

Singapore: NODX surprises on the upside, lifted by electronics exports

Singapore's non-oil domestic exports surprised on the upside, rising 12.4% in May



A deep water port in Singapore

12.4%

May NODX

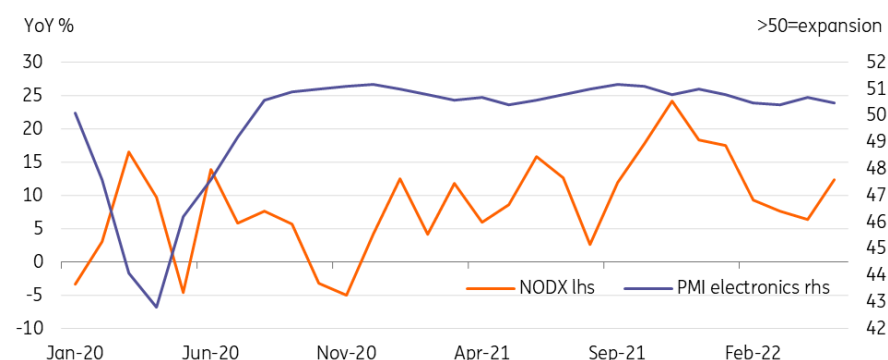
YoY growth

Higher than expected

NODX up 12.4% vs 7.5% consensus

Singapore's non-oil domestic exports (NODX) proved resilient in May, rising 12.4%YoY compared to the market consensus for a 7.5% gain. Electronics exports helped lift overall NODX, growing 12.9% while non-electronic exports also had a strong showing, up 12.2%. Singapore's electronics PMI remained in expansion, registering 50.5 for the same month, suggesting sustained demand for electronic products. Meanwhile, exports to China managed to eke out growth, inching up by 0.2% despite work stoppages in Shanghai. Going forward we could see moderate growth for exports bound for China in the near term as it follows a more flexible zero-Covid policy.

NODX surprises on the upside in May



Source: Singapore Department of Statistics

Upside surprise for NODX to help support sagging growth momentum

The stronger-than-expected gain for NODX will be supportive for a decent 2Q GDP report. Accelerating inflation will likely sap some momentum from retail sales but at least for now, both exports and industrial production have held up pretty well. We are maintaining our 4.5% GDP forecast for 2Q22 GDP, which should also benefit from base effects. In the near term, NODX will likely continue to expand, but slowing global trade trends will likely begin to manifest in future NODX releases.

Author

Nicholas Mapa

Senior Economist, Philippines

nicholas.antonio.mapa@asia.ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10

Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.