

Singapore: NODX slides below expectations

February non-oil domestic exports managed a 9.5%YoY gain against a dimming global outlook



A deep water port in Singapore

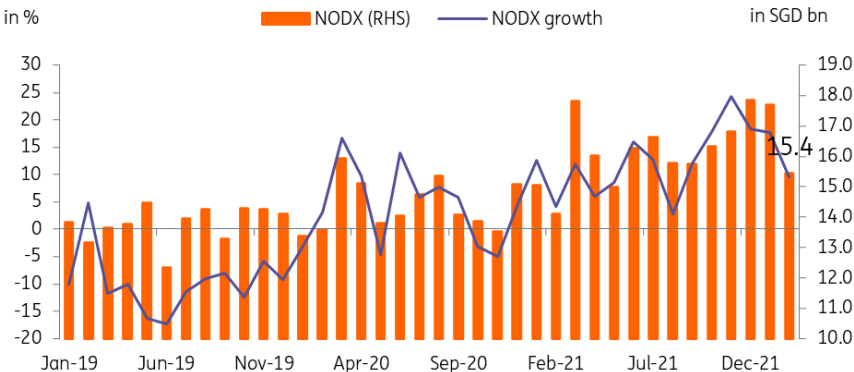
9.5% February NODX growth YoY

Lower than expected

February NODX rises 9.5%YoY

Singapore reported non-oil domestic exports (NODX) growth of 9.5%YoY, much lower than market expectations for a 16.5% increase. Electronics exports showed slower growth of 11.6% compared to 14% in January, while non-electronics export growth dipped to 8.8% (from 18.6%). In terms of trading partners, the slowdown in NODX can be traced to a contraction of shipments to the United States and slower exports to emerging markets and China. Despite falling below market expectations, NODX growth extended its positive streak to 14 months.

Singapore NODX growth could slow further in the coming months



Source: Singapore Department of Statistics

Further moderation in the coming months

We had expected NODX growth to slow in February as manufacturing activity slowed for the same month. Two measures of PMI manufacturing also dipped last month as new orders faded given concerns about geopolitical developments. With the global growth outlook dimming over the past few weeks, we can expect trade activity to slow further, with NODX likewise expected to see more moderation in the coming months. Positive but slowing NODX expansion will likely sap some growth momentum, which will likely factor into our growth projections for the rest of the year.