

Singapore

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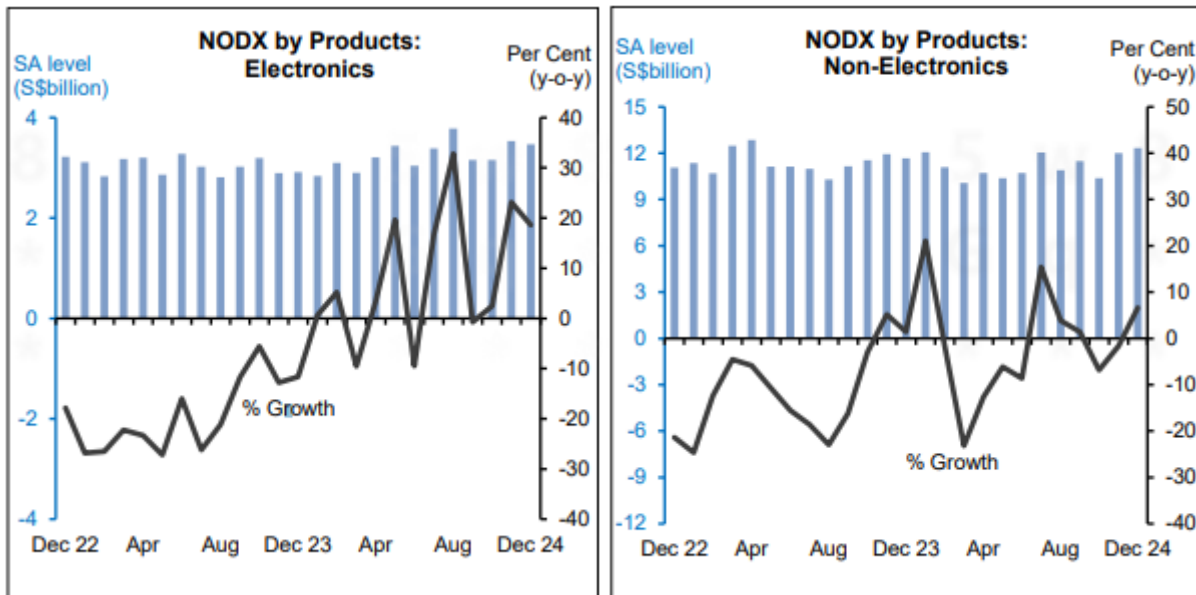
December NODX accelerated to 9.0% YoY, bringing full-year 2024 NODX growth to 0.2% YoY

Highlights:

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- **December NODX rose by 9.0% YoY, in line with our forecast** and above the Bloomberg consensus forecast of 7.4% YoY. This was an acceleration from the November print of 3.4% YoY (14.7% MoM sa). Both electronics and non-electronics NODX grew by 18.6% YoY and 6.6% respectively in December. Although electronics NODX eased from a revised November reading of 23.1% YoY to 18.6% YoY in December, ICs, PCs and disk media products continue to drive the electronics NODX. For non-electronics NODX, non-monetary gold, food preparations and specialised machinery were the key drivers.
- **December NODX expanded to 8 of our top 10 NODX markets, with the key exception of China** (still contracting at 12.7% YoY) and EU 27 (also still falling significantly at 26.0% YoY). In contrast, NODX to the US reversed to surge 30.7% YoY in December, up from -19.4% YoY in November, albeit this was led by non-electronics NODX (39.5% YoY from -25.4% previously) whereas electronics NODX was soft (-14.9% YoY from +17.9% previously). NODX to other key markets outperformed for Taiwan (50.8% YoY), Malaysia (24.2%), Indonesia (20.3%) amongst others. Even NODX to Japan also improved from a 12.1% YoY contraction in November to increase by 11.6% in December, aided by electronics NODX (36.0% YoY). What is interesting is that domestic demand conditions in China likely remained lackluster, as reflected in the sustained contraction in non-electronics NODX (-19.6% YoY) in December, notwithstanding the 33.8% YoY jump in electronics NODX. This is also suggestive of some frontloading of electronics NODX in anticipation of Trump 2.0 tariff threats. In tandem, there were also some green shoots for the global electronics industry which contributed to the generally robust electronics NODX growth across our key NODX markets. That said, the frontloading of electronics exports did not extend to Singapore's electronics NODX to the US (-14.9% YoY) and EU27 (-31.5%).
- **For full-year 2024, NODX expanded 0.2% YoY, which is still a recovery from 2023's NODX contraction of 13.1%. For 2025, NODX growth may accelerate to around 2-4% YoY given the relatively low base in 2024** and Singapore's FTA with the US when/if Trump 2.0 tariff threats materialise. The key uncertainty is the timing and magnitude of fresh Trump tariffs that may come into play once he takes office on 20 January, and how much this may impact China and ASEAN GDP and

trade growth prospects. In particular, would Trump's tariff threats kick in fairly quickly from January 2025 or later in the year, and would it be at 60% for China, and 10-20% on rest of the world or there is room for negotiation and deal-making. Apart from the direct tariff impact, there could also be indirect effects from potential trade retaliation, risk-off market sentiments, and given the importance of China as a growth, trade and investment engine in Asia, a sharper growth slowdown in China could also hurt Chinese demand for ASEAN goods and services, but also drive China+1 diversification and recalibration of global/regional supply chains.



Non-oil Domestic Exports to Top Markets (% y-o-y growth)

Top Markets [^]	NODX		Electronic NODX		Non-Electronic NODX	
	Nov 2024	Dec 2024	Nov 2024	Dec 2024	Nov 2024	Dec 2024
US	-19.4	30.7	17.9	-14.9	-25.4	39.5
Taiwan	42.7	50.8	18.1	2.6	72.0	101.1
Malaysia	24.4	24.2	64.3	55.3	3.2	5.0
Hong Kong	35.3	23.8	38.0	32.2	31.8	18.4
Thailand	-8.8	27.3	-1.1	21.6	-11.3	30.0
South Korea	32.5	16.9	26.1	15.1	34.7	17.4
Indonesia	12.7	20.3	-0.9	117.7	13.8	11.8
Japan	-12.1	11.6	-3.0	36.0	-13.7	6.3
China	-11.6	-12.7	0.8	33.8	-13.8	-19.6
EU 27	-1.2	-26.0	-29.1	-31.5	4.8	-25.2

[^]: Ranked by contribution to the y-o-y change in NODX levels over the year.

Source: EnterpriseSG

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