PERSONAL DISPOSABLE INCOME

Personal disposable income enables private consumption expenditure to be expressed as a share of disposable income rather than gross domestic product (GDP), with the former being a more appropriate measure since it compares consumption and disposable income within the personal sector.

PERSONAL DISPOSABLE INCOME (PDI) comprises

- **Compensation of Employees (CoE)**
- **Gross Operating Surplus (GOS)*/ Self-employment Income**
  * Refers to GOS on ownership of dwellings and non-profit institutions serving households (e.g., charities and religious organisations)
- **Property Income Received** *less* **Property Income Paid**
- **Current Transfers Received** *less* **Current Transfers Paid**
- *less* **Personal Income Tax Paid**

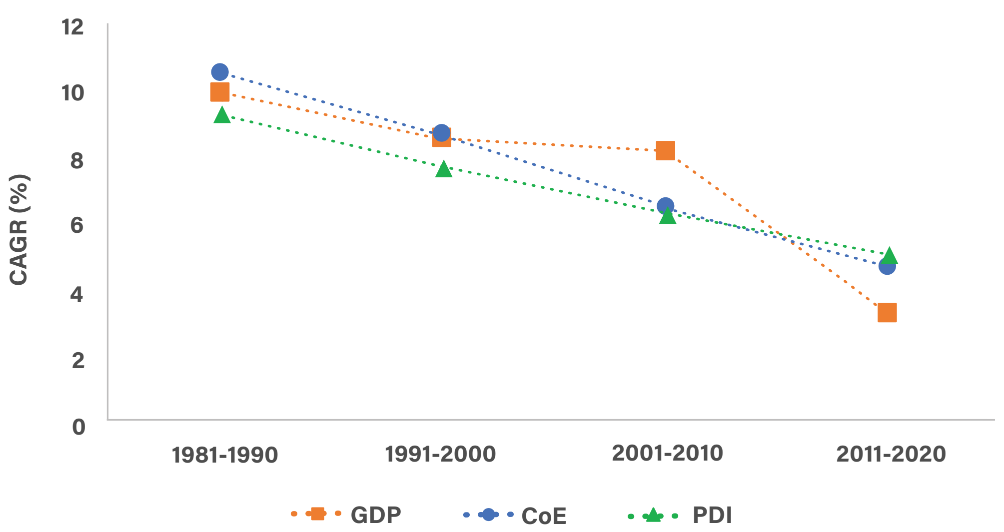
KEY TRENDS

$261 billion
in 2020

5.2%
Compound Annual Growth Rate (CAGR)
for 2011-2020

PDI increased about 58 per cent over the last decade, from $165 billion in 2011 to $261 billion in 2020. It is also observed that PDI had grown over the years in tandem with Singapore's economic development, although the rate of growth has tapered as our economy became more developed, an observation which is consistent with international evidence.

Nominal Growth in GDP, CoE and PDI



For more information, check out the information paper on "Personal Disposable Income and Personal Saving"

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PERSONAL SAVING

Personal saving (PS) refers to the difference between **personal disposable income (PDI)** and **private consumption expenditure (PCE)**

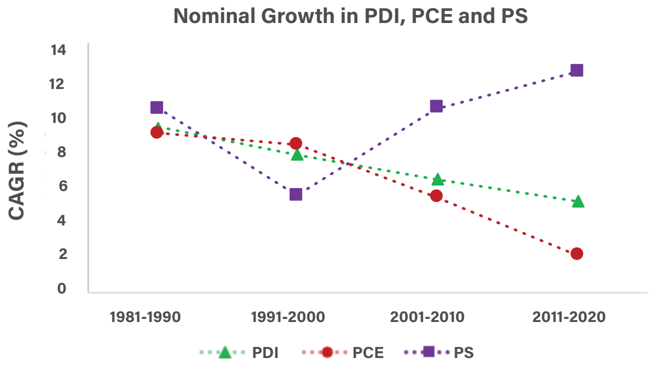
PS in national accounts differs from the common perception of "saving", which often refers to the amount of deposits in bank accounts. Instead, PS is the amount of available funds after consumption and before the purchase of assets or repayments of debts.

KEY TRENDS

$106 billion
in 2020

12.7%
CAGR
for 2011-2020

PS increased almost threefold from $36 billion in 2011 to $106 billion in 2020 as growth in PDI outpaced growth in PCE over this period.

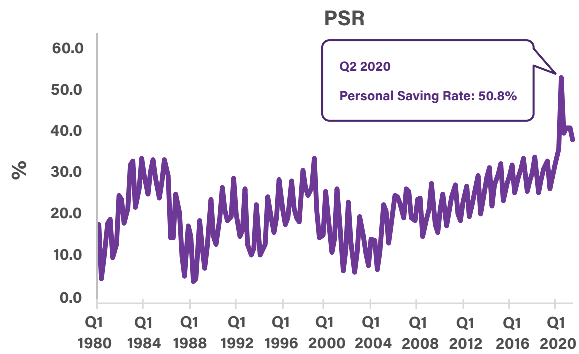


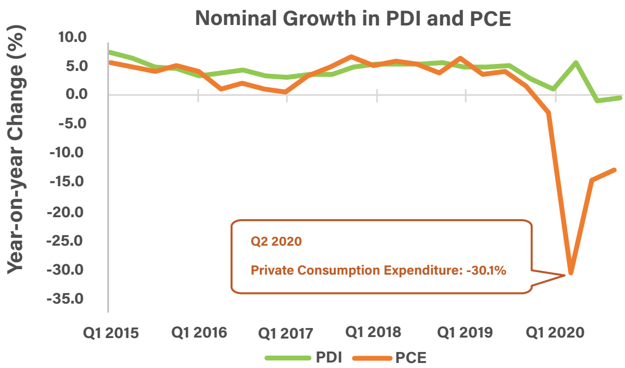
Personal saving rate (PSR) refers to **personal saving (PS)** as a percentage of **personal disposable income (PDI)**

KEY TRENDS

Personal saving rate rose to a record high in Q2 2020 amid the COVID-19 pandemic due to:

- **Sharp fall in private consumption expenditure as households' opportunities to spend were constrained by the *Circuit Breaker* measures put in place in Q2 2020.**
- **Stronger growth in personal disposable income, supported by the strong *fiscal stimulus* to help households tide through the crisis.**





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