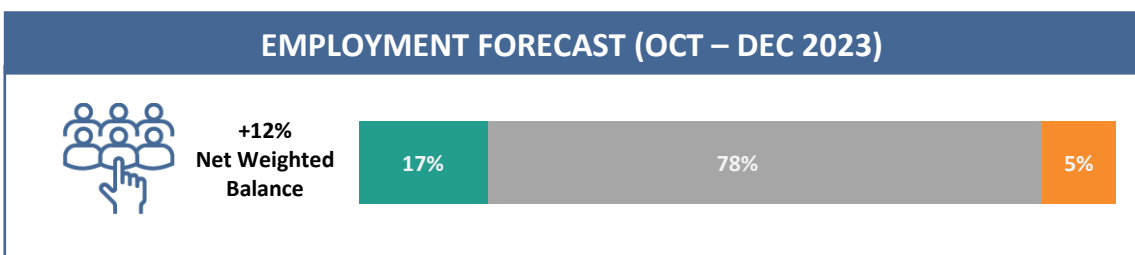
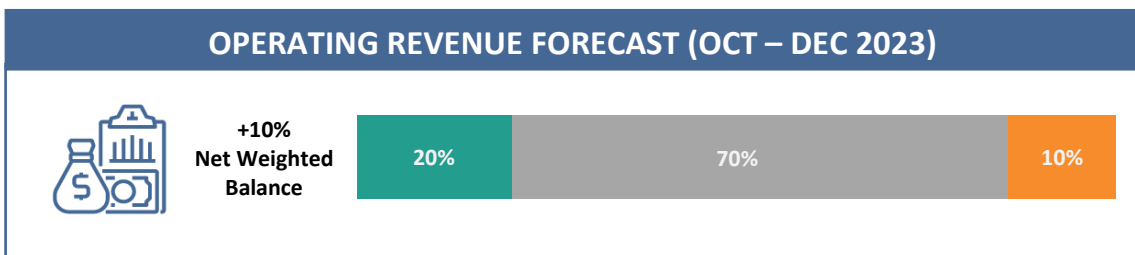
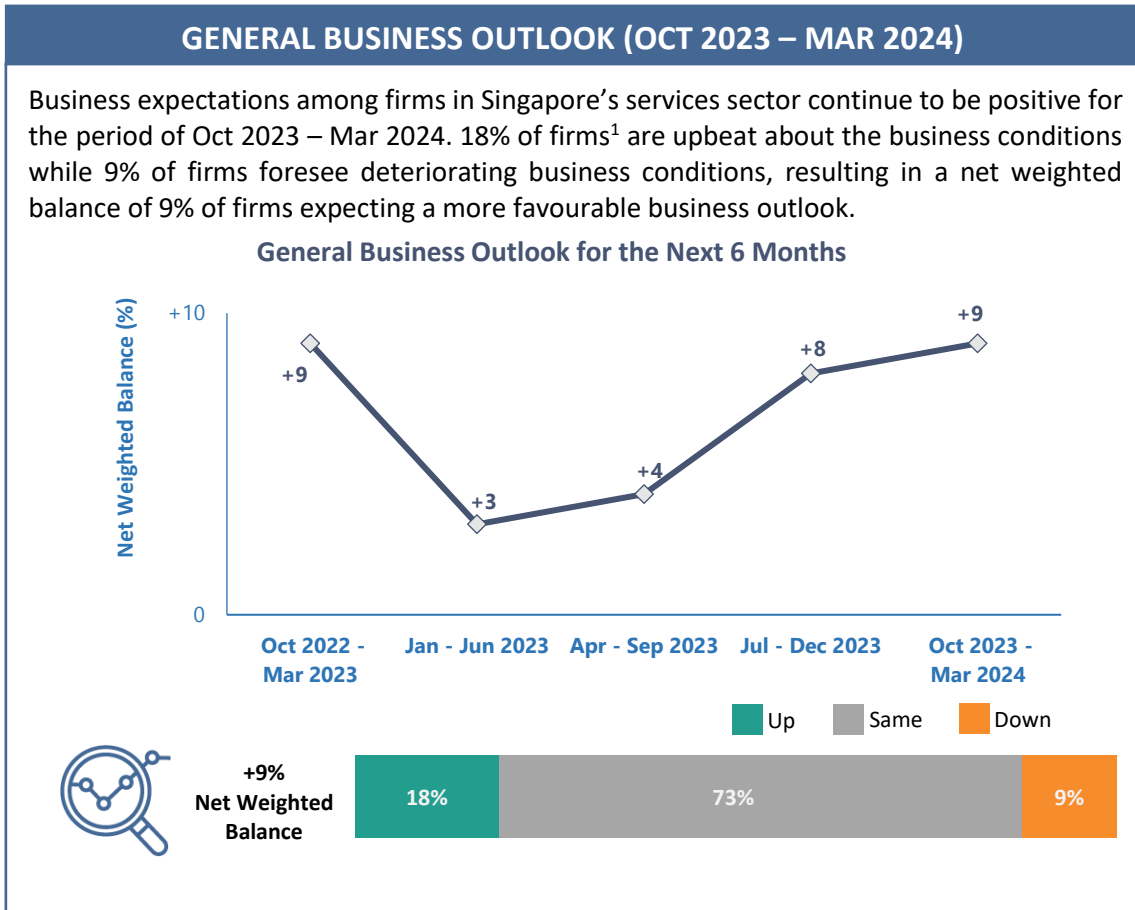




# Business Expectations Services Sector

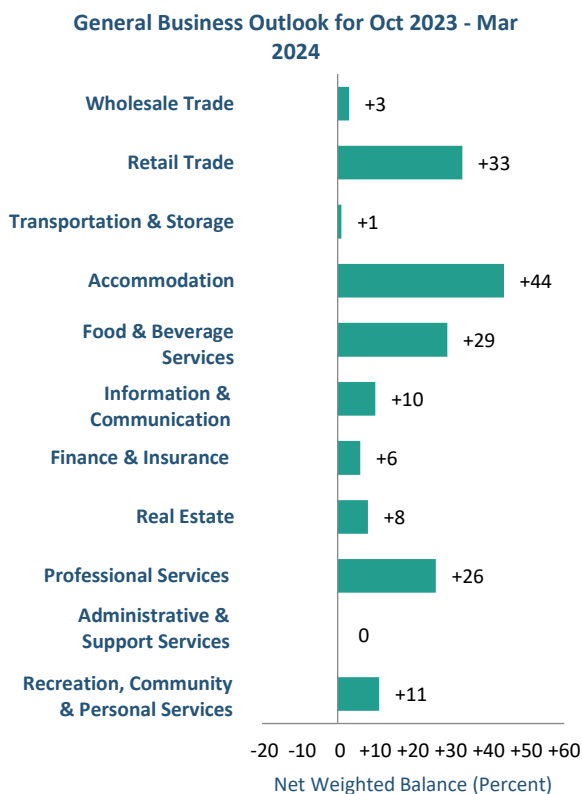
## Fourth Quarter 2023



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

## GENERAL BUSINESS OUTLOOK (OCT 2023 – MAR 2024)

Within the services sector, all industries express positive sentiments on their business conditions for the period of Oct 2023 – Mar 2024.



The accommodation industry foresees improving business conditions for Oct 2023 – Mar 2024. Hoteliers believe Singapore will continue to be a popular travel destination and expect an increase in the number of tourists during the year-end festive period.

Firms in the retail trade and food & beverage services industries are positive in their outlook, as they expect an increase in sales due to the upcoming Christmas, New Year and Chinese New Year festive periods.

The professional services industry is optimistic about business conditions for Oct 2023 – Mar 2024, mainly due to positive sentiments expressed by accounting firms, head offices and management consultancy firms, as well as firms engaged in engineering design and consultancy activities, as they expect an increase in the number of projects.

Similarly, the recreational, community & personal services industry expressed positive sentiments. Health services cited the expansion of healthcare facilities and services and expected increase in medical tourists as reasons for their optimism. Childcare centres were also positive, citing increased demand for childcare services.

The information & communications industry expects business condition to improve. In particular, firms engaging in information services activities cited strong demand for data and cloud services as reasons for their positive sentiments.

## OPERATING REVENUE AND EMPLOYMENT FORECAST (OCT – DEC 2023)

With a net weighted balance of 10% of firms, the services sector foresees higher revenue for the period of Oct – Dec 2023.

Firms in the accommodation and food & beverage services industries foresee higher revenue for Oct – Dec 2023, due to the year-end festive period.

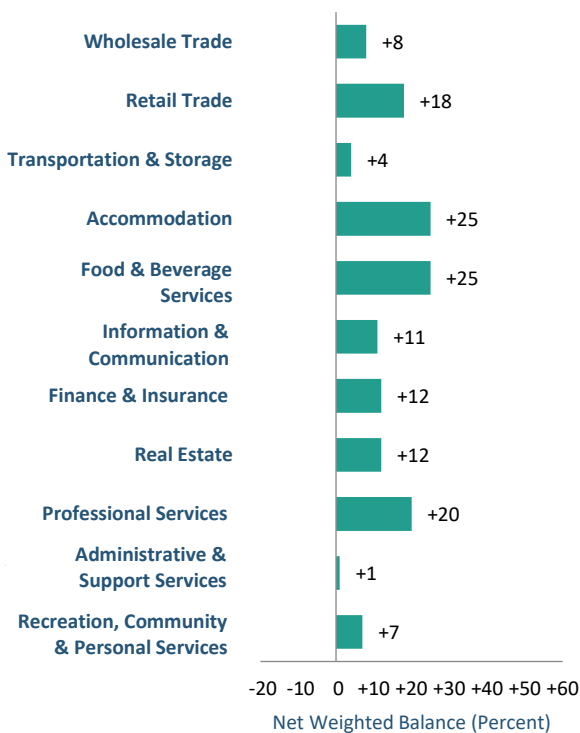
The professional services industry expects higher operating revenue. In particular, accounting firms, head offices and management consultancy firms, as well as firms engaged in engineering design and consultancy activities expect an increase in the number of projects.

In terms of employment, all industries expect to increase their hiring activities for the period of Oct – Dec 2023, with a net weighted balance of 12%.

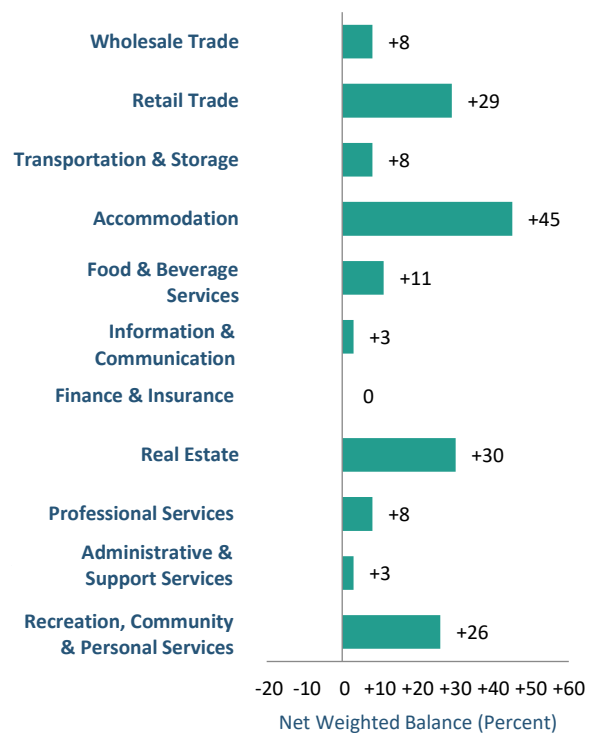
For Oct – Dec 2023, firms within the accommodation industry expect to increase hiring in tandem with the projected increase in tourist arrivals during the year-end festive period.

Similarly, firms within the real estate industry expect employment levels to increase in line with their positive revenue outlook for the fourth quarter of 2023. Within this sector, firms providing real estate management and maintenance services expect to secure more contracts.

Operating Revenue Forecast for 4th Qtr 2023



Employment Forecast for 4th Qtr 2023



## 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 4<sup>th</sup> quarter 2023 survey was conducted from Sep to Oct 2023. 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.



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  
31 Oct 2023

For enquiries, please contact:

Mr Ghazali Mohamed

T (+65) 6835 8982 E Ghazali\_Mohamed@singstat.gov.sg

Mr Chan Jun Han

T (+65) 6332 5207 E Chan\_Jun\_Han@singstat.gov.sg

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