



	October 2017	May 2018	July 2019
Total Respondents	66	70	71

	October 2017	May 2018	July 2019
Respondents with customers in this county	40	32	28

Sales are primarily to	October 2017	May 2018	July 2019
Existing Customers	95%	95%	100%
New Customers	5%	5%	0%

Respondents extending credit to customers vs. those who do not	October 2017	May 2018	July 2019
Extend Credit	95%	76%	86%
Do Not Extend Credit	5%	24%	14%

Payment terms granted by those extending credit to customers in this country:	October 2017	May 2018	July 2019
0-30	37%	44%	37%
31-60	42%	44%	46%
61-90	18%	12%	12%
91+	3%	0%	5%

Average days beyond terms:	October 2017	May 2018	July 2019
	15	15	20

Payment methods used (multiple selections permitted):	October 2017	May 2018	July 2019
Wire Transfer	95%	100%	93%
EFT (seller initiated)	10%	14%	7%
EFT (buyer initiated)	8%	11%	14%
Check	5%	6%	7%
Credit Card	10%	11%	11%
Extended Payment Program or Progress Billing	5%	6%	0%
B.P.O. (Bank Payment Obligation)	5%	6%	4%
Letter of Credit	30%	22%	21%
Cash Against Documents	18%	3%	4%
Dated Draft	5%	3%	0%
*Other	0%	3%	0%

**\*OTHER**

May 2018

- 60 days from bill of lading

Payment Delays Are:	October 2017	May 2018	July 2019
Increasing	15%	2%	12%
Decreasing	7%	0%	5%
No Change	58%	55%	62%
No Payment Delays	20%	43%	21%

Causes of payment delays, open account:	October 2017	May 2018	July 2019
Billing Disputes	19%	43%	28%
Other Disputes	19%	4%	0%
Cash Flow Issues	16%	18%	28%
Inability to Pay	3%	0%	5%
Unwilling to Pay	6%	0%	5%

Causes of payment delays, open account:	October 2017	May 2018	July 2019
Customer Payment Policy	19%	18%	28%
Government Approval	0%	0%	0%
Regulatory Issues	0%	0%	0%
Foreign Exchange Rates	6%	4%	0%
Central Bank Issues	3%	4%	0%
Cultural Norms and Customs	3%	0%	6%
*Other	3%	9%	0%

**\*OTHER**

October 2017	May 2018
<ul style="list-style-type: none"> <li>• “No specific reason it is only 1 day on average.”</li> </ul>	<ul style="list-style-type: none"> <li>• They slow payments are dominated by a couple of bad players that push as far as they think they can.</li> <li>• Did not receive hardcopy invoices, no response despite sending chasers, approved signatory is out of town.</li> </ul>

**PRS Political & Economic Risk Forecast (Updated 04/01/19)**

18-month & 5-year political forecasts and probability for REGIMES most likely to hold power; risk ratings for TURMOIL (low to high), and RISK RATINGS (A+ least, D- most) for financial TRANSFER, direct INVESTMENT, and EXPORT to the country. If forecast has changed, the previous rating appears in parentheses. An asterisk means a nonincumbent regime. Most recent economic data and forecasts include a previous five-year average, a one-year forecast or estimate, and a five-year forecast average. REAL GROWTH of GDP and INFLATION are expressed as percentages, and CURRENT ACCOUNT figures are in billions of US dollars.

Country Regimes and Probabilities	Turmoil	Transfer	Investment	Export		Real GDP Growth	Inflation	Current Account
Singapore					2014-2018	2.9	-0.1	57.25
Lee Hsien Loong 50%	Low	A+	A	A+	2019	2.3	0.8	62.20
*Other PAP 70%	Low	A+	A	A+	2020-2024	2.9	1.1	67.30

Forecast provided by The PRS Group, Inc. [Click Here for More Information on the Political Risk Letter and other offerings.](#)

**Advice when doing business in this country:**

**July 2019**

- Know who you are really doing business with (5 C's of Credit).
- Singapore has close ties with south east Asian countries like Indonesia, Malaysia, Cambodia, Laos who are not the best payers. The Payment terms should be assigned based on the relationship of their clientele. Ex, if the product is a finished product in Singapore and sold in Laos then terms should be 90days as Laos tends to pay later.
- No real issues with payments from Singapore.
- Singapore is a low risk country, giving an open credit will not be an issue unless they are financially unable to support the requested credit limit.
- Tight A/R collection need to be enforced as the country is heading to the general business slowdown; Restrict the supply if the customer start to delay the payment.
- This is true of most SE Asia countries. Customers want the invoice to be detailed, without error of any kind. They want the invoice to be emailed and the original sent by overnight. They won't pay off of the PDF email version. They will pay off of the original also - which normally needs to be stamped (company stamp) and signed. All conditions must be fulfilled. Also, if you are selling to one of the large EPC companies, they will have a host of people looking at the invoice - getting several approvals. Thus, it takes time to secure payment approval.
- Complete due diligence including review of the customer's financial statements.

**May 2018**

- Customers out of Singapore usually have parents operating out of other regions. However, they are not known to delay payments. They would need the bills proper and they will pay it.
- Bill correctly and know your customer. Check your references.

### May 2018

- Establish a good working relationship with customer. Work thru letter of credit if possible. Credit insurance would be help also.
- We have had really good luck dealing with customers in Singapore.
- Accuracy & compliance are critical; Customers have no flexibility for even the smallest variance in the documentation.
- Secure credit line with letter of credit. Establish good working relationship with your counterpart is a must.
- All SE Asia countries require strict fulfillment of the items they state need to be fulfilled in order to pay. They do drag out payments on technicalities and find reasons to delay payment. Don't give them cause.
- Prepay or L/C for first orders.
- Just like Japan, know the business customs in Singapore and know how to address your customer.
- Generally, doing business in Singapore is pretty safe. However, if it is a new client, try to secure advance payment or security deposit.

### October 2017

- As always make sure you have done the KYC review on top of financial review.
- Really know who you are selling too, make sure to get a Credit Application and validate them, their entity and financial records.
- Company's segment as well as economic conditions.
- Financial background of the customer.
- Matured business rarely see issues, unless discrepancy in delivered services.
- Use audited Financial statement.
- We only accept prepayment
- Our Singapore customers pay on time and are used to working with SBLCs.
- Be aware of timelines. Most customers will not pay until product received.
- Let them know your expectations.
- Having a local resource is helpful.
- Large orders are processed using a documentary letter of credit. Will extend small open account balance. Establish good relationship with the AP counterpart.