

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

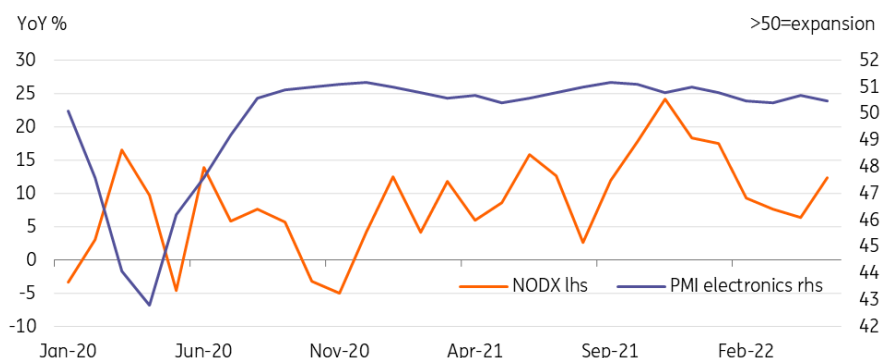
YoY growth

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.