

Press Release

Advance GDP Estimates for Fourth Quarter 2006

Gross Domestic Product at 2000 Prices

(Percentage change over corresponding period of previous year)

	4Q05	2005	1Q06	2Q06	3Q06	4Q06*	2006
Overall GDP	8.7	6.4	10.3	8.0	7.0	5.9	7.7
Goods Producing Industries							
Manufacturing	14.2	9.3	18.6	11.9	9.5	7.3	11.4
Construction	-0.8	-1.1	-0.8	0.4	2.6	2.4	1.1
Services Producing Industries	7.2	6.0	8.2	7.0	6.6	6.0	6.9

* Advance estimates

1. The Singapore economy continued to grow at a healthy pace. Advance estimates¹ show that real gross domestic product (GDP) rose by 5.9 per cent in the fourth quarter of 2006 compared to the same period in 2005. On a quarter-on-quarter seasonally adjusted annualised basis, real GDP grew by 7.6 per cent, following a 5.6 per cent gain in the preceding quarter.

2. The manufacturing sector is estimated to have grown at a slower pace of 7.3 per cent in the fourth quarter, due partly to weaker output in the electronics and chemicals clusters. On the other hand, double-digit growths were seen in both the biomedical manufacturing and transport engineering clusters.

3. The construction sector continued to recover in the fourth quarter. The sector is estimated to have grown by 2.4 per cent, after a 2.6 per cent gain in the third quarter.

¹ The advance GDP estimates for fourth quarter 2006 are computed largely from the first two months' data (i.e. October and November 2006). 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.

4. Growth of the services producing industries is estimated to have moderated to 6.0 per cent in the fourth quarter, due mainly to slower growth in the wholesale and retail trade sector. The hotels and restaurants, transport and communications, and financial services sectors, however, saw a faster pace of expansion compared to the previous quarter.

5. For 2006 as a whole, the economy is estimated to have grown by 7.7 per cent in real terms. The manufacturing sector and services producing industries expanded by 11.4 per cent and 6.9 per cent respectively, while the construction sector grew 1.1 per cent, the first positive growth since 2000.

6. The preliminary GDP estimates for the fourth quarter and the whole year 2006, including sectoral performances, sources of growth, inflation, employment and productivity, will be released in February 2007 in the *Economic Survey of Singapore*.

MINISTRY OF TRADE AND INDUSTRY
3 January 2007