

U.S. Trade With Singapore: Q1 2008 vs. Q1 2007

Trade in Goods

- Singapore was the United States' ninth largest export market in Q1 2008 (\$7.6 billion), compared to the tenth position in Q1 2007 (\$6.8 billion).
- Singapore was our fifteenth largest trading partner in Q1 2008 as two-way trade increased 5.2 percent to \$12.1 billion compared to our thirteenth largest partner in Q1 2007 (\$11.5 billion).
- U.S. exports to Singapore grew 11.8 percent, from \$6.8 billion in Q1 2007 to \$7.6 billion in Q1 2008. Singapore's exports to the United States decreased 4.3 percent to \$4.5 billion, from \$4.7 billion in Q1 2007.
- 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 Q1 2008 increased 47.6 percent to \$3.1 billion, compared to \$2.1 billion in Q1 2007.
- The United States ran its third largest surplus in Q1 2008 with Singapore (\$3.1 billion) after the Netherlands (\$5.9 billion) and Australia (\$3.4 billion)..
- Primary U.S. exports to Singapore in 2007 (latest available) consisted of machinery (\$7.1 billion, up 27 percent from 2006; electrical machinery (\$6.9 billion, up 26.2 percent); aircraft/aircraft parts (\$2.6 billion, up 9.9 percent); and optical/medical instruments (\$1.8 billion, up 6.8 percent).

Singapore vs. the Association of Southeast Asian Nations (ASEAN) and Other Trade Partners

- The United States exported more to Singapore (\$7.6 billion) in Q1 2008 than to many other economies with significantly larger populations, including France (\$7.0 billion), Taiwan (\$7.0 billion), Brazil (\$6.9 billion), Australia (\$ 5.7 billion), India (\$4.2 billion), Italy (\$3.9 billion), Malaysia (\$3.3 billion), and Thailand (\$2.2 billion).
- U.S. exports to Singapore (population 4.6 million) were 42.2 percent of those to China (population 1.3 billion) in Q1 2008; 46.3 percent of those to Japan (population 127 million); and 88.4 percent of those to South Korea (population 49 million).
- Singapore is the largest ASEAN market for U.S. exports: It took 37.1 percent of total exports to ASEAN in Q1 2008, down from 46.3 percent in Q1 2007.
- U.S. exports to ASEAN accounted for 6.5 percent of overall U.S. exports in Q1 2008, compared to 5.4 percent in Q1 2007.

- With exports of \$20.5 billion in Q1 2008, the United States sold more to ASEAN countries (population 570 million and, taken together, our fifth largest goods trading partner) than to China (\$18.0 billion), Japan (\$16.4 billion), the United Kingdom (\$14.2 billion) and Germany (\$13.3 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