



Singapore – a brief overview

Having deep water harbor as its key natural resource, Singapore enjoyed Asia's most successful growth story during 2010. The country is considered to be the top destination for foreign investors; possessing sound regulatory and legal framework environment required for financial stability. In this regard, the World Bank's "Ease of Doing Business Index 2016" placed Singapore on first ranking. Singapore's global and regional connectivity along with its hard working laborforce and innovation has it a world class city. The World Economic Forum has also awarded Singapore; the top position in Global Competitiveness Report 2015-16.

Economy of Singapore

The economy of Singapore, with little resources, has experienced rapid development by making use of open and outward oriented growth policy. The services and manufacturing are the two basic sectors which largely contribute to the Singaporean economy. The country has made progress in several sectors like information technology, healthcare – med tech, creative industries, finance, retail and education. Heavy investments have been made in these sectors to stay atop in the face of changing economic landscape. The exports are mainly focussed in highly value added products. The country's economy has transformed from labour intensive towards high value added product. Currently, the Singaporean economy is facing the challenges like that of aging population and sluggish economic growth.

Key Industries of Singapore

Key industries which attract exports and investors for the country are electronics, chemicals, financial services, oil drilling equipment, petroleum refining, rubber processing and rubber products, processed food and beverages, ship repair, offshore platform construction, life sciences, entrepot trade.

Key Agricultural Products of Singapore

The key agricultural products of Singapore are orchids, vegetables; poultry, eggs; fish, ornamental fish.

International Organizations Participation:

Singapore is an active participation member of ADB, AOSIS, APEC, ASEAN, G-77, IAEA, IBRD, ILO, IMF, UN, UNCTAD, UNESCO, UNMIT, UPU, WCO, WHO, WTO, etc.

Singapore 's major trading commodities and partners

Major export items of the country are machinery and equipment (including electronics and telecommunications), pharmaceuticals and other chemicals, refined petroleum products while its key export partners are Malaysia 12.2%, Hong Kong 10.9%, China 10.7%, Indonesia 10.5%, US 5.5%, Japan 4.6%, Australia 4.2%, South Korea 4%. Moreover, Major import commodities include machinery and equipment, mineral fuels, chemicals, foodstuffs, consumer goods with imports partners consists Malaysia 10.6%, China 10.3%, US 10.2%, South Korea 6.8%, Japan 6.2%, Indonesia 5.3%, Saudi Arabia 4.5%, UAE 4.1%.

Economic Relations between Pakistan and Singapore

Singapore is an important trading partner of Pakistan and is considered to be one of the largest investor in Pakistan having investment of around \$ 22Mn. Diplomatic relations between the two countries were established on Aug. 17, 1966. Both countries are members of the Commonwealth of Nations. Pakistan was also instrumental in developing the Singapore maritime industry.

Bilateral Trade Relations between Pakistan and Singapore

The bilateral trade relations between Pakistan and Singapore are enhancing with the increase in trade volume every passing year. During Fiscal Year 2016, goods exported by Pakistan to Singapore were worth of \$ 283.35Mn as against exports of \$ 523.42Mn in the corresponding period of last year; showing decline of 45%. The goods imported by Pakistan from Singapore amounted to \$ 3,008Mn as against imports of \$ 4,050Mn in the preceding week thereby showing decline of 25%. However trade balance is largely unfavourable for Pakistan representing gap of \$ 2,725Mn. The large trade gap of between the two countries which indicates that enhancing Pakistan's export is the need of the hour as the exports base is mostly concentrated in the textile related commodities only.

Trading Commodities between Pakistan and Singapore

Pakistan exports various items to Singapore. It includes petroleum oil, crude petroleum, men and women's suit, jacket, trouser, shorts, skirt, clothing accessories, track & ski suits, swimwear, men's shirt, gloves, mittens and mitts, parts & accessories of computers & office machines, engines, machinery part, Bed, table, toilet and kitchen linens. The commodities imported by Pakistan from Singapore includes Petroleum oils and gases, oils & other distillation products, Vessels and other floating structures, antiknock preparations, oxidation & gum inhibitors, insecticide and chemical industry products.

Potential for enhancing bilateral trade relations between Singapore and Pakistan

- Both the countries enjoy comparative advantage in certain commodities. On Pakistani side, commodities having comparative advantage includes other made up textile articles, sugars and sugars confectionery, raw hides and skins, cereals and cotton. Similarly, on Singaporean side, commodities of comparative advantage include tin and articles, essential oils and chemical products.

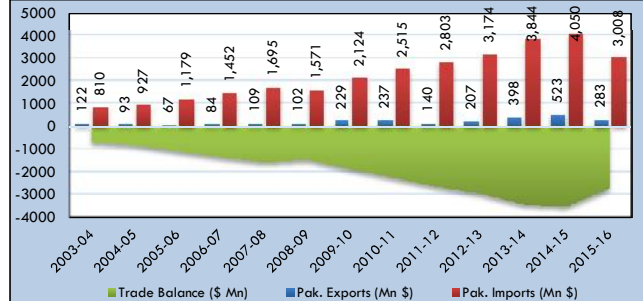
- The binding of Free Trade Agreement between Pakistan and Singapore would facilitate both sides which is under negotiation since 2005.

Economic Indicators

Table with 5 columns: Indicators, Unit, 2014, 2015 est., Change. Rows include GDP (PPP), GDP per Capita, GDP growth, Forex Reserves, External Debt, Exports, Imports, Trade Balance, Current Account, CPI, Unemployment, Discount Rate.

Sources: KCCI Research, CIA Factbook

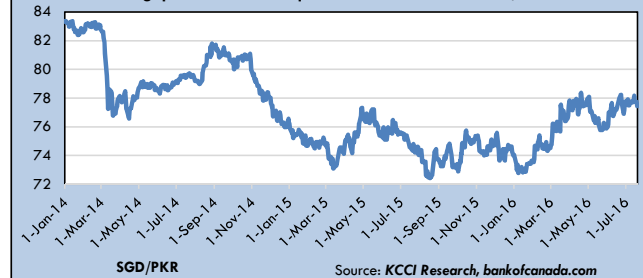
Trade between Pakistan & Singapore (FY04 - FY16)



Note: Trade data may differ from Trademap, UNComm trade & PBS. Source: KCCI Research, SBP

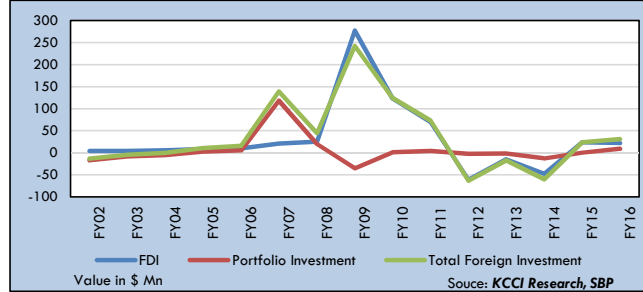
Singaporean Dollar Vs. Pakistani Rupee

1 Singaporean Dollar is equal to PKRs 77 as on Jul. 20, 2016



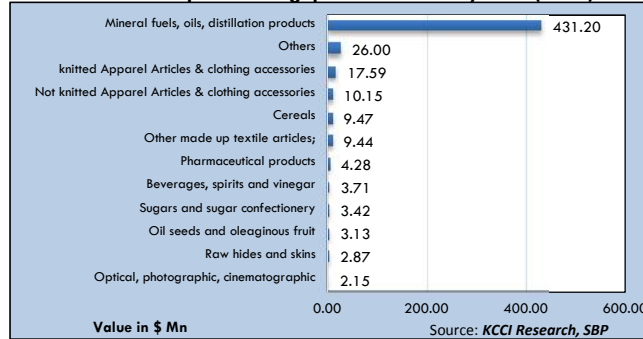
Source: KCCI Research, bankofcanada.com

Singapore's Investment in Pakistan (FY02 - FY16)



Source: KCCI Research, SBP

Pakistan Exports to Singapore - Commodity Wise (FY15)



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