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.

To view the FULL REPORT, you can order using your D&B subscription. Please click here and select the country/region. Non-D&B subscribers wishing to order reports please contact your local D&B Office.

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.
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
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.

Wall St (Featured Video)

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.

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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 Worldwide 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 meltdown
- 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 Techcraker 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
D&B ASEAN Newsflash

November 2014

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

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 S$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

By Industry / Product of Subject
1. Exploration & Production
2. Exploration & Production
3. Petrochemicals
4. Exploration & Production
5. Exploration & Production

Philippines

By Industry / Product of Subject
1. Petroleum Refining
2. Air Transportation
3. Billets & Steel
4. Circuit Boards, Television
5. Alcoholic Beverages

Singapore

By Industry / Product of Subject
1. Wholesale Trade
2. Finance, Insurance
3. Wholesale Trade
4. Wholesale Trade
5. Wholesale Trade

Vietnam

By Industry / Product of Subject
1. Air Transportation
2. Television Broadcasting
3. Telecommunications
4. Oil & Gas

Feedback

We welcome your feedback so please send us your comments or email limk@dnb.com to subscribe or unsubscribe to the monthly ASEAN Newsflash.

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