

# RECENT DEVELOPMENTS IN THE SINGAPORE ECONOMY



No part of these slides shall be reproduced without the prior consent of MAS.  
The views/analysis contained herein should not be attributed to the MAS.



Monetary Authority  
of Singapore

# Contents

---

- 1 The International Economy
- 2 The Singapore Economy
- 3 Labour Market and Inflation
- 4 Macroeconomic Policy



# International Economy

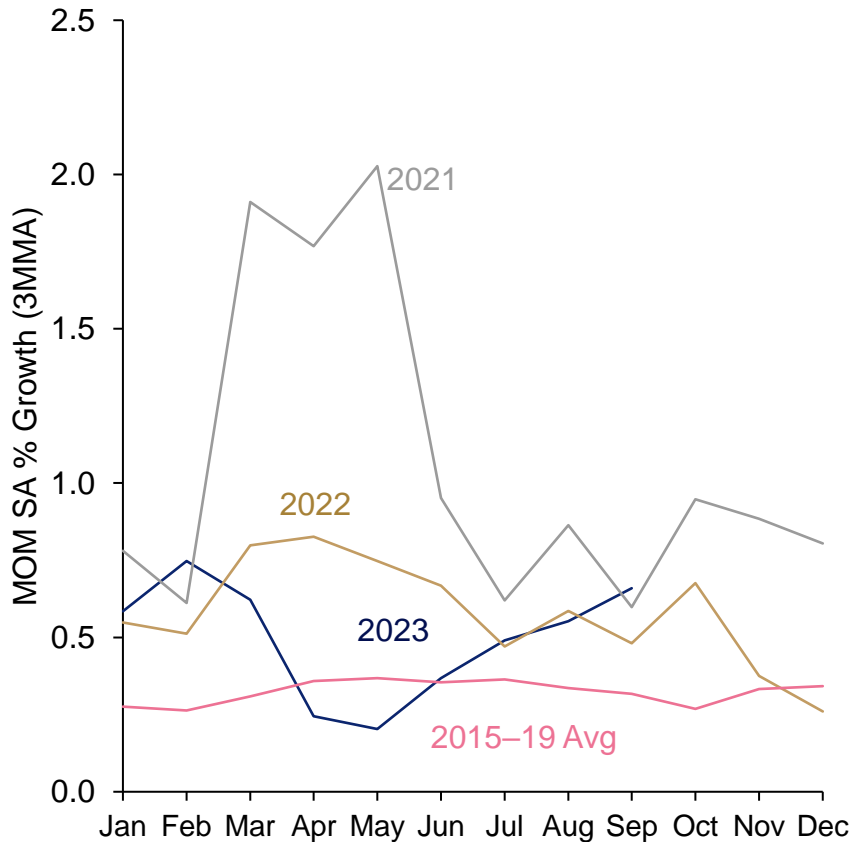
---

---

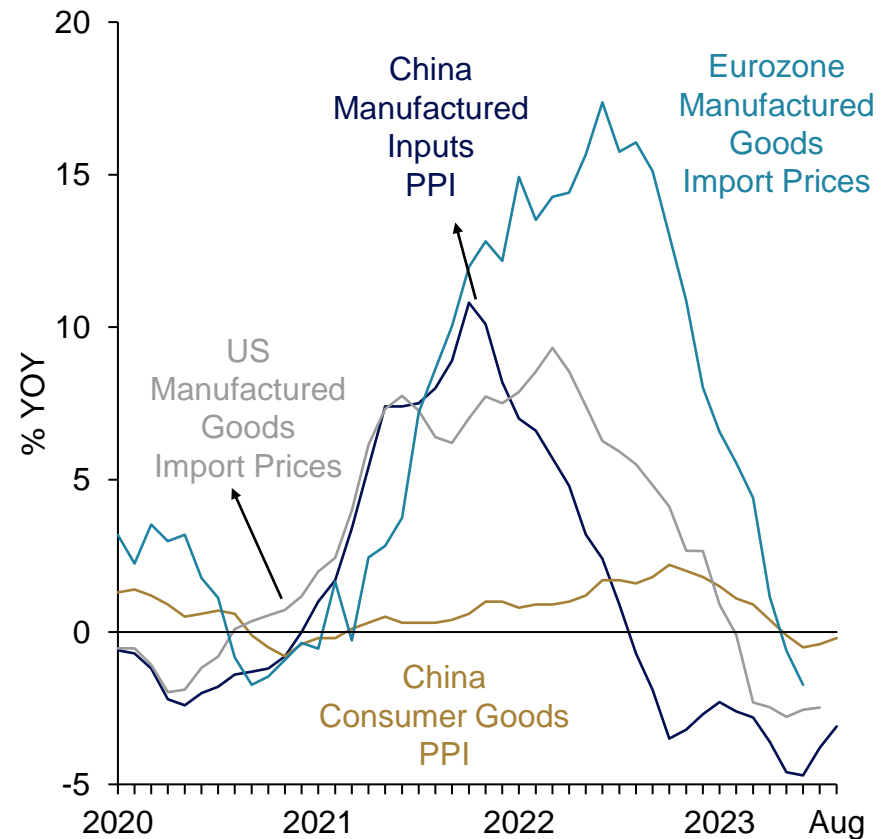
**RESTRICTED**

# Global economy is slowing unevenly, alongside a pullback in inflation

## US household spending



## Manufactured Goods Prices



# Below trend growth is expected in most regions in the coming quarters, led primarily by the G3

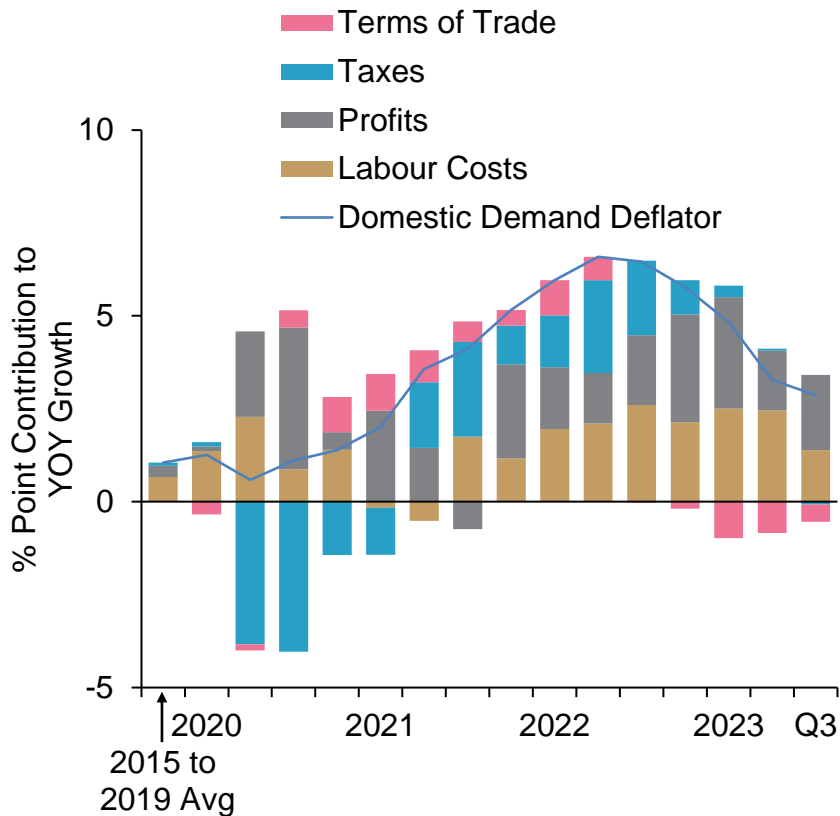
	QOQ SA (%)			Annual (%)		
	2023 Q2	2023 Q3*	2023 Q4*	2022	2023*	2024*
G3	0.6	0.5	0.1	2.3	1.7	0.7
Asia ex-Japan	0.9	1.1	0.9	4.1	4.5	4.5
ASEAN-5	1.1	1.2	1.1	6.2	4.2	4.8
<b>Global</b>	<b>0.8</b>	<b>0.8</b>	<b>0.5</b>	<b>3.4</b>	<b>3.1</b>	<b>2.8</b>

Note: The G3 grouping refers to the Eurozone, Japan and the US, while the ASEAN-5 are Indonesia, Malaysia, the Philippines, Thailand and Vietnam. Asia ex-Japan comprises China, Hong Kong SAR, India, South Korea, Taiwan and the ASEAN-5.

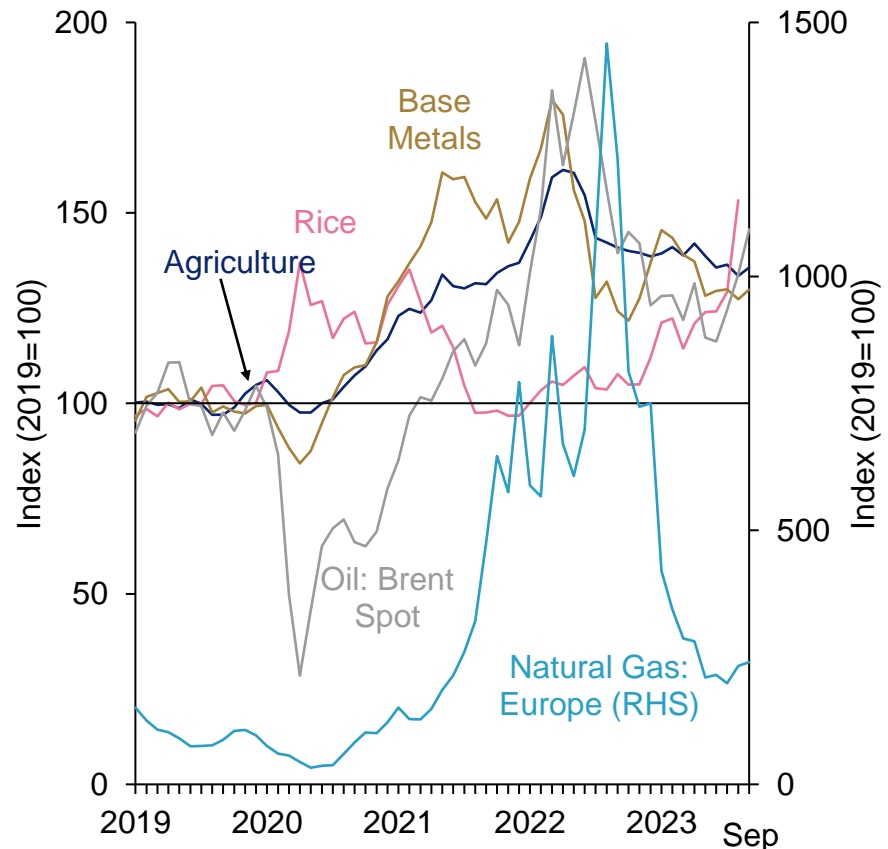
All aggregates are weighted based on Singapore's value added by destination of final demand (using TiVA data).

# Risks remain from stubborn inflation, tighter financial conditions, and a sharper China slowdown

## US Domestic Demand Deflator



## Global Commodity Prices





# Singapore Economy

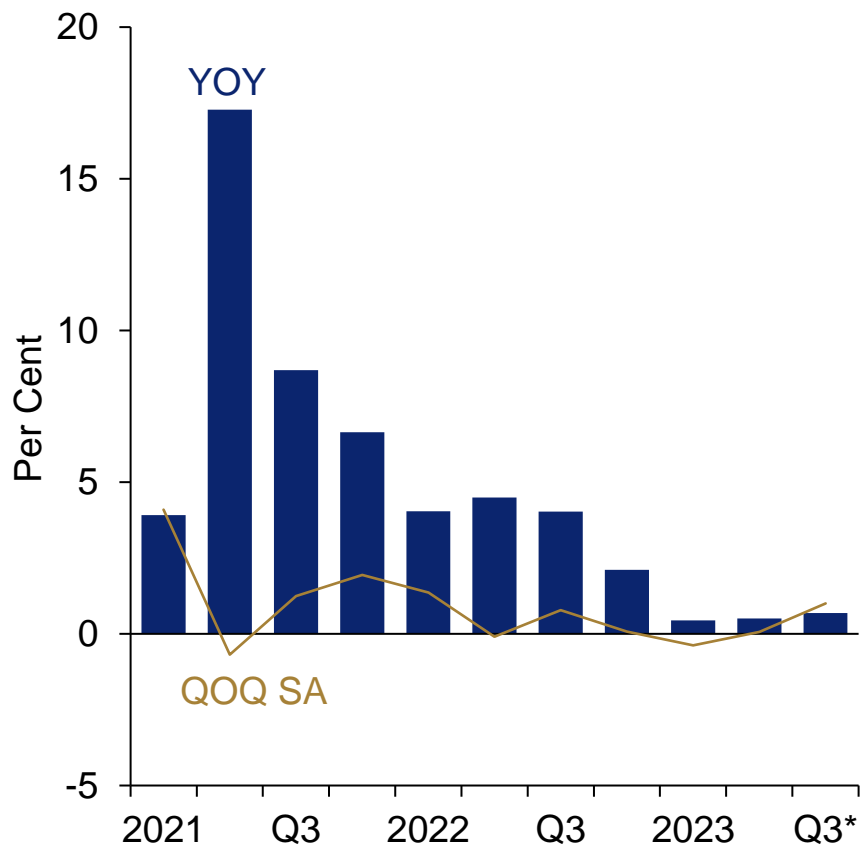
---

---

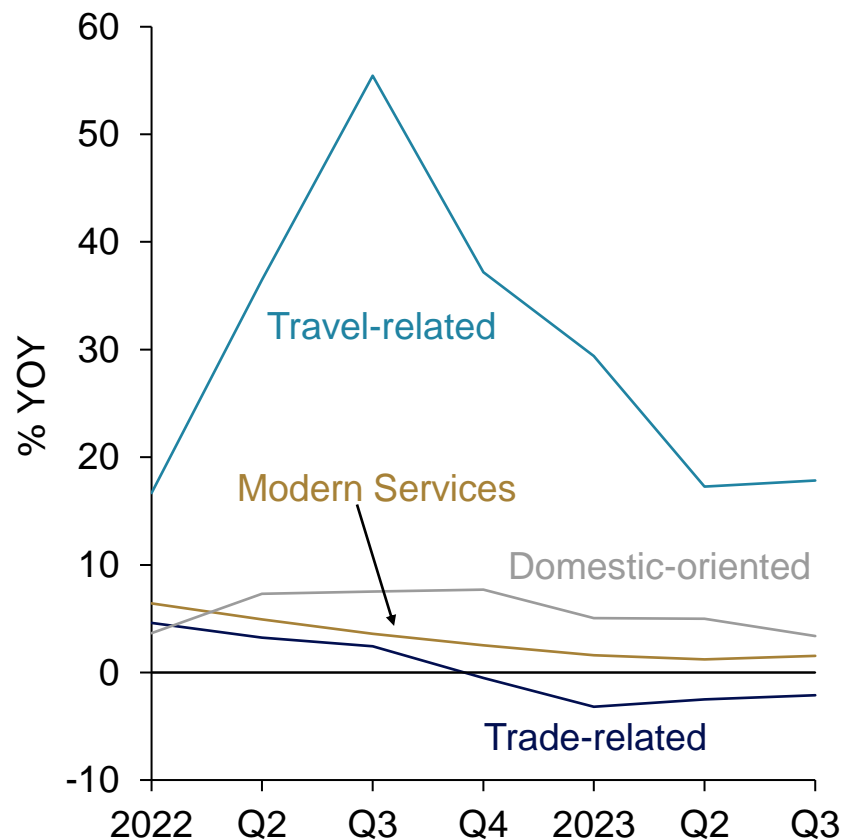
**RESTRICTED**

# The Singapore economy picked up in Q3 2023, after stagnating in the preceding three quarters

## Singapore's GDP Growth



## GDP Growth by Cluster

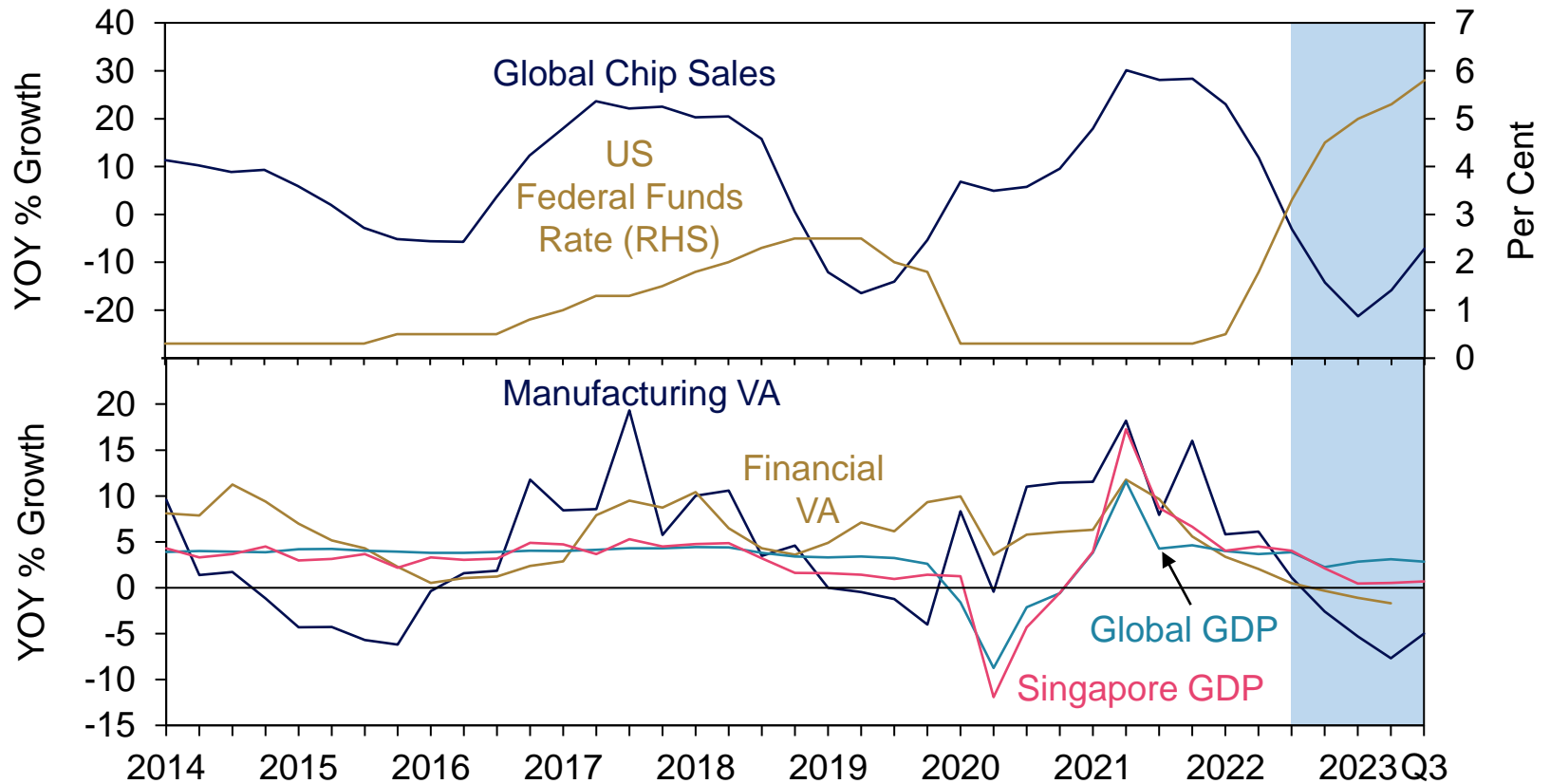


\* Advance Estimates



# In the quarters ahead, growth in the Singapore economy is expected to be more even across sectors

## Global Tech and Interest Rate Cycles, Global and Singapore's GDP growth



Note: The blue shaded area denote the manufacturing downturn which began in H2 2022.

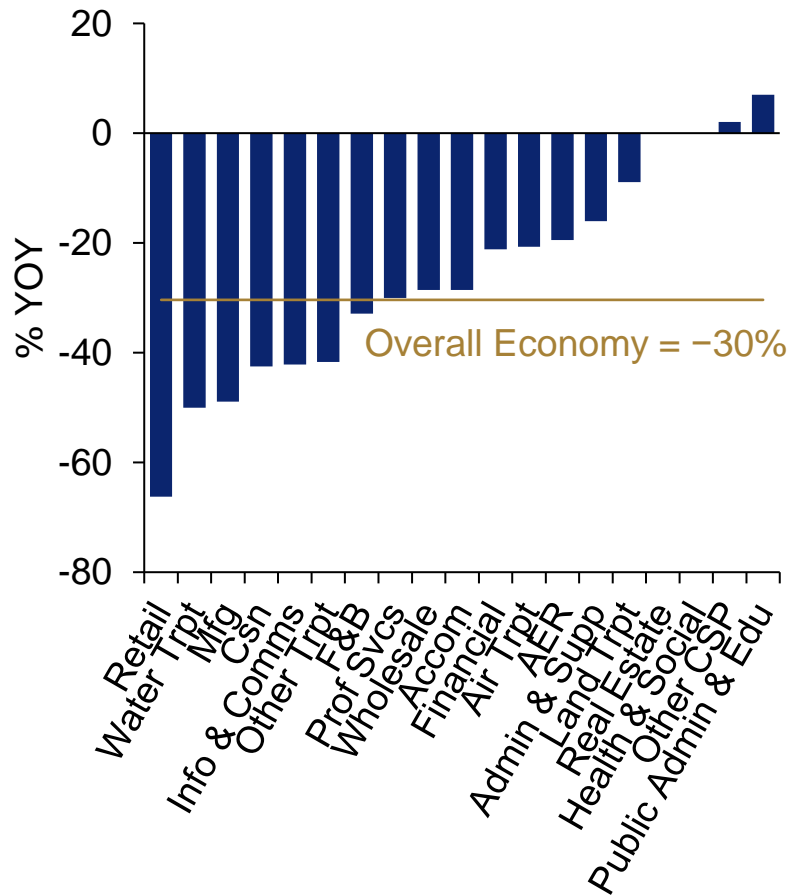


# Labour Market and Inflation

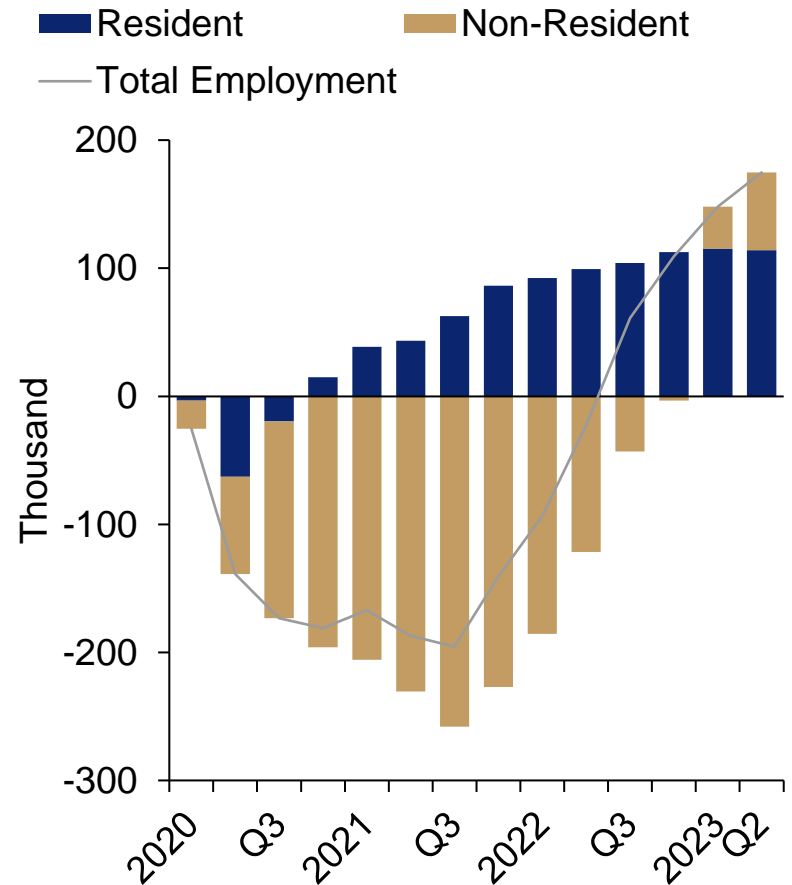
**RESTRICTED**

# Labour market tightness eased as labour demand slowed and non-resident labour supply expanded

## Change in Job Vacancy Rates by Sector in Q2 2023

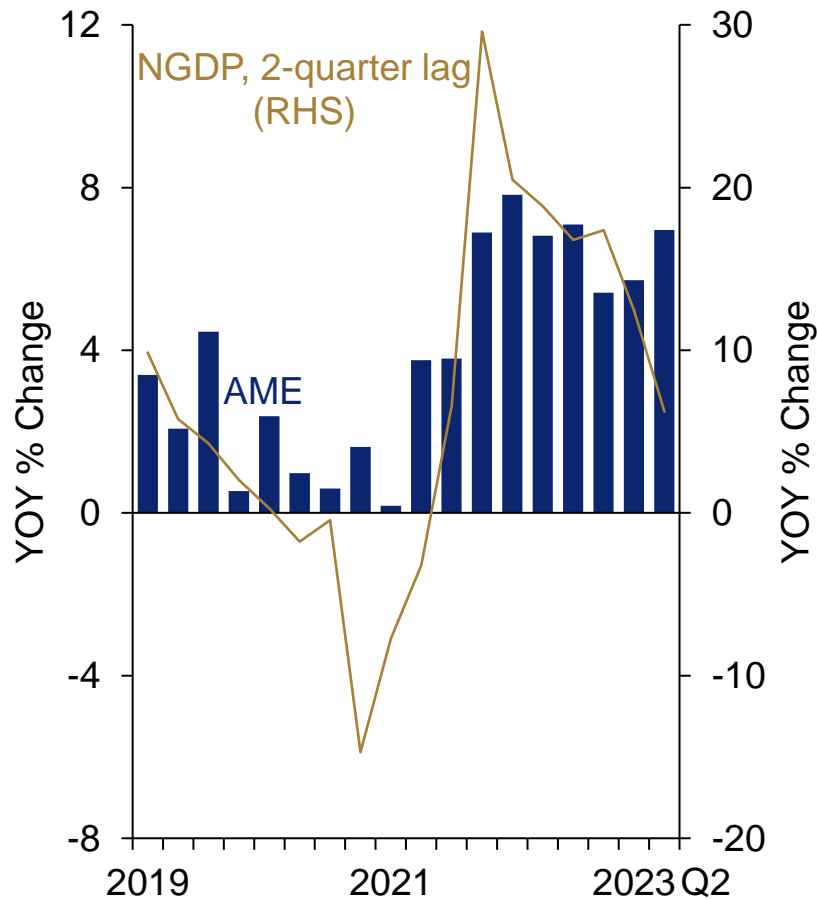


## Employment by Residency Relative to pre-COVID (end-2019)

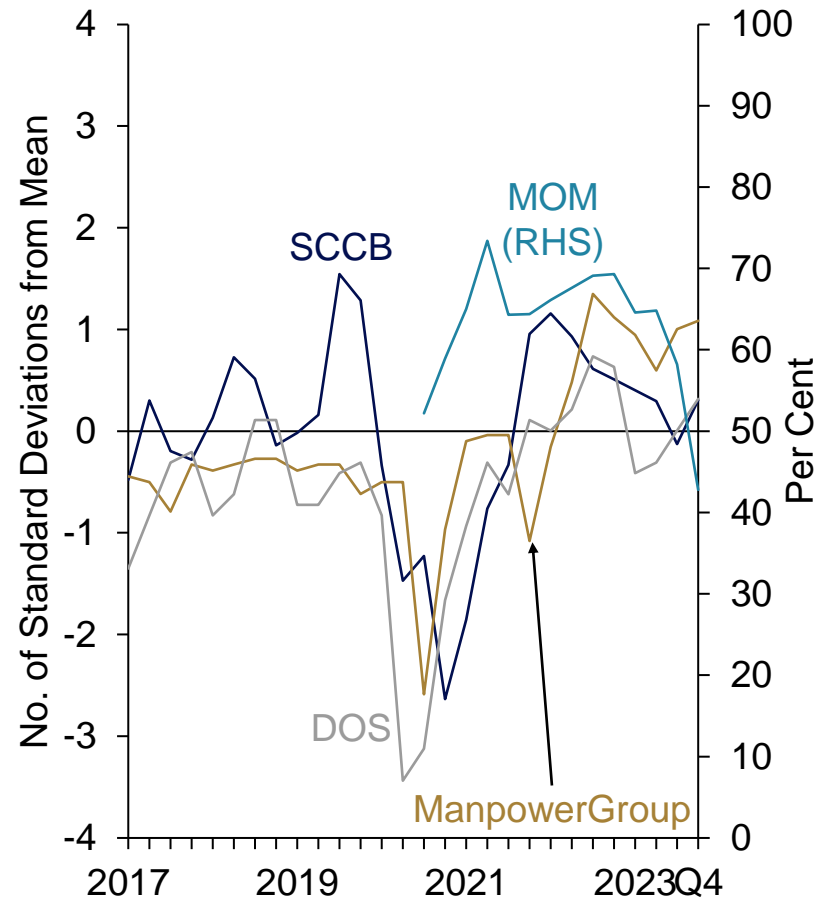


# Wage growth should ease next year as labour market conditions soften, but employment should remain supported

## Nominal AME of resident workers and nominal GDP growth

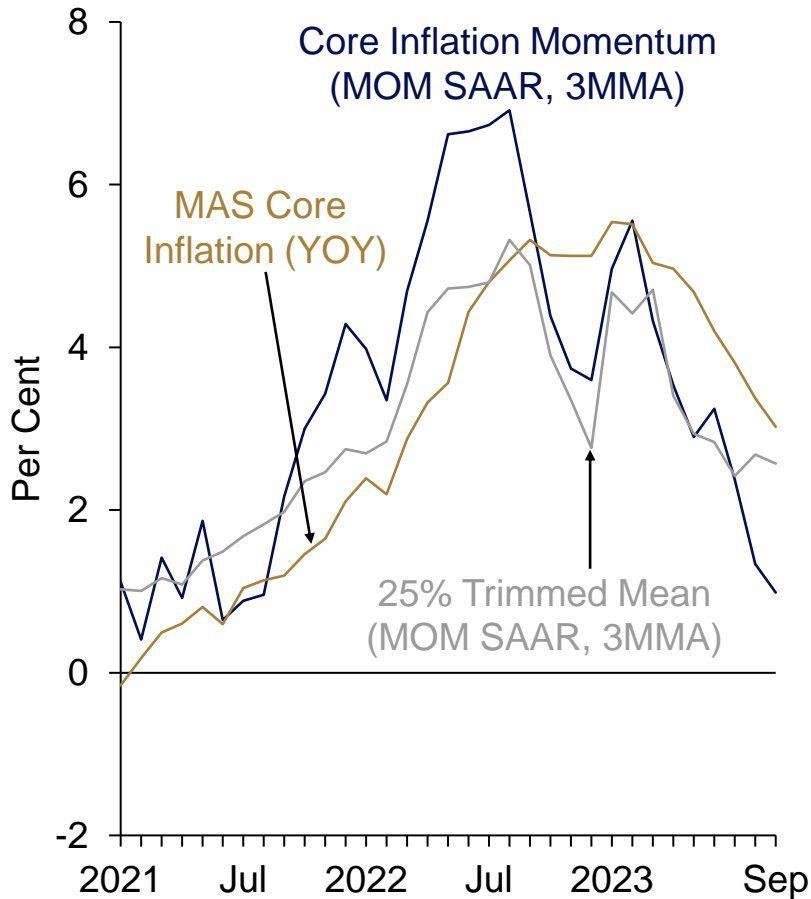


## Net Employment Outlook

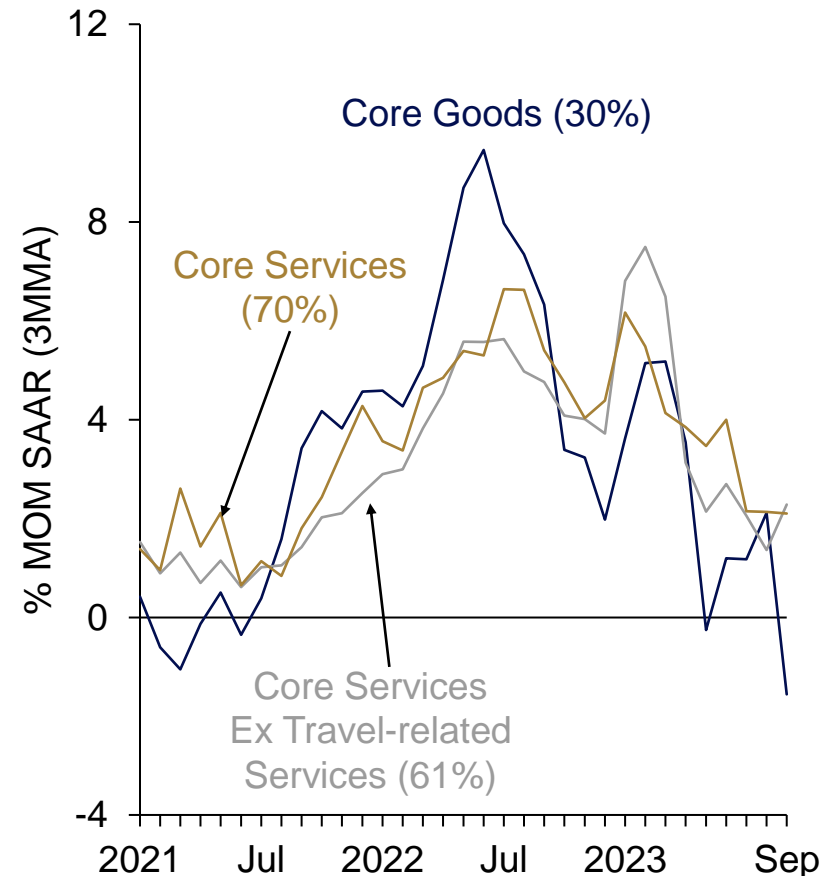


# Core inflation fell in Q3 2023 on account of easing import cost pressures and improving supply conditions

## Measures of Underlying Inflation

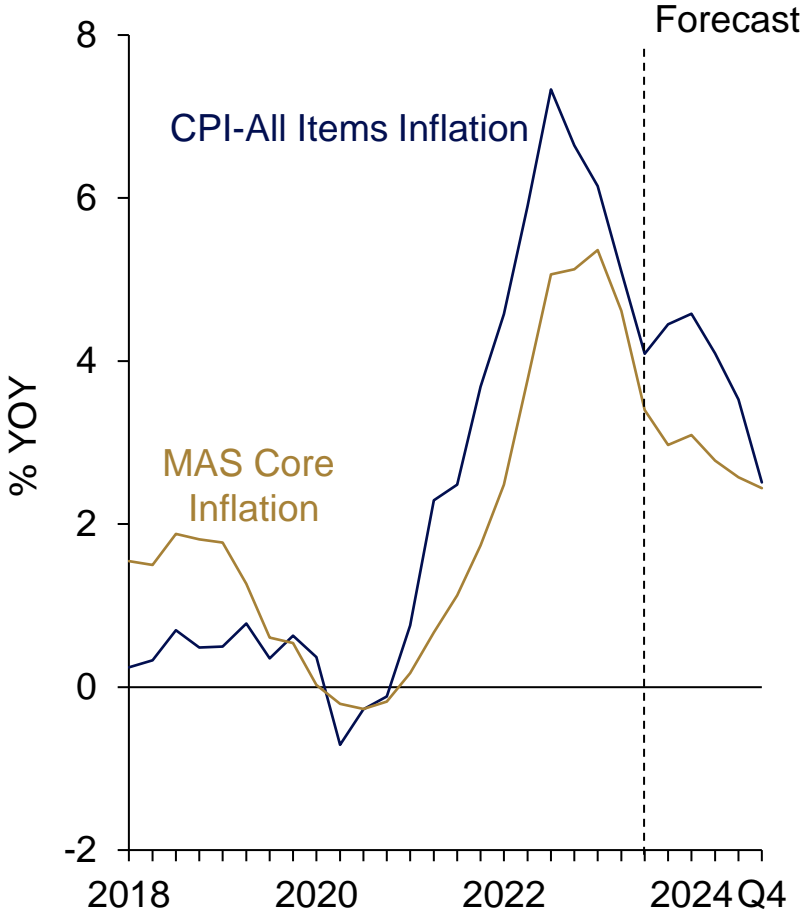


## Inflation Momentum of Core Goods & Services

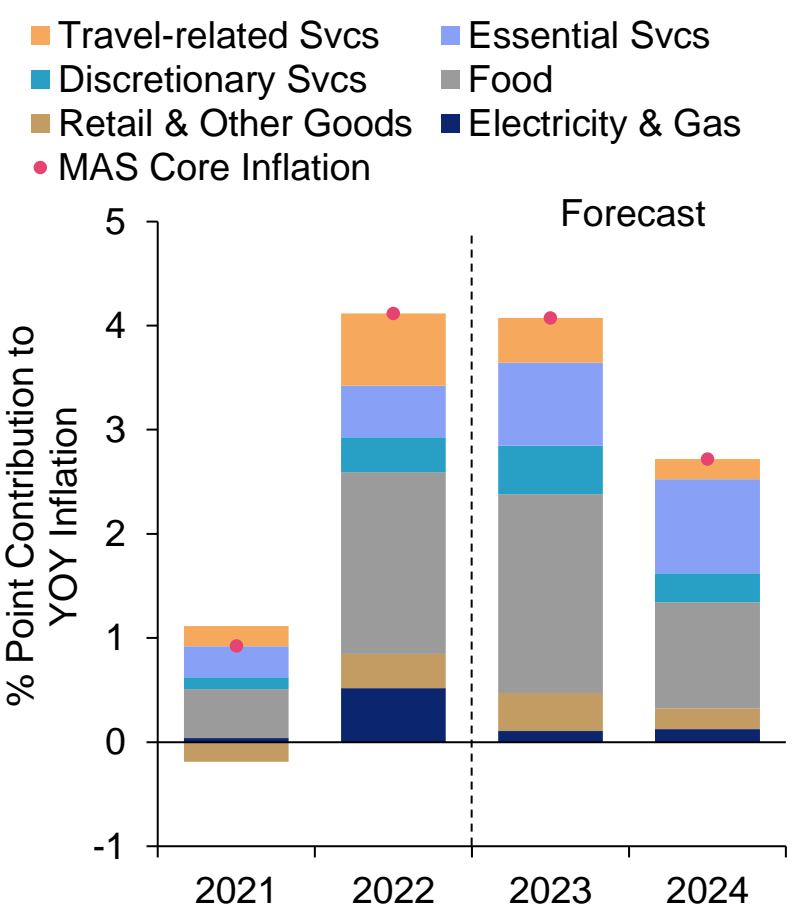


# Core inflation expected to remain on a broad moderating trend

## Core and Headline Inflation Forecasts



## Contribution to MAS Core Inflation

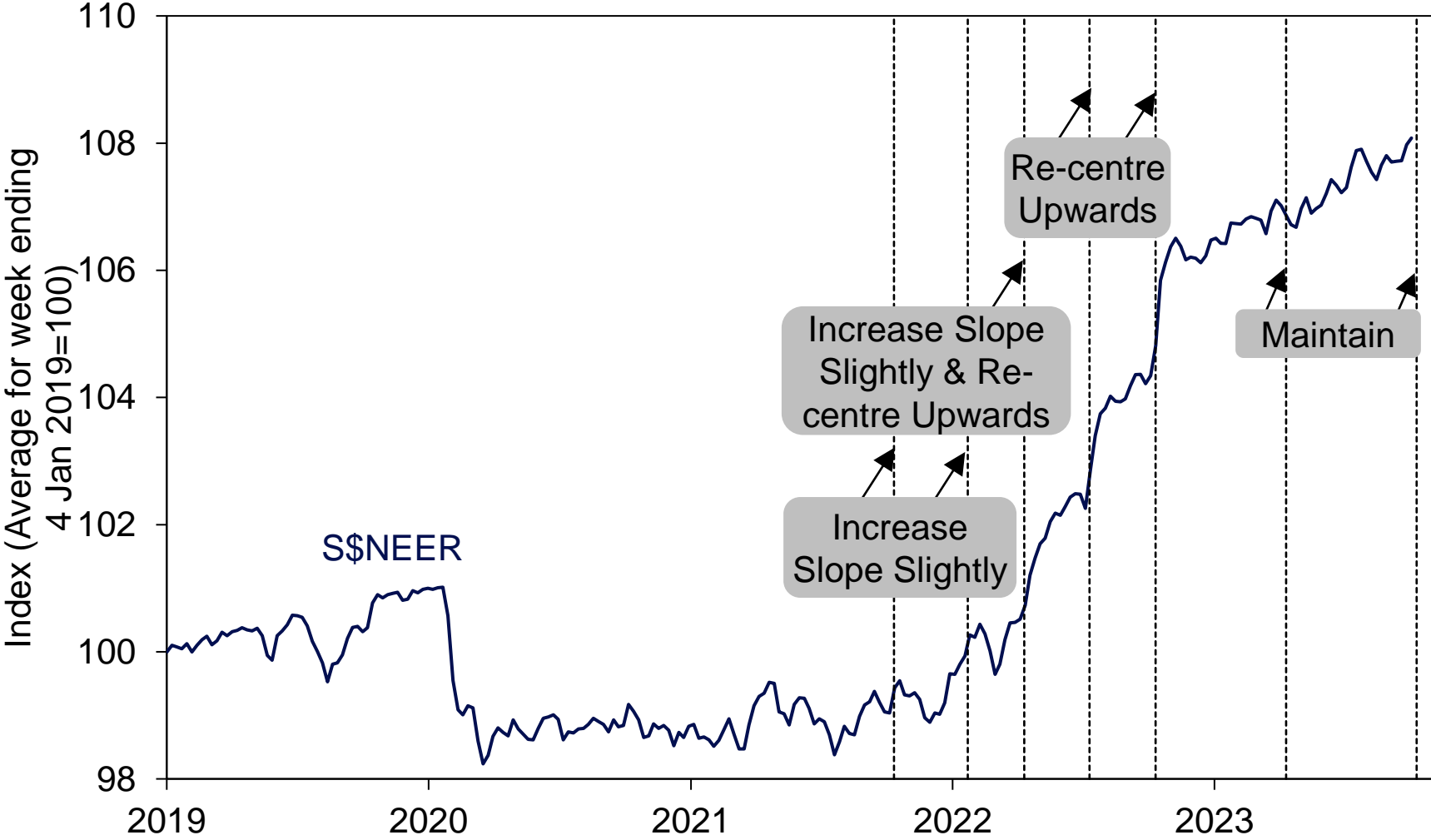




# Macroeconomic Policy

**RESTRICTED**

# In October 2023, MAS kept the S\$NEER on its current appreciating path





# RECENT DEVELOPMENTS IN THE SINGAPORE ECONOMY



No part of these slides shall be reproduced without the prior consent of MAS.  
The views/analysis contained herein should not be attributed to the MAS.



Monetary Authority  
of Singapore