

Singapore's GDP Grew by 2.2 Per Cent in the Second Quarter of 2016

14 July 2016. Based on advance estimates¹, the Singapore economy grew by 2.2 per cent on a year-on-year basis in the second quarter of 2016, marginally higher than the 2.1 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 0.8 per cent, faster than the 0.2 per cent growth in the preceding quarter.

Gross Domestic Product at 2010 Prices

	2Q15	3Q15	4Q15	2015	1Q16	2Q16*
Percentage change over corresponding period of previous year						
Overall GDP	1.7	1.8	1.8	2.0	2.1	2.2
Goods Producing Industries						
Manufacturing	-5.2	-6.0	-6.7	-5.2	-0.5	0.8
Construction	3.6	3.0	4.9	2.5	4.5	2.7
Services Producing Industries	3.2	3.4	2.8	3.4	1.7	1.7
Quarter-on-quarter annualised growth rate, seasonally-adjusted						
Overall GDP	-1.6	2.3	6.2	2.0	0.2	0.8
Goods Producing Industries						
Manufacturing	-13.8	-6.0	-4.9	-5.2	18.4	0.3
Construction	7.7	0.2	6.0	2.5	3.5	0.6
Services Producing Industries	0.4	3.8	7.7	3.4	-4.8	0.5

*Advance estimates

The manufacturing sector expanded by 0.8 per cent on a year-on-year basis in the second quarter, a reversal from the 0.5 per cent decline in the previous quarter. Growth was supported by an increase in the output of the biomedical manufacturing and electronics clusters. On a quarter-on-quarter basis, the sector grew at an annualised rate of 0.3 per cent, following the 18.4 per cent growth in the preceding quarter.

The construction sector grew by 2.7 per cent on a year-on-year basis in the second quarter, easing from the 4.5 per cent growth recorded in the previous quarter. The moderation in growth was largely due to a slowdown in private sector construction activities. On a quarter-on-quarter basis, the sector

¹ The advance GDP estimates for the second quarter of 2016 are computed largely from data in the first two months of the quarter (i.e. April and May 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.

expanded at an annualised rate of 0.6 per cent, lower than the 3.5 per cent expansion in the preceding quarter.

Growth in the services producing industries came in at 1.7 per cent on a year-on-year basis in the second quarter, the same pace of growth as in the previous quarter. Growth was driven mainly by the wholesale & retail trade and transportation & storage sectors. Within the retail trade sector, growth was supported by strong motor vehicle sales. On a quarter-on-quarter seasonally-adjusted annualised basis, the services producing industries grew by 0.5 per cent, reversing the 4.8 per cent contraction 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 2016.

MINISTRY OF TRADE AND INDUSTRY
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