



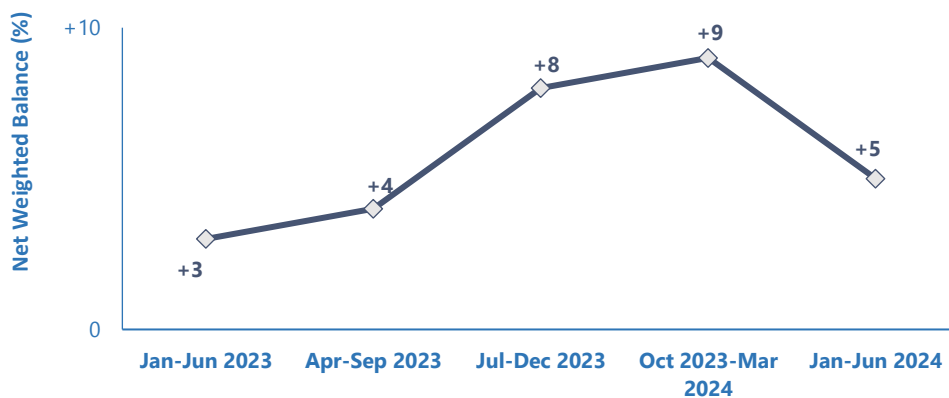
# Business Expectations Services Sector

## First Quarter 2024

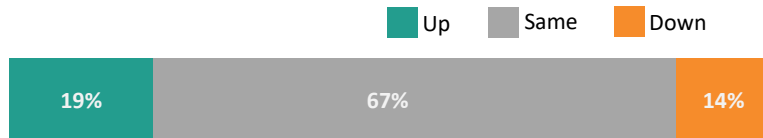
### GENERAL BUSINESS OUTLOOK (JAN – JUN 2024)

Business expectations among firms in Singapore’s services sector have moderated but remain positive for the period of Jan – Jun 2024. 19% of firms<sup>1</sup> are upbeat about the business conditions while 14% of firms foresee deteriorating business conditions, resulting in a net weighted balance of 5% of firms expecting more favourable business outlook.

General Business Outlook for the Next 6 Months



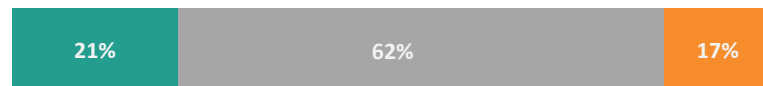
**+5%  
Net Weighted  
Balance**



### OPERATING REVENUE FORECAST (JAN – MAR 2024)



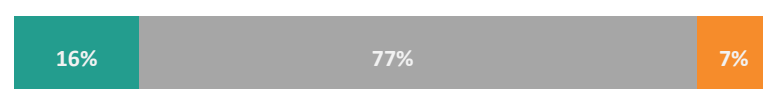
**+4%  
Net Weighted  
Balance**



### EMPLOYMENT FORECAST (JAN – MAR 2024)



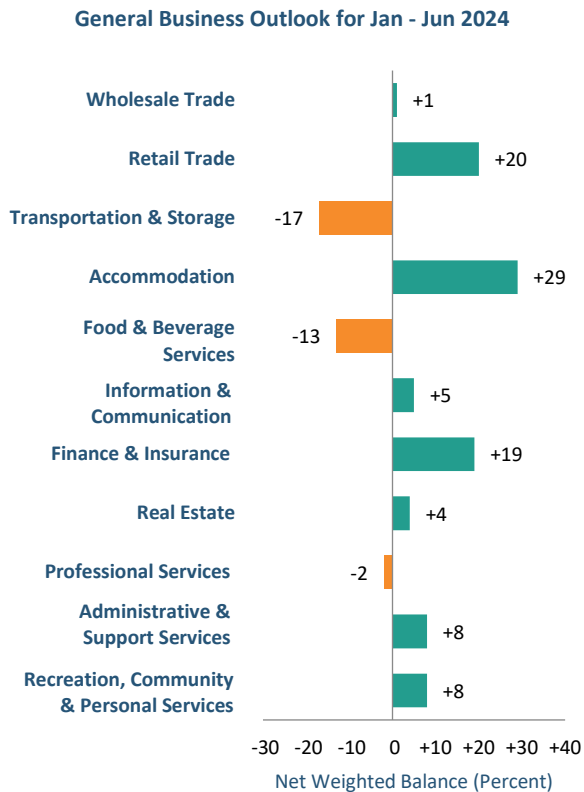
**+9%  
Net Weighted  
Balance**



<sup>1</sup>Refers to weighted percentage of firms.

## GENERAL BUSINESS OUTLOOK (JAN – JUN 2024)

Within the services sector, most industries express positive sentiments on their business conditions for the period of Jan – Jun 2024.



The accommodation industry foresees improved business conditions for the next 6 months. Hoteliers expect an increase in tourist arrivals for leisure and business purposes. The expected increase in number of meeting, conference and exhibition events and concerts contributed to the positive sentiments of firms within the industry.

Retailers have positive sentiments for the period of Jan – Jun 2024 compared to Jul – Dec 2023. This is attributed to the anticipated increase in shopping activities during the Chinese New Year festival as well as the disbursement of a larger amount of Community Development Council (CDC) vouchers in Jan 2024.

The finance and insurance industry expects a pick-up in their businesses for the next 6 months. Within the industry, payment service providers attributed their positive sentiments to the rise in e-commerce spending, which will positively impact their business.

The transportation and storage industry expects business conditions to be challenging for the next 6 months. Water transport firms highlight reduced market demand amid economic uncertainties for their negative sentiments.

Similarly, food and beverage operators are less optimistic about the business prospects for the period of Jan-Jun 2024 compared to the period of Jul – Dec 2023, which coincided with the year-end holiday and the festive season.

## OPERATING REVENUE AND EMPLOYMENT FORECAST (JAN – MAR 2024)

Majority of the industries in the services sector foresee higher revenue for the period of Jan – Mar 2024, with a net weighted balance of 4%.

Firms in the accommodation industry foresee higher revenue for the next 3 months, due to the arrival of more tourists amid the slew of upcoming mega concerts in Singapore.

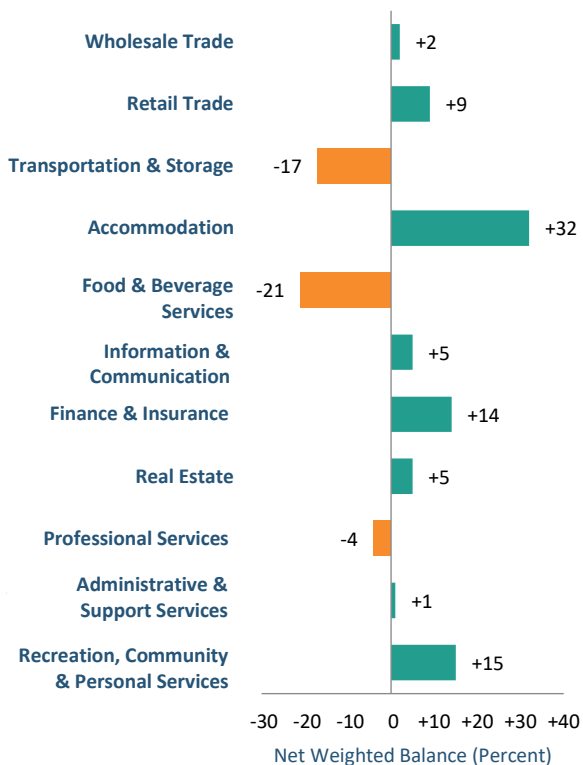
Likewise, firms in the recreation, community & personal services industry expect higher operating revenue. Within this industry, healthcare and childcare service providers expect more demand for their services in the next 3 months.

In terms of employment, majority of the industries expect to increase their hiring activities for the period of Jan – Mar 2024, with a net weighted balance of 9%.

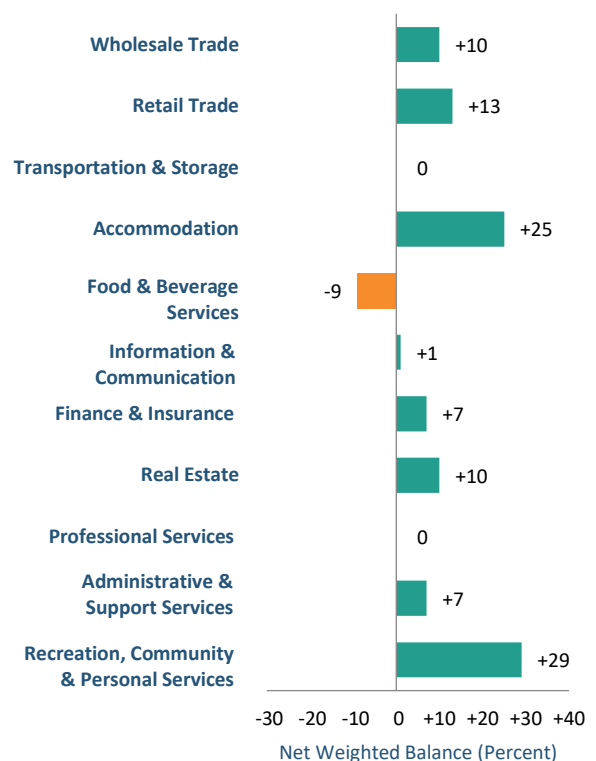
Firms within the accommodation industry expect to increase hiring to keep pace with the arrival of more leisure and business travellers.

In line with their positive revenue outlook, firms in the recreation, community & personal services industry expect employment levels to increase.

Operating Revenue Forecast for 1Q 2024



Employment Forecast for 1Q 2024



## EXPLANATORY NOTES

### Introduction

The Business Expectations Survey for the services sector is conducted quarterly (i.e. one month before the reference quarter) by the Singapore Department of Statistics. The first quarter 2024 survey was conducted from Dec 2023 to Jan 2024. It is a survey aimed at obtaining the business outlook for the immediate future of firms in the services sector.

### Data Collection

The Business Expectations Survey covers some 1,500 enterprises in wholesale trade, retail trade, transportation & storage, accommodation, food & beverage services, information & communications, finance & insurance, real estate, professional and administrative & support services and recreation, community & personal services. Respondents are asked about their expectations of the business situation in the next six months as well as operating revenue and employment in the next three months. Their views are expressed in terms of directional change (i.e., “up”, “same” or “down”).

Enterprises’ responses are then weighted and aggregated to derive the weighted percentages for “up”, “same” or “down” at industry and overall sectorial level for each question. Employment size is used as the weighting variable at both the enterprise and industry level for the employment forecast. For the general business outlook and operating revenue forecast, operating revenue and value added are used as weights at the enterprise level and industry level respectively.

### Net Weighted Balance

A “net weighted balance” is used to indicate the likely overall direction of change of a particular activity or industry. Net weighted balance is calculated by taking the difference between the weighted percentages of “ups” and “downs”. A plus sign in the net weighted balance indicates a net upward trend and a minus sign denotes a net downward trend.



More data are available on the SingStat Website at [www.singstat.gov.sg/find-data/search-by-theme/industry/business-expectations/latest-data](http://www.singstat.gov.sg/find-data/search-by-theme/industry/business-expectations/latest-data)

or through the QR code below.



Singapore Department of Statistics  
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