

Singapore

November 2021

Executive Summary

This country fact sheet provides key trade and investment related statistics for Singapore. Specifically, it shows Singapore's trade and investment flows including an analysis of top markets and products with both South Africa and the Western Cape, while highlighting the largest and fastest growing products and sub-sectors. It also analyses consumer-related insights for Singapore and tourism trends between the country and South Africa. Key findings and trends are provided below:

Economy

The impact of the coronavirus resulted in Singapore's real GDP contracting by 5.4% in 2020. The country's economic recovery is expected to remain on track in 2021. Activity is expected to accelerate in 2021 as vaccines become more widely available, with annual growth forecast to recover to 6% in 2021. The recovery is expected to be led by manufacturing and modern services, as hard-hit sectors such as aviation and tourism related industries improve more gradually. The outlook is subject to unusually high uncertainty, with balanced risks stemming mostly in the near term from the unknown trajectory of the pandemic globally and locally, as well as the path for vaccines.

Trade

In 2020, Singapore's export receipts decreased by 4.22% from USD390.39bn recorded in 2019 to USD373.91bn in 2020. Associated imports costs also decreased, by 8.41% from the USD359.01bn in 2019 to USD328.82bn in 2020.

South Africa's export receipts with Singapore totalled USD502.00m in 2020, declining by 9.78% from the 2019 value of USD556.42m. In a similar manner, South Africa's imports from Singapore declined by 30.18% to a value of USD365.24m in 2020, down from a cost of USD523.13m incurred in 2019. South Africa's leading export product to Singapore in 2020 was acyclic hydrocarbon, at a value of USD95.45m. South Africa was the 51st largest destination market for Singaporean exports and the 42nd largest source market for Singaporean imports.

The Western Cape exported goods to the value of USD65.71m in 2020 to Singapore, a decline of 40.81% from USD111.02m of 2019, while imported goods were valued at USD168.13m in 2020, an increase of 23.49% from the 2019 value of USD136.14m. The Western Cape's leading export product to Singapore in 2020 was citrus fruit at a value of USD10.22m.

Investment

A total of 6, 216 inward foreign direct investment (FDI) projects were recorded into Singapore from global sources over the period 2003 to April 2021. These projects represented a total capital investment of USD219.34bn. In turn, Singapore recorded 3, 072 outward FDI projects into the world over the said period with an associated capex value of USD291.86bn. Eight FDI projects (USD2.12bn capex value) were recorded from Singapore into South Africa during the said period; and three of these were made into the Western Cape. In turn, eleven FDI projects with a total capex value of USD156.3m were recorded from South Africa into Singapore over the same period; and four of these were from the Western Cape.

Tourism

South Africa received 1, 353 Singaporean tourist arrivals in 2020, a decline of 86.54% from 10, 052 recorded in 2019.

Table of Contents

1.	General Information	3
2.	Economic Overview	4
2.1	Economic Structure.....	5
2.2	Singapore’s Sovereign Credit Ratings	7
3.	Trade.....	9
3.1	Singapore Trade in Services.....	9
3.2	Singapore Global Goods Trade.....	10
3.3	Trade with South Africa.....	14
3.4	Western Cape Trade with Singapore	15
3.5	Customs, Regulations and Standards.....	17
3.6	Tariffs	18
3.7	Port-to-Port Rates	19
4.	Consumer Insights	20
4.1	Consumer Expenditure.....	20
4.2	Consumer Profile	21
5.	Investment.....	26
5.1	Global Investment into Singapore.....	26
5.2	Global Investment from Singapore	28
5.3	Investment Relations between South Africa and Singapore.....	32
5.4	Investment Relations between the Western Cape and Singapore.....	35
6.	Tourism.....	36
6.1	Singapore Tourist Arrivals into South Africa and the Western Cape	36
6.2	Singapore Tourist Arrivals into the Western Cape	36

1. General Information



A Malay trading port known as Temasek existed on the island of Singapore by the 14th century. The settlement changed hands several times in the ensuing centuries and was eventually burned in the 17th century and fell into obscurity. The British founded modern Singapore as a trading colony on the site in 1819. It joined the Malaysian Federation in 1963 but was ousted two years later and became independent. Singapore subsequently became one of the world's most prosperous countries with strong international trading links (its port is one of the world's busiest in terms of tonnage handled) and with per capita GDP equal to that of the leading nations of Western Europe.¹

The Chinese population account for close to 75% of Singapore's multi-racial population, with Malays and Indians making up much of the remainder. Densely populated, most of its people live in public-housing tower blocks. Its trade-driven economy is heavily supported by foreign workers. In 2013, the government forecast that by 2030, immigrants will make up more than 50% of the population. The People's Action Party has dominated politics since the country declared independence from Malaysia in 1965. Issues such as the rising cost of living, immigration and income inequality are major challenges facing the government.²

TABLE 1: GENERAL INFORMATION	
Capital city	Singapore
Government type	Parliamentary republic
Chief of State	President Halimah Yacob
Population	5, 866, 139 (July 2021 est.)
Life expectancy	86.19 years
Literacy	97.3%
Ethnic groups	Chinese 74.3%, Malay 13.5%, Indian 9%, other 3.2% (2020 est.)
Religions	Buddhist 31.1%, Christian 18.9%, Muslim 15.6%, Taoist 8.8%, Hindu 5%, other 0.6%, none 20% (2020 est.)
Languages	English (official) 48.3%, Mandarin (official) 29.9%, other Chinese dialects (includes Hokkien, Cantonese, Teochew, Hakka) 8.7%, Malay (official) 9.2%, Tamil (official) 2.5%, other 1.4%; note - data represent language most frequently spoken at home (2020 est.)
HDI (2020)	0.938 (Ranked 11 th)

Sources: CIA World Factbook, 2021, Human Development Indicators, 2020

¹ CIA World Factbook, 2021

² BBC News, 2021

2. Economic Overview

Singapore is a high-income economy with a GDP per capita of USD59, 974.60 per capita as of 2020. The country provides one of the world's most business-friendly regulatory environments for local entrepreneurs and is ranked among the world's most competitive economies. In the decades after independence, Singapore rapidly developed from a low-income country to a high-income country. GDP growth in the city-state has been amongst the world's highest, at an average of 7.7% since independence and topping 9.2% in the first 25 years.

After rapid industrialisation in the 1960s catapulted the island nation's development trajectory, manufacturing became the main driver of growth. In the early 1970s, Singapore reached full employment and joined the ranks of Hong Kong SAR, Republic of Korea, and Taiwan a decade later as Asia's newly industrialising economies. The manufacturing and services sectors remain the twin pillars of Singapore's high value-added economy. In 2009, the economy contracted by 0.6% as a result of the global financial crisis but has since recovered and has grown since 2010. That said, growth from 2012-2017 was slower than recorded in the previous decade, a result of slowing structural growth - as Singapore reached high-income levels - and soft global export demand. Growth recovered to 3.6% in 2017 underpinned by a strengthening global economy.

In 2020, Singapore entered the COVID-19 pandemic with sizable policy space and robust economic policy frameworks. These have enabled the authorities to mount a coordinated, comprehensive, and sizable policy response, with fiscal policy acting as a first line of defence. As a result, worse outcomes were prevented and real GDP, which contracted by 5.4% in 2020, registered 1.3% year-on-year growth in 2021Q1, led by a strong manufacturing sector performance. Labour market conditions were supported by the wide-ranging policy initiatives, and unemployment declined to 2.9% in April 2021 from its peak of 3.5% in September 2020. Inflation, which had turned negative in 2020, registered 2.1% year-on-year in April 2021. Policy support helped banks maintain strong liquidity and capital buffers. The current account surplus was resilient through the crisis and registered 17.6% of GDP in 2020.

Today the government is attempting to restructure Singapore's economy to reduce its dependence on foreign labour, raise productivity growth, and increase wages amid slowing labour force growth and an aging population. Singapore has attracted major investments in advanced manufacturing, pharmaceuticals, and medical technology production and will continue efforts to strengthen its position as Southeast Asia's leading financial and technology hub. Furthermore, in term of trade partnerships, Singapore is a signatory of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and a party to the Regional Comprehensive Economic Partnership (RCEP) negotiations with nine other ASEAN members plus Australia, China, India, Japan, South Korea, and New Zealand. In 2015, Singapore formed, with the other ASEAN members, the ASEAN Economic Community.³

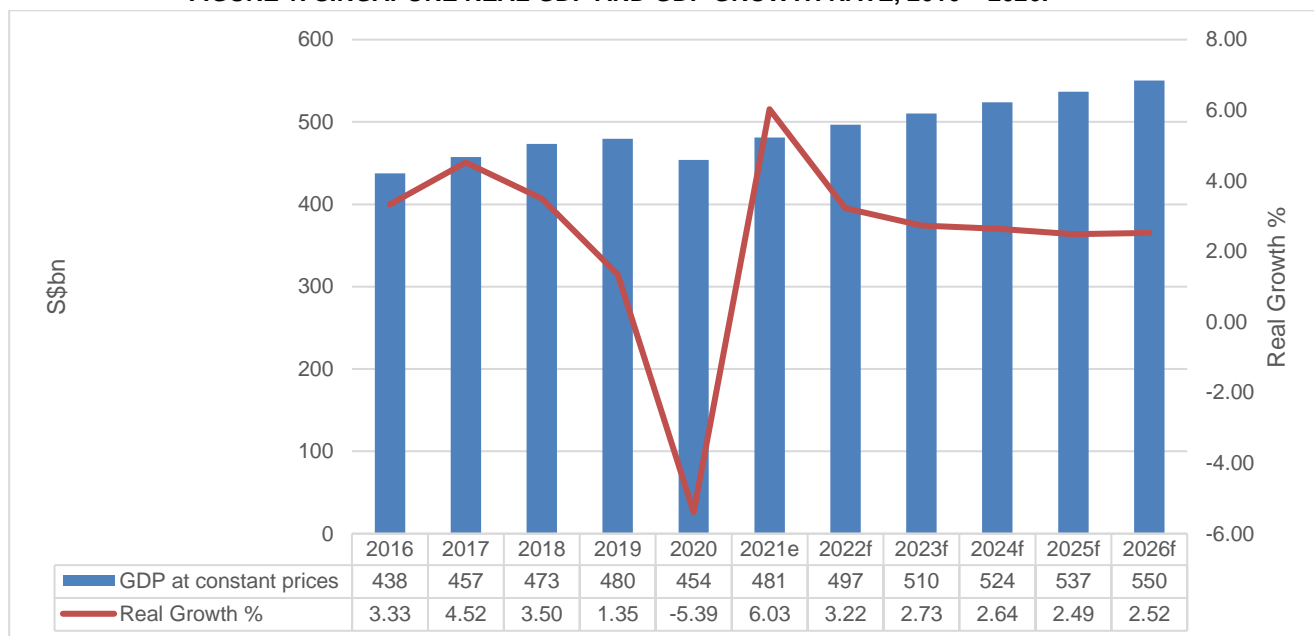
TABLE 2: ECONOMIC INFORMATION	
GDP at constant prices, national currency (2021 est.)	S\$481.18bn
GDP growth at constant prices (2021 est.)	6.03%
GDP per capita at constant prices, national currency (2021 est.)	S\$84, 207.94
Inflation (2021 est.)	1.6%
Prime lending rate (June 2021)	5.25%
Unemployment rate (2021 est.)	2.7%
Total Exports (2020)	USD373.91bn
Total Imports (2020)	USD328.82bn

Sources: IMF 2021; Monetary Authority of Singapore, 2021; Trade Map, 2021

³ World Bank, 2021; IMF, 2021; CIA World Factbook, 2021

The impact of the coronavirus resulted in Singapore's real GDP contracting by 5.4% in 2020. Activity is expected to accelerate in 2021 however as vaccines become more widely available, bringing the country's annual growth to 6% in 2021. The recovery is expected to be led by manufacturing and modern services, as hard-hit sectors such as aviation and tourism related industries improve more gradually. The outlook is subject to unusually high uncertainty, with balanced risks stemming mostly in the near term from the unknown trajectory of the pandemic globally and locally, as well as the path for vaccines. Additional risks include volatile global financial conditions, threats to globalisation and trade, and the uncertain impact of the pandemic on the corporate sector.⁴

FIGURE 1: SINGAPORE REAL GDP AND GDP GROWTH RATE, 2016 – 2026F



Sources: IMF, 2021

2.1 Economic Structure

Singapore's largest industry by far is the manufacturing sector, which contributes 20%-25% of the country's annual GDP. Key industry clusters in Singapore's manufacturing include electronics, chemicals, biomedical sciences, logistics and transport engineering. In the third quarter of 2017, the manufacturing sector grew by 35%, with clusters like electronics and precision engineering benefiting from high demand.

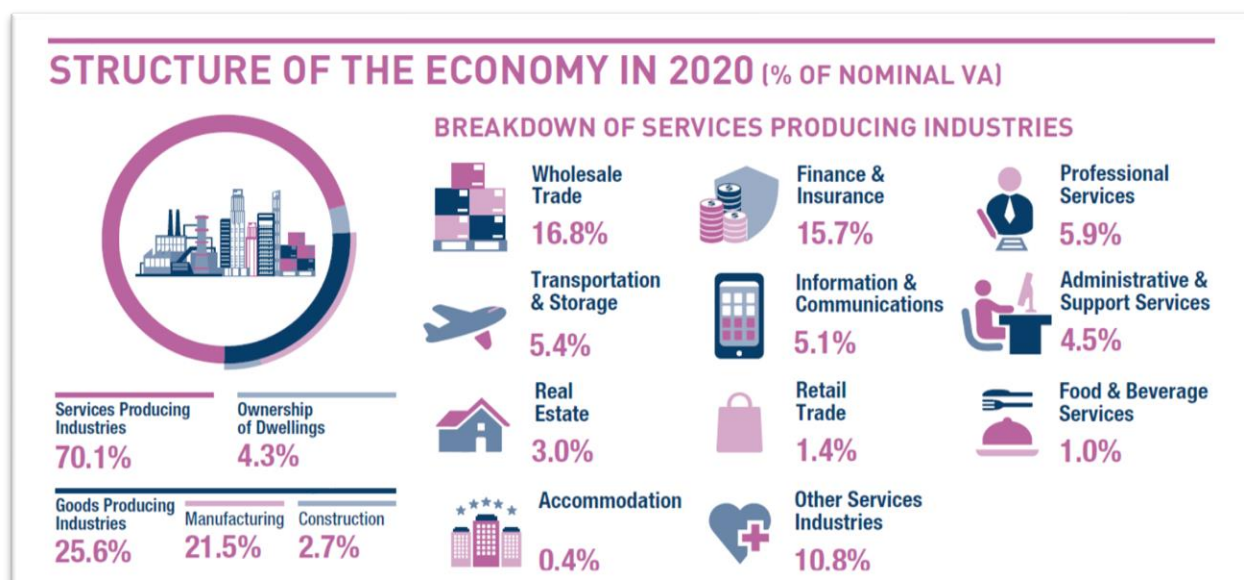
Close behind Singapore's manufacturing industry is its financial services industry, which has enjoyed stable growth due to Singapore's pro-business environment and political stability. Home to over 200 banks and a regional hub of choice for many global financial services firms, Singapore's financial services marketplace facilitates the transfer of knowledge, processes, technology and skills between global, regional and domestic markets.

Other emerging industries that are making significant contributions to Singapore's economy include medical technology, aerospace engineering, clean energy, healthcare, and content development.

The structure of the Singaporean economy in 2020 is shown in figure below.

⁴ IMF, 2021

FIGURE 2: SINGAPORE'S GDP SECTORAL CONTRIBUTION, 2020



Source: Ministry of Trade and Industry Republic of Singapore, 2021

Note: (Nominal GDP 2020)

The Forbes Global 2000 is an annual list of the world's 2000 largest publicly listed corporations. Listed in the figure below are the top companies from Singapore that made it to the 2021 top companies list.

TABLE 3: TOP SINGAPORE COMPANIES ON FORBES 2000 LIST, 2021

GLOBAL RANK	COMPANY	SECTOR	SALES (USDbn)	PROFITS (USDbn)	ASSETS (USDbn)	MARKET VALUE (USD bn)
164	Overseas-Chinese Banking	Banking & Financial Services	24.5	2.6	394.5	40.1
196	DBS Group	Banking & Financial Services	13.2	3.4	491.9	55.4
276	Wilmar International	Agribusiness	50.5	1.5	51	25.9
294	United Overseas Bank	Banking & Financial Services	9.5	2	326.7	32.8
549	SingTel	Telecommunications	12.1	783.3m	34.4	31.5
1156	Flex		23.3	421.1m	15.7	9.3
1257	Singapore Airlines	Airlines	11.6	-154.5m	23.7	12
1297	CapitaLand	Real Estate	4.9	-1.1	63.8	14.6
1355	Olam International	Agribusiness	26	137.2m	20.2	4.1

Source: Forbes 2000, 2021

Note: The Methodology

We compile our Global 2000 list using data from FactSet Research systems to screen for the biggest public companies in four metrics: sales, profits, assets and market value. Our market value calculation is as of April 18, 2019, closing prices and includes all common shares outstanding.

All figures are consolidated and in U.S. dollars. We use the latest-12-months' financial data available to us. We rely heavily on the databases for all data, as well as the latest financial period available for our rankings (the final database screen was run in early-April). Many factors play into which financial period of data is available for the companies and used in our rankings: the timeliness of our data collection/screening and company reporting policies, country-specific reporting policies and the lag time between when a company releases its financial data and when the databases capture it for screening/ranking. We quality-check the downloaded financial data to the best of our ability using other data sources, including Bloomberg and available company financial statements.

Publicly traded subsidiaries for which the parent company consolidates figures are excluded from our list. For most countries, the accounting rules for the consolidation of a subsidiary is when the parent's ownership (control) of the subsidiaries stock is more than 50%. Some countries accounting rules allow for the consolidation of a subsidiary at less than 50% ownership

2.2 Singapore's Sovereign Credit Ratings

"A sovereign credit rating is the credit rating of a country or sovereign entity. Sovereign credit ratings give investors insight into the level of risk associated with investing in a particular country and include political risks. At the request of the country, a credit rating agency will evaluate the country's economic and political environment to determine a representative credit rating" (Investopedia, 2020).

While a number of credit agencies exist, the three most recognised credit ratings agencies globally are Fitch Ratings, Moody's Investors Services (Moody's) and Standard & Poor's (S&P). Reasons for a country/sovereign to seek a credit rating from one of these three agencies include not only to access funding in international bond markets via the issuance of bonds in external debt markets, but it is a means to attract foreign direct investment. Obtaining a good sovereign credit rating instils confidence in investors seeking to invest in that country, with the credit rating a means for the country to demonstrate financial transparency and credit standing. Two key rating 'standards' exist, with the highest possible rating category being "AAA" according to S&P, which indicates that the rated country has extremely strong capacity to meet its financial commitments. A wide range of rating categories exists below this, with the categories ranging all the way down to SD (i.e., defaulted), which means the rated country has failed to pay one or more of its financial obligations when it came due.

On 5 August 2021, Fitch Ratings affirmed Singapore's rating at AAA with a stable outlook. Singapore's rating reflects its exceptionally strong external and fiscal balance sheets, high per capita income, favourable business environment and sound macroeconomic policy framework. These strengths mitigate vulnerability to external shocks arising from the country's high trade dependence and the financial sector's international linkages. Fiscal and external buffers remain substantial, despite sizeable pandemic relief measures in 2020-2021 that drew down accumulated financial reserves. The rating agency forecasts GDP to rebound by 5.6% in 2021, which is within the authorities' official forecast range of 4%-6%. This follows an economic contraction of 5.4% in 2020 due to the coronavirus pandemic on account of Singapore's small size and high degree of openness. The recovery should be supported by continued strong external demand and improving domestic consumption and investment. The country saw 1H21 growth of 7.8% based on advanced estimates for 2Q21 GDP of 14.3% y-o-y - with GDP recovering to pre-pandemic levels in 1Q21 - underpinned by manufacturing output and export growth. Merchandise exports in US-dollar terms rose by about 28% y-o-y. In addition, monetary policy is likely to remain accommodative for the remainder of the year, as core inflation pressure remains muted and downside risks to growth persist.

Moody's last rating of Singapore was on 17 October 2020. The rating agency rated Singapore with an Aaa rating, maintaining a stable outlook. The rating was driven by Moody's view that Singapore's structural credit strengths continue to provide resilience to adverse cyclical shocks and long-term trends. In particular, strong institutions and governance and the government's formidable fiscal reserves underpin the country's ability to weather the unprecedented shock posed by the global coronavirus outbreak. Although Singapore faces medium- to long-term risks from challenges to its externally oriented growth model, population aging and climate change, the sovereign's track record of structural transformation and underlying competitiveness support Moody's view that Singapore is likely to adapt in a way that preserves its credit profile. Furthermore, the stable outlook was based on Moody's expectation that the government will maintain its ability to adapt policies that mitigate the negative impact of changing global economic conditions and a challenging demographic outlook, to limit the country's vulnerability to external demand and financial shocks such as the coronavirus outbreak, and to avoid sustained damage to its currently robust fiscal and external position.

On 28 April 2020, S&P rated Singapore with 'AAA' long-term and 'A-1+' short-term sovereign credit ratings with a stable outlook. The agency expressed that the sovereign's robust credit metrics can absorb the temporary shock from the COVID-19 outbreak which will see the island state experience its worst recession since independence in 1965. The stable outlook reflected the agency's expectations that Singapore's strong external and fiscal positions were likely to remain intact despite the challenging domestic and macroeconomic environment. Further, the agency said the ratings could come under pressure if the economic shock from the Covid-19 is much deeper and more prolonged than our current projection, leading to a material shift in Singapore's credit metrics and a deterioration of the policy environment. However, in its view, Singapore's deep fiscal resources and its strong institutions should be able to address these temporary shocks and prevent lasting damage to the economy. Singapore's credit ratings from the major agencies are as following:⁵

⁵ Sources: Fitch Ratings, 2021; Moody's, 2021; Monetary Authority of Singapore, 2021

TABLE 4: SINGAPORE'S SOVEREIGN CREDIT RATINGS, 2021			
CREDIT RATING AGENCY	STANDARD & POORS	MOODY'S INVESTOR SERVICES	FITCH RATINGS
CREDIT RATING	AAA	Aaa	AAA
OUTLOOK	Stable	Stable	Stable
DATE OF LAST CHANGE	2020-04-28	2020-10-17	2021-08-05

Sources: Country Economy, 2021

A number of alternative measures and rating scales exist to assess risks posed to companies and banks, particularly those pertaining to political and commercial risks when undertaking international commercial transactions. One such company that offers these services is Belgium's Delcrederecroire's, the country's official export credit agency and public credit insurer.

The table below shows Delcrederecroire's current risk assessment of Singapore in terms of export transactions and direct investments. Ratings are between 1 and 7, and between A and G, with 7 and G being the maximum risk indicators.

- In terms of political risk associated with exports transactions in Singapore, these are deemed to be low both in the short-term and the medium to long-term.
- Business environment risk in turn is considered low.
- Regarding direct investment, all the categories are considered to be low as indicated by scores awarded below.

TABLE 5: SINGAPORE'S RISK ASSESSMENT - Delcrederecroire		
EXPORT TRANSACTIONS (Scale 1 – 7) *		
Political Risks	Short Term	1
	Medium-Long term	1
	Premium Classification OECD	1
Business Environment Risk A to G	D **	
DIRECT INVESTMENTS		
Political Violence Risk	1	
Risk of expropriation and government action	1	
Currency Inconvertibility and Transfer	1	
* Where 1 is associated with the least risk and 7 the most.		
** Where B is associated with mid risk; A is low risk and G is high risk.		

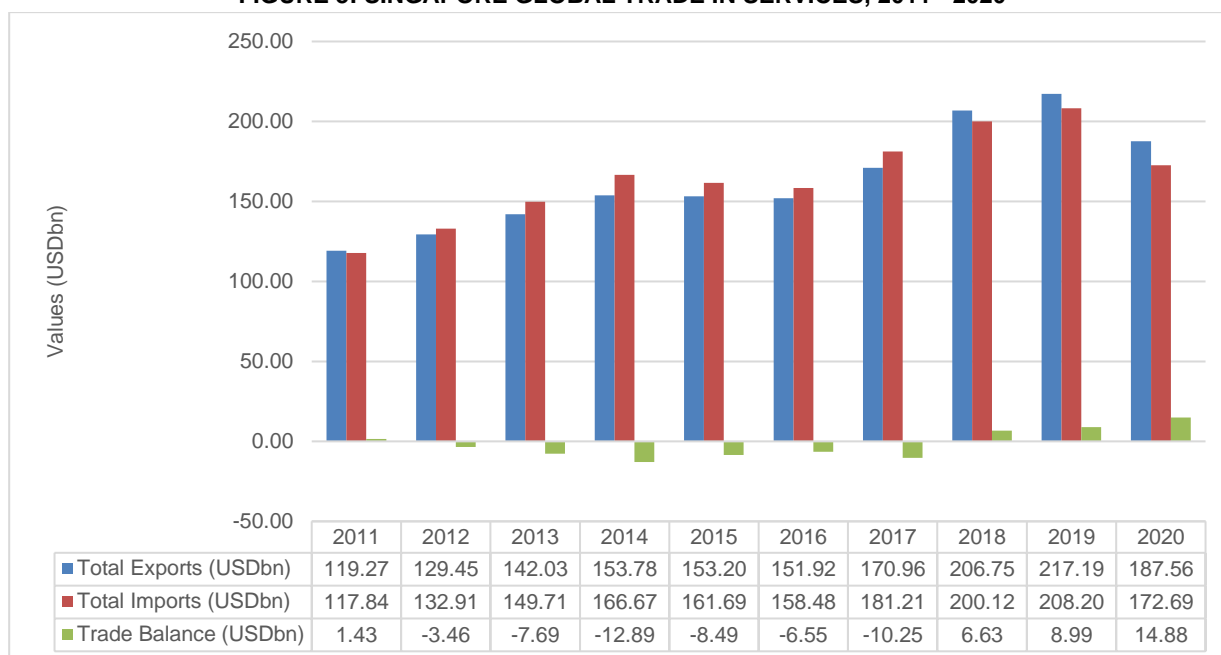
Source: ONDD, 2021

3. Trade

3.1 Singapore Trade in Services

The advent of the COVID-19 pandemic and the restrictions on the movement of goods and services across borders caused a disruption to Singapore's services trade in 2020. The export of services fell by 13.64% to a value of USD187.56bn, while the import of services fell by 17.06% to a cost of USD172.69bn in the same year, resulting in a significant services trade balance surplus of USD14.88bn in 2020, as illustrated below.

FIGURE 3: SINGAPORE GLOBAL TRADE IN SERVICES, 2011 - 2020



Source: TradeMap, 2021

Key Trade Services

Other business services, which include research and development; professional management and consulting services; legal and accounting; and advertising dominated the country's **global export services** trade in 2020, accounting for 31.85% (USD59.75bn) of services exported by Singapore (in 2020). Transport and financial services followed in second and third place, accounting for 28.32% (USD53.12bn) and 16.85% (USD31.61bn), respectively in the same year. Further to this, telecommunications, computer, and information services recorded the highest growth in export services, growing at an average annual rate of 12.65% over the period 2016 to 2020. Other high growth exports were insurance and pension services (12.32%) and personal, cultural, and recreational services (11.83%).

Singapore's **imported services** followed a similar trend, with imports of other business services dominating the list, accounting for 34.12% (or USD58.93bn) of all services imported by the country in 2020. Likewise, the import of transport services ranked second, comprising a 30.47% share (or USD52.61bn) of all service imports, while telecommunications, computer, and information services ranked in third place, with a total import cost of USD17.44bn (or 10.10%) in 2020. The import of financial services had the highest average annual growth rate, increasing by 12.69% over the period 2016 to 2020. This was followed by insurance and pension services (12.04%) and telecommunications, computer and information services imports (10.23%).

TABLE 6: SINGAPORE – TOP 10 EXPORTED & IMPORTED SERVICES, 2020

CODE	SERVICES	VALUE 2020	AVE Growth %	RANK	SERVICES	VALUE 2020	AVE Growth %
		(USDbn)	2016-2020			(USDbn)	2016-2020
1	Other business services	59.75	9.60%	1	Other business services	58.93	6.14%
2	Transport	53.12	3.88%	2	Transport	52.61	3.16%
3	Financial services	31.61	8.64%	3	Telecommunications, computer, and information services	17.44	10.23%
4	Telecommunications, computer, and information services	15.34	12.65%	4	Charges for the use of intellectual property	16.85	-2.32%
5	Charges for the use of intellectual property	8.28	-0.27%	5	Financial services	8.12	12.69%
6	Insurance and pension services	6.66	12.32%	6	Travel	6.83	-12.06%
7	Maintenance and repair services	5.38	-2.96%	7	Insurance and pension services	5.32	12.04%
8	Travel	5.19	-10.67%	8	Manufacturing services on physical inputs owned by others	4.90	-4.06%
9	Personal, cultural, and recreational services	0.95	11.83%	9	Maintenance and repair services	0.70	2.37%
10	Construction	0.81	3.61%	10	Personal, cultural, and recreational services	0.50	0.97%
TOTAL		187.56	4.81%		TOTAL	172.69	1.95%

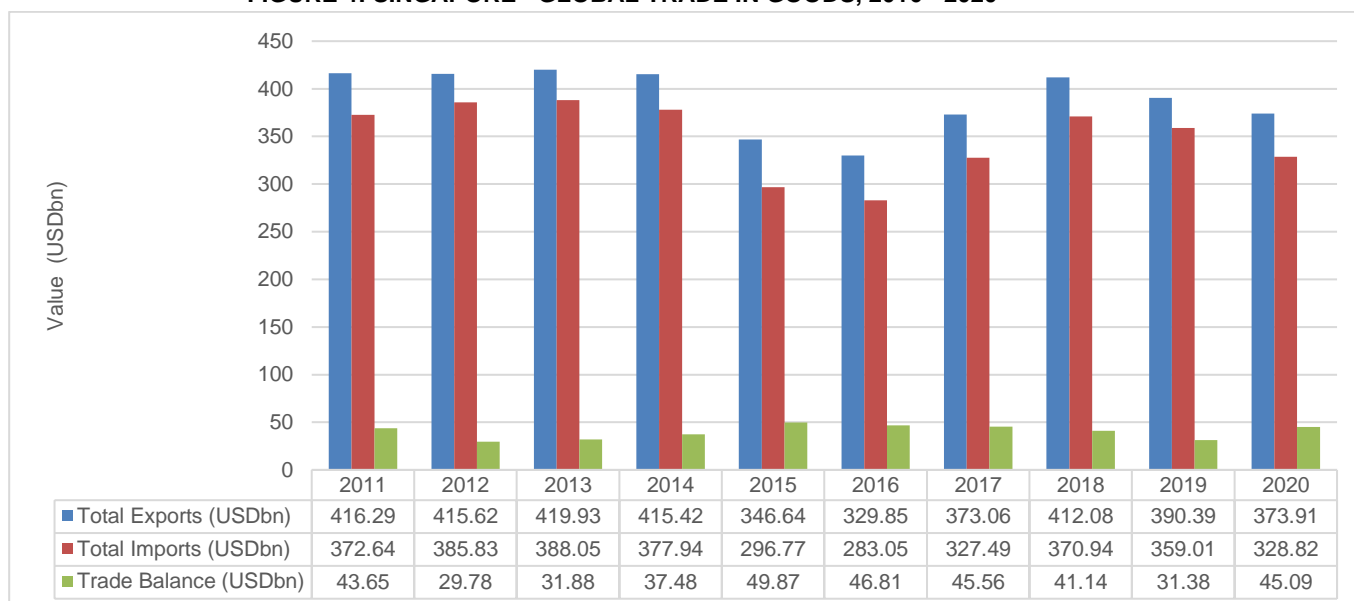
Source: TradeMap, 2021

3.2 Singapore Global Goods Trade

The figure below shows the trend in Singapore's global trade from 2011 to 2020. Singapore's export receipts consistently outpaced its import costs throughout the period under review, firmly entrenching the country's status as a net exporter of goods.

In 2020, Singapore's export receipts fell by 4.22% to reach a value of USD373.91bn, down from USD390.39bn recorded in 2019. In a similar manner, associated import costs also fell, falling by 8.41% from the cost of USD359.01bn incurred in 2019 to USD328.821bn in 2020.

FIGURE 4: SINGAPORE - GLOBAL TRADE IN GOODS, 2016 - 2020



Source: TradeMap, 2021

Key Trade Markets

In terms of key trade export markets, China was the leading destination market for Singapore's exports at a value of USD51.37bn in 2020. Hong Kong and US were the second and third largest consumers of Singaporean products in 2020, importing products to the value of USD46.22bn and USD40.25bn, respectively. Of the top 10 exports markets, the fastest growing markets for Singaporean exports over the five-year period leading up to and including 2020 were the US (12.21%), Taipei, Chinese (4.94%) and Japan (3.90%)

South Africa was Singapore's 51st largest destination market in 2020, at a value of USD332.27m.

TABLE 7: SINGAPORE - TOP EXPORT GOODS MARKETS (USDbn), 2020			
RANK	COUNTRY	VALUE 2020 (USDbn)	AVE GROWTH %, 2016-2020
1	China	51.37	2.22%
2	Hong Kong	46.22	3.32%
3	United States of America	40.25	12.21%
4	Malaysia	33.28	-1.65%
5	Indonesia	21.44	-4.26%
6	Taipei, Chinese	18.23	4.94%
7	Japan	17.87	3.90%
8	Korea, Republic of	16.76	3.28%
9	Thailand	14.11	0.80%
10	Viet Nam	12.44	0.69%
51	South Africa	0.33	-13.00%
TOTAL EXPORTS		373.91	1.85%

Source: TradeMap, 2021

Similar to leading destination markets for Singapore's exports, China was also the leading source market for Singapore's **imports** in 2020, with imports valued at USD47.40bn. Malaysia and Taipei, Chinese were the second and third largest source markets for Singapore's imports in 2020, with values totalling USD41.73bn and USD36.31bn, respectively. Of the top 10 markets, the fastest growing markets for Singaporean imports over the five-year period leading up to and including 2020 were Taipei, Chinese (8.37%), France (7.99%) and Thailand (5.72%).

South Africa was Singapore's 42nd largest source market in 2020, at a value of USD418.49m.

TABLE 8: SINGAPORE - TOP IMPORT GOODS MARKETS (USDbn), 2020			
RANK	COUNTRY	VALUE 2020 (USDbn)	AVE GROWTH %, 2016-2020
1	China	47.40	2.61%
2	Malaysia	41.73	5.14%
3	Taipei, Chinese	36.31	8.37%
4	United States of America	35.17	2.18%
5	Japan	18.12	-0.18%
6	Korea, Republic of	15.55	-2.74%
7	Indonesia	13.96	-0.27%
8	France	10.22	7.99%
9	Thailand	9.79	5.72%
10	Germany	8.83	-0.01%
42	South Africa	0.42	0.54%
TOTAL IMPORTS		328.82	2.54%

Source: TradeMap, 2021

Interesting Trade Facts

Figure 5 below illustrates Singapore's dominance on the global trade front. In 2020, despite global disruptions to cross-border trade and disruptive supply chains, Singapore accounted for 2% of global exports and 1.8% of global imports, making it the 15th largest global exporter and the 17th largest global importer in 2020.

FIGURE 5: SINGAPORE'S COMPETITIVE TRADE ADVANTAGE, 2020



Source: TradeMap, 2021

Key Trade Products

In terms of Singapore's **top traded products**, electronic integrated circuits dominated the export basket, accounting for 23.07% of exports at a value of USD86.27bn in 2020. Petroleum oils (excl. crude) followed in second place at an export value of USD27.41bn, accounting for 7.33% of exports in the same year. Commodities not elsewhere specified came third at a value of USD20.30bn (or 5.43%). The export of gold had the highest growth in exports, increasing at an average annual rate of 118.04% per annum from 2016 to 2020. Turbojets, turbopropellers and other gas turbines followed in second place with an average growth of 25.94%, while machines used for manufacture of semiconductor followed in third with a growth rate of 23.55% per annum.

Turning to **imports**, electronic integrated circuits were also Singapore's largest imported goods category in 2020, reaching a total import value of USD71.72bn and comprising a 21.81% share of the entire import basket. Petroleum oils (excl. crude) ranked in second place with a value of USD31.25bn (9.50%), while gold ranked in third with a value of USD16.64bn (5.06%). Further, the import of gold had the highest average annual growth rate, increasing by 108.25% over the period 2016 to 2020. This was followed by turbojets, turbopropellers and other gas turbines (22.90%) and machines used for manufacture of semiconductor (17.98%).

TABLE 9: SINGAPORE – TOP 10 EXPORTED & IMPORTED PRODUCTS, 2020

RANK	EXPORTED PRODUCT (HS 4)	VALUE 2020 (USDbn)	% GROWTH (avg.; USD terms) 2016-2020	RANK	IMPORTED PRODUCT (HS 4)	VALUE 2020 (USDbn)	% GROWTH (avg.; USD terms) 2016-2020
1	Electronic integrated circuits	86.27	2.96%	1	Electronic integrated circuits	71.72	6.53%
2	Petroleum oils (excluding crude)	27.41	-5.14%	2	Petroleum oils (excluding crude)	31.25	-2.44%
3	Commodities not elsewhere specified	20.30	2.76%	3	Gold	16.64	108.25%
4	Gold	15.81	118.04%	4	Turbojets, turbopropellers and other gas turbines	15.07	22.90%
5	Turbojets, turbopropellers and other gas turbines	13.74	25.94%	5	Petroleum oils, crude	14.39	0.30%
6	Telephone sets	11.62	2.76%	6	Telephone sets	11.65	6.82%
7	Machines used for manufacture of semiconductor	11.26	23.55%	7	Automatic data-processing machines	8.06	5.84%
8	Diodes, transistors	9.25	2.51%	8	Parts and accessories	5.38	2.48%
9	Automatic data-processing machines	7.32	-6.02%	9	Diodes, transistors	5.19	0.91%
10	Beauty or make-up preparations	6.24	22.86%	10	Machines used for manufacture of semiconductor	5.16	17.98%
TOTAL EXPORTS		373.91	1.85%	TOTAL IMPORTS		328.82	2.54%

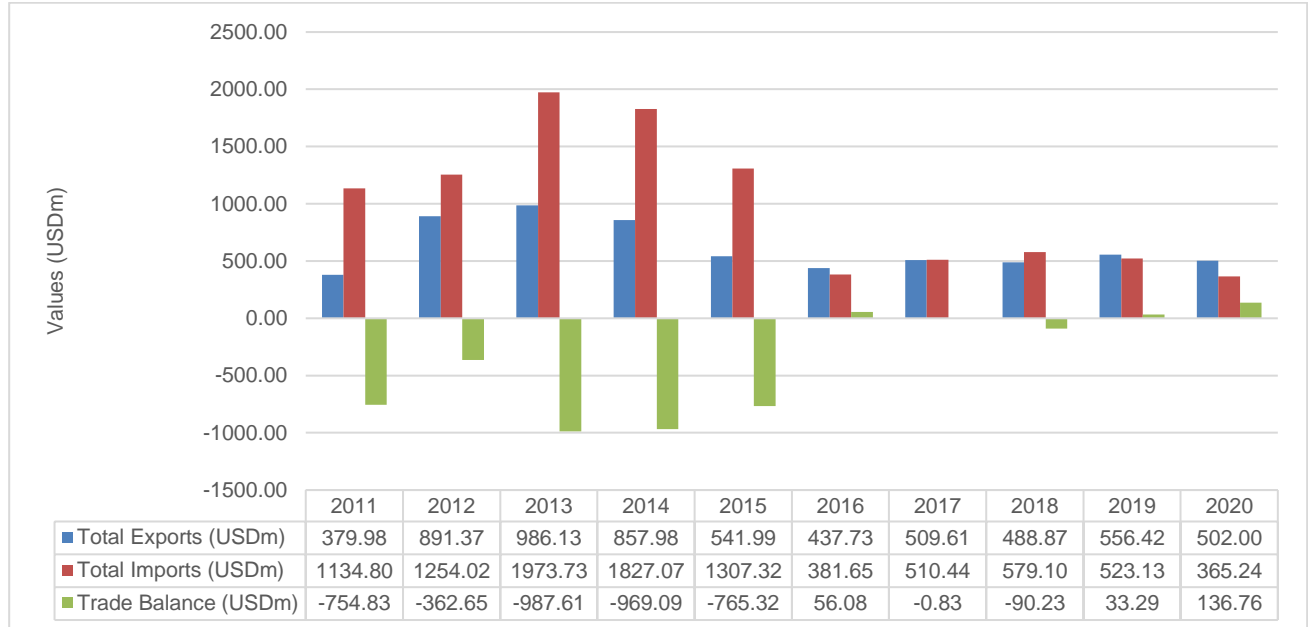
Source: Trade Map 2021

3.3 Trade with South Africa

In 2020, South Africa's export receipts with Singapore totalled USD502.00m, declining by 9.78% from the 2019 value of USD556.42m. In a similar manner, South Africa's imports from Singapore declined by a significant 30.18% to a value of USD365.24bn in 2020, down from a cost of USD523.13m incurred in 2019.

South Africa's trade with Singapore for the period 2011 - 2020 is presented in the figure below.

FIGURE 6: SOUTH AFRICA TRADE WITH SINGAPORE, 2016-2020



Source: Trade Map 2021

Key Trade Products

The export of acyclic hydrocarbons dominated South Africa's **export basket** to Singapore, accounting for 19.01% at a value of ZAR95.45m in 2020. Manganese ores and concentrates ranked second, reaching a value of ZAR82.32m and accounting for 16.40% of total exports to Singapore in 2020. Unwrought nickel came third at a value of ZAR47.49m (9.46%). In terms of export growth over the period 2016 to 2020, it was unwrought nickel that recorded the highest growth, increasing at an average rate of 302.44%. This was followed by manganese ores and concentrates (198.69%), and parts and accessories for tractors (101.65%).

Turning to South Africa's **import basket** from Singapore, petroleum oils (excluding crude) held the majority share of 42.84% at a value of ZAR156.48m of imports in 2020. This was followed by anti-knock preparations, oxidation inhibitors (ZAR14.21m or 3.89%), and vessels, incl. warships and lifeboats (excluding rowing boats) at a value of ZAR13.59 (3.72%). Further to this, medicaments reached the highest growth in imports, growing at an average annual rate of 42.25% per annum from 2016 to 2020. Followed by printing machinery (31.56%) and organo-sulphur compounds (31.35%).

TABLE 10: SOUTH AFRICA TOP 10 EXPORTS & IMPORTS TO SINGAPORE, 2020

RANK	PRODUCT	VALUE 2020 (USDm)	AVE GROWTH % 2016-2020	RANK	PRODUCT	VALUE 2020 (USDm)	AVE GROWTH % 2016-2020
1	Acyclic hydrocarbons	95.45	6.04%	1	Petroleum oils (excluding crude)	156.48	-4.26%
2	Manganese ores and concentrates	82.32	198.69%	2	Anti-knock preparations, oxidation inhibitors	14.21	20.03%
3	Unwrought nickel	47.49	302.44%	3	Vessels, incl. warships and lifeboats	13.59	-

					(excluding rowing boats)		
4	Iron ores and concentrates	38.51	-	4	Discs, tapes, solid-state non-volatile storage devices	11.56	-7.34%
5	Ketones and quinones	17.32	-2.88%	5	Orthopaedic appliances	10.47	18.50%
6	Acyclic alcohols	15.28	-2.05%	6	Organo-sulphur compounds	9.58	31.35%
7	Citrus fruit	14.60	-1.19%	7	Instruments and apparatus for physical or chemical analysis	9.39	17.07%
8	Motor cars	14.42	-22.89%	8	Medicaments	7.97	45.25%
9	Industrial monocarboxylic fatty acids	13.22	45.62%	9	Unused postage, revenue or similar stamps	7.77	-
10	Parts and accessories for tractors	12.41	101.65%	10	Printing machinery	7.15	31.56%
TOTAL EXPORTS		502.002	-0.57%	TOTAL IMPORTS		365.24	-12.69%

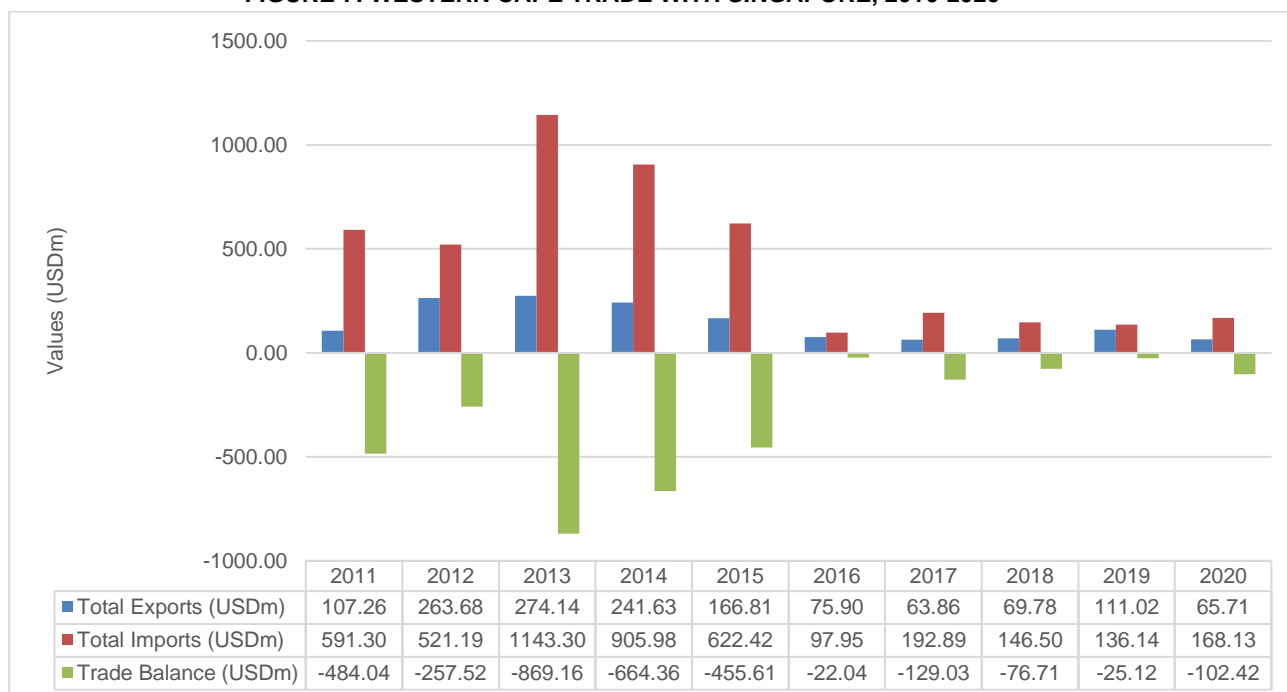
Source: Trade Map 2021

3.4 Western Cape Trade with Singapore

Turning to the Western Cape's trade with Singapore for the period 2011 – 2020.

In 2020, the Western Cape's export receipts from trade with Singapore stood at USD65.71m; a decrease of 40.81% from the 2019 value of USD111.02m. In contrast, associated import costs increased by 23.49%, from a value of USD136.14m in 2019 to a value of USD168.13m in 2020. The increase in import costs were as a result of an increase in the import of *other vessels, including warships and lifeboats* in 2020, valued at ZAR13.38m; and this product was not in the Western Cape's basket from Singapore in 2019.

FIGURE 7: WESTERN CAPE TRADE WITH SINGAPORE, 2016-2020



Source: Quantec, 2021

Key Trade Products

The Western Cape's dominant export product to Singapore in 2020 was citrus fruits at a value of ZAR10.22m. This was equivalent to 15.55% of all export receipts earned by the Western Cape from trade with Singapore in the year. Apples placed second at a value of ZAR10.03m (15.27%), followed by petroleum oils (excl. crude) at ZAR6.24m (9.50%). There has been exceptional growth in the exports of mechano-therapy appliances from South Africa to Singapore in recent years, increasing at an average rate of 9460.12% over the period 2016 to 2020. Growth was also seen for other plates, sheets, film, foil and strip, of plastics (83.79%) and other fruit (48.24%).

Petroleum oils (crude) dominated products imported by the Western Cape from Singapore in 2020 at a cost of ZAR125.38m. This was equivalent to 74.57% of all import costs incurred by the Western Cape with the country in 2021. Other vessels, including warships and lifeboats other than rowing boats category placed second at a cost of ZAR13.38m (7.96%), followed by anti-knock preparations, oxidation inhibitors, gum inhibitors, viscosity improvers ZAR5.55m (3.30%). There were three notable product categories which experienced significant growth over the period 2016 to 2020, namely self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes which topped the list at an average annual growth rate of 1810.77% per annum; import of discs, tapes, solid-state non-volatile storage devices, smart cards (715.04%), and polymers of styrene (249.94%).

TABLE 11: WESTERN CAPE TOP 10 EXPORTS & IMPORTS TO SINGAPORE, 2020							
RANK	PRODUCT (HS4)	VALUE 2020 (USDm)	AVE GROWTH % 2016 - 2020	RANK	PRODUCT (HS4)	VALUE 2020 (USDm)	AVE GROWTH % 2016 - 2020
1	Citrus fruit	10.22	0.88%	1	Petroleum oils, crude	125.38	-3.65%
2	Apples, pears	10.03	-7.33%	2	Other vessels, including warships and lifeboats other than rowing boats	13.38	-
3	Petroleum oils (excl. crude)	6.24	-23.37%	3	Anti-knock preparations, oxidation inhibitors, gum inhibitors, viscosity improvers	5.55	-3.93%
4	Grapes	4.99	1.26%	4	Polymers of styrene	5.08	249.94%
5	Other fruit	4.72	48.24%	5	Polymers of ethylene, in primary forms	2.41	38.33%
6	Other plates, sheets, film, foil and strip, of plastics	4.17	83.79%	6	Tugs and pusher craft	1.81	-
7	Wine	2.21	-2.25%	7	Discs, tapes, solid-state non-volatile storage devices, smart cards	1.78	715.04%
8	Mechano-therapy appliances	1.95	9460.12%	8	Paper and paperboard	1.59	-
9	Other vessels, including warships and lifeboats other than rowing boats	1.78	-	9	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes	1.10	1810.77%
10	Fruit, nuts and other edible parts of plant	1.55	-18.27%	10	Uncoated paper and paperboard, of a kind used for writing, printing	0.82	-
TOTAL EXPORTS		65.71	-8.56%	TOTAL IMPORTS		168.13	1.01%

Source: Quantec, 2021

3.5 Customs, Regulations and Standards

Import Tariffs

- Singapore is generally a free port and an open economy.
- It applies a Most-Favoured-Nation (MFN) zero-duty to nearly 100 percent of its tariff lines.
- The few lines with non-zero duties are for certain alcoholic beverages. For social and/or environmental reasons, Singapore levies high excise taxes on distilled spirits and wine, tobacco products, motor vehicles and petroleum products.
- Singapore levies a 7% Goods and Services Tax (GST), which is scheduled to be raised to increase to 9% some time before 2025.
- For dutiable goods, the taxable value for GST is calculated based on the CIF (Cost, Insurance, and Freight) value, plus all duties and other charges.
- In the case of non-dutiable goods, GST will be based on the CIF value plus any commission and other incidental charges whether shown on the invoice. If the goods are dutiable, the GST will be collected simultaneously with the duties.
- Special provisions pertain to goods stored in licensed warehouses and free trade zones

Labelling/Marking Requirements

- The labels are required on imported food, drugs, liquors, paints and solvents and must specify the country of origin.
- In March 2020, Singapore's Ministry of Health published a fact sheet explaining the Nutri-Grade system that will rate pre-packaged, non-alcoholic beverages as "A", "B", "C", "D" based on levels of sugar and saturated fat. The labels will be mandatory for beverages in categories "C" and "D", and advertising will be prohibited for category "D" beverages. This grading system will take effect at the end of 2021.

Prohibited & Restricted Imports

- Special import licenses are required for certain goods, including strategic items, hazardous chemicals, radioactive materials, films and videos, video games, arms and ammunition, agricultural biotechnology products, food derived from agricultural biotechnology products, medical devices, prescription drugs, over-the-counter drugs, vitamins with very high dosages of certain nutrients, and cosmetics and skin care products.
- The import of items such as lighters in the shape of pistols or revolvers, firecrackers, handcuffs, shell casings, and silencers is prohibited.
- Generally, the import of goods that the government determines as posing a threat to health, security, safety and social decency is controlled.
- Companies must make an outward declaration to export or re-export goods out of Singapore. Selected items are subjected to controls on exports of goods from Singapore. Items such as rubber, timber, granite, satellite dishes and receivers, and chlorofluorocarbons are subjected to export control and licensing. Items under export control must be endorsed or licensed by the appropriate government agencies before they can be exported. More information may be obtained via Singapore Customs.

Trade Agreements

As a nation with a small domestic market that depends on imports for food, energy, and industrial raw materials, Singapore places the highest priority on the multilateral trading system embodied by the World Trade Organization (WTO). As a member of the WTO, Singapore believes that the WTO can provide a stable framework for developing sound multilateral rules that ensure that goods and services can flow freely with minimum impediment. The primary objective of Singapore's trade policy is to guard its trading interest by ensuring a free and open international trading environment.

In tandem with its support of the WTO, Singapore advocates that trade efforts are undertaken in the regional context such as APEC (Asia Pacific Economic Cooperation), ASEM (Asia-Europe Meeting) and ASEAN (Association of Southeast Asian Nations), as well as bilateral Free Trade Agreements (FTAs) to accelerate the momentum of trade liberalization and strengthen the multilateral trading system. It has actively pursued a few legally binding arrangements with trading partners. The ASEAN Economic Community (AEC) aims to create a single enlarged

market of 600 million people and recognizing that regional economic integration is a dynamic and ongoing process, has initiated two studies for the AEC Blueprint 2025.

The U.S.-Singapore Free Trade Agreement (FTA) has been in effect since 2004. Singapore also has many bilateral and regional FTAs including with Australia, China, Costa Rica, India, Japan, Jordan, New Zealand, South Korea, Panama, Peru, Sri Lanka, European Union, United Kingdom and Turkey. Singapore is a participant in the Regional Comprehensive Economic Partnership regional trade negotiations, which include the ten Association of Southeast Asian Nations (ASEAN) countries plus Australia, China, Japan, Korea, India and New Zealand.⁶

3.6 Tariffs

The table below shows *tariffs imposed by Singapore on South Africa's exports* in 2021.

TABLE 12: TARIFFS IMPOSED ON SOUTH AFRICAN EXPORTS BY SINGAPORE, 2021					
HS CODE AND PRODUCT DESCRIPTION	TARIF F, %	HS CODE AND PRODUCT DESCRIPTION	TARIF F, %	HS CODE AND PRODUCT DESCRIPTION	TARIF F, %
H01: Live animals	0	H33: Essential oils, perfumes, cosmetics, toiletries	0	H65: Headgear and parts thereof	0
H02: Meat and edible meat offal	0	H34: Soaps, lubricants, waxes, candles, modelling pastes	0	H66: Umbrellas, walking-sticks, seat-sticks, whips	0
H03: Fish, crustaceans, molluscs, aquatic invertebrates	0	H35: Albs.uminoids, modified starches, glues, enzymes	0	H67: Bird skin, feathers, artificial flowers, human hair	0
H04: Dairy products, eggs, honey, edible animal product	0	H36: Explosives, pyrotechnics, matches, pyrophorics	0	H68: Stone, plaster, cement, asbestos, mica, articles	0
H05: Products of animal origin	0	H37: Photographic or cinematographic goods	0	H69: Ceramic products	0
H06: Live trees, plants, bulbs, roots, cut flowers	0	H38: Miscellaneous chemical products	0	H70: Glass and glassware	0
H07: Edible vegetables and certain roots and tubers	0	H39: Plastics and articles thereof	0	H71: Pearls, precious stones, metals, coin	0
H08: Edible fruit, nuts, peel of citrus fruit, melons	0	H40: Rubber and articles thereof	0	H72: Iron and steel	0
H09: Coffee, tea, mate and spices	0	H41: Raw hides and skins (other than fur skins) and leather	0	H73: Articles of iron or steel	0
H10: Cereals	0	H42: Articles of leather, animal gut, harness, travel goods	0	H74: Copper and articles thereof	0
H11: Milling products, malt, starches, inulin, wheat gluten	0	H43: Fur skins and artificial fur, manufactures thereof	0	H75: Nickel and articles thereof	0
H12: Oil seed, oleagic fruits, grain, seed, fruit,	0	H44: Wood and articles of wood, wood charcoal	0	H76: Aluminium and articles thereof	0
H13: Lac, gums, resins, vegetable saps and extracts	0	H45: Cork and articles of cork	0	H78: Lead and articles thereof	0
H14: Vegetable plaiting materials, vegetable products	0	H46: Manufactures of plaiting material, basketwork, etc.	0	H79: Zinc and articles thereof	0
H15: Animal, vegetable fats and oils, cleavage products,	0	H47: Pulp of wood, fibrous cellulosic material, waste	0	H80: Tin and articles thereof	0
H16: Meat, fish and seafood food preparations	0	H48: Paper & paperboard, articles of pulp, paper and board	0	H81: Other base metals, cermet's, articles thereof	0
H17: Sugars and sugar confectionery	0	H49: Printed books, newspapers, pictures	0	H82: Tools, implements, cutlery, of base metal	0
H18: Cocoa and cocoa preparations	0	H50: Silk	0	H83: Miscellaneous articles of base metal	0
H19: Cereal, flour, starch, milk preparations and products	0	H51: Wool, animal hair, horsehair yarn and fabric thereof	0	H84: Nuclear reactors, boilers, machinery	0

⁶ *International Trade Administration, 2021*

H20: Vegetable, fruit, nut food preparations	0	H52: Cotton	0	H85: Electrical, electronic equipment	0
H21: Miscellaneous edible preparations	0	H53: Vegetable textile fibres paper yarn, woven fabric	0	H86: Railway, tramway locomotives, rolling stock, equipment	0
H22: Beverages, spirits and vinegar	4	H54: Manmade filaments	0	H87: Vehicles other than railway, tramway	0
H23: Residues, wastes of food industry, animal fodder	0	H55: Manmade staple fibres	0	H88: Aircraft, spacecraft, and parts thereof	0
H24: Tobacco and manufactured tobacco substitutes	0	H56: Wadding, felt, nonwovens, yarns, twine, cordage	0	H89: Ships, boats and other floating structures	0
H25: Salt, sulphur, earth, stone, plaster, lime and cement	0	H57: Carpets and other textile floor coverings	0	H90: Optical, photo, technical, medical apparatus	0
H26: Ores, slag and ash	0	H58: Special woven or tufted fabric, lace, tapestry	0	H91: Clocks and watches and parts thereof	0
H27: Mineral fuels, oils, distillation products,	0	H59: Impregnated, coated or laminated textile fabric	0	H92: Musical instruments, parts and accessories	0
HS28: Inorganic chemicals	0		0	H94: Furniture, lighting, signs, prefabricated buildings	0
H29: Organic chemicals	0	H61: Articles of apparel, accessories, knit or crochet	0	H95: Toys, games, sports requisites	0
H30: Pharmaceutical products	0	H62: Articles of apparel, accessories, not knit or crochet	0	H96: Miscellaneous manufactured articles	0
H31: Fertilizers	0	H63: Other made textile articles, sets, worn clothing	0	H97: Works of art, collectors' pieces and antiques	0
H32: Tanning, dyeing extracts, tannins, derivatives, pigments	0	H64: Footwear, gaiters and the like, parts thereof	0	H99: Commodities not elsewhere specified	0

Source: TradeMap, 2021

NOTE: Exporters should not take the HS2 tariff as conclusive and as the actual tariff that will be applied to the exported product. The tariffs indicated above are average tariffs and for products within the category it may be higher or lower than indicated. Where the tariff is zero it can be assumed that there is zero tariff applicable to all products within that HS code. Tariffs are determined according to the importing country's national tariff line from the HS6 level and upwards. Exporters are advised to visit www.macmap.org to determine the exact tariff applicable to the product at HS.

3.7 Port-to-Port Rates



Source: Dedola Global Logistics

The Port of Singapore has two main commercial port terminal operators, namely PSA Corporation Limited and Jurong Port. Both ports can accommodate all vessel types.

PSA Singapore Terminals operates four container terminals with a total of 52 berths at Tanjong Pagar, Keppel, Brani, and Pasir Panjang as one seamless and integrated facility. Its newest terminal, Pasir Panjang Terminal (PPT), can handle mega container vessels of 13,000 TEUs or more with quay cranes that can reach across 22 rows of containers.

Jurong Port is a multi-purpose port and the main bulk and conventional cargo gateway for Singapore and the region. The port handles steel products, cement, project cargo and copper slag, among others, using an extensive network of pipelines and conveyor systems for speedy and environment-friendly discharge and loading. It is also accredited by the London Metal Exchange as an ideal storage and transshipment hub for companies dealing in metals such as steel and tin ingots. With its multi-purpose capabilities, Jurong Port is able to handle different types of cargoes efficiently and seamlessly at the same terminal.⁷

The table below shows the most important ports in Singapore. It also shows the distance and time it takes goods to travel from Cape Town Port terminal to these ports.

TABLE 13: TRANSIT TIME FROM CAPE TOWN TERMINAL TO PORTS IN SINGAPORE, 2021		
TERMINAL	DISTANCE	TIME AT SEA
Port of Singapore	10358.04 km	17 days 22 hours
Jurong Port	10393.27 km	17 days 22 hours

Source: Sea-Rates, 2021

4. Consumer Insights

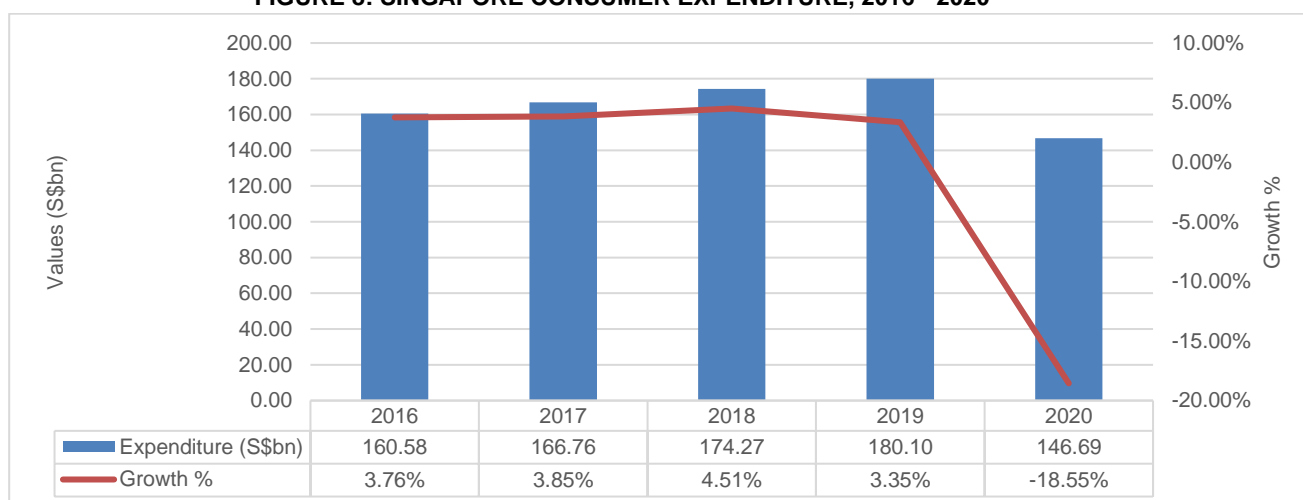
4.1 Consumer Expenditure

20

The figure below presents Singapore's consumption expenditure and growth for the period 2016 - 2020.

In 2020, consumer expenditure stood at S\$146.69bn and declined by 18.55% from the 2019 value of S\$180.10bn. The decline was mainly due to a decline in expenditure on transport, recreation & culture and food serving services.⁸

FIGURE 8: SINGAPORE CONSUMER EXPENDITURE, 2016 - 2020



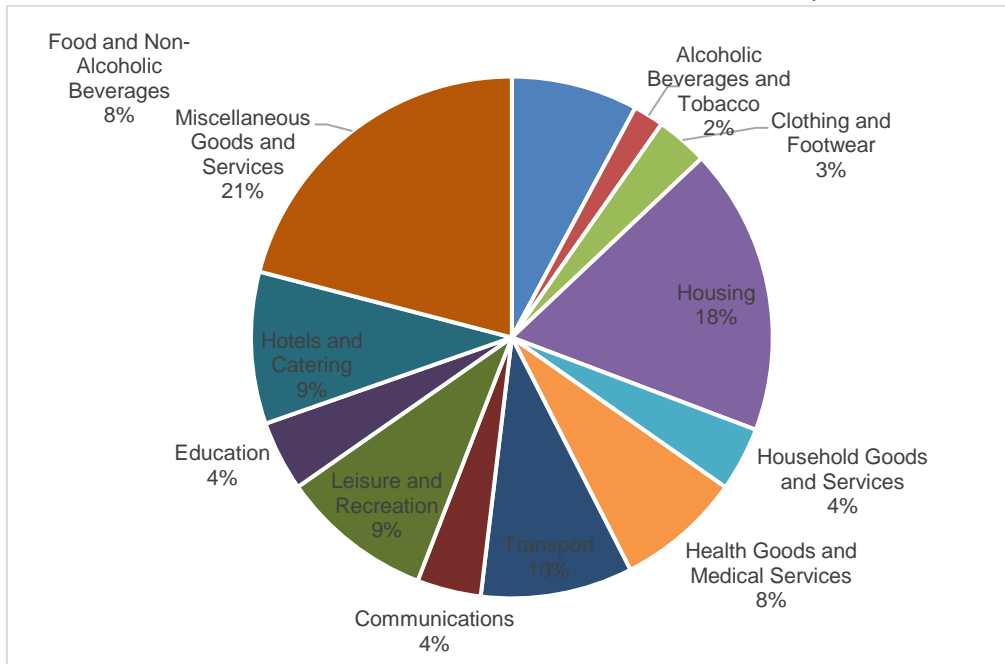
Source: Euromonitor International, 2021 (values in current prices)

⁷ Source: Maritime and Port Authority of Singapore, 2021

⁸ Ministry of Trade and Industry Republic of Singapore, 2021

Household consumption expenditure per category is presented in the figure below. Miscellaneous goods and services were the largest consumer expenditure in 2020 accounting for 21% of total consumer expenditure. This was followed closely by housing (18%) and transport (10%).

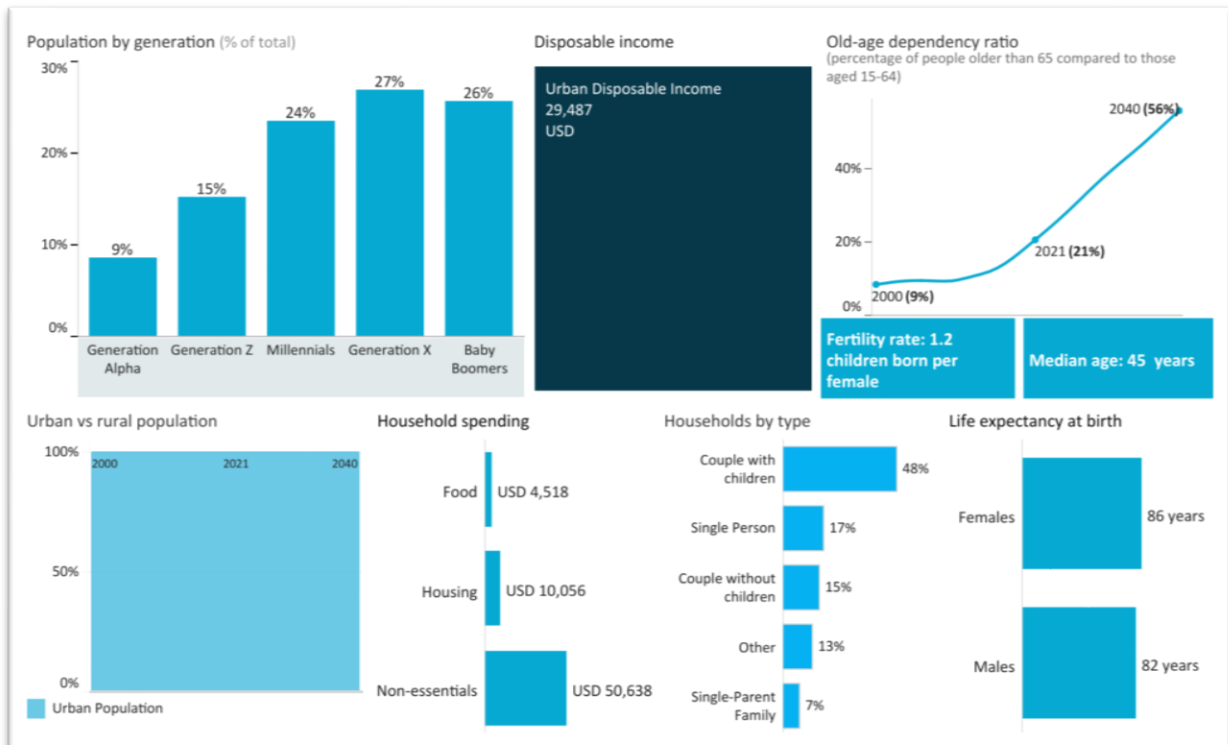
FIGURE 9: HOUSEHOLD CONSUMPTION PER CATEGORY, 2020



Source: Euromonitor International, 2021 (values in current prices)

4.2 Consumer Profile

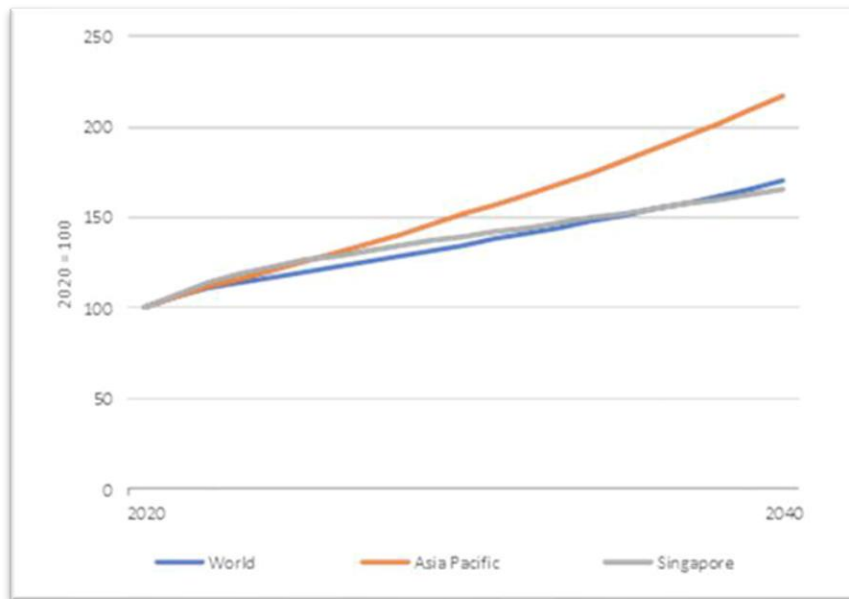
FIGURE 10: SINGAPORE CONSUMER LANDSCAPE



Source: Euromonitor International, 2021

Consumer income and expenditure:

FIGURE 11: GROSS INCOME GROWTH INDEX IN SINGAPORE 2020 - 2024



Source: Euromonitor International, 2021

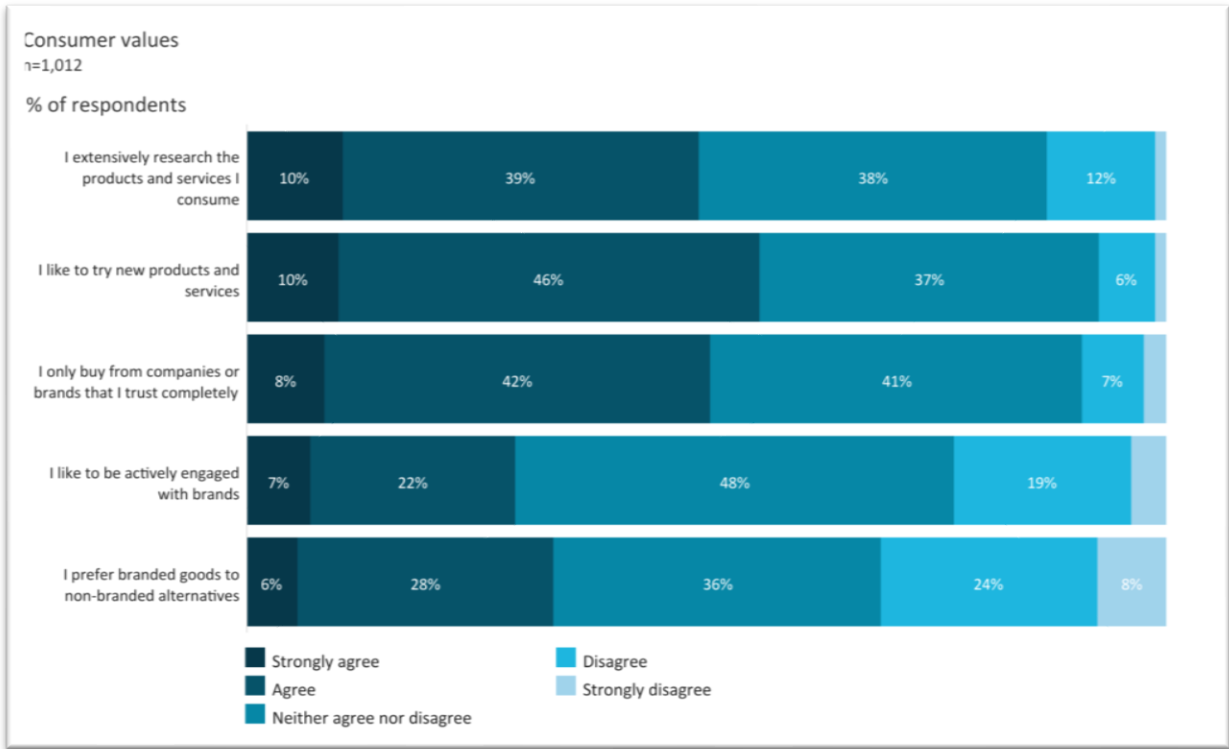
Note: Data for 2021-2040 are forecasts

- Per capita gross income in Singapore is forecast to increase by 52% in real terms over 2021-2040, driven by the country's labour market reforms, thus driving demand for discretionary goods and services.
- Although, Singapore's income gap is set to remain large by global standards over 2021-2040, due to high levels of poverty among the elderly and a sizeable wage disparity between low- and high-skilled workers.
- Later Lifers (aged 65-79 years) are projected to remain predominant in the top-income band by 2040, shaping luxury spending patterns in Singapore.
- Social class E (the lowest income class) is set to be the fastest growing social class and remain the largest social class over the period to 2040.
- In terms of consumer spending categories, miscellaneous goods and services are forecast to be the largest consumer spending category in 2040, while transport will record the fastest growth in expenditure over 2021-2040
- Over the 2020-2030 period, Singapore is projected to drop by one position and rank fourth out of 84 countries globally in the Wealth Index, although it will remain one of the wealthiest countries in the world.⁹

⁹ Source: Euromonitor International, 2021

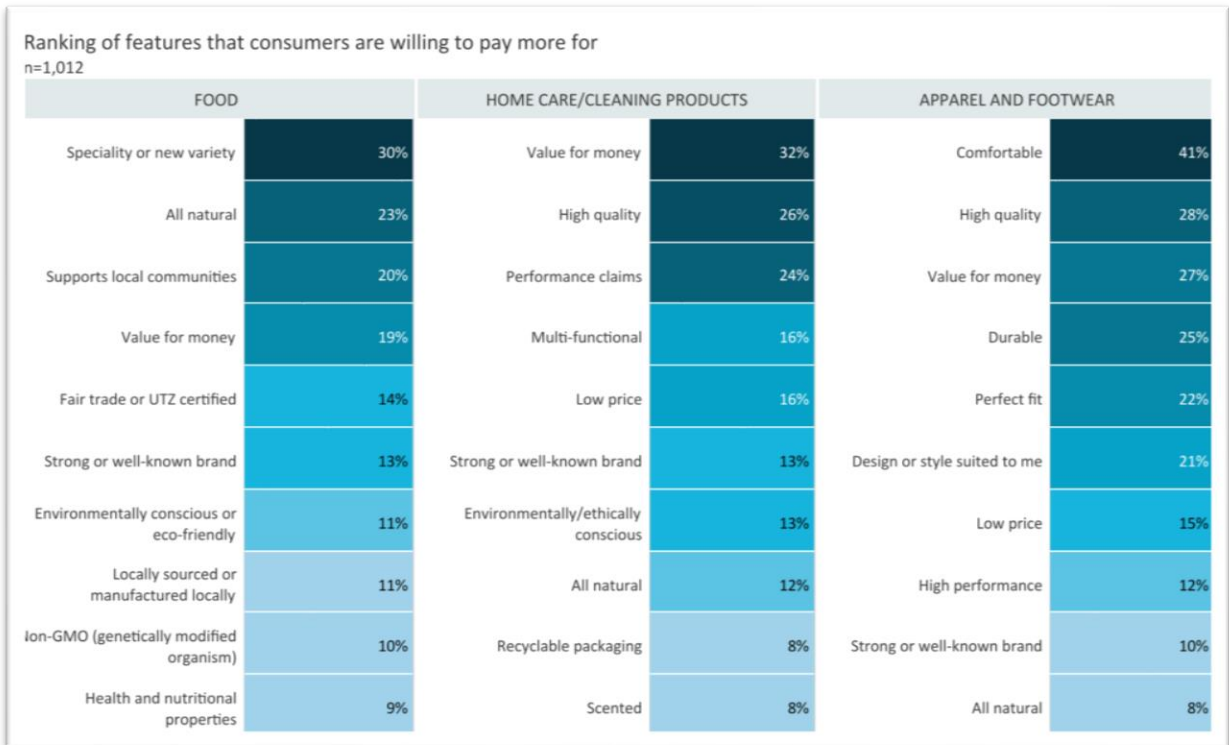
Consumer lifestyle in Singapore:

Consumers in Singapore like trying innovative new products and services



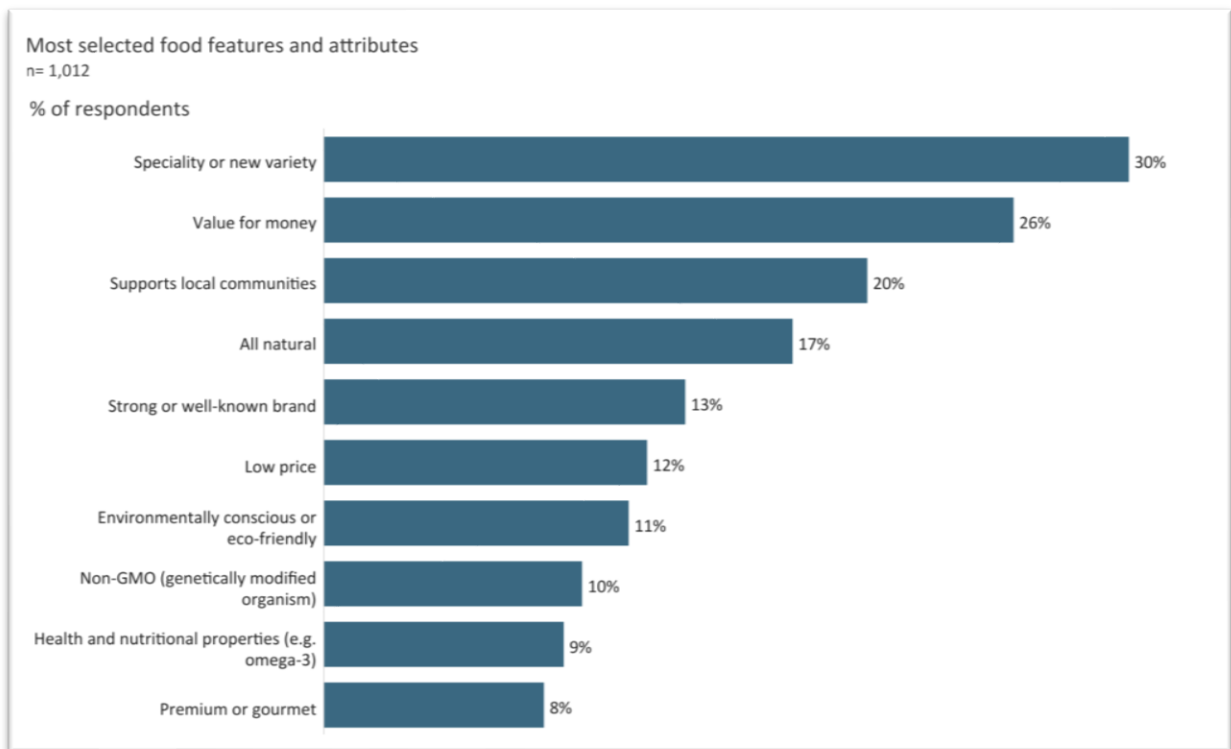
Source: Euromonitor International, 2021

Novelty and quality trump value when buying food and clothing



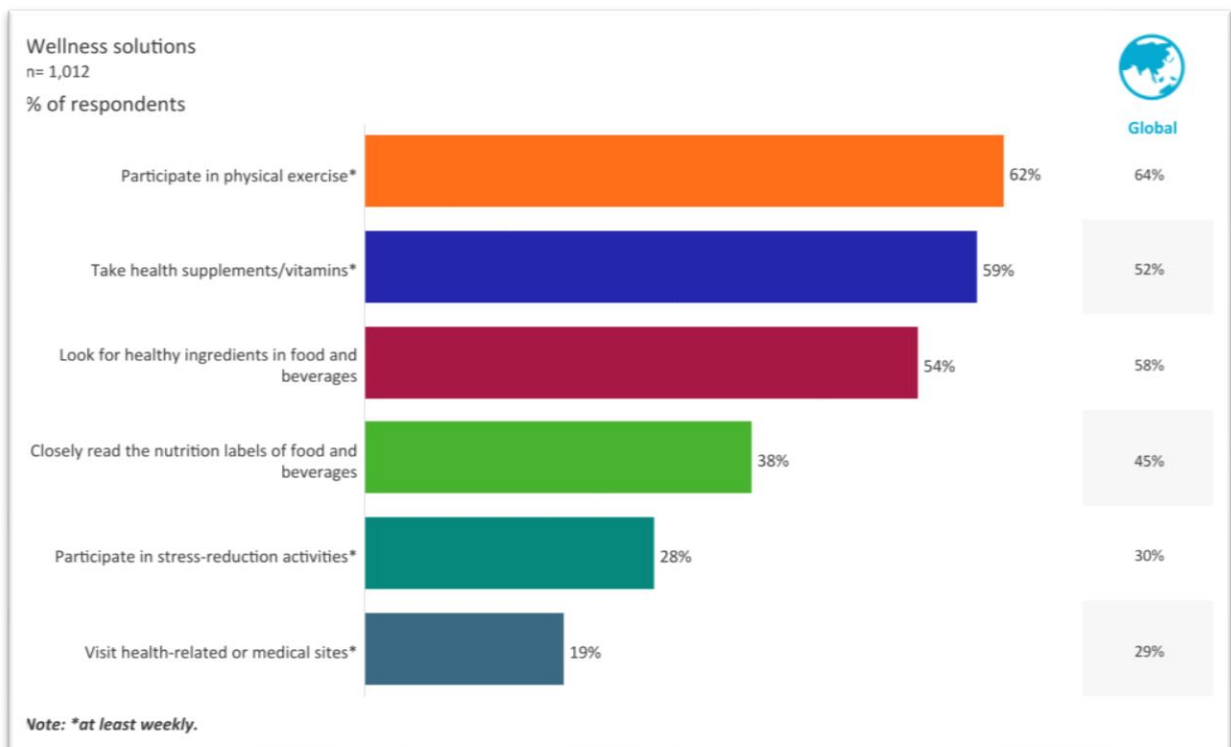
Source: Euromonitor International, 2021

Consumers enjoy foods that offer originality and novelty as well as value



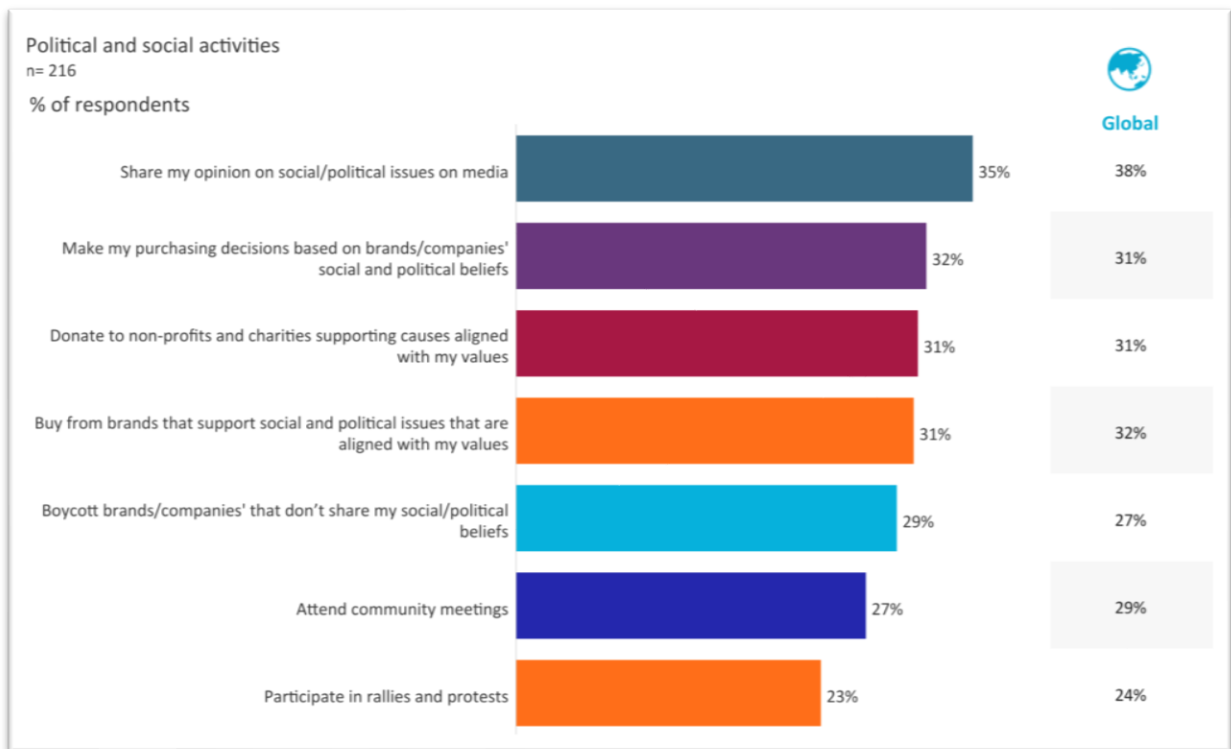
Source: Euromonitor International, 2021

Singaporeans are keen on keeping fit and supplementing diet



Source: Euromonitor International, 2021

Consumers align themselves with brands that reflect their beliefs/values



Source: Euromonitor International, 2021

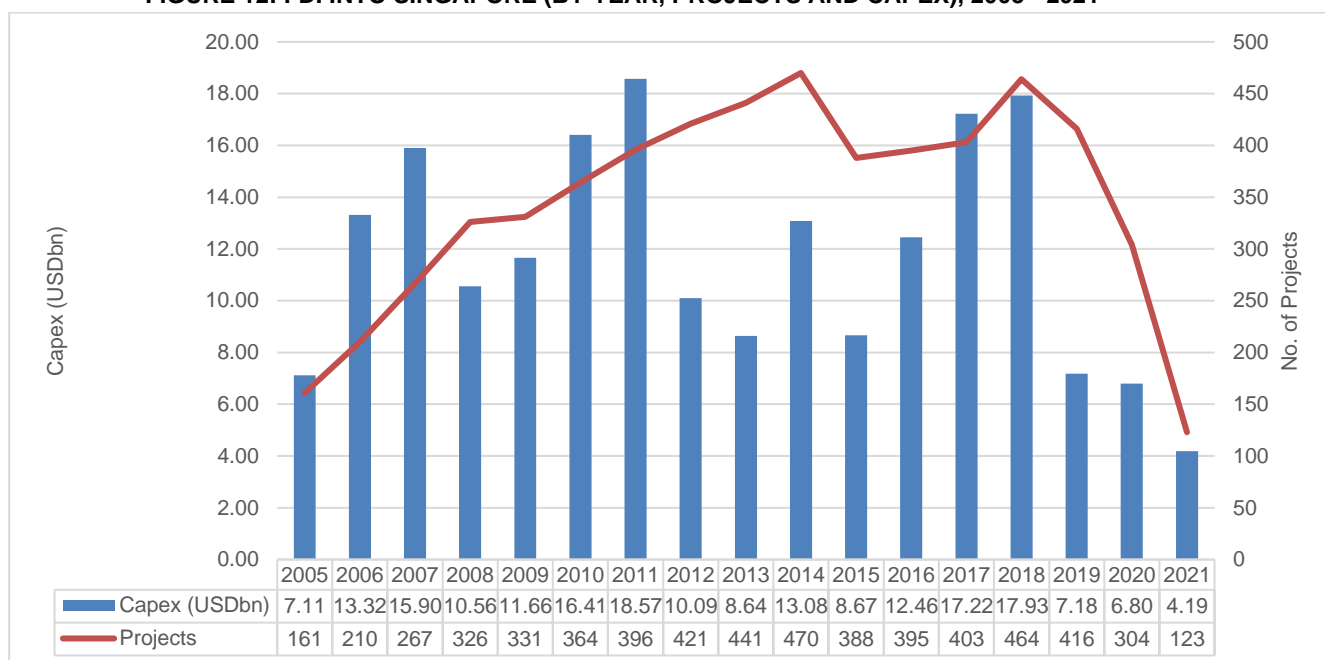
5. Investment

5.1 Global Investment into Singapore

The figure below shows the number of inward FDI projects into Singapore and their associated capex values for the period of January 2005 – April 2021.

A total of 6, 216 FDI projects were recorded into Singapore over the period 2005 to April 2021. These projects represented a total capital investment of USD219.34bn, which equated to an average investment of USD35.3m per project. During the period, 464, 773 jobs were created.

FIGURE 12: FDI INTO SINGAPORE (BY YEAR, PROJECTS AND CAPEX), 2005 - 2021



Source: FDI Intelligence, 2021

The United States was the largest source market for inward FDI into Singapore over the review period, with 1, 793 investment projects. These projects accounted for 28.84% of total global FDI projects into Singapore over the period 2003 – April 2021. The United Kingdom and Japan ranked second and third respectively, with UK the source market for 863 FDI projects (equivalent to 13.88% of all projects) into Singapore in the period, and Japan with 442 FDI projects (7.11%), as tabled below.

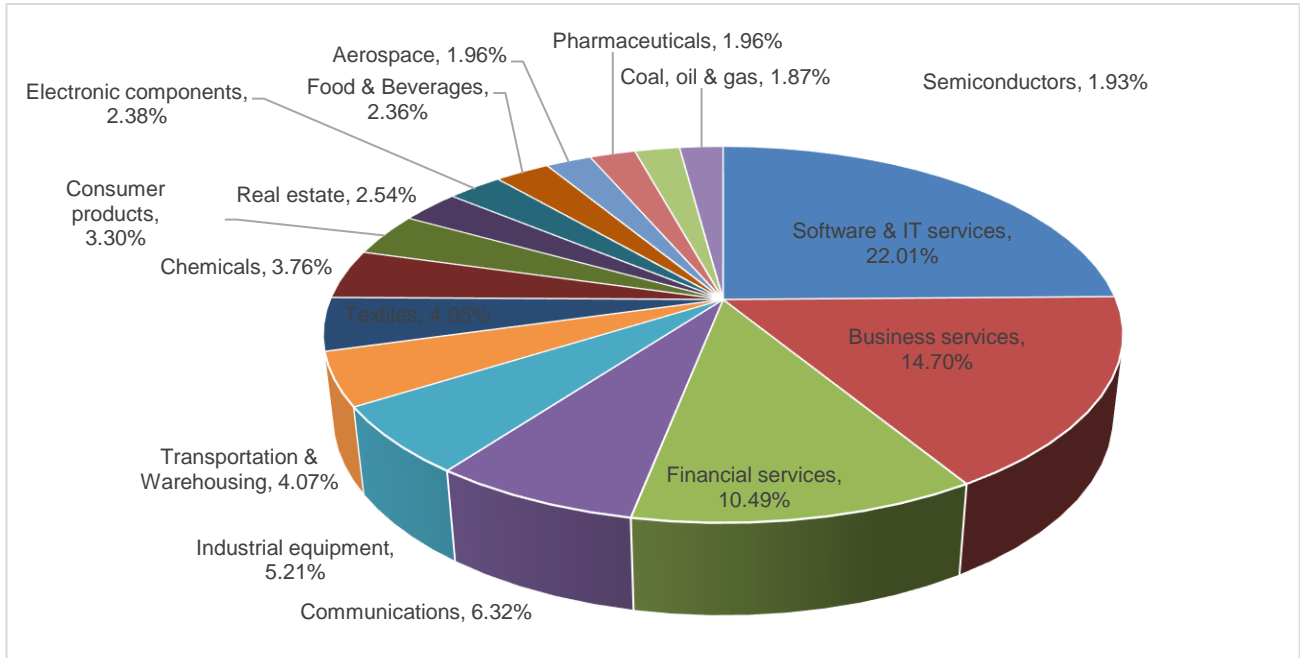
TABLE 14: TOP 10 SOURCE MARKETS FOR FDI INTO SINGAPORE, 2003 - 2021					
RANK	COUNTRY	PROJECTS	% PROJECTS	CAPEX (USDbn)	% CAPEX
1	United States	1793	28.84%	61.51	28.04%
2	United Kingdom	863	13.88%	19.61	8.94%
3	Japan	442	7.11%	24.12	11.00%
4	Germany	386	6.21%	13.99	6.38%
5	France	338	5.44%	8.85	4.04%
6	Switzerland	250	4.02%	11.98	5.46%
7	India	229	3.68%	6.19	2.82%
8	Australia	219	3.52%	7.48	3.41%
9	China	211	3.39%	10.18	4.64%
10	Netherlands	162	2.61%	7.06	3.22%
Total		6 216	100.00%	219.34	100.00%

Source: FDI Intelligence, 2021

Classification of FDI

The figure below presents global FDI into Singapore's economic sectors by number of projects. The software and IT services sector was the largest recipient of FDI investment in terms of projects, and the sector's contribution was equivalent to 22.01% of the total number of inward projects received over the review period. This was followed by business services (14.70%) and the financial services sector (10.49%).

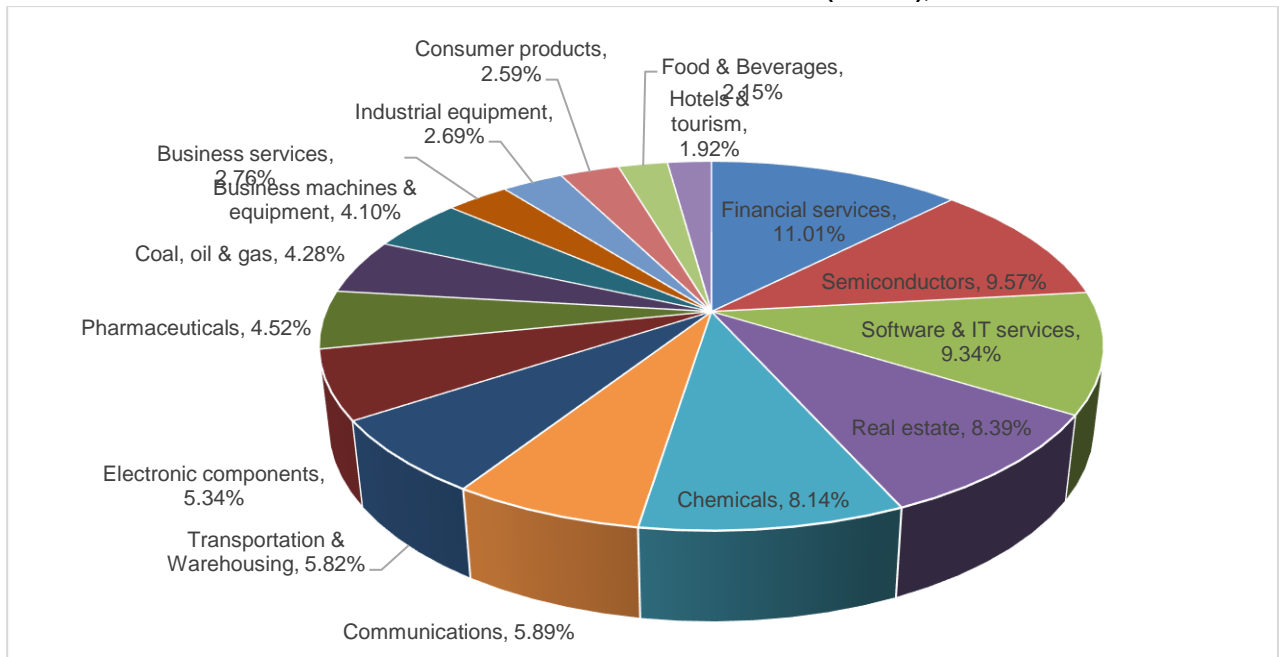
FIGURE 13: INWARD FDI INTO SINGAPORE BY SECTOR (PROJECTS), 2003 - 2021



Source: FDI Intelligence, 2021

In terms of sector classification of FDI by capex over the 2003 to April 2021 period the transport manufacturing/automotive OEM manufacturing sector was the largest recipient of FDI in terms of capex, which was equivalent to 41% of total capex related investment received. The business services sector placed second at 15%, followed by the chemicals, petroleum, rubber and plastics sector at 12%.

FIGURE 14: INWARD FDI INTO SINGAPORE BY SECTOR (CAPEX), 2003 - 2021



Source: FDI Intelligence, 2021

The top 10 global companies investing into Singapore by projects from 2003 to April 2021 are tabled below.

WeWork (We Holdings) from the United States and IBM also from the United States were the largest source companies for inward FDI into Singapore in terms of projects over the review period, with 15 and 14 investment projects, respectively.

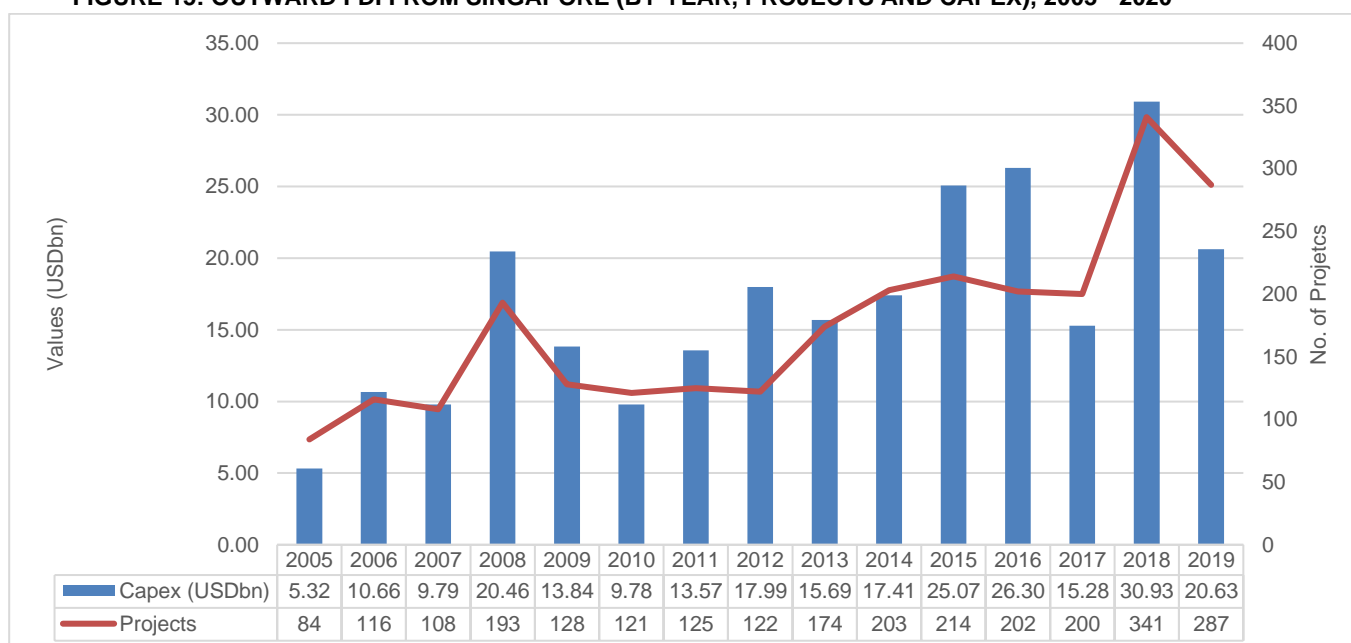
TABLE 15: TOP 10 COMPANIES INVESTING INTO SINGAPORE, 2003 - 2021					
RANK	INVESTING COMPANY	SOURCE COUNTRY	SECTOR	PROJECTS	CAPEX (USDm)
1	WeWork (We Holdings)	United States of America	Real estate	15	28.5
2	International Business Machines (IBM)	United States of America	Software & IT services	14	223.1
3	Citibank	United States of America	Financial services	13	691.3
4	GlaxoSmithKline (GSK)	United Kingdom	Pharmaceuticals	12	1 066.0
5	Uniqlo	Japan	Textiles	12	162.1
6	Equinix	United States of America	Communications	11	647.9
7	HP (Hewlett-Packard)	United States of America	Business machines & equipment	11	869.5
8	Dyson	United Kingdom	Consumer electronics	9	773.1
9	Google	United States of America	Software & IT services	9	1 836.9
10	Infineon Technologies	Germany	Semiconductors	8	825.7
TOTAL				6 216	219 343.7

Source: FDI Intelligence, 2021

5.2 Global Investment from Singapore

Turning to outward investment by Singapore into the global economy over the period 2005 to April 2021, in total, 3,072 outward investment projects were undertaken by Singapore, with a total capital expenditure value of USD291.86bn. This equated to an average investment of USD95.0m per project. During the period, 939, 048 jobs were created.

FIGURE 15: OUTWARD FDI FROM SINGAPORE (BY YEAR, PROJECTS AND CAPEX), 2003 - 2020



Source: FDI Intelligence, 2021

China was the largest destination market for outward FDI from Singapore over the review period, with 528 investment projects, which accounted for 17% of all projects. India and Vietnam ranked second and third respectively, with India the destination market for 324 FDI projects (equivalent to 11% of all projects) from Singapore in the period, and Vietnam with 198 FDI projects (6%), as tabled below.

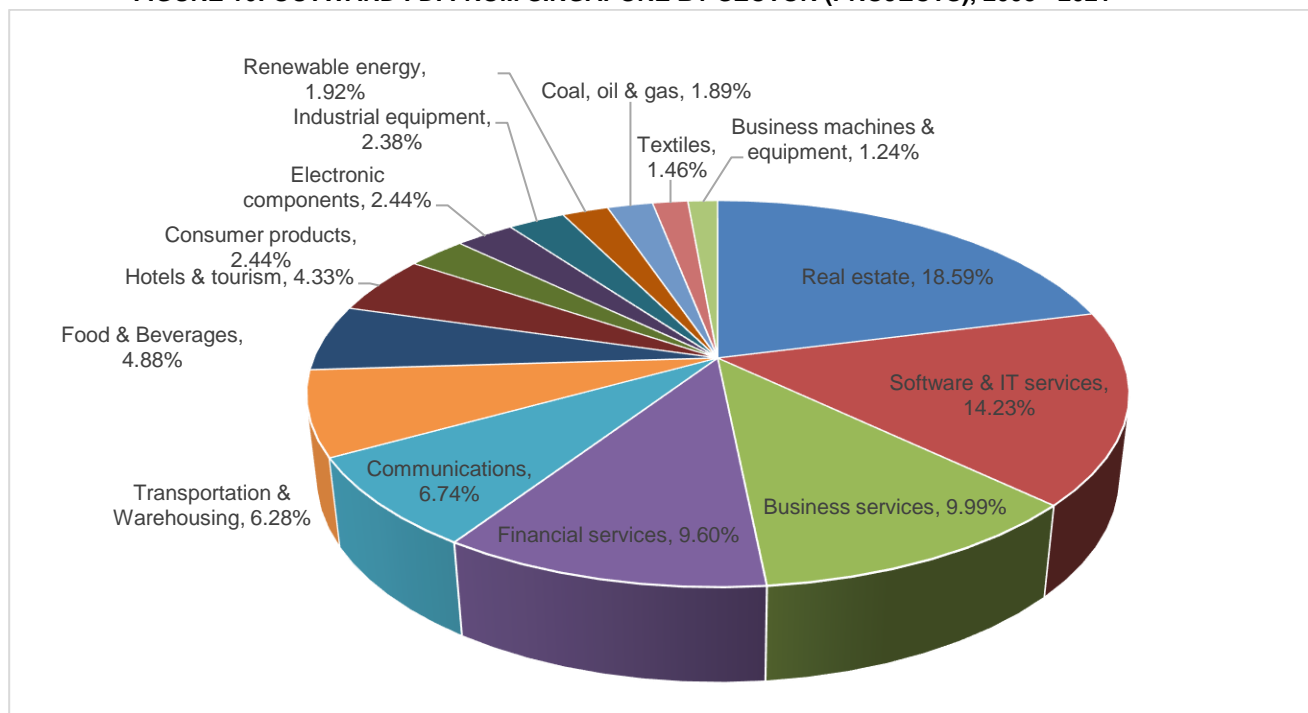
TABLE 16: TOP 10 DESTINATION MARKETS FOR FDI OUT OF SINGAPORE, 2003 - 2021						
RANK	COUNTRY	PROJECTS	% PROJECTS	CAPEX (USDbn)	% CAPEX	COMPANIES
1	China	528	17%	81.30	28%	264
2	India	324	11%	28.72	10%	172
3	Vietnam	198	6%	27.42	9%	128
4	Malaysia	196	6%	15.43	5%	149
5	Indonesia	170	6%	22.57	8%	115
6	United States	164	5%	5.01	2%	119
7	Australia	133	4%	8.37	3%	87
8	United Kingdom	124	4%	8.83	3%	105
9	Thailand	99	3%	6.20	2%	75
10	Hong Kong	93	3%	3.30	1%	87
TOTAL		3072	100%	291.86	100%	1 209

Source: FDI Intelligence, 2021

Classification of FDI

The figure below presents which sectors Singapore has invested in from a projects perspective. The real estate sector received the largest share of outward FDI from Singapore in terms of projects, equivalent to 18.59% of the total number of outward FDI projects over the review period. This was followed by the software and IT services sector (14.23%), and in third position, the business services sector (9.99%).

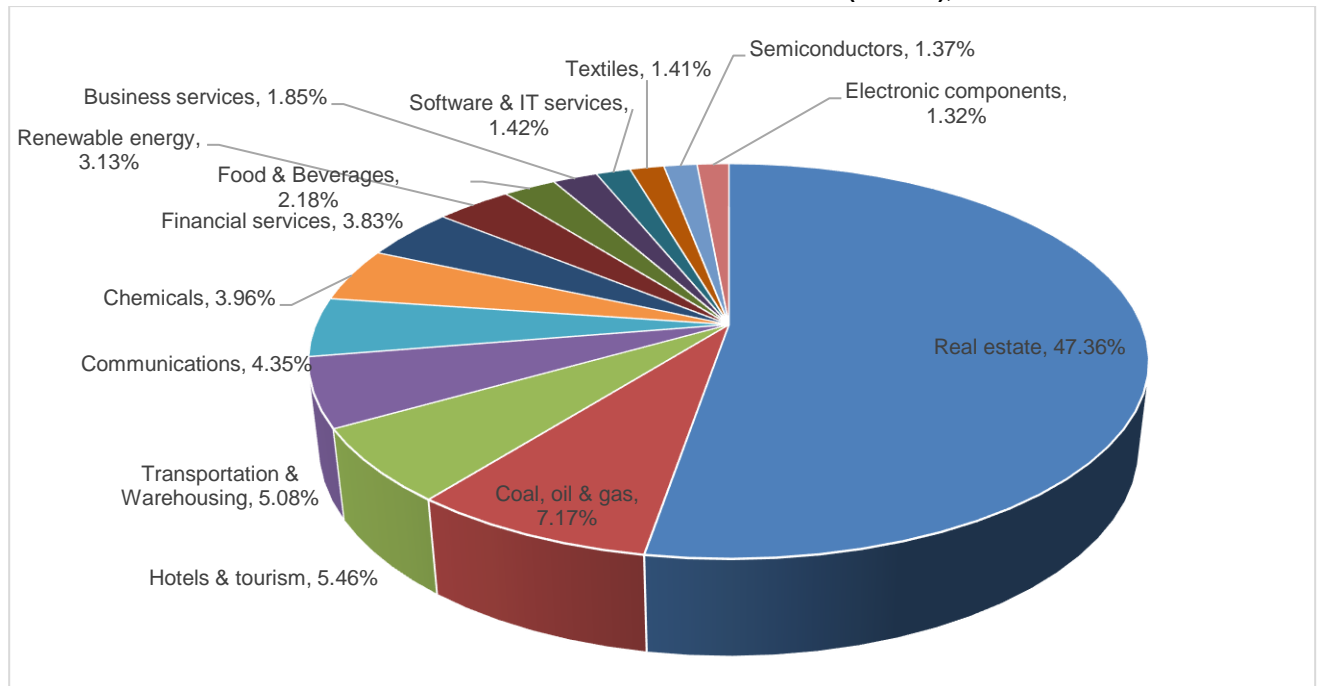
FIGURE 16: OUTWARD FDI FROM SINGAPORE BY SECTOR (PROJECTS), 2003 - 2021



Source: FDI Intelligence, 2021

In terms of outward FDI as measured by capex, real estate dominated at 47.36%, followed by coal, oil and gas (7.17%), and the hotels and tourism sector at 5.46%.

FIGURE 17: OUTWARD FDI FROM SINGAPORE BY SECTOR (CAPEX), 2003 - 2021



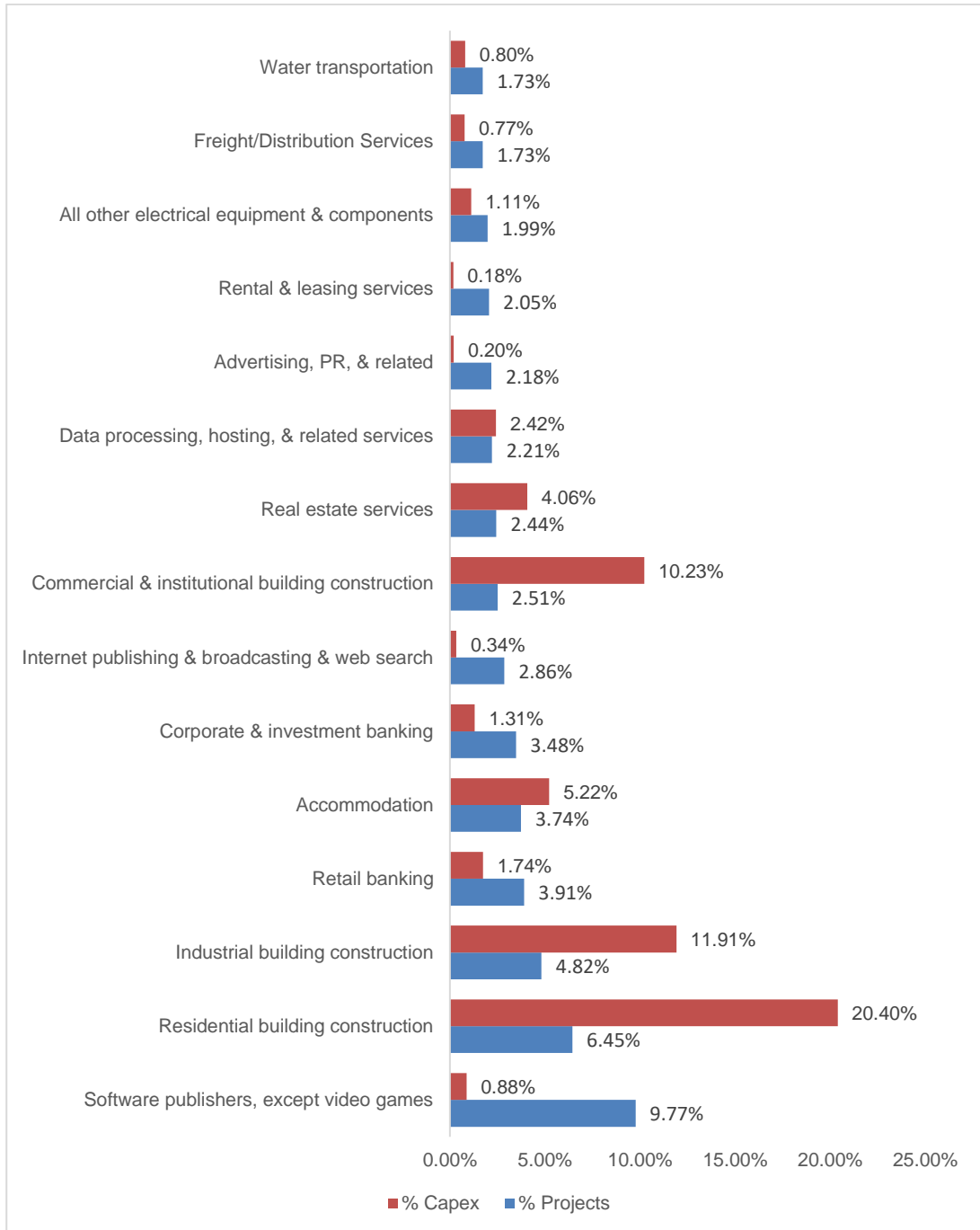
Source: FDI Intelligence, 2021

Sub-sector Classification of Outward FDI by Projects and CAPEX

In terms of the sub-sector classification of outward FDI by Singapore as measured primarily by the number of projects (with the CAPEX value as the secondary value), the following sub-sectors were the key recipients of outward FDI by Brazil over the 2003 to April 2021 period:

- Software publishers, except video games which with 300 projects accounted for 9.77% of total outward FDI projects undertaken by Singapore. The relative capex % value stood at 0.88%.
- Residential building construction, which with 198 projects, accounted for 6.45% of total projects undertaken by Singapore. The relative capex % value stood at 20.40%.
- Industrial building construction, which with 148 projects, accounted for 4.82% of total projects undertaken. The relative capex % value stood at 11.91%.

FIGURE 18: OUTWARD FDI FROM SINGAPOREAN SUB-SECTORS, 2003 - 2021



Source: FDI Intelligence, 2021

The table below presents the top 10 companies from Singapore by the number of outward FDI projects undertaken globally over the period 2003 – April 2021.

TABLE 17: COMPANIES INVESTING FROM SINGAPORE, 2003 - 2021					
RANK	COMPANY	SECTORS	PROJECTS	CAPEX (USDbn)	JOBS
1	Ascott Group	Real estate	81	23.61	80 530
2	Flex Ltd (Flextronics)	Electronic components	76	8.36	67 933
3	Global Logistics Properties	Real estate	55	14.62	51 529
4	Banyan Tree	Hotels & tourism	38	6.58	15 657
5	DBS Bank	Financial services	38	1.98	3 614
6	Frasers Hospitality	Real estate	32	9.83	21 999
7	Ascendas-Singbridge (Ascendas)	Real estate	29	6.96	34 641
8	CapitaLand	Real estate	29	10.05	25 755
9	Olam International	Food & Beverages	29	3.03	16 382
10	Justco	Real estate	28	0.05	224
TOTAL			3 072	291.86	939 048

Source: FDI Intelligence, 2021

5.3 Investment Relations between South Africa and Singapore

5.3.1 South Africa FDI to Singapore

Investments made by South Africa into Singapore over the period 2003 to April 2021 are shown in the figure below.

A total of 11 FDI projects were recorded from South Africa into Singapore over the review period. These projects represented a total capital investment of USD156.3m, which equated to an average investment of USD14.2m per project. During the period 925 jobs were created.

FIGURE 19: SOUTH AFRICAN FDI TO SINGAPORE, 2003 - 2021

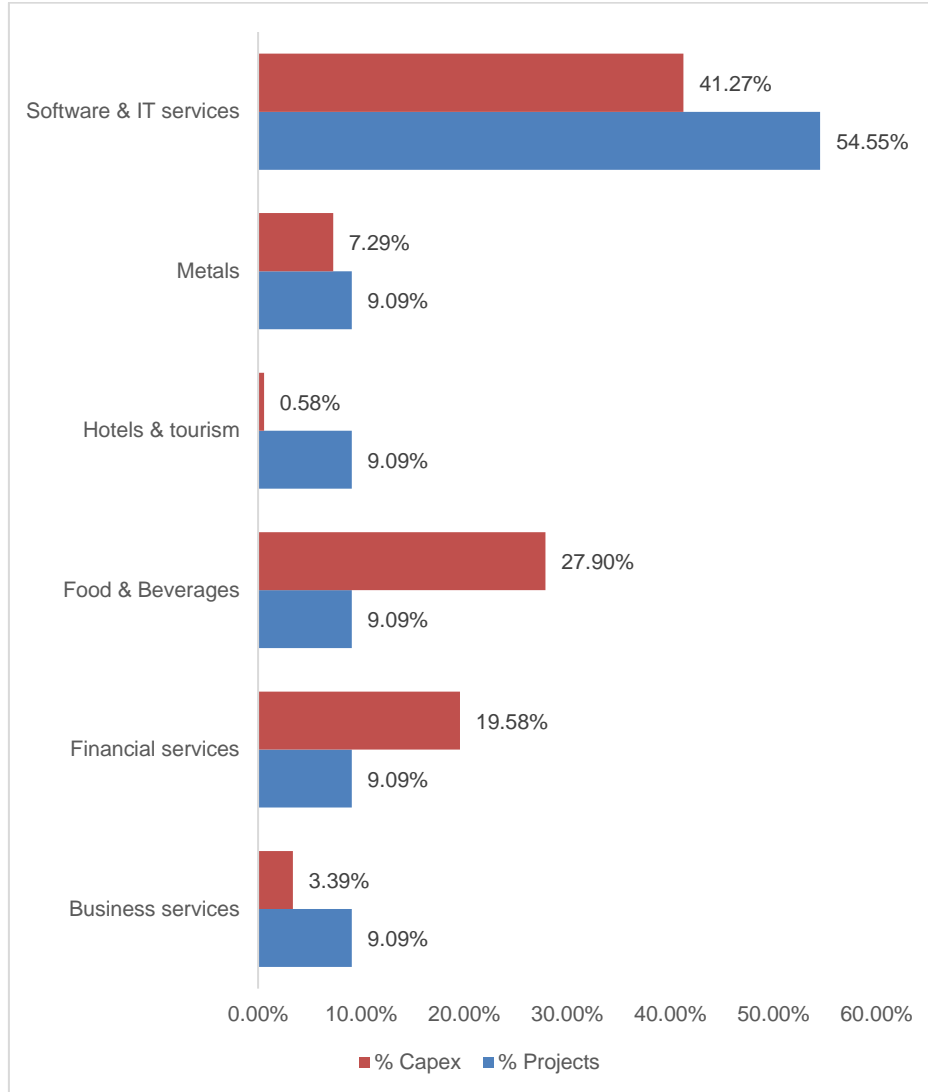


Source: FDI Intelligence, 2021

In terms of the sector classification of outward FDI by South Africa into Singapore as measured primarily by the number of projects (with the CAPEX value as the secondary value), the following Singaporean sectors were the key recipients of FDI from South Africa over the period 2003 – April 2021:

- Software & IT services with six projects accounted for 54.55% of total outward FDI projects by South Africa into Singapore. The relative capex % value stood at 41.27%.
- All other sectors shared one project each; and the food and beverages sector had the second highest capex value, accounting for 27.91% of relative capex %.

FIGURE 20: SOUTH AFRICAN FDI TO SINGAPOREAN SECTORS, 2003 - 2021



Source: FDI Intelligence, 2021

The following investments were made by companies by South Africa into Singapore during the period of 2003 – April 2021.

TABLE 18: TOP 10 SOUTH AFRICAN COMPANIES INVESTING INTO SINGAPORE, 2003 - 2021				
RANK	COMPANY	PROJECTS	CAPEX (USDm)	JOBS
1	Irdeto	2	19.4	109
2	Cartrack	1	26.2	63
3	ComputaMaps	1	5.3	9
4	Intact Integrated Services	1	6.4	19
5	Investec	1	30.6	47
6	Jumo.World	1	6.1	16
7	Nandos Chickenland	1	43.6	437
8	Rand Refinery	1	11.4	197
9	Scope Technologies	1	6.4	19
10	Wings Travel	1	.9	9
TOTAL		11	156.3	925

Source: FDI Intelligence, 2021

5.3.2 Singaporean FDI into South Africa

Below is a list of FDI investment projects from Singapore into South Africa between January 2003 to April 2021. During the period, Singapore invested into 8 projects which were valued at USD147.3m.

TABLE 19: SINGAPOREAN FDI INTO SOUTH AFRICA, 2003 - 2021						
DATE	INVESTING COMPANY	STATE DESTINATION	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (USDm)	JOBS
Jan 2021	Audience DNA (ADNA)	Western Cape	Business services	Headquarters	12.1	75
Mar 2020	Wilmar Processing South Africa	KwaZulu-Natal	Food & Beverages	Manufacturing	81.0	200
Sep 2018	WB21 (WebBank21)	Gauteng	Financial services	Business Services	9.5	19
Jan 2015	Arcade	Western Cape	Business services	Business Services	21.6	16
Aug 2014	Asia Offshore Group	Western Cape	Industrial equipment	Sales, Marketing & Support	3.0	12
Oct 2006	ESCO Africa	Gauteng	Medical devices	Sales, Marketing & Support	1.5	15
Jun 2006	eSys Technologies Middle East	Not Specified	Business machines & equipment	Sales, Marketing & Support	1.3	29
Jan 2003	Flex Ltd (Flextronics)	Not Specified	Software & IT services	Research & Development	17.3	93
TOTAL					147.3	459

Source: FDI Intelligence, 2021

5.4 Investment Relations between the Western Cape and Singapore

5.4.1 FDI investments from the Western Cape to Singapore

The following investments were made by companies from the Western Cape into Singapore, during the 2003 to April 2021 period.

TABLE 20: WESTERN CAPE FDI TO SINGAPORE, 2003 - 2021						
DATE	INVESTING COMPANY	INDUSTRY SECTOR	CLUSTER	BUSINESS ACTIVITY	CAPEX (USDm)	JOBS
Sep 2018	Jumo.World	Software & IT services	Financial Services	Sales, Marketing & Support	6.1	16
Jun 2010	Irdeto	Software & IT services	Creative Industries	Research & Development	13	90
Nov 2008	ComputaMaps	Business services	Creative Industries	Business Services	5.3	9
Jun 2007	Irdeto	Software & IT services	Creative Industries	Sales, Marketing & Support	6.4	19
TOTAL					30.8	134

Source: FDI Intelligence, 2021

5.4.2 Singaporean FDI into the Western Cape

The following investments were made by Singapore into the Western Cape during the 2003 to April 2021 period.

TABLE 21: SINGAPORE FDI INTO THE WESTERN CAPE, 2003 - 2021					
DATE	INVESTING COMPANY	INDUSTRY SECTOR	BUSINESS ACTIVITY	CAPEX (USDm)	JOBS
Jan 2021	Audience DNA (ADNA)	Business services	Headquarters	12.1	75
Jan 2015	Arcade	Business services	Business Services	21.6	16
Aug 2014	Asia Offshore Group	Industrial equipment	Sales, Marketing & Support	3	12
TOTAL				527.94	103

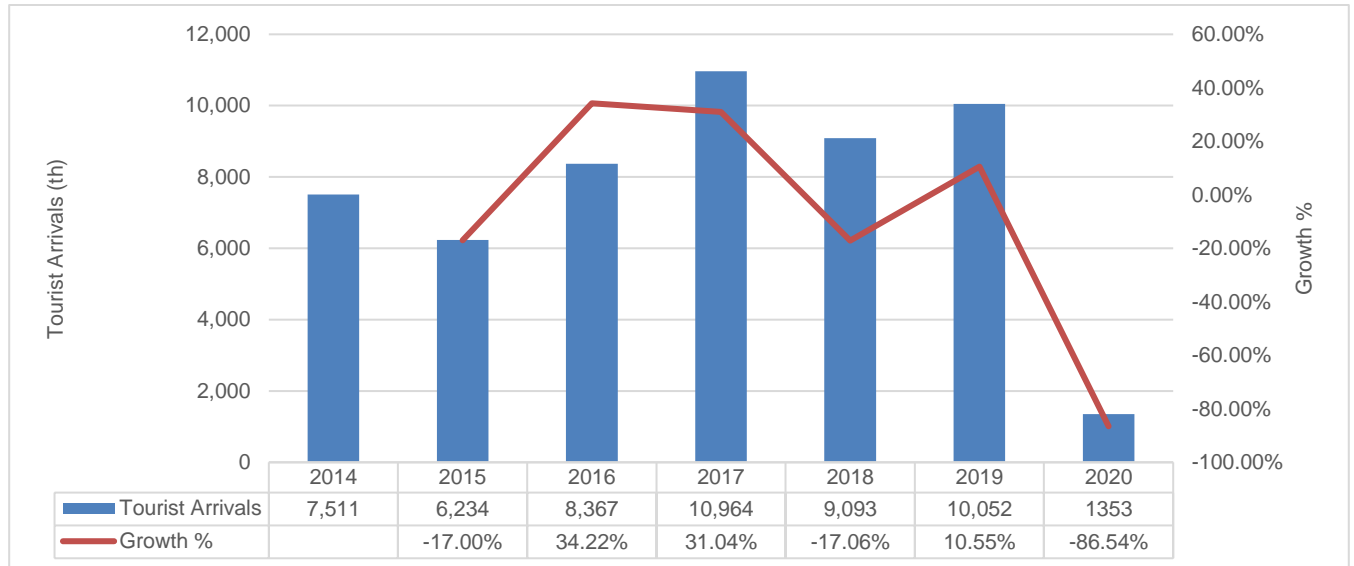
Source: FDI Intelligence, 2021

6. Tourism

6.1 Singapore Tourist Arrivals into South Africa and the Western Cape

In 2020, South Africa received 1,353 Singaporean tourist arrivals. This was a decrease of 86.54%, down from 10,052 arrivals recorded for 2019. The decline in tourist arrivals was as a result of the Coronavirus pandemic and lockdown restrictions on travel enforced by countries in 2020.

FIGURE 21: SINGAPORE TOURIST ARRIVALS INTO SOUTH AFRICA, 2014 - 2020

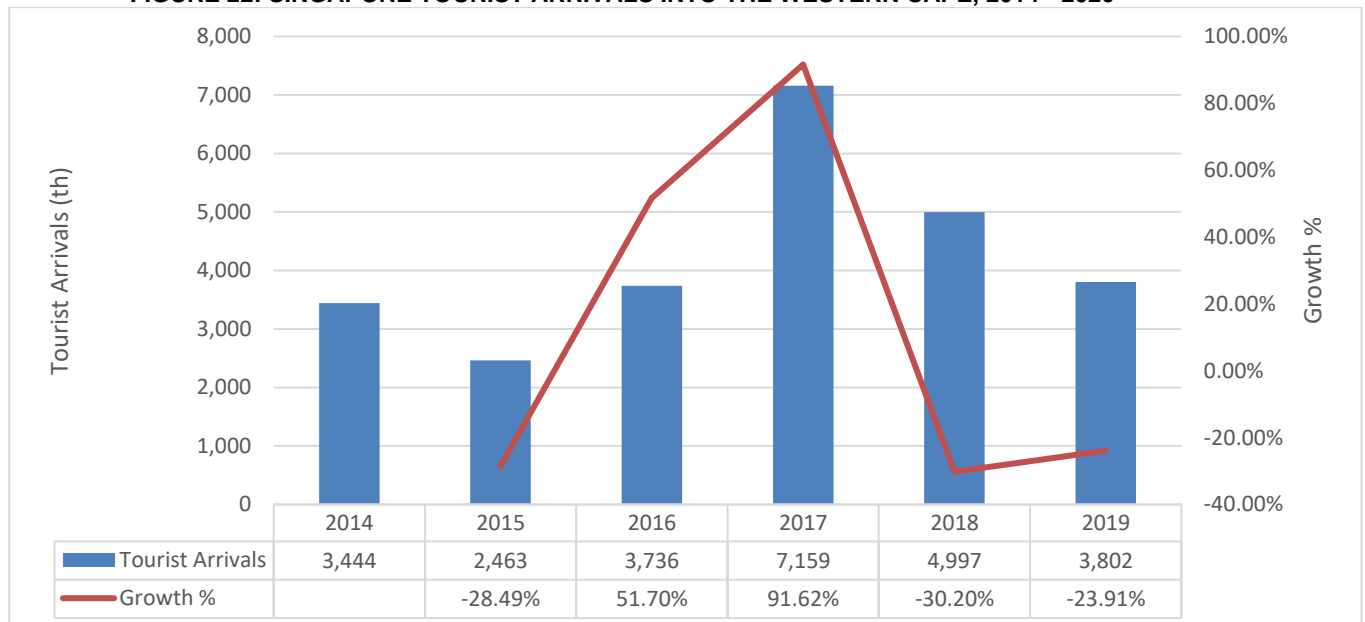


Source: SA Tourism, 2020; Stats SA, 2021

6.2 Singapore Tourist Arrivals into the Western Cape

In 2019, the Western Cape received 3,802 Singaporean tourist arrivals. This was a decrease of 23.91%, down from 4,997 arrivals recorded for 2018.

FIGURE 22: SINGAPORE TOURIST ARRIVALS INTO THE WESTERN CAPE, 2014 - 2020



Source: SA Tourism, 2021

For more information on this publication and other Wesgro publications please contact research@wesgro.co.za or for more publications visit the Wesgro publications portal on our website at <http://wesgro.co.za/publications>

Disclaimer: Wesgro has taken every effort to ensure that the information in this publication is accurate. We provide said information without representation or warranty whatsoever, whether expressed or implied. It is the responsibility of users of this publication to satisfy themselves of the accuracy of information contained herein. Wesgro cannot be held responsible for the contents of the publication in any way.

© Wesgro, 2021.