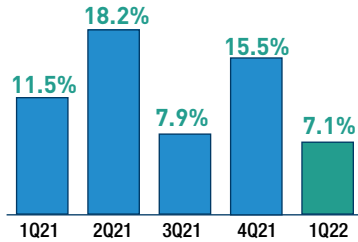
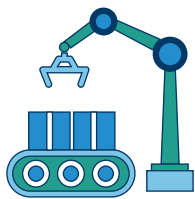


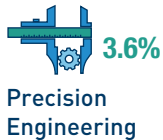
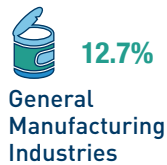
SECTORAL PERFORMANCE

MANUFACTURING

REAL GROWTH

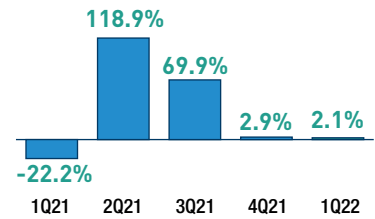


CLUSTERS IN MANUFACTURING SECTOR (Y-O-Y CHANGE)



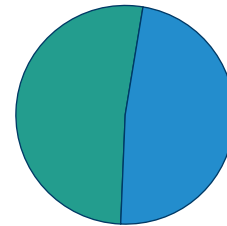
CONSTRUCTION

REAL GROWTH



CERTIFIED PAYMENTS IN 1Q22

51.8%
Public



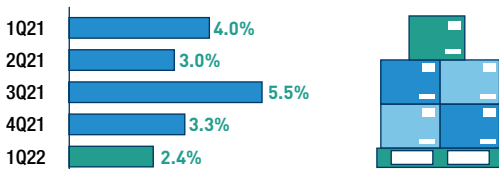
48.2%
Private

CONTRACTS AWARDED IN 1Q22 (Y-O-Y CHANGE)



WHOLESALE TRADE

REAL GROWTH



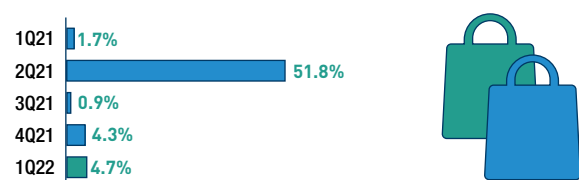
Foreign Wholesale Trade Index Growth **6.6%**



Domestic Wholesale Trade Index Growth **-14.9%**

RETAIL TRADE

REAL GROWTH



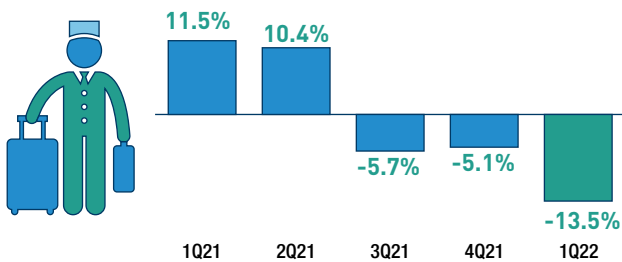
Retail Sales Index Growth (Non-Motor Vehicles) **8.6%**



Retail Sales Index Growth (Motor Vehicles) **-17.4%**

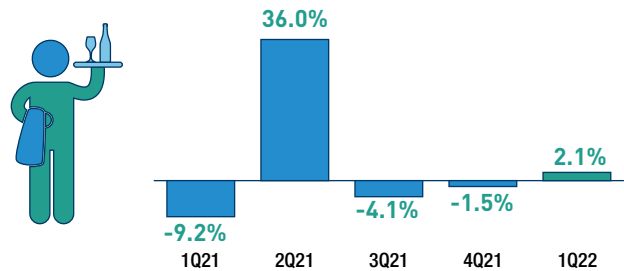
ACCOMMODATION

REAL GROWTH

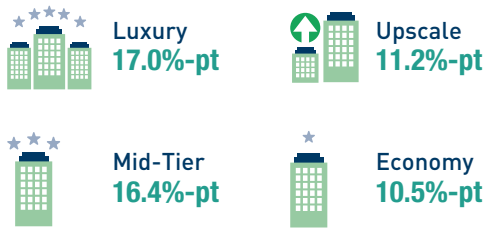


FOOD & BEVERAGE SERVICES

REAL GROWTH



OCCUPANCY RATES OF HOTELS (Y-O-Y CHANGE)



F&B SALES INDEX GROWTH (Y-O-Y CHANGE)



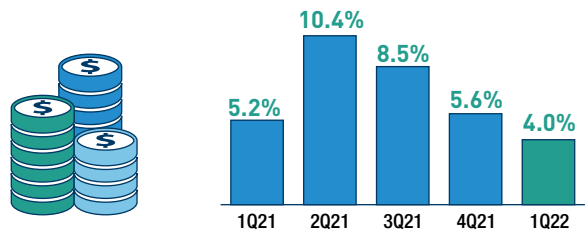
TRANSPORTATION & STORAGE

REAL GROWTH



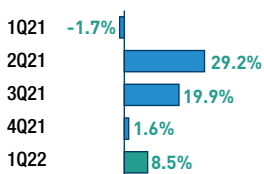
FINANCE & INSURANCE

REAL GROWTH

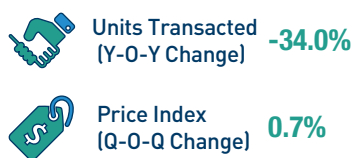


REAL ESTATE

REAL GROWTH



PRIVATE RESIDENTIAL REAL ESTATE



OVERVIEW

In the first quarter of 2022,

- ▶ The manufacturing sector expanded by 7.1 per cent year-on-year, extending the 15.5 per cent growth in the preceding quarter. Growth of the sector was supported by output expansions across all clusters, except for the biomedical manufacturing and chemicals clusters.
- ▶ The construction sector grew by 2.1 per cent year-on-year, easing from the 2.9 per cent expansion in the previous quarter.
- ▶ Growth in the wholesale trade sector came in at 2.4 per cent year-on-year, moderating from the 3.3 per cent recorded in the preceding quarter.
- ▶ The retail trade sector expanded by 4.7 per cent year-on-year, following the 4.3 per cent expansion in the previous quarter.
- ▶ The transportation & storage sector clocked growth of 5.9 per cent year-on-year, moderating from the 7.5 per cent growth in the preceding quarter. The expansion of the sector was driven mainly by the air transport segment, which grew from a low base in the same quarter a year ago.
- ▶ The accommodation sector shrank by 13.5 per cent year-on-year, worsening from the 5.1 per cent contraction in the preceding quarter.
- ▶ The food & beverage services sector expanded by 2.1 per cent year-on-year, a turnaround from the 1.5 per cent contraction in the previous quarter.
- ▶ Growth in the finance & insurance sector came in at 4.0 per cent year-on-year, moderating from the 5.6 per cent in the previous quarter.
- ▶ The real estate sector expanded by 8.5 per cent year-on-year, faster than the 1.6 per cent growth in the previous quarter.
- ▶ The professional services sector grew by 8.1 per cent year-on-year, improving from the 4.9 per cent expansion in the previous quarter.

MANUFACTURING

The manufacturing sector expanded by 7.1 per cent on a year-on-year basis in the first quarter of 2022, extending the 15.5 per cent growth in the previous quarter (Exhibit 2.1). This was on account of output expansions across all clusters, except for the biomedical manufacturing and chemicals clusters (Exhibit 2.2).

Exhibit 2.1: Manufacturing Sector's Growth Rate

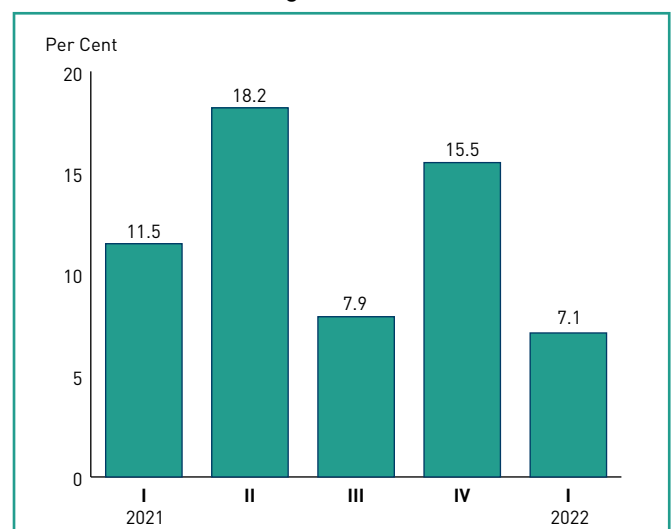
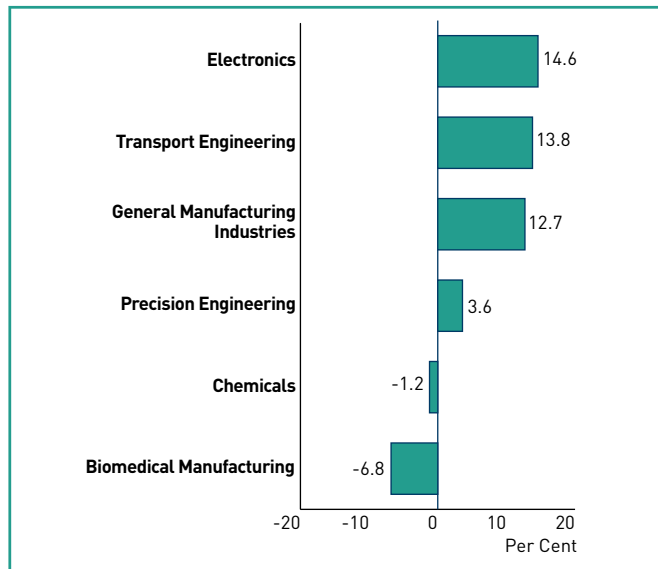


Exhibit 2.2: Manufacturing Clusters' Growth Rates in 1Q 2022

The electronics cluster grew by 14.6 per cent year-on-year in the first quarter, supported by output expansions across all segments except for the computer peripherals & data storage segment. Specifically, output in the semiconductors segment surged by 17.1 per cent on account of robust demand from 5G markets and data centres amidst the global semiconductor shortage. Meanwhile, the other electronics modules & components and infocomms & consumer electronics segments clocked expansions of 15.2 per cent and 14.1 per cent respectively. By contrast, output in the computer peripherals & data storage segment declined by 2.8 per cent during the quarter.

Output in the transport engineering cluster increased by 13.8 per cent year-on-year in the first quarter, supported by expansions in the aerospace and marine & offshore engineering (M&OE) segments. The aerospace segment's output rose sharply by 26.0 per cent¹ as the loosening of global travel restrictions in the first quarter of 2022 compared to the same quarter a year ago resulted in higher levels of international air traffic and an accompanying demand for maintenance, repair & overhaul activities. Similarly, the M&OE segment grew by 6.3 per cent, supported by a higher level of work done in offshore projects. By contrast, the land transport segment contracted by 10.2 per cent due to a lower level of production of parts and accessories for motor vehicles.

The general manufacturing cluster expanded by 12.7 per cent year-on-year in the first quarter, supported by output expansions across all segments. In particular, the food, beverages & tobacco segment grew by 14.4 per cent on account of a higher level of output of beverage and milk products, while the miscellaneous industries segment expanded by 10.0 per cent due to an increase in the level of production of construction-related products, wearing apparel and jewellery. Meanwhile, the printing segment's output increased by 2.0 per cent.

Output in the precision engineering cluster rose by 3.6 per cent year-on-year in the first quarter, supported by an 8.1 per cent increase in the output of the machinery & systems (M&S) segment. Growth of the M&S segment was bolstered by an increase in the production of semiconductor equipment and measuring devices, as well as a higher level of mechanical engineering work. By contrast, the precision modules & components segment contracted by 5.6 per cent, weighed down by a lower production level of optical and wire & cable products.

The biomedical manufacturing cluster contracted by 6.8 per cent year-on-year in the first quarter due to a fall in output in both the pharmaceuticals and medical technology segments. The pharmaceuticals segment shrank by 9.2 per cent on account of a different mix of active pharmaceutical ingredients (APIs) produced. Meanwhile, output in the medical technology segment declined by 2.0 per cent² due to lower export demand for medical devices.

Output in the chemicals cluster fell by 1.2 per cent year-on-year in the first quarter, driven by an output contraction of 5.9 per cent in the petrochemicals segment due to plant maintenance shutdowns. Conversely, the petroleum segment grew by 10.3 per cent from a low base a year ago when public health measures such as travel restrictions to contain COVID-19 infections globally weighed on global demand for refined products (e.g., jet fuel). At the same time, the other chemicals and specialty chemicals segments expanded by 4.6 per cent and 0.5 per cent respectively, with the former recording a higher level of production of fragrances.

¹ There was also a low base of maintenance, repair & overhaul activities during the first quarter of 2021.

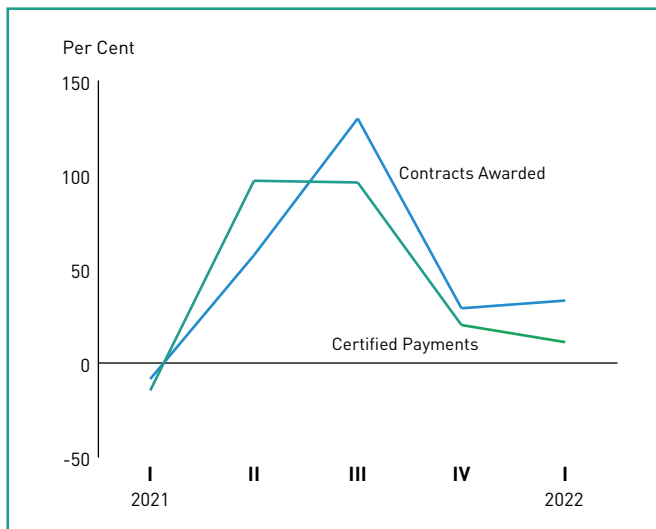
² High base effects also contributed to the contraction as output in the medical technology segment expanded by 16.6 per cent in the first quarter of 2021.

CONSTRUCTION

The construction sector grew by 2.1 per cent year-on-year in the first quarter of 2022, easing from the 2.9 per cent expansion in the previous quarter.

In the first quarter, nominal certified progress payments (a proxy for construction output) rose by 11.1 per cent year-on-year, moderating from the 20.2 per cent increase recorded in the previous quarter (Exhibit 2.3). Higher certified progress payments were seen in both the private (13.0 per cent) and public (9.4 per cent) sectors. The growth in private certified progress payments was largely driven by higher outturns in private residential (25.9 per cent) and institutional & others building (38.5 per cent) works. On the other hand, the increase in public certified progress payments was led by expansions in public industrial (43.8 per cent) and institutional & others building (14.4 per cent) works.

Exhibit 2.3: Changes in Contracts Awarded and Certified Payments



Meanwhile, construction demand in terms of contracts awarded rose by 33.2 per cent year-on-year in the first quarter, extending the 29.1 per cent increase in the previous quarter. This was due to the higher demand for public sector construction works (71.1 per cent), which more than offset the lower demand for private sector construction works (-19.9 per cent). The former was mainly driven by a rise in contracts awarded for public civil engineering (161 per cent) and residential building (71.9 per cent) works, while the latter was led by a fall in contracts awarded for private residential (-17.6 per cent) and institutional & others building (-44.2 per cent) works.

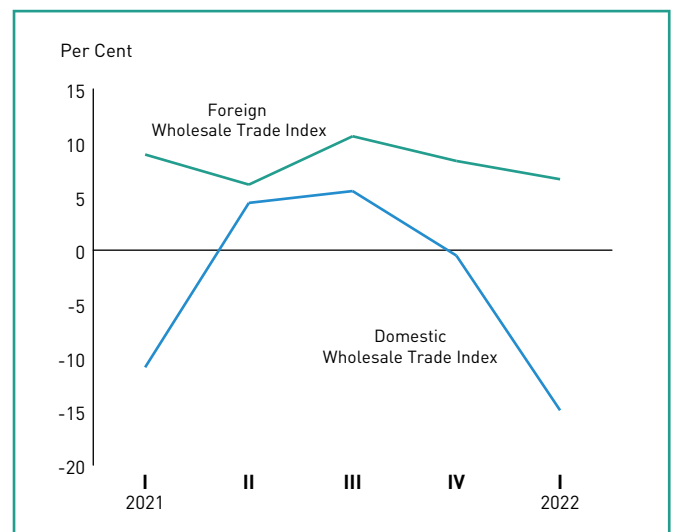
WHOLESALE TRADE

The wholesale trade sector expanded by 2.4 per cent year-on-year in the first quarter of 2022, moderating from the 3.3 per cent expansion in the previous quarter.

Growth of the sector was bolstered by a 6.6 per cent year-on-year increase in foreign wholesale trade sales volume (Exhibit 2.4), although this was lower than the 8.3 per cent growth seen in the previous quarter. The increase in foreign wholesale trade sales volume came on the back of a pickup in the sales volumes of petroleum & petroleum products (8.8 per cent), other wholesale trade (12.2 per cent)³ and electronic components (8.4 per cent).

On the other hand, the domestic wholesale trade sales volume slumped by 14.9 per cent year-on-year in the first quarter, worsening from the 0.5 per cent decline in the previous quarter. This was largely due to a fall in the sales volume of petroleum & petroleum products (-32.0 per cent), which outweighed increases in the sales volumes of telecommunications & computers (13.7 per cent) and other wholesale trade (9.5 per cent).

Exhibit 2.4: Changes in Wholesale Trade Index in Chained Volume Terms



3 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.

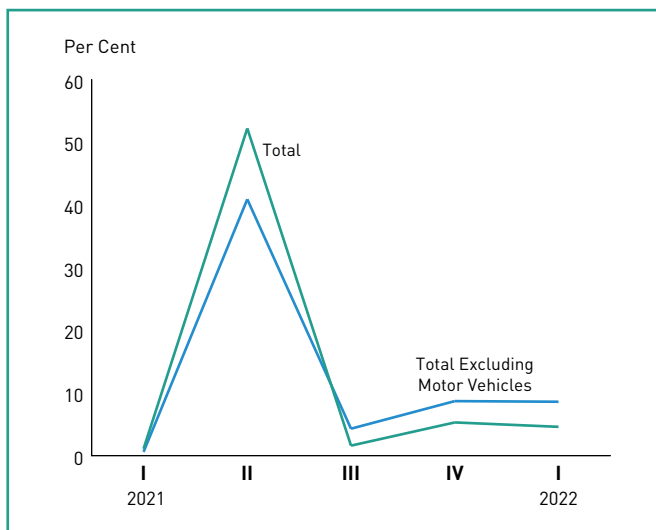
RETAIL TRADE

The retail trade sector posted growth of 4.7 per cent year-on-year in the first quarter of 2022, extending the 4.3 per cent expansion in the previous quarter.

Overall retail sales volume increased by 4.6 per cent year-on-year in the first quarter, following the 5.3 per cent growth in the fourth quarter of 2021 (Exhibit 2.5). Growth in retail sales volume was attributable to non-motor vehicular sales (8.6 per cent), as motor vehicular sales (-17.4 per cent) saw a decline due to a fall in Certificate of Entitlement (COE) quotas.⁴

In turn, non-motor vehicular sales volume was supported by a pickup in the sales of durable goods such as computer & telecommunications equipment (17.0 per cent) and furniture & household equipment (4.1 per cent). Segments that are more dependent on physical sales such as cosmetics, toiletries & medical goods (21.2 per cent), wearing apparel & footwear (21.2 per cent), watches & jewellery (17.2 per cent) and department stores (16.3 per cent) continued their strong growth, likely driven by the relaxation of travel restrictions and the attendant increase in tourists in the first quarter of 2022.⁵ On the other hand, the sales volumes of mini-marts & convenience stores (-7.4 per cent), petrol service stations (-3.8 per cent) and optical goods & books (-7.1 per cent) declined during the quarter.

Exhibit 2.5: Changes in Retail Sales Index in Chained Volume Terms

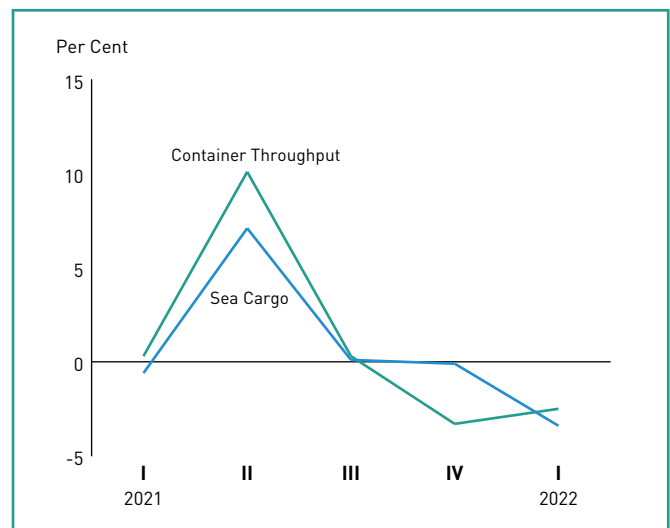


TRANSPORTATION & STORAGE

The transportation & storage sector expanded by 5.9 per cent year-on-year in the first quarter of 2022, moderating from the 7.5 per cent expansion in the previous quarter. The sector's growth was driven mainly by the air transport segment, which expanded from the low base in the first quarter of 2021.

For the water transport segment, the volume of sea cargo handled fell by 3.4 per cent year-on-year in the first quarter, extending the 0.1 per cent decline recorded in the previous quarter (Exhibit 2.6). The drop in sea cargo volume handled was due to lower general cargo volume (-2.9 per cent) as well as oil-in-bulk cargo volume (2.2 per cent). Meanwhile, container throughput declined by 2.5 per cent during the quarter.

Exhibit 2.6: Changes in Container Throughput and Sea Cargo Handled



The air transport segment expanded year-on-year in the first quarter on the back of an increase in quotas for Vaccinated Travel Lanes (VTLs) during the quarter. In particular, the volume of air passenger traffic handled at Changi Airport surged by 497 per cent year-on-year in the first quarter, extending the 304 per cent increase in the previous quarter (Exhibit 2.7). These high growth rates were due to the low bases in the first quarter of 2021 and the fourth quarter of 2020 respectively, as the volume of air passenger traffic plunged by nearly 100 per cent in both quarters. In absolute terms, air passenger traffic volume in the first quarter of 2022 only reached 15.7 per cent of the volume seen in the first quarter of 2019 (i.e., pre-COVID level). Meanwhile, total air cargo shipments handled at Changi Airport rose by 7.3 per cent year-on-year in the first quarter, moderating from the 30.3 per cent growth recorded in the previous quarter. At the same time, the number of aircraft landings climbed by 62.2 per cent to reach 18,072 in the first quarter, extending the 64.0 per cent increase in the preceding quarter.

⁴ The lower COE quotas in the first quarter of 2022 were largely due to a decline in the number of vehicles deregistered over the period of October 2021 to December 2021. The drop was exacerbated by a high base in the first quarter of 2021 as a result of the redistribution of COE quotas from the suspension of COE bidding exercises in 2020 during the Circuit Breaker period.

⁵ Travel restrictions in the first quarter of 2022 were considerably more relaxed compared to the year before, with the expansion of the quarantine-free Vaccinated Travel Lanes (VTLs) launched in the fourth quarter of 2021.

Exhibit 2.7: Changes in Air Transport

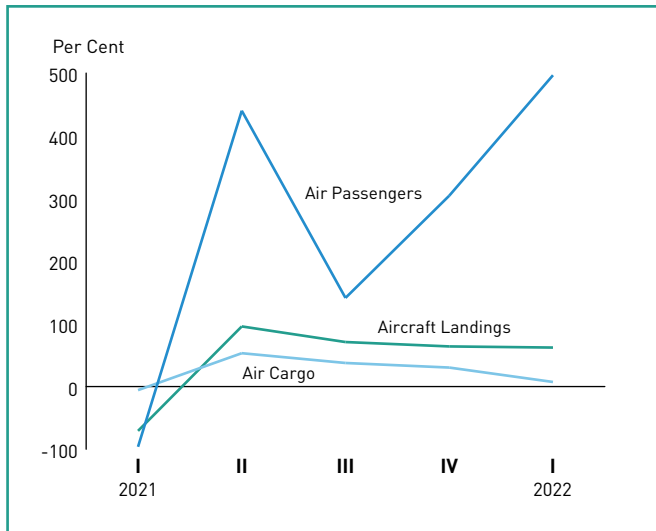
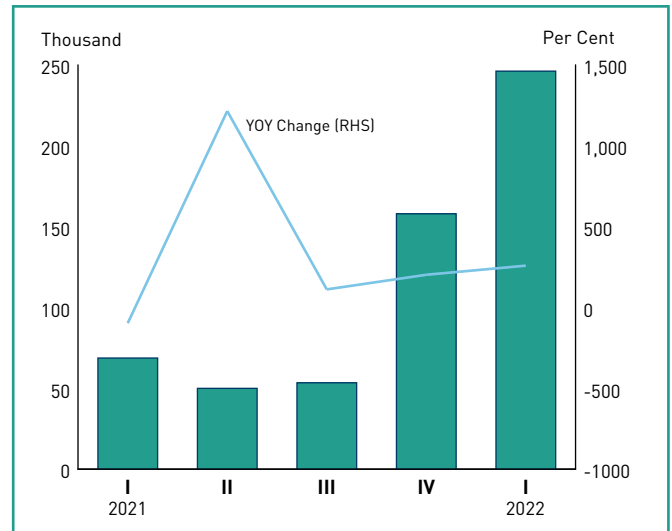


Exhibit 2.8: Visitor Arrivals



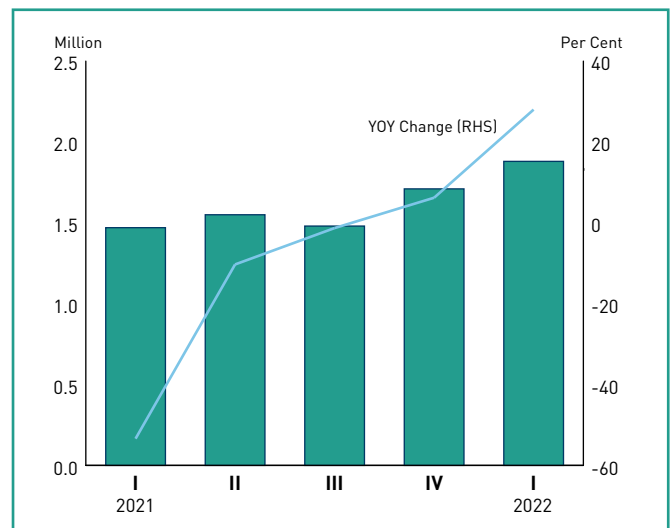
ACCOMMODATION

The accommodation sector shrank by 13.5 per cent year-on-year in the first quarter of 2022, worsening from the 5.1 per cent contraction in the preceding quarter. The contraction during the quarter was driven by a sharp decline in government demand for hotel rooms to serve as quarantine and stay-home notice dedicated facilities, due to the shift towards home recovery and the relaxation of travel restrictions.

In the first quarter, total visitor arrivals surged by 258 per cent year-on-year, extending the 202 per cent growth recorded in the fourth quarter of 2021 (Exhibit 2.8). The strong growth in both quarters was on account of low base effects, as the number of visitor arrivals plunged by nearly 100 per cent in both the first quarter of 2021 and the fourth quarter of 2020. In level terms, the number of visitor arrivals in the first quarter of 2022 was around 246,000, representing just 5.2 per cent of the 4.7 million visitor arrivals registered in the first quarter of 2019 (i.e., pre-COVID level).

At the same time, gross lettings at gazetted hotels increased by 28.0 per cent year-on-year in the first quarter, accelerating from the 6.2 per cent growth in the previous quarter (Exhibit 2.9). As available room-nights fell even as gross lettings rose, the average occupancy rate of gazetted hotels climbed by 13.8 percentage-points on a year-on-year basis to reach 61.0 per cent in the first quarter. However, this was lower than the average occupancy rate of 71.1 per cent recorded in the previous quarter.

Exhibit 2.9: Gross Lettings at Gazetted Hotels

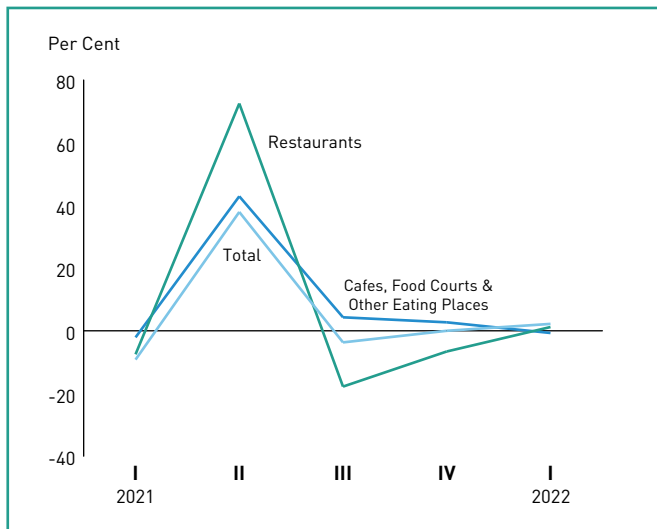


FOOD & BEVERAGE SERVICES

The food & beverage services sector expanded by 2.1 per cent year-on-year in the first quarter of 2022, a turnaround from the 1.5 per cent contraction in the preceding quarter.

Overall food & beverage sales volume rose by 2.2 per cent year-on-year in the first quarter, better than the flat growth recorded in the fourth quarter of 2021 (Exhibit 2.10). The increase in sales volume in the first quarter was supported in part by the relaxation of Singapore’s travel restrictions and attendant increase in tourists during the quarter. The food caterers (39.1 per cent), fast food outlets (2.0 per cent) and restaurants (1.2 per cent) segments saw expansions in their sales volumes, while the cafes, food courts & other eating places segment (-0.7 per cent) saw a modest decline.

Exhibit 2.10: Changes in Food & Beverage Services Index in Chained Volume Terms

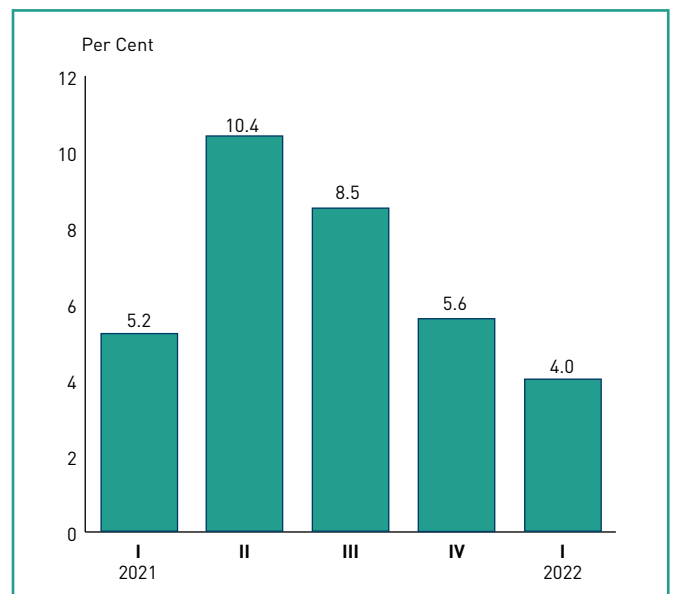


FINANCE & INSURANCE

The finance & insurance sector grew by 4.0 per cent year-on-year in the first quarter of 2022, moderating from the 5.6 per cent expansion achieved in the preceding quarter.

Growth in the first quarter was largely driven by the other auxiliary activities and insurance segments. The former, which includes payment processing activities, continued to benefit from a pickup in consumer spending, while the latter was bolstered by the improved sales of single-premium life insurance products. By contrast, the banks segment shrank as both credit intermediation and net fees & commissions fell.

Exhibit 2.11: Finance & Insurance Sector’s Growth Rate



3 The strong year-on-year growth in the second quarter of 2021 was due to low base effects as dine-in was prohibited during the CB period last year.

REAL ESTATE

The real estate sector expanded by 8.5 per cent year-on-year in the first quarter of 2022, faster than the 1.6 per cent growth registered in the preceding quarter. The growth of the sector was largely due to the low base (-1.7 per cent) in the same quarter of last year, when rentals for commercial office (-4.8 per cent) and retail space (-16.5 per cent) declined amidst tight workplace and border restrictions.

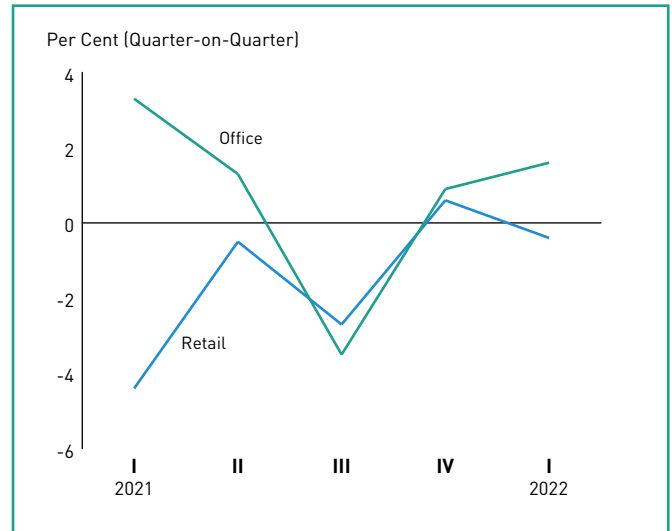
Within the sector, the number of private residential property sales transactions fell by 32.6 per cent on a quarter-on-quarter basis in the first quarter, following the tightening of property market cooling measures in December 2021. Meanwhile, private residential property prices rose by 0.7 per cent on a quarter-on-quarter basis, slowing from the 5.0 per cent increase seen in the fourth quarter of 2021 (Exhibit 2.12).

Exhibit 2.12: Total Sales Transactions for Private Residential Units and Private Residential Property Price Index



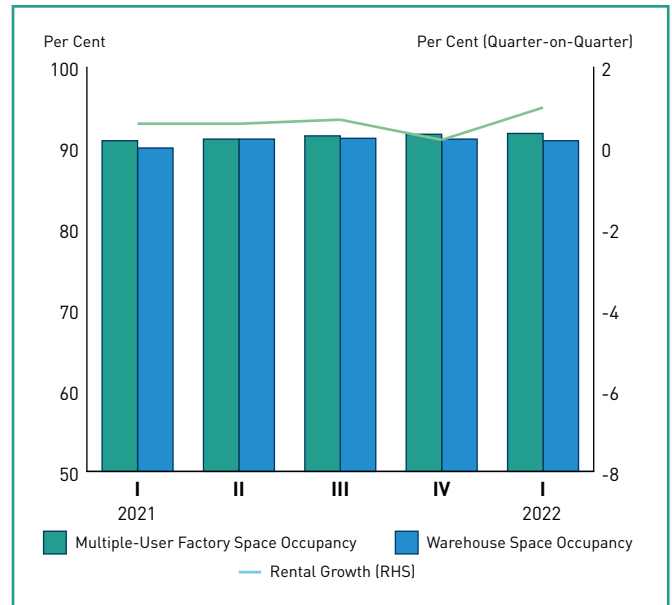
Conditions in the commercial and industrial property space markets were mixed. For the private retail space market, rentals edged down by 0.4 per cent on a quarter-on-quarter basis in the first quarter, reversing the 0.6 per cent rise in the previous quarter (Exhibit 2.13). The average occupancy rate of private retail space came in at 90.5 per cent during the quarter, slightly lower than the 90.9 per cent registered in the preceding quarter. Meanwhile, rentals for private office space rose by 1.6 per cent on a quarter-on-quarter basis, extending the 0.9 per cent increase in the preceding quarter. The average occupancy rate of private office space was 86.2 per cent in the first quarter, unchanged from the preceding quarter.

Exhibit 2.13: Changes in Rentals of Private Sector Office and Retail Spaces



Similarly, private industrial rentals rose by 1.0 per cent on a quarter-on-quarter basis in the first quarter, picking up from the 0.2 per cent increase in the preceding quarter. The occupancy rates of private sector multiple-user factory and warehouse spaces stood at 91.8 per cent and 90.9 per cent respectively, similar to that seen in the previous quarter (91.6 per cent and 91.1 per cent respectively) (Exhibit 2.14).

Exhibit 2.14: Occupancy Rate and Rental Growth of Private Sector Industrial Space



PROFESSIONAL SERVICES

In the first quarter of 2022, the professional services sector grew by 8.1 per cent year-on-year, improving from the 4.9 per cent growth in the previous quarter. All segments within the sector expanded. Growth of the sector was mainly driven by the architectural & engineering, technical testing & analysis segment and the other professional, scientific & technical services segment.