



SBF

Economic

Indicators Report

3Q 2019

Singapore

Preface

The purpose of this *SBF Economic Indicators Report (Singapore)* is to provide our business community with timely and relevant updates regarding key economic developments and trends in Singapore. The *Report* provides such updates via a series of selected charts depicting important economic indicators along with brief commentaries. By so doing, SBF strives to paint a broad picture of the prevailing general economic environment which businesses operate in.

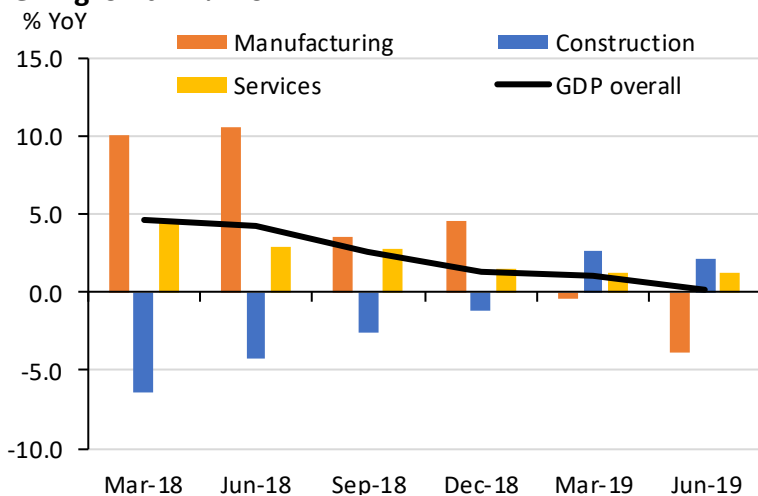
The charts and corresponding commentaries are deliberately kept succinct to provide a quick and easy read.

Contributions of inputs and data in the *Report* were drawn from the SBF SMEC Research Subcommittee and DBS Group Research.

The *SBF Economic Indicators Report (Singapore)* shall be published on a quarterly basis.

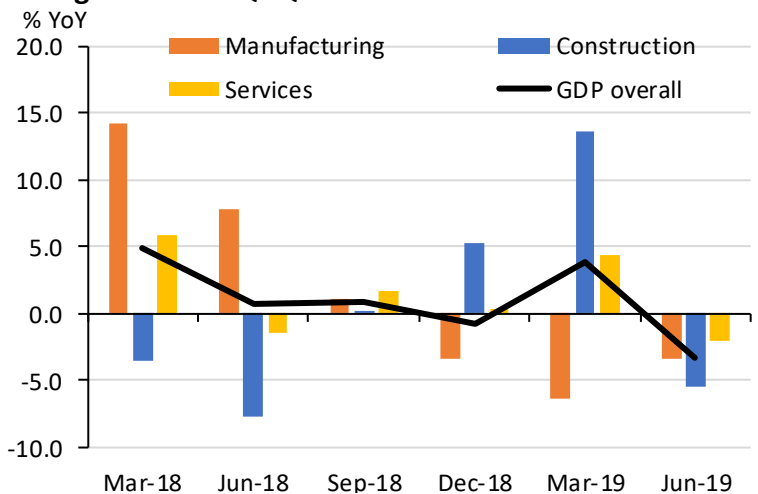
Overall GDP Growth

GDP growth - % YoY



GDP growth in the second quarter moderated to 0.1% YoY, from 1.1% previously. This was led mainly by decline in the manufacturing sector.

GDP growth - % QoQ saar

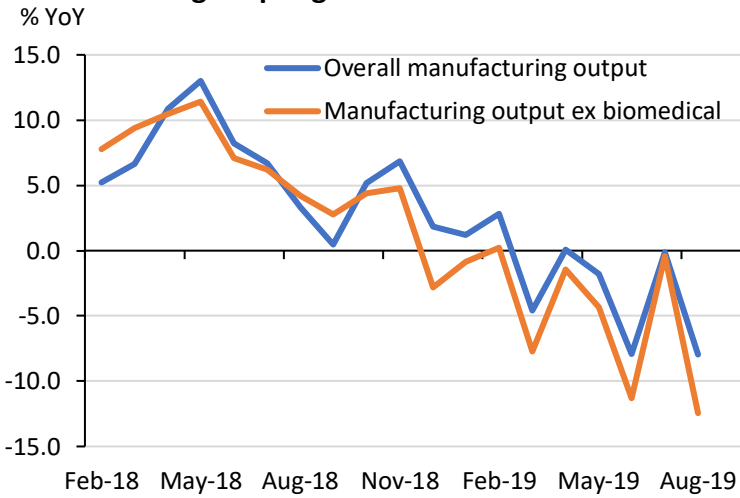


On a quarter-on-quarter (QoQ saar) basis, the economy shrunk by 3.3%, down from an expansion of 3.8%, with the main drag coming from the construction sector.

Sources: Data for all charts and tables are from DBS Group Research, CEIC, URA, JTC and Department of Statistics (DOS).

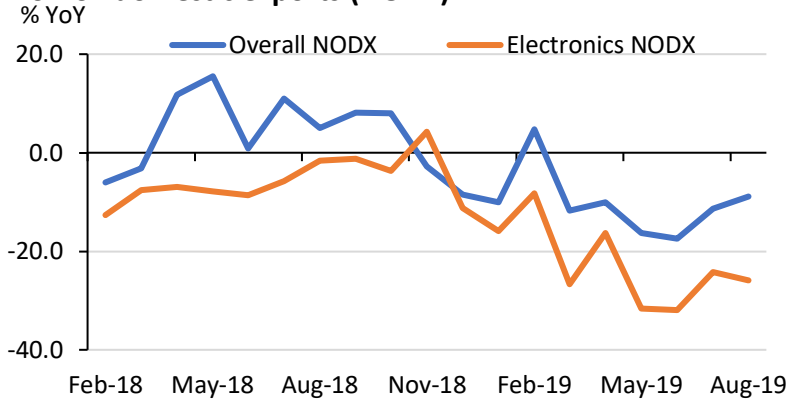
Manufacturing and Exports

Manufacturing output growth



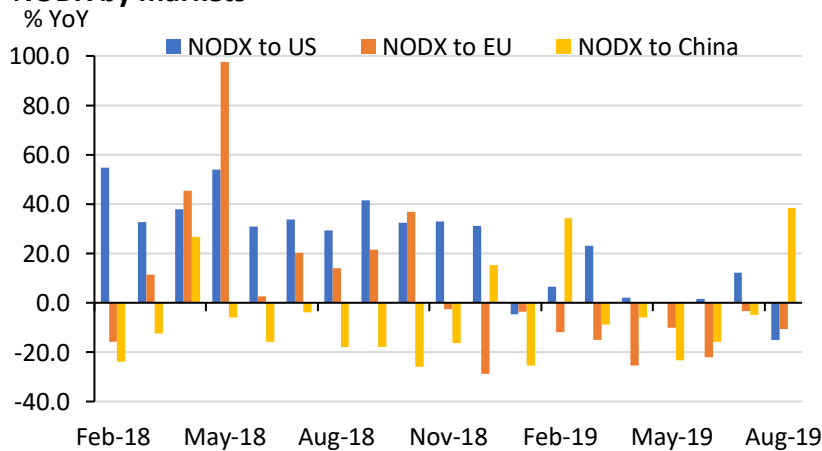
Manufacturing output growth continues trending into the negative territory, with the YoY figure in August coming in at -8.0%, from -0.1% in the previous month.

Non-oil domestic exports (NODX)



Non-oil domestic exports (NODX) shrunk by 8.9% YoY in August, while electronics export sales was down by 25.9%.

NODX by markets

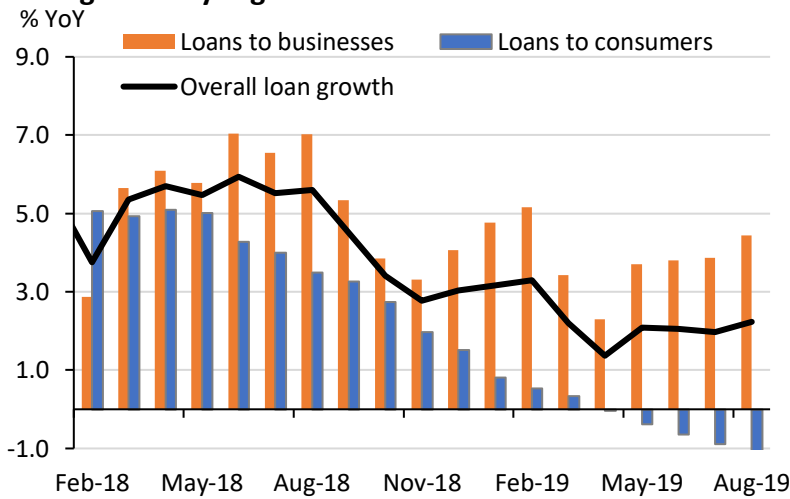


NODX to China rose by 38.5% YoY in the month of August, while sales to the US and EU were down by 15.0% and 10.8% respectively.

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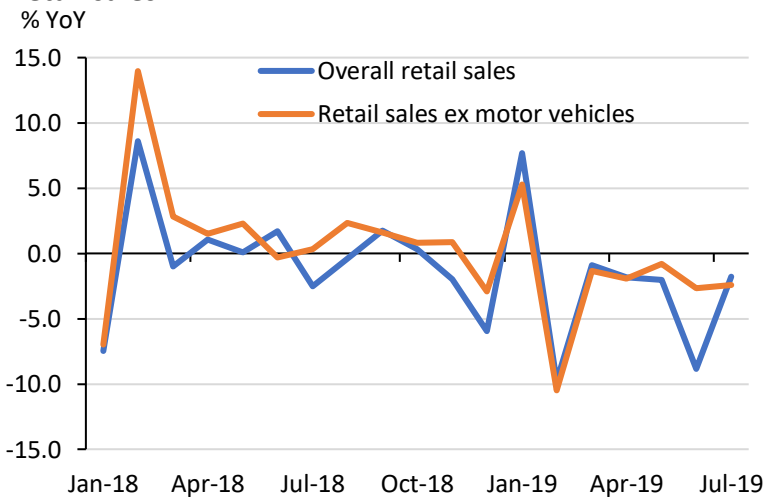
Loan Growth, Retail Sales and Visitor Arrivals

Loan growth by segments



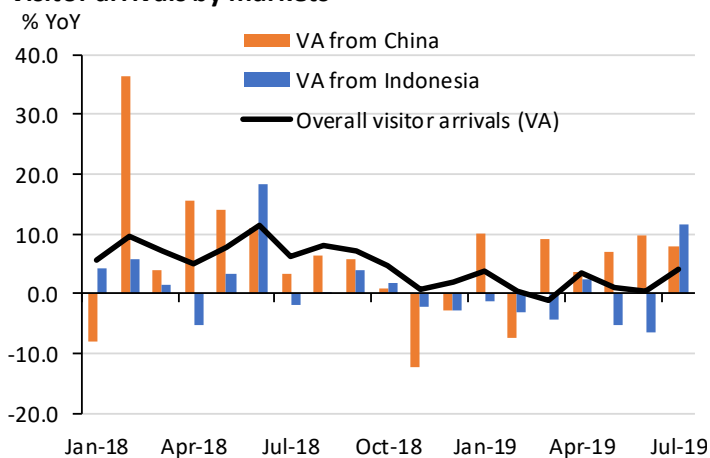
Overall loan growth has seen a slight uptick due to improvement in business loans. However, consumer loans continue to decline.

Retail sales



Overall retail sales continue to see contraction in July albeit by a smaller magnitude (-1.8% YoY), assisted in part by a milder decline in motor vehicle sales.

Visitor arrivals by markets

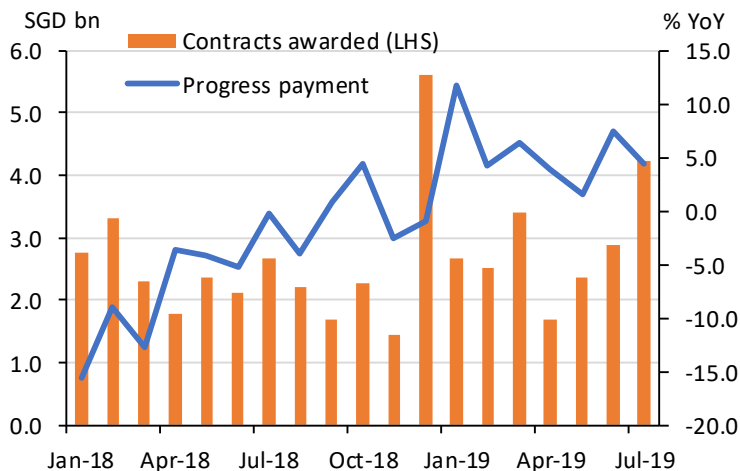


Visitor arrivals picked up by 4% YoY on the back of stronger growth from key markets such as China (+7.8%) and Indonesia (+11.7%).

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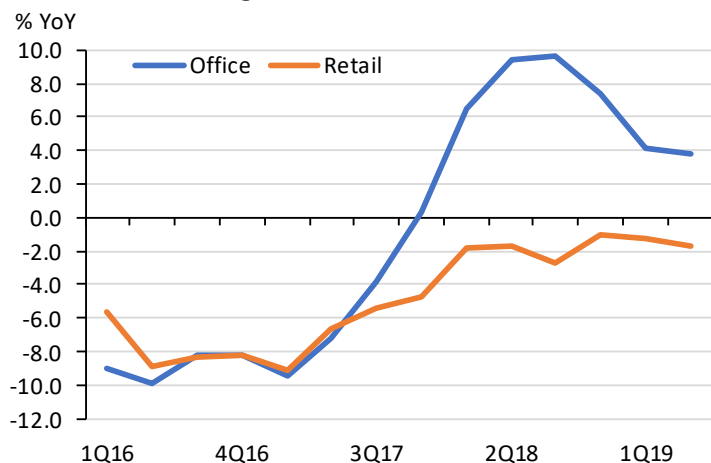
Construction and Real Estate

Construction sector



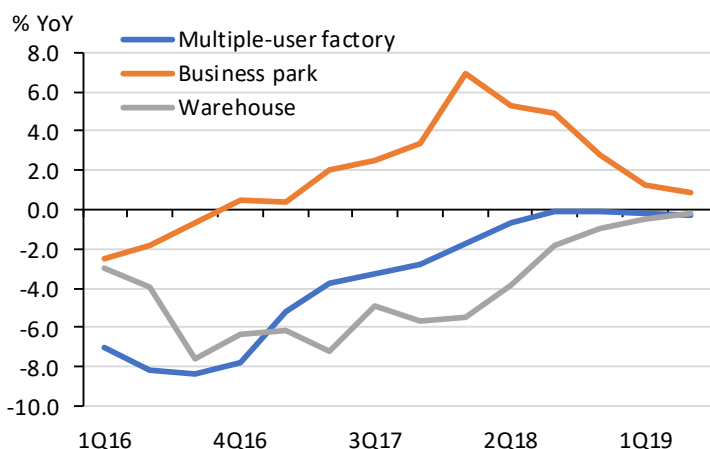
Contracts awarded rose to SGD 4.2bn in July but growth in progress payment has dipped to 4.5% in July, from 7.5% previously.

Rents in central region



Office rents in Central Region continued to increase in 2Q19 albeit at a slower pace (+3.8% YoY) while retail rents remained weak (-1.7% YoY).

Industrial rents

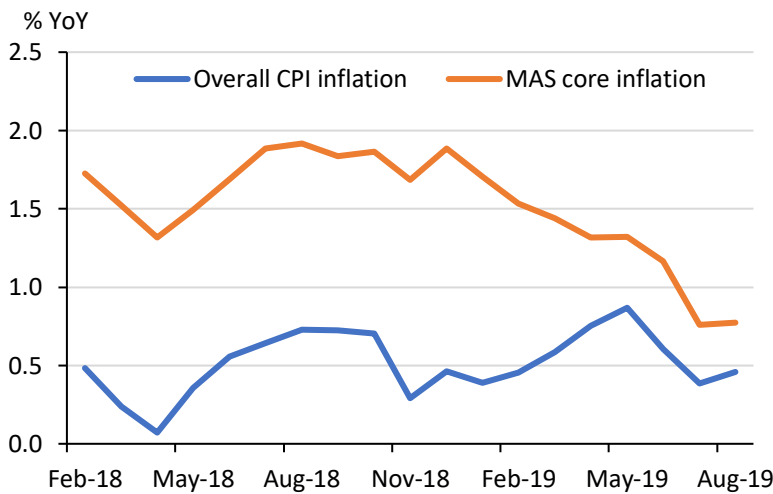


Overall industrial rental growth was stable in 2Q19. Rents of business park space rose 0.9% YoY while factory and warehouse rents declined slightly.

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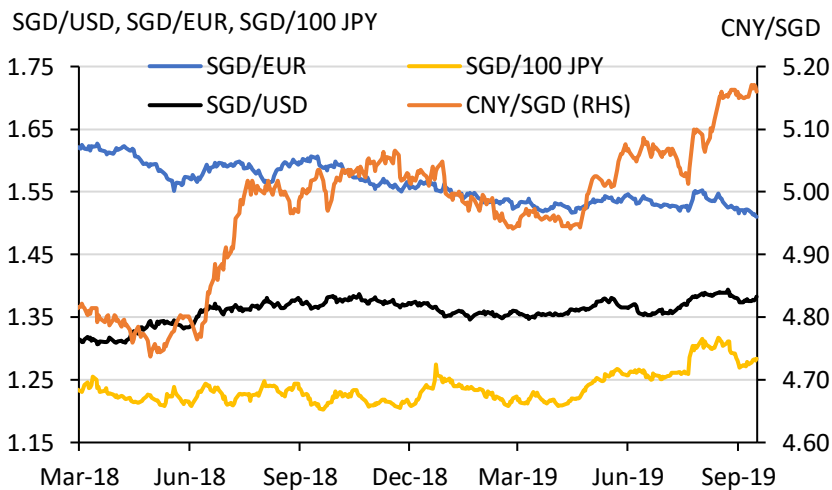
Inflation, FX and Interest Rates

CPI inflation



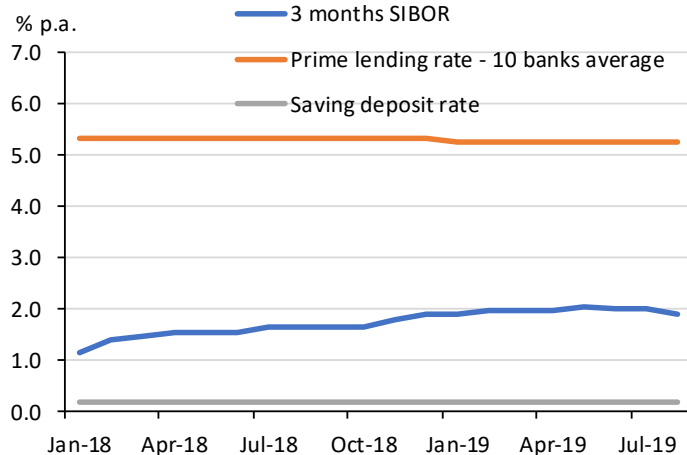
The headline CPI inflation registered a slight uptick of 0.1% point to 0.5% YoY in August, while core inflation remained stable at 0.8%.

Foreign exchange



The SGD appreciated against the JPY, CNY and EUR, and remained stable against the USD.

Interest rates



The 3 months SIBOR dipped to 1.88% in August whereas the prime lending rate and the saving deposit rate have remained stable at 5.25% and 0.16% respectively.

Sources: Data for all charts and tables are from DBS Group Research, CEIC, URA, JTC and Department of Statistics (DOS)

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