

Singapore's GDP Grew by 2.2 Per Cent in the Fourth Quarter of 2022 and by 3.8 Per Cent in 2022

3 January 2023. Based on advance estimates¹, the Singapore economy grew by 2.2 per cent on a year-on-year basis in the fourth quarter of 2022, moderating from the 4.2 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 0.2 per cent, extending the 1.1 per cent expansion in the third quarter. For the whole of 2022, the economy grew by 3.8 per cent, slower than the 7.6 per cent growth in 2021.

Gross Domestic Product in Chained (2015) Dollars

	4Q21	2021	1Q22	2Q22	3Q22	4Q22*	2022*
Percentage change over corresponding period of previous year							
Overall GDP	6.1	7.6	4.0	4.7	4.2	2.2	3.8
Goods Producing Industries	13.6	13.4	5.5	5.9	2.1	-1.3	3.0
Manufacturing	15.5	13.2	6.0	6.3	1.4	-3.0	2.6
Construction	2.9	20.1	3.2	4.8	7.8	10.4	6.5
Services Producing Industries	4.4	5.6	4.9	5.0	5.8	4.1	5.0
Wholesale & Retail Trade and Transportation & Storage	4.2	4.5	4.7	3.0	5.7	2.3	3.9
Information & Communications, Finance & Insurance and Professional Services	6.6	7.7	6.3	5.2	3.6	2.9	4.5
Accommodation & Food Services, Real Estate, Administrative & Support Services and Other Services	1.6	4.0	3.4	7.6	9.3	8.2	7.1

¹ The advance GDP estimates for the fourth quarter of 2022 are computed largely from data in the first two months of the quarter (i.e., October and November 2022). They are intended as an early indication of GDP growth in the quarter and are subject to revision when more comprehensive data become available.

	4Q21	2021	1Q22	2Q22	3Q22	4Q22*	2022*
Quarter-on-quarter growth rate, seasonally adjusted							
Overall GDP	2.3	7.6	1.0	-0.1	1.1	0.2	3.8
Goods Producing Industries	4.6	13.4	-1.1	0.4	-1.6	1.2	3.0
Manufacturing	6.3	13.2	-1.2	0.5	-3.9	1.8	2.6
Construction	-2.1	20.1	4.3	1.5	3.8	0.4	6.5
Services Producing Industries	1.4	5.6	2.4	-0.1	2.1	-0.4	5.0
Wholesale & Retail Trade and Transportation & Storage	1.3	4.5	2.7	-1.9	3.7	-2.2	3.9
Information & Communications, Finance & Insurance and Professional Services	2.5	7.7	-1.1	1.4	0.8	1.8	4.5
Accommodation & Food Services, Real Estate, Administrative & Support Services and Other Services	2.6	4.0	3.3	1.2	1.9	1.5	7.1

*Advance estimates

Sectoral Performance

The manufacturing sector contracted by 3.0 per cent year-on-year in the fourth quarter of 2022, a reversal from the 1.4 per cent growth in the previous quarter. This came on the back of output contractions in the electronics, chemicals and biomedical manufacturing clusters, which outweighed output expansions in the precision engineering, transport engineering and general manufacturing clusters. On a quarter-on-quarter seasonally-adjusted basis, the manufacturing sector expanded by 1.8 per cent in the fourth quarter, a turnaround from the 3.9 per cent contraction in the preceding quarter.

The construction sector grew by 10.4 per cent year-on-year in the fourth quarter, accelerating from the 7.8 per cent growth in the previous quarter, as both public and private sector construction output continued to recover. However, in absolute terms, the value-added of the construction sector remained 19.3 per cent below its pre-pandemic (i.e., fourth quarter of 2019) level. On a quarter-on-quarter seasonally-adjusted basis, the sector expanded by 0.4 per cent in the fourth quarter, extending the 3.8 per cent expansion in the third quarter.

Among the services sectors, the wholesale & retail trade and transportation & storage sectors collectively grew by 2.3 per cent year-on-year in the fourth quarter, slower than the 5.7 per cent growth in the previous quarter. All sectors within the group recorded expansions during the quarter. Within the wholesale & retail trade sector, both wholesale trade and retail trade activities expanded. Meanwhile, growth in the transportation & storage sector was largely supported by the air transport segment, which saw robust growth on the back of a strong recovery in air passengers handled. On a quarter-on-quarter seasonally-adjusted basis, the sectors in the group shrank by 2.2 per cent in the fourth quarter, a reversal from the 3.7 per cent expansion in the preceding quarter.

The group of sectors comprising the information & communications, finance & insurance and professional services sectors grew by 2.9 per cent year-on-year in the fourth quarter, extending the 3.6 per cent growth in the previous quarter. All sectors within the group expanded during the quarter. Growth in the information & communications sector was supported by continued strong demand for IT and digital solutions, while that in the professional services sector was mainly driven by the architectural & engineering, technical testing & analysis segment. As for the finance & insurance sector, growth was primarily supported by activities auxiliary to financial services, which include payment processing activities. On a quarter-on-quarter seasonally-adjusted basis, the sectors in the group collectively posted growth of 1.8 per cent in the fourth quarter, faster than the 0.8 per cent growth recorded in the third quarter.

The remaining group of services sectors (i.e., accommodation & food services, real estate, administrative & support services and other services sectors) grew by 8.2 per cent year-on-year in the fourth quarter, extending the 9.3 per cent growth in the previous quarter. All sectors within the group posted expansions during the quarter as activities continued to recover with the lifting of domestic and border restrictions since April 2022. For example, the accommodation sector expanded for the first time since the second quarter of 2021 on account of a strong recovery in international visitor arrivals. On a quarter-on-quarter seasonally-adjusted basis, the sectors in the group grew by 1.5 per cent in the fourth quarter, easing from the 1.9 per cent expansion in the previous quarter.

The preliminary GDP estimates for the fourth quarter and whole of 2022, including performance by sectors, sources of growth, inflation, employment and productivity, will be released in the *Economic Survey of Singapore* in February 2023.

MINISTRY OF TRADE AND INDUSTRY
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