

## PRESS RELEASE

### Business Expectations of the Services Sector Second Quarter 2024

The Business Expectations Survey measures firms' general business outlook for the next six months, as well as their operating revenue and employment outlook for the next three months. The findings are used by the government and the business community in policy-making and business planning.

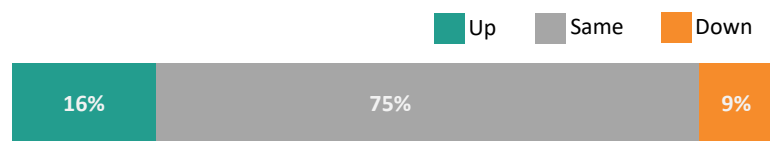
#### GENERAL BUSINESS OUTLOOK (APR – SEP 2024)

Business expectations among firms in Singapore's services sector continue to be positive for the period of Apr – Sep 2024. 16% of firms<sup>1</sup> are upbeat about business conditions while 9% of firms foresee deteriorating business conditions, resulting in a net weighted balance of 7% of firms expecting a more favourable business outlook.

General Business Outlook for the Next 6 Months



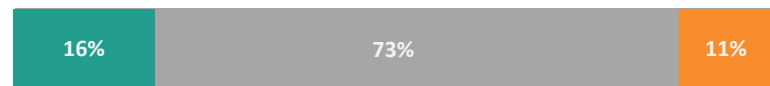
**+7%**  
Net Weighted  
Balance



#### OPERATING REVENUE FORECAST (APR – JUN 2024)



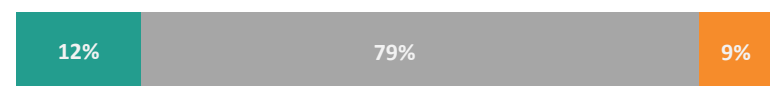
**+5%**  
Net Weighted  
Balance



#### EMPLOYMENT FORECAST (APR – JUN 2024)



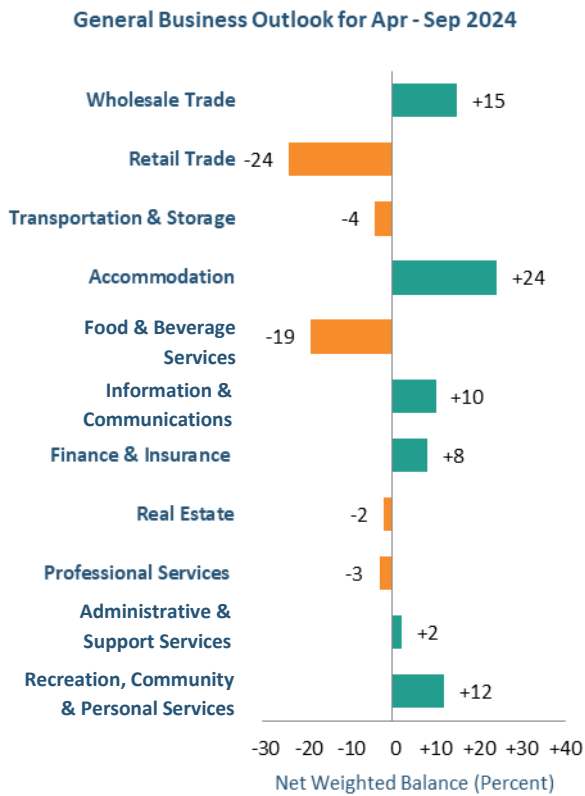
**+3%**  
Net Weighted  
Balance



<sup>1</sup>Refers to weighted percentage of firms.

## GENERAL BUSINESS OUTLOOK (APR – SEP 2024)

The business outlook for Apr – Sep 2024 was mixed among industries within the services sector.



The accommodation industry foresees improved business conditions. Hoteliers expect occupancy rates to improve due to an expected increase in the number of meetings, incentives, conferences, and exhibitions (MICE) events and the Singapore Grand Prix in September.

The wholesale trade industry is optimistic in their business outlook for Apr – Sep 2024. In particular, wholesalers of computers, computer peripheral equipment and software expressed positive sentiments as they anticipate higher demand from customers as computers with artificial intelligence capabilities hit the market.

The recreational, community and personal services industry expects a pick-up in their businesses for the next 6 months. Health services firms cited an expected increase in foreign patients and continued demand for primary healthcare as reasons for the optimism. Firms in childcare services gave positive sentiments citing the expected opening of new childcare centres.

The retail trade industry and the food & beverage services industry are less optimistic in their sentiments for Apr – Sep 2024, as there will be fewer festive periods than in Oct 2023 – Mar 2024.

**OPERATING REVENUE AND EMPLOYMENT FORECAST (APR – JUN 2024)**

The services sector, with a net weighted balance of 5% of firms, foresees higher revenue for the period of Apr – Jun 2024.

Firms in the accommodation industry foresee higher revenue for the next 3 months, owing to the expected increase in the number of MICE events.

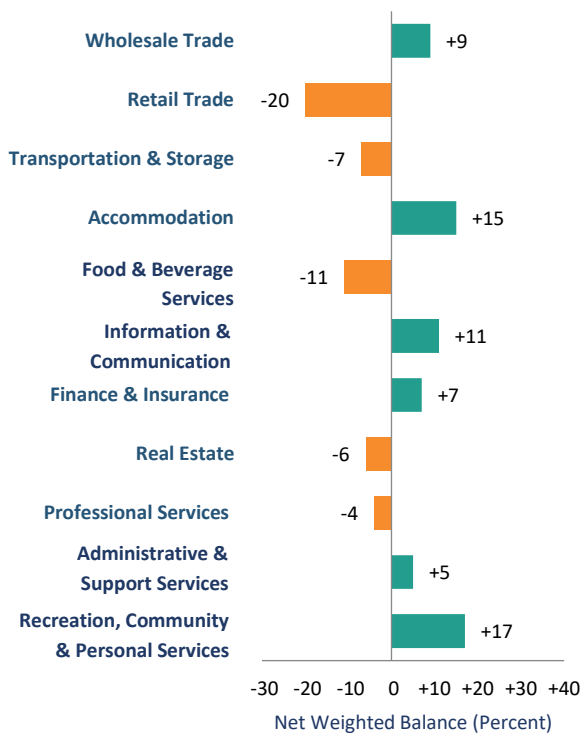
Similarly, the recreation, community & personal services industry expects higher operating revenue. Within this industry, healthcare and childcare service providers foresee more demand for their services in the next 3 months.

In terms of employment, majority of the industries expect to increase their hiring activities for the period of Apr – Jun 2024, with a net weighted balance of 3%.

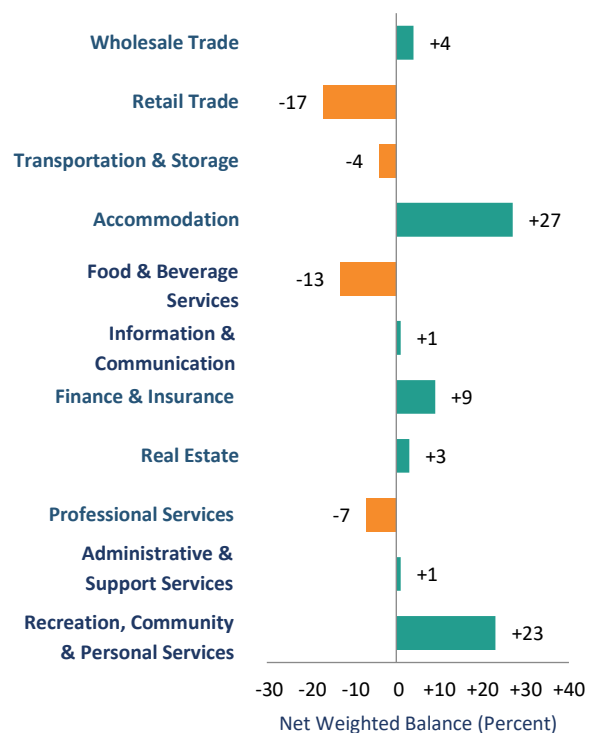
Firms within the accommodation industry expect to increase hiring to keep pace with the arrival of more leisure and business travellers.

In line with their positive revenue outlook, the recreation, community & personal services industry expects employment levels to increase.

**Operating Revenue Forecast for 2Q 2024**



**Employment Forecast for 2Q 2024**



## EXPLANATORY NOTES

### Introduction

The Business Expectations Survey for the services sector is conducted quarterly (i.e. one month before the reference quarter) by the Singapore Department of Statistics. The 2<sup>nd</sup> quarter 2024 survey was conducted from Mar to Apr 2024. It is a survey aimed at obtaining the business outlook for the immediate future of firms in the services sector.

### Data Collection

The Business Expectations Survey covers some 1,500 enterprises in wholesale trade, retail trade, transportation & storage, accommodation, food & beverage services, information & communications, finance & insurance, real estate, professional and administrative & support services and recreation, community & personal services. Respondents are asked about their expectations of the business situation in the next six months as well as operating revenue and employment in the next three months. Their views are expressed in terms of directional change (i.e., “up”, “same” or “down”).

Enterprises’ responses are then weighted and aggregated to derive the weighted percentages for “up”, “same” or “down” at industry and overall sectorial level for each question. Employment size is used as the weighting variable at both the enterprise and industry level for the employment forecast. For the general business outlook and operating revenue forecast, operating revenue and value added are used as weights at the enterprise level and industry level respectively.

### Net Weighted Balance

A “net weighted balance” is used to indicate the likely overall direction of change of a particular activity or industry. Net weighted balance is calculated by taking the difference between the weighted percentages of “ups” and “downs”. A plus sign in the net weighted balance indicates a net upward trend and a minus sign denotes a net downward trend.

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More data are available on the SingStat Website at  
[www.singstat.gov.sg/find-data/search-by-theme/industry/business-expectations/latest-data](http://www.singstat.gov.sg/find-data/search-by-theme/industry/business-expectations/latest-data)

or through the QR code below.



Singapore Department of Statistics  
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