.9%
Indonesia 7.8%
Malaysia 10.6%
Hong Kong, China 12.6%
China 13.0%
20% 15% 10% 5% 0% 5% 10% 15%


Top merchandise products (2016)
Imports (%)
Exports (%)
Machinery; parts and accessories (not covers, carrying cases. 1.6%
Commodities not specified according to kind. 1.6%
Diodes, transistors, similar semiconductor devices; includin. 1.8%
Aircraft; parts of heading no. 8801 or 8802. 1.8%
Automatic data processing machines and units thereof, magnet. 2.0%
Turbo-jets, turbo-propellers and other gas turbines. 2.6%
Telephone sets, including telephones for cellular networks o. 3.0%
Petroleum oils and oils obtained from bituminous minerals; c. 5.3%
Petroleum oils and oils from bituminous minerals, not crude;. 11.7%
Electronic integrated circuits. 18.9%
Polymers of ethylene, in primary forms. 1.5%
Machines and apparatus of a kind used solely or principally . 1.7%
Turbo-jets, turbo-propellers and other gas turbines. 1.8%
Aircraft; parts of heading no. 8801 or 8802. 1.9%
Diodes, transistors, similar semiconductor devices; includin. 2.7%
Automatic data processing machines and units thereof, magnet. 2.8%
Telephone sets, including telephones for cellular networks o. 3.0%
Commodities not specified according to kind. 4.8%
Petroleum oils and oils from bituminous minerals, not crude;. 10.9%
Electronic integrated circuits. 21.8%
25% 20% 15% 10% 5% 0% 5% 10% 15% 20% 25%

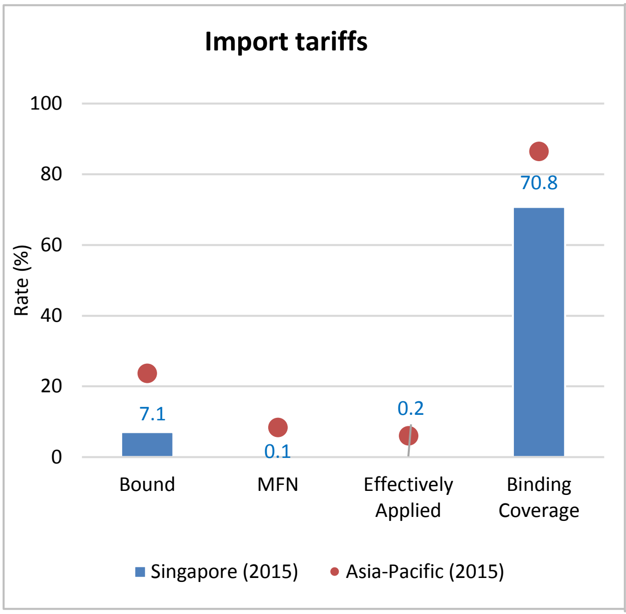

Trade within Asia-Pacific and the rest of the world
Imports
Exports
2016
2015
2014
2013
2012
2011
2010
2009
2008
500 400 300 200 100 0 100 200 300 400
Billion USD
Imports from Asia-Pacific countries
Exports to Asia-Pacific countries
Imports from the rest of the world
Exports to the rest of the world

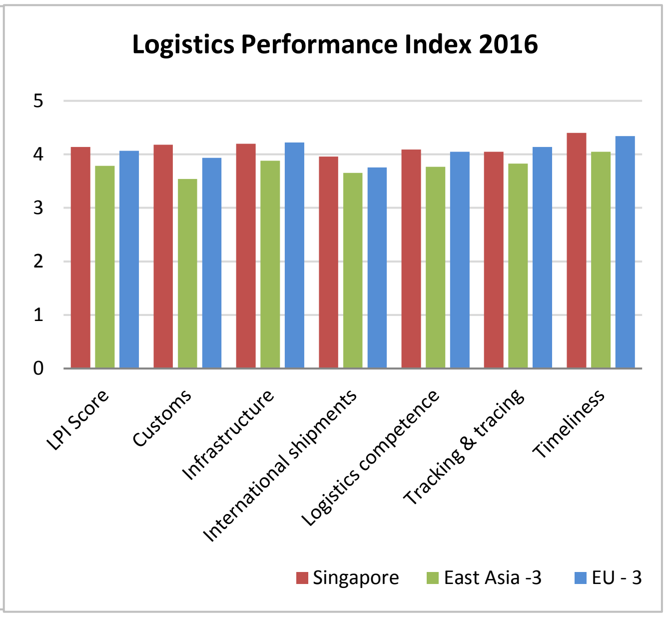

Foreign direct investment (FDI)
Million USD
49,156
56,236
64,685
73,987
70,579
61,597
31,371
19,443
43,597
52,217
31,405
23,888
2011 2012 2013 2014 2015 2016
FDI Inwards
FDI Outwards

Tariffs: In 2015, average MFN applied and effectively applied tariffs at 0.1% and 0.2%, respectively, were almost negligible compared to the averages for the Asia-Pacific economies of 8.5% and 6.1%, respectively. Average MFN bound duty, at 7.1%, however, was about one third of the Asia-Pacific average of 23.8%. The binding coverage rate of Singapore was 70.8% in 2015.

Trade logistics performance: Singapore is the most efficient trading economy in the Asia-Pacific region. Furthermore, the country was ranked as the fifth-most efficient trading economy in the world after Germany, Luxemburg, Sweden, Netherlands in terms of trade logistic performance in 2016, and it was also the most efficient in the Asia-Pacific region. Across all the elements of trade logistics performance index, Singapore outperformed the East Asia-3 countries and scored on par or better than the EU-3.

Preferential trade agreement (PTAs): As of September 2017, Singapore has 23 preferential trade agreements (PTAs) in force, which were higher than the Asia-Pacific average of 7.7 agreements. Based on data of 2013-2015, of the country's total exports, 64.6% were to PTA partners, compared with 37.5% for the Asia-Pacific. Of total imports, 76.1% were from PTA partners, compared with 50.3% for the Asia-Pacific region.





Sources: Trade and tariff data were accessed through WITS and IMF direction of trade database. FDI data were accessed through UNCTAD stat. Trade costs data were based on the ESCAP-World Bank trade cost database.
Notes: Data are based on countries or regions for which data available only (e.g. trade cost data of Japan are missing for 2015). Merchandise trade data follow the HS2012 classification. Mirror data are used. Products are defined at the 4-digit level. Tariffs are simple average. Trade costs shown are tariff equivalents, calculated as trade-weighted average trade costs of countries or regions with the Asian developing economies (China, India, Indonesia and Russian Federation). East Asia-3 comprises China, Japan and the Republic of Korea; European Union-3 comprises Germany, France and the United Kingdom. Average growth rate over a period means simple average growth rate.
Definitions: 1) Other commercial services include: Construction, Insurance and pension services, Financial services, Charges for the use of intellectual, Telecommunications & computer, Other business services, Personal & cultural & recreation. Other business services include: Research and development services, Professional & management consulting services, Technical & trade-related & other business services. 2) MFN bound tariff is the maximum most-favoured nation (MFN) tariff permitted under WTO obligations. MFN applied tariff is the tariff applied to imports among WTO members. The effectively applied rate is the ratio of collected import tariff revenue and value of imports. Binding coverage refers to the share of bound tariff lines in the total number of tariff lines.