

Singapore: October NODX surprises on the upside

Petrochemicals lifted overall non-oil domestic exports (NODX) in October, offsetting softer pharmaceutical exports.



A deep water port in Singapore

17.9%

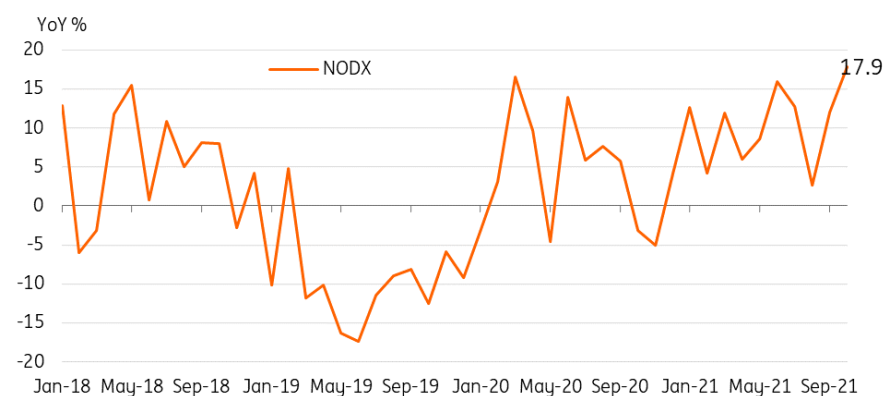
 October NODX change

Better than expected

October NODX up 17.9%

Singapore October non-oil domestic exports (NODX) rose 17.9% YoY compared to expectations for a 15.1% gain. Petrochemical exports jumped 39.1% YoY, offsetting softer pharmaceuticals, which were up by 4.1% compared to last month's 27.3%. Outbound shipments for electronics were relatively flat from September, echoing similar trends in the electronics PMIs. In terms of destination, exports to China sustained their double-digit expansion, rising 35.6% YoY while shipments to Malaysia recorded a 29.4% YoY rise after contracting the previous month. Meanwhile, exports to the US, which accounts for roughly 11% of the total, recorded a contraction of 3.9% YoY.

Singapore non-oil domestic exports



Source: Department of Statistics Singapore

Upbeat NODX to support 4Q GDP

October's NODX growth benefited from the low base recorded in 2020 while also getting a hefty boost from the outsized jump in petrochemical shipments. Given the start-stop nature of the global recovery, the YoY changes remain volatile and susceptible to further swings in the months ahead. Nonetheless, the strong showing for October NODX points to an upbeat outlook for 4Q GDP. The Monetary Authority Singapore (MAS) recently adjusted its monetary stance citing improved economic conditions and the impending threat of inflation. With growth appearing to be on a steadier footing, as evidenced by a decent pickup in NODX and the reduction of mobility curbs, we expect the MAS to remain focused on the inflation outlook while retaining their hawkish bias in the near term.

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>.