







SECTORAL PERFORMANCE

OVERALL ECONOMY

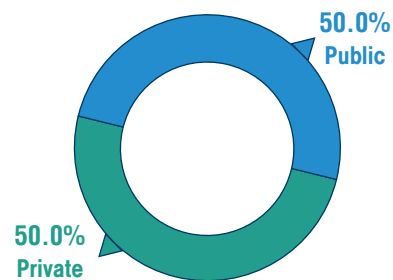
STRUCTURE OF ECONOMY	Nominal Value Added Share (%)	Real Growth (%)
Total	100.0	7.6
Goods Producing Industries	26.4	13.4
Manufacturing	22.3	13.2
Construction	2.9	20.1
Utilities	1.2	4.1
Other Goods Industries	0.0	10.8
Services Producing Industries	69.8	5.6
Wholesale Trade	17.9	3.9
Retail Trade	1.4	10.2
Transportation & Storage	6.1	5.0
Accommodation	0.5	1.7
Food & Beverage Services	0.9	3.0
Information & Communications	5.6	12.2
Finance & Insurance	14.6	7.4
Real Estate	2.9	10.7
Professional Services	5.8	4.4
Administrative & Support Services	3.6	-3.8
Other Services Industries	10.5	5.2
Ownership of Dwellings	3.8	0.1

MANUFACTURING

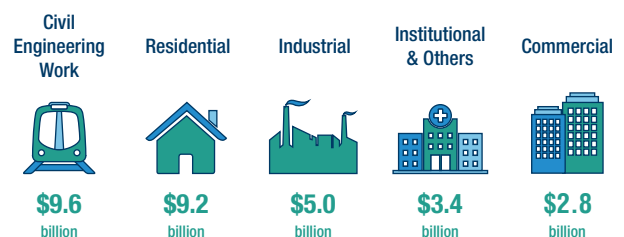
CLUSTERS	Nominal Value Added Share (%)	Real Growth (%)
 Electronics	40.7	14.5
 Chemicals	16.6	9.2
 Biomedical Manufacturing	14.7	11.1
 Precision Engineering	13.4	18.9
 Transport Engineering	6.9	13.2
 General Manufacturing Industries	7.7	6.6

CONSTRUCTION

CERTIFIED PAYMENTS IN 2021



CONTRACTS AWARDED IN 2021



WHOLESALE TRADE



Foreign
Wholesale Trade
Index growth
+7.2%



Domestic
Wholesale Trade
Index growth
-1.9%

RETAIL TRADE



Retail Sales
Index Growth
(Non-Motor Vehicles)
+10.8%



Retail Sales
Index Growth
(Motor Vehicles)
+10.8%

TRANSPORTATION & STORAGE

SEGMENTS	Nominal Value Added Share (%)	Real Growth (%)
Land Transport*	15.4	6.0
Water Transport*	56.8	1.7
Air Transport*	4.3	15.0
Storage & Other Support Services	19.7	10.6
Post & Courier	3.9	9.7

*Including supporting services



+1.5% Total Sea Cargo Handled Growth



-74.0% Air Passengers Handled Growth

ACCOMMODATION

PERFORMANCE OF HOTELS



Hotel Room
Revenue Growth
-21.0%



Gross Lettings
Growth
-23.5%

FOOD & BEVERAGE SERVICES

PERFORMANCE OF F&B (SALES GROWTH)



Cafes, Food Courts &
Other Eating Places
+9.0%



Fast Food Outlets
+8.4%






Restaurants
-0.2%



Food Caterers
-33.3%

INFORMATION & COMMUNICATIONS

SEGMENTS	Nominal Value Added Share (%)	Real Growth (%)
 Telecommunications	15.9	-1.0
 IT & Information Services	64.0	11.7
 Others	20.0	28.5

FINANCE & INSURANCE

SEGMENTS	Nominal Value Added Share (%)	Real Growth (%)
Banking	39.6	3.5
Activities Auxiliary to Financial Services	20.4	7.5
Fund Management	11.7	14.5
Insurance	19.5	12.4
Others	8.7	6.4

REAL ESTATE**PRIVATE RESIDENTIAL**

Units Transacted Growth
+60.5%



Price Index Growth
+10.6%

COMMERCIAL AND INDUSTRIAL (RENTAL INDEX GROWTH)

Commercial Office Space
+1.9%



Commercial Retail Space
-6.8%



Industrial Space Rental
+2.0%

OTHER SERVICES INDUSTRIES

SEGMENTS	Nominal Value Added Share (%)	Real Growth (%)
Public Administration & Defence	26.8	3.6
Education, Health & Social Work	55.0	5.9
Arts, Entertainment & Recreation	6.9	8.3
Others	11.3	4.5

PROFESSIONAL SERVICES

SEGMENTS	Nominal Value Added Share (%)	Real Growth (%)
Legal	8.3	2.1
Accounting	6.5	5.2
Head Offices & Business Representative Offices	33.2	-1.6
Business & Management Consultancy	9.8	3.4
Architectural & Engineering, Technical Testing & Analysis	24.9	10.6
Other Professional, Scientific & Technical Services	17.4	9.1

ADMINISTRATIVE & SUPPORT SERVICES

SEGMENTS	Nominal Value Added Share (%)	Real Growth (%)
Rental & Leasing	54.5	-7.0
Other Administrative & Support Services	45.5	0.4



MANUFACTURING

OVERVIEW

The manufacturing sector expanded by 15.5 per cent year-on-year in the fourth quarter of 2021, faster than the 7.9 per cent growth clocked in the preceding quarter. Growth in the sector was supported by output expansions across all clusters.

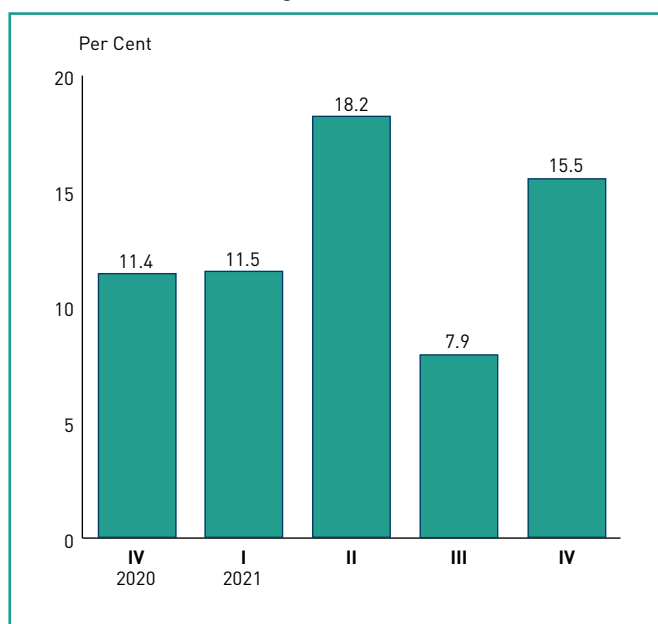
For the whole of 2021, the manufacturing sector grew by 13.2 per cent, extending the 7.5 per cent growth in 2020. All clusters recorded output growth.

OVERALL MANUFACTURING PERFORMANCE

Manufacturing output increased by 15.5 per cent year-on-year in the fourth quarter of 2021 on account of output expansions across all clusters (Exhibit 6.1).

For the whole of 2021, the manufacturing sector expanded by 13.2 per cent, extending the 7.5 per cent growth in 2020. The strong performance of the sector was driven by output growth across all clusters (Exhibit 6.2).

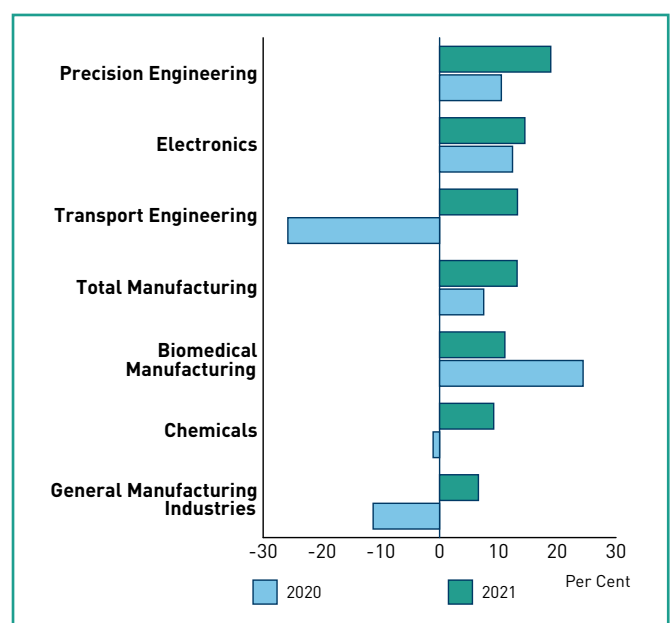
Exhibit 6.1: Manufacturing Growth Rates



PERFORMANCE OF CLUSTERS

The biomedical manufacturing cluster grew robustly by 52.1 per cent year-on-year in the fourth quarter of 2021. Growth was driven by the pharmaceuticals segment, which saw its output surge by 87.4 per cent on account of a different mix of active pharmaceutical ingredients (APIs) produced and a higher level of biological products produced. On the other hand, output in the medical technology segment declined by 6.5 per cent as export demand for medical devices fell from the high base in the fourth quarter of 2020. For 2021 as a whole, output in the biomedical manufacturing cluster increased by 11.1 per cent, supported by growth in both segments.

Exhibit 6.2: Manufacturing Clusters' Growth



Output in the transport engineering cluster rose by 36.0 per cent year-on-year in the fourth quarter on account of expansions in the marine & offshore engineering (M&OE) and aerospace segments. In particular, the M&OE segment expanded by 52.8 per cent from a low base in the fourth quarter of 2020, supported by a higher level of work done in shipbuilding & repairing activities. Likewise, output in the aerospace segment grew by 43.2 per cent as demand for maintenance, repair & overhaul activities rose due to the loosening of global travel restrictions in the fourth quarter of 2021 compared to that in the same quarter of 2020. By contrast, the land transport segment contracted by 13.8 per cent from the high base in the fourth quarter of 2020, due to a lower level of output of parts and accessories for motor vehicles. For the whole of 2021, the transport engineering cluster expanded by 13.2 per cent, bolstered by output expansions in all segments.

The precision engineering cluster grew by 12.9 per cent year-on-year in the fourth quarter. Growth in the cluster was bolstered by the machinery & systems segment, which saw its output rise by 23.3 per cent on account of a higher level of production of semiconductor equipment and process control equipment. On the other hand, output in the precision modules & components segment declined by 7.4 per cent, weighed down by a fall in the production of optical products. For the full year, the precision engineering cluster expanded by 18.9 per cent, driven by output expansions in both segments.

The chemicals cluster posted growth of 7.9 per cent year-on-year in the fourth quarter, supported by output growth in all segments except for the other chemicals segment. The petroleum and petrochemicals segment expanded by 16.0 per cent and 14.0 per cent respectively, with the former recording growth from a low base caused by plant maintenance shutdowns and soft exports demand amidst the COVID-19 outbreak a year ago. Likewise, output in the specialty chemicals segment rose by 2.0 per cent on the back of an increase in the output of industrial gases. Conversely, the other chemicals segment contracted by 1.0 per cent, weighed down by a lower level of output of fragrances. For 2021 as a whole, the chemicals cluster grew by 9.2 per cent, supported by output expansions in all segments.

The general manufacturing cluster expanded by 5.4 per cent year-on-year in the fourth quarter. Growth was supported by the miscellaneous industries segment, which grew by 18.0 per cent on account of an increase in the production of construction-related materials, jewellery and wearing apparel. By contrast, the printing and food, beverages & tobacco segments recorded output declines of 6.1 per cent and 0.6 per cent respectively, with the latter weighed down by a fall in the output of milk products due to weaker export demand. For the whole of 2021, the general manufacturing cluster grew by 6.6 per cent.

Growth in the electronics cluster came in at 4.0 per cent year-on-year in the fourth quarter, supported by output expansions across all segments. The infocomms & consumer electronics, other electronic modules & components, computer peripherals & data storage and semiconductors segments expanded by 27.4 per cent, 12.4 per cent, 11.2 per cent and 1.8 per cent respectively. In particular, the semiconductors segment continued to be supported by robust demand for semiconductors from the 5G markets. For 2021 as a whole, the electronics cluster grew by 14.5 per cent on account of the strong demand for semiconductors amidst the global shortage of semiconductors.

CONSTRUCTION

OVERVIEW

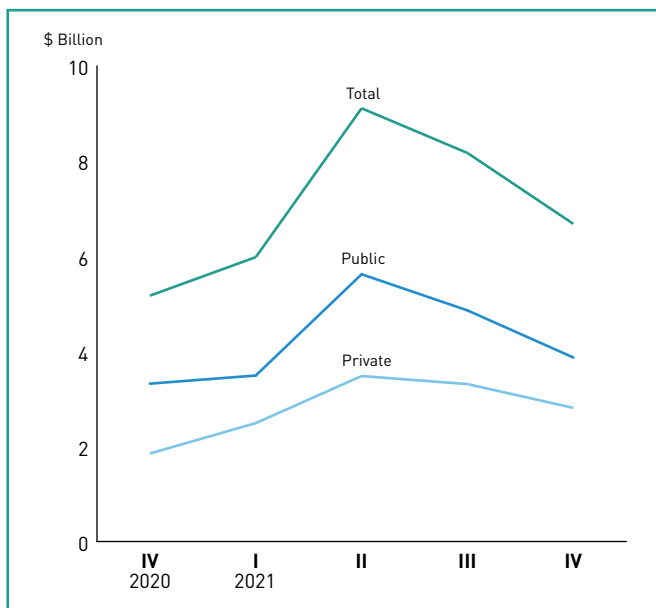
The construction sector grew by 2.9 per cent year-on-year in the fourth quarter of 2021, slower than the 69.9 per cent expansion recorded in the previous quarter.¹

For the whole of 2021, the sector grew by 20.1 per cent, a sharp reversal from the 38.4 per cent contraction in 2020.

CONSTRUCTION DEMAND

Construction demand (contracts awarded) increased by 29.1 per cent year-on-year to \$6.7 billion in the fourth quarter, supported by expansions in both public and private sector construction demand (Exhibit 6.3).

Exhibit 6.3: Contracts Awarded



For the full year, total construction demand rose by 42.2 per cent to \$29.9 billion (Exhibit 6.4), driven by public residential and infrastructural projects as well as private commercial, industrial and residential projects.

Exhibit 6.4: Contracts Awarded, 2021 (\$ Billion)

	Total	Public	Private
Total	29.9	17.8	12.1
Residential	9.2	5.3	3.9
Commercial	2.8	0.1	2.7
Industrial	5.0	0.9	4.1
Institutional & Others	3.4	2.3	1.0
Civil Engineering Works	9.6	9.2	0.5

Public Sector

In the fourth quarter, public sector construction demand grew by 16.6 per cent year-on-year to \$3.9 billion. This could be attributed to higher demand for public civil engineering (87.3 per cent) and commercial building (118 per cent) works. These increases were partially offset by declines in contracts awarded for public residential building (-23.6 per cent), institutional & others building (-40.5 per cent) and industrial building (-18.4 per cent) works.

¹ The strong growth of the construction sector in the third quarter of 2021 was mainly due to low base effects given the slow resumption of construction activities after the Circuit Breaker in 2020.

For the full year, public sector construction demand increased by 46.6 per cent to \$17.8 billion. The expansion was due to a rise in contracts awarded for public civil engineering (95.5 per cent) and residential building (103 per cent) works. Some of the major projects awarded during the year include (i) LTA's MRT contracts for the Cross Island Line and the Jurong Region Line, as well as its Integrated Transport Hub; (ii) NEA's Integrated Waste Management Facility (IWMMF) (Package 2); and (iii) PUB's contracts for the Deep Tunnel Sewerage System (DTSS) (Phase 2).

Private Sector

Private sector construction demand increased by 51.5 per cent year-on-year to \$2.8 billion in the fourth quarter, supported by higher demand for private industrial building (115 per cent) and residential building (27.6 per cent) works. These increases were moderated by declines in contracts awarded for private civil engineering (-79.2 per cent), commercial building (-22.1 per cent) and institutional & others building (-25.5 per cent) works.

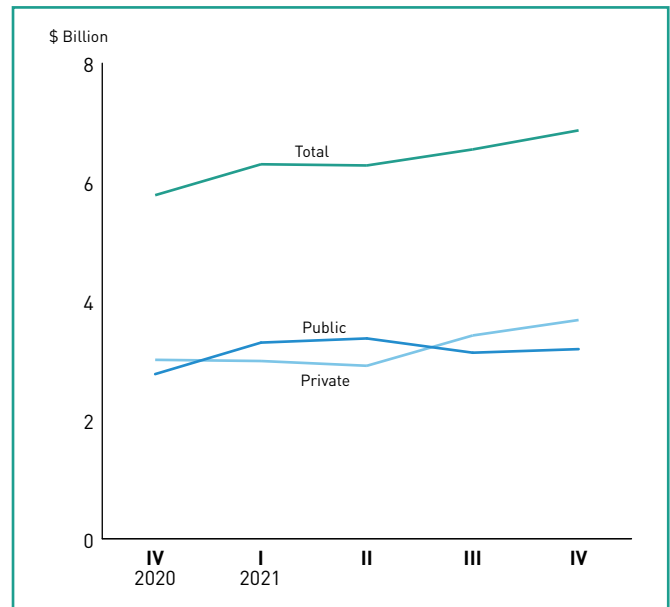
For the full year, private sector construction demand grew by 36.3 per cent to \$12.1 billion, on the back of higher demand for private commercial building (114 per cent), industrial building (50.9 per cent) and residential building (38.2 per cent) projects. Major projects awarded in 2021 include (i) commercial building developments at Hoe Chiang Road and Beach Road; (ii) industrial building developments for GlobalFoundries and Siltronic; and (iii) integrated developments such as Pasir Ris 8 and Canninghill Piers.

CONSTRUCTION ACTIVITIES

Construction output (or certified payments) rose by 18.9 per cent year-on-year to \$6.9 billion in the fourth quarter, backed by expansions in both public and private sector construction output (Exhibit 6.5).

For the full year, construction output increased by 31.7 per cent to \$26.0 billion, a significant turnaround from the 30.2 per cent contraction in 2020 when most construction activities were suspended during the Circuit Breaker period.

Exhibit 6.5: Certified Payments



Public Sector

Public sector construction output rose by 15.1 per cent year-on-year to \$3.2 billion in the fourth quarter. With the exception of public residential building works, construction output for all types of works expanded, driven by public civil engineering (20.0 per cent) and industrial building (47.8 per cent) works.

For the full year, public sector construction output increased by 28.5 per cent to \$13.0 billion, driven by expansions in public civil engineering (36.0 per cent) and residential building (34.1 per cent) works. Major projects supporting public sector construction output include (i) LTA's East Coast Integrated Depot, Thomson-East Coast MRT Line, Circle MRT Line 6 and Rapid Transit System (RTS) Link; (ii) MOH's Woodlands Health Campus; (iii) JTC's business park development at the Punggol Digital District; (iv) ICA's New Annex Building; and (iv) PUB's DTSS (Phase 2).

Private Sector

In the fourth quarter, private sector construction output grew by 22.4 per cent year-on-year to \$3.7 billion, as all types of construction works expanded, including private industrial building (18.7 per cent) and residential building (24.2 per cent) works.

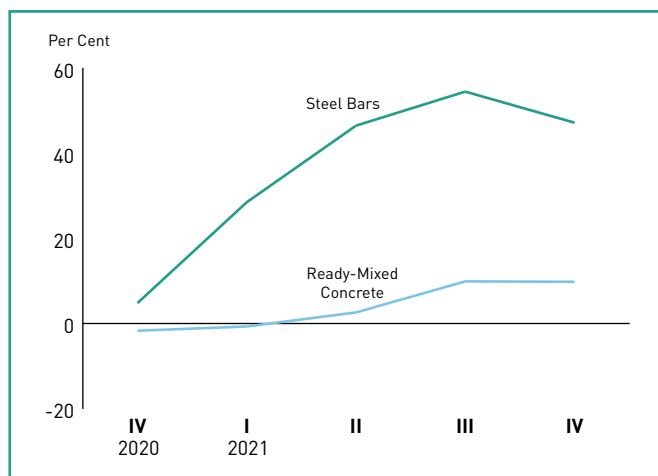
For the full year, private sector construction output increased by 35.1 per cent to \$13.0 billion. All types of construction output rose, led by private industrial building (29.5 per cent) and residential building (42.6 per cent) works. Major ongoing projects which contributed to private sector construction output include (i) redevelopments of past en-bloc sales sites, chemical and refining facilities at Jurong Island; (ii) semiconductor fabrication facilities; (iii) data centres; (iv) Changi Airport Terminal 2 expansion; and (v) island-wide cable installation projects.

CONSTRUCTION MATERIALS

In tandem with the pickup in construction output, total consumption of ready-mixed concrete rose by 58.9 per cent to 11.6 million m³ in 2021. Similarly, the total consumption of steel rebars² grew by 7.1 per cent to 0.9 million tonnes in 2021.

The average market price of Grade 40 pump ready-mixed concrete³ increased by 9.8 per cent year-on-year to about \$104 per m³ in the fourth quarter of 2021 (Exhibit 6.6). Likewise, the average market price of steel rebar⁴ rose by 47.2 per cent year-on-year to around \$1,110 per tonne in the fourth quarter, due to the higher costs of raw materials and tighter supply of steel in the global market.

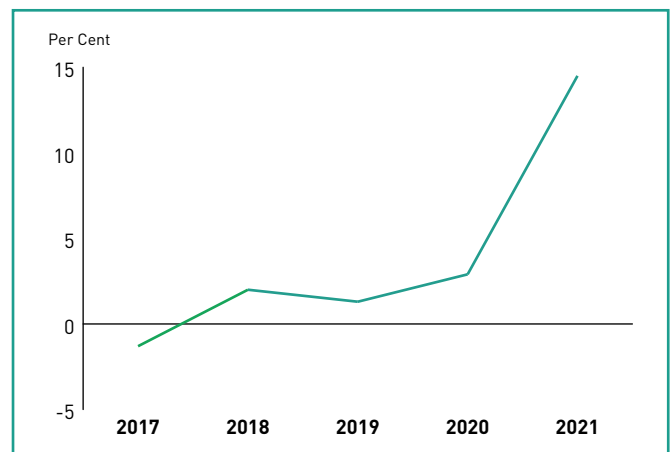
Exhibit 6.6: Changes in Market Prices of Construction Materials



CONSTRUCTION COSTS

Based on BCA's Building Works Tender Price Index (TPI), tender prices in the construction sector rose by 14.5 per cent in 2021, mainly due to significant increases in the cost of manpower and key construction materials (Exhibit 6.7). Tender prices are likely to stay elevated in the first half of 2022, on the back of manpower and material cost inflation amidst continued disruptions caused by the COVID-19 pandemic.

Exhibit 6.7: Changes in Tender Price Index



² Rebar consumption is estimated from net imports plus local production (without factoring in stock levels).

³ The market prices are based on contracts with non-fixed price, fixed price and market retail price.

⁴ The market prices refer to 16mm to 32mm High Tensile rebar and are based on fixed price supply contracts with a contract period of 12 months or below.

CONSTRUCTION OUTLOOK IN 2022

According to BCA, total construction demand is projected to be between \$23 billion and \$28 billion in 2021 (Exhibit 6.8). Demand from the public sector is expected to improve to between \$15 billion and \$18 billion, with an anticipated expansion in demand for public housing and major infrastructure works. Meanwhile, total private sector construction demand is projected to be between \$8 billion and \$10 billion in 2021. Demand is expected to be supported by the redevelopment of the remaining en-bloc sales sites, major retrofitting of commercial developments and construction of high-specification industrial buildings.

Total construction output in 2021 is projected to increase to between \$24 billion and \$27 billion, supported by an anticipated improvement in construction demand in 2021 as well as the backlogs of remaining workloads adversely affected by the COVID-19 pandemic in 2020.

Exhibit 6.8: Projected Construction Demand in 2022

	\$ Billion
Public Sector	16.0 – 19.0
Building Construction Sub-total	8.0 – 9.3
Residential	4.8 – 5.1
Commercial	0.1 – 0.1
Industrial	0.6 – 1.0
Institutional & Others	2.5 – 3.1
Civil Engineering Works Sub-total	8.0 – 9.7
Private Sector	11.0 – 13.0
Building Construction Sub-total	10.4 – 12.2
Residential	3.5 – 4.0
Commercial	2.6 – 3.1
Industrial	3.5 – 4.1
Institutional & Others	0.8 – 1.0
Civil Engineering Works Sub-total	0.6 – 0.8
TOTAL CONSTRUCTION DEMAND	27.0 – 32.0

WHOLESALE TRADE

OVERVIEW

The wholesale trade sector expanded by 3.3 per cent year-on-year in the fourth quarter of 2021, moderating from the 5.5 per cent growth recorded in the previous quarter. Growth came largely on the back of an increase in the foreign wholesale sales of telecommunications & computers and electronic components.

For the whole of 2021, the sector grew by 3.9 per cent, a reversal from the 1.7 per cent contraction in 2020.

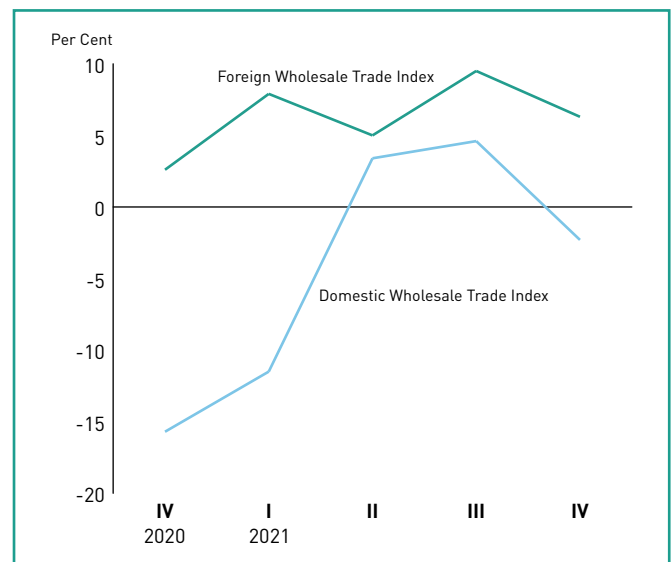
WHOLESALE SALES

In the fourth quarter, the wholesale trade sector was supported by an increase in foreign wholesale sales volume, which outweighed a decline in domestic wholesale sales volume.

Specifically, foreign wholesale sales volume rose by 6.3 per cent year-on-year in the fourth quarter, moderating from the 9.5 per cent increase in the preceding quarter (Exhibit 6.9). Growth was largely due to an increase in the sales volumes of petroleum & petroleum-related products (8.0 per cent), other wholesale trade⁵ (7.6 per cent) and telecommunications & computers (8.4 per cent), which outweighed a decline in the sales volume of metals, timber & construction materials (-0.9 per cent). For the whole of 2021, the foreign wholesale trade index expanded by 7.2 per cent, extending the 2.0 per cent increase in the previous year.

Meanwhile, domestic wholesale sales volume fell by 2.3 per cent year-on-year in the fourth quarter, a reversal from the 4.6 per cent growth in the preceding quarter. The decline was led by weaker sales volumes in segments such as petroleum & petroleum-related products (-12.9 per cent), electronic components (-7.0 per cent) and general wholesale trade (-8.4 per cent), which outweighed an increase in the sales volumes of telecommunications & computers (12.1 per cent) and other wholesale trade (7.7 per cent). For the whole of 2021, the domestic wholesale trade index fell by 1.9 per cent, easing from the decline of 12.1 per cent recorded in 2020.

Exhibit 6.9: Changes in Wholesale Trade Index in Chained Volume Terms



⁵ The "other wholesale trade" segment consists of a diverse range of products that include agricultural raw materials and live animals, tropical produce, personal effects and medicinal and pharmaceutical products, among others.

RETAIL TRADE

OVERVIEW

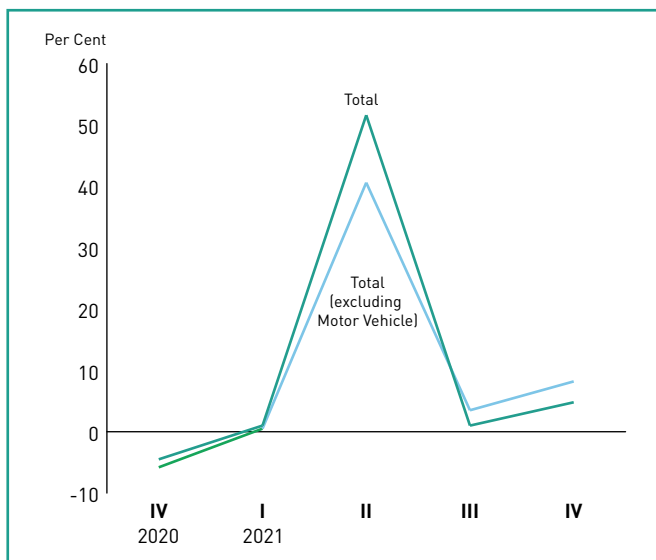
The retail trade sector grew by 4.3 per cent year-on-year in the fourth quarter of 2021, improving from the 0.9 per cent growth in the previous quarter.

For the whole of 2021, the sector expanded by 10.2 per cent, a turnaround from the 18.5 per cent contraction in 2020.

RETAIL SALES

Overall retail sales volume increased by 4.8 per cent year-on-year in the fourth quarter, faster than the 1.0 per cent growth in the third quarter (Exhibit 6.10). Retail sales were supported by an increase in non-motor vehicle sales volume (8.2 per cent), which saw broad-based growth across segments. In particular, the sales volumes of watches & jewellery (27.0 per cent), computer & telecommunications equipment (20.9 per cent), wearing apparel & footwear (18.4 per cent) and cosmetics, toiletries & medical goods (14.0 per cent) registered the strongest growth. On the other hand, the sales volumes of optical goods & books (-10.7 per cent), mini-marts & convenience stores (-6.0 per cent) and petrol service stations (-5.9 per cent) registered the largest declines. Meanwhile, motor vehicle sales volume decreased by 16.2 per cent due to a decline in COE quotas.

Exhibit 6.10: Changes in Retail Sales Index in Chained Volume Terms

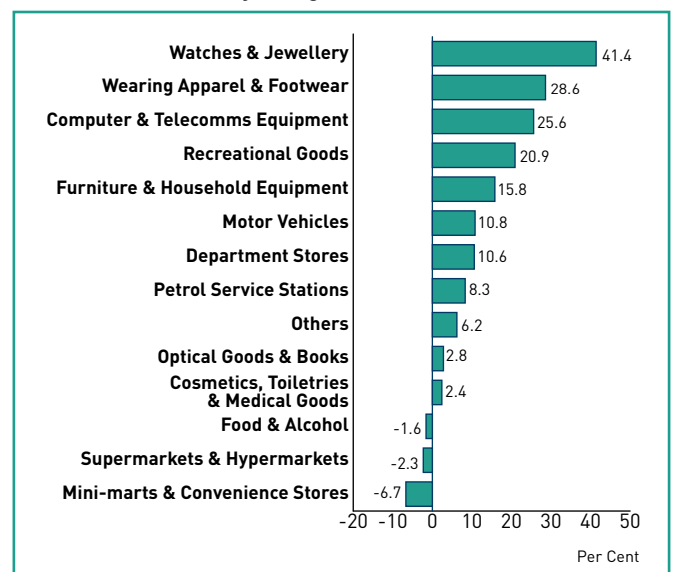


For the full year, overall retail sales volume rose by 10.7 per cent, sharply reversing the 15.8 per cent decline in 2020. Compared to 2019 (pre-pandemic), overall retail sales volume in 2021 remained 6.8 per cent lower.

During the year, both motor vehicle (10.8 per cent) and non-motor vehicle (10.8 per cent) sales volumes rose from their low bases in 2020.

The growth in non-motor vehicle sales volume was led by the sales of watches & jewellery (41.4 per cent), wearing apparel & footwear (28.6 per cent) and computer & telecommunications equipment (25.6 per cent). Meanwhile, the sales volumes of mini-marts & convenience stores (-6.7 per cent) and supermarkets & hypermarkets (-2.3 per cent) saw declines due to their higher bases in 2020 (Exhibit 6.11).

Exhibit 6.11: Changes in Retail Sales Index in Chained Volume Terms for Major Segments in 2021



TRANSPORTATION & STORAGE

OVERVIEW

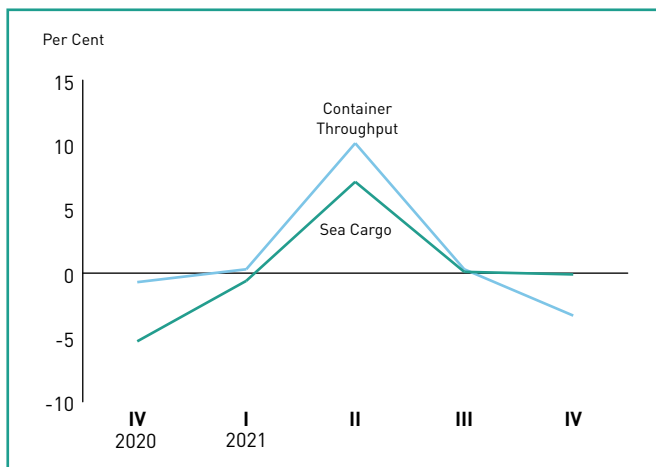
The transportation & storage sector expanded by 7.5 per cent year-on-year in the fourth quarter of 2021, extending the 9.2 per cent growth achieved in the previous quarter.

For the whole of 2021, the sector expanded by 5.0 per cent, a reversal from the 20.1 per cent contraction recorded in 2020. The expansion of the sector was supported largely by the air transport, land transport and water transport segments.

WATER TRANSPORT

Container throughput fell by 3.3 per cent year-on-year in the fourth quarter, reversing the 0.3 per cent expansion in the previous quarter (Exhibit 6.12). For the full year, the number of TEUs (Twenty-Foot Equivalent Units) handled by Singapore's ports came in at 37.5 million, 1.6 per cent higher compared to 2020. This was a reversal from the 0.9 per cent contraction recorded in 2020.

Exhibit 6.12: Changes in Container Throughput and Sea Cargo Handled



Overall sea cargo volume declined by 0.1 per cent in the fourth quarter, reversing from the 0.1 per cent growth in the preceding quarter. The fall in sea cargo volume was largely due to general cargo shipments, which declined by 1.6 per cent in the fourth quarter, a reversal from the 1.1 per cent growth registered in the third quarter.

For the whole of 2021, overall sea cargo volume rose by 1.5 per cent, rebounding from the 5.7 per cent decline in the previous year.

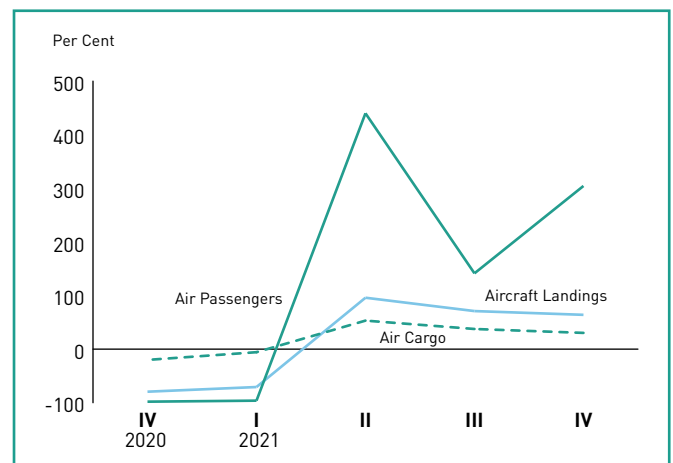
AIR TRANSPORT

Total air passenger traffic (less transit) handled by Changi Airport surged by 304 per cent year-on-year in the fourth quarter, extending the 141 per cent growth in the previous quarter (Exhibit 6.13). Nonetheless, in absolute terms, the air passenger traffic volume was only at 8.3 per cent of the volume seen in the fourth quarter of 2019 (pre-pandemic).

For the full year, total air passenger traffic passing through Changi Airport declined by 74.0 per cent to come in at 3.0 million, moderating from the 82.8 per cent plunge seen in 2020. Air passenger traffic volumes across Singapore's routes with all major regions around the world saw declines.

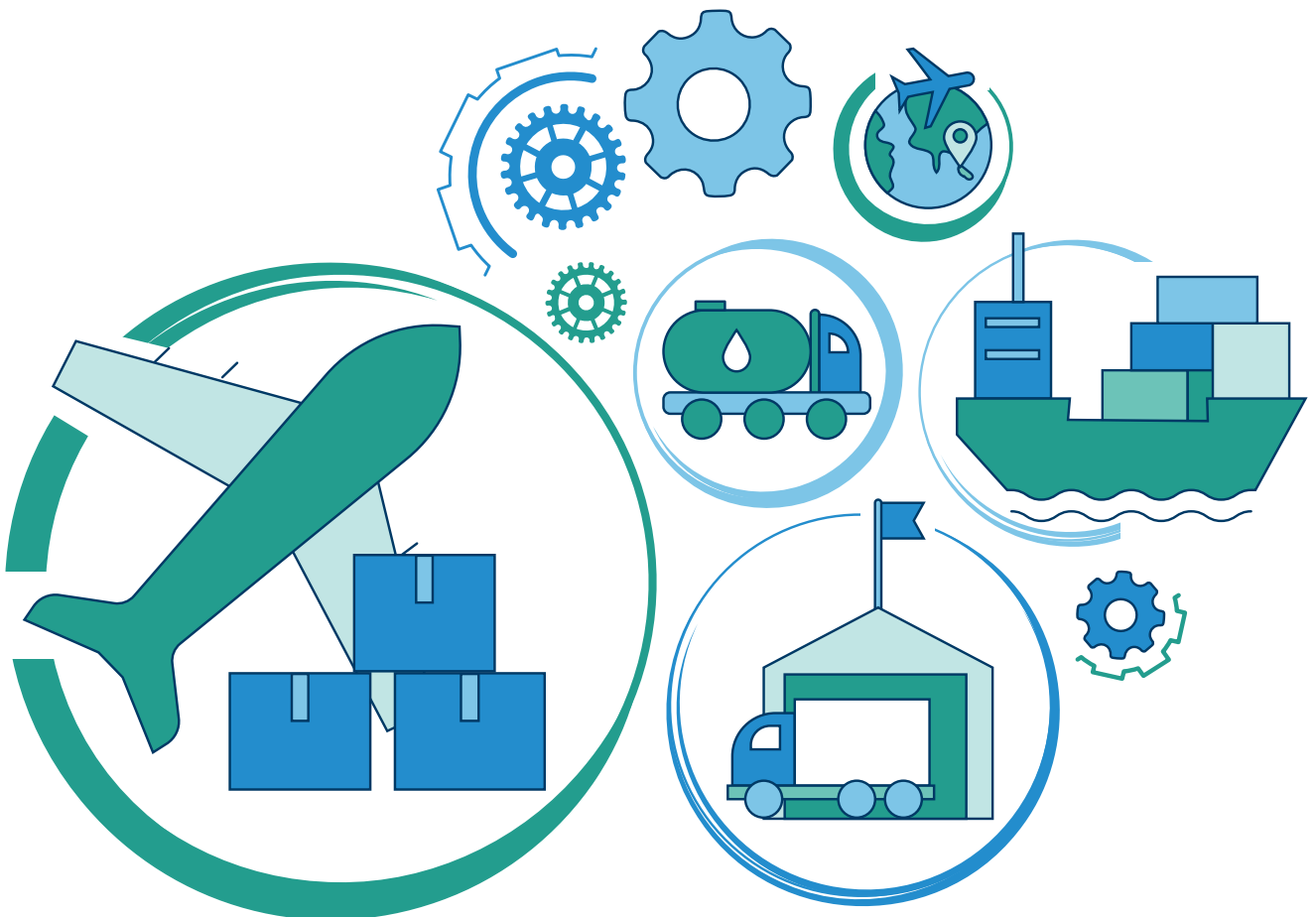
At the same time, air cargo volume grew by 30.3 per cent year-on-year in the fourth quarter, extending the 37.6 per cent expansion in the previous quarter. In absolute terms, total air cargo volume was 4.1 per cent higher than that

Exhibit 6.13: Changes in Air Transport



in the fourth quarter of 2019. For 2021 as a whole, air cargo shipments rose by 26.1 per cent, rebounding from the 23.3 per cent contraction in 2020.

Meanwhile, aircraft landings climbed by 64.0 per cent on-year to reach 16,372 in the fourth quarter, following the 71.0 per cent increase in the third quarter. This brought the total number of aircraft landings in 2021 to 54,387, which was 13.3 per cent lower compared to 2020.



ACCOMMODATION

OVERVIEW

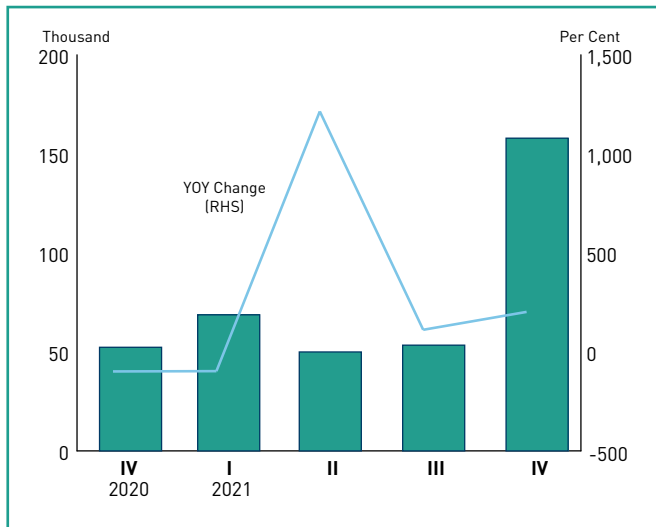
The accommodation sector contracted by 5.1 per cent year-on-year in the fourth quarter of 2021, extending the 5.7 per cent contraction in the previous quarter.

For the whole of 2021, the sector expanded by 1.7 per cent, a reversal from the 13.9 per cent contraction in 2020.

VISITOR ARRIVALS

Singapore received around 158,000 visitors in the fourth quarter, 202 per cent higher compared to the same period a year ago (Exhibit 6.14). The increase in visitor arrivals was due to a combination of an expansion of Vaccinated Travel Lane (VTL) arrangements in November and December, as well as the low base in the fourth quarter of 2020. Relative to the same period in 2019, visitor arrivals remained 96.7 per cent lower.

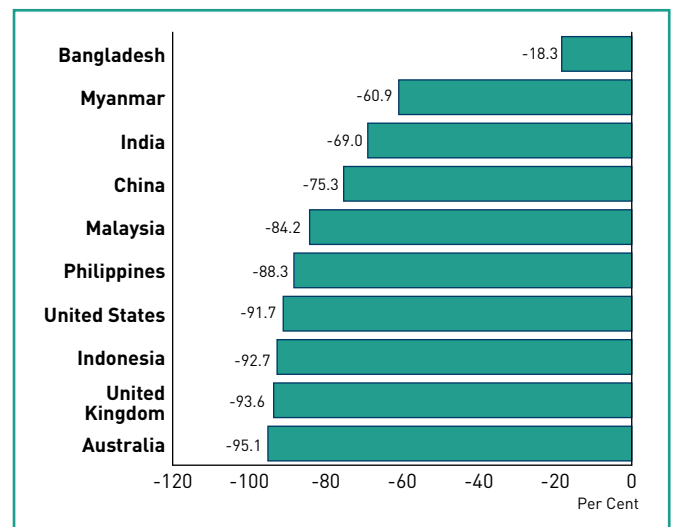
Exhibit 6.14: Visitor Arrivals



For the full year, visitor arrivals fell by 88.0 per cent, extending the 85.7 per cent decline recorded in 2020. The drop compared to a year ago was largely due to the 2.7 million visitor arrivals registered in the first quarter of 2020, before major border restrictions were implemented.⁶ In total, visitor arrivals reached 330,000 in 2021, with 40.6 per cent of them coming to Singapore in the last two months of the year.

In terms of source markets, Singapore's top five visitor-generating markets in 2021 were China (88,000 visitors), India (54,000 visitors), Indonesia (33,000 visitors), Malaysia (24,000 visitors) and Bangladesh (18,000 visitors). Together, they accounted for 66.1 per cent of total visitor arrivals in 2021.

Exhibit 6.15: Growth Rates of Top Ten Visitor Generating Markets in 2021



⁶ Singapore prohibited all short-term visitors from entering or transiting through Singapore on 24 March 2020.

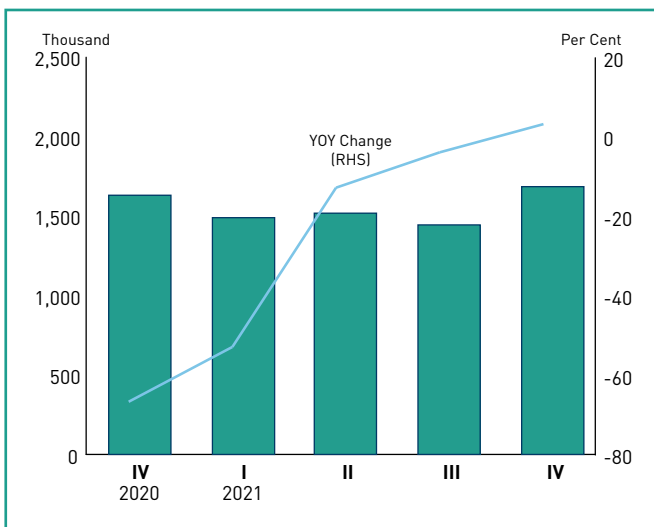
Among the top 10 visitor-generating markets, Bangladesh (-18.3 per cent), Myanmar (-60.9 per cent) and India (-69.0 per cent) posted the smallest contractions in visitor arrivals in 2021 (Exhibit 6.15).

ACCOMMODATION

In tandem with the growth in visitor arrivals, gross lettings of gazetted hotel rooms increased by 3.3 per cent year-on-year in the fourth quarter, a reversal from the 3.8 per cent decline in the previous quarter (Exhibit 6.16). Similarly, room revenue grew by 20.8 per cent year-on-year, extending the 31.5 per cent increase in the preceding quarter. Higher room revenue was accompanied by a rise in both the average occupancy rate of gazetted hotels and the average daily room rate. Specifically, the average occupancy rate rose by 12.6 percentage-points to 70.9 per cent, while the average daily room rate increased by 15.6 per cent to \$187 in the fourth quarter.

For 2021 as a whole, the performance of the accommodation sector was weak, weighed down by global and domestic travel restrictions that led to a sharp drop in visitor arrivals. The overall room revenue of gazetted hotels fell by 21.0 per cent to reach \$979 million in 2021, driven by a 23.5 per cent decline in gross lettings, which was only partially offset by a 2.9 per cent increase in the average daily room rate.

Exhibit 6.16: Gross Lettings



FOOD & BEVERAGE SERVICES

OVERVIEW

The food & beverage services sector shrank by 1.5 per cent year-on-year in the fourth quarter of 2021, extending the 4.1 per cent contraction in the previous quarter.

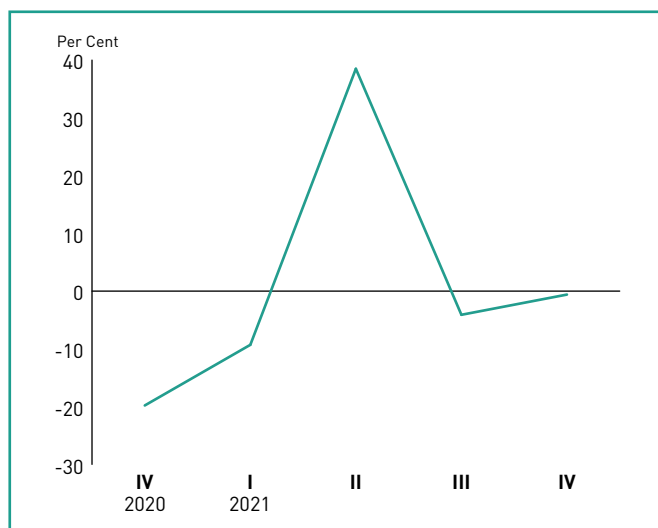
For the whole of 2021, the sector grew by 3.0 per cent, a turnaround from the 28.6 per cent contraction in 2020.

FOOD & BEVERAGE SALES

Overall food & beverage sales volume fell by 0.6 per cent year-on-year in the fourth quarter, easing from the 4.1 per cent decline in the preceding quarter (Exhibit 6.17). The decline in sales volume came on the back of tighter restrictions under the Stabilisation Phase, compared to restrictions under Phase 2 of the re-opening of the economy in the fourth quarter of 2020⁷, to contain the spread of COVID-19. This resulted in a decline in the sales volume of restaurants (-6.4 per cent). On the other hand, segments such as fast food outlets (1.1 per cent) and cafes, food courts & other eating places (2.8 per cent) saw modest increases in sales volumes. The food caterers segment (41.5 per cent) saw strong growth due to low base effects and a nascent recovery in weddings and MICE events. Relative to the same period in 2019, the sale volume in the food caterers segment remained 64.9 per cent lower.

For the whole of 2021, the food & beverage services index grew by 2.5 per cent. This was a reversal of the 26.1 per cent decline recorded in 2020. However, the food & beverage sales volume continued to be weighed down by weak demand caused by the COVID-19 pandemic and attendant public health measures implemented to contain the pandemic (e.g., border restrictions, Phase 2 (Heightened Alert), safe distancing measures and capacity constraints). As such, compared to 2019, overall food & beverage sales volumes remained 24.3 per cent lower in 2021. At the segment level, the sales volumes of restaurants (-0.2 per cent) and food caterers (-33.3 per cent) declined, while that of fast food outlets (8.4 per cent) and cafes, food courts & other eating places (9.0 per cent) rose in 2021.

Exhibit 6.17: Changes in Food and Beverage Services Index in Chained Volume Terms



⁷ For instance, from 1 October to 9 November 2021, dine-in group sizes were restricted to no more than two vaccinated persons. By contrast, during Phase 2 of the re-opening of the economy in 2020, dine-in group sizes were restricted to no more than five people, regardless of vaccination status.

INFORMATION & COMMUNICATIONS

OVERVIEW

The information & communications sector expanded by 11.2 per cent year-on-year in the fourth quarter of 2021, extending the 13.9 per cent growth in the previous quarter. The positive outturn was largely due to the IT & information services and “others” segments⁸, while the telecommunications segment saw more modest growth.

For the whole of 2021, the sector grew by 12.2 per cent, accelerating from the 8.4 per cent expansion in 2020.

IT & INFORMATION SERVICES

In 2021, the growth of the information & communications sector was led by the IT & information services segment. Specifically, the segment expanded by 11.7 per cent, driven by strong enterprise demand for services such as web hosting and web portal.

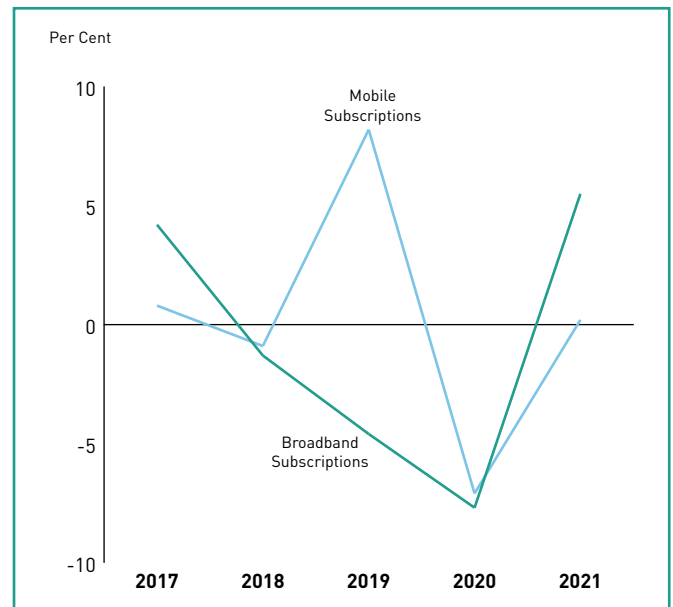
TELECOMMUNICATIONS

The telecommunications segment shrank by 1.0 per cent in 2021, weighed down mainly by weaker demand for mobile and fixed line services. For instance, the total number of outgoing retail international telephone call minutes (including transit minutes) over the January to June 2021 period fell by 7.8 per cent compared to the same period a year ago.

As at September 2021⁹, the number of mobile subscriptions grew slightly by 0.2 per cent compared to the same period in 2020 (Exhibit 6.18). However, there was a fall in the number of prepaid subscriptions, with the total number of prepaid 3G and 4G subscriptions falling by 8.9 per cent to reach around 2.0 million in September 2021. This was offset by an increase in postpaid subscriptions, with the number of postpaid 4G subscriptions rising by 5.2 per cent to around 6.5 million.

In 2021, the number of broadband subscriptions rose by 5.5 per cent. The increase was broad-based, led by a 6.3 per cent increase in wireless broadband subscriptions, including more mobile data and Wireless@SG subscriptions¹⁰. The exception was the number of resident wired broadband connections, which declined slightly by 0.3 per cent.

Exhibit 6.18: Information & Communications Growth



⁸ The “others” segment consists of (i) publishing activities (including computer games and software publishing), (ii) motion picture, video and other programme production, sound recording, and music publishing activities, and (iii) radio and television broadcasting activities.

⁹ Full-year data are not available at the time of publication. October and November data are available but subject to further revisions.

¹⁰ The number of Wireless@SG subscriptions in a month includes only active users for the month.

FINANCE & INSURANCE

OVERVIEW

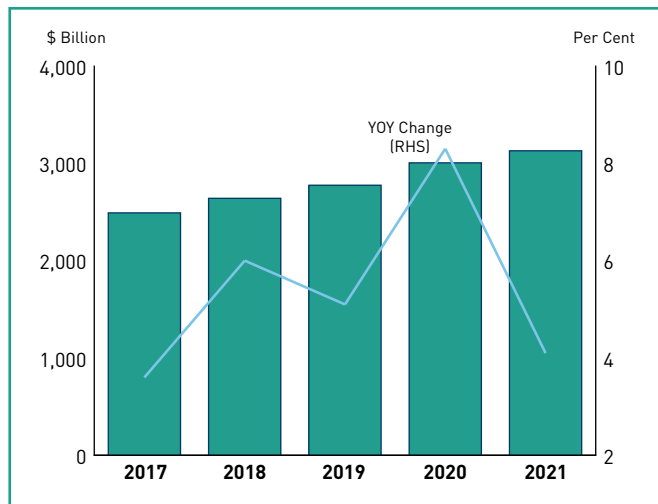
The finance & insurance sector grew by 5.6 per cent year-on-year in the fourth quarter of 2021, moderating from the 8.5 per cent expansion in the previous quarter.

For the whole of 2021, the sector expanded by 7.4 per cent, faster than the 6.9 per cent growth achieved in the preceding year.

COMMERCIAL BANKS

In 2021, total assets/liabilities of commercial banks increased by 4.1 per cent to \$3.1 trillion (Exhibit 6.19).

Exhibit 6.19: Total Assets and Liabilities of Commercial Banks



The expansion in the total assets/liabilities of commercial banks was driven by robust lending to both residents and non-residents in the non-bank segments. The former was largely supported by housing & bridging and building & construction loans (Exhibit 6.20), while the latter was buttressed by loans for financial & insurance and manufacturing activities (Exhibit 6.21).

Exhibit 6.20: Loans and Advances to Residents by Industry in 2021

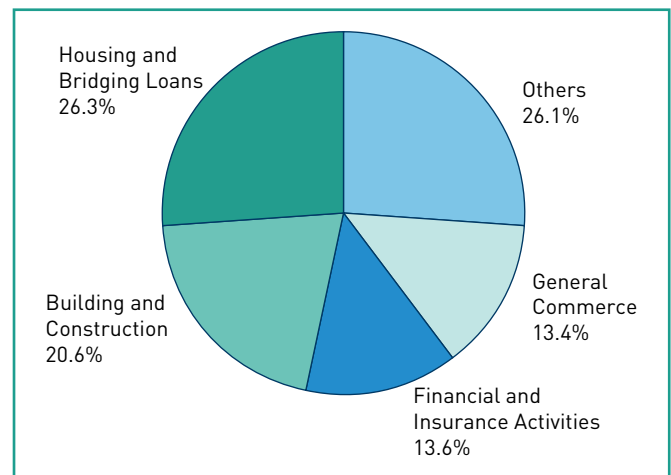
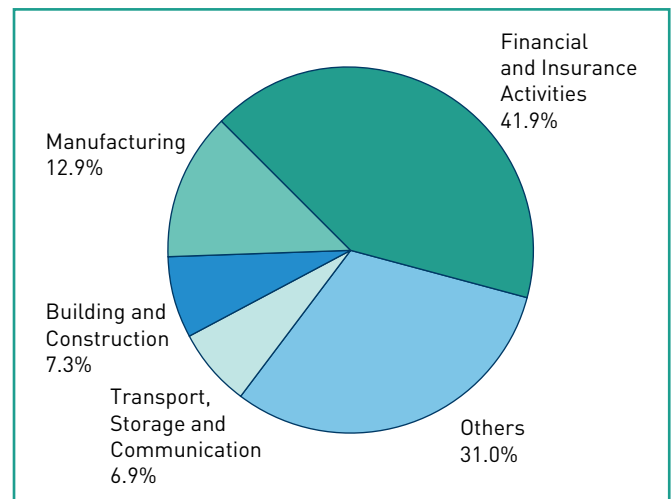


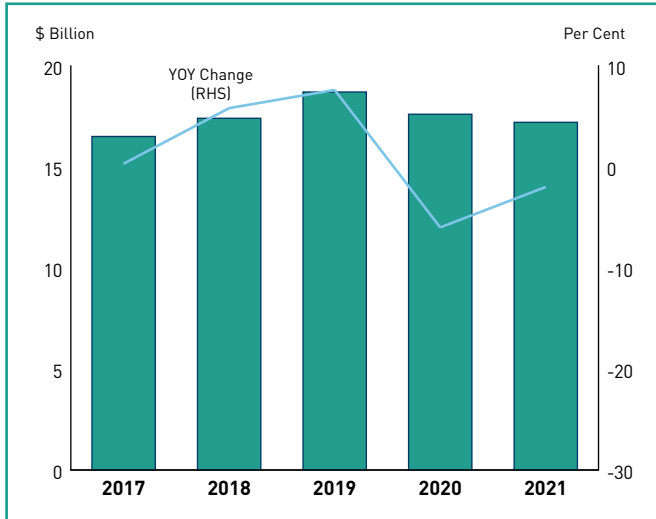
Exhibit 6.21: Loans and Advances to Non-Residents by Industry in 2021



FINANCE COMPANIES

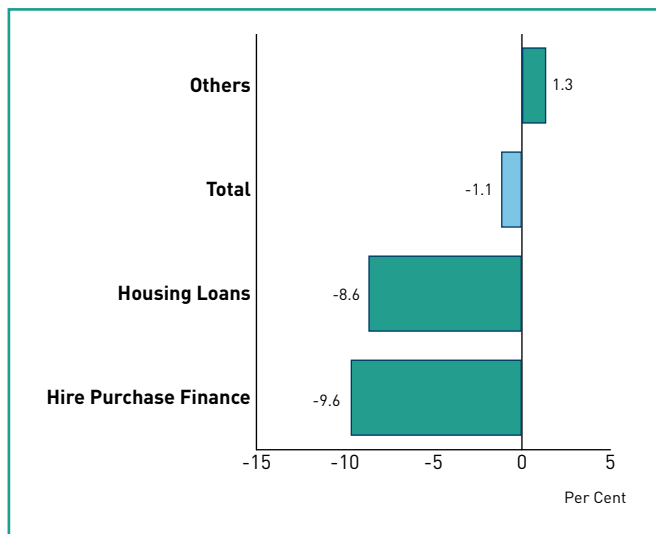
The total assets/liabilities of finance companies contracted by 2.0 per cent in 2021 to \$17.2 billion, a smaller decline compared to the 6.0 per cent contraction in 2020 (Exhibit 6.22).

Exhibit 6.22: Total Assets and Liabilities of Finance Companies



Non-bank lending fell by 1.1 per cent in 2021, following the 4.3 per cent contraction recorded in 2020, as the hire purchase and housing segments remained sluggish (Exhibit 6.23). Meanwhile, deposits of non-bank customers fell by 2.7 per cent in 2021, extending the 8.1 per cent decline in the preceding year.

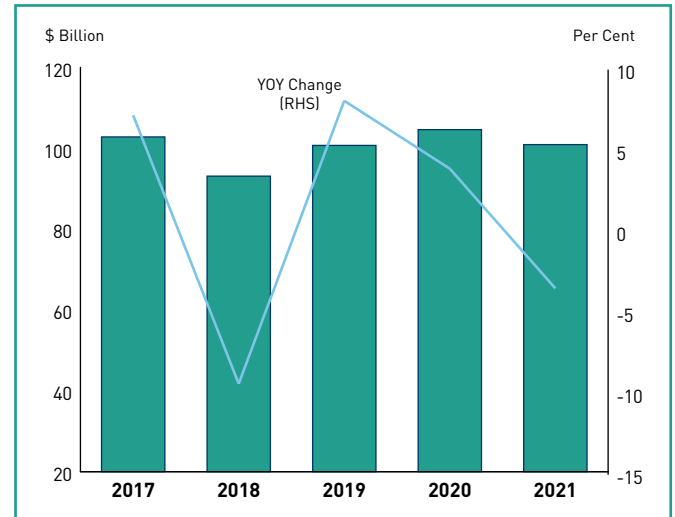
Exhibit 6.23: Growth of Loans and Advances of Finance Companies in 2021



MERCHANT BANKS

The total assets/liabilities of merchant banks fell by 3.5 per cent to \$101 billion in 2021, a reversal from the 3.9 per cent growth in the previous year (Exhibit 6.24). The contraction stemmed from a decline in interbank lending, which was partially offset by steady growth in loans and advances to non-bank customers.

Exhibit 6.24: Total Assets and Liabilities of Merchant Banks

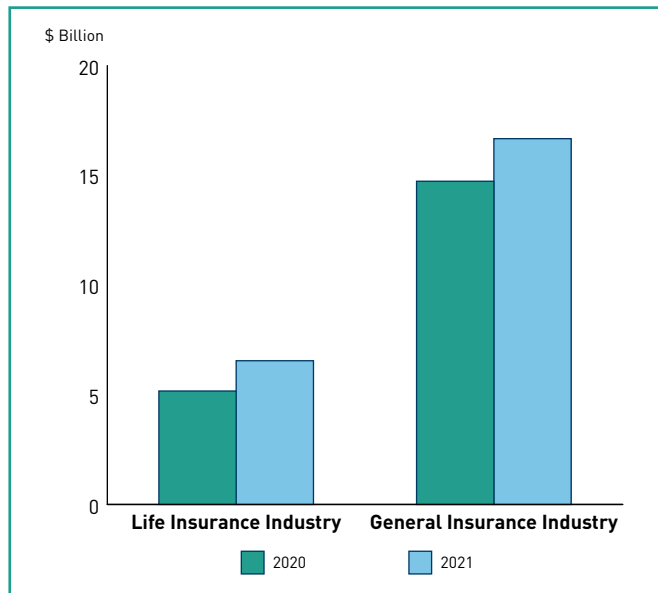


INSURANCE INDUSTRY

Total weighted new business premiums in the direct life insurance industry increased by 26.7 per cent to \$6.5 billion in 2021 (Exhibit 6.25)¹¹. Single premium business expanded by 39.8 per cent to \$26.0 billion and regular premium business increased by 19.3 per cent to \$3.9 billion. However, the net income of the direct life insurance industry decreased by 23.5 per cent to \$1.6 billion in 2021, dragged down by lower investment income.

In the general insurance industry, gross premiums increased by 13.2 per cent to \$16.7 billion in 2021, with offshore and domestic businesses accounting for \$12.0 billion and \$4.7 billion respectively. The general insurance industry recorded an operating profit of \$1.2 billion in 2021, largely due to improved underwriting activity.

Exhibit 6.25: Premiums in the Insurance Industry



STOCK MARKET

The benchmark Straits Times Index (STI) rose by 9.8 per cent in 2021, a rebound from the 11.8 per cent decline in 2020 (Exhibit 6.26). The market rallied in the first half of the year, underpinned by positive sentiments for banks, semiconductors, energy and trade-oriented industries on the back of firm external demand, while domestic consumer-facing industries also saw some recovery as COVID-19 restrictions were progressively eased.

In the second half of the year, the growth momentum moderated as the emergence of the Delta and Omicron variants, and their attendant restrictions, dampened activity in the domestic consumer-facing sectors. Nonetheless, market sentiment was generally buoyant in 2021, aided by swift vaccine rollouts and accommodative policy settings by major central banks globally.

Exhibit 6.26: Straits Times Index



¹¹ The premiums for the direct life insurance industry refer to total weighted new business premiums, while that for the general insurance industry refer to gross premiums.

SECURITIES MARKET

In 2021, the total turnover value of the securities market decreased by 8.2 per cent to \$329 billion, while the total turnover volume increased by 8.2 per cent to 478 billion shares, compared with 2020. These translated to an 8.5 per cent decline in the average daily traded value to \$1.3 billion, while the average daily traded volume increased by 7.8 per cent to 1.9 billion shares.

At the end of 2021, the total number of listed companies in Singapore was 673, with a combined market capitalisation of \$897 billion, a 4.0 per cent increase from 2020. In 2021, there were 456 companies listed on SGX's Mainboard while the remaining 217 companies were listed on SGX's Catalist.

DERIVATIVES MARKET

In 2021, SGX's derivatives market activity decreased by 6.2 per cent to 232 million contracts. Compared to 2020, total futures trading volume fell by 5.2 per cent to 223 million, while options on futures trading volume decreased by 25.2 per cent to 9.3 million contracts. The most actively traded contracts were the FTSE China A50 Index Futures, the Nikkei 225 Stock Index and the CNX Nifty Futures, which formed 59.0 per cent of the total volume traded on SGX's derivatives trading platform.

FOREIGN EXCHANGE MARKET

In 2021, the Euro, Japanese Yen and British Pound weakened against the US Dollar, by 6.9 per cent, 11.4 per cent and 1.0 per cent, respectively. The US Dollar initially strengthened year-on-year in the first quarter of 2021 as investors expected a robust rebound in growth compared to a year ago given the progress in vaccine deployment, as well as the prospects of further fiscal stimulus in the US. However, the Federal Reserve (the "Fed") Chairman Powell's dovish speeches and reiteration of "transitory inflation" tempered expectations of policy rate increases and blunted the rise in the US Dollar in the second quarter of 2021. Nevertheless, with inflation rates surprising on the upside, alongside a hawkish pivot in the Fed's rhetoric at its June 2021 meeting where the Federal Open Market Committee (FOMC) participants pencilled in more policy rate hikes than expected, the US Dollar resumed its upward trek in the second half of 2021. Relative to the Euro and the Japanese Yen, the Pound was also supported towards the end of 2021 by an increase in the Bank of England's policy rate as inflation rose to its highest level in 30 years.

REAL ESTATE & PROFESSIONAL SERVICES

OVERVIEW

The real estate sector expanded by 1.6 per cent year-on-year in the fourth quarter of 2021, slowing from the 19.9 per cent growth in the previous quarter. For the whole of 2021, the sector grew by 10.7 per cent, a turnaround from the 13.7 per cent contraction recorded in 2020.

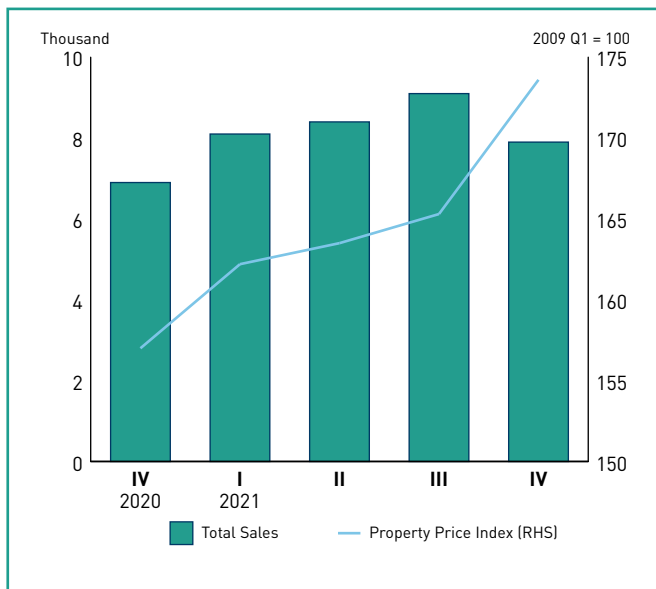
The professional services sector expanded by 4.9 per cent year-on-year in the fourth quarter of 2021, extending the 5.9 per cent growth in the previous quarter. For 2021 as a whole, the sector grew by 4.4 per cent, a reversal from the 8.0 per cent contraction in 2020.

REAL ESTATE

The private residential property market remained resilient in the fourth quarter. On a quarter-on-quarter basis, private residential property prices rose by 5.0 per cent, faster than the 1.1 per cent increase in the preceding quarter. For the whole of 2021, prices climbed by 10.6 per cent, compared to the increase of 2.2 per cent seen in 2020.

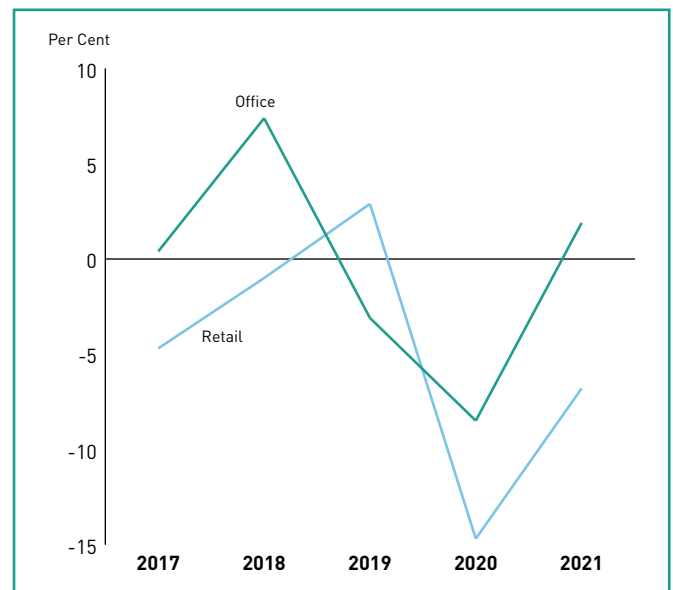
Alongside the rise in prices, private residential property sales volume increased in the fourth quarter. Specifically, total private residential property sales grew by 14.4 per cent year-on-year during the quarter, following the 28.9 per cent increase in the previous quarter. For the full year, total sales rose by 60.5 per cent to 33,557 units, from the 20,909 units sold in 2020 (Exhibit 6.27).

Exhibit 6.27: Total Sales of Private Residential Units and Private Residential Property Price Index



In the commercial space segment, the performance of the retail space market worsened in 2021. Specifically, private retail space rental fell by 6.8 per cent in 2021, extending the 14.7 per cent decline in the previous year (Exhibit 6.28). The weak rental performance was due to lower rentals in the Central Area (-7.2 per cent) and Fringe Area (-4.8 per cent). Similarly, the prices of private retail space declined by 4.2 per cent in 2021, extending the 4.5 per cent fall recorded in 2020. While prices in the Central Area dropped by 7.3 per cent, prices in the Fringe Area rose by 5.4 per cent.

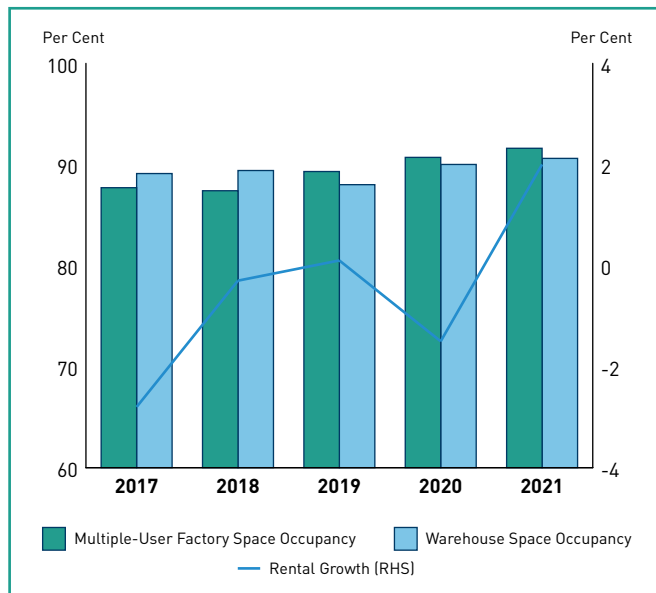
Exhibit 6.28: Changes in Rentals of Private Sector Office and Retail Spaces



The performance of the office space market was mixed in 2021. Office rental rose by 1.9 per cent, reversing the 8.5 per cent decline recorded in the previous year, on account of higher rentals in the Central Area (1.2 per cent) and Fringe Area (3.1 per cent). However, prices in the office space market fell by 5.8 per cent in 2021, albeit moderating from the 10.7 per cent decline posted in 2020.

In the industrial space market, overall rental rose by 2.0 per cent in 2021, a reversal from the 1.5 per cent decline seen in the previous year (Exhibit 6.29). Rentals of all types of industrial property space except for business parks (i.e., single-use factories, multiple-user factories and warehouses) increased in 2021. Meanwhile, overall industrial property prices grew by 4.4 per cent in 2021, turning around from the 2.7 per cent decline in 2020.

Exhibit 6.29: Occupancy Rate and Rental Growth of Industrial Space



PROFESSIONAL SERVICES

In 2021, the professional services sector expanded, with all segments registering growth except for the head offices & business representative offices segment. Growth in the sector was largely driven by the architectural & engineering, technical testing & analysis segment, as well as the other professional, scientific & technical services segment, which expanded by 10.6 per cent and 9.1 per cent respectively.