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Singapore Country Fact Sheet

February 2023

Cape Town and the Western Cape – A Leading Regional Economy

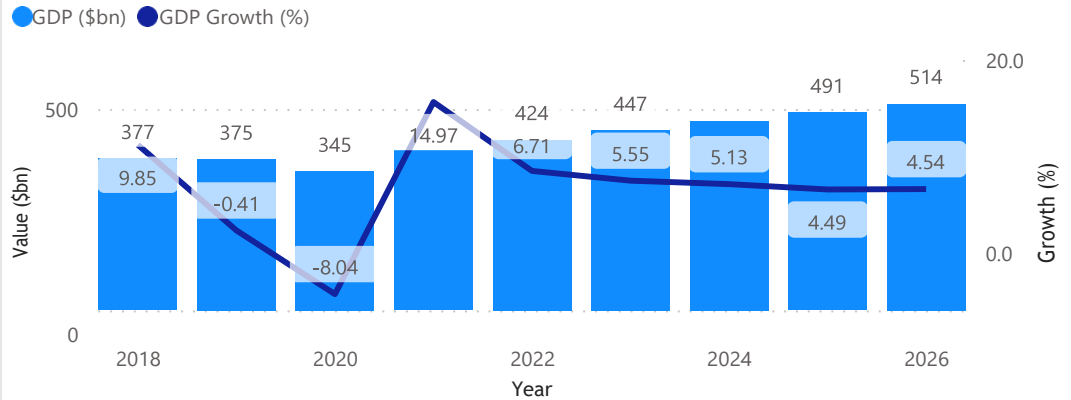
1) Economic Overview - Singapore

Despite ongoing pandemic-related factors which saw Singapore suffer an economic contraction of -8.04% in 2020, the economy recovered swiftly in 2021 - recording a y-o-y growth of 14.97% to reach a total GDP value of \$396.99bn in 2021, up from \$345.297bn in 2020.

This notable growth was driven by improvements in the services' sector, robust economic stimulus measures, successful vaccination uptakes (87%), and an easing of pandemic-induced restrictions.

While still robust at an estimated 6.71% in 2022, economic growth is forecast to slow due to high inflation and lingering effects of the global pandemic.

Figure 1: Singapore GDP, 2018-2026f



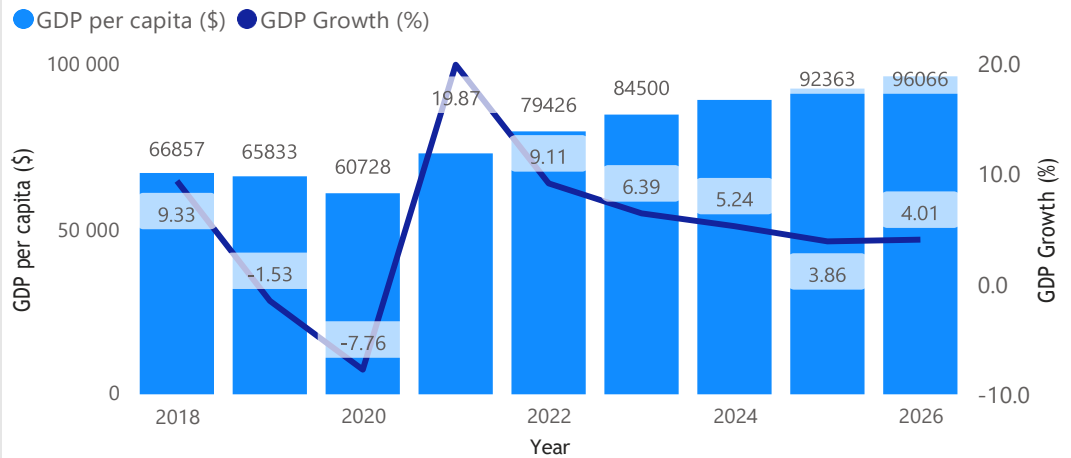
Source: IMF, 2023

With an average annual GDP per capita of \$66 553.26 from 2018 to 2021, Singapore is categorized as a high-income economy. Despite GDP per capita plunging by 7.76% to \$60 727.62 in 2020, the strong recovery in GDP in 2021 bolstered GDP per capita by 19.87% to \$72 794.14 in 2022 (IMF, 2023).

Singapore provides one of the world's most business-friendly regulatory environment for local entrepreneurs and is ranked among the world's most competitive economies.

GDP per capita is expected to grow at an average annual rate of 5.72% per annum from 2022-2026 to reach a GDP per capita value of \$96 066.57 by 2026.

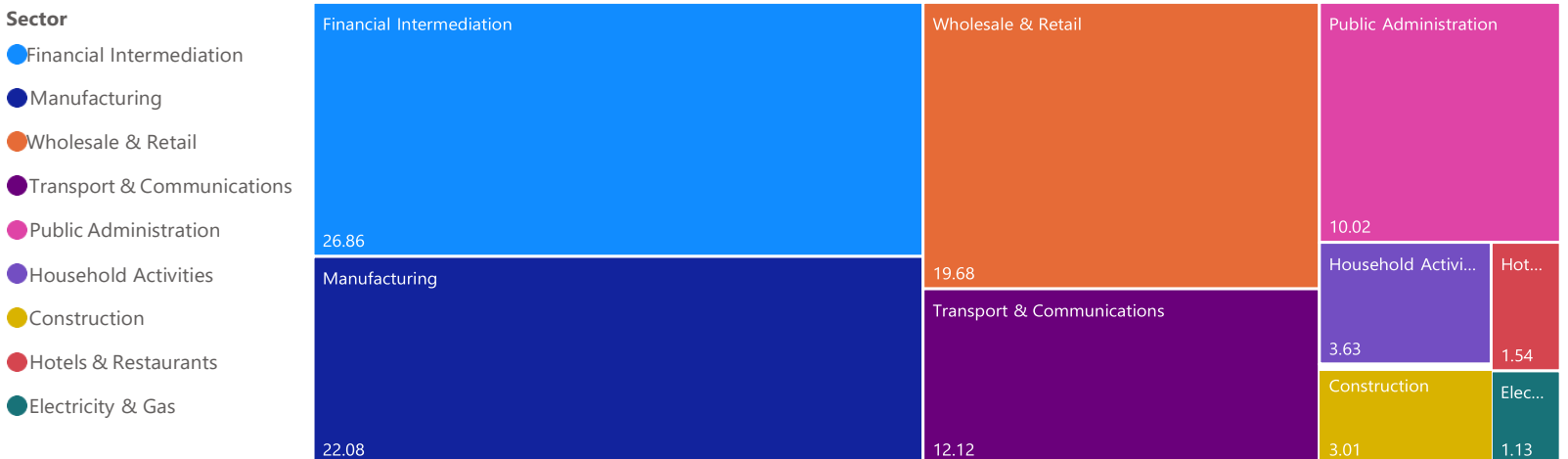
Figure 2: Singapore GDP per capita, 2018-2026f



Source: IMF, 2022

Singapore's economy is largely composed of the services sector, which collectively accounted for approximately 74% of total GVA in 2021. In particular, the Financial Intermediation, Manufacturing and Wholesale & Retail sector dominated, collectively accounting for more than a third of Singapore's Value Added in 2021, while the Public Administration, and Transport & Communications sectors ranked as the 4th and 5th largest contributor to the economy at 12.12% and 10.02% respectively.

Figure 3: Singapore Sector Contribution to GVA (%), 2021



Source: Euromonitor, 2022

2) Trade

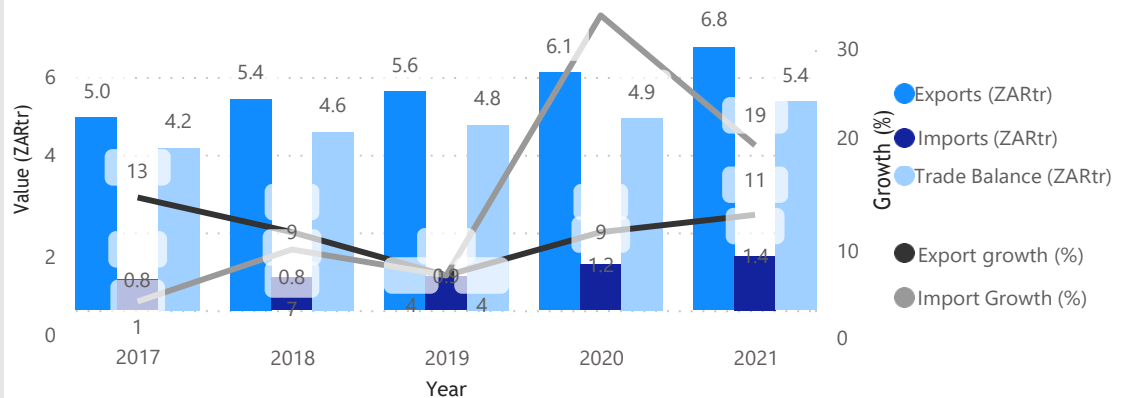
2.1) Singapore's Global Merchandise Trade

Singapore recorded a merchandise trade surplus of ZAR5.37trn in 2021, some 9% higher than the ZAR4.94trn earned in 2020. The country's global trade balance remained firmly in surplus throughout the period analyzed.

Goods exports totaled ZAR6.76trn in 2021, a 10.64% y-o-y increase from the ZAR6.11trn recorded in 2020.

Imports increased by 18.91% y-o-y to ZAR1.39trn in 2021 from ZAR1.17trn recorded in 2020.

Figure 4: Singapore Trade with Globe, 2017-2021



Source: Trademap, 2022

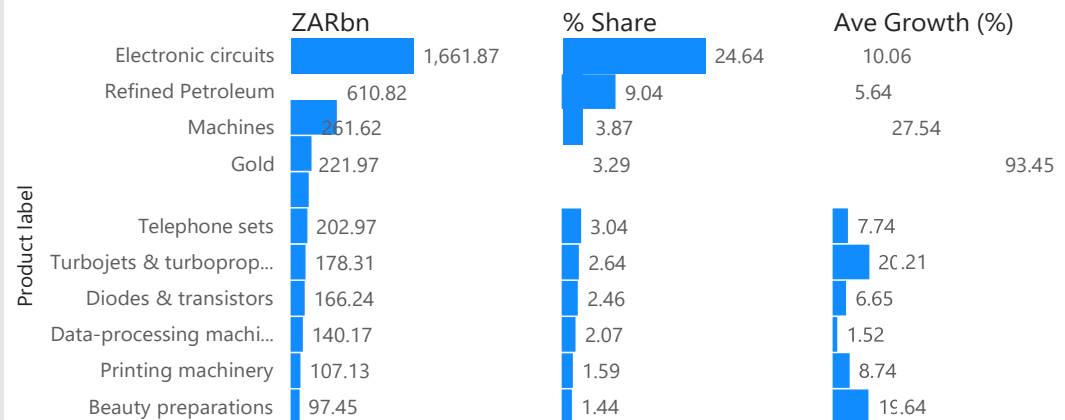
Singapore's global export basket is relatively diverse, as reflected in Figure 5 alongside.

Electronic circuits are the country's largest export product, which at a value of ZAR1,661.87bn accounted for 26.64% of total exports in 2021. Hong Kong was the largest importer of the country's electronic circuits in 2021 at a cost of ZAR590.630bn, followed by China (ZAR279.91bn) and Taipei, (ZAR161.20bn).

Out of the country's top 10 export products, gold recorded the highest average annual growth of 93% over the period 2017- 2021, followed by Turbojets and Turbo-propellers.

A recovery in global demand for electronic devices bodes positively for export prospects.

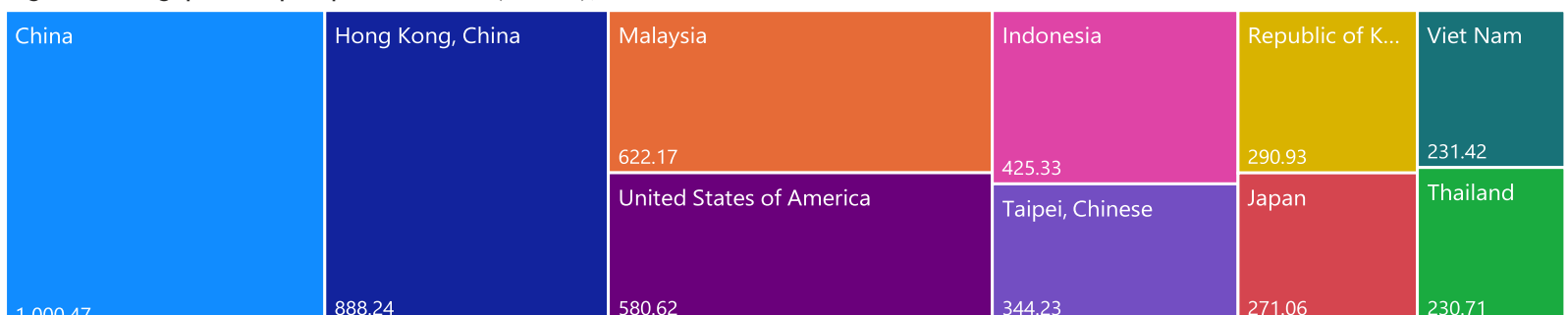
Figure 5: Singapore Top Export Products, 2021: (Average Growth: 2017-2021)



Source: Trademap, 2022

Singapore has no closer ally than Asian markets, specifically China, and trade relations between the two have remained strong for more than a decade. Accordingly, China remains Singapore's most important trading partner, with exports to the country reaching ZAR1,000.47bn, equivalent to 15% of total Singaporean exports in 2021. Electronic integrated circuits (ZAR279.91bn), Machines (ZAR89.81bn) and Polymers of ethylene were among the top three exported products to China in 2021, collectively accounting for over 40% of Singapore's export basket to China. Hong Kong, and Malaysia are also key trading partners, with exports to Hong Kong - Singapore's second largest export market - reaching a total value of ZAR884.24bn, followed by Malaysia at export value of ZAR622.17bn in 2021.

Figure 6: Singapore Top Export Markets (ZARbn), 2021

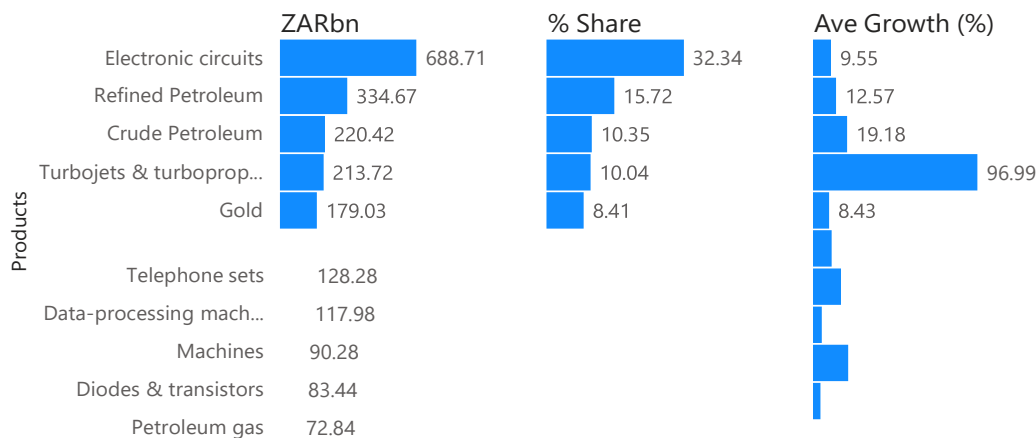


Source: Trademap, 2022

Electronic components dominated imports in 2021 with Taipei, Malaysia, and the Republic of Korea ranking as the top three suppliers, collectively accounting for more than 74.02% of electronic circuit imports.

Refined petroleum and crude petroleum ranked as the country's second and third largest imports, collectively accounting for 26.11% of imports in 2021. Malaysia, China, and the UAE were Singapore's three largest source markets for refined oil imports, accounting for approximately 43.21% of refined petroleum in 2021. Out of the top 10 import basket, Turbojet imports grew at the highest average rate of 96.99% per annum, followed by crude petroleum imports (19.2%) and refined petroleum at 12.57%. over the five-year period 2017 – 2021.

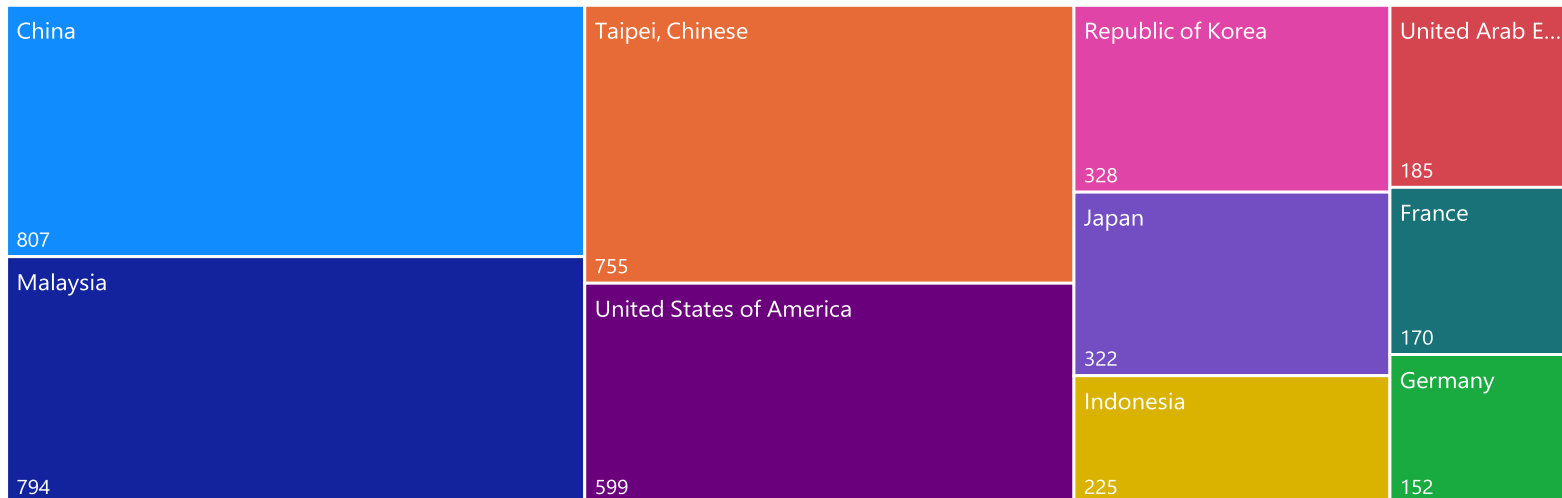
Figure 7: Singapore Top Import Products, 2021: (Average growth: 2017-2021)



Source: Trademap, 2022

Economic relations between Singapore and China have strengthened over the past 10 years, and it has been a decade since China overtook Malaysia to become Singapore's largest import partner. Imports from the Asian powerhouse reached a total value of ZAR806.57bn in 2021, an increase of 4.02% y-o-y on 2020s cost. Telephone sets, electronic integrated circuits and automatic-data processing machines were the top three imports from China, accounting for 38.03% of total imports from the country. Malaysia followed closely as the second largest import source market, at a cost of ZAR793.55bn in 2021. Electronic integrated circuits made up the bulk of Singaporean imports from Malaysia at a 27.04% share in 2021, followed by refined petroleum (20.03%).

Figure 8: Singapore Top Import Markets (ZARbn), 2021



Source: Trademap, 2022

2.2) Trade Agreements and developments

The primary objective of Singapore's trade policy is to guard its trading interest by ensuring a free and open international trading environment. With the support of the WTO - of which Singapore is a member - 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.

Singapore also has many bilateral and regional FTAs including with Australia, China, Costa Rica, India, Japan, Jordan, New Zealand, Republic of 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, Republic of Korea, India, and New Zealand (Source: Trade.Gov, 2023)

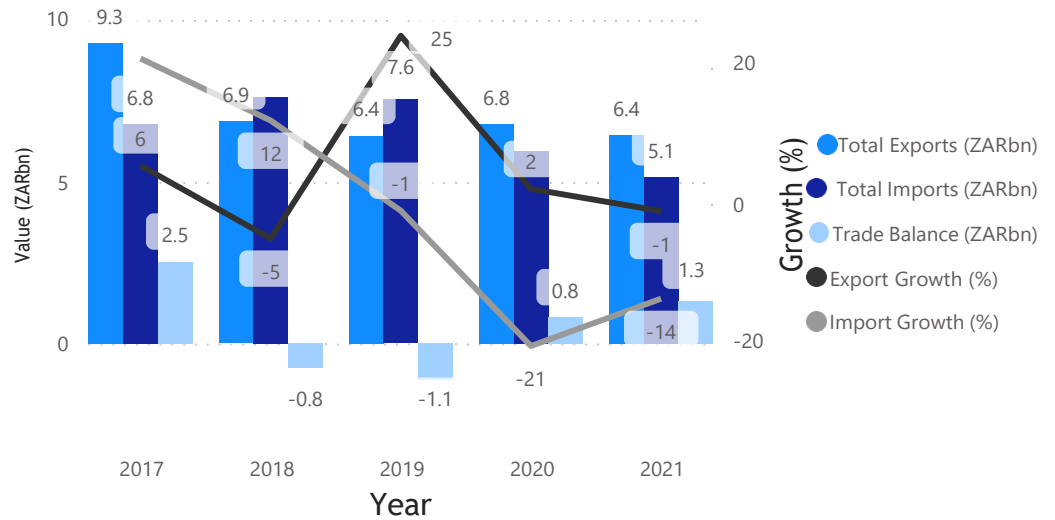
2.3) Bilateral Trade: South Africa and Singapore

Singapore was South Africa's 44th largest import market, and the country's 30th largest export market in 2021. South Africa recorded a trade surplus with Singapore in 2020 and 2021 following-on from the trade shortfalls recorded in 2018 and 2019.

South Africa's exports to the country declined by 1.02% y-o-y to a value of ZAR6.44bn in 2021, down from ZAR6.78bn recorded in 2020.

Imports in turn have declined consistently since 2018, declining by 13.93% y-o-y to an associated cost of ZAR5.14bn in 2021, down from ZAR5.97bn recorded in 2020.

Figure 9: SA Trade with Singapore, 2017-2021



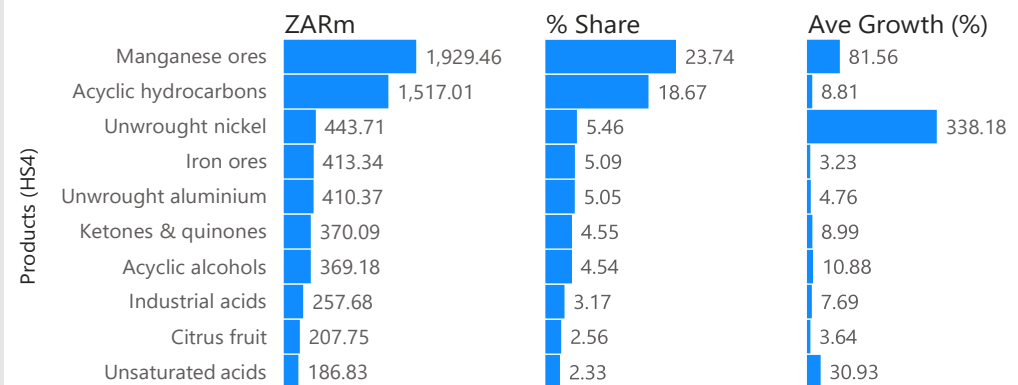
Source: Quantec, 2022

South Africa's top three export products to Singapore accounted for close-on 50% of total exports to the country in 2021.

Manganese ores ranked as the largest export product, reaching a value of ZAR1,929.46m in 2021, with acyclic hydrocarbons (ZAR1,517.01m) and unwrought nickel (ZAR443.71m) in second and third place. South Africa was Singapore's largest supplier of Ores in 2021.

Unwrought nickel exports to Singapore have recorded impressive growth over the last 5 years, averaging 339% growth per annum from 2017 to 2021.

Figure 10: SA Top Exports to Singapore, 2021: (Average Growth: 2017-2021)



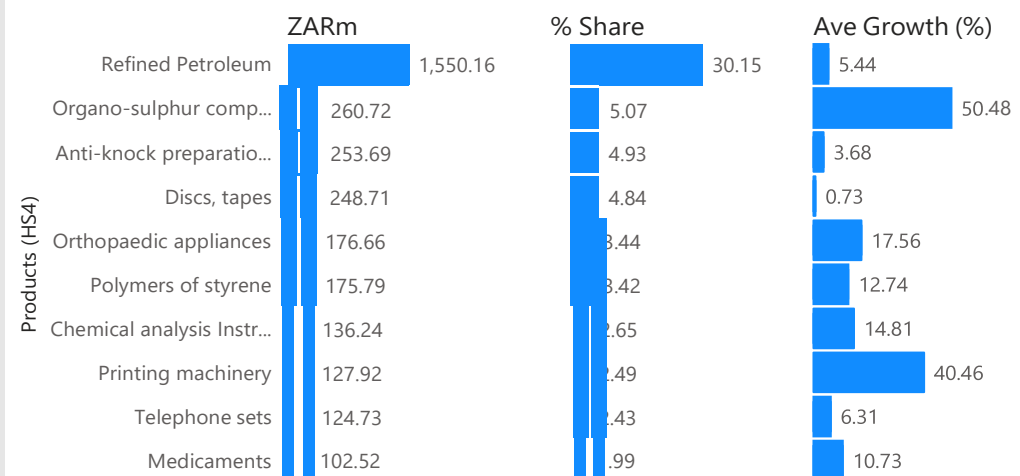
Source: Quantec, 2022

South Africa's imports from Singapore are dominated by refined petroleum oil, which at a total import cost of ZAR1,550.16m in 2021 accounted for 30% of South African imports from the said country in that year.

At a cost of ZAR260.72m organo-sulphur compounds were the second largest import from Singapore in 2021. A greater demand for Organo-Sulphur compounds in South Africa resulted in average annual growth of 50.48% in imports of this product over the period 2017 – 2021.

This was followed by printing machinery, which recorded a 5- year annual average growth of 40.46% over the said period.

Figure 11: SA Top Imports from Singapore, 2021: (Average Growth: 2017-2021)



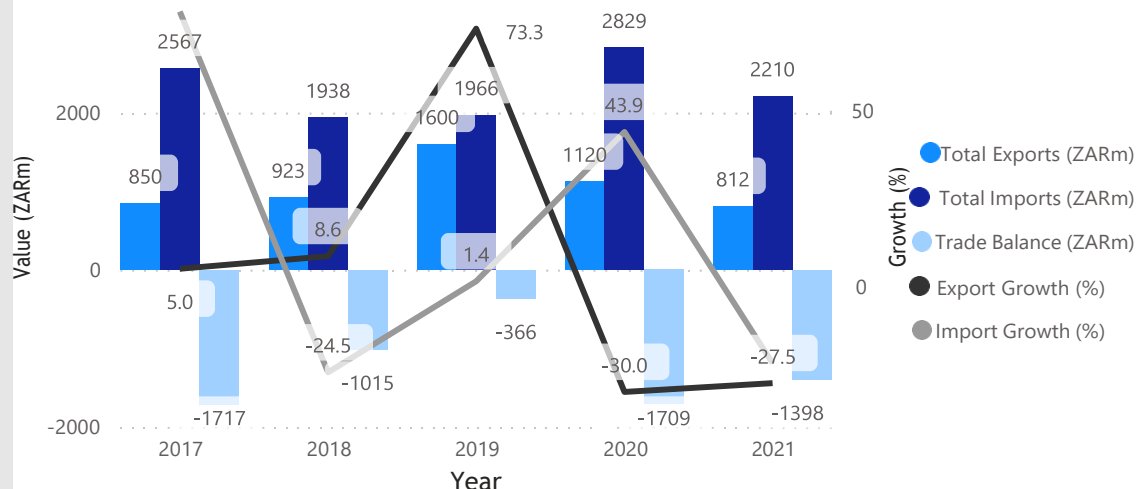
Source: Quantec, 2022

2.4) Bilateral Trade: Western Cape and Singapore

Singapore was the Western Cape's 39th largest export partner in 2021. Due largely to the Covid-19 pandemic, exports to Singapore declined by 30.04% to ZAR1,120.04m in 2020, down from ZAR1,600.01m in 2019. This trend continued into 2021, with exports declining by a further 27.53% y-o-y to ZAR812m in 2021.

In turn, Singapore was the Western Cape's 20th largest import market in 2021. Despite the global pandemic, imports from Singapore rose sharply to a value of ZAR2 829m in 2020, easing back down to an associated cost of ZAR2 210m in 2021. The Western Cape's trade balance with Singapore remained firmly in deficit throughout the period analyzed.

Figure 12: WC Trade with Singapore, 2017-2021

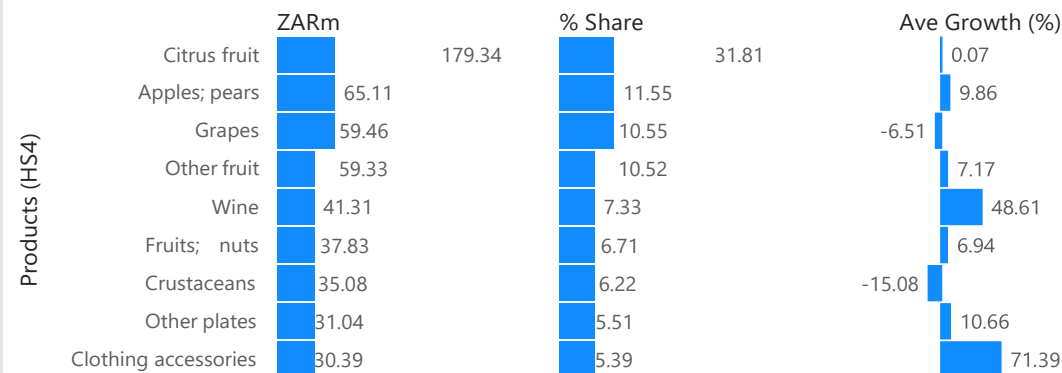


Source: Quantec, 2022

Citrus fruits were the province's largest export to Singapore in 2021, which at a value of ZAR179.34m accounted for the vast majority (31.81%) in 2021. Apples and Grapes rounded up the top 3 products exported to Singapore in 2021.

The export of clothing to Singapore averaged a rate of 71.39% per annum over the last five years. This was followed by the export of wine at an average growth 48.61% over the said period. Eight of the provinces' top 10 exports to Singapore are agri-produce.

Figure 13: WC Top Exports to Singapore, 2021: (Average Growth: 2017-2021)



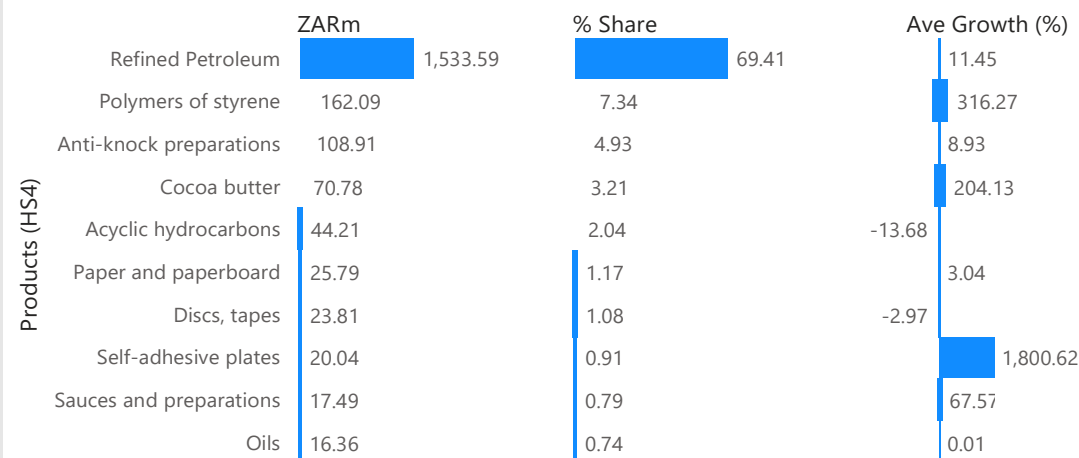
Source: Quantec, 2022

The Western Cape's imports from Singapore are dominated by refined petroleum imports, which at a cost of ZAR1,533.59m accounted for 69.41% of total imports from Singapore in 2021.

Polymers of styrene ranked as the second largest import product (ZAR162.09m), followed by Anti-knock preparations (ZAR108.91m) in third position.

Interestingly, the import of self-adhesive plates from Singapore grew at an average of 1,800.62% per annum from 2017 to 2021, while the import of polymers of styrene followed a similar growth trajectory of 316.27% pr annum over the period under consideration.

Figure 14: WC Top Imports from Singapore, 2021: (Average Growth: 2017-2021)



Source: Quantec, 2022

3) Foreign Direct Investment

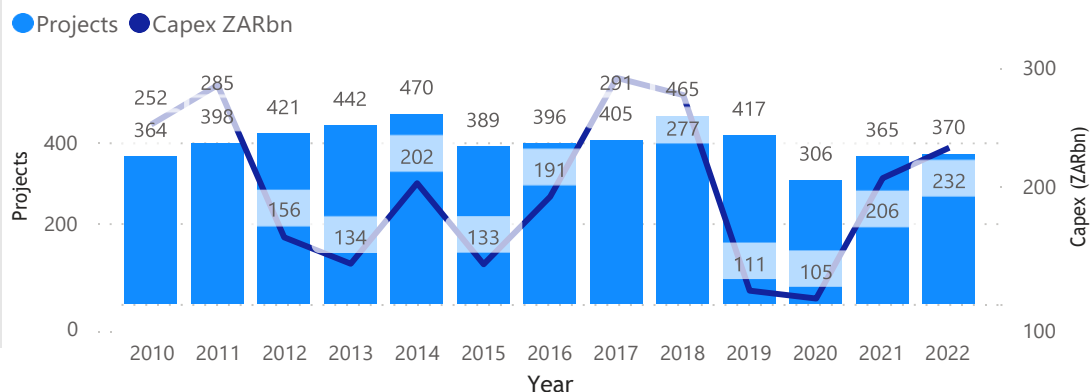
3.1) FDI into Singapore

Despite the Covid-19 pandemic, Singapore has remained a sought-after FDI destination in recent years.

Capital projects into Singapore increased from 306 projects in 2020 to 365 projects in 2021, edging up to 370 capital projects invested in 2022.

On the capital expenditure (capex) front, total capex increased by 12.04% y-o-y to ZAR206.36bn in 2021, up from ZAR232.11bn recorded in 2020. The trend continued into 2022, with capex rising to a value of ZAR232bn.

Figure 15: FDI into Singapore, 2010-2022



Source: FDI Markets, 2022

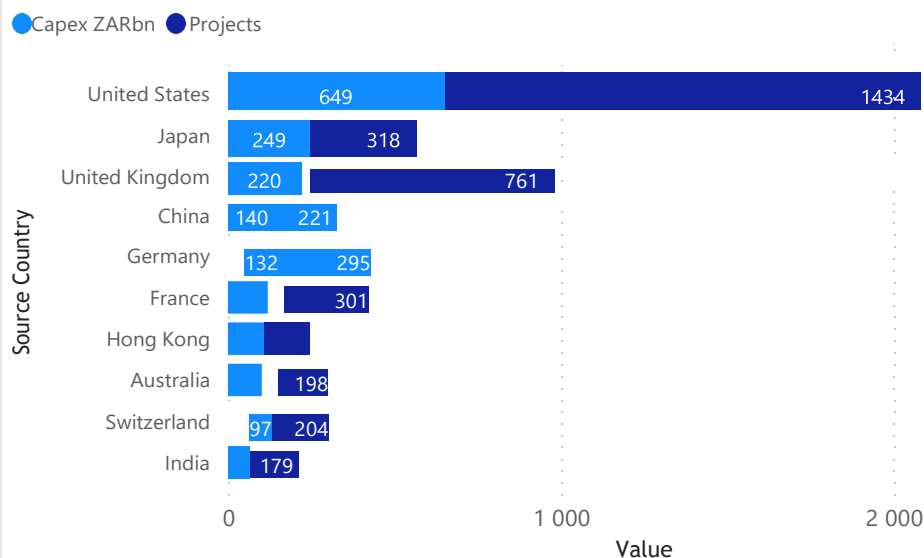
The United States, with a total cumulative capital investment of ZAR649.48 billion and 1,434 projects, was the dominant source on inward investment into Singapore over the period 2010 – 2022.

From a global perspective Singapore was the fourth largest recipient of FDI inflows in the world after the US, China, and Hong Kong in 2022.

Other large sources of FDI into Singapore were the UK, which ranked in third place with a total capex of ZAR220bn and 761 projects over the last 12 years, while Germany ranked fifth, with a capex of ZAR132bn and 295 projects invested over the said period.

Interestingly, 4 out of the top 10 source markets for FDI into Singapore were from European markets.

Figure 16: FDI into Singapore by Source Markets, 2010-2022

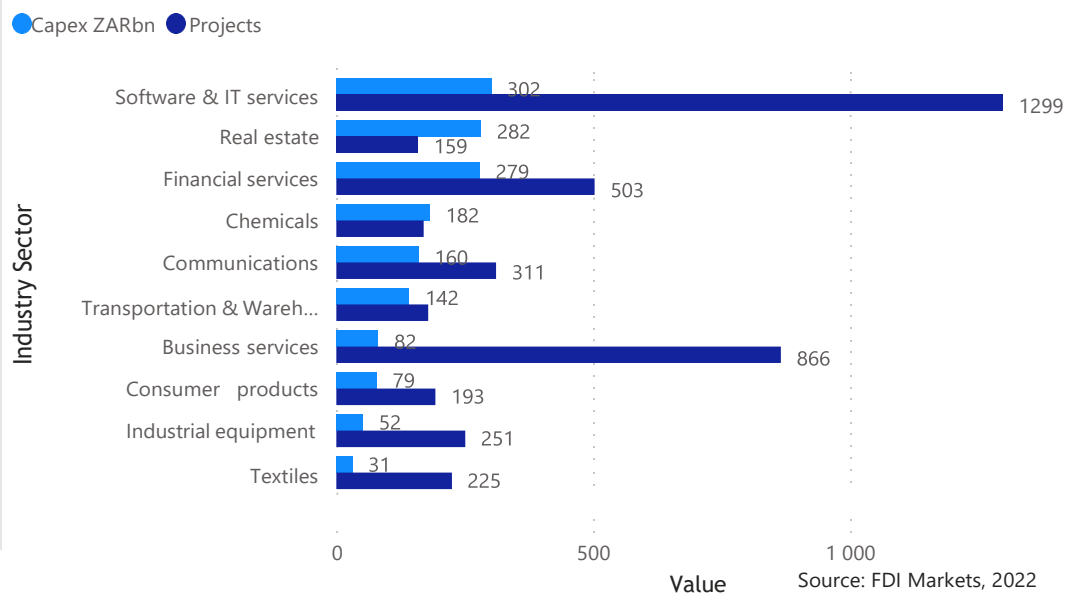


Source: FDI Markets, 2022

Looking at the period 2010 -2022, the software & IT services sector was the largest recipient of FDI recording 1,299 projects with a total capex of ZAR302bn over this period.

This was closely followed by the real estate sector (ZAR282bn in capex and 159 projects), with the financial services sector in third position with ZAR279bn worth of capex and 503 projects.

Figure 17: FDI into Singapore by Sector, 2010-2022



Source: FDI Markets, 2022

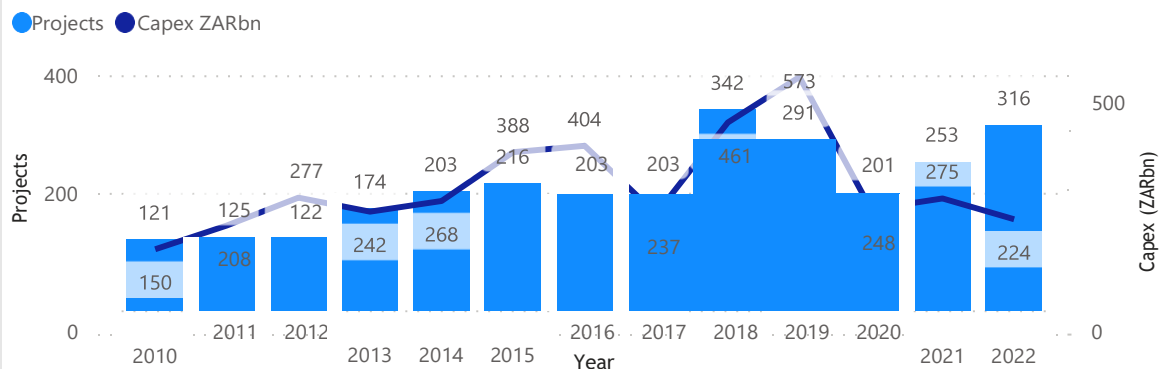
3.2) OFDI From Singapore to the Globe

Singapore has recorded notable outward FDI in recent years. For the period January 2010 until November 2022, the country invested in 2,770 outward FDI projects globally with a capex value of ZAR3,954.14bn.

Looking at OFDI by projects, these increased from 253 projects in 2021 to 316 projects in 2022.

In contrast, outward investments as measured by capex declined by 19% y-o-y to ZAR223.79bn in 2022 from ZAR274.72bn recorded in 2021.

Figure 18: Trend in OFDI from Singapore, 2010-2022



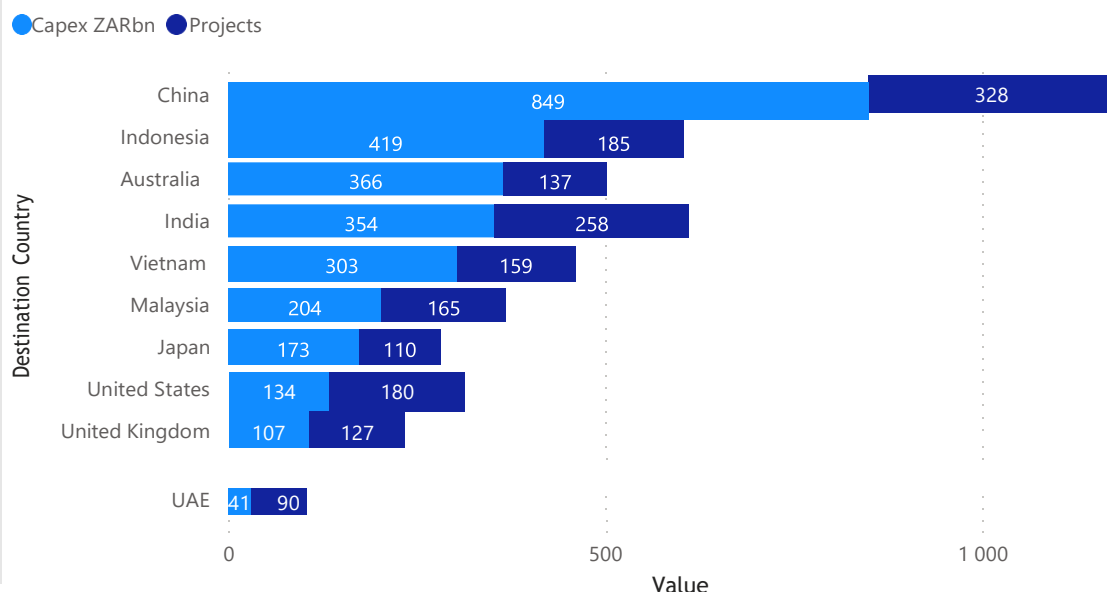
Source: FDI Markets, 2022

Most of Singapore's OFDI is destined for China, Europe, ASEAN and Central and South America.

China was the largest recipient of Singaporean FDI over the last 12 years, reaching a cumulative capex value of ZAR849.35bn and 328 projects from 2010 to November 2022. This was followed by Indonesia (capex of ZAR419.16bn) and Australia (capex of ZAR366bn).

India ranked as the second largest recipient of capital projects from Singapore at 258 projects over the period under review.

Figure 19: OFDI from Singapore by Destination Market, 2010-2022



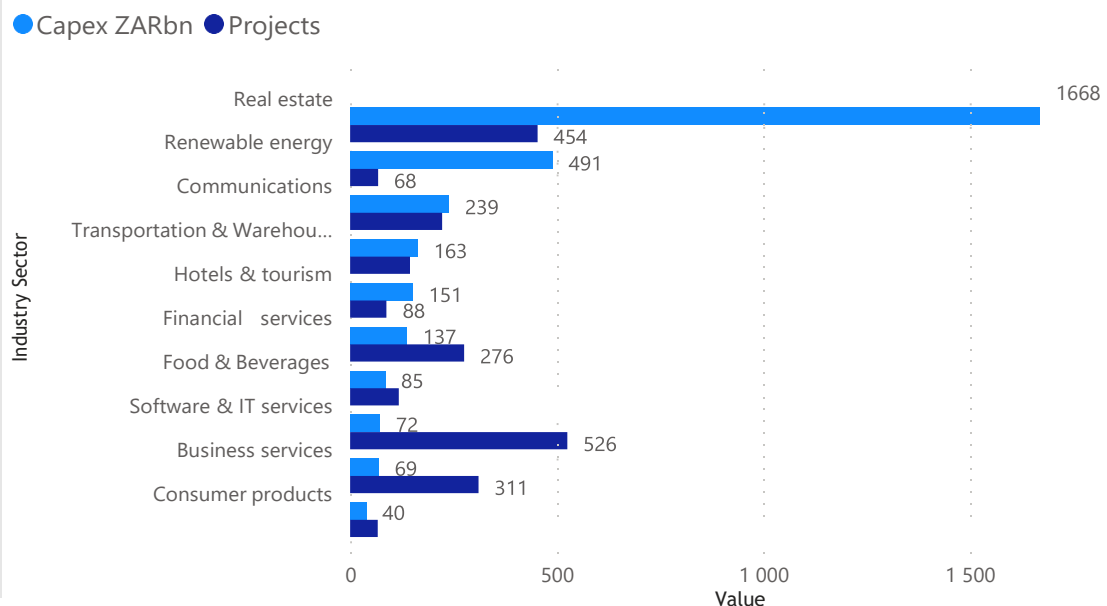
Source: FDI Markets, 2022

In terms of Singapore's OFDI by industry, the Real estate sector was the leading recipient of OFDI, which at a value of ZAR1,668.16bn accounted for 42% of the country's OFDI by sector.

The renewable sector followed as the 2nd preferred sector of choice for Singapore investments abroad. This sector reached a total cumulative capex of ZAR490.67bn over the period 2010 to 2022, while registering 68 investment projects over the reviewed period.

Other top sectors attracting OFDI from Singapore was the communications sector with a capex of ZAR239.46bn, followed by transportation & warehouse at ZAR163.44bn.

Figure 20: OFDI from Singapore by Top Sectors, 2010-2022



Source: FDI Markets, 2022

3.3) Bilateral FDI: Singapore into South Africa

Figure 21 alongside shows FDI flows from Singapore into South Africa over the period 2010 to 2022. Over the last 12 years there were 8 Singapore-based capital projects invested into South Africa, reaching a total capex of ZAR2.24bn which created 333 jobs. FDI from Singapore into South Africa as measured by capex peaked in 2020, where 1 project worth ZAR1.24bn was invested.

This investment was by Wilmar Processing South Africa and was directed to the food & beverages sector. FDI by capex has been on downward trajectory since then, slowing to ZAR167.21m in 2021 and further to ZAR80m in 2022.

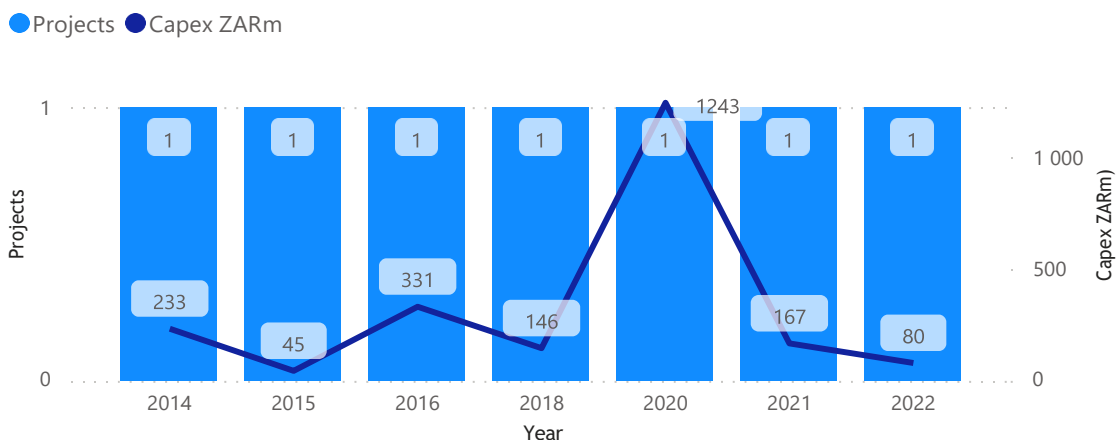
Of the ZAR2.24bn worth of investment by Singapore into South Africa over the period 2010 -2022, the food and beverages sector (ZAR1,243m); business services (ZAR499m); and financial services (ZAR146m) were the three largest (sector) recipients of capex.

These three sectors collectively accounted for 94% of Singapore's capital investment into South Africa over the said period.

Figure 23 alongside shows the top Singapore companies (by capex) investing into SA over the period 2010 to 2021. Wilmar Processing (SA) invested 1 project into SA's Food and beverages sector, which reached a total capex value of ZAR1,242.52m and created 200 jobs over the period under review.

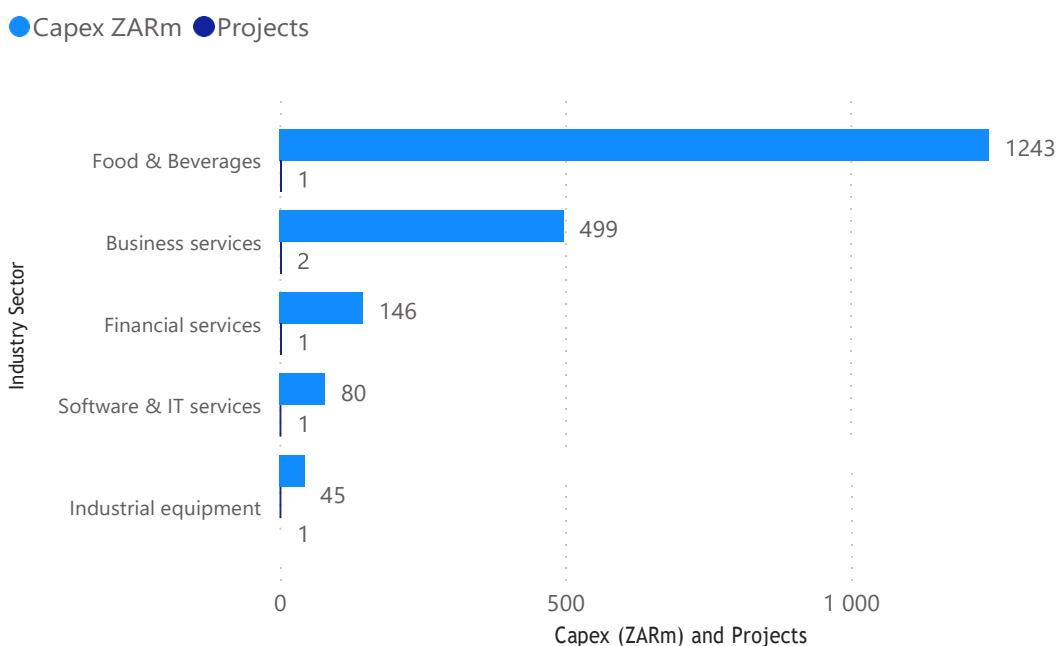
Other high investing Singapore companies were Arcade (with one project reaching ZAR331.34m); Audience (ANDNA) (1 project reaching ZAR167.23m); and WB21 (Webbank21), which invested 1 project in South Africa's financial services sector to reach ZAR145.73m.

Figure 21: FDI from Singapore into SA, 2010-2022



Source: FDI Markets, 2022

Figure 22: FDI from Singapore into SA by Sectors, 2010-2022



Source: FDI Markets, 2022

Figure 23: Singapore Companies Investing in SA, 2010-2022

Company name	#Projects	Capex ZARm	Total jobs	Primary sector
Wilmar Processing (SA)	1	1 242.52	200	Food & Beverages
Arcade	1	331.34	15	Business services
Audience (ADNA)	1	167.23	76	Financial services
WB21 (WebBank21)	1	145.73	17	Financial services
Thunes	1	79.81	9	Software & IT services
Asia Offshore Group	1	44.52	12	Industrial equipment
Total	6	2 011.15	329	

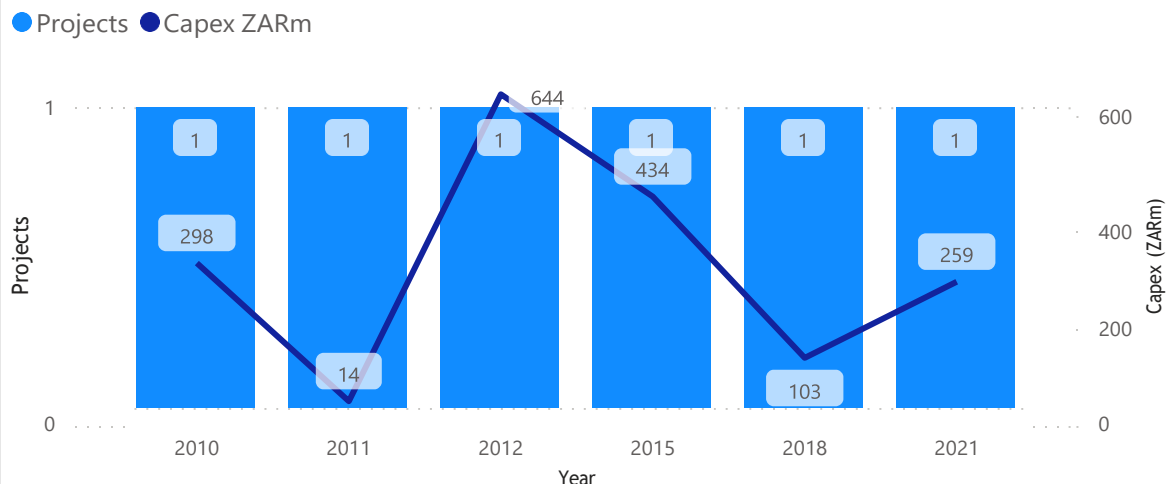
Source: FDI Markets, 2022

3.4) Bilateral FDI: South Africa into Singapore

FDI from South Africa into Singapore was less robust, with a total of 6 projects with a total capex of ZAR1.75bn invested over the period 2010 to 2022.

The trend in FDI from South Africa into Singapore follows a quadratic trend as measured by capex, reaching a peak of 1 project worth ZAR644.36m in capex in 2012, declining thereafter until 2018, before edging up modestly to a value of ZAR259m in 2021.

Figure 24: FDI from SA into Singapore, 2010-2022

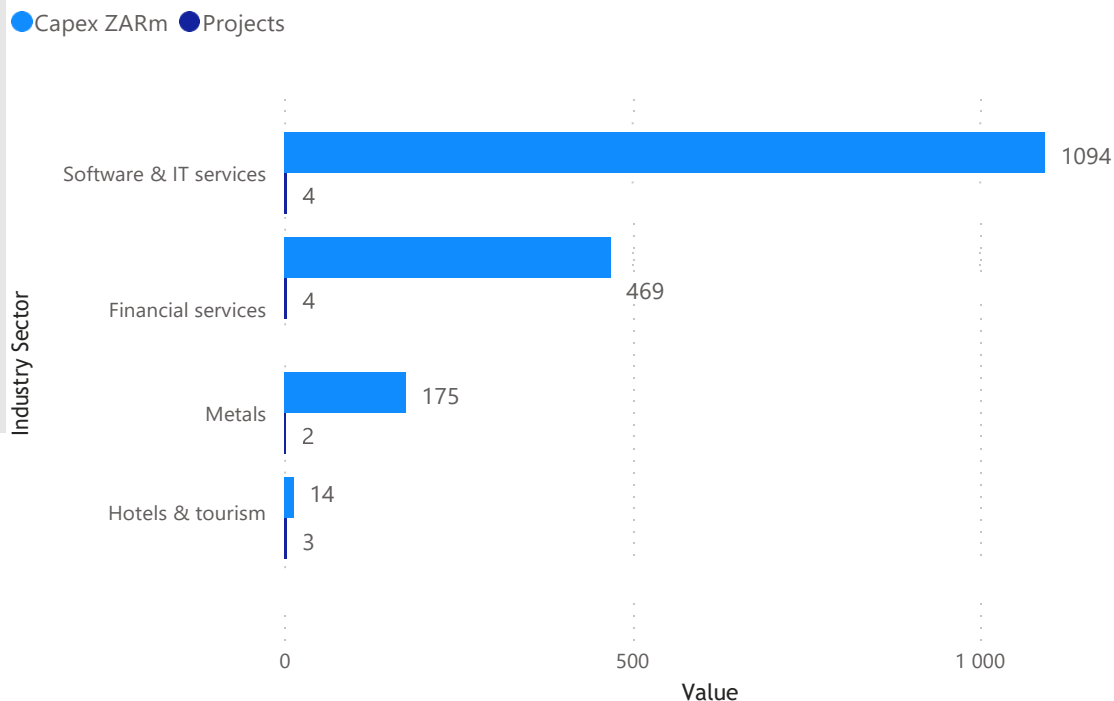


Source: FDI Markets, 2022

The software and IT services, and financial services sectors were the largest recipients of South African capital expenditure into Singapore, collectively accounting for 89% of capex over the period 2010 to 2021.

Hotel & tourism and the metals sector followed, accounting for 11% (or 5 projects) of projects.

Figure 25: FDI from SA into Singapore by Sector, 2010-2022



Source: FDI Markets, 2022

An overview of South African companies investing into Singapore over the last 12 years is tabulated alongside in Figure 26.

Investec invested one capital-intensive projects into Singapore's financial services sector, with a total capex of ZAR469.41m. Other companies included Cartrack, and Westcon Group, which collectively invested ZAR728.62m into Singapore over the period under review.

Figure 26: SA Companies Investing into Singapore, 2010-2022

Company name	#Projects	Capex ZARm	Total jobs	Primary sector
Investec	1	469.41	45	Financial services
Cartrack	1	434.11	63	Software & IT services
Westcon Group	1	259.21	86	Communications
Irdeto	1	199.43	90	Software & IT services
Rand Refinery	1	174.91	197	Metals
Jumo.World	1	102.81	16	Software & IT services
Intact Integrated Services	1	98.22	19	Software & IT services
Wings Travel	1	13.81	9	Hotels & tourism

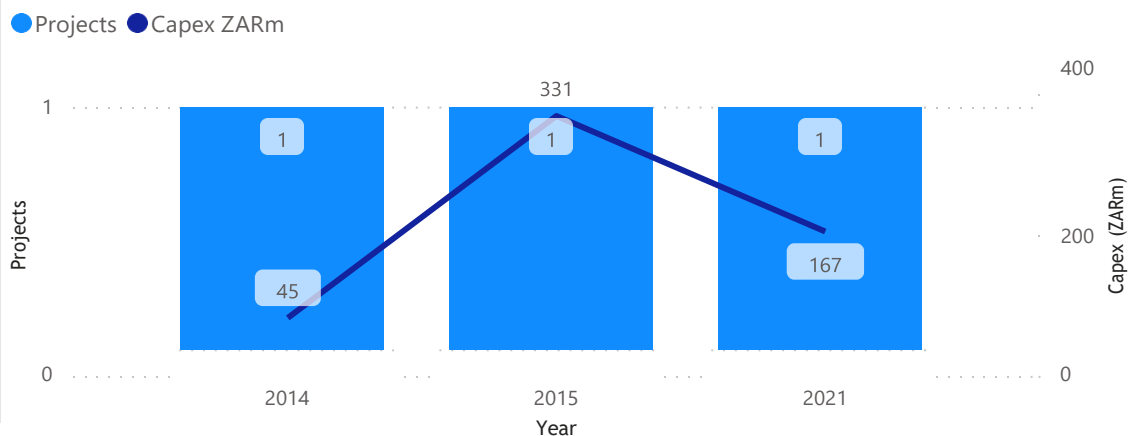
Total 8 525 Source: FDI Markets, 2022

3.5) Bilateral FDI: Singapore into the Western Cape

Over the period 2010 to 2021, three FDI projects were invested into the Western Cape by Singapore-based companies. These reached a total capex value of ZAR543.07m and created 103 jobs.

FDI by capex peaked at a value of ZAR331 in 2015, easing thereafter to ZAR167.23m in 2021.

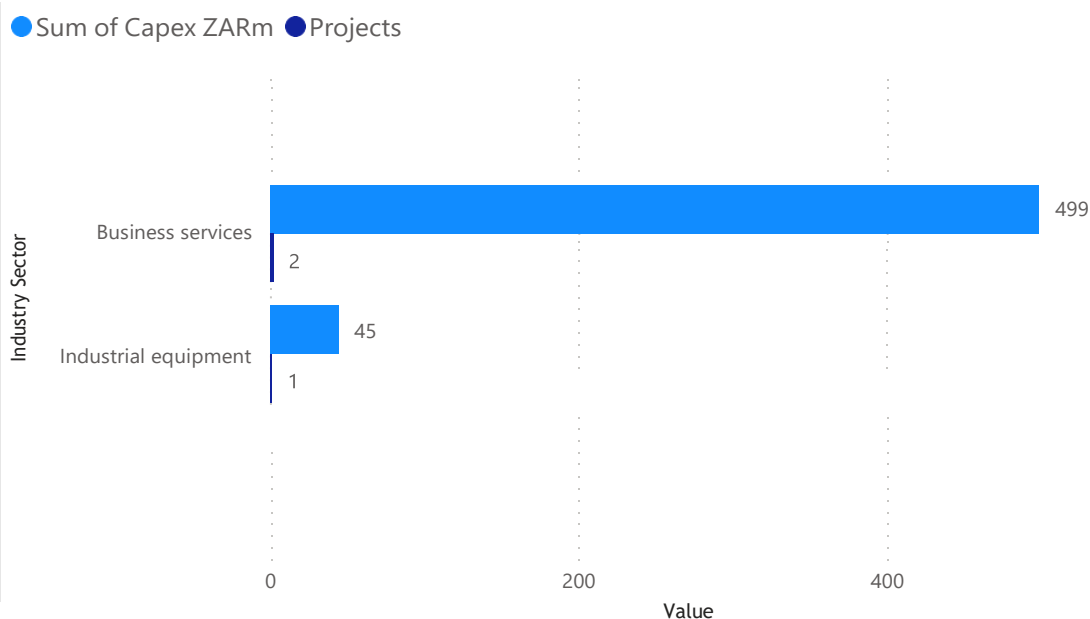
Figure 27: FDI from Singapore into WC, 2010-2022



Source: FDI Markets, 2022

The two local sectors attracting FDI from Singapore were Business Services (ZAR498.64m) and Industrial equipment (ZAR44.52m).

Figure 28: FDI from Singapore into WC by Sector, 2010-2022



Source: FDI Markets, 2022

The value associated with the capital investment from Arcade in the business services sector in Singapore was the largest source of FDI into the WC, reaching a total capex of

ZAR331.31m – albeit only investing one project over the period under review.

Other noteworthy investment companies were Asia Offshore Group and Audience (ADNA), which each invested one project into the WC to reach a cumulative capex of ZAR211.73m over the period 2010 to 2021.

Figure 29: Singapore Companies Investing into WC, 2010-2022

Company name	#Projects	Capex ZARm	Total jobs	Primary sector
Arcade	1	331.31	15	Business services
Audience (ADNA)	1	167.21	76	Business services
Asia Offshore Group	1	44.52	12	Industrial equipment

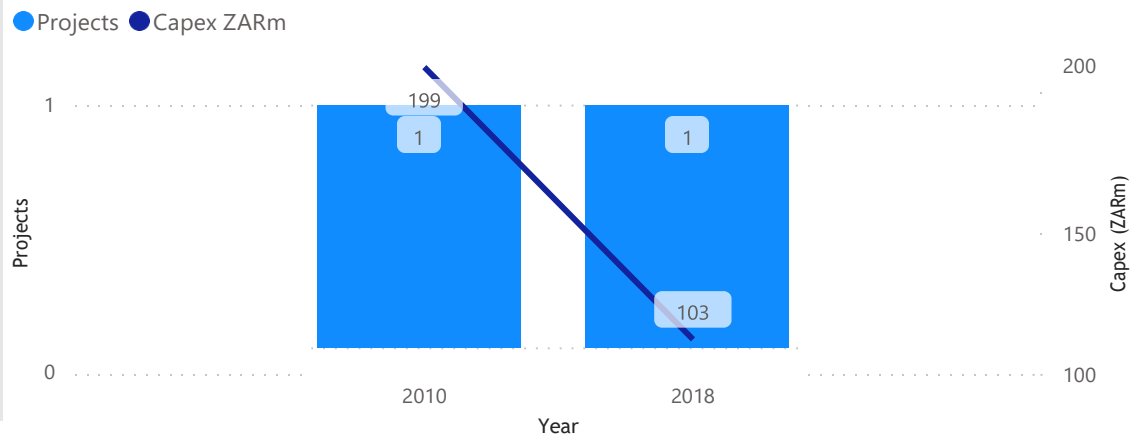
Source: FDI Markets, 2022

3.6) Bilateral FDI: Western Cape into Singapore

FDI flows from the Western Cape into Singapore were less notable, with only 2 projects invested from 2010 to 2021. These projects reached a total capex value of ZAR302.23m and created 106 jobs.

Overall, the number of projects per annum remained low at 1 project in each of the years.

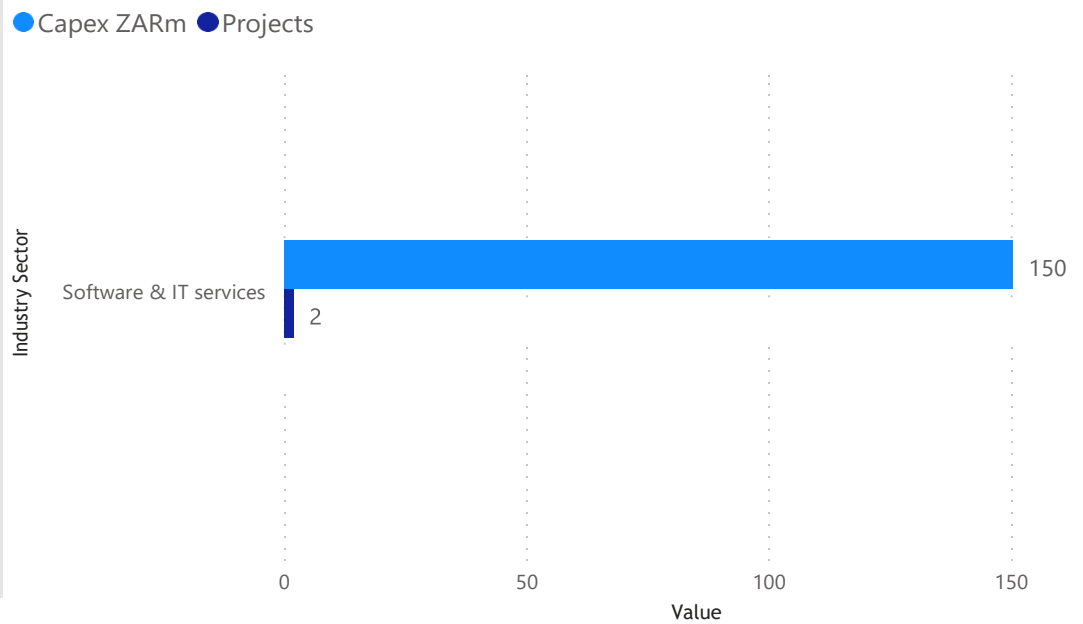
Figure 30: FDI from WC into Singapore, 2010-2022



Source: FDI Markets, 2022

All the capital expenditure from the Western Cape was invested in Singapore's Software & IT services sector, which reached a total capex value of ZAR150.33m.

Figure 31: FDI from WC into Singapore, 2010-2022



Source: FDI Markets, 2022

Irdeto and Jumo.World were the two Western Cape based investors who invested into Singapore over the period of review, investing two projects into Singapore's software & IT services sector with a capex value of ZAR302.27m and thereby creating 106 jobs.

Figure 32: WC Companies Investing into Singapore, 2010-2022

Company name	#Projects	Capex ZARm	Total jobs	Primary sector
Irdeto	1	199.43	90	Software & IT services
Jumo.World	1	102.84	16	Software & IT services
Total	2	302.27	106	

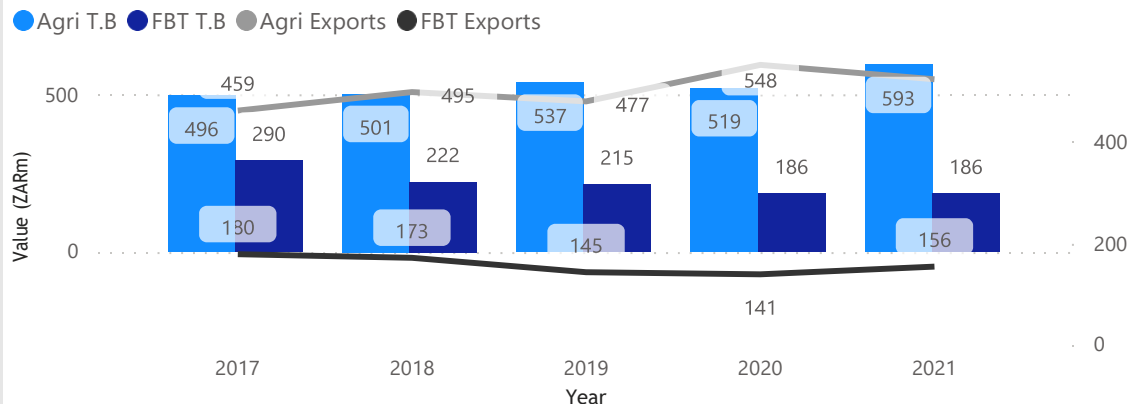
Source: FDI Markets, 2022

4) Western Cape Agribusiness Trade with Singapore

The Western Cape was a net exporter of primary agricultural products to Singapore over the last five years, recording a trade surplus of ZAR593m in 2021.

Similarly, the province was a net exporter of food, beverage, and tobacco trade with Singapore over the period analyzed recording a ZAR40.24m trade surplus in 2021.

Figure 33: WC Agriculture and FBT Trade with Singapore, 2017-2021

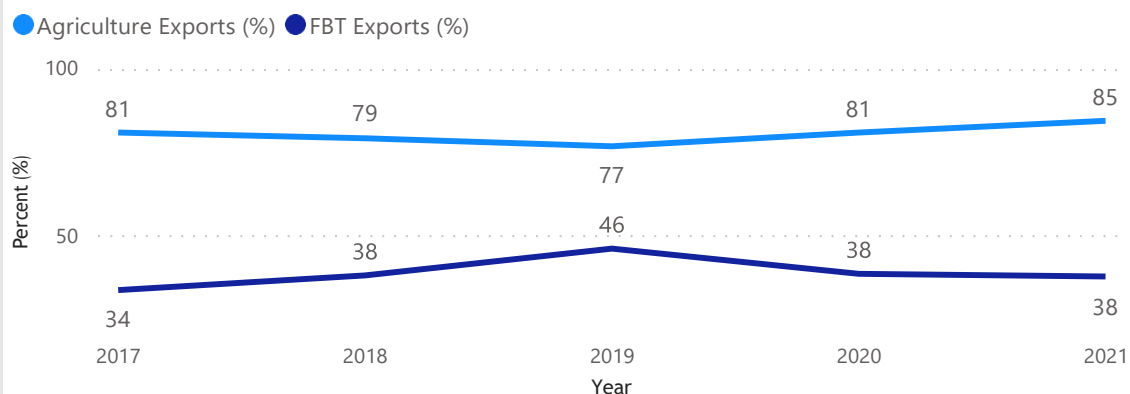


Source: Quantec, 2022

The Western Cape accounted for most South Africa's agribusiness exports to Singapore, accounting for an average annual share of 80.6% of primary agricultural exports and 38.7% of food, beverage, and tobacco exports over the period 2017 to 2021.

The province's share of primary agriculture exports with Singapore increased significantly in 2021, where the province accounted for 85% of primary agriculture exports (up from 81%) while food, beverages & tobacco remained steadily at 68% in both years 2020 and 2021.

Figure 34: WC Share of National Agri and FBT exports to Singapore, 2017-2021

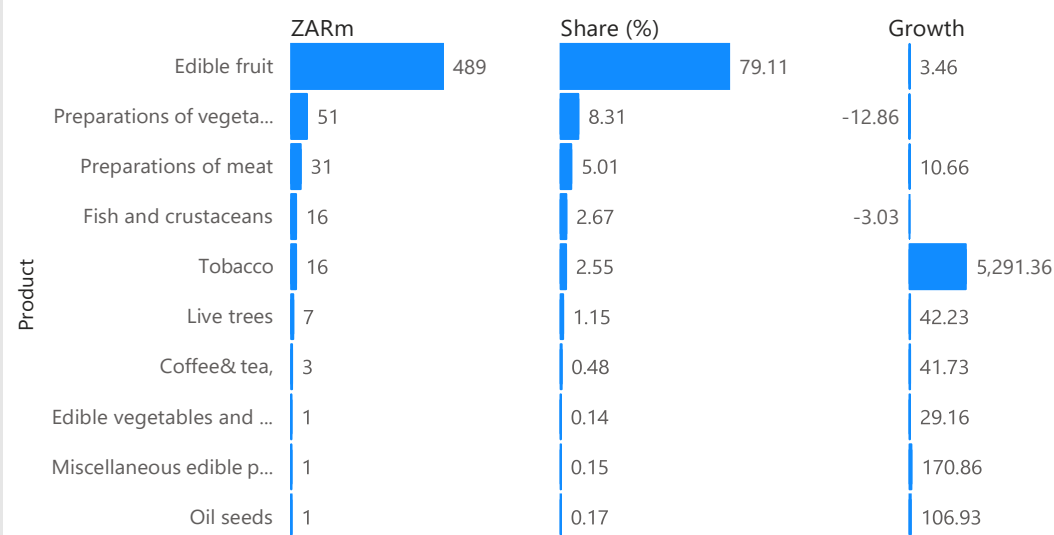


Source: Quantec, 2022

Figure 35 shows the Western Cape's top agribusiness export products to Singapore at an HS6 level tariff code. Edible fruits were the province's largest agricultural export to Singapore, reaching an export value of ZAR489m (or 79.11%) in 2021, and growing at an average annual rate of 3.46% from 2017 to 2021. Other noteworthy agricultural exports were prepared vegetables (ZAR51m) and preparations of meat (ZAR31m).

Out of the top 10 agricultural exports to Singapore, Tobacco grew at the highest average annual rate of 5,291.36% over the period under review.

Figure 35: Top Agri Exports from WC to Singapore, 2021: (Average Growth: 2017-2021)



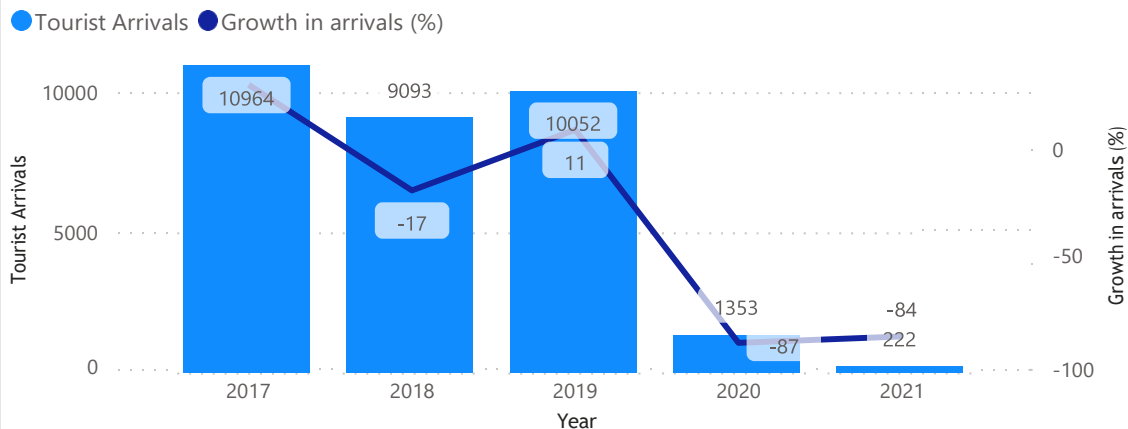
Source: Quantec, 2022

5) Tourism: South Africa and Western Cape Tourism Flows with Singapore

The highest number of Tourist arrivals from Singapore to South Africa was recorded in 2017, with some 10,964 Singaporean visitors to South Africa. This represented a y-o-y increase of 31,0% when compared to 2016 arrivals.

Arrival numbers have declined overall since, with an 86,5% decrease in arrivals recorded in 2020 as Covid-19 took hold, before declining further to a mere 222 arrivals in 2021.

Figure 36: Singapore Tourist Arrivals to SA, 2017-2021

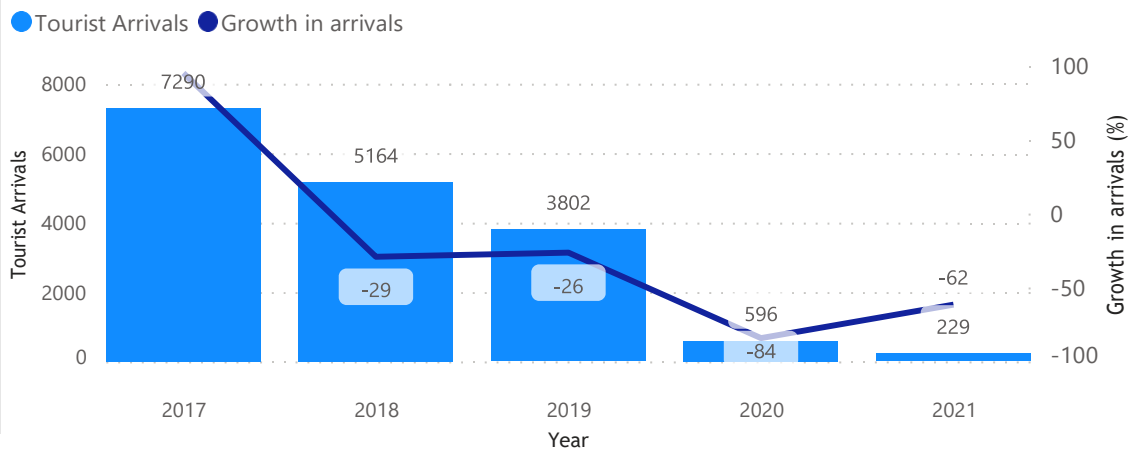


Source: South African Tourism, 2022

Pre-Covid 19, Singapore tourist arrivals to the Western Cape recorded the highest volume in 2017 (7,290), representing a y-o-y increase of 95,1% when compared to 2016 arrivals.

In 2020, the Western Cape received a total of 596 arrivals from Singapore. This declined by a further 61.62% to reach 209 arrivals in 2021.

Figure 37: Singapore Tourist Arrivals to WC, 2017-2021



Source: South African Tourism, 2022

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