

Singapore's GDP Growth Moderated in the Second Quarter of 2014

14 July 2014. Based on advance estimates¹, the Singapore economy grew by 2.1 per cent on a year-on-year basis in the second quarter of 2014, slower than the 4.7 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 0.8 per cent, a reversal from the 1.6 per cent growth in the preceding quarter.

Gross Domestic Product at 2010 Prices

	2Q13	3Q13	4Q13	2013	1Q14	2Q14*
Percentage change over corresponding period of previous year						
Overall GDP	4.0	5.0	4.9	3.9	4.7	2.1
Goods Producing Industries						
Manufacturing	0.8	5.3	7.0	1.7	9.9	0.2
Construction	6.1	5.6	7.3	6.1	6.4	5.0
Services Producing Industries	5.7	5.8	5.5	5.3	3.9	2.8
Quarter-on-quarter annualised growth rate, seasonally-adjusted						
Overall GDP	10.2	0.7	6.9	3.9	1.6	-0.8
Goods Producing Industries						
Manufacturing	17.6	0.0	10.4	1.7	12.2	-19.4
Construction	9.8	6.7	10.6	6.1	-0.5	2.6
Services Producing Industries	10.0	0.6	7.1	5.3	-1.4	5.2

*Advance estimates

On a year-on-year basis, the manufacturing sector grew by 0.2 per cent in the second quarter, moderating from the 9.9 per cent expansion in the previous quarter. The deceleration in growth was largely due to a contraction in electronics output and slower growth in transport engineering output. On a quarter-on-quarter basis, the sector contracted at an annualised rate of 19.4 per cent, in contrast to the 12.2 per cent expansion in the preceding quarter.

The construction sector grew by 5.0 per cent on a year-on-year basis, compared to 6.4 per cent in the preceding quarter. The lower rate of growth was due to a slowdown in private sector construction activities. On a quarter-on-quarter basis, the sector expanded at an annualised rate of 2.6 per cent, an

¹ The advance GDP estimates for the second quarter of 2014 are computed largely from data in the first two months of the quarter (i.e. April and May 2014). They are intended as an early indication of the GDP growth in the quarter, and are subject to revision when more comprehensive data become available.

improvement from the 0.5 per cent contraction recorded in the previous quarter.

The services producing industries grew by 2.8 per cent on a year-on-year basis, following the 3.9 per cent growth in the previous quarter. The moderation in growth was largely due to slower expansion in the wholesale & retail trade and transportation & storage sectors. On a quarter-on-quarter basis, the services producing industries grew at an annualised rate of 5.2 per cent, a reversal from the 1.4 per cent contraction in the preceding quarter.

MTI will release the preliminary GDP estimates for the second quarter in August 2014, including performance by sectors, sources of growth, inflation, employment and productivity, in its *Economic Survey of Singapore*.

MINISTRY OF TRADE AND INDUSTRY
14 July 2014