Singapore's GDP Grew by 2.2 Per Cent in the Fourth Quarter of 2018

2 January 2019. Based on advance estimates[1], the Singapore economy grew by 2.2 per cent on a year-on-year basis in the fourth quarter of 2018, easing slightly from the 2.3 per cent growth in the preceding quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded at a slower pace of 1.6 per cent compared to the 3.5 per cent growth in the third quarter.

For 2018 as a whole, the economy grew by 3.3 per cent.

Gross Domestic Product at 2010 Prices

	4Q17	2017	1Q18	2Q18	3Q18	**4Q18***	**2018***
Percentage change over corresponding period of previous year							
Overall GDP	3.6	3.6	4.5	4.1	2.3	**2.2**	**3.3**
Goods Producing Industries							
Manufacturing	4.8	10.1	10.4	10.9	3.7	**5.5**	**7.5**
Construction	-5.0	-8.4	-5.0	-4.0	-2.5	**-2.2**	**-3.4**
Services Producing Industries	3.5	2.8	4.0	2.8	2.6	**1.9**	**2.8**
Quarter-on-quarter annualised growth rate, seasonally-adjusted							
Overall GDP	2.1	3.6	2.1	1.4	3.5	**1.6**	**3.3**
Goods Producing Industries							
Manufacturing	-14.8	10.1	24.6	5.5	3.1	**-8.7**	**7.5**
Construction	-0.2	-8.4	1.5	-13.6	3.3	**1.1**	**-3.4**
Services Producing Industries	6.3	2.8	-1.4	0.2	5.3	**3.7**	**2.8**

*Advance estimates

The manufacturing sector expanded by 5.5 per cent on a year-on-year basis in the fourth quarter, faster than the 3.7 per cent growth in the previous quarter. Growth was largely driven by robust output expansions in the biomedical manufacturing and electronics clusters, which more than offset the output decline in the precision engineering cluster. On a quarter-on-quarter seasonally-adjusted annualised basis, the manufacturing sector shrank by 8.7 per cent, a reversal from the 3.1 per cent growth in the third quarter.

[1] The advance GDP estimates for the fourth quarter of 2018 are computed largely from data in the first two months of the quarter (i.e., October and November 2018). They are intended as an early indication of GDP growth in the quarter, and are subject to revision when more comprehensive data become available.

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The construction sector contracted by 2.2 per cent on a year-on-year basis in the fourth quarter, extending the 2.5 per cent decline in the previous quarter. The contraction was primarily due to weakness in public sector construction activities. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector grew at a weaker pace of 1.1 per cent compared to the 3.3 per cent growth in the preceding quarter.

The services producing industries expanded by 1.9 per cent on a year-on-year basis in the fourth quarter, moderating from the 2.6 per cent growth in the previous quarter. Growth was mainly supported by the finance & insurance, business services and information & communications sectors. On a quarter-on-quarter basis, the services producing industries grew at a seasonally-adjusted annualised rate of 3.7 per cent, slower than the 5.3 per cent growth in the third quarter.

MTI will release the preliminary GDP estimates for the fourth quarter and the whole of 2018, including performance by sectors, sources of growth, inflation, employment and productivity, in its *Economic Survey of Singapore* in February 2019.

MINISTRY OF TRADE AND INDUSTRY
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