

Singapore's GDP Grew by 0.1 Per Cent in the Second Quarter of 2019

12 July 2019. Based on advance estimates¹, the Singapore economy grew by 0.1 per cent on a year-on-year basis in the second quarter of 2019, slower than the 1.1 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy shrank by 3.4 per cent, after posting growth of 3.8 per cent in the preceding quarter.

Gross Domestic Product in chained (2015) dollars

| | 2Q18 | 3Q18 | 4Q18 | 2018 | 1Q19 | 2Q19* |
|--|------|------|------|------|------|-------------|
| Percentage change over corresponding period of previous year | | | | | | |
| Overall GDP | 4.2 | 2.6 | 1.3 | 3.1 | 1.1 | 0.1 |
| Goods Producing Industries | | | | | | |
| Manufacturing | 10.6 | 3.5 | 4.6 | 7.0 | -0.4 | -3.8 |
| Construction | -4.3 | -2.6 | -1.2 | -3.7 | 2.7 | 2.2 |
| Services Producing Industries | 2.9 | 2.8 | 1.5 | 2.9 | 1.2 | 1.2 |
| Quarter-on-quarter annualised growth rate, seasonally-adjusted | | | | | | |
| Overall GDP | 0.7 | 0.8 | -0.8 | 3.1 | 3.8 | -3.4 |
| Goods Producing Industries | | | | | | |
| Manufacturing | 7.8 | 1.1 | -3.4 | 7.0 | -6.4 | -6.0 |
| Construction | -7.8 | 0.2 | 5.3 | -3.7 | 13.3 | -7.6 |
| Services Producing Industries | -1.5 | 1.7 | 0.4 | 2.9 | 4.4 | -1.5 |

*Advance estimates

The manufacturing sector contracted by 3.8 per cent on a year-on-year basis in the second quarter, extending the 0.4 per cent decline in the previous quarter. The contraction was due to output declines in the electronics and precision engineering clusters, which more than offset output expansions in the rest of the manufacturing clusters. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector shrank by 6.0 per cent, moderating from the 6.4 per cent contraction in the preceding quarter.

The construction sector grew by 2.2 per cent on a year-on-year basis in the second quarter, extending the 2.7 per cent expansion in the previous quarter. Growth of the sector was supported by an increase in public sector construction

¹ The advance GDP estimates for the second quarter of 2019 are computed largely from data in the first two months of the quarter (i.e., April and May 2019). 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.

activities. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector contracted by 7.6 per cent, reversing the 13.3 per cent growth in the preceding quarter.

The services producing industries expanded by 1.2 per cent on a year-on-year basis in the second quarter, unchanged from the previous quarter. Growth was supported primarily by the finance & insurance, “other services industries”² and information & communications sectors. On a quarter-on-quarter seasonally-adjusted annualised basis, the services producing industries shrank by 1.5 per cent, following the 4.4 per cent growth recorded 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 2019.

MINISTRY OF TRADE AND INDUSTRY
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² “Other services industries” include the education, health & social services, the public administration & defence, and the arts, entertainment & recreation segments.