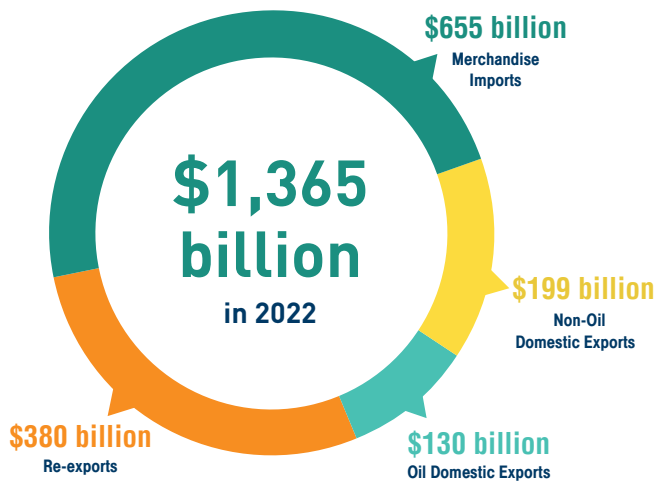


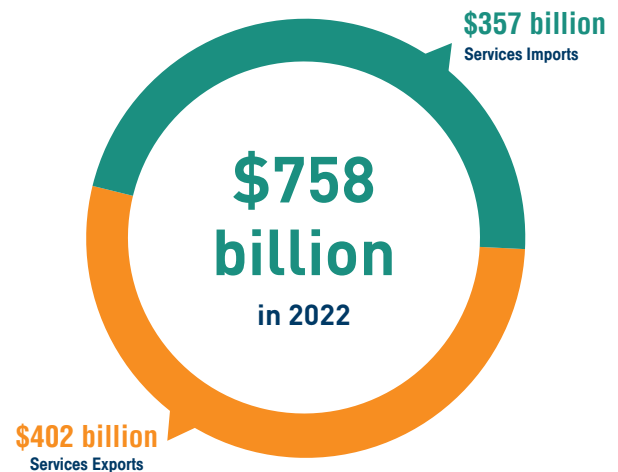
Chapter 4

INTERNATIONAL TRADE

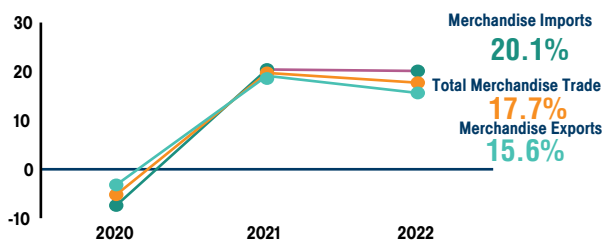
TOTAL MERCHANDISE TRADE AMOUNTED TO...



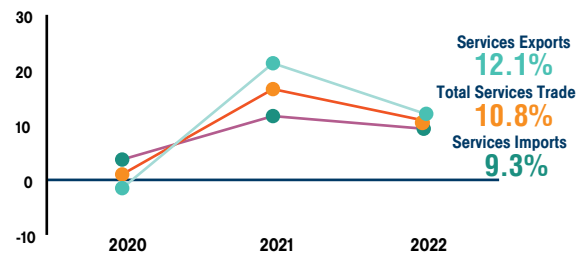
TOTAL SERVICES TRADE AMOUNTED TO...



GROWTH IN MERCHANDISE TRADE



GROWTH IN SERVICES TRADE



COMPONENTS OF MERCHANDISE EXPORTS

(Year-On-Year Growth)

+52.4%



Oil Domestic Exports

+13.5%



Re-exports

+3.0%



Non-Oil Domestic Exports

THE INCREASE IN SERVICES EXPORTS WAS LED BY...

+4.5%
point contribution



Transport Services

+3.0%
point contribution



Travel Services

OVERVIEW

Singapore's total merchandise trade declined by 1.0 per cent year-on-year in the fourth quarter of 2022, a reversal from the 25.7 per cent growth in the previous quarter. At the same time, total services trade increased by 7.0 per cent year-on-year, extending the 12.5 per cent growth in the third quarter.

For the whole of 2022, Singapore's total merchandise trade surged by 17.7 per cent to \$1.4 trillion, from \$1.2 trillion in 2021. Oil trade expanded by 47.5 per cent amidst higher oil prices compared to a year ago, while non-oil trade grew by 11.9 per cent. Merchandise exports and imports increased by 15.6 per cent and 20.1 per cent respectively.

Total services trade rose robustly by 10.8 per cent to \$758 billion in 2022, from \$684 billion in 2021. Services exports and imports increased by 12.1 per cent and 9.3 per cent respectively in 2022.

MERCHANDISE TRADE

Merchandise Exports

Total merchandise exports fell by 2.3 per cent year-on-year in the fourth quarter, a sharp reversal from the 23.4 per cent increase in the previous quarter (Exhibit 4.1). The decline was due to both domestic exports and re-exports. Domestic exports dipped by 2.1 per cent, a pullback from the 27.9 per cent increase in the third quarter. Meanwhile, re-exports declined by 2.4 per cent, reversing from the 19.8 per cent increase in the previous quarter.

Exhibit 4.1: Growth Rates of Total Merchandise Trade, Merchandise Exports and Merchandise Imports (In Nominal Terms)

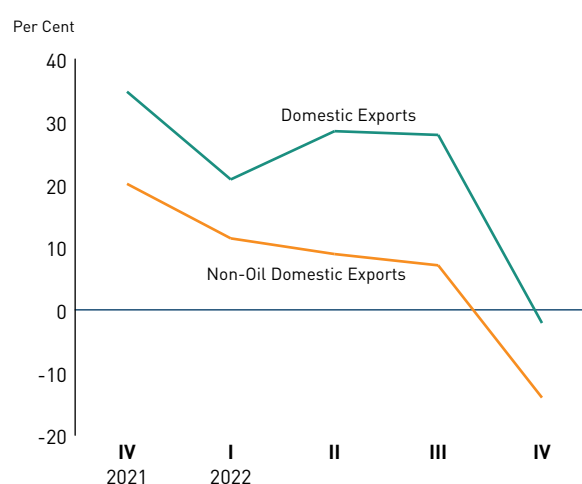
	2021	2022				2022
		I	II	III	IV	
Total Merchandise Trade	19.7	20.8	28.0	25.7	-1.0	17.7
Merchandise Exports	19.1	18.8	24.9	23.4	-2.3	15.6
Domestic Exports	19.0	20.8	28.5	27.9	-2.1	18.2
Oil	38.0	45.4	72.9	75.2	21.6	52.4
Non-Oil	12.1	11.4	8.9	7.1	-14.0	3.0
Re-Exports	19.2	17.2	21.7	19.8	-2.4	13.5
Merchandise Imports	20.4	23.1	31.6	28.1	0.5	20.1
Oil	49.4	50.7	66.7	58.8	8.2	43.9
Non-oil	15.3	17.4	23.5	21.2	-1.4	14.6

For the whole of 2022, total merchandise exports rose by 15.6 per cent, extending the 19.1 per cent increase recorded in 2021.

Non-Oil Domestic Exports

Non-oil domestic exports (NODX) declined by 14.0 per cent year-on-year in the fourth quarter, a reversal from the 7.1 per cent expansion in the preceding quarter (Exhibit 4.2). The plunge in NODX was due to a drop in both electronics and non-electronics NODX.

Exhibit 4.2: Changes in Domestic Exports

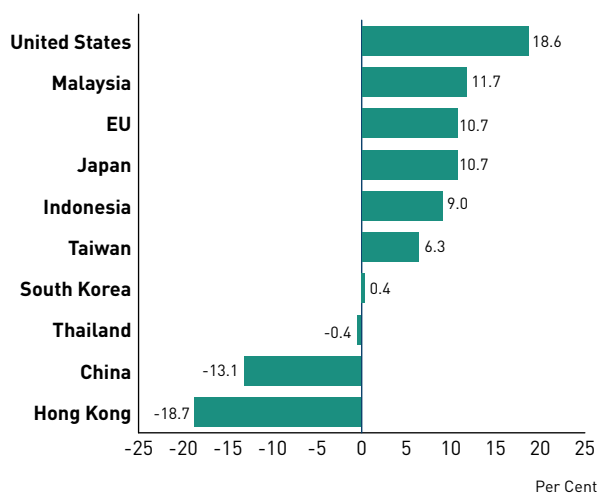


Electronics NODX declined by 15.9 per cent in the fourth quarter, extending the 1.8 per cent contraction in the previous quarter. The slump in electronics NODX was primarily due to a fall in the domestic exports of ICs, disk media products and parts of PCs. Non-electronics NODX declined by 13.4 per cent, reversing the 10.0 per cent growth in the previous quarter. The fall in non-electronics NODX was due to lower domestic exports of non-monetary gold, pharmaceuticals and petrochemicals.

For the full year, NODX expanded by 3.0 per cent, extending the 12.1 per cent growth in 2021. The growth in NODX was supported by increased shipments of both electronics (0.5 per cent) and non-electronics (3.8 per cent) products.

The top 10 NODX markets accounted for 78.6 per cent of Singapore's total NODX in 2022. Singapore's NODX to all the top 10 markets grew in 2022, except for China, Hong Kong and Thailand (Exhibit 4.3). The biggest contributors to the growth in NODX in 2022 were the US (18.6 per cent), EU 27 (10.7 per cent) and Malaysia (11.7 per cent).

Exhibit 4.3: Growth Rates of Non-Oil Domestic Exports to Top 10 Markets in 2022



NODX to the US expanded mainly because of a rise in the exports of structures of ships & boats, non-monetary gold and specialised machinery. NODX to EU 27 rose on the back of an increase in the exports of pharmaceuticals, specialised machinery and ICs. Meanwhile, ICs, specialised machinery and electrical machinery contributed the most to the rise in NODX to Malaysia. On the other hand, NODX to China fell due to lower exports of non-monetary gold, specialised machinery and primary chemicals.

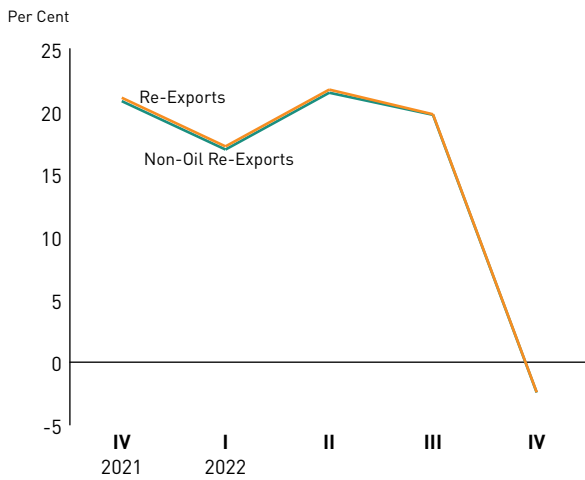
Oil Domestic Exports

Oil domestic exports increased by 21.6 per cent year-on-year in the fourth quarter, extending the 75.2 per cent growth in the previous quarter. The growth in oil domestic exports was led by higher exports to countries such as New Zealand and EU 27. This increase also partly reflected higher oil prices compared to the same quarter a year ago. In volume terms, oil domestic exports expanded by 6.6 per cent, extending the 18.6 per cent increase in the third quarter.

For the full year, oil domestic exports posted robust growth of 52.4 per cent, faster than the 38.0 per cent increase in 2021. The increase in oil domestic exports was largely on account of higher oil prices compared to a year ago. By countries, it was driven mainly by higher exports to Malaysia, Indonesia and Australia. In volume terms, oil domestic exports rose by 1.7 per cent in 2022, reversing the 10.1 per cent decline in 2021.

Non-Oil Re-Exports

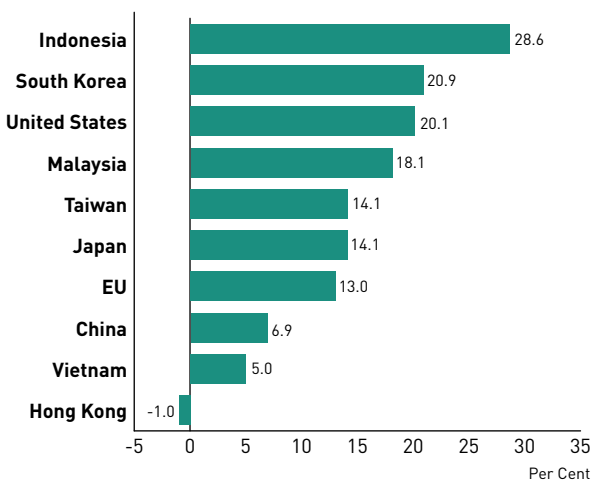
Non-oil re-exports (NORX) contracted by 2.4 per cent year-on-year in the fourth quarter, deteriorating from the 19.7 per cent increase in the preceding quarter (Exhibit 4.4). The decline in NORX could be attributed to a fall in electronics NORX, as non-electronics NORX rose. Electronics NORX decreased by 9.1 per cent, a reversal from the 10.5 per cent growth in the third quarter, as the re-exports of ICs, parts of PCs and PCs declined. Meanwhile, non-electronics NORX grew by 6.0 per cent, slowing from the 32.1 per cent increase in the preceding quarter. The expansion in non-electronics NORX was mainly due to the higher re-exports of specialised machinery, non-electric engines & motor and electrical machinery.

Exhibit 4.4: Changes in Re-Exports

For the whole of 2022, NORX expanded by 13.4 per cent, slower than the 19.2 per cent growth in 2021. The growth in NORX was due to an increase in both electronics NORX (9.9 per cent) and non-electronics NORX (17.7 per cent).

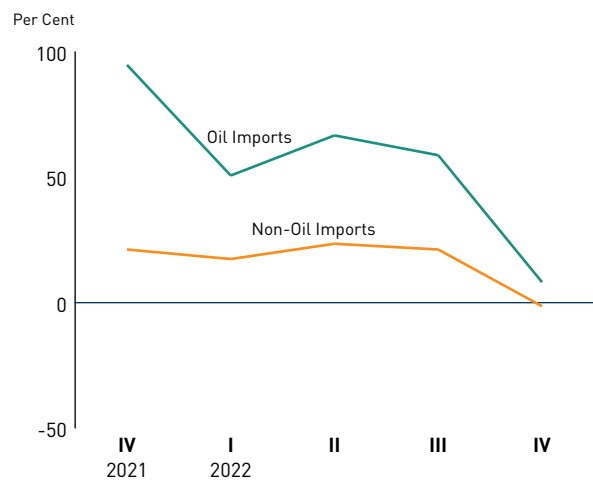
NORX to all the top 10 NORX markets rose in 2022, except for Hong Kong (Exhibit 4.5). NORX to Indonesia increased on the back of a pickup in the re-exports of ICs, non-monetary gold and civil engineering equipment parts. Meanwhile, higher shipments of ICs, diodes & transistors and parts of PCs led to an increase in NORX to Malaysia.

Re-exports to the US grew on account of a rise in shipments of electrical machinery, ICs and non-electric engines & motors.

Exhibit 4.5: Growth Rates of Non-Oil Re-Exports to Top 10 Markets in 2022

Merchandise Imports

Non-oil imports registered a decline of 1.4 per cent year-on-year in the fourth quarter, a sharp pullback from the 21.2 per cent increase in the preceding quarter (Exhibit 4.6). The fall in non-oil imports was due to a decline in electronics imports (-6.0 per cent), while non-electronics imports grew (2.0 per cent). In turn, the decline in electronics imports was due to a drop in the imports of IC, PCs and parts of PCs. Meanwhile, non-electronics imports rose due to the imports of non-electric engines & motors, jewellery and works of art.

Exhibit 4.6: Changes in Merchandise Imports

Oil imports grew by 8.2 per cent year-on-year in the fourth quarter, slower than the 58.8 per cent increase in the preceding quarter. The increase in oil imports was due partly to higher oil prices. In volume terms, oil imports expanded by 6.0 per cent, following the 21.9 per cent increase in the third quarter.

For the full year of 2022, non-oil imports rose by 14.6 per cent, comparable to the 15.3 per cent growth in 2021. Meanwhile, oil imports picked up by 43.9 per cent, extending the 49.4 per cent growth in 2021.

Services Exports

Services exports increased by 8.2 per cent year-on-year in the fourth quarter, extending the 14.1 per cent expansion in the preceding quarter (Exhibit 4.7). The increase in services exports was primarily driven by a rise in the exports of travel services (255 per cent), other business services (6.2 per cent) and financial services (7.0 per cent). By contrast, the exports of transport services, manufacturing services and personal, cultural & recreation services shrank by 1.1 per cent, 15.6 per cent and 1.3 per cent respectively.

For the full year, services exports grew by 12.1 per cent, moderating from the 21.2 per cent increase in 2021. The increase in services exports was attributable mainly to an expansion in the exports of transport services (13.0 per cent), travel services (195 per cent) and other business services (8.3 per cent).

Exhibit 4.7: Growth Rates of Total Services Trade, Services Exports and Services Imports (In Nominal Terms)

	2021	2022				2022
		I	II	III	IV	
Total Services Trade	16.5	10.7	13.1	12.5	7.0	10.8
Services Exports	21.2	12.2	14.3	14.1	8.2	12.1
Services Imports	11.6	9.2	11.8	10.6	5.7	9.3

Services Imports

Services imports rose by 5.7 per cent year-on-year in the fourth quarter, slower than the 10.6 per cent increase in the previous quarter. The expansion in services imports was on account of a rise in the imports of travel services (303 per cent), telecommunications, computer & information services (4.6 per cent) and insurance services (3.3 per cent). Conversely, the imports of other business services, charges for the use of intellectual property and manufacturing services decreased by 1.1 per cent, 5.4 per cent and 6.4 per cent respectively.

For the whole of 2022, services imports expanded by 9.3 per cent, following the 11.6 per cent increase in 2021. The growth in services imports was due to expansions in the imports of travel services (279 per cent), transport services (7.1 per cent), and other business services (3.9 per cent). These gains were partially offset by slight drops in payments arising from charges for the use of intellectual property (-0.6 per cent) and the imports of financial services (-0.2 per cent).