

COUNTRY PROFILE REPORT

ITJ DIVISION, DGC&S

INDIA - SINGAPORE BILATERAL TRADE RELATIONS

INTRODUCTION & BRIEF ECONOMIC OVERVIEW

1. The Republic of Singapore is a city-state in South-East Asia comprising one main island and numerous offshore islands, situated just north of the Equator at the southern tip of the Malay Peninsula. It is linked to Peninsular Malaysia by causeways and occupies a strategic position on major international shipping routes. Singapore is a member of the United Nations, the Commonwealth and ASEAN, and is party to major international conventions including the UN Framework Convention on Climate Change.

2. Singapore has a highly developed, open and trade-oriented market economy. Table 1 records real GDP growth of 4.4 per cent in 2024 after 1.8 per cent in 2023, with growth projected at 1.7 per cent in both 2025 and 2026. Inflation moderated sharply, with average CPI inflation falling from 4.8 per cent in 2023 to 2.4 per cent in 2024 and projected at 1.1 per cent in 2025. Singapore maintains very high national saving, a large current-account surplus and substantial official reserves, reflecting its role as a major global trade and financial hub.

TABLE-1
Singapore: Selected Economic Indicators, 2019-26

	2019	2020	2021	2022	2023	Projection 2024	Projection 2025	Projection 2026
Growth (percentage change)								
Real GDP	1.3	-3.8	9.8	4.1	1.8	4.4	1.7	1.7
Total domestic demand	1.9	-9.3	11.9	5.3	-2.2	7.2	2.9	2.6
Final domestic demand	3.1	-9.8	11.7	5.8	2.3	4.7	2.9	2.7
Consumption	3.3	-7.6	6.3	6.4	4.1	5.7	3.2	2.9
Private consumption	3.3	-13.6	7.2	9.7	4.9	4.8	2.2	2.4
Gross capital formation	-0.6	-12.6	22.9	3.5	-12.7	10.1	2.1	2.1
Gross fixed investment	2.5	-14.0	23.2	4.7	-0.9	2.9	2.2	2.1
Change in inventories (contribution to GDP growth, percentage points)	-0.7	0.1	0.3	-0.2	-2.6	1.5	0.0	0.0
Net exports (contribution to GDP growth, percentage points)	-0.1	2.2	2.6	0.4	2.9	0.3	-0.3	-0.2

						Projection	Projection	Projection
Saving and investment (percent of GDP)								
Gross national saving	39.9	40.3	43.8	40.6	38.9	39.7	39.2	39.0
Gross domestic investment	24.5	22.8	24.0	22.2	21.2	22.2	22.1	22.1
Inflation and unemployment (period average, percent)								
CPI inflation	0.6	-0.2	2.3	6.1	4.8	2.4	1.1	1.5
CPI inflation, excluding food and energy 1/	0.4	-0.4	1.7	4.6	4.2	2.5	1.1	1.4
MAS core inflation 1/	1.0	-0.1	0.9	4.1	4.2	2.8	1.0	1.4
Unemployment rate	2.3	3.0	2.7	2.1	1.9	2.0	2.3	2.3
Output gap	-0.3	-2.7	1.3	1.7	-0.5	0.4	-0.5	-0.9
Inflation (end of year, percent)								
CPI inflation	0.8	0.0	4.0	6.5	3.8	1.5	1.2	1.5
CPI inflation, excluding food and energy 1/	0.6	-0.4	3.2	4.9	3.7	1.5	1.2	1.4
MAS core inflation 1/	0.6	-0.3	2.1	5.1	3.3	1.7	1.1	1.4
Central government finances (percent of GDP) 2/								
Revenue	17.7	17.5	16.9	16.3	17.8	18.8	19.6	19.9
Expenditure	14.0	21.6	17.7	15.1	14.9	14.6	16.2	17.1
Net lending/borrowing	3.7	-4.1	-0.8	1.2	2.9	4.2	3.4	2.8
Net lending/borrowing, excluding non-produced assets	1.4	-5.8	-2.8	-0.6	0.5	1.0	0.7	0.2
Primary balance 3/	-1.9	-9.4	-6.2	-3.8	-2.8	-2.2	-2.8	-3.4
Public Debt to GDP	124.9	146.3	132.6	153.9	170.8	173.1	174.9	176.0

						Projection	Projection	Projection
Money and credit (end of period, percent change) 4/								
Broad money (M2)	4.5	10.7	9.7	7.8	3.2	6.7	2.9	3.2
Credit to private sector	3.0	1.4	6.8	0.5	-2.0	6.4	2.9	3.2
Three-month S\$ SIBOR rate (percent)	1.8	0.4	0.4	4.3	4.1	3.3	...	...
Balance of payments (USD billions)								
Current account balance	57.9	61.1	86.4	93.8	89.4	96.0	96.0	98.5
(In percent of GDP)	15.4	17.5	19.8	18.4	17.7	17.5	17.1	16.9
Goods balance	94.7	102.8	121.2	160.1	157.2	148.1	150.5	154.9
Exports, f.o.b.	440.2	417.3	513.0	607.8	559.5	583.0	590.8	612.5
Imports, f.o.b.	-345.5	-314.4	-391.8	-447.7	-402.2	-434.9	-440.2	-457.6
Financial account balance 5/	67.9	-12.8	20.8	209.4	29.3	65.9	55.2	57.1
Overall balance 5/	-8.4	74.9	66.2	-114.2	60.9	29.7	40.8	41.5
Gross official reserves (USD billions)	279.5	362.3	417.9	289.5	351.0	371.4	420.4	462.1
(In months of imports) 6/	6.4	6.8	6.7	4.8	5.4	5.5	6.0	6.3
Singapore dollar/U.S. dollar exchange rate (period average)	1.36	1.38	1.34	1.38	1.34	1.34	...	...
Nominal effective exchange rate (percentage change) 7/	1.4	-2.5	0.4	6.4	3.9	2.6	...	...
Real effective exchange rate (percentage change) 7/	4.5	-25.1	2.9	13.5	9.3	-0.7	...	...
Memorandum items:								

						Projection	Projection	Projection
Nominal GDP (in billions of Singapore Dollars)	513.1	481.8	586.6	701.8	678.7	731.4	752.8	777.3
Growth (%)	0.9	-6.1	21.8	19.6	-3.3	7.8	2.9	3.2

Sources: Data provided by the Singapore authorities; and IMF staff estimates and projections.

Note: Data and forecasts as of March 20, 2025

1/ IMF staff estimates. MAS core inflation excludes the costs of accommodation and private transport.

2/ IMF staff estimates on a calendar year basis following GFSM 2014.

3/ Net lending/borrowing excluding net investment return contribution (NIRC).

4/ Data reporting by financial institutions changed since July 2022 after two major changes in MAS' banking sector regulatory framework took effect, creating a break in the broad money and credit to private sector series.

5/ Following the BPM6 sign convention, a positive entry implies net outflows.

6/ In months of following year's imports of goods and services.

7/ Increase is an appreciation; based on unit labor costs.

FOREIGN TRADE

3. According to the latest detailed WITS/UN Comtrade data available for 2023, Singapore's principal export destinations were China, Hong Kong (China), the United States, Malaysia and Indonesia. Its leading import sources were China, the United States, Other Asia n.e.s., Malaysia and the Republic of Korea. Major exports included digital integrated circuits, refined petroleum products, specialised machinery, telecommunications apparatus and non-monetary gold; major imports included digital integrated circuits, refined petroleum, crude petroleum, telecommunications apparatus and parts of turbo-jets or turbo-propellers.

4. Singapore's merchandise exports increased from USD 390,332 million in 2019 to USD 475,349 million in 2023. Exports declined in 2020, rebounded by 22.32 per cent in 2021 and rose a further 12.66 per cent in 2022 before falling by 7.69 per cent in 2023. The export CAGR over 2019-2023 was 5.05 per cent.

5. Merchandise imports rose from USD 358,975 million in 2019 to USD 422,420 million in 2023. Imports declined by 8.45 per cent in 2020, increased by 23.64 per cent in 2021, fell by 7.61 per cent in 2022 and then grew by 12.52 per cent in 2023. The import CAGR was 4.15 per cent.

6. Singapore maintained a merchandise trade surplus throughout 2019-2023. The surplus increased from USD 31,357 million in 2019 to a peak of USD 139,553 million in 2022 before moderating to USD 52,929 million in 2023. Total merchandise trade reached USD 897,769 million in 2023, with a CAGR of 4.62 per cent over the period.

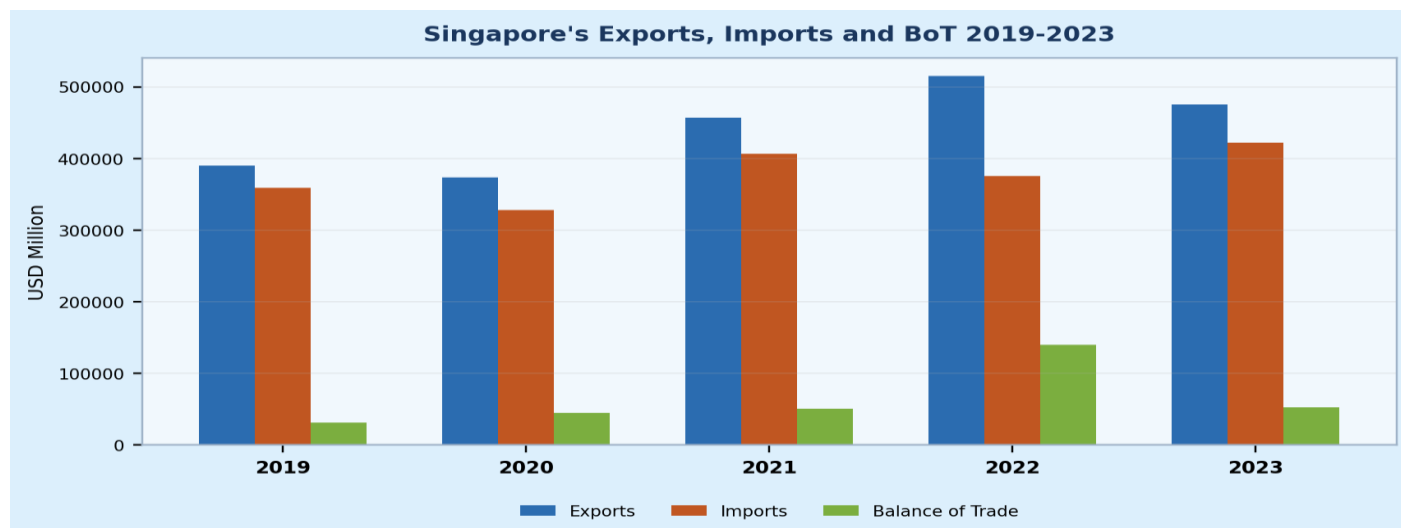
TABLE - 2
SINGAPORE'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE
AND BALANCE OF TRADE, 2019-2023

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2019	390332		358975		7,49,307		31357
2020	373684	-4.27	328624	-8.45	7,02,308	-6.27	45060
2021	457081	22.32	406318	23.64	8,63,399	22.94	50763
2022	514966	12.66	375413	-7.61	8,90,379	3.12	139553
2023	475349	-7.69	422420	12.52	8,97,769	0.83	52929
CAGR		5.05		4.15		4.62	

NOTE: Figures relate to the calendar year (January-December).

SOURCE: UN Comtrade.

FIGURE-1



BILATERAL TRADE WITH INDIA

Merchandise Trade

7. India and Singapore have strong merchandise, investment and wider economic ties, with Singapore serving as an important partner for India in ASEAN. In FY 2024-25, Singapore ranked 6th as an export destination for India. India's exports to Singapore accounted for 2.97 per cent of total Indian exports and imports from Singapore represented 3.14 per cent of India's total imports. Bilateral merchandise trade represented about 2.62 per cent of India's total international trade, according to DGCI&S data.

8. India-Singapore merchandise trade increased from USD 21,980.52 million in FY 2020-21 to USD 35,453.57 million in FY 2024-25. The bilateral trade value reached its highest level in the series at USD 35,615.21 million in FY 2023-24 and recorded a CAGR of 12.70 per cent over the five-year period.

9. India recorded a merchandise trade deficit with Singapore throughout FY 2020-21 to FY 2024-25. Indian exports increased from USD 8,675.60 million to USD 12,975.39 million, a CAGR of 10.59 per cent, while imports rose from USD 13,304.92 million to USD 22,478.18 million, a CAGR of 14.01 per cent. The deficit stood at USD 9,502.79 million in FY 2024-25.

TABLE-3

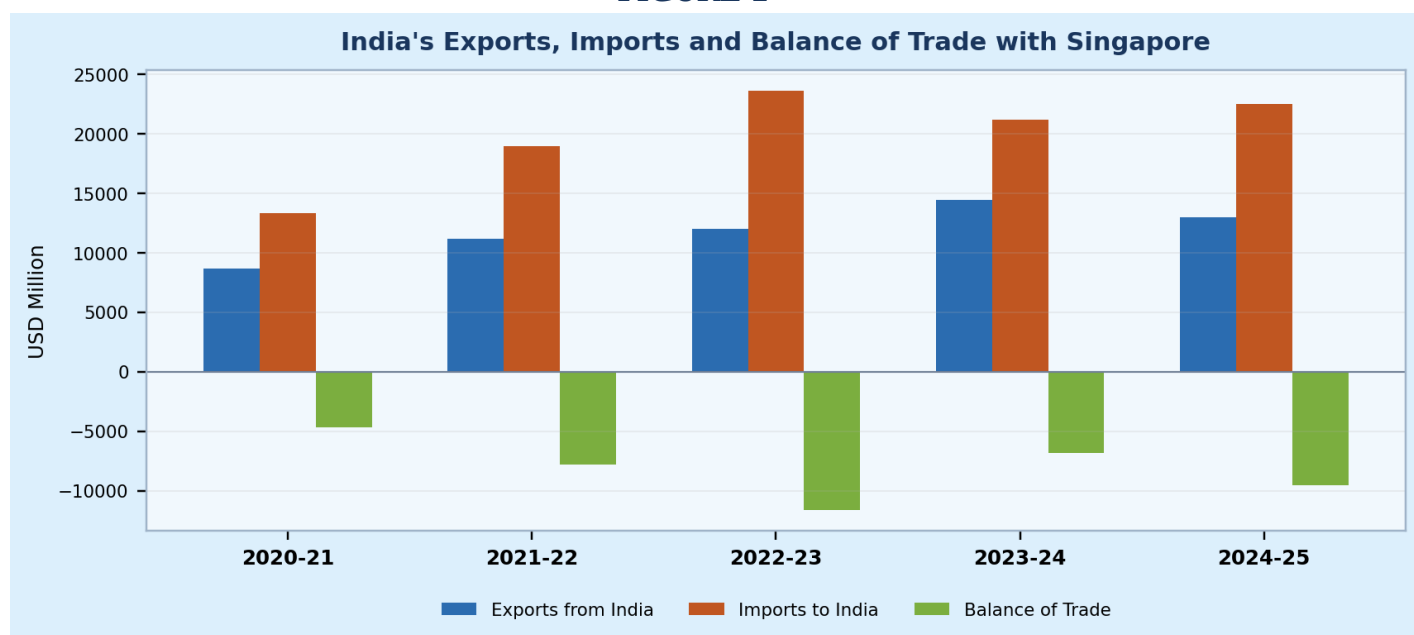
INDIA'S MERCHANDISE EXPORTS AND IMPORTS WITH RESPECT TO SINGAPORE, FY 2020-21 TO 2024-25

Year	Exports from India to Singapore	Percentage Growth in Exports	Imports from Singapore to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2020-21	8675.60		13304.92		21980.52		-4629.32
2021-22	11150.66	28.53	18962.19	42.52	30112.85	37.00	-7811.53
2022-23	11992.96	7.55	23595.35	24.43	35588.31	18.18	-11602.39
2023-24	14414.27	20.19	21200.94	-10.15	35615.21	0.08	-6786.67
2024-25	12975.39	-9.98	22478.18	6.02	35453.57	-0.45	-9502.79
CAGR		10.59		14.01		12.70	

NOTE: Figures relate to the financial year (April-March).

SOURCE: DGCI&S, Ministry of Commerce & Industry.

FIGURE-2



10. An examination of the commodity composition of bilateral trade, as set out in Tables 4 and 5, yields the following observations:

(a) Table 4 shows that Petroleum Products remained the largest listed Indian export item to Singapore in FY 2024-25 at USD 4,974.37 million, accounting for 38.34 per cent of India's exports to Singapore. Ship, Boat and Floating Structures ranked second at USD 1,812.55 million (13.97 per cent), followed by Electric Machinery and Equipment at USD 1,526.07 million (11.76 per cent). Electric Machinery and Equipment grew by 52.01 per cent in FY 2024-25, while Ship, Boat and Floating Structures grew by 70.41 per cent.

(b) Table 5 shows that Electronic Components were the largest listed import item from Singapore in FY 2024-25 at USD 3,434.62 million, representing 15.28 per cent of total imports from Singapore. Telecom Instruments ranked second at USD 2,105.34 million (9.37 per cent), followed by Computer Hardware Peripherals at USD 1,950.47 million (8.68 per cent). Total imports from Singapore were USD 22,478.18 million in FY 2024-25, 6.02 per cent higher than in FY 2023-24.

TABLE - 4
INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO SINGAPORE
FY 2020-21 TO 2024-25 AND THEIR GROWTH RATES
(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	Petroleum Products	3975.16	6100.18	4720.42	6931.06	4974.37	53.46	-22.62	46.83	-28.23
	Share in total export	45.82	54.71	39.36	48.08	38.34				
2	Ship, Boat and Floating Structures	1263.33	674.36	1589.09	1063.62	1812.55	-46.62	135.64	-33.07	70.41
	Share in total export	14.56	6.05	13.25	7.38	13.97				
3	Electric Machinery and Equipments	344.16	486.25	610.99	1003.90	1526.07	41.29	25.65	64.31	52.01
	Share in total export	3.97	4.36	5.09	6.96	11.76				
4	Residual Chemicals and Allied Prods.	137.68	146.08	133.17	1412.22	554.05	6.10	-8.84	960.46	-60.77
	Share in total export	1.59	1.31	1.11	9.80	4.27				
5	Gold and Other Precs. Metl. Jewellery	213.35	573.00	636.59	558.75	488.76	168.57	11.10	-12.23	-12.53
	Share in total export	2.46	5.14	5.31	3.88	3.77				
6	Organic Chemicals	151.67	234.31	348.30	404.31	395.77	54.49	48.65	16.08	-2.11
	Share in total export	1.75	2.10	2.90	2.80	3.05				
7	Electronic Instruments	131.44	144.76	197.87	211.44	254.30	10.13	36.69	6.86	20.27
	Share in total export	1.52	1.30	1.65	1.47	1.96				
8	Lead and Products Made of Lead	11.27	7.84	9.01	292.92	208.65	-30.43	14.92	3151.05	-28.77
	Share in total export	0.13	0.07	0.08	2.03	1.61				
9	Electronic Components	73.16	84.94	79.72	106.07	151.38	16.10	-6.15	33.05	42.72
	Share in total export	0.84	0.76	0.66	0.74	1.17				
10	Indl. Machinery For Dairy Etc.	159.68	325.57	375.16	155.84	138.42	103.89	15.23	-58.46	-11.18
	Share in total export	1.84	2.92	3.13	1.08	1.07				
	Total exports to SINGAPORE	8675.60	11150.66	11992.96	14414.27	12975.39	28.53	7.55	20.19	-9.98

NOTE: Figures relate to each financial year (April-March).

SOURCE: DGCIS, Ministry of Commerce & Industry.

TABLE - 5
INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM SINGAPORE
FY 2020-21 TO 2024-25 AND THEIR GROWTH RATES
(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2020-21	2021-22	2022-23	2023-24	2024-25	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23	24-25 over 2023-24
1	Electronic Components	1425.12	1951.81	2298.34	2794.14	3434.62	36.96	17.75	21.57	22.92
	Share in total import	10.71	10.29	9.74	13.18	15.28				
2	Telecom Instruments	557.20	404.36	538.05	743.94	2105.34	-27.43	33.06	38.27	183.00
	Share in total import	4.19	2.13	2.28	3.51	9.37				
3	Computer Hardware Perefherals	1325.24	1860.38	1958.42	1659.29	1950.47	40.38	5.27	-15.27	17.55
	Share in total import	9.96	9.81	8.30	7.83	8.68				
4	Indl. Machinery For Dairy Etc.	240.43	279.96	257.98	353.41	1903.35	16.44	-7.85	36.99	438.57
	Share in total import	1.81	1.48	1.09	1.67	8.47				
5	Organic Chemicals	798.69	1346.90	1337.49	1161.40	1402.98	68.64	-0.70	-13.17	20.80
	Share in total import	6.00	7.10	5.67	5.48	6.24				
6	Electronic Instruments	619.82	719.54	954.57	1050.05	1162.20	16.09	32.66	10.00	10.68
	Share in total import	4.66	3.79	4.05	4.95	5.17				
7	Electric Machinery and Equipments	305.44	731.30	692.58	662.03	1017.97	139.43	-5.29	-4.41	53.76
	Share in total import	2.30	3.86	2.94	3.12	4.53				
8	Plastic Raw Materials	824.65	1219.63	1291.21	1230.94	324.95	47.90	5.87	-4.67	-73.60
	Share in total import	6.20	6.43	5.47	5.81	1.45				
9	Bulk Drugs, Drugs Intermediates	109.91	129.31	111.22	118.09	728.06	17.65	-13.99	6.18	516.53
	Share in total import	0.83	0.68	0.47	0.56	3.24				
10	Residual Chemical and Allied Prods.	298.82	320.90	360.66	316.03	685.06	7.39	12.39	-12.37	116.77
	Share in total import	2.25	1.69	1.53	1.49	3.05				
	Total import from SINGAPORE	13304.92	18962.19	23595.35	21200.94	22478.18	42.52	24.43	-10.15	6.02

NOTE: Figures relate to each financial year (April-March).

SOURCE: DGC&S, Ministry of Commerce & Industry.

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