

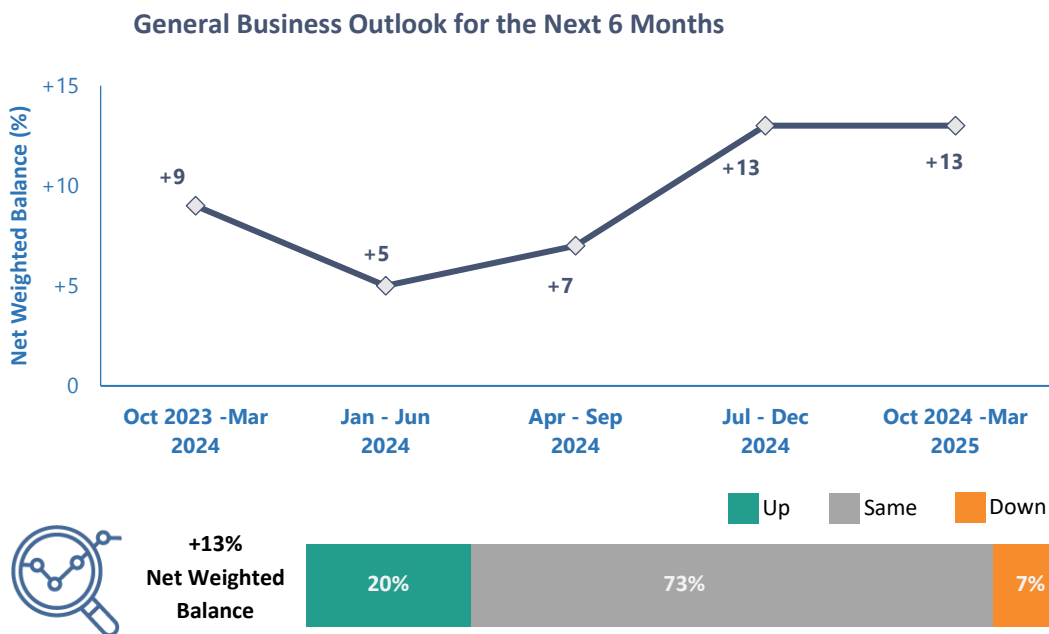
PRESS RELEASE

Business Expectations of the Services Sector Fourth 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 (OCT 2024 – MAR 2025)

Business expectations among firms in Singapore's services sector remain positive for the period of Oct 2024 – Mar 2025. 20% of firms¹ are upbeat about business conditions while 7% of firms foresee deteriorating business conditions, resulting in a net weighted balance of 13% of firms expecting a more favourable business outlook.



OPERATING REVENUE FORECAST (OCT – DEC 2024)



EMPLOYMENT FORECAST (OCT – DEC 2024)

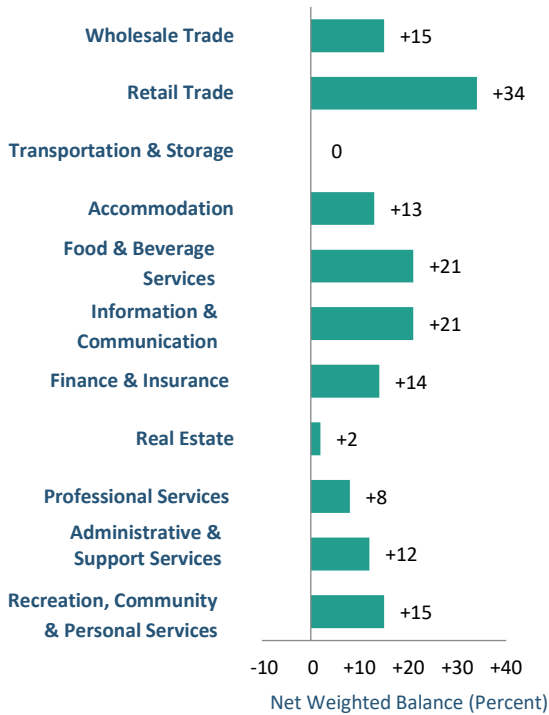


¹Refers to weighted percentage of firms.

GENERAL BUSINESS OUTLOOK (OCT 2024 – MAR 2025)

Within the services sector, most industries express positive sentiments on their business conditions for the period of Oct 2024 – Mar 2025.

General Business Outlook for Oct 2024 - Mar 2025



Firms in the Retail Trade and Food & Beverage Services industries foresee improved business conditions for Oct 2024 – Mar 2025, due to the upcoming festive periods, such as Christmas, Chinese New Year, and year-end school holidays.

The Information & Communication industry also expresses positive sentiments. Firms in the information service activities sector are optimistic, citing strong demand for data and cloud services.

The Recreational, Community & Personal Services industry is positive about their business outlook for Oct 2024 – Mar 2025. Firms providing health services anticipate a continued demand for healthcare services. Childcare service providers also expect increased demand for childcare services.

Similarly, the Wholesale Trade industry is also optimistic in its business outlook. Particularly, wholesalers of the Computers, Computer Peripheral Equipment and Software sector cite the commercial refresh cycle and higher demand for Artificial Intelligence-related products as reasons for optimism.

The Finance & Insurance industry also expects business conditions to improve. Payment service providers foresee higher revenues due to increased e-commerce activity and higher cross-border transactions.

OPERATING REVENUE AND EMPLOYMENT FORECAST (OCT – DEC 2024)

The services sector, with a net weighted balance of 14% of firms, foresees higher revenue for the period of Oct – Dec 2024.

Firms in the Retail Trade and Food & Beverages Services industries anticipate higher revenue for the fourth quarter of 2024, driven by the upcoming festive periods and year-end school holidays.

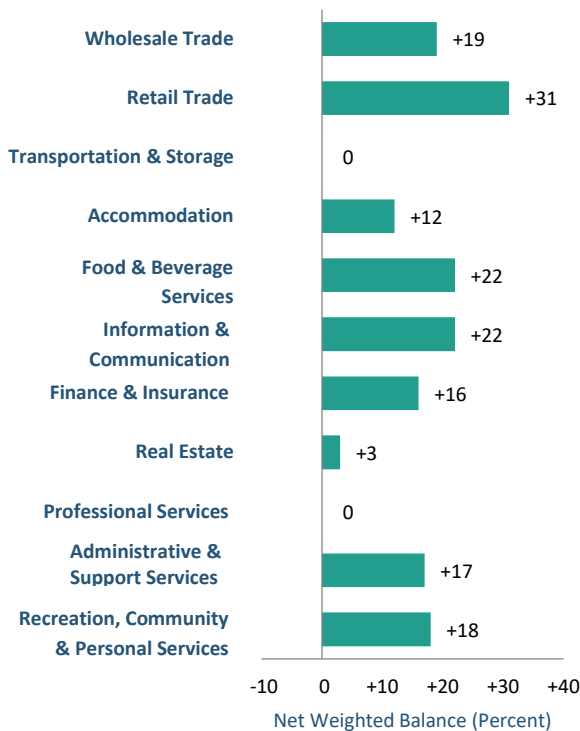
The Information & Communication industry expects higher operating revenue. In particular, firms engaged in information services activities anticipate higher revenue in the fourth quarter of 2024, fueled by robust demand for data and cloud services.

All industries are expecting to boost their hiring activities for the period of Oct – Dec 2024, with a net weighted balance of 10%.

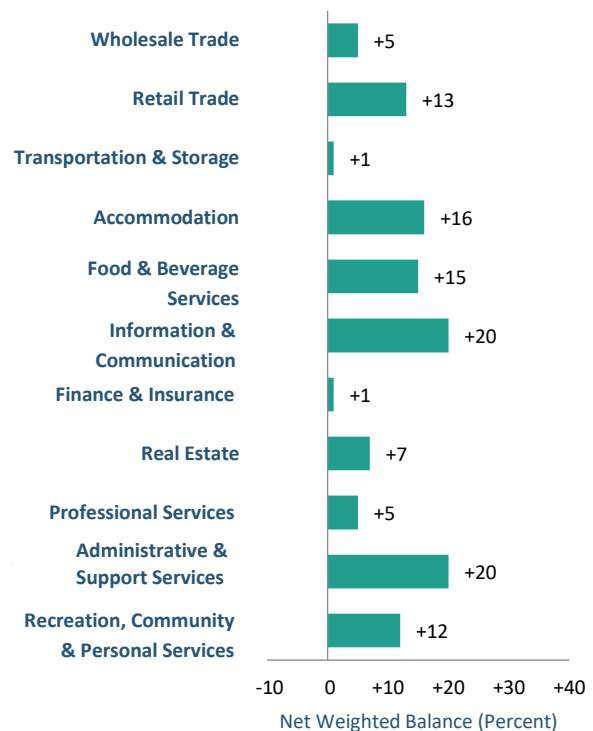
Firms in the Administrative & Support Services industry are looking to increase their hiring. Particularly, firms in security and cleaning services anticipate hiring more staff to meet the rising demand for their services.

Similarly, in line with the positive revenue outlook, hoteliers in the Accommodation industry foresee a rise in employment levels as they expect better business and are increasing hiring to meet the demand during the year-end period.

Operating Revenue Forecast for 4Q 2024



Employment Forecast for 4Q 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 4th quarter 2024 survey was conducted from September to October 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.



More information is available on the SingStat Website at
www.singstat.gov.sg/find-data/search-by-theme/industry/business-expectations/latest-data

or through the QR code below.



Singapore Department of Statistics
30 October 2024

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