Economic Outlook Seminar: Economic Prospects and Challenges for Singapore

22 February 2016, Monday
9:00 a.m. – 10:45 a.m.
Manpower Policy Sharing – Lean Enterprise Development Scheme

Lin Shilie
Senior Assistant Director, Foreign Workforce Policy Department
Ministry of Manpower
Outline

• Background

• What are the Objectives and Desired Outcomes of LED?

• What are the Key Features of LED?

• What are examples of proposals that can be supported?

• How can companies apply?

• Who to contact?
Background

• Singapore’s Local to Foreign Worker (FW) ratio has been declining from 3:1 to 2:1 over the years. MOM targets to keep the Local to FW ratio at 2:1 in the medium to long term.

• As Singapore’s total workforce growth is projected to slow down going forward, it is important to help SMEs adapt to this new manpower-lean environment.

• The government will support SMEs moving towards the 4 outcomes.
What are the Objectives and Desired Outcomes of LED?

To sustain business growth, offer better jobs and careers for Singaporeans.

To support SMEs that want to be pioneers and early adopters with innovative projects to become more manpower-lean and build stronger SG Core.

To sustain business growth, offer better jobs and careers for Singaporeans.
## What are the Key Features of LED?

LED will support SMEs that are committed to the following outcomes:

### Become more manpower-lean
- **Improving productivity** and **promoting innovation** to reduce manpower wastage and reliance on foreign manpower
- **Possible indicators**: value-add per worker, sales per worker, output per worker, reduction in man hours

### Build a strong Singaporean core
- **Singaporeans** should have **better jobs, pay and careers** after restructuring
- **Possible indicators**: number / % of Singaporean employees in total workforce, wages of impacted Singaporean employees

### Enhance Workforce Quality
- **Workers** should become **more skillful** and have **greater experience / expertise**
- **Possible indicators**: reduction in number of low-skilled workers in workforce profile, average wage of all workers

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Proposals should be from **groups of firms**, or from **an industry association**, to demonstrate scalability, with good potential to improve practices industry-wide, and not just for individual firms.
What are the Key Features of LED?

**Existing assistance schemes/ grants**

- Projects can tap on existing assistance schemes/ grants for support to achieve the desired outcomes such as manpower lean and strong Singaporean core.
- E.g.:
  - SPRING’s Capability Development Grant (CDG)
  - IDA’s iSPRINT
  - WDA’s Enterprise Training Support (ETS), Productivity Initiatives in Services and Manufacturing (PRISM)

**Transitional manpower support**

- Transitional manpower support can be granted for projects only if it is necessary for them, to be (a) more manpower-lean (b) have a stronger Singaporean core & (c) better workforce quality in the longer term.
- E.g.: if more workers are needed in the interim for:
  - Operation of new equipment/technology
  - Transfer of advanced skills and knowledge
  - Existing staff to be sent for training

Piloted for two years, starting from 1 October 2015

- A cross-agency LED Taskforce has been formed, co-chaired by SPRING, WDA and NTUC
- To facilitate SMEs cluster projects in a more coordinated manner

Transitional manpower support (if any) under the LED Scheme is temporary, and is intended to support restructuring; projects that continue with existing business models will not be eligible
## Agency’s Evaluation Considerations

<table>
<thead>
<tr>
<th>Become more manpower-lean</th>
<th>Build a strong Singaporean core</th>
<th>Enhance Workforce Quality</th>
<th>Industry Transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• How will the project reduce reliance on manpower, particularly FW workers? &lt;br&gt; • How will labour productivity (VA/worker, output/man hour etc.), be improved? &lt;br&gt; • What is the plan to wean off support in next 2-3 years?</td>
<td>• What are the type of jobs that will be created through the project? &lt;br&gt; • Are these good jobs? (e.g. good career progression, good wages) &lt;br&gt; • What are the plans to train and upskill locals to fill these jobs and build the Singaporean Core?</td>
<td>• Will the proposal reduce the number or proportion of low-skilled workers, especially FWs? &lt;br&gt; • Will the proposal improve skills of workforce?</td>
<td>• How will the project leverage on innovative technology or business concepts? &lt;br&gt; • Does it have potential to be scalable for the rest of the industry? &lt;br&gt; • Is the project aligned to our efforts to develop the industry.</td>
</tr>
</tbody>
</table>

**Productivity**<br>**Career Progression**<br>**Wages**<br>**Skills**
What are examples of proposals that can be supported?

Example 1 (Deferring the cutting of S Passes)

**Current**
- **60 Local Workers**
- **25 Work Permit Holders**
- **15 S-Pass Holders**

1. Coy invests in more productivity technology which reduces WPH numbers, from 25 to 15

2. However, S-Pass quota drops to 13, as its total workforce has shrunk.

**Interim**
- **60 Local Workers**
- **15 Work Permit Holders**
- **13 S-Pass Holders**

3. Temporary support for 2 S-Pass, while they train locals to use/adopt new technology & systems.

**Eventual**
- **60 Local Workers, higher paid and more productive**
- **15 Work Permit Holders**
- **13 S-Pass Holders**

4. Eventually, all local workers are trained (to become more productive)

5. The firm can reduce their reliance on the 2 S-Pass Holders
What are examples of proposals that can be supported?

Example 2 (Temporary Increase in S Passes)

Current

- 85 Local Workers
- Output: $10m

Interim

- 85 Local Workers
- Output: $15m

Eventual

- 90 Local Workers, higher paid and more productive
- Output: $15m

1. Coy sponsors local students for training

2. Temporary support for 5 S-Pass to meet current manpower needs

3. Locals return from training, take over from temporary S-Pass workers. Firm grows, and strengthens its SG core
How can companies apply?

• Proposals should contain all of the following:
  
  ➢ What support firms need, and why this is necessary
  ➢ What firms have already done to address these issues (including assistance under other Government schemes)
  ➢ What measures firms are committed to, to become more manpower-lean, build a stronger Singaporean core and develop better quality workers
  ➢ Roadmap which firms will adhere to in order to fulfil commitments and operate without transitional support
  ➢ LED Taskforce will seek inputs from relevant union leaders on proposal’s efforts to strengthen the Singaporean core
Who to contact?

• Interested firms can submit a proposal to leds@mom.gov.sg

  ➢ The LED taskforce agencies will assess the proposal and follow-up with the participating firms
  ➢ LED taskforce will prioritise proposals which (a) have good potential to be impactful and scalable for the industry; and /or (b) involves groups of firms and are endorsed by the relevant industry association or union

• If you have any queries on the LED Scheme, you may write in to the LED Taskforce via leds@mom.gov.sg
Q & A
Outlook and Challenges for the Accountancy Sector

Uantchern Loh
Chief Executive, Singapore Accountancy Commission
Economic Outlook and Implications on Singapore

Jimmy Koh
Head, Global Economics and Markets Research, UOB
Outlook 2016

- Finally, the Fed has moved... Impact on FX and interest rates.
- China slow down... Managing macro and financial.
- Commodities and oil related... Impact on Asia. More of credit problem.

February 2016
Global Economics & Markets Research/Investor Relations
Key Points In 2016

- Monetary policy divergence finally takes shape as the Fed Reserve took the first step to normalise interest rates, but it is all about expectations.
  - Divergence may remain a key driver of volatility;

- “New Normal” in China: quality versus quantitative growth, and structural change – stronger tertiary sector while manufacturing sector remains under pressure.

- While bulk of RMB adjustments is over, we expect more volatility and two-way movements.
  - USD/CNY expected to rise to 6.60 by end-2Q, then lower to 6.45 by end-4Q.

- Recent decline of crude oil prices has shown weaker trend compared to the last two crises.
  - Supply glut remains crux of crude oil price weakness and our base case is US$30-35/barrel in 2016 but we see downside risk to US$20-30/barrel this year.
Poor Performance Recorded Across Most Asset Classes In 2015 …And A Very Negative Start To 2016

Asset Class Performance in 2015

Source: Bloomberg (Daily Data)
What Could Possibly Go Wrong In 2016?

**Known Tail-Risk Events In 2016**

<table>
<thead>
<tr>
<th>Impact</th>
<th>Probability</th>
</tr>
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<tbody>
<tr>
<td>- Currency wars</td>
<td>- Central bank policy mistake</td>
</tr>
<tr>
<td>- Global recession</td>
<td>- Energy-related EM crisis</td>
</tr>
<tr>
<td>- China systemic risk</td>
<td>-</td>
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<td>- Large RMB devaluation</td>
<td>-</td>
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<td>- EM current account crisis</td>
<td>-</td>
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<td>- HY liquidity crisis</td>
<td>-</td>
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<tr>
<td>- Asset bubbles</td>
<td>-</td>
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<tr>
<td>- Consumer leverage crisis (AUS, UK, Asia)</td>
<td>-</td>
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<tr>
<td>- Geopolitical event</td>
<td>-</td>
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<td>- Financial market cyber attack</td>
<td>-</td>
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<tr>
<td>- Infectious disease outbreak</td>
<td>-</td>
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<tr>
<td>- Brexit</td>
<td>-</td>
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<td>- Trump wins US Presidential Election</td>
<td>-</td>
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<td>- ISIS coordinated attacks</td>
<td>-</td>
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<td>- Italian sovereign stress</td>
<td>-</td>
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<td>- Grexit</td>
<td>-</td>
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<td>- Japan policy failure</td>
<td>-</td>
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<tr>
<td>- Energy price spike</td>
<td>-</td>
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<tr>
<td>- Inflation shock</td>
<td>-</td>
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<td>- Global stagnation</td>
<td>-</td>
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<tr>
<td>- Negative yields</td>
<td>-</td>
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<td>- Extreme weather event</td>
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</table>
Issues To Think Through For 2016
“Dot plot” From US Dec 2015 FOMC Points To 4 Fed Interest Rate Hikes In 2016, But The Bias Is For A More Gradual Trajectory In 2016

Dec 2015 Dot Plot Chart – Projections of Individual Participants In The FOMC

What the historical FOMC “dot-plot” chart is telling us…

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Longer Run</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-15 Median</td>
<td>0.375 (Actual)</td>
<td>1.375</td>
<td>2.375</td>
<td>3.250</td>
<td>3.50</td>
</tr>
<tr>
<td>Sep-15 Median</td>
<td>0.375</td>
<td>1.375</td>
<td>2.625</td>
<td>3.375</td>
<td>3.75</td>
</tr>
<tr>
<td>Jun-15 Median</td>
<td>0.625</td>
<td>1.625</td>
<td>2.875</td>
<td>3.75</td>
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<tr>
<td>Mar-15 Median</td>
<td>0.625</td>
<td>1.875</td>
<td>3.125</td>
<td>3.625</td>
<td>3.75</td>
</tr>
<tr>
<td>Dec-14 Median</td>
<td>1.125</td>
<td>2.500</td>
<td></td>
<td></td>
<td>3.75</td>
</tr>
</tbody>
</table>

Source: Fed Reserve, FT, Bloomberg. UOB (Numbers In Red Indicate Median For Dec 2015 Dot Plot)
Drivers Behind The Move In SGD SIBOR

US and Singapore Exchange and Interest Rates

Source: Bloomberg, UOB Global Economics & Markets Research (Monthly Data)
China Outlook: 2016 And Beyond

Questions On China

- “New Normal”: What Is It?
- Property Market: Oversupply?
- Capital Outflow
- RMB: Devaluation?

China’s Macro Economy Outlook

- Downside pressures remain for manufacturing
- Services sector picking up
- “New Normal”: quality vs. quantity and structural change

Should we trust China’s macro data?
China “New Normal”: Manufacturing

Source: CEIC, UOB Global Economics & Markets Research
China “New Normal”: Rebalancing From Manufacturing – Services Picking Up The Slack?

China’s Sectoral Share of GDP

Source: CEIC, UOB Global Economics & Markets Research
China “New Normal”: Growth Headwinds
Tertiary Sector: Largest, And Growing At The Fastest Pace

China’s GDP By Sector, 2010 Prices

China: GDP by Industry (2010p)

Source: CEIC; UOB Global Economics and Markets Research est

Source: CEIC, UOB Global Economics & Markets Research
China “New Normal”: Quality Versus Quantity

1% growth: in 2014 = +RMB554bn vs. in 2004 = +RMB214bn, or 2.6x larger...
... i.e. 7.3% growth in 2014 is equivalent to 18% growth in 2004 ...

Source: IMF, UOB Global Economics & Markets Research
China “New Normal”: Has Demand Collapsed?

**Demand For Commodities**

**China: Annual Imports (Volume)**

- **Iron ore**
  - 2015: 953.4 million tons
  - 2014: 841.5 million tons
  - 2013: 739.6 million tons
  - 2012: 637.7 million tons
  - 2011: 535.8 million tons

- **Crude oil**
  - 2015: 335.5 million tons
  - 2014: 292.6 million tons
  - 2013: 249.7 million tons
  - 2012: 206.8 million tons
  - 2011: 163.9 million tons

**China: Annual Imports (Volume)**

- **Steel products**
  - 2015: 12.8 thousand tons
  - 2014: 13.1 thousand tons
  - 2013: 13.4 thousand tons
  - 2012: 13.7 thousand tons
  - 2011: 14.0 thousand tons

- **Coal**
  - 2015: 20.4 thousand tons
  - 2014: 20.6 thousand tons
  - 2013: 20.8 thousand tons
  - 2012: 21.0 thousand tons
  - 2011: 21.2 thousand tons

- **Copper ore**
  - 2015: 1.3 thousand tons
  - 2014: 1.4 thousand tons
  - 2013: 1.5 thousand tons
  - 2012: 1.6 thousand tons
  - 2011: 1.7 thousand tons

- **Soybean**
  - 2015: 81.7 thousand tons
  - 2014: 75.9 thousand tons
  - 2013: 70.1 thousand tons
  - 2012: 64.3 thousand tons
  - 2011: 58.5 thousand tons

*Source: CEIC, UOB Global Economics & Research*
Property Market: Responding to Rate Cuts

China Commercial Building Selling Price YTD Average

Source: CEIC, UOB Global Economics & Markets Research
Property Market: Less Oversupply

China Residential Property Supply

* Calculated as a ratio of Residential Floor Space Available for Sale vs. Residential Floor Space Sold, expressed in terms of "months of supply", aggregated from a sample of 10 selected cities based on data availability. These cities include the Top 4 (BShGSz) and second/third tier ones such as Suzhou, Fuzhou, and Nanchong.

Source: CEIC, UOB Global Economics & Markets Research
China: Foreign Reserves Declines Point To Capital Outflows?

- First Ever back-to-back declines...
- Note the trend increase in the past to build up reserves: no surprise of reversal as economic model shifts and currency no longer undervalued
- The declines in 2014/15 could be due to many factors: valuation, normal capital/investment/portfolio flows, FDI&ODI, asset diversification, etc

Source: CEIC, UOB Global Economics & Markets Research
China: How Bad Capital Outflows?
China No Longer Net Investment Inflow Country … Now Two Way Flows

China Foreign Direct Investment & Outward Direct Investment

Source: CEIC; UOB Global Economics & Markets Research est

CN Investment.dxw

Foreign Direct Investment (FDI) Outward Direct Investment (Incl. Financials)
China: RMB Outlook

UOB View For RMB?

- Bulk of CNY adjustment over: low risks of “currency war”; not looking for “one-way” move

- Unlikely to see trend depreciation: not helpful domestically and internationally (internationalization)

- Trade-weighted RMB will be the key: Where is the index headed (Higher? Lower? Stable?) and view on USD/index components…

- Most important message: More volatility and two-way moves the “new normal”!
Watch For FX/Interest Rate Risks: Volatility

USD/CNY Trend

CNY appreciated a total 37% from 2005-2013, or annualized rate of 3.8%. Despite 2.4% depreciation in 2014, long term appreciation trend still intact but with higher volatility near term, as band widened from 1% to 2% in March 2014, and further widening is likely ...

Source: Bloomberg, UOB Global Economics & Markets Research
Watch For FX/Interest Rate Volatility and Risks

USD/CNY & USD/CNH Trend

USD/CNY and USD/CNH Trend

Daily Change in USD/CNY Fixing

Source: Bloomberg, UOB Global Economics & Markets Research
China: Trade-Weighted RMB Index - Expectations On CNY Would Depend On: 1) View On CNY Index & 2) Outlook For USD In General

Trade Weighted RMB Index

China: CFETS RMB Index

Source: Bloomberg; CFETS weights; UOB Global Economics & Markets Research est
China: Exposure To USD-denominated Debt

News On CNY

**Yuan’s Slide Hits Hard On Dollar Borrowers**

BY FIONA LAW

The yuan’s surprise fall is likely to saddle some Chinese companies with billions of foreign-exchange losses, just when borrowers are grappling with towering debt burdens and slowing growth at home.

Ultradow global interest rates and tight lending in domestic markets drove many Chinese firms to look abroad to borrow more cheaply.

Starting in 2010, Chinese companies—from state-owned oil giants to cash-starved property developers—rapidly accumulated piles of debt denominated in U.S. dollars. A broadly appreciating yuan made it easier to pay down foreign-currency borrowings.

Now, as the Chinese yuan starts to weaken, it is becoming more expensive for Chinese companies to pay down that offshore debt, a prospect that could weigh on their balance sheets. Most Chinese companies don’t hedge against their dollar exposure.

Chinese companies’ outstanding U.S. dollar debt, including bonds and loans, totals $367.7 billion, according to data publisher Dealogic. New issuance of dollar debt jumped by a factor of five to $125 billion in the five years through 2014.

While the offshore market remains a fraction of China’s $18 trillion in domestic debt, the yuan’s 5% tumble since Tuesday makes the bill on that debt pile a lot bigger than it was three days ago, amounting to some $11 billion in currency-exchange loss for those borrowers. The solace is that it is an accounting loss and won’t deplete companies’ cash flows until their debt matures and borrowers have to pay down the principal, the bulk of which will come due in two years.

The trend is most alarming for companies with below-investment-grade ratings, known as junk borrowers, with weaker financial health.

Among them, property developers have been the most-aggressive borrowers in the offshore market. To cool a too-hot property boom, Beijing has until recently barred many developers from raising funds in the domestic market—or allowed them to borrow only at exorbitant rates, pushing them to look elsewhere.

Shanghai-based Glorious Property Holdings Ltd. is one example. It has a $300 million dollar bond due.
Energy Prices Leading Decline In Commodities

Bloomberg Commodity Indexes

Jan 2, 2014=100

Source: Bloomberg, UOB Global Economics & Markets Research est
Recent Periods Of Sharp Oil Price Declines

Episodes Of Oil Price Declines >30% In 6-month Period

- 1985/86 Oil Crisis: Increase in the supply of oil and change in OPEC policy
- 1990 Gulf War followed by US recession
- 1997/98 Asian Financial Crisis
- 2001 US recession
- 2008/09 Global Financial Crisis
- 2014 Oil Slump

Source: US EIA, CEIC
Recent Crude Oil Prices Showed Weaker Trend Versus Last Two Crises – May Trade Lower To US$20-30 In 2016 (From Base Case US$30-35)

Comparing The 1985, 2008 & 2014 Oil Busts

Oil Price Indexed To Zero

Number of Days

Source: US EIA, UOB Global Economics & Markets Research est
Recent Oil Price Declines Do Not Trigger Recessions But Prices Spikes Seem To Correlate With Onset Of Recessions

US Crude Oil Price Versus Recent US Recession Periods

Price Spikes That Preceded Recession

Price Drops That Did Not Precede Recession

Source: Thomson Reuters Datastream/UOB Global Economics and Market Research
## EIA Forecast Supply Demand Mismatch To Continue But Will Narrow Into 2016 & 2017

### Short-Term Energy Outlook (US Energy Information Administration)

<table>
<thead>
<tr>
<th>Global Petroleum and Other Liquids</th>
<th>2014</th>
<th>2015F</th>
<th>2016F</th>
<th>2017F</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Supply &amp; Consumption</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-OPEC Production</td>
<td>56.92</td>
<td>57.41</td>
<td>56.77</td>
<td>56.68</td>
</tr>
<tr>
<td>OPEC Production</td>
<td>36.35</td>
<td>38.30</td>
<td>39.16</td>
<td>40.01</td>
</tr>
<tr>
<td>OPEC Crude Oil Portion</td>
<td>30.08</td>
<td>31.65</td>
<td>32.16</td>
<td>32.72</td>
</tr>
<tr>
<td><strong>Total World Production</strong></td>
<td>93.26</td>
<td>95.71</td>
<td>95.93</td>
<td>96.69</td>
</tr>
<tr>
<td>OECD Commercial Inventory (end-of-year)</td>
<td>2698</td>
<td>3,061</td>
<td>3,132</td>
<td>3,131</td>
</tr>
<tr>
<td>Total OPEC surplus crude production capacity</td>
<td>2.01</td>
<td>1.59</td>
<td>1.97</td>
<td>1.91</td>
</tr>
<tr>
<td>OECD Consumption</td>
<td>45.75</td>
<td>46.28</td>
<td>46.63</td>
<td>46.99</td>
</tr>
<tr>
<td>Non-OECO Consumption</td>
<td>46.69</td>
<td>47.49</td>
<td>48.56</td>
<td>49.63</td>
</tr>
<tr>
<td><strong>Total World Consumption</strong></td>
<td>92.45</td>
<td>93.77</td>
<td>95.19</td>
<td>96.61</td>
</tr>
</tbody>
</table>

### Under-supply (-) versus Excess-supply (+)

<table>
<thead>
<tr>
<th>Primary Assumptions</th>
<th>2014</th>
<th>2015F</th>
<th>2016F</th>
<th>2017F</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Real GDP Growth</td>
<td>2.4</td>
<td>2.5</td>
<td>2.7</td>
<td>3.3</td>
</tr>
<tr>
<td>Real US$ Exchange Rate</td>
<td>3.6</td>
<td>11.0</td>
<td>5.7</td>
<td>-1.2</td>
</tr>
</tbody>
</table>

Source: US EIA (as of 12 Jan 2016), UOB estimates
Asian Net Oil Importers Are Going To Benefit As Oil Gets Cheaper

Oil Trade Balance (% of GDP)

<table>
<thead>
<tr>
<th>Year</th>
<th>Malaysia</th>
<th>Indonesia</th>
<th>China</th>
<th>South Korea</th>
<th>Japan</th>
<th>Hong Kong</th>
<th>Singapore</th>
<th>Thailand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>2.2</td>
<td>-1.5</td>
<td>-1.8</td>
<td>-4.5</td>
<td>-1.7</td>
<td>-4.1</td>
<td>-3.8</td>
<td>-7.1</td>
</tr>
<tr>
<td>2010</td>
<td>1.6</td>
<td>-1.6</td>
<td>-2.4</td>
<td>-5.1</td>
<td>-2.1</td>
<td>-5.2</td>
<td>-3.7</td>
<td>-7.9</td>
</tr>
<tr>
<td>2011</td>
<td>1.1</td>
<td>-2.3</td>
<td>-2.8</td>
<td>-6.0</td>
<td>-2.6</td>
<td>-5.8</td>
<td>-3.8</td>
<td>-9.8</td>
</tr>
<tr>
<td>2012</td>
<td>0.5</td>
<td>-2.5</td>
<td>-2.8</td>
<td>-6.5</td>
<td>-2.9</td>
<td>-5.5</td>
<td>-6.6</td>
<td>-10.0</td>
</tr>
<tr>
<td>2013</td>
<td>0.2</td>
<td>-3.0</td>
<td>-2.4</td>
<td>-5.9</td>
<td>-3.2</td>
<td>-5.1</td>
<td>-5.6</td>
<td>-10.5</td>
</tr>
<tr>
<td>2014</td>
<td>-0.1</td>
<td>-3.1</td>
<td>-2.3</td>
<td>-5.3</td>
<td>-3.1</td>
<td>-4.1</td>
<td>-5.4</td>
<td>-10.0</td>
</tr>
</tbody>
</table>

Source: CEIC, UOB Global Economics & Markets Research est
Comparing Export Structure Of Malaysia And Indonesia

More Diversified Export Base To Provide Cushion To Malaysia As Compared To Indonesia

Malaysia Exports (9M2015)

Indonesia Exports (9M2015)

Source: CEIC, UOB Global Economics & Markets Research est
Political And Geopolitical Factors Coming Into Play For 2016

Key Risk Events In 2016

1. US Presidential Elections On 8 November
2. Elections In Some Asian Economies (S. Korea, Philippines & Taiwan)
3. A Potential Japan Snap Elections In Summer
4. Maritime Territorial disputes With China
5. On-Going ISIS Terrorist Threats In Major Cities Around The World & Security Threats In Major Sporting Events (Brazil & France)
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