

U.S. Trade With Singapore: 2009 vs. 2008

Trade

- Singapore was the United States' 11th largest export market in the 2009 calendar year, unchanged from the 2008 calendar year. U.S. exports to Singapore shrank 22.6 percent, from \$28.8 billion in 2008 to \$22.3 billion in 2009.
- Singapore's exports to the United States shrank 1.3 percent to \$15.7 billion, from \$15.9 billion in 2008.
- Singapore was our thirteenth largest trading partner in 2009, up from fourteenth position in 2008. However, two-way trade fell 15 percent to \$38 billion.
- During the first six years of the U.S.-Singapore FTA, which came into effect January 1, 2004, two-way trade has increased 20 percent and U.S. exports by nearly 34 percent.

Trade Balance (Goods)

- The U.S. goods trade surplus with Singapore fell 45 percent in 2009 to \$6.6 billion from \$12.0 billion in 2008.
- The United States ran its sixth largest surplus in 2009 with Singapore (\$6.6 billion) after Hong Kong (\$17.6 billion), Netherlands (\$16.2 billion), Australia (\$11.6 billion), and the U.A.E. (\$10.6 billion) and Belgium (\$7.8 billion).
- Primary U.S. exports to Singapore in 2009 consisted of machinery (\$3.5 billion, down 25.5 percent from 2008); electrical machinery (\$3.1 billion, down 40.4 percent); aircraft/aircraft parts (\$2.2 billion, down 29 percent); and mineral fuel/oil (\$1.7 billion, down 5.6 percent).

Singapore vs. ASEAN and Other Trade Partners

- The United States exported more to Singapore (\$22.3 billion) in 2009 than to many other economies with significantly larger populations, including Taiwan (\$18.4 billion), Australia (\$19.6 billion), India (\$16.5 billion), Italy (\$12.2 billion), and Malaysia (\$10.4 billion).
- U.S. exports to Singapore (population 4.99 million) were 32 percent of those to China (population 1.3 billion) in 2009; 43.5 percent of those to Japan (population 128 million); and 77.8 percent of those to South Korea (population 49 million).
- Singapore is the largest ASEAN market for U.S. exports. It took 41.4 percent of total exports to ASEAN in 2009, a marginal drop from 42.2 percent in 2008.
- With exports of \$53.8 billion to ASEAN member countries in 2009, the United States sold nearly as much to this region (population 583 million and, taken together, our fifth largest trading partner) as to China (\$69.6 billion). The United States exported more to ASEAN

than to Japan (\$51.2 billion), Germany (\$43.3 billion), and the United Kingdom (\$45.7 billion).

Trade in Services (2008 latest available)

- Two-way trade in services between the United States and Singapore rose 8.2 percent to \$13.2 billion in 2008, from \$12.2 billion in 2007.
- During the first five years of the U.S.-Singapore FTA, which came into effect January 1, 2004, two-way trade in services increased 59.8 percent and U.S. exports of services by 50 percent to US\$9 billion.
- Singapore was the United States' 19th largest trading partner in services in 2008, the same as 2007, and remained our 16th largest export market at \$9.0 billion. The United States ran its eleventh largest surplus in services in 2008 with Singapore (\$4.8 billion).
- Seventy percent of services exports consisted of royalties (\$3.2 billion) and business services (\$3.2 billion) relating to information technology, management, operational leasing and R&D.
- Singapore is the largest ASEAN market for U.S. exports of services. It took 55.2 percent of total exports to ASEAN (\$16.3 billion) in 2008.
- With services exports of \$16.3 billion in 2008, the United States sold more services to ASEAN countries (taken together, our ninth largest trading partner (\$26.6 billion) in services) than to China (\$15.9 billion), South Korea (\$14.3 billion), the Netherlands (\$14.6 billion), and Australia (\$11.8 billion).

Cumulative Foreign Direct Investment (FDI) (2008 latest available)

- U.S. FDI in Singapore grew 12.3 percent to \$106.5 billion in 2008, compared to \$94.8 billion in 2007. Singapore was the largest recipient of U.S. investment in Asia, overtaking Japan (\$79.2 billion), and the tenth largest recipient worldwide.
- The United States has invested nearly three times the amount of FDI in Singapore as it has in China (\$45.7 billion). However, much of the investment is reportedly in "holding companies" which may indicate the investment was later directed to third countries.
- U.S. investment in ASEAN (\$152.8 billion) exceeded that invested on a combined basis in Greater China (\$113.8 billion) – China (\$45.7 billion), Hong Kong (\$51.5 billion), and Taiwan (\$16.6 billion).

Sources: Department of Commerce, U.S. Census Bureau, BEA, and ITA