

Advance GDP Estimates for Fourth Quarter 2007

Gross Domestic Product at 2000 Prices

(Percentage change over corresponding period of previous year)

	4Q06	2006	1Q07	2Q07	3Q07	4Q07*	2007
Overall GDP	6.6	7.9	6.4	8.8	9.0	6.0	7.5
Goods Producing Industries							
Manufacturing	7.7	11.5	3.9	7.9	10.3	0.5	5.6
Construction	4.7	2.7	13.6	22.0	19.2	24.4	19.8
Services Producing Industries	6.6	7.0	7.4	8.5	8.3	8.3	8.1

* Advance estimates

1. Growth of the Singapore economy moderated in the fourth quarter of 2007. Advance estimates¹ show that real gross domestic product (GDP) rose by 6.0 per cent on a year-on-year basis in the fourth quarter, following a 9.0 per cent gain in the previous quarter. On a quarter-on-quarter seasonally adjusted annualised basis, real GDP fell by 3.2 per cent, compared with 4.4 per cent gain a quarter earlier, reflecting a slowdown in the manufacturing sector.
2. Growth in the manufacturing sector is estimated to have decelerated from 10.3 per cent in the third quarter to 0.5 per cent in the fourth quarter. This was largely due to a fall in the output of the biomedical manufacturing cluster as some active pharmaceutical ingredients were not produced. On the other hand, transport engineering cluster continued to register double-digit growth in the quarter.
3. The construction sector is estimated to have expanded strongly by 24.4 per cent in the fourth quarter, on the heels of 19.2 per cent growth a quarter earlier.

¹ The advance GDP estimates for fourth quarter 2007 are computed largely from the first two months of the quarter (i.e. October and November 2007). They are intended as an early indication of the GDP growth in the quarter, and are subject to revision when more comprehensive data becomes available.

4. The services producing industries are estimated to have grown by 8.3 per cent in the fourth quarter, same as the previous quarter. The financial services sector continued to experience rapid growth while wholesale and retail trade, transport and storage, and business services sectors registered better performance in the quarter.

5. For 2007 as a whole, the economy is estimated to have expanded by 7.5 per cent, compared with 7.9 per cent in 2006. Growth in the manufacturing sector is estimated to have moderated to 5.6 per cent, down from 11.5 per cent in 2006. Both the construction sector and services producing industries are expected to have grown faster in 2007, at 19.8 per cent and 8.1 per cent respectively.

6. The preliminary GDP estimates for the fourth quarter and whole year 2007, including performance by sectors, sources of growth, inflation, employment and productivity, will be released in February 2008 in the *Economic Survey of Singapore*.

MINISTRY OF TRADE AND INDUSTRY
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