



Restructuring creates volatility in spending and sentiment

The impact of efforts aimed at industrial restructuring has gradually started to emerge in the country's economy. Manufacturing sector jobs continue to fall as Singapore rebalances from low value production goods to high-value production goods.

Retail sales by value (excluding motor vehicles) fell to a 17-month low in July attributed to a large drop year-to-date in furniture and household equipment sectors. Total private consumption currently accounts for about 35% of total GDP. Exports of electronic products, such as computer parts, remain soft as a result of ongoing structural reforms, contributing to decrease in total exports and real GDP. However, non-electronic product exports are surging, helping to offset the fall in low-value electronic exports. The Singapore dollar, highly valued by historical terms, has yet to put a drag on exports.

Volatility in consumer spending and consumer expectations will continue as the restructuring process progresses and as the composition of the labour market adjusts. The lower manufacturing employment numbers may have had an impact on overall consumer sentiment, but we expect the fall in employment numbers to be temporary while the economy rebalances and restores confidence. Other industries successfully absorbed workers as services and construction recorded robust employment gains in Q2. The labour market is still flexible as seen in an unemployment rate of 2.0% reading through Q2, close to an all-time low.

Consumer prices remained muted during August, increasing at a seasonally-adjusted 1.0% year over year. The Monetary Authority expects

prices to continue to be subdued throughout the rest of 2014, staying within an annual range of 1.5-2.0%. Meanwhile, housing prices slowed as macroprudential measures to dampen the overheated property market take effect.

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ASEAN Regional Country Risk Headline News

The Country Risk Headline News is designed to help draw your attention to potential business risk associated with trading in overseas countries. The headlines below highlight some of the recent changes that have impacted the risk environment.

- Cambodia - Short term outlook still favourable despite potential labour unrest.
- Indonesia - Political conditions stabilize as courts confirm president's victory.
- Malaysia - Positive outlook for next few quarters with rising consumer optimism.
- Myanmar - Rapid growth in telecom, IT, food & beverages and tourism sectors.
- Philippines - Broad-based growth, spurred by private consumption and exports.
- Thailand - Business continuity looks assured with new controlled democracy.

For more analysis on the specific factors affecting these countries (or any of the 130 countries covered worldwide) – [Go Online](#) if you already have an IRPR Subscription.



Integration with Asia crucial to Europe's prosperity

10th Asia-Europe Meeting (ASEM), Milan – In the keynote address on behalf of all Asian businesses, Pradit Phataraprasit, a six-time cabinet member and one of Thailand's leading businessmen, said the European private sector must grasp the opportunities emerging from deepening Asian integration. Failure to do so would result in "significant diversions of Asian trade away from the EU with the reduction of intra-regional trade barriers and economic cooperation growth resulting from free-trade agreements".

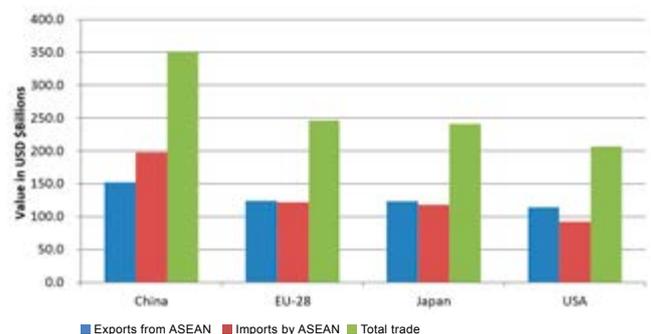
It was noted that EU was overtaken by the United States as the top three trading partners of all Asian countries. He further commented that, It is increasingly unlikely that European economies will be able to stimulate recovery via domestic consumption alone with the absence of trade liberalisation. While Asian regionalism is not about creating a closed grouping, it will be much harder to penetrate the integrated Asian economies at later stage once trade links strengthen and become well established among member countries.

He said it had been estimated that if all the current free-trade discussions between Asian and European countries were concluded immediately, there would be more than 2 million jobs created inside the EU. "It is increasingly unlikely that European economies will be able to stimulate recovery through domestic consumption alone, without a boost from trade liberalisation," he said.

In addition to boosting EU's stagnant economy, a closer cooperation will enable both economies to better navigate the challenges of a more globalised world. Prime Minister of Singapore, Lee Hsien Loong pointed out the EU-ASEAN Free Trade Agreement in particular, would be able to look beyond traditional issues like trade in goods, and focus on 21st century issues such as innovation, services and public procurement. "In Europe, despite the occupation with structural issues and recovery from the financial crisis, you still have a lot of know-how, capabilities and resources which will be very valuable to Asia, especially in urban solutions, infrastructure development and financing," he said.

The AEM summit was attended by around 53 Asian and European prime ministers and heads of state, and more than 370 of Europe's and 440 of Asia's top business leaders.

Adapted and compiled from [The Nation](#) and [Channel News Asia](#)





Wall St (Featured Video)

D&B's U.S. Economic Health Tracker Reveals Continued Challenges for Small Businesses Balanced by Positive Job Growth

- Small Business Health Index down as construction and real estate continued a downward trend and the retail sector dropped 1.4%, the largest decline in 6 months; as first-time homeowners remain absent and rental vacancies hit an all-time low
- Overall Business Health Index remained stable with positive gains in automotive and financial services sectors
- Based on proprietary indicators, D&B estimates the economy added 208,000 jobs in September.



Click [here](#) to watch.

D&B Business Optimism Index

The D&B Business Optimism Index for ASEAN region in Q4 2014 is out! Published quarterly, it measures the pulse of the business community and is a leading indicator of turning points in economic activity in countries where it is published. To view the reports, please contact your local D&B Office.

BOI Q4	ID	PH	TH	VN
Sales Volume	▲	▼	▲	▲
Net Profits	▲	▼	▲	▲
Selling Price	---	▼	▲	▲
New Orders	▲	▼	▲	▲
Inventory Levels	---	▼	▼	▲
Employment	▲	▼	▲	▲

Malaysia Credit Reporting Agencies Act

The Malaysian Credit Reporting Agencies Act 2010 has come into effect and Dun & Bradstreet (D&B) Malaysia Sdn Bhd (D&B Malaysia), a member of the D&B World-Wide Network, is now a registered Credit Reporting Agency (CRA) under this Act. The CRA Act requires companies that prepare credit reports on people and businesses in Malaysia to follow new, stricter rules for preparing and distributing credit reports both within and outside of Malaysia. Compliance is mandatory for any CRA operating in Malaysia.

The new legislative restrictions include the following :

- Each subject of a credit report must be formally notified of the inquirer's identity – this requires D&B customers to provide information to D&B Malaysia regarding each inquiry.
- Consent must be obtained by the report subject before the report can be released.
- Any database of Malaysian credit information must reside in Malaysia.

A new process has been developed together with D&B Malaysia and took effect on 14 October 2014. Your local D&B office has been informed and will help you with your Malaysia Business Information Report orders. For more information contact : Boonkim.Tan@dnb.com.my

ASEAN Industry Highlights



Cambodia

-  29-Sep [Appliance spending surges](#)
-  6-Oct [Rice figures disappoint industry figurehead](#)
-  9-Oct [Amid tourism boom, luxury market beckons](#)
-  17-Oct [Cambodia to up trade ties with Seychelles](#)
-  22-Oct [Thousands of staff protest against garment factory](#)
-  24-Oct [Garment exports slow, but still up from 2013](#)



Indonesia

-  30-Sep [New rules to slash coal exports in short term](#)
-  1-Oct [Indonesia boosts seaweed exports to Brazil](#)
-  1-Oct [Tourist numbers in RI rise 7.24% in Aug](#)
-  3-Oct [Mining Export Up 9.4% in Aug](#)
-  7-Oct [Car Sales Fall 12% in Sep to 101,801 Units](#)
-  8-Oct [Tin exports surge in Sep](#)
-  8-Oct [Multi-finance industry growth stagnates in 2015](#)
-  9-Oct [Fisheries, maritime sectors continue to grow](#)
-  10-Oct [Indonesia to develop downstream coal industry](#)
-  10-Oct [Cement sales rise in Jan-Sep](#)
-  11-Oct [Coffee exports surge as drought hits Brazil](#)
-  13-Oct [Coffee output drops with extreme climate](#)
-  14-Oct [Indonesia's Construction Market Potential 4th in Asia](#)
-  18-Oct [Imports of raw sugar may continued to be curbed](#)
-  23-Oct [Bakery industry depends on imported wheat](#)



Laos

-  30-Sep [Joining the ranks of stricter internet controls](#)
-  6-Oct [Economic growth expected to moderate](#)
-  11-Oct [Organic fertiliser companies look towards AEC](#)
-  17-Oct [China-funded projects to spur Lao development](#)
-  24-Oct [Hydropower dams draw criticism from neighbours](#)



Malaysia

-  29-Sep [Bright prospects for cocoa products](#)
-  1-Oct [Gradual reduction in Malaysia's corporate tax](#)
-  6-Oct [Big motorbike makers rev up in South East Asia](#)
-  6-Oct [Vulnerable to further outflows of foreign funds](#)
-  7-Oct [Global sales of semicon surge to US\\$28.4b](#)
-  8-Oct [O&G counters hit by major selldown](#)
-  10-Oct [Aug industrial output exceeds forecast](#)
-  11-Oct [US policy will still hold sway](#)



13-Oct [Seeks to boost palm oil with tax-free extension](#)



15-Oct [GST may prompt retailers to sell new products](#)



15-Oct [Indonesia ignores Thai and Malaysia rubber pricing](#)



16-Oct [Motor vehicle sales drop 13.1%](#)



17-Oct [Asean is Malaysia's biggest trade partner](#)



23-Oct [Malaysia actually has more successful tech startups](#)



24-Oct [Strong demand to benefit healthcare companies](#)



Myanmar

-  6-Oct [Waste water floods fisheries in Mandalay](#)
-  6-Oct [Motorbike import speeds up](#)
-  13-Oct [Loan interest rates could float by 2015](#)
-  20-Oct [ADB eyes boosting local agriculture](#)
-  23-Oct [Rice brokers stop buying as unsold stockpiles rise](#)



Philippines

-  26-Sep [Malaysian banks keen on investing in PH](#)
-  29-Sep [Palay prices continue to decline](#)
-  6-Oct [Infrastructure spending drops by 28% in July](#)
-  6-Oct [Export seen growing 8%](#)
-  7-Oct [Moody's: Manufacturing sector sustained solid growth](#)
-  9-Oct [Renewable energy body approves more wind projects](#)
-  9-Oct [Integration to boost growth of property industry](#)
-  13-Oct [Mining hobbled by government 'fixation' on taxes](#)
-  13-Oct [PH is 2nd fastest growing car market in SE Asia](#)
-  13-Oct [BAS: Coffee, cacao production declines steadily](#)
-  13-Oct [Hike in prices of construction goods eased in Sept](#)
-  14-Oct [Shipping firms opening routes to key regional ports](#)
-  14-Oct [PH bananas cleared for entry to Hawaii, Guam](#)
-  15-Oct [Electronics exports on track to goal](#)
-  15-Oct [Coconut-oil price declines](#)



Singapore

-  29-Sep [Rising cyberspace threat calls for security services](#)
-  7-Oct [Techcracker roadshow introduces disruptive technologies](#)
-  9-Oct [More M&As as ASEAN debt markets surge](#)
-  9-Oct [Services sector's woes intensify as festive season rolls in](#)
-  10-Oct [Sports retail sector primed for growth](#)
-  10-Oct [Total property investment volume plunged 38.9%](#)
-  13-Oct [Increasing role of technology in major sporting events](#)
-  13-Oct [Global brands troops while local retailers suffer](#)

ASEAN Industry Highlights

-  13-Oct [Turkey-Singapore FTA negotiations progresses](#)
-  14-Oct [Construction sector to get S\\$55m productivity boost](#)
-  15-Oct [Poor coal prices drag Noble's energy division down 10%](#)
-  15-Oct [Singapore's motor vehicle sales almost doubled](#)
-  19-Oct [Foreign worker curbs could hit Singapore's economy](#)
-  22-Oct [Almost half of SMEs at risk of credit default](#)
-  24-Oct [Sharp drop in biomedical manufacturing](#)

Thailand

-  6-Oct [Plan to improve all aspects of rice industry](#)
-  8-Oct [Louder calls to stop imports of Chinese steel](#)
-  9-Oct [Drought fears overseas spur rice orders](#)
-  11-Oct [Work group promotes asbestos ban](#)
-  13-Oct [Focus on energy efficiency](#)
-  18-Oct [Industry to shore up rubber price](#)
-  20-Oct [LPG prices reach parity at B22.63](#)
-  20-Oct [Thailand will serve as funding hub](#)
-  21-Oct [Auto parts keen on 10% bump from abroad in 2015](#)
-  22-Oct [Car production down in September](#)
-  22-Oct [More waste-power plants coming](#)
-  24-Oct [Incentives sought for aviation investment](#)

-  25-Oct [Expo seeks to boost food shipments](#)
-  25-Oct [Garment manufacturers jittery over EU exports](#)
-  25-Oct [Soft loans to bolster rubber industry](#)

Vietnam

-  4-Oct [Imported cars rise sharply over tax cut](#)
-  4-Oct [Big jump in beer production](#)
-  6-Oct [Garment exports to hit US\\$25 bln for 2014](#)
-  6-Oct [New routes opened, easing transportation pressures](#)
-  7-Oct [UK, Vietnam strengthen partnership dialogue](#)
-  9-Oct [Japanese group seeks opportunity in Vietnam](#)
-  16-Oct [Nearly \\$5bn spent on animal feed imports](#)
-  17-Oct [Denmark assist in developing quality pig breeding](#)
-  18-Oct [South Korean firms explore Bac Ninh business potential](#)
-  20-Oct [Local fruit reaches international markets](#)
-  20-Oct [Exports to Canada see growth](#)
-  20-Oct [Tax increment on tobacco, alcohols](#)
-  21-Oct [Local farm produce on display in France](#)
-  22-Oct [Online games get special tax break](#)
-  23-Oct [Italian investment in Vietnam totals \\$301m](#)

Top 5 Enquired Companies

Indonesia	Philippines	Singapore	Vietnam
By Industry / Product of Subject	By Industry / Product of Subject	By Industry / Product of Subject	By Industry / Product of Subject
 1. Exploration & Production	 1. Petroleum Refining	 1. Wholesale Trade	 1. Air Transportation
 2. Exploration & Production	 2. Air Transportation	 2. Finance, Insurance	 2. Television Broadcasting
 3. Petrochemicals	 3. Billets & Steel	 3. Wholesale Trade	 3. Telecommunications
 4. Exploration & Production	 4. Circuit Boards, Television	 4. Wholesale Trade	 4. Oil & Gas
 5. Exploration & Production	 5. Alcoholic Beverages	 5. Wholesale Trade	

Icons explained

-  Economy |
  Agriculture |
  Oil & Gas |
  Automobile |
  Foodstuff |
  Energy |
  Transportation |
  Services |
  Manufacturing |
  Law
 Shipping |
  Electronics |
  Finance |
  Space |
  Telco |
  Trade |
  Property |
  Retail |
  Infrastructure |
  Solar Energy |
  Beverage
 Livestock |
  Textile |
  Tourism |
  Technology |
  Appliances |
  Marine |
  Mining |
  Broadcasting |
  Chemicals |
  Airlines

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