

## Singapore's GDP Growth Moderated in the Second Quarter of 2015

14 July 2015. Based on advance estimates<sup>1</sup>, the Singapore economy grew by 1.7 per cent on a year-on-year basis in the second quarter of 2015, lower than the 2.8 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 4.6 per cent, a reversal from the 4.2 per cent expansion in the preceding quarter.

### Gross Domestic Product at 2010 Prices

|                                                                | 2Q14 | 3Q14 | 4Q14 | 2014 | 1Q15 | 2Q15*        |
|----------------------------------------------------------------|------|------|------|------|------|--------------|
| Percentage change over corresponding period of previous year   |      |      |      |      |      |              |
| Overall GDP                                                    | 2.3  | 2.8  | 2.1  | 2.9  | 2.8  | <b>1.7</b>   |
| Goods Producing Industries                                     |      |      |      |      |      |              |
| Manufacturing                                                  | 1.3  | 1.7  | -1.3 | 2.6  | -2.7 | <b>-4.0</b>  |
| Construction                                                   | 3.0  | 1.1  | 0.7  | 3.0  | 2.1  | <b>2.7</b>   |
| Services Producing Industries                                  | 2.6  | 3.3  | 3.1  | 3.2  | 4.2  | <b>3.0</b>   |
| Quarter-on-quarter annualised growth rate, seasonally-adjusted |      |      |      |      |      |              |
| Overall GDP                                                    | -0.5 | 2.6  | 4.9  | 2.9  | 4.2  | <b>-4.6</b>  |
| Goods Producing Industries                                     |      |      |      |      |      |              |
| Manufacturing                                                  | -9.3 | 0.9  | -2.5 | 2.6  | 0.4  | <b>-14.0</b> |
| Construction                                                   | -3.0 | 0.7  | 2.2  | 3.0  | 8.3  | <b>-0.2</b>  |
| Services Producing Industries                                  | 1.9  | 3.2  | 7.8  | 3.2  | 3.8  | <b>-2.6</b>  |

\*Advance estimates

The manufacturing sector contracted by 4.0 per cent on a year-on-year basis in the second quarter, extending the 2.7 per cent decline in the previous quarter. The contraction was largely due to a fall in output in the biomedical manufacturing and transport engineering clusters. On a quarter-on-quarter basis, the sector contracted at an annualised rate of 14.0 per cent, reversing the 0.4 per cent expansion in the preceding quarter.

The construction sector expanded by 2.7 per cent on a year-on-year basis in the second quarter, an improvement from the 2.1 per cent growth recorded in the previous quarter. Growth was supported by stronger expansion in public sector construction activities. On a quarter-on-quarter basis, the sector

<sup>1</sup> The advance GDP estimates for the second quarter of 2015 are computed largely from data in the first two months of the quarter (i.e. April and May 2015). They are intended as an early indication of the GDP growth in the quarter, and are subject to revision when more comprehensive data become available.

contracted at an annualised rate of 0.2 per cent, in contrast to the 8.3 per cent expansion in the preceding quarter.

Growth in the services producing industries came in at 3.0 per cent on a year-on-year basis in the second quarter, easing from the 4.2 per cent in the previous quarter. The moderation in growth was largely due to slower expansion in the wholesale & retail trade and business services sectors, as well as a contraction in the transportation & storage sector. On a quarter-on-quarter basis, the services producing industries contracted at an annualised rate of 2.6 per cent, a reversal from the 3.8 per cent expansion in the preceding quarter.

MTI will release the preliminary GDP estimates for the second quarter, including performance by sectors, sources of growth, inflation, employment and productivity, in its *Economic Survey of Singapore* in August 2015.

MINISTRY OF TRADE AND INDUSTRY  
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