

Singapore's Economy Contracted in the First Quarter of 2013

12 April 2013. Based on advance estimates¹, the Singapore economy contracted by 0.6 per cent on a year-on-year basis in the first quarter of 2013, compared to the 1.5 per cent growth in the preceding quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.4 per cent, down from the 3.3 per cent growth in the previous quarter.

Gross Domestic Product at 2005 Prices

| | 1Q12 | 2Q12 | 3Q12 | 4Q12 | 2012 | 1Q13* |
|--|------|------|-------|------|------|--------------|
| Percentage change over corresponding period of previous year | | | | | | |
| Overall GDP | 1.5 | 2.3 | 0.0 | 1.5 | 1.3 | -0.6 |
| Goods Producing Industries | | | | | | |
| Manufacturing | -1.2 | 4.1 | -1.4 | -1.1 | 0.1 | -6.5 |
| Construction | 9.4 | 11.4 | 6.7 | 5.8 | 8.2 | 7.0 |
| Services Producing Industries | 2.1 | 1.1 | 0.0 | 1.7 | 1.2 | 1.2 |
| Quarter-on-quarter annualised growth rate, seasonally adjusted | | | | | | |
| Overall GDP | 7.8 | 0.1 | -4.6 | 3.3 | 1.3 | -1.4 |
| Goods Producing Industries | | | | | | |
| Manufacturing | 13.8 | -1.0 | -16.6 | 3.1 | 0.1 | -11.3 |
| Construction | 10.5 | 15.0 | 3.2 | -3.9 | 8.2 | 15.1 |
| Services Producing Industries | 3.5 | 0.1 | 0.4 | 2.5 | 1.2 | 1.8 |

*Advance estimates

On a year-on-year basis, the manufacturing sector contracted by 6.5 per cent in the first quarter, following the 1.1 per cent decline in the previous quarter. On a quarter-on-quarter basis, the sector declined by an annualised rate of 11.3 per cent, compared to the increase of 3.1 per cent in the preceding quarter. The sequential decline largely reflected a contraction in the output of the biomedical manufacturing cluster.

The construction sector grew by 7.0 per cent on a year-on-year basis, compared to 5.8 per cent in the preceding quarter. On a quarter-on-quarter basis, the sector expanded by an annualised rate of 15.1 per cent, an

¹ The advance GDP estimates for the first quarter of 2013 are computed largely from data in the first two months of the quarter (i.e. January and February 2013). They are intended as an early indication of GDP growth in the quarter, and are subject to revision when more comprehensive data become available.

improvement from the contraction of 3.9 per cent in the previous quarter. The rebound was mainly due to a recovery in private sector building activities.

The services producing industries grew by 1.2 per cent on a year-on-year basis, following the 1.7 per cent growth in the previous quarter. On a quarter-on-quarter basis, the services producing industries grew by an annualised rate of 1.8 per cent, compared to 2.5 per cent in the preceding quarter. Growth was primarily supported by expansions in the finance & insurance sector, business services sector and other services industries, which more than offset the decline in the wholesale & retail trade sector.

MTI will release the preliminary GDP estimates for the first quarter in May 2013, including performance by sectors, sources of growth, inflation, employment and productivity, in its *Economic Survey of Singapore*.

MINISTRY OF TRADE AND INDUSTRY
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