

Singapore's GDP Grew by 2.5 Per Cent in the Second Quarter of 2017

14 July 2017. Based on advance estimates¹, the Singapore economy grew by 2.5 per cent on a year-on-year basis in the second quarter of 2017, the same pace of growth as in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 0.4 per cent, in contrast to the 1.9 per cent contraction in the preceding quarter.

Gross Domestic Product at 2010 Prices

	2Q16	3Q16	4Q16	2016	1Q17	2Q17*
Percentage change over corresponding period of previous year						
Overall GDP	1.9	1.2	2.9	2.0	2.5	2.5
Goods Producing Industries						
Manufacturing	1.5	1.8	11.5	3.6	8.5	8.0
Construction	2.7	-2.2	-2.8	0.2	-6.1	-5.6
Services Producing Industries	1.1	0.4	1.0	1.0	1.4	1.7
Quarter-on-quarter annualised growth rate, seasonally-adjusted						
Overall GDP	0.8	-0.4	12.3	2.0	-1.9	0.4
Goods Producing Industries						
Manufacturing	3.6	-5.0	39.8	3.6	0.4	2.4
Construction	3.1	-12.6	0.8	0.2	-14.4	4.3
Services Producing Industries	-0.7	1.1	8.4	1.0	-2.7	0.4

*Advance estimates

The manufacturing sector expanded by 8.0 per cent on a year-on-year basis in the second quarter, extending the 8.5 per cent growth in the previous quarter. Growth was supported mainly by the electronics and precision engineering clusters, which saw robust expansions on the back of strong external demand for semiconductors and semiconductor manufacturing equipment respectively. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector grew by 2.4 per cent, an improvement from the 0.4 per cent growth in the preceding quarter.

The construction sector contracted by 5.6 per cent on a year-on-year basis in the second quarter, following the 6.1 per cent decline in the previous quarter.

¹ The advance GDP estimates for the second quarter of 2017 are computed largely from data in the first two months of the quarter (i.e. April and May 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 sector was weighed down by a weakness in both private sector and public sector construction activities. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector rebounded to grow by 4.3 per cent, compared to the 14.4 per cent contraction in the preceding quarter.

The services producing industries grew by 1.7 per cent on a year-on-year basis in the second quarter, faster than the 1.4 per cent growth in the previous quarter. Growth was supported primarily by the transportation & storage and business services sectors. On a quarter-on-quarter seasonally-adjusted annualised basis, the services producing industries expanded by 0.4 per cent, a reversal from the 2.7 per cent contraction 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 2017.

MINISTRY OF TRADE AND INDUSTRY
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