Monetary Authority of Singapore

RECENT ECONOMIC DEVELOPMENTS IN SINGAPORE

6 March 2020

	2019				
	Q1	Q2	Q3	Q4	Full Year
Real Sector					
Real GDP Growth, y-o-y %	1.0	0.2	0.7	1.0	0.7
Real GDP Growth, q-o-q saar %	2.3	−0.8	2.2	0.6	-
Index of Industrial Production, y-o-y %	0.0	−0.5	−1.2	−4.0	−1.5
Non-oil Domestic Exports, y-o-y %	−6.4	−14.7	−9.6	−5.7	−9.2

Growth in the Singapore economy picked up slightly in Q4 2019

In Q4 2019, the economy grew by 1.0% y-o-y, a slight pickup from the 0.7% gain in Q3. Modern services, particularly digitalisation-related activities, anchored growth, while domestic-oriented activities also expanded on the back of construction and essential services. With lacklustre external demand and the global electronics cycle showing only incipient signs of turning around, the trade-related cluster remained the key drag on growth. For 2019 as a whole, Singapore's GDP expanded by 0.7%, a step-down from the 3.4% recorded in the previous year.

The global recovery will be held back by the COVID-19 outbreak

An unexpectedly severe contraction in the Japanese economy, alongside further weakness in the Eurozone, weighed on global growth in Q4 2019. Nonetheless, growth outturns in the US and Asia ex-Japan were resilient. Economic activity in Q1 2020 is likely to be significantly impacted by the COVID-19 outbreak, particularly in Asia. With transmissions rising outside of China, the outlook remains uncertain. However, still-firm labour markets, easier financial conditions and a de-escalation of trade tensions will provide some support to global growth in 2020.

The outbreak has dampened the domestic growth outlook

The COVID-19 outbreak is expected to severely affect the tourism-related segments, with spillovers to domestic-facing segments such as retail and restaurants. Disruptions to supply chains and weaker external demand will also weigh on the trade-related sectors, although the extent of the impact is unclear at this stage. Likewise, growth in some modern services could be dented in the earlier part of the year before recovering after the outbreak comes under control. All in, growth of the Singapore economy in 2020 has been downgraded to −0.5–1.5%, from 0.5–2.5%.

Inflationary pressures will stay subdued

External sources of inflation are likely to remain benign amid weak global growth and generally well-supplied commodity markets. On the domestic front, labour market conditions continued to soften slightly, resulting in a projected moderation of unit labour cost growth this year. In addition, increased economic uncertainty arising in part from the COVID-19 outbreak will discourage firms from passing on cost increases to consumers. MAS Core Inflation is expected to average 0.5–1.5% this year.

A. External Developments

Global GDP Growth					
	2019		2019	Consensus Forecast	
	Q3	Q4		2020	2021
	q-o-q saar %		y-o-y %		
G3*	**1.3**	**−0.7**	**1.5**	**1.1**	**1.4**
US	2.1	2.1	2.3	1.9	2.0
Eurozone	1.1	0.2	1.2	0.9	1.2
Japan	0.5	−6.3	0.7	0.3	0.8
	y-o-y %				
Asia ex-Japan*	**3.6**	**3.5**	**3.8**	**3.7**	**4.5**
China	6.0	6.0	6.1	5.6	5.8
Hong Kong	−2.8	−2.9	−1.2	−0.9	2.5
India**	5.1	4.7	5.0	5.9	6.4
NEA-2*	**2.7**	**2.9**	**2.5**	**2.3**	**2.5**
Korea	2.0	2.3	2.0	2.2	2.4
Taiwan	3.0	3.3	2.7	2.3	2.5
ASEAN-5*	**4.6**	**4.1**	**4.5**	**4.4**	**4.9**
Indonesia	5.0	5.0	5.0	5.0	5.2
Malaysia	4.4	3.6	4.3	4.1	4.6
Thailand	2.6	1.6	2.4	2.3	3.4
Philippines	6.0	6.4	5.9	6.2	6.3
Vietnam	7.5	7.0	7.0	6.5	6.6

Source: CEIC, Haver Analytics, Consensus Economics, February 2020 and EPG, MAS estimates
* Weighted by shares in Singapore's NODX.
** Figures are reported on a Financial Year basis; FY2020 refers to the period from April 2020 to March 2021.

Global growth momentum slipped further at the end of last year

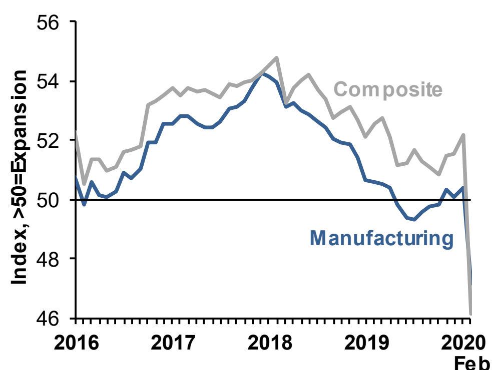
In **Q4 2019, the global economy was dragged down by a sharp contraction in Japan and stalling momentum in the Eurozone,** even while the US continued to expand at a firm pace of 2.1%. Domestic demand pulled back in the Eurozone and Japan; the retraction in spending in the latter following the consumption tax hike in October turned out to be much sharper than expected. In Asia ex-Japan, Q4 growth largely held steady compared to the preceding quarter, although slippages were seen in some ASEAN countries such as Malaysia and Thailand.

The global economy began 2020 against the backdrop of a broadly stabilising outlook, alongside signs of an incipient pickup in the electronics cycle. However, **the outbreak of the COVID-19 epidemic is expected to hold back the nascent recovery** as cutbacks in spending and tourism flows, as well as disruption to production networks, depress economic activity in Q1. The impact will be more significant in Asia, given its geographical proximity to the epicentre in China and the prevalence of supply chains in the region. The hit to the hospitality sector in Asian countries is likely to be more severe than during SARS for two reasons: first, the number of outbound Chinese tourists have increased eight-fold since SARS in 2003 and second, many countries

have been more pre-emptive in implementing travel restrictions, including flight cancellations.

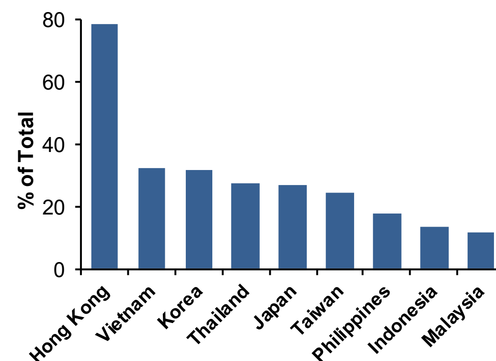
Looking beyond the near-term weakness, **global economic activity will continue to be supported by highly accommodative monetary policy settings across both advanced and emerging market economies (EMEs), amid already loose global financial conditions.** The reduction in US-China trade tensions that resulted chiefly from the signing of a "Phase One" trade agreement in January boosted sentiment and contributed to a moderation in global economic policy uncertainty, although this has been partially negated by the fresh uncertainties created by the COVID-19 epidemic. Nonetheless, in a bid to shore up domestic demand, some jurisdictions in the region have started to roll out fiscal stimulus packages and cuts to interest rates.

Global PMIs picked up moderately before tumbling in February 2020.



Source: Haver Analytics and EPG, MAS estimates

Tourist arrivals from China are significant in most of the region.



Source: Haver Analytics and EPG, MAS estimates

Near-term challenges to global financial stability have increased in tandem with downside risks to the economic outlook

While initial reactions of global financial markets to the COVID-19 outbreak were relatively muted, the acceleration of new infections outside China has triggered another round of risk-off sentiment. At the same time, the economic disruptions engendered by the epidemic have increased financial stability risks in China. In response, the authorities have promulgated measures aimed at alleviating financial conditions. These include providing targeted credit support to small and medium-sized enterprises (SMEs) as well as firms in the most affected sectors, and guidance to commercial banks on easier lending terms and lower interest rates for affected companies. However, the trade-off between deploying policy support to mitigate the short-term impact of the virus outbreak, and not undermining efforts to reduce financial stability risks in the medium term, could become more stark if such measures are prolonged or enhanced.

Against a backdrop of low interest rates and an increase in corporate indebtedness in Asia, the virus outbreak has also accentuated risks to financial stability in the region. The slowdown in economic activity could increase credit risk

for banks, particularly those with large exposures to sectors that are most directly hit by the outbreak (i.e., the tourism and trade-related sectors). A shift in investor sentiment has led to portfolio outflows and depreciation pressures in the region, which could increase credit risks, exacerbating the direct economic impact of COVID-19, particularly for corporates with foreign currency-denominated debt.

G3 GDP growth is expected to moderate to an average of 1.1% this year, before picking up to 1.4% in 2021.

Asia ex-Japan's growth is projected to rebound from a virus-hit 3.7% this year to 4.5% in 2021.

Domestic demand continued to support US growth, but contracted in several large economies

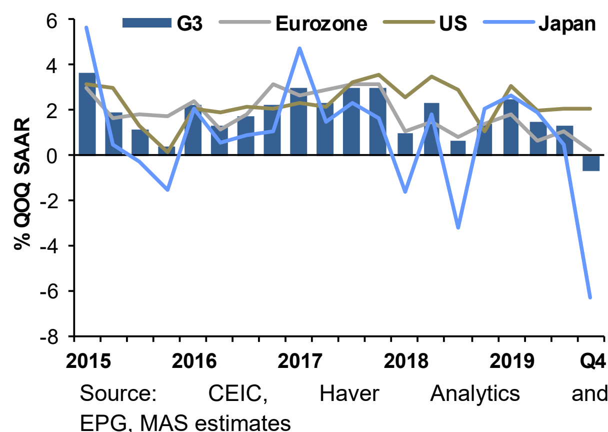
(All the GDP and inflation forecasts cited in this section are drawn from the February 2020 issue of Consensus Economics, which could be revised in the light of the evolving developments associated with the COVID-19 outbreak.)

The US economy grew by 2.1% q-o-q saar in Q4 2019, the same pace as in Q3, bringing the expansion in 2019 as a whole to 2.3%. However, the underlying momentum appeared to have slipped somewhat. Final sales to domestic purchasers expanded at a slower pace of 1.5% q-o-q saar in Q4, down from 2.2% in Q3, as household spending growth eased and a contraction in business capex offset increases in residential investment and government spending. Net exports contributed positively to growth as imports declined, which in turn led to a slowdown in inventory accumulation. The short-term outlook remained positive at the start of 2020, with the non-manufacturing ISM index picking up further in February although some pullback was seen in the manufacturing PMI. Resilient domestic demand, underpinned by robust labour market conditions, will continue to support growth this year. Growth will also be underpinned by the easing of financial conditions, in particular, the surprise 50bps Fed rate cut in March in response to the downside risks posed by COVID-19. Although the domestically-driven US economy should be relatively insulated from spillovers from COVID outbreaks abroad, downside risks remain especially if the disease becomes more entrenched in the country. **All in, the US economy is projected to grow by 1.9% in 2020 and 2.0% in 2021.**

Economic growth in the Eurozone slowed to 0.2% q-o-q saar in Q4 2019, from 1.1% in Q3, on a pullback in domestic demand in the major economies. GDP contracted by 0.2% and 1.2% q-o-q saar in France and Italy, respectively. Widespread strikes in the public sector in France over the government's proposed pension reform dampened private consumption and investment. In Italy, growth was dragged down by lacklustre household spending, partly due to severe storms and flooding in Q4. The headwinds posed by these factors will fade, although COVID-19 poses a new risk, especially in Italy. Meanwhile, growth in Germany stagnated due to ongoing

weakness in the export-driven manufacturing sector. The virus outbreak is the key risk to the short-term outlook, although domestic demand will continue to underpin growth in 2020, supported by firm labour market conditions. **Overall, Eurozone GDP growth is seen slipping to 0.9% in 2020, before inching up to 1.2% in 2021.**

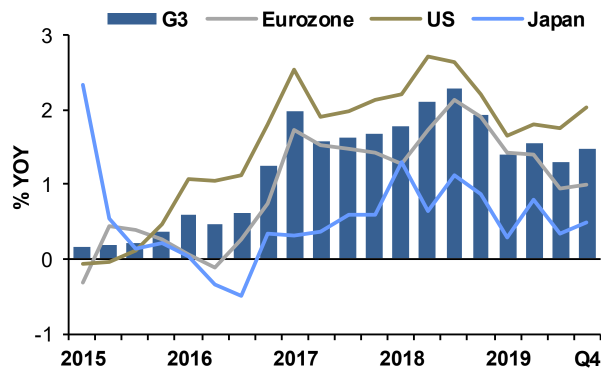
G3 growth tumbled in Q4 2019, led by a steep contraction in Japan.



Source: CEIC, Haver Analytics and EPG, MAS estimates

Japan's economy contracted by 6.3% q-o-q saar in Q4 2019, far worse than expected, on a steep cutback in household and business spending in the aftermath of the October consumption tax hike. Household spending plunged by 11.0% q-o-q saar in Q4, with durable goods expenditure declining by 42.1%, despite the slew of countermeasures by the government to soften the impact on consumption. After a year of positive growth in private fixed investments, both capex spending and residential investment contracted, in part due to weak global demand and production disruptions brought about by Typhoon Hagibis. Although the export slowdown appears to have eased more recently, the Q4 contraction will have a carry-over effect on growth in 2020. COVID-19 will also have an additional, albeit temporary, negative impact on economic activity due to supply chain disruptions and reduced tourism inflows. Overall, earlier expectations of a first quarter recovery are unlikely to materialise. **Current projections suggest that Japan's growth will slow to 0.3% in 2020, despite the expected boost from the Olympics event in July–August.** Growth in 2021 is expected to come in at 0.8%.

G3 headline inflation stayed muted in Q4 even with the consumption tax hike in Japan.



Source: Haver Analytics and EPG, MAS estimates

CPI headline inflation in the G3 picked up slightly to 1.5% in Q4 2019. Although the US CPI rose slightly in Q4, headline and core PCE inflation remained largely stable, at 1.4% and 1.6% y-o-y, respectively, despite moderate increases in wages and rising unit labour costs. In the Eurozone, headline inflation remained unchanged at 1.0% in Q4 on account of weak energy prices and muted core inflationary pressures. In Japan, headline and core inflation picked up a little to 0.5% and 0.6%, respectively, although this was mainly attributable to the 2%-point increase in the consumption tax in October 2019. **Given the subdued economic outlook, headline inflation in the G3 economies is expected to remain largely unchanged at 1.5% in 2020 and 1.7% in 2021.**

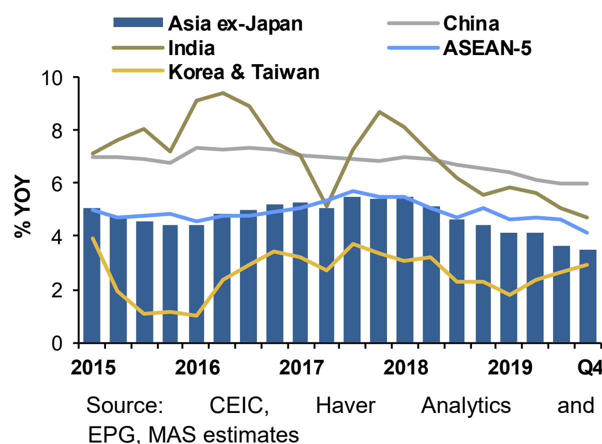
G3 inflation is projected to inch up from 1.5% in 2020 to 1.7% in 2021.

COVID-19 will have a discernible but temporary impact on economic activity in Asia ex-Japan

China's growth projection for 2020 has been revised down due to the serious outbreak of COVID-19. In Q4 2019, GDP growth held steady at 6.0% y-o-y as slower consumption growth was offset by a pickup in investment, led by manufacturing. Household spending continued to moderate due to a deceleration in real disposable income growth and an uptick in unemployment. Meanwhile, trade growth weakened substantially owing to the US tariffs, as well as subdued global demand. Beyond cyclical factors, China's economy has been slowing on account of structural adjustment and financial deleveraging, from 6.9% in 2017 to 6.1% in 2019. For 2020, the COVID-19 outbreak is expected to have a sharp, albeit relatively short-lived, impact on economic activity in the first quarter. In addition to easing monetary policy, the government has announced a host of relief measures—including tax, fee and social security contribution breaks—to tide companies through the short term before the rebound in growth takes place. **Overall, the Chinese economy is projected to expand at a significantly slower pace in 2020 compared to 2019.**

Meanwhile, the Hong Kong economy contracted by 2.9% y-o-y in Q4 2019 and 1.2% in 2019 as a whole, marking its first full-year decline in GDP since 2009. Large-scale political unrest and the attendant negative effects had tipped the economy into a technical recession in Q3, alongside declines in private consumption and investment. Business capex contracted for the fifth straight quarter in Q4, while tourist arrivals had plummeted by more than 50% by the end of the year—the worst showing since SARS in 2003. In addition, retail sales have been falling for almost a year. The COVID-19 outbreak has presented a new and potentially destabilising headwind to the economy, even as still-heightened political tensions continue to dampen domestic demand. The government has announced substantial short-term relief measures, including cash handouts, tax reductions and employment support, which will contribute to a budget deficit of 4.8% of GDP in FY2020/21 and provide some support to growth. **Overall, the economy is expected to contract by a further 0.9% in 2020 before recovering by a projected 2.5% in 2021.**

Weak external demand continued to dampen growth in Asia ex-Japan.



Source: CEIC, Haver Analytics and EPG, MAS estimates

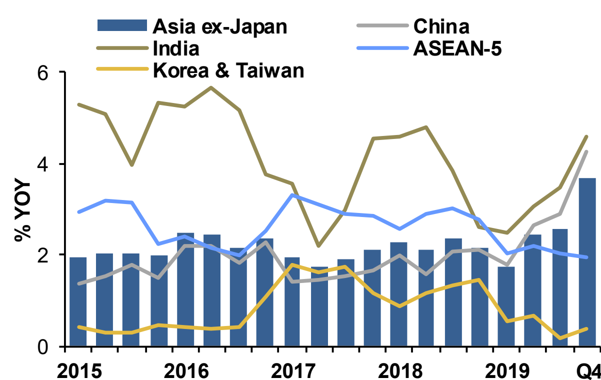
Economic activity in India remained weak in Q4 2019, weighed down mainly by the slump in investment. The economy expanded by 4.7% y-o-y in the quarter, bringing full-year growth to 5.0%, the slowest since 2012. Gross fixed capital formation declined for the second consecutive quarter, by 5.2% y-o-y, as firms continued to hold back on capital expenditure amid weak sentiment and muted final demand. However, government spending was resilient, rising by 11.8% y-o-y. Meanwhile, private consumption growth picked up somewhat in Q4 but remained relatively weak, consistent with the continued contraction in imports. As a result, net exports contributed positively to GDP growth. The COVID-19 outbreak is likely to delay any recovery, as India will not be totally insulated from weaker external demand and supply disruptions in key industries. Nevertheless, accommodative policy measures are expected to provide some support to the economy, **with growth projected at 5.9% in 2020 and 6.4% in 2021.**

Economic growth in Korea and Taiwan strengthened to 2.3% and 3.3% y-o-y, respectively, in Q4 2019, bringing full-year 2019 growth to 2.0% in Korea, and 2.7% in Taiwan. In both economies, robust investment growth was the main driver of activity

in Q4, reflecting in part capacity expansion in the electronics sector in response to increased demand for 5G technology. Taiwan has also gained substantially from the relocation of some overseas firms back to the island, prompted by rising labour costs in China, trade tariffs and the government's policy incentives. Domestic demand drivers stayed firm in both economies, underpinned by tight labour markets and supportive government policies. Nevertheless, the COVID-19 epidemic poses a significant downside risk to both countries, with Korea in particular witnessing a strong wave of local transmission that will partially disrupt economic activity. **On balance, GDP growth in Korea and Taiwan is expected to come in at 2.2% and 2.3% in 2020, respectively, with some downside risk to the forecasts.** Growth in both economies is projected to pick up slightly in 2021.

Growth in the ASEAN-5 economies eased from 4.6% y-o-y in Q3 2019 to 4.1% in Q4, the weakest quarterly outturn in eight years. Within the region, GDP decelerated sharply in Malaysia and Thailand, but was firmer in Indonesia, the Philippines and Vietnam. The former two economies were hit by a slump in exports, which was accentuated by temporary facility closures in Malaysia's oil and gas sector and by the relative strength of the Thai Baht. Meanwhile, Vietnam has continued to benefit from trade diversion and production relocation from China, which underpinned the sustained strength in investment and exports. Being less reliant on trade, growth in Indonesia and the Philippines has also been steady, with private consumption providing the main pillar of support in Indonesia and fiscal spending boosting domestic spending in the Philippines. The COVID-19 outbreak is expected to have a bigger impact on economic activity in Malaysia, Thailand and Vietnam, given their greater exposures to China through trade and tourism. Nevertheless, the ASEAN-5 countries have eased monetary policy by a cumulative 25–100 basis points each since mid-2019, with several countries planning to roll out fiscal stimulus packages as well. **All in, ASEAN-5's growth is projected to slip to 4.4% in 2020 from 4.5% in 2019, before rising to 4.9% in 2021.**

Headline inflation in Asia ex-Japan shot up in Q4 2019 on higher food prices.



Source: Haver Analytics and EPG, MAS estimates

Average CPI inflation in Asia ex-Japan rose sharply in Q4 2019 mainly owing to higher food and fuel prices. In China, consumer price inflation accelerated in Q4 on

the back of a sharp rise in food prices, in particular pork. In India, supply shocks also resulted in a broad-based increase in food prices. However, core inflation in both economies was contained, reflecting a lack of domestic demand pressures. Similarly, inflation in the ASEAN-5, Korea and Taiwan remained benign in Q4. **Looking ahead, inflation in Asia ex-Japan is projected at 2.9% in 2020.** The continued rise in food prices will raise headline inflation in H1 2020, although this will be tempered by the drop in oil prices since the COVID-19 outbreak. Core inflation is expected to remain subdued, given the weaker outlook for growth this year.

Inflation in Asia ex-Japan is projected to decline to 2.9% in 2020.

B. Domestic Developments

Singapore's economic growth picked up in Q4 2019

The domestic economy grew by 1.0% y-o-y in Q4 2019, up slightly from 0.7% in Q3. The expansion continued to be underpinned by growth in modern services, which was broadly driven by digitalisation-related activities. The domestic-oriented cluster also contributed positively, supported by the construction and essential services segments. In contrast, the performance of the trade-related cluster was decidedly more mixed. The manufacturing sector saw a sharper contraction despite the uptick in global manufacturing activity, amid the persistent weakness of the marine & offshore engineering segment. However, trade services registered some improvement.

The modern services cluster rounded off 2019 on a firm footing. The finance & insurance sector grew at a creditable pace of 4.0%. Headline growth continued to be supported by robust expansions in auxiliary activities (comprising mainly credit card network players), as electronic payments gained further traction. Relatively firmer demand from the ASEAN region bolstered financial intermediation services, with onshore and offshore non-banks loans expanding steadily by 3.1% and 6.2%, respectively. Nevertheless, sentiment-sensitive segments such as fund management contracted in Q4, weighed down by a prolonged low-yield environment and heightened competition. Meanwhile, growth in the insurance segment was lacklustre, owing to higher than expected payouts attributable to a series of natural disasters.

Demand for ICT and business services was resilient in the last quarter of 2019. The ICT sector grew by 4.5% in Q4, a slight improvement from the quarter before, on still healthy demand for IT solutions domestically and in the region. Likewise, the expansion in business services (excluding real estate) picked up, reflecting robust gains in the head & business representative offices segment.

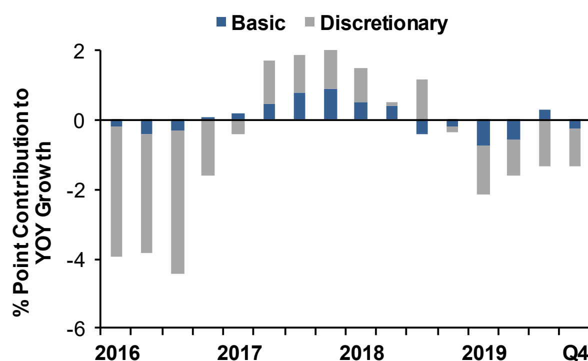
Tourism-related industries gained momentum in Q4. The accommodation segment grew at a faster pace compared to the preceding quarter, alongside a pickup in tourist arrivals. Total visitor arrivals increased by 6.9% y-o-y in Q4, stepping up from the 3.5% gain in Q3. Arrivals from Indonesia and Greater China saw robust growth of 11.0% and 10.6%, respectively. Hotel revenue per available room also improved in Q4, underpinned by higher average room rates and rising occupancies across all hotel tiers compared to a year ago.

Growth in the domestic-oriented cluster picked up towards the end of the year. Value-added in the construction sector increased by 4.3% y-o-y in Q4, higher than the 3.1% registered in Q3. Nominal certified progress payments rose by 10.1%, a discernible step-up from the previous quarters. Notably, public certified payments increased by 11.0% in Q4, accelerating from 2.8% in Q3, reflecting the progress made in industrial, institutional and civil engineering projects. Major works include the two developments in the Punggol Digital District—the Singapore Institute of Technology's

centralised campus and JTC's integrated business park development—as well as LTA's Thomson-East Coast MRT Line. Meanwhile, private progress payments increased by 9.3% in Q4, underpinned by residential and industrial building works. The performance of the real estate segment also improved in Q4, reflecting an earlier pickup in private residential transactions activity.

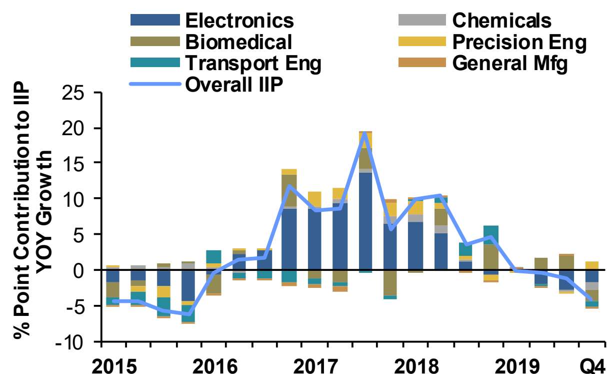
Consumer-facing industries stayed sluggish. The weakness in retail sales extended into Q4, with sales volumes falling by 4.9%, a deterioration from the 2.8% contraction in Q3. Motor vehicle sales fell by 24.6% on lower Certificate of Entitlement quotas while non-motor vehicle sales were weighed down by lacklustre sales of discretionary items, such as furniture & household equipment, telecommunication devices and department store spending. Elsewhere, food & beverage sales volume grew by 1.8% in Q4, broadly similar to Q3.

Retail sales (excluding motor vehicles) remained weak in Q4 2019.



The manufacturing sector contracted by 4.0% y-o-y in Q4 2019, following the 1.2% decline in the preceding quarter. The poorer performance was mainly attributable to the transport engineering cluster, which saw a sharper decline in the marine & offshore engineering segment. The chemicals cluster also contracted significantly, due partly to scheduled maintenance shutdowns. In contrast, the downturn in the electronics cluster may have bottomed out, as the pace of output decline moderated amid nascent signs of recovery in the global electronics cycle. Concomitantly, the expansion of the precision engineering cluster accelerated, supported by the higher output of semiconductor equipment.

The decline in industrial output worsened in Q4 2019.



The trade services segment saw a modest uptick in performance. Foreign wholesale trade expanded by 1.5% y-o-y in Q4, the first positive growth after five consecutive quarters of decline, amid resilient economic growth in Asia. Sea cargo handled at Singapore's ports also fell by a smaller 1.1%, an improvement from the 2.8% decrease seen in the preceding quarter. The volume of containerised cargo increased for the first time after three consecutive quarters of decline. However, the volume of bulk cargo oil continued to shrink.

COVID-19 has dampened the short-term prospects for the Singapore economy

Domestic economic growth for 2020 has been revised down to −0.5–1.5%, from 0.5–2.5%.

In November 2019, the government announced a growth forecast of 0.5%–2.5% for 2020, predicated upon a mild recovery of the global electronics cycle, alongside a modest pickup in global growth. Since then, the COVID-19 outbreak has emerged as the key near-term downside risk to growth, with the potential to negatively impact the domestic economy through multiple channels. Accordingly, the official forecast range for GDP growth in 2020 has been downgraded to −0.5–1.5%.

The tourism-related segments are expected to be severely hit by the virus outbreak. Travel restrictions imposed on arrivals from China are likely to have a larger impact than during SARS as China has become Singapore's largest source of visitors, accounting for 19% of the total in 2019, up from 9% in 2003. The Singapore Tourism Board projects that tourist arrivals will fall by 25–30% this year, exceeding the 19% decline seen in 2003. The pullback in visitors would in turn curtail the revenues and growth of segments such as hotels, arts & entertainment, and air transport.

The performance of domestic-oriented industries such as retail and food & beverage services is also expected to weaken, as households avoid shopping and dining-out activities. Nonetheless, the increasing prevalence of e-commerce should mitigate the decline in retail sales.

Similarly, financing conditions for SMEs could see some tightening amid difficult operating conditions. Prior to the COVID-19 shock, SMEs in the retail and food & beverage sectors had already been expecting stiffer competition from e-commerce and rising operating costs to negatively impact business prospects. Nevertheless, increased government support for SMEs through measures such as the recent Budget 2020's Stabilisation and Support Package is expected to help ease SME financing conditions during this challenging period. (Please refer to Section D below.)

The domestic-oriented cluster will nevertheless find some support from the construction sector and essential services. Amid an increase in contracts awarded since mid-2017, the construction sector should see steady growth. In particular, contracts awarded for major infrastructure projects such as the Integrated Waste Management System, Changi Airport Terminal 5, berth facilities at Jurong Port and Tanjong Pagar Terminal, as well as the Jurong Regional Line, should provide support. The positive impulse to the private residential segment arising from the earlier *en-bloc* boom should also endure over the next 1–2 years, and underpin real estate services, while the institutional segment will benefit from plans for new educational and healthcare facilities. Demand for non-cyclical, essential domestic services, such as education and healthcare, is expected to stay firm, with the continued ramping-up of operations at Sengkang General and Outram Community hospitals in the year ahead.

The outlook of the trade-related sectors has been dampened by the COVID-19 outbreak. Disruptions in regional supply chains and the concomitant pullback in final demand from China and other regional economies could pose a drag to the trade-related cluster. The magnitude of the impact could vary across firms, depending on their exposure to the region. Indeed, an early survey conducted by the Singapore Semiconductor Industry Association among its 40 members found that 80% of respondents had been affected by the COVID-19 situation to varying degrees. The majority reported staff deployment issues and a drop in China-related business, while about a fifth cited concerns about supply shortages or delivery delays from Chinese suppliers. However, global MNCs with operations in China have also indicated that they are able to ramp up production at alternative sites outside China. Singapore could therefore see increased trade with countries that host these factories, particularly if they are in the region. As such, the overall impact at the sectoral level remains uncertain at this stage.

Although the fallout from the COVID-19 outbreak could be acute in the near term, the negative impact should ease as the epidemic comes under control. Moreover, towards the latter half of the year, the domestic electronics cluster may benefit from the expanded rollout of 5G networks across the world, which is expected to spur demand for 5G-enabled devices.

Prospects for the modern services cluster have softened slightly following the outbreak. Growth of the finance & insurance sector is expected to moderate in 2020. Specifically, the anaemic growth in the sentiment-sensitive segments witnessed last year is likely to persist into 2020. Heightened uncertainty in financial markets, in

reaction to the multiple headwinds, will keep fund management growth subdued. Supply-side disruptions in China due to the staggered resumption of factory operations will also pose a temporary drag on demand for offshore loans and in turn weigh on financial intermediation activities. Nevertheless, some structural support remains in the form of the wider adoption of electronic payments in Singapore and the region, which will fuel growth in auxiliary financial services.

While risks are skewed to the downside, growth in the ICT and business services sectors should be supported by policy and structural factors. Value-added derived from external demand for services could take a hit in the short term, should the outbreak become protracted or more widespread. Nonetheless, timely policy support from the government in the context of the ongoing economic restructuring is expected to bolster local demand for ICT and business services, offsetting some of the downsides stemming from weaker foreign demand. For instance, digital transformation efforts such as the expanded SMEs Go Digital programme [1] should shore up domestic enterprise demand for IT solutions. Singapore's strong foothold in professional services will also continue to underpin growth in the business services sector.

[1] The SMEs Go Digital programme aims to help SMEs use digital technologies and build stronger digital capabilities. In Budget 2020, the scheme was expanded to all 23 Industry Transformation Maps (ITMs) from just 10 previously.

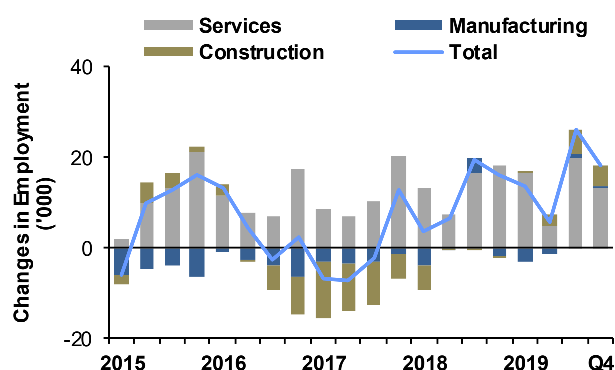
C. Labour Market and Consumer Prices

	2019				
	Q1	Q2	Q3	Q4	Full Year
Labour Market and Prices					
Unemployment Rate, sa, %	2.2	2.2	2.3	2.3	2.3
Wage Growth, y-o-y %	3.4	2.1	4.5	0.5	2.6
CPI-All Items Inflation, y-o-y %	0.5	0.8	0.4	0.6	0.6
MAS Core Inflation, y-o-y %	1.8	1.3	0.6	0.5	1.0

Mixed picture of the labour market in 2019

Preliminary estimates showed that overall employment grew by 18,300 in Q4 2019, moderating from the previous quarter (26,000) but higher than a year ago (15,900). The job gains were broad-based across sectors. Manufacturing increased headcount by 700, continuing the recovery since Q3 after three consecutive quarters of decline. Employment growth in construction remained firm at 4,600 on the back of increased private and public sector construction activities. Meanwhile, services employment grew by 13,000, dipping from the previous quarter despite a pickup in transportation & storage and festive hiring in food & beverage services and retail trade. For 2019 as a whole, total employment rose by 63,200, more than the 45,300 increase in 2018, largely reflecting the turnaround in hiring in the construction sector, especially for work permit holders. Excluding the construction sector and foreign domestic workers, total employment increased by 42,400 in 2019, with almost two-thirds of the job gains accruing to locals (27,500).

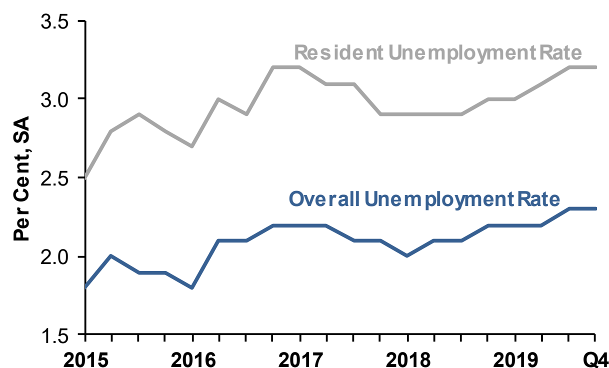
Overall employment growth declined slightly in Q4 compared to the previous quarter.



The seasonally adjusted overall and resident unemployment rates remained at 2.3% and 3.2%, respectively as at December 2019, after trending up over the previous two readings in June and September. An estimated 72,800 residents were unemployed in December, slightly lower than 74,200 in September. For the year as a whole, the overall unemployment rate averaged 2.3%, higher than 2.1% in 2018, while the resident unemployment rate also edged up by 0.3% point to 3.2% in 2019. The number of retrenchments rose slightly across all three broad sectors to 2,700 in

Q4 2019 from 2,470 in the preceding quarter. However, total retrenchments for the full year were similar to 2018 at around 10,700, as the increase in layoffs in the manufacturing and services sectors was offset by fewer retrenchments in construction.

The overall and resident unemployment rates were unchanged in Q4 2019.



Resident wages[2] rose by 0.5% y-o-y in Q4 2019, easing sharply from the 4.5% growth recorded in Q3, mainly due to the public administration, education, and health & social services sectors. This resulted in lower full-year wage growth of 2.6% in 2019, compared to 3.5% in 2018.

Some softening of the labour market can be expected amid an uncertain economic outlook. In 2020, construction employment will likely be supported by a continued recovery in public and private sector works. Meanwhile, hiring in modern services such as financial & insurance and information & communications should continue given the sustained growth of payment services as well as the ongoing digitalisation drive. In comparison, the COVID-19 outbreak will pose a drag on tourism-related activities including accommodation, air transport, retail and food & beverage services. However, the impact on local employment is expected to be partly mitigated by fiscal measures such as the recently announced wage subsidies under the Jobs Support Scheme, as well as enhancements to the Adapt and Grow Initiative for the worst-hit sectors through an extension of the duration of funding support for redeployment and training programmes.

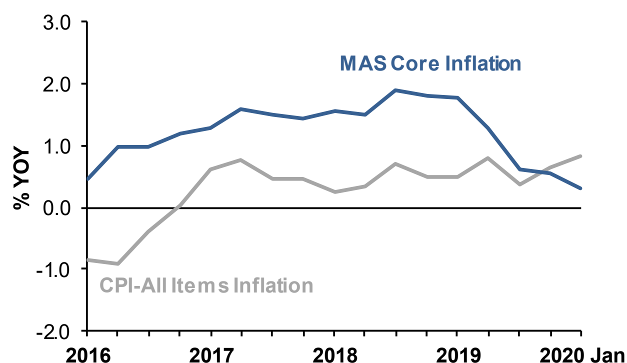
[2] Based on average monthly earnings data.

Core and headline inflation have diverged recently

MAS Core Inflation eased marginally to 0.5% in Q4 2019, from 0.6% in the preceding quarter, and slid further to 0.3% in January this year. The softer core inflation print in Q4 reflected lower services inflation and a steeper fall in the cost of electricity & gas. In addition to lower services inflation, a larger decline in the cost of retail & other goods and technical factors due to the rebasing of the CPI contributed to the further moderation of core inflation in January.[3]

Meanwhile, CPI-All Items inflation rose to 0.6% y-o-y in Q4, from 0.4% y-o-y in Q3, and picked up further to 0.8% in January. Even as core inflation fell, headline inflation was boosted by larger increases in private transport costs. The negative contribution of accommodation costs to headline inflation also diminished further, and in January this year, accommodation inflation turned positive for the first time since July 2014.

Headline inflation was higher than core inflation in Q4 2019.

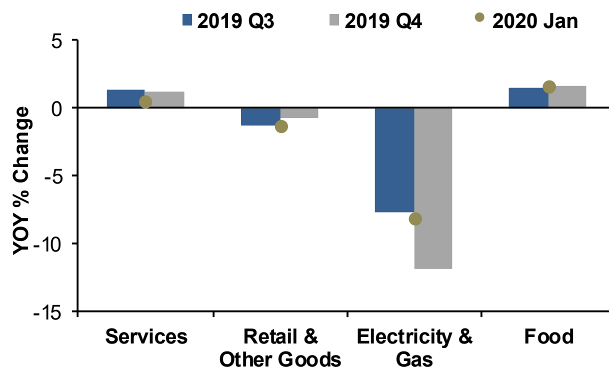


Most of the categories in the core CPI basket registered weaker inflation outturns, except for food. Food inflation increased to 1.6% y-o-y in Q4 2019 from 1.4% in the previous quarter, before edging up further to 1.7% in January this year, driven by the non-cooked food components. In comparison, services inflation contributed consistently to the fall in core inflation as it trended down from 2.0% y-o-y in Q1 2019 to 1.2% in Q4. The dip in services inflation in Q4, from 1.4% in the preceding quarter, largely reflected a smaller increase in fees for medical & dental treatment, as subsidies to Community Health Assist Scheme (CHAS) cardholders were enhanced and additional subsidies were provided to Merdeka Generation seniors for outpatient care. In January 2020, services inflation edged down further to 0.5% mainly on account of a fall in tuition & other fees as pre-school subsidies were expanded.

[3] The monthly CPI data for 2019 have been revised following the rebasing of the CPI from base year of 2014 to base year of 2019. The rebasing exercise included changes to the weights as well as the sample of items and outlets selected for the compilation of the CPI. A detailed discussion of the key changes due to the rebasing can be found in the Department of Statistics (DOS) Information Paper on "Rebasing of the Consumer Price Index (2019 as base year)". The paper can be downloaded from DOS' website (www.singstat.gov.sg).

While the cost of retail & other goods continued to decline on a y-o-y basis since Q3 2019, the pace of decline eased from 1.3% to 0.7% in Q4, before registering a steeper fall of 1.4% in January 2020. These volatile movements were mainly driven by medical products and clothing & footwear.

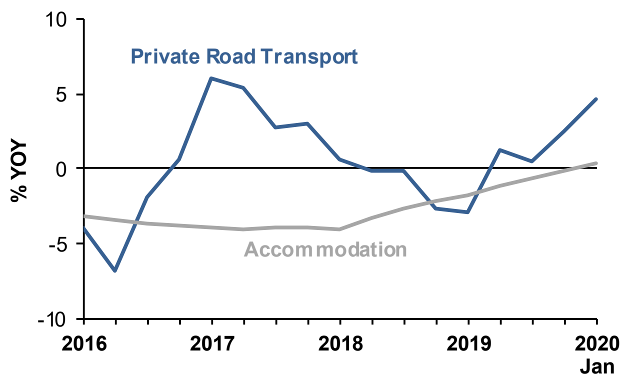
Inflationary pressures generally eased across major components of the core CPI basket.



The cost of electricity & gas fell by 11.9% y-o-y in Q4 2019, extending the 7.7% decline in Q3, as tariffs were adjusted down following the drop in global oil prices in the previous quarter. The increased take-up of cheaper electricity plans by households under the Open Electricity Market also pulled down electricity prices. The pace of decline in electricity & gas costs subsequently slowed to 8.1% in January 2020, as electricity tariffs were raised following a recovery in oil prices towards the end of 2019.

Non-core components ceased weighing on headline inflation in January 2020. Reflecting developments in housing rentals, the decline in accommodation costs eased to 0.2% y-o-y in Q4 2019, from 0.7% in Q3, before rising by 0.3% in January this year. Meanwhile, private transport costs picked up by 2.5% y-o-y in Q4 and a further 4.6% in January 2020, compared to an increase of 0.5% in Q3 2019. This increase was driven by higher petrol prices as well as a larger rise in car prices. As the contribution from the non-core components turned positive in aggregate, headline inflation has come in higher than MAS Core Inflation since Q4 2019.

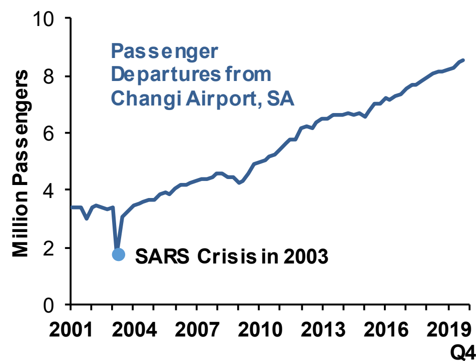
Inflation in non-core components trended up.



COVID-19 impact will be felt most acutely in the travel- and energy- related CPI components

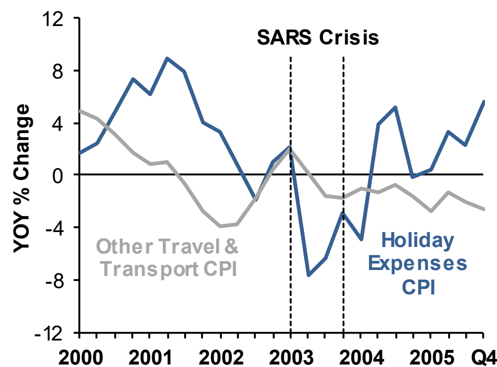
The global spread of COVID-19 is anticipated to weigh heavily on the aviation and tourism industries. Travel restrictions and other measures imposed by countries to contain the virus have significantly curtailed outbound travel, placing downward pressure on holiday package fees and airfares. Similarly, these components in the CPI also experienced sharp price declines in the first half of 2003 during the SARS crisis.

Outbound travel dropped sharply during the SARS epidemic of 2003.



Source: Haver Analytics

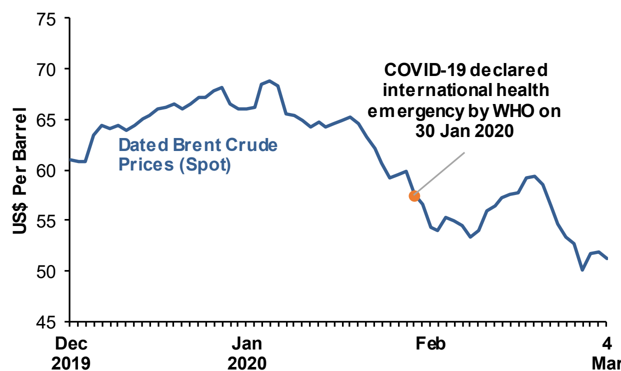
Holiday expenses and airfares also fell.



Note: Other Travel & Transport mainly consists of airfares.

Another channel through which the COVID-19 outbreak will affect inflation is commodity prices. Oil prices plunged in late January amid expectations that the coronavirus outbreak would weaken economic activity in major oil importers such as China, and have since remained at levels well below that of last year. The negative contribution of energy-related CPI components to inflation is thus expected to persist in the coming months.

Oil prices plunged in the wake of the COVID-19 outbreak.



Source: Haver Analytics

Beyond the immediate impact on travel- and energy-related CPI components, businesses in the domestic-facing segments might also find it harder to pass on cost increases to consumer prices amidst weak spending sentiment. This would cap inflation on retail goods, prepared meals and other recreational and personal services.

Inflationary pressures will remain muted

Both MAS Core and CPI-All Items inflation are expected to average within 0.5–1.5% this year.

In the quarters ahead, external sources of inflation are likely to remain benign, amid weak demand conditions, and generally well-supplied food and oil commodity markets. On the domestic front, labour market conditions continued to soften slightly, resulting in a projected moderation in unit labour cost growth this year. At the same time, economic uncertainty arising in part from the COVID-19 outbreak will likely discourage firms from passing on cost increases to consumers. Inflationary pressures are therefore expected to remain subdued in the near term.

D. Fiscal Policy

Budget 2020 targeted near-term priorities but remained aligned to medium-term restructuring objectives

In FY 2019, the revised overall Budget balance was a deficit of $1.7 billion (0.3% of GDP), approximately half the size of the earlier projection. This primarily reflected lower-than-budgeted expenditure, as operating revenue in aggregate came in largely as expected. The downward revision in operating expenditure was due to delayed projects under the Ministry of Defence, as well as lower operating grants for educational institutions and expenditure components under the Bus Contracting Model. Meanwhile, development outlays were less than projected as there were delays in a number of major infrastructure projects such as the Changi East developments, Punggol Regional Sports Centre and Woodlands Health Campus.

In light of the weak economy and the negative impact of the COVID-19 outbreak, the Budget provided immediate and broad-based counter-cyclical support to businesses and workers in the form of a $4 billion Stabilisation and Support Package (SSP). Mindful that firms, especially SMEs, could face cash flow difficulties in the short run as their revenue streams decline, the SSP rolled out several economy-wide measures aimed at reducing business costs and easing financial constraints. Notably, a new Jobs Support Scheme was announced whereby employers would be provided with cash grants amounting to 8% of monthly wages (capped at $3,600) for three months. In addition, a 25% corporate income tax rebate for Year of Assessment 2020 as well as a one-year enhancement to the existing Enterprise Financing Scheme's SME Working Capital Loan component were included in the SSP. The package also offered additional assistance to sectors that are directly affected by COVID-19, such as hotels, transport, retail and food. These included property tax rebates and rental waivers, which were over and above the measures that were announced before the Budget (e.g. waiver of licence fees and the Point-to-Point Support Package[4]).

Apart from addressing short-term challenges, the Budget also continued to invest in Singapore's longer-term potential. It devoted substantial resources to help firms build capacity and transform, and workers to upskill and reskill. The current downturn presents an opportune time for firms to invest in capital deepening and training—not only is the cost of doing so lower when business is slow, it will also place domestic companies on a stronger footing to leverage on the eventual recovery. To encourage employers to embark on transformation of their workforce and enterprises in tandem, the "Next Bound of The SkillsFuture" was launched. It comprises a new SkillsFuture Enterprise Credit, under which eligible enterprises will receive $10,000 to defray up to 90% of out-of-pocket costs of participating in supported business transformation, job redesign and skills training programmes. The

[4] The Point-to-Point Support Package provides targeted assistance to drivers of taxis and private hire cars, and is jointly funded by the Government and industry players. Under the scheme, eligible drivers will receive a special relief of up to $20 per vehicle per day for three months. A Government & NTUC Driver Care Fund for needy drivers will also be set up to extend financial assistance.

Budget recognises that it is also important to equip individual workers to enhance their mobility and adaptability. Accordingly, schemes directed at individuals, particularly mid-career workers who are in their 40s and 50s, featured heavily. For instance, the Budget introduced a new SkillsFuture Mid-Career Support Package, which included additional SkillsFuture Credit top-ups and career advisory services, and expanded the Professional Conversion Programme under the Adapt and Grow scheme. **Separately, the government set aside further resources for specific plans to deal with the very long-run challenge of climate capital degradation.**

At the same time, the Budget pressed on with efforts to strengthen social inclusivity. While the main objective of the $1.6 billion Care and Support Package was to help all Singaporean households cope with expenses during this period of economic slowdown and uncertainty, some of the transfers were specifically skewed towards or targeted at, the lower- to middle-income and vulnerable groups. These include special payouts for low-wage workers from existing schemes such as the Workfare Income Supplement and the GST Voucher–U-Save to help HDB households with utility expenses, as well as vouchers to needy families to defray the costs of groceries. To bolster retirement adequacy, the Budget broadened the eligibility criteria and increased the amount of benefit that seniors will get under the Silver Support Scheme. The Budget also clarified that the planned GST hike will not take place in 2021, and pre-emptively unveiled a number of offsetting measures to insulate households, particularly those in the lower-income groups, from the impact of the tax increase. A total of $6 billion was set aside to fund future cash payouts for individuals, as well as enhanced benefits under the permanent GST Voucher Scheme.

For FY2020, the government has projected an overall budget deficit[5] of $10.9 billion (2.1% of GDP).

The basic balance, which includes special transfers only (excluding top-ups to endowment and trust funds) and does not account for the Net Investment Returns Contribution, is projected to record a deficit of $12.3 billion (2.4% of GDP).

[5] This takes into account special transfers, including top-ups to trust and endowment funds, and net investment returns contribution.

Summary of Fiscal Position

	FY2018		FY2019 Revised		FY2020 Budgeted	
	$billion	% of GDP	$billion	% of GDP	$billion	% of GDP
Operating Revenue	73.7	14.5	74.7	14.7	76.0	14.6
Total Expenditure	77.8	15.3	78.2	15.4	83.6	16.1
Operating Expenditure	57.6	11.3	59.5	11.7	64.6	12.4
Development Expenditure	20.3	4.0	18.6	3.7	19.0	3.7
Primary Surplus/Deficit (−)	**(4.1)**	**(0.8)**	**(3.4)**	**(0.7)**	**(7.6)**	**(1.5)**
Less: Special Transfers Excluding Top-ups to Endowment and Trust Funds	1.7	0.3	1.7	0.3	4.7	0.9
Basic Surplus/Deficit (−)	**(5.8)**	**(1.1)**	**(5.1)**	**(1.0)**	**(12.3)**	**(2.4)**
Less: Top-ups to Endowment and Trust Funds	7.3	1.4	13.6	2.7	17.3	3.3
Add: NIR Contribution	16.4	3.2	17.0	3.3	18.6	3.6
Budget Surplus/Deficit (−)	**3.3**	**0.7**	**(1.7)**	**(0.3)**	**(10.9)**	**(2.1)**

Note: Figures may not tally due to rounding.
Source: Ministry of Finance

Selected Indicators

GENERAL INDICATORS, 2019			
Land Area (Sq km)	725.1	Literacy Rate* (%)	97.5
Total Population ('000)	5,703.6	Real Per Capita GDP (US$)	58,862
Labour Force ('000)	3,740.8	Gross National Savings (% of GNI)	46.1
Resident Labour Force Participation Rate (%), 2019	68.0		

* Refers to resident population aged 15 years and over.

COMPONENTS OF NOMINAL GDP SECTORAL (% of GDP), 2019		COMPONENTS OF NOMINAL GDP EXPENDITURE (% of GDP), 2019	
Manufacturing	20.9	Private Consumption	36.4
Wholesale & Retail Trade	17.3	Private Gross Fixed Capital Formation	19.0
Business Services	14.8	Public Consumption	10.4
Finance & Insurance	13.9	Public Gross Fixed Capital Formation	4.4
Transportation & Storage	6.7	Increase in Stocks	1.7
Construction	3.7	Net Exports of Goods & Services	28.2
Information & Communications	4.3		
Accommodation & Food Services	2.1		

MAJOR EXPORT DESTINATIONS (% SHARE), 2019		MAJOR ORIGINS OF IMPORTS (% SHARE), 2019	
Total Exports (S$ Billion)	532.5	Total Imports (S$ Billion)	489.7
China	13.2	China	13.7
Hong Kong	11.4	US	12.2
Malaysia	10.5	Malaysia	11.6
US	8.5	Taiwan	9.0
Indonesia	7.0	Japan	5.4
ASEAN	28.7	ASEAN	21.8
NEA-3	19.5	NEA-3	13.8
EU	8.8	EU	13.1

Source: Enterprise Singapore

MAJOR DOMESTIC EXPORTS BY COMMODITY (% SHARE), 2019		MAJOR IMPORTS BY COMMODITY (% SHARE), 2019	
Domestic Exports (S$ Billion)	251.6	Total Imports (S$ Billion)	489.7
Mineral Fuels	34.3	Electronics	27.7
Chemicals	19.0	Mineral Fuels	21.0
Electronics	14.6	Machinery & Transport Equipment (ex. Electronics)	20.7
Machinery & Transport Equipment (ex. Electronics)	10.2	Chemicals	8.3
Manufactured Articles	9.2	Manufactured Articles	8.3
Food and Live Animals	4.3	Manufactured Goods	5.1

Source: Enterprise Singapore

Note: Labour market statistics were obtained from the Ministry of Manpower, while trade and index of industrial production (IIP) data were provided by Enterprise Singapore and EDB respectively. All other data in this document were obtained from the Department of Statistics, or Ministry of Trade and Industry, unless otherwise stated.

OVERALL ECONOMY	2018	2019	2019 Q1	2019 Q2	2019 Q3	2019 Q4	Dec-19	Jan-20
GDP at current prices (S$ bil)	503.4	507.6	125.7	125.3	127.9	128.7	na	na
GDP (US$ bil)	373.1	372.2	92.8	91.9	93.0	94.4	na	na
Real GDP Growth (YOY % change)	3.4	0.7	1.0	0.2	0.7	1.0	na	na
Real GDP Growth (QOQ SAAR % change)	na	na	2.3	-0.8	2.2	0.6	na	na
By Sector (YOY % change):								
Manufacturing [1/]	7.0	-1.5	0.0	-0.5	-1.2	-4.0	-3.7	3.4
Electronics [1/]	7.6	-7.3	-4.5	-11.6	-9.1	-3.8	-1.1	-7.2
Non-electronics [1/]	6.6	2.8	3.3	7.7	4.4	-4.1	-5.2	11.6
Finance & Insurance	7.2	4.1	3.1	5.1	4.1	4.0	na	na
Business Services	2.4	1.4	1.8	1.0	1.1	1.7	na	na
Construction	-3.5	2.8	1.4	2.3	3.1	4.3	na	na
Transportation & Storage	0.0	0.8	0.4	2.1	0.0	0.8	na	na
Information & Communications	6.5	4.3	4.9	3.4	4.4	4.5	na	na
Wholesale & Retail Trade	2.8	-2.9	-2.7	-3.6	-3.5	-1.9	na	na
Accommodation & Food Services	3.1	1.9	2.0	1.2	1.9	2.5	na	na
By Expenditure Component (YOY % change):								
Consumption	4.1	3.7	5.1	2.9	3.7	3.1	na	na
Private	4.2	3.7	5.4	3.2	3.8	2.6	na	na
Public	2.9	2.8	3.4	0.7	2.6	4.3	na	na
Gross Fixed Capital Formation	-3.4	-0.2	-0.6	-0.7	2.5	-1.7	na	na
Private	-3.1	-0.5	-0.3	-1.7	3.3	-3.0	na	na
Public	-4.7	1.3	-1.7	4.1	-0.9	4.5	na	na
External Demand	8.1	-1.6	-2.2	-2.2	-3.4	1.6	na	na

TRADE								
Total Exports, fob (YOY % change)	7.9	-4.2	0.0	-4.6	-7.3	-4.3	3.6	-5.3
Non-Oil Domestic Exports	4.2	-9.2	-6.4	-14.7	-9.6	-5.7	2.4	-3.3
Re-Exports	7.4	2.3	6.8	2.0	-1.7	2.8	10.2	-1.2
Total Imports, cif (YOY % change)	10.6	-2.1	4.5	0.5	-5.9	-6.3	-2.3	-0.8

WAGE-PRICE INDICATORS								
Unemployment Rate (SA,%)	2.1	2.3	2.2	2.2	2.3	2.3	na	na
Average Nominal Wages (S$ per month)	5,410	5,549	6,005	5,225	5,183	5,783	na	na
Consumer Price Index Inflation (YOY % change)	0.4	0.6	0.5	0.8	0.4	0.6	0.8	0.8
MAS Core Inflation (YOY % change)	1.7	1.0	1.8	1.3	0.6	0.5	0.6	0.3

FINANCIAL INDICATORS								
S$ Exchange Rate Against: (end-period)								
US Dollar	1.3648	1.3472	1.3559	1.3535	1.3813	1.3472	1.3472	1.3619
100 Japanese Yen	1.2359	1.2398	1.2245	1.2576	1.2796	1.2398	1.2398	1.2486
Euro	1.5618	1.5094	1.5223	1.5383	1.5101	1.5094	1.5094	1.5014
Interest Rates (end-period, % p.a.)								
3-month Fixed Deposit Rate	0.17	0.20	0.20	0.20	0.20	0.20	0.20	0.25
3-month S$ SIBOR [2/]	1.89	1.77	1.94	2.00	1.88	1.77	1.77	1.71
Prime Lending Rate	5.33	5.25	5.25	5.25	5.25	5.25	5.25	5.25
Money Supply (end-period)								
Broad Money, M2 (YOY % change)	3.9	5.0	4.9	5.4	4.8	5.0	5.0	5.8
Straits Times Index (end-period) [3/]	3,068.8	3,222.8	3,212.9	3,321.6	3,120.0	3,222.8	3,222.8	3,153.7
YOY % change	-9.8	5.0	-6.3	1.6	-4.2	5.0	5.0	-1.1

GOVERNMENT BUDGET [4/]								
Operating Revenue (S$ mil)	77,117	75,299	18,808	20,145	20,561	15,785	na	na
Total Expenditure (S$ mil)	75,240	76,047	27,491	12,865	16,892	18,800	na	na
Operating Expenditure	56,246	57,987	19,751	9,882	13,071	15,284	na	na
Development Expenditure	18,993	18,060	7,740	2,982	3,822	3,516	na	na
Primary Surplus/Deficit (S$ mil)	1,877	-748	-8,683	7,280	3,669	-3,015	na	na
% of GDP	0.4	-0.1	-6.9	5.8	2.9	-2.3	na	na

BALANCE OF PAYMENTS								
Current Account Balance (% of GDP)	17.2	17.0	14.1	19.7	18.9	15.2	na	na
Goods Balance	27.9	26.3	24.7	29.4	26.4	24.8	na	na
Services Balance	0.6	1.5	1.4	1.2	2.6	1.0	na	na
Primary Income Balance	-9.6	-9.2	-10.5	-9.1	-8.4	-9.0	na	na
Secondary Income Balance	-1.6	-1.7	-1.5	-1.9	-1.7	-1.6	na	na
Capital & Fin Account Balance (% of GDP)	13.2	18.7	4.0	44.5	14.9	11.7	na	na
Direct Investment	-16.4	-19.4	-17.9	-19.7	-20.1	-20.0	na	na
Portfolio Investment	9.6	27.1	3.9	65.7	18.5	20.9	na	na
Financial Derivatives	5.2	2.8	-0.1	2.2	4.9	4.1	na	na
Other Investment	14.8	8.2	18.1	-3.7	11.6	6.7	na	na
Overall Balance (% of GDP)	3.4	-2.3	10.3	-25.6	3.2	2.7	na	na
Official Foreign Reserves (US$ mil) [5/]	287,673	279,450	295,830	273,943	272,239	279,450	279,450	278,625
Months of Imports	9.3	9.3	9.5	8.9	9.0	9.3	9.3	9.3

Source:

[1/] Index of Industrial Production from EDB.

[2/] ABS Benchmarks Administration Co Pte Ltd

[3/] Straits Times Index from SGX.

[4/] Ministry of Finance

[5/] MAS

na: Not available