

Singapore's GDP Grew by 0.6 Per Cent in Third Quarter of 2016

14 October 2016. Based on advance estimates¹, the Singapore economy grew by 0.6 per cent on a year-on-year basis in the third quarter of 2016, easing from the 2.0 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 4.1 per cent, a reversal from the 0.2 per cent growth in the preceding quarter.

Gross Domestic Product at 2010 Prices

	3Q15	4Q15	2015	1Q16	2Q16	3Q16*
Percentage change over corresponding period of previous year						
Overall GDP	1.8	1.8	2.0	2.0	2.0	0.6
Goods Producing Industries						
Manufacturing	-6.0	-6.7	-5.2	-0.5	1.4	-1.1
Construction	3.0	4.9	2.5	4.3	2.6	2.5
Services Producing Industries	3.4	2.8	3.4	1.6	1.2	-0.1
Quarter-on-quarter annualised growth rate, seasonally-adjusted						
Overall GDP	2.3	6.2	2.0	0.1	0.2	-4.1
Goods Producing Industries						
Manufacturing	-6.0	-4.9	-5.2	18.8	2.1	-17.4
Construction	0.2	6.0	2.5	2.7	1.1	0.5
Services Producing Industries	3.8	7.7	3.4	-5.1	-0.9	-1.9

*Advance estimates

The manufacturing sector contracted by 1.1 per cent on a year-on-year basis in the third quarter, reversing the 1.4 per cent expansion in the previous quarter. The sector was primarily weighed down by a decline in the output of the transport engineering, biomedical manufacturing and general manufacturing clusters. On a quarter-on-quarter basis, the sector contracted at an annualised rate of 17.4 per cent, a pullback from the 2.1 per cent growth in the preceding quarter.

Growth in the construction sector slowed marginally to 2.5 per cent on a year-on-year basis in the third quarter, from 2.6 per cent in the previous quarter. The slowdown was due to a sharper decline in private sector construction activities.

¹ The advance GDP estimates for the third quarter of 2016 are computed largely from data in the first two months of the quarter (i.e. July and August 2016). 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.

On a quarter-on-quarter basis, the sector expanded at an annualised rate of 0.5 per cent, moderating from the 1.1 per cent expansion in the preceding quarter.

The services producing industries recorded a slight contraction of 0.1 per cent on a year-on-year basis in the third quarter, compared to the 1.2 per cent growth in the preceding quarter. Growth was weighed down primarily by the wholesale & retail trade sector. Within the sector, the wholesale trade segment contracted while the retail segment posted positive growth, bolstered by motor vehicle sales. Other services sectors such as accommodation, information & communications as well as education, health & social services remained resilient. On a quarter-on-quarter seasonally-adjusted annualised basis, the services producing industries shrank by 1.9 per cent, extending the 0.9 per cent decline in the preceding quarter.

MTI will release the preliminary GDP estimates for the third quarter, including performance by sectors, sources of growth, inflation, employment and productivity, in its *Economic Survey of Singapore* in November 2016.

MINISTRY OF TRADE AND INDUSTRY
14 October 2016