

# Why Singapore, Why Asia, Why Now?



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# 10 Fast Facts about the “Power of Ten”

1. Population of 600 million—100 million more than EU
2. U.S. exports of \$76 billion > India and Brazil combined
3. 4th largest export market-- 80% increase in a decade
4. Service exports exceeded \$19 billion—\$8 billion surplus
5. Electrical Machinery; Machinery; Aircraft; Mineral Fuel and Oil; Optic and Medical Instruments



Source: U.S. Dept of Commerce

U.S. Commercial Service, Singapore

# 10 Fast Facts about the “Power of Ten”

6. Average growth rates is in excess of 6.0 (World Bank)
7. Top U.S direct investment destination in Asia-\$160 billion
8. Singapore home to \$116 billion—only Australia has more
9. ASEAN Meetings—2,000—But Which One?
10. What are top six export markets by size?



Source: U.S. Dept of Commerce

U.S. Commercial Service, Singapore

# Top 6 ASEAN Markets

1. Singapore (\$30.6 billion)
2. Malaysia (\$12.9 billion)
3. Thailand (\$11.0 billion)
4. Philippines (\$8.1 billion)
5. Indonesia (\$8.0 billion)
6. Vietnam (\$4.6 billion)



Source: U.S. Dept of Commerce

# Why Singapore?

## Eight Key Reasons

1. The Language is English
2. Export Market of Opportunity--\$30 billion
3. U.S. Style of Doing Business
4. Soft Landing—Ease of Doing Business
5. Strong IP Protection
6. It's not China (Regional Focus)
7. Singapore, Inc.
8. Two for the Price of One-Multiple Markets





# Singapore: Small Country, Global Hub

- Logistics – busiest container port
- Aviation – airlines, maintenance
- Oil Refining – world's 3<sup>rd</sup> largest
- Financial – forex, funds
- Education – global universities: NUS, NTU, SMU
- Medical, Bioscience – health care, research
- Chips – wafer fabrication
- Pharmaceuticals – manufacturing and R&D
- MNC – 7,000 MNCs, 1,500 U.S. -- expat magnet



# Updates on U.S. Trade with Singapore

- Singapore is the **United States' 13<sup>th</sup> largest export market**. The U.S. exports to Singapore are valued at \$30.56 billion in 2012.
- Singapore is the **largest ASEAN market** for U.S exports. It represents 40.5% of total exports to ASEAN in 2012.
- U.S. exports more to Singapore (\$30.56 billion) than to other economies such as Taiwan (\$24.37 billion), India (\$22.34 billion), Italy (\$15.97 billion), and Malaysia (\$12.85 billion)





# Updates on U.S. Trade with Singapore

- Singapore was our 17<sup>th</sup> largest trading partner in 2012. Two-way trade rose by 0.6% to \$50.8 billion.
- The U.S. goods trade surplus with Singapore is \$10.33 billion.
- Primary U.S. Goods & Services exports to Singapore:-
  - Machinery & parts (\$5.5 billion)
  - Electric machinery (\$4.65 billion)
  - Mineral fuel/oil (\$4.41 billion)
  - Aircraft/aircraft parts (\$3.95 billion)
  - Royalties (\$3.82 billion)
  - R&D/ IT/Management/Operational leasing business services (\$5.196 billion)



# 2012 U.S. Export Markets

Rank	Country	Exports (USD\$ in Billion)
---	<b>Total, All Countries</b>	<b>1,547.1</b>
1	Canada	292.4
2	Mexico	216.3
3	China	110.6
4	Japan	70.0
5	United Kingdom	54.8
6	Germany	48.8
7	Brazil	43.7
8	Korea, South	42.3
9	Netherlands	40.7
10	Hong Kong	37.5
11	Australia	31.2
12	France	30.8
<b>13</b>	<b>Singapore</b>	<b>30.6</b>
14	Belgium	29.4
15	Switzerland	26.2

Source: U.S. Dept of Commerce

U.S. Commercial Service, Singapore



# Singapore's Top Suppliers 2012

Country	USD\$ in Billion
Malaysia	40.1
China	38.9
<b>United States</b>	<b>38.3</b>
South Korea	25.4
Taiwan	25.1
Japan	23.5
Indonesia	20.0
Saudi Arabia	17.1
United Arab Emirates	15.6
India	12.9

Source: International Enterprise Singapore



# 2012 U.S. Exports to Singapore

Manufactured Goods	USD\$ in Billion
Fuel Oil	4.0
Aircraft parts	3.1
Parts for jet turbines	2.7
Parts for drilling rigs	1.6
Integrated circuits	1.3

**Source: International Enterprise Singapore**



# U.S Trade with Top Trading Partners: Jan-Dec 2012 (USD\$/Billion)

		2012 (Jan-Dec)			
		Total Trade	Trade Balance	Exports	Imports
Ranking	World	3822.2	-727.9	1547.1	2275.0
1	Canada	616.7	-31.8	282.4	324.2
2	China	536.2	-315.1	110.6	425.6
3	Mexico	494.0	-61.3	216.3	277.7
4	Japan	216.4	-76.3	70.0	146.4
5	Germany	157.3	-59.7	48.8	108.5
6	UK	109.8	-0.1	54.8	54.9
7	South Korea	101.2	-16.6	42.3	58.9
8	Brazil	75.8	11.6	43.7	32.1
9	Saudi Arabia	73.8	-37.5	18.1	55.7
10	France	72.4	-10.8	30.8	41.6
11	India	62.9	-18.2	22.3	40.5
12	Netherlands	63.0	18.4	40.7	22.3
13	Taiwan	63.2	-14.5	24.4	38.9
14	Venezuela	56.4	-21.1	17.6	38.7
15	Italy	52.9	-21.0	16.0	36.9
16	Switzerland	51.9	0.5	26.2	25.7
17	Singapore	50.8	10.3	30.6	20.2

Source: USDOC

<http://www.census.gov/foreign-trade/top/dst/2012/12/surplus.html>

<http://www.census.gov/foreign-trade/Press-Release/2012pr/12/exh6s.pdf>



# U.S Trade Balances with ASEAN: Jan-Dec 2012 (USD\$/Billion)

	2012 (Jan-Dec)					
	Total Trade	Trade Balance	Exports	%share of ASEAN Total	Imports	%share of ASEAN Total
World	3822.2	-727.9	1547.1	4.9	2275.0	5.4
ASEAN	198.5	-47.4	75.5	100.0	122.9	100.0
Malaysia	38.8	-13.1	12.9	17.0	25.9	21.1
Singapore	50.8	10.3	30.6	40.5	20.2	16.5
Thailand	37.1	-15.2	11.0	14.5	26.1	21.3
Philippines	17.8	-1.5	8.1	10.7	9.6	7.8
Indonesia	28.0	-10.0	8.0	10.6	18.0	14.6
Vietnam	24.9	-15.6	4.6	6.1	20.3	16.5
Cambodia	2.9	-2.5	0.2	0.3	2.7	2.2
Brunei	0.2	0.1	0.2	0.2	0.1	0.1
Laos	0.1	0.0	0.0	0.0	0.0	0.0
Burma	0.1	0.1	0.1	0.1	0.0	0.0

\* ASEAN total as % of World total

Source: USDOC

<http://www.census.gov/foreign-trade/top/dst/2012/12/surplus.html>

<http://www.census.gov/foreign-trade/Press-Release/2012pr/12/exh6s.pdf>



# Singapore Market - What's Hot

- Biotech & Healthcare
- Energy
- Aerospace
- Construction - GreenBuild
- Information & Telecommunications Technologies
- Specialty Chemicals
- Education/Training Services
- Environmental Equipment/Technologies
- Safety and Security Equipment
- Logistics Services





# "Singapore - the best location in Asia for trade shows."



Singapore Airshow 2010



# Some Trade Events 2013 in Asia

Month 2013	Trade Event
March	Filmart
April	Georgia Trade Mission
May	Safety and Security Asia
June	OGA CommunicAsia/Broadcast Asia
September	Automation Alley Trade Mission
October	ITB Asia Seoul Air Show
November	Cosmoprof Asia
December	ATF



# International Buyer Programs 2013 in USA

<b>Month</b>	<b>IBP Events</b>
March	Natural Products Expo
April	NAB ISC West
May	OTC
June	PowWow
July	AACC
August	AUVSI
October	WEFTECH RETECH
November	AFM



# U.S. Trade With Singapore and ASEAN

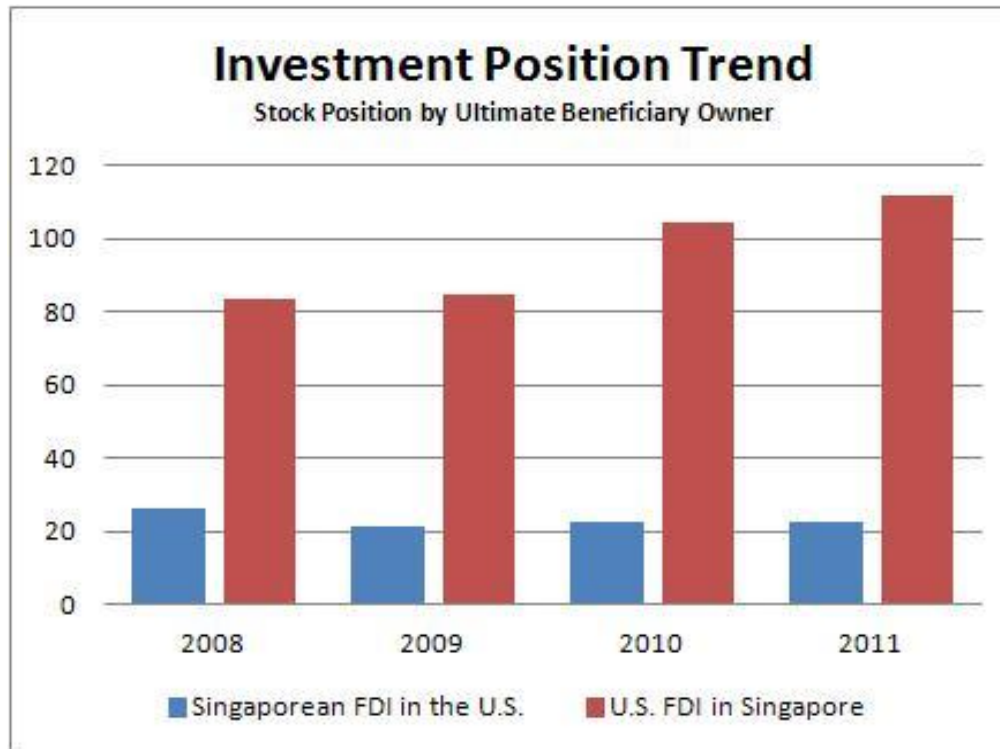
- **Major destination for U.S. exports**
- Singapore is the largest ASEAN market for U.S. exports (40.5% of total exports to ASEAN in 2012)
- Up to 60% exports to Singapore are re-exported to the region.
- U.S. investment in Singapore is \$116.6 billion alone, more than China or Japan, so as a bloc is in excess of \$170 billion.



Source: U.S. Dept of Commerce

U.S. Commercial Service, Singapore

# Foreign Direct Investment U.S.- Singapore



NOTE: FDI flows are calculated on a net value basis.

Foreign Direct Investment Position	2008	2009	2010	2011
• Singaporean FDI in the U.S.	26.2	21.5	21.2	22.4
• U.S. FDI in Singapore	83.2	84.8	104.3	116.6
Foreign Direct Investment Flows	2008	2009	2010	2011
• Singaporean FDI in the U.S.	10.5	1.3	.92	2.5
• U.S. FDI in Singapore	8.6	4.3	13.1	7.6

**U.S. – Singapore Bilateral FDI**  
(U.S. \$ billions)

Source: U.S. Bureau of Economic Analysis



# Investment into U.S

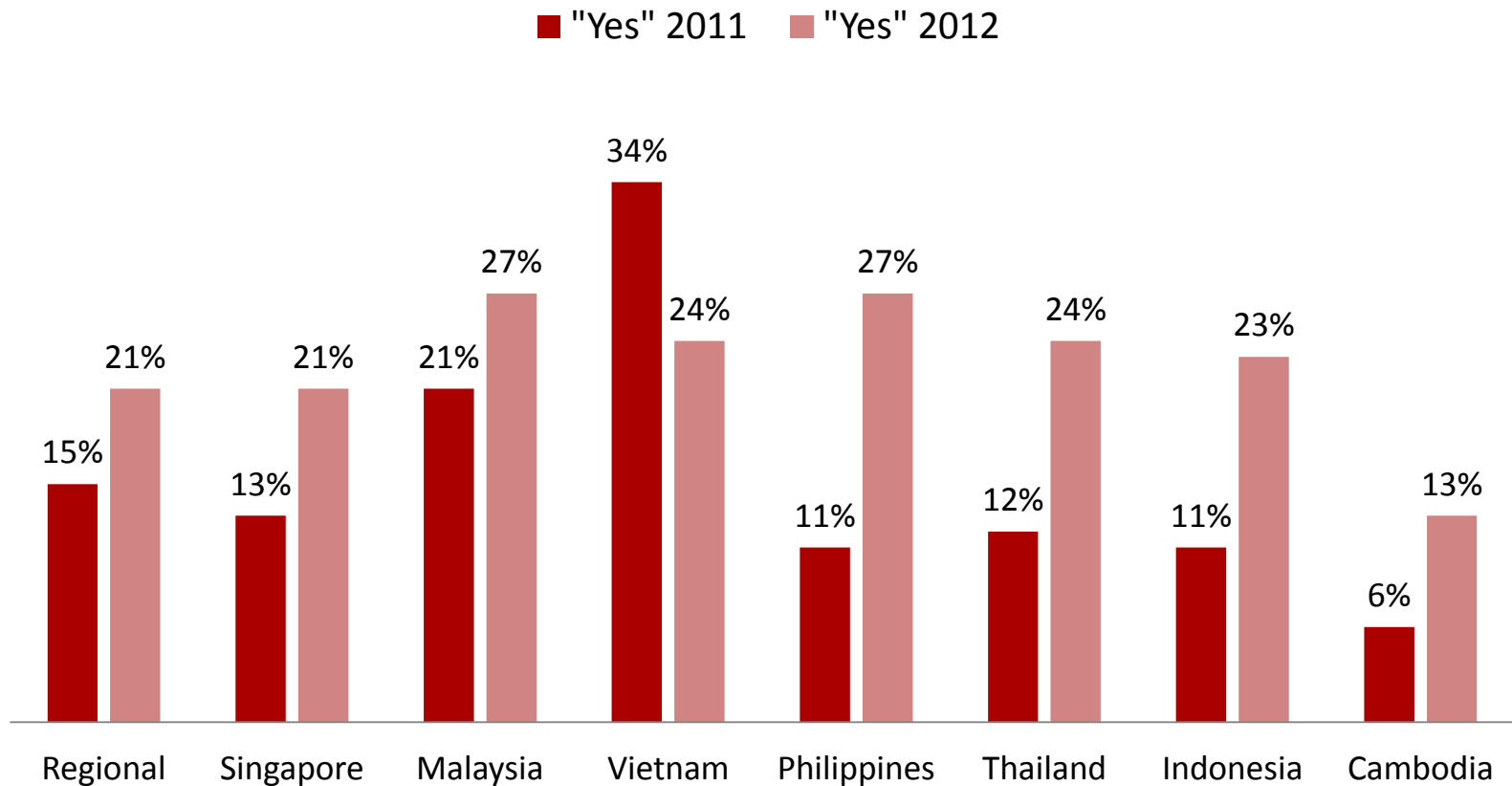
## Fastest Growing Sources of FDI in the United States by Compound Annual Growth Rate (CAGR) 2006-2011

Rank			Billion USD
1	China	71.2%	9.5
2	New Zealand	56.1%	6.0
3	India	40.8%	9.8
4	Ireland	38.6%	98.1
5	Belgium	33.4%	53.1
6	<b>Singapore</b>	<b>28.8%</b>	<b>22.4</b>
7	Spain	25.6%	48.0
8	United Arab Emirates	23.4%	17.4
9	Norway	22.4%	29.1
10	Brazil	19.8%	14.7

Source: U.S. Bureau of Economic Analysis



# More companies plan to diversify investment away from China and into ASEAN



Source: AmCham Singapore



# Strengths & Concerns of Doing Business

Factors	Regional	Malaysia	Philippines	Singapore	Thailand	Vietnam	Indonesia	Cambodia
Infrastructure	57%	90%	40%	94%	51%	57%	74%	44%
Availability of raw materials		52%						
Availability of low cost labor			73%	40%		55%	71%	69%
Availability of trained personnel/efficient manpower	50%		78%	61%	44%			50%
Office lease costs		72%	60%	48%	56%		58%	56%
Housing cost	44%			77%	51%		55%	
Laws and regulations		55%	43%	86%	56%	59%	61%	44%
Corruption (or lack of)	46%	48%	73%	88%	64%	77%	87%	81%
Local protectionism (or lack of)							71%	
Tax Structure		55%		83%	47%			
Personal security	74%		58%	96%	69%	72%	52%	56%
Stable government and political system	64%	62%	53%	94%	60%	62%	52%	75%
New business incentives by government				62%				
Ease of moving products through customs		66%		65%			52%	
Free movement of goods within the region		66%		62%				56%
Sentiment towards the U.S.	70%	76%	83%	75%	56%	68%	58%	75%



Source: AmCham Singapore

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