USGS
science for a changing world

2013 Minerals Yearbook

SINGAPORE [ADVANCE RELEASE]

U.S. Department of the Interior
U.S. Geological Survey

June 2015

The Mineral Industry of Singapore

By Pui-Kwan Tse

Singapore is a city-state located in the Strait of Malacca in Southeast Asia. Singapore is one of the world's busiest ports and identifies itself as "the place where Asia and the West meet." The country is highly dependent on trade for its economic growth. In 2012, the slow recovery of industrial activities in the West affected the country's exports. As a result, Singapore's real gross domestic product (GDP) had increased only by 2.5% in 2012. In 2013, propelled by improving exports, the country's GDP increased by 3.9% (Department of Statistics, 2014a, p. 2).

Because it has limited mineral resources, Singapore must import most of the raw materials needed for manufacturing. The value of output of the service sector accounted for 68.9% and 70.3% of the GDP in 2012 and 2013, respectively. Growth took place across the service sector but the highest growth rates were in the areas of finance and insurance. The manufacturing and construction sectors accounted for 25.1% and 23.7% of the GDP in 2012 and 2013, respectively. The value of non-oil exports increased by 3.4% in 2013 after increasing by 0.4% in 2012 owing to the higher value of nonelectronic exports, which increased by 3.0% in 2013 following a decrease of 2.0% in 2012. The higher value of nonelectronic products was the result of increased exports of engineering equipment, pharmaceutical products, and printed materials. Although electronics remained the leading trade commodity in Singapore, the country's total trade was valued at US$758 billion (S$985 billion) and US$753 billion (S$980 billion) in 2012 and 2013, respectively. Asian countries accounted for about 70% of the total trade (Department of Statistics, 2014b, p. 156–171).

Production

Metalor Technologies Singapore Pte Ltd., which was established by Metalor Technologies SA of Switzerland in 2013, planned to build a gold refinery at the Surface Engineering Hub in Jurong. The company planned to refine mined dore and precious-metal scrap to 99.99%-purity gold. The refinery was designed to have an output capacity of 200 metric tons per year (t/yr) of gold and was scheduled to be put into full operation in mid-2014. The Government planned to establish Singapore as a gold trading hub in Asia, and although it had increased the goods and service tax (GST) to 7% in 2012 from 3% in 1994, it exempted imports and sales of precious metals manufactured by London Bullion Market Association-accredited refiners and other entities (Metalor Technologies SA, 2013).

"NatSteel Asia Pte Ltd. was the sole integrated producer of melted, rolled, and fabricated steel products in Singapore; it was owned by Tata Iron and Steel Co. of India. NatSteel's steel-production capacity in Southeast Asia was more than 2 million metric tons per year. The company's plant in Singapore had a designed output capacity of 800,000 t/yr of crude steel [from its 80-metric-ton (t) electric arc furnace and 80-t ladle furnace] and 800,000 t/yr of rolled steel. NatSteel produced about 688,000 t and 433,000 t of crude steel in 2012 and 2013, respectively, in Singapore. The decrease in crude steel production in 2013 was a result of a maintenance shutdown. Singapore consumed about 3.8 million metric tons (Mt) and 4.2 Mt of steel in 2012 and 2013, respectively (South East Asia Iron and Steel Institute, 2014, p. 74–77).

Singapore was one of the major manufacturing and trading hubs for the international chemical sector. Chemical, petroleum, and petroleum products were Singapore's leading exports and reexports after electronics. Major multinational petrochemical companies, such as BASF Group of Germany; Chevron Corp. and Exxon Mobil Corp. of the United States; Mitsui Chemical Co. and Sumitomo Chemical Co. of Japan; and Royal Dutch/Shell Group of the Netherlands, had set up plants on the island.

Outlook

The global economic recovery is expected to help maintain continued economic growth in Singapore. The global demand for electronics, which was a major component of the country's export revenue, is expected to increase during the next several years. The domestic construction sector is likely to be the major source of demand for construction materials during the next 2 years. Rising labor costs, if not accompanied by improvements in productivity, could hinder economic growth and cause higher inflation. Several construction projects, including the expansion of a financial center and the development of new infrastructure, are in process. The demand for steel products is expected to increase during the next 2 to 3 years, and Singapore will continue to rely on steel imports to meet its domestic needs. Facing strong competition from neighboring countries, the Singaporean electronics companies have made plans to restructure and seek higher value-added products. Biomedical manufacturing appears to have strong growth potential in Singapore.

References Cited

Department of Statistics, 2014a, Singapore in figures—2014: Singapore, Department of Statistics, September, 30 p.

Department of Statistics, 2014b, Yearbook of statistics Singapore 2014: Singapore, Department of Statistics, September, 329 p.

Metalor Technologies SA, 2013, Metalor casts the first gold bar at its new Singapore refinery: Neuchatel, Switzerland, Metalor Technologies SA press release, June 13, 1 p.

South East Asia Iron and Steel Institute, 2014, 2013 steel statistical yearbook: Selangor Darul Ehsan, Malaysia, South East Asia Iron and Steel Institute, 102 p.