

Singapore's GDP Grew by 2.7 Per Cent in the First Quarter of 2024

12 April 2024. Based on advance estimates¹, the Singapore economy grew by 2.7 per cent on a year-on-year basis in the first quarter of 2024, faster than the 2.2 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 0.1 per cent, extending the 1.2 per cent expansion in the fourth quarter of 2023.

Gross Domestic Product in Chained (2015) Dollars

| | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 2023 | 1Q24* |
|--|------|------|------|------|------|-------|
| Percentage change over corresponding period of previous year | | | | | | |
| Overall GDP | 0.5 | 0.5 | 1.0 | 2.2 | 1.1 | 2.7 |
| Goods Producing Industries | -3.8 | -6.1 | -3.5 | 1.9 | -2.9 | 1.4 |
| Manufacturing | -5.4 | -8.2 | -4.9 | 1.4 | -4.3 | 0.8 |
| Construction | 5.8 | 6.4 | 3.7 | 5.2 | 5.2 | 4.3 |
| Services Producing Industries | 2.0 | 2.9 | 2.3 | 2.0 | 2.3 | 3.2 |
| Wholesale & Retail Trade and Transportation & Storage | 0.1 | 3.3 | 1.2 | 1.0 | 1.4 | 2.7 |
| Information & Communications, Finance & Insurance and Professional Services | 1.6 | 0.6 | 3.0 | 3.6 | 2.2 | 4.2 |
| Accommodation & Food Services, Real Estate, Administrative & Support Services and Other Services | 6.3 | 5.4 | 3.7 | 2.0 | 4.3 | 2.9 |

¹ The advance GDP estimates for the first quarter of 2024 are computed largely from data in the first two months of the quarter (i.e., January and February 2024). They are intended as an early indication of GDP growth in the quarter and are subject to revision when more comprehensive data become available.

| | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 2023 | 1Q24* |
|---|------|------|------|------|------|-------|
| Quarter-on-quarter growth rate, seasonally-adjusted | | | | | | |
| Overall GDP | -0.5 | 0.4 | 1.0 | 1.2 | 1.1 | 0.1 |
| Goods Producing Industries | -2.7 | -1.0 | 1.1 | 4.1 | -2.9 | -2.4 |
| Manufacturing | -3.0 | -1.3 | 0.8 | 4.5 | -4.3 | -2.9 |
| Construction | -1.2 | 2.6 | 1.9 | 2.0 | 5.2 | -1.7 |
| Services Producing Industries | 0.1 | 0.9 | 0.8 | 0.3 | 2.3 | 1.2 |
| Wholesale & Retail Trade and Transportation & Storage | -0.1 | 2.3 | -0.3 | -0.7 | 1.4 | 1.4 |
| Information & Communications, Finance & Insurance and Professional Services | -4.7 | 1.5 | 2.6 | 4.4 | 2.2 | -4.2 |
| Accommodation & Food Services, Real Estate, Administrative & Support Services and Other Services | 1.2 | 0.6 | 0.9 | -0.7 | 4.3 | 2.2 |

*Advance estimates

Sectoral Performance

The manufacturing sector grew by 0.8 per cent year-on-year in the first quarter of 2024, moderating from the 1.4 per cent expansion in the previous quarter. Within the sector, output expansions in the chemicals, precision engineering and transport engineering clusters more than offset output contractions in the electronics, biomedical manufacturing and general manufacturing clusters. On a quarter-on-quarter seasonally-adjusted basis, the sector shrank by 2.9 per cent in the first quarter, a reversal from the 4.5 per cent expansion in the fourth quarter of 2023.

The construction sector expanded by 4.3 per cent year-on-year in the first quarter, extending the 5.2 per cent growth in the previous quarter. Growth during the quarter was supported by an increase in public sector construction output even as private sector construction output declined. On a quarter-on-quarter seasonally-adjusted basis, the sector contracted by 1.7 per cent in the first quarter, a pullback from the 2.0 per cent expansion in the preceding quarter.

Among the services sectors, the wholesale & retail trade and transportation & storage sectors collectively expanded by 2.7 per cent year-on-year in the first quarter, accelerating from the 1.0 per cent growth in the previous quarter. All sectors in the group posted growth during the quarter. For the wholesale trade sector, growth was driven by the machinery, equipment & supplies and “others”² segments. Meanwhile, growth in the transportation & storage sector was largely supported by the water and air transport segments. On a quarter-on-quarter seasonally-adjusted basis, the sectors in the group expanded by 1.4 per cent in the first quarter, a turnaround from the 0.7 per cent contraction in the fourth quarter of 2023.

The group of sectors comprising the information & communications, finance & insurance and professional services sectors grew by 4.2 per cent year-on-year in the first quarter, faster than the 3.6 per cent growth in the previous quarter. All sectors within the group expanded during the quarter. Growth in the information & communications sector was bolstered by continued strong demand for IT and digital solutions, while that in the professional services sector was mainly driven by the head offices & business representative offices segment. Meanwhile, the finance & insurance sector expanded on account of the strong performance of the banking and activities auxiliary to financial services segments. On a quarter-on-quarter seasonally-adjusted basis, the sectors as a group shrank by 4.2 per cent in the first quarter, a reversal from the 4.4 per cent growth in the preceding quarter.

Growth of the remaining group of services sectors (i.e., accommodation & food services, real estate, administrative & support services and other services sectors) came in at 2.9 per cent year-on-year in the first quarter, higher than the 2.0 per cent growth recorded in the previous quarter. All sectors within the group, except for the administrative & support services sector, expanded during the quarter. In particular, the accommodation sector saw robust growth due to a strong recovery in international visitor arrivals. On a quarter-on-quarter seasonally-adjusted basis, the sectors in the group collectively expanded by 2.2 per cent in the first quarter, a turnaround from the 0.7 per cent contraction in the fourth quarter of 2023.

The preliminary GDP estimates for the first quarter of 2024, including performance by sectors, sources of growth, inflation, employment and productivity, will be released in the *Economic Survey of Singapore* in May 2024.

MINISTRY OF TRADE AND INDUSTRY
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² The “others” segment consists of a diverse range of products, including metals, timber & construction materials, household equipment & furniture, and food, beverages & tobacco, among others.