

U.S. Trade With Singapore: 2007 vs. 2006

Trade in Goods

- Singapore was the United States' eleventh largest export market in 2007 (\$26.3 billion), compared to the ninth position in 2006 (\$24.7 billion).
- Singapore remained our fifteenth largest trading partner in 2007 as two-way trade increased 5.2 percent to \$44.7 billion.
- U.S. exports to Singapore grew 6.5 percent, from \$24.7 billion in 2006 to \$26.3 billion in 2007. Singapore's exports to the United States increased 3.4 percent to \$18.4 billion, from \$17.8 billion in 2006.
- During the first four years of the U.S.-Singapore FTA, which came into effect January 1, 2004, two-way trade increased 41 percent and U.S. exports by 58 percent.

Trade Balance (Goods)

- The U.S. goods trade surplus with Singapore in 2007 increased 14.5 percent to \$7.9 billion, compared to \$6.9 billion in 2006.
- The United States ran its sixth largest surplus in 2007 with Singapore (\$7.9 billion) after the Netherlands (\$14.6 billion), Hong Kong (\$13.1 billion), Australia (\$10.6 billion), the UAE (\$10.3 billion), and Belgium (US\$10 billion).
- Primary U.S. exports to Singapore in 2007 (latest available) consisted of machinery (\$7.1 billion, up 10.9 percent from 2006); electrical machinery (\$6.9 billion, up 11.3 percent); aircraft/aircraft parts (\$2.6 billion, down 27.8 percent); and optical/medical instruments (\$1.8 billion, up 5.9 percent).

Singapore vs. ASEAN and Other Trade Partners

- The United States exported more to Singapore (\$26.3 billion) in 2007 than to many other economies with significantly larger populations, including Brazil (\$24.6 billion), Australia (\$19.2 billion), India (\$17.6 billion), Italy (\$14.1 billion), Malaysia (\$11.7 billion), and Thailand (\$8.4 billion).
- U.S. exports to Singapore (population 4.6 million) were 40.3 percent of those to China (population 1.3 billion) in 2007; 41.9 percent of those to Japan (population 127 million); and 75.8 percent of those to South Korea (population 49 million).
- Singapore is the largest ASEAN market for U.S. exports: It took 43.5 percent of total exports to ASEAN in 2007, up from 43 percent in 2006.
- U.S. exports to ASEAN accounted for 5.2 percent of overall U.S. exports in 2007, compared to 5.5 percent in 2006.
- With exports of \$60.4 billion in 2007, the United States sold nearly as much to ASEAN countries (population 570 million and, taken together, our fifth largest goods

trading partner) as to China (\$65.2 billion) and Japan (\$62.7 billion). The United States exported more to ASEAN than to the United Kingdom (\$50.3 billion) and Germany (\$49.7 billion).

Trade in Services (2006 latest available)

- Two-way trade in services between the United States and Singapore reached a 14-year high of US\$10.5 billion in 2006.
- During the first three years of the U.S.-Singapore FTA, which came into effect January 1, 2004, two-way trade in services increased 23.2 percent and U.S. exports of services by 15.5 percent to US\$6.7 billion.
- Singapore was the United States' eighteenth largest trading partner in services in 2006 and sixteenth largest export market (tied with India) at US\$6.7 billion. The United States ran its tenth largest surplus in services in 2006 with Singapore (\$2.9 billion).
- Forty-seven percent of U.S. services exports to Singapore consisted of royalties (\$3 billion), primarily for manufacturing, broadcasting, IT, business, and financial services.
- Singapore is the largest ASEAN market for U.S. exports of services: It took 51.1 percent of total exports to ASEAN in 2006.
- With services exports of \$13.1 billion in 2006, the United States sold more services to ASEAN countries (taken together, our eighth largest trading partner in services) than to China (\$10.9 billion), South Korea (\$11.5 billion), India (\$6.7 billion) or Africa (\$8.1 billion).

Cumulative Foreign Direct Investment (2006 latest available)

- U.S. FDI in Singapore grew nearly 26 percent to \$60.4 billion in 2006, compared to \$48.1 billion in 2005. U.S. direct investment in Singapore is primarily concentrated in the manufacturing, finance, wholesale trade, and banking sectors.
- Singapore was the third largest recipient of U.S. investment in Asia after Australia (\$122.6 billion) and Japan (\$91.8 billion), and the fourteenth largest recipient worldwide.
- The United States has invested more than twice the amount of FDI in Singapore as it has in China (\$22.2 billion).
- U.S. investment in ASEAN (\$98.7 billion) exceeded that invested on a combined basis in Greater China (\$76.5 billion) – China (\$22.2 billion), Hong Kong (\$38.1 billion), and Taiwan (\$16.1 billion).
- ASEAN's FDI in the United States was \$3.2 billion in 2006, up 13.2% from 2005.
- In terms of total exports, imports, and FDI, ASEAN is a more important market for the United States than South America.

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