

Singapore's GDP Grew by 3.1 Per Cent in the Fourth Quarter of 2017

2 January 2018. Based on advance estimates¹, the Singapore economy grew by 3.1 per cent on a year-on-year basis in the fourth quarter of 2017, easing from the 5.4 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded at a slower pace of 2.8 per cent compared to the 9.4 per cent growth in the preceding quarter.

For the whole of 2017, the economy grew by 3.5 per cent. This is in line with MTI's earlier announced GDP growth forecast of "3.0 to 3.5 per cent".

Gross Domestic Product at 2010 Prices

	4Q16	2016	1Q17	2Q17	3Q17	4Q17*	2017*
Percentage change over corresponding period of previous year							
Overall GDP	2.9	2.0	2.5	3.0	5.4	3.1	3.5
Goods Producing Industries							
Manufacturing	11.5	3.6	8.5	8.5	19.2	6.2	10.5
Construction	-2.8	0.2	-7.0	-9.1	-7.7	-8.5	-8.1
Services Producing Industries	1.0	1.0	1.4	2.6	3.2	3.0	2.5
Quarter-on-quarter annualised growth rate, seasonally-adjusted							
Overall GDP	12.3	2.0	-2.1	2.6	9.4	2.8	3.5
Goods Producing Industries							
Manufacturing	39.8	3.6	0.3	4.2	38.0	-11.5	10.5
Construction	0.8	0.2	-17.5	-6.9	-5.5	-3.6	-8.1
Services Producing Industries	8.4	1.0	-2.7	3.9	3.4	7.5	2.5

*Advance estimates

The manufacturing sector expanded by 6.2 per cent on a year-on-year basis in the fourth quarter, moderating from the 19.2 per cent growth in the previous quarter. Growth was supported primarily by robust output expansions in the electronics and precision engineering clusters, which outweighed output declines in the biomedical manufacturing and transport engineering clusters. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector shrank by 11.5 per cent following the 38.0 per cent surge in the third quarter.

¹ The advance GDP estimates for the fourth quarter of 2017 are computed largely from data in the first two months of the quarter (i.e. October and November 2017). 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 8.5 per cent on a year-on-year basis in the fourth quarter, extending the 7.7 per cent decline in the previous quarter. The contraction was largely due to the weakness in private sector construction activities. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector shrank by 3.6 per cent, easing from the 5.5 per cent contraction in the preceding quarter.

The services producing industries expanded by 3.0 per cent on a year-on-year basis in the fourth quarter, moderating slightly from the 3.2 per cent growth in the previous quarter. Growth was primarily driven by the finance & insurance, wholesale & retail trade and transportation & storage sectors. On a quarter-on-quarter basis, the services producing industries expanded at a seasonally-adjusted annualised rate of 7.5 per cent, faster than the 3.4 per cent growth in the third quarter.

MTI will release the preliminary GDP estimates for the fourth quarter and the whole of 2017, including performance by sectors, sources of growth, inflation, employment and productivity, in its *Economic Survey of Singapore* in February 2018.

MINISTRY OF TRADE AND INDUSTRY
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