Measuring the weight of commodity trading

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The growth of the programme

The simplest indicator of the trading hub is the number of companies under the programme. The figures available show steady growth, although they come from different sources and are not strictly comparable. In 1989 the predecessor programmes covered 25 companies. By May 2007 more than 200 companies were under the Global Trader Programme. An undated practitioner guide refers to more than 270 companies with GTP status.[1] In 2023 Enterprise Singapore stated that it had attracted some 400 global traders to anchor their key business activities in Singapore, including about 150 major energy companies in oil, gas and LNG.[2]

These figures should be read with care. The figure of 400 refers to global traders attracted by the agency, a category that may include companies with and without a current award. The number of companies holding a GTP award at any one time is not published regularly. The figures nevertheless show an order of magnitude: Singapore hosts several hundred international trading companies with substantial operations, including the Asian or global headquarters of many of the world's largest commodity traders.

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Merchandise trade and its limits

The trade statistics of Singapore show the size of the physical trade that passes through the port. In 2025 total merchandise trade amounted to S$1,397.7 billion, of which exports accounted for S$739.4 billion and imports for S$658.3 billion. Re-exports, at S$454.8 billion, made up about 61.5 per cent of exports, while domestic exports amounted to S$284.7 billion.[3] Oil accounted for S$206.3 billion of the total, or about 15 per cent. Singapore's share of global merchandise exports stood at 2.07 per cent in 2024.[4]

These figures measure goods that cross the border of Singapore. They do not capture the offshore trade that forms the core of the trading hub, in which a company in Singapore buys a cargo in one foreign country and sells it in another. Oil illustrates the gap. Re-exports of oil amounted to only S$1.7 billion in 2025, a negligible figure for one of the leading oil trading hubs of the world.[5] The cargoes traded by Singapore desks mostly sail directly between foreign ports and therefore never appear in the customs statistics. In 2007 the government estimated physical offshore trade at more than US$350 billion in 2006, at a time when Singapore's external trade amounted to S$810 billion.[6] No regular official series of offshore trade appears to be published.

Wholesale trade in the national accounts

The national accounts offer a better measure of the value created in Singapore. In 2025 the wholesale trade sector generated S$146.5 billion of the gross domestic product at current prices of S$789.5 billion, a share of about 18.6 per cent. The share was similar in 2024, at about 18.7 per cent.[7] Wholesale trade thus contributes more to the economy than finance and insurance, whose share in 2025 was about 13.2 per cent.

Wholesale trade is a broader category than commodity trading. It includes distributors of electronic components, machinery, pharmaceuticals and consumer goods, many of which have no connection with commodities. The national accounts do not isolate commodity trading as a separate industry in the published tables.

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Commodity trading is therefore a large but unquantified part of a sector that generates almost a fifth of the national product. Although the measure captures value added in Singapore, it cannot answer the question that policymakers and the public ask most often: how much does commodity trading contribute?

The balance of payments and merchanting

The balance of payments gives a further indication. Under the international standards for balance of payments statistics, merchanting, the purchase and resale of goods that do not enter the compiling economy, is recorded under goods, with the net margin appearing as an export.[8] In 2025 Singapore's balance of payments recorded exports of goods of S$852.0 billion and a goods surplus of S$230.4 billion, while the customs statistics showed merchandise exports of S$739.4 billion.[9] The difference between the two concepts reflects several adjustments, of which merchanting is one. It indicates that offshore trading generates substantial net receipts, even if the published tables do not identify them separately. Exports of trade-related services, which include commissions earned by brokers and agents, amounted to a further S$17.9 billion in 2025.

The problem is familiar from the Geneva volume. There the Swiss National Bank's statistics on merchanting long served as the measure of the trading sector until the Federal Statistical Office published in November 2025 a direct estimate of value added. The two measures differed by a factor of three, with net merchanting receipts of CHF 58.6 billion against value added of CHF 19.2 billion for 2024.[10] Singapore has not published a comparable direct measure of commodity trading. A survey of the value added of GTP companies, of the kind the minister cited for 2006, would make it possible to state the weight of the sector with similar precision.

Corporate structures and the location of profits

A final difficulty concerns the structure of trading groups. Trafigura, founded in 1993 by six partners, has its headquarters in Singapore, while Geneva remains one of its major hubs.[11] Other groups have their legal headquarters in Geneva, Switzerland or elsewhere and run their Asian trading from Singapore. The allocation of profits

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between these entities depends on transfer pricing and on the functions each entity performs. A group's revenue, often counted in hundreds of billions of dollars, says little about the value created in any single location. The Geneva volume makes the same point about Swiss statistics.[12]

The substance requirements of the Global Trader Programme give Singapore an indirect measure of these functions. An approved company commits to a headcount of professionals and to a level of local spending, which correspond to the functions it performs in Singapore. The transfer pricing rules then attribute to the Singapore entity a profit consistent with those functions. The programme thereby links the tax incentive with the substance on which international tax rules base the allocation of profits.

Notes

1. Lim Hng Kiang, speech at the Global Trader Summit 2007, 24 May 2007: 25 companies in 1989 and "over 200 companies under the GTP"; Rikvin, "Singapore's Global Trader Programme (GTP)" (rikvin.com, accessed November 2026): "more than 270 companies have GTP status in Singapore"; the page bears no publication date. ↩
2. Lee Pak Sing, *The Business Times*, 4 September 2023, republished by JTC (accessed November 2026): "EnterpriseSG has attracted some 400 global traders to anchor their key business activities"; "about 150 major energy players in oil, gas and LNG that have established a presence in Singapore". ↩
3. Singapore Department of Statistics, Table Builder, "Merchandise Trade By Commodity Section, (At Current Prices), Monthly" (table M451001, accessed November 2026): monthly values for January to December 2025 summed by the author; total merchandise trade S$1,397.7 billion; exports S$739.4 billion; imports S$658.3 billion; re-exports S$454.8 billion; domestic exports S$284.7 billion; oil trade S$206.3 billion, including oil bunkers of S$34.7 billion. ↩
4. Singapore Department of Statistics, Table Builder, "Singapore's Share Of Global Merchandise Trade, Annual" (table M451541, accessed November

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2026): share of global merchandise exports 2.07% in 2024, share of global merchandise imports 1.85% in 2024. ↩

5. Singapore Department of Statistics, Table Builder, table M451001 (accessed November 2026): re-exports of oil (petroleum) of S$1.7 billion for January to December 2025, summed by the author. ↩
6. Lim Hng Kiang, speech at the Global Trader Summit 2007, 24 May 2007 (meti.gov.sg, accessed November 2026): external trade grew by 13.2% in 2006 to S$810 billion, "more than three times our GDP"; "Physical offshore trade was also significant, amounting to more than US$350 billion in 2006". ↩
7. Singapore Department of Statistics, Table Builder, "Gross Domestic Product At Current Prices, By Industry (SSIC 2020), Annual" (table M015731, accessed November 2026): GDP at current market prices S$765,497.5 million (2024) and S$789,529.2 million (2025); wholesale trade S$143,401.4 million (2024) and S$146,481.0 million (2025); finance and insurance S$99,312.8 million (2024) and S$104,176.0 million (2025); shares calculated by the author. ↩
8. International Monetary Fund, *Balance of Payments and International Investment Position Manual*, 6th edition (BPM6), Washington DC, 2009, on the recording of merchanting in the goods account. ↩
9. Singapore Department of Statistics, Table Builder, "Singapore's Balance Of Payments, Annual" (table M060181, accessed November 2026): exports of goods S$851,991.3 million and imports of goods S$621,625.1 million in 2025; goods balance S$230,366.2 million; exports of trade-related services S$17,932.1 million in 2025. ↩
10. Ressos, *Genève, place financière internationale*, partie G, chapitre V, citing the Swiss National Bank on merchanting receipts of CHF 58.6 billion (6.7 per cent of GDP) and the Federal Statistical Office (communiqué of 18 November 2025) on value added of CHF 19.2 billion (2.3 per cent of GDP) for 2024, of which 58.4 per cent in Geneva; "le premier chiffre représente trois fois le second". ↩

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11. Wikipedia, “Trafigura” (accessed November 2026): established in 1993 by six founding partners; headquarters at Ocean Financial Centre, Singapore; major regional hubs in Geneva, Houston, Montevideo and Mumbai; revenue of US$240.3 billion for FY2025. ↩
12. Ressos, *Genève, place financière internationale*, partie G, chapitre V, on the confusion between turnover and value added, on the distinction between Swiss entities and the trading groups, and on the allocation of value added by transfer pricing (“selon des règles de prix de transfert”). ↩

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