

Press Release

Advance GDP Estimates for Fourth Quarter 2005

Gross Domestic Product at 1995 Market Prices
(Percentage change over corresponding period of previous year)

	4Q04	2004	1Q05	2Q05	3Q05	4Q05*	2005
Overall GDP	6.5	8.4	2.7	5.2	7.2	7.7	5.7
Goods Producing Industries							
<i>Manufacturing</i>	14.1	13.9	3.2	5.8	13.2	11.5	8.6
<i>Construction</i>	-8.4	-6.5	-5.6	-1.6	0.3	0.8	-1.5
Services Producing Industries	4.8	7.5	3.6	5.2	5.8	7.0	5.4

* Advance Estimates

1. The Singapore economy continued to record robust growth in the fourth quarter of 2005. Advance estimates¹ show that real gross domestic product (GDP) rose by 7.7 per cent in the quarter compared to the same period in 2004. On a quarter-on-quarter seasonally adjusted annualised basis, real GDP grew by a vigorous 9.7 per cent, after a brisk 8.6 per cent gain in the preceding quarter.
2. Buoyed by strong expansion in the biomedical, transport engineering and electronics clusters, the manufacturing sector is estimated to have grown at 11.5 per cent in the fourth quarter. Growth in the chemicals and precision engineering clusters also strengthened from the previous quarter.
3. Activities in the construction sector gathered more speed. Growth of the sector is estimated to improve to 0.8 per cent in the fourth quarter.
4. The services producing industries are estimated to have grown by a firm 7.0 per cent in the fourth quarter, a further improvement over the previous quarter. The strong performance was underpinned by faster rate of expansion in the

¹ The advance GDP estimates for fourth quarter 2005 are computed largely from the first two months' data (i.e. October and November 2005). They are intended as an early indication of the GDP growth in the quarter, and are subject to revision when more comprehensive data becomes available.

wholesale and retail trade, hotels and restaurants, and transport and communications sectors. On the other hand, growth of the financial services and business services sectors moderated from the preceding quarter.

5. For 2005 as a whole, the economy is estimated to have expanded by 5.7 per cent in real terms. The manufacturing sector and services producing industries expanded by 8.6 per cent and 5.4 per cent respectively, while the construction sector declined by 1.5 per cent.

6. The preliminary GDP estimates for the fourth quarter and the whole year 2005, including sectoral performances, sources of growth, inflation, employment and productivity, will be released in February 2006 in the *Economic Survey of Singapore*.

MINISTRY OF TRADE AND INDUSTRY
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