

Singapore's GDP Grew by 1.8 Per Cent in the Fourth Quarter of 2016

3 January 2017. Based on advance estimates¹, the Singapore economy grew by 1.8 per cent on a year-on-year basis in the fourth quarter of 2016, faster than the 1.2 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 9.1 per cent, a reversal from the 1.9 per cent contraction in the preceding quarter.

For the whole of 2016, the economy grew by 1.8 per cent, above MTI's earlier announced GDP growth forecast of "1.0 to 1.5 per cent".

Gross Domestic Product at 2010 Prices

	4Q15	2015	1Q16	2Q16	3Q16	4Q16*	2016*
Percentage change over corresponding period of previous year							
Overall GDP	1.8	2.0	2.1	2.1	1.2	1.8	1.8
Goods Producing Industries							
Manufacturing	-6.7	-5.2	-0.4	1.5	1.7	6.5	2.3
Construction	4.9	2.5	4.4	4.1	-0.2	-2.8	1.3
Services Producing Industries	2.8	3.4	1.6	1.3	0.3	0.6	0.9
Quarter-on-quarter annualised growth rate, seasonally-adjusted							
Overall GDP	6.2	2.0	0.2	0.4	-1.9	9.1	1.8
Goods Producing Industries							
Manufacturing	-4.9	-5.2	19.3	2.3	-8.1	14.6	2.3
Construction	6.0	2.5	3.2	6.7	-14.8	-4.7	1.3
Services Producing Industries	7.7	3.4	-5.0	-1.0	-0.4	9.4	0.9

*Advance estimates

The manufacturing sector expanded by 6.5 per cent on a year-on-year basis in the fourth quarter, an improvement from the 1.7 per cent growth in the previous quarter. Growth was primarily driven by the electronics and biomedical manufacturing clusters, even as the transport engineering and general manufacturing clusters continued to contract. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector grew by 14.6 per cent, a sharp turnaround from the 8.1 per cent contraction in the third quarter.

¹ The advance GDP estimates for the fourth quarter of 2016 are computed largely from data in the first two months of the quarter (i.e. October and November 2016). 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.

The construction sector contracted by 2.8 per cent on a year-on-year basis in the fourth quarter, extending the 0.2 per cent decline in the previous quarter. The contraction was largely due to the decline in private sector construction activities. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector shrank by 4.7 per cent, moderating from the 14.8 per cent contraction in the preceding quarter.

Growth in the services producing industries came in at 0.6 per cent on a year-on-year basis in the fourth quarter, slightly faster than the 0.3 per cent growth in the previous quarter. Growth was supported by the “other services industries”, transportation & storage and business services sectors. On a quarter-on-quarter basis, the services producing industries expanded at an annualised rate of 9.4 per cent, a reversal from the 0.4 per cent contraction in the third quarter.

MTI will release the preliminary GDP estimates for the fourth quarter and the whole of 2016, including performance by sectors, sources of growth, inflation, employment and productivity, in its *Economic Survey of Singapore* in February 2017.

MINISTRY OF TRADE AND INDUSTRY
3 January 2017