



Monetary Authority of Singapore

IPS 37th Singapore Economic Roundtable
5 December 2022

Recent Developments in the



Singapore Economy

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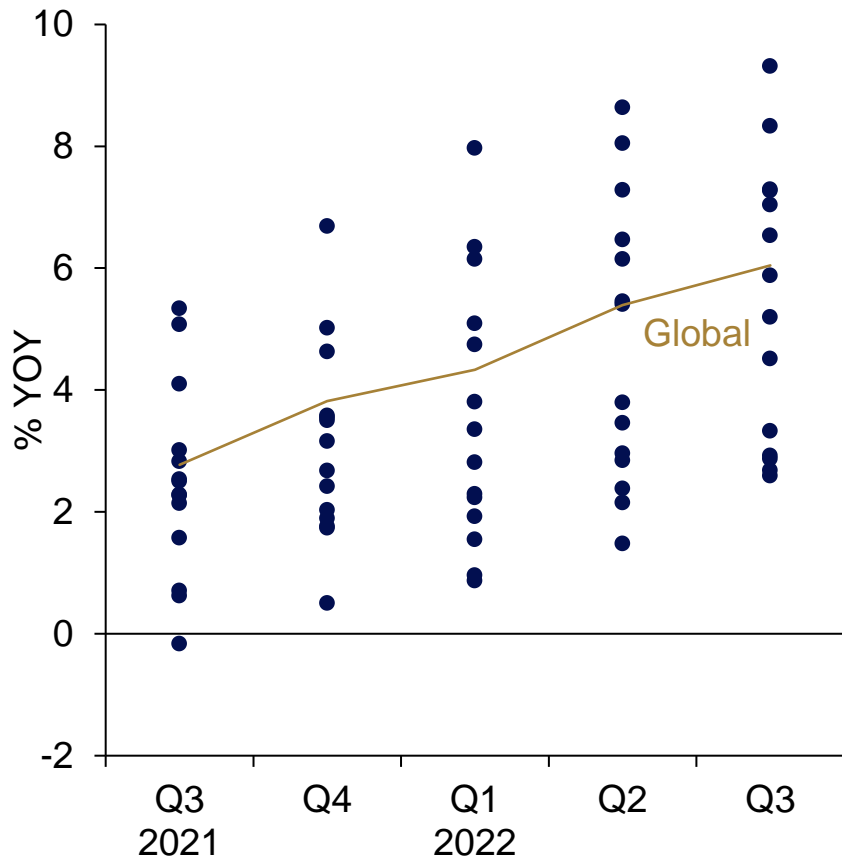
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International Economy

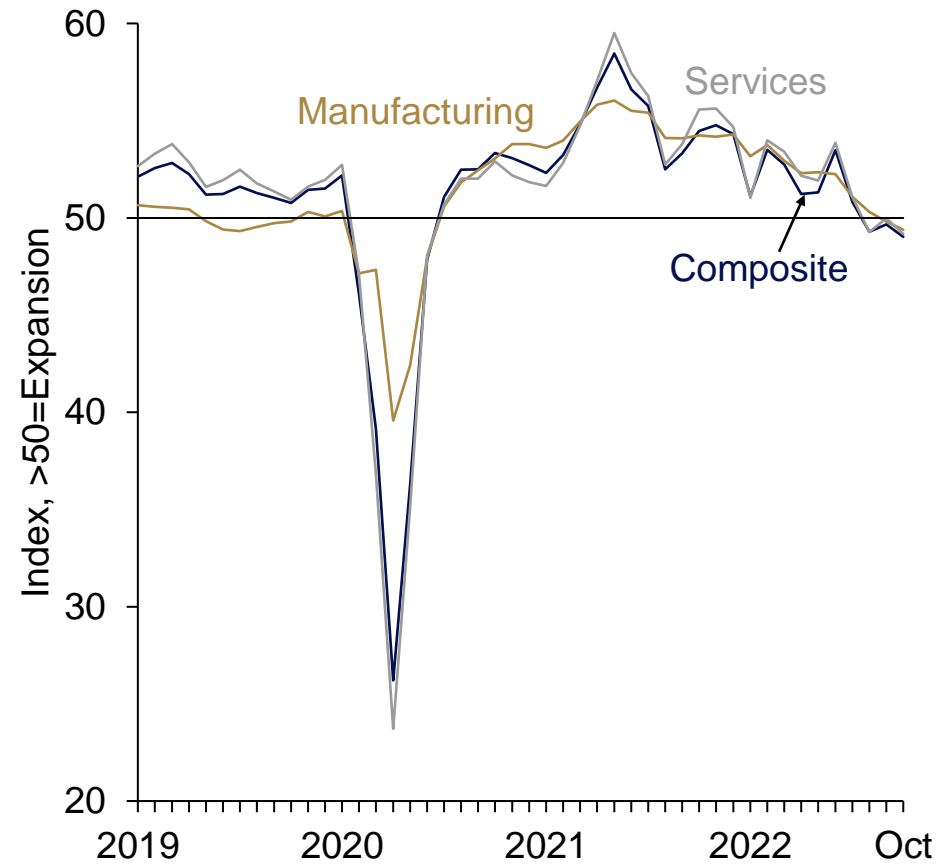
Global inflation-growth dynamics have worsened in recent months

Headline Inflation

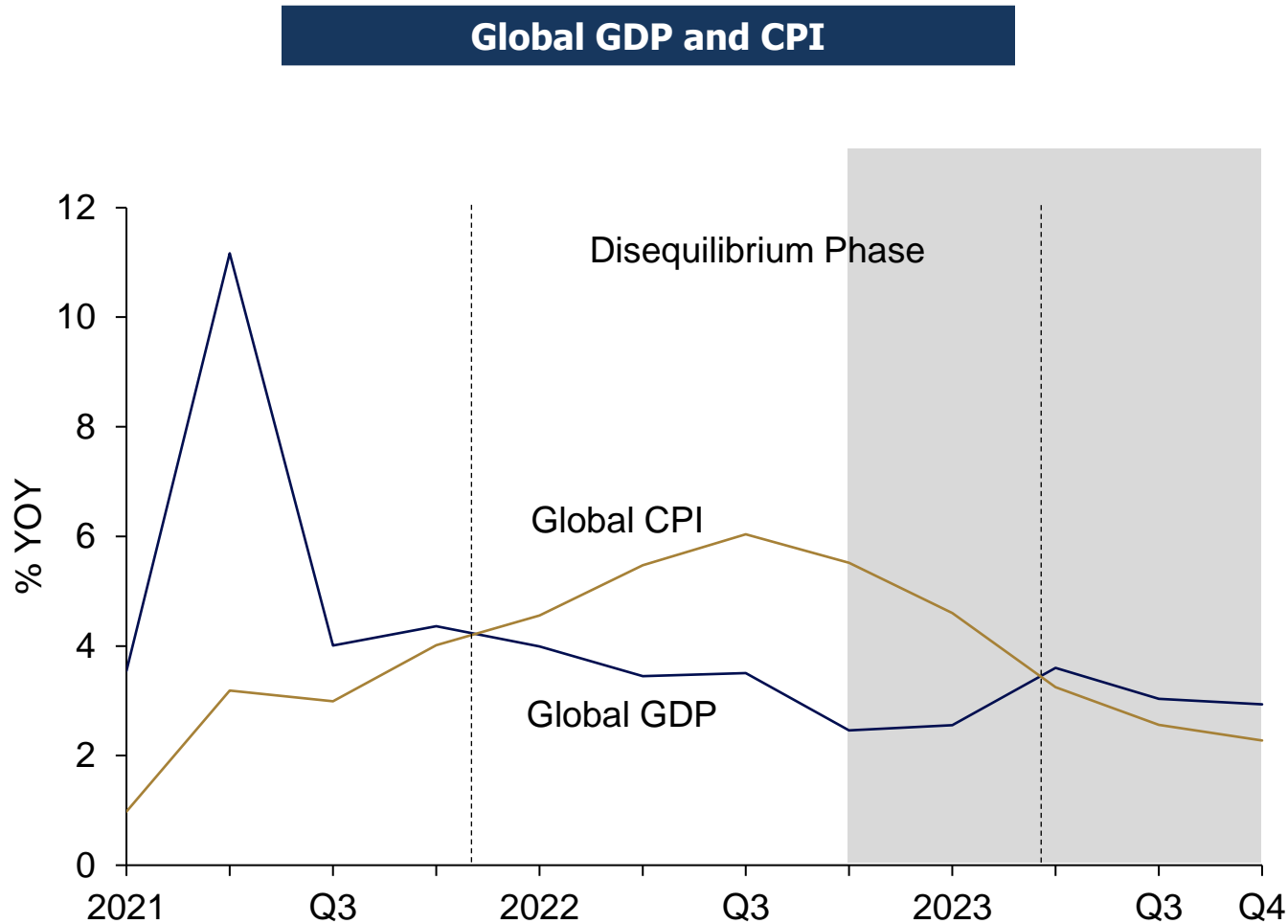


* Dots represent headline inflation in the G3, NEA-3, ASEAN-5, as well as China and Australia.

Global PMI



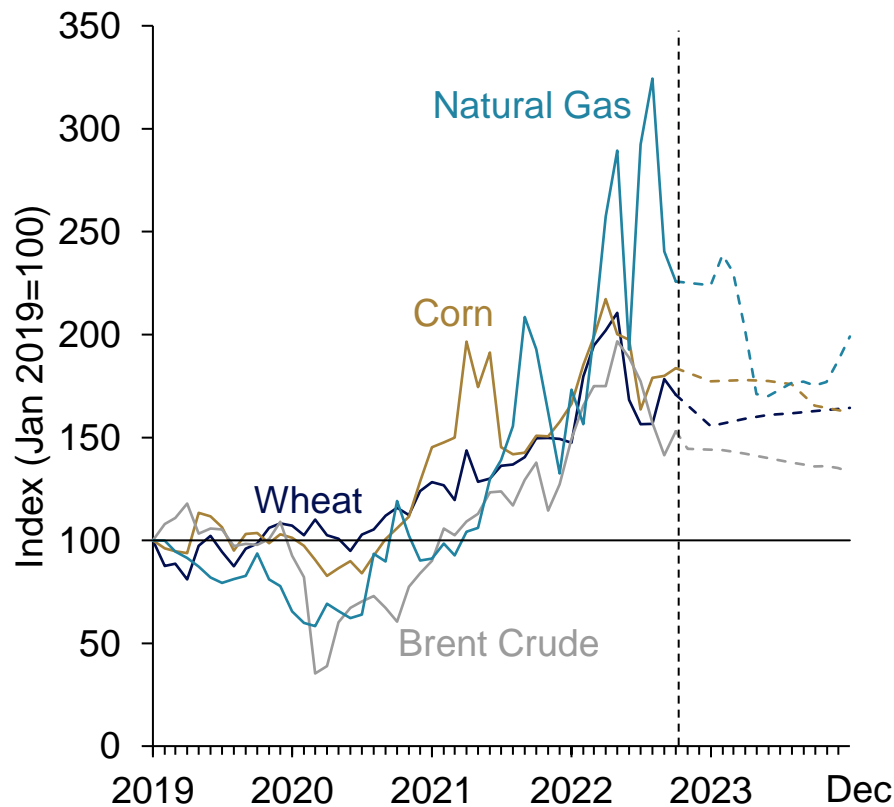
The global economy is expected remain at the disequilibrium phase for the next few quarters



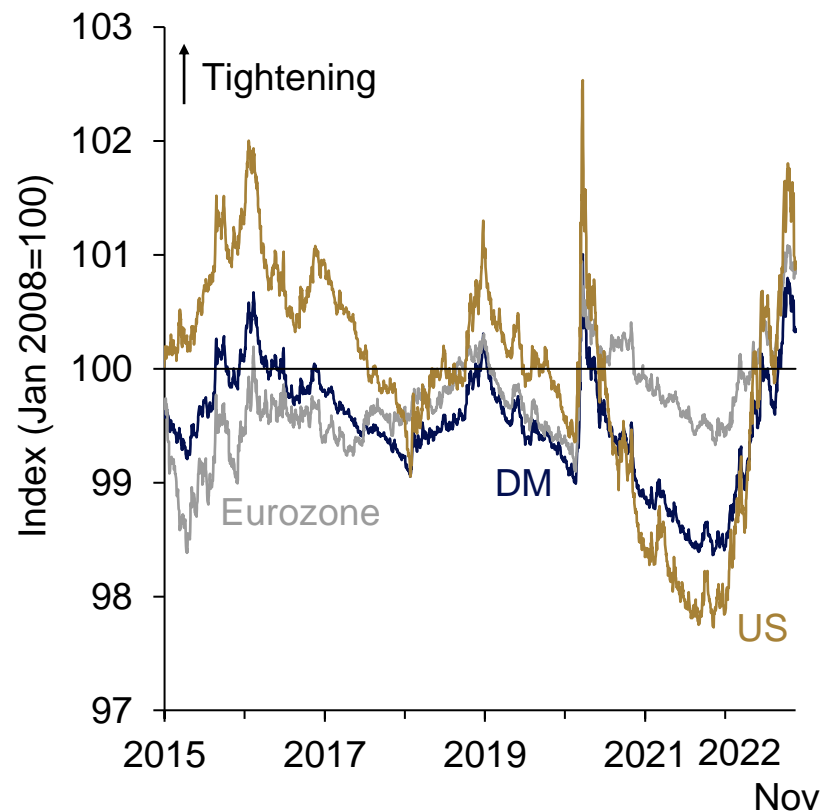
* Shaded area denotes EPG, MAS forecasts

A deeper and more protracted downturn remains a significant risk.

Commodity Prices



Financial Conditions Indices



* Solid lines denote spot prices and dotted lines denote futures prices.



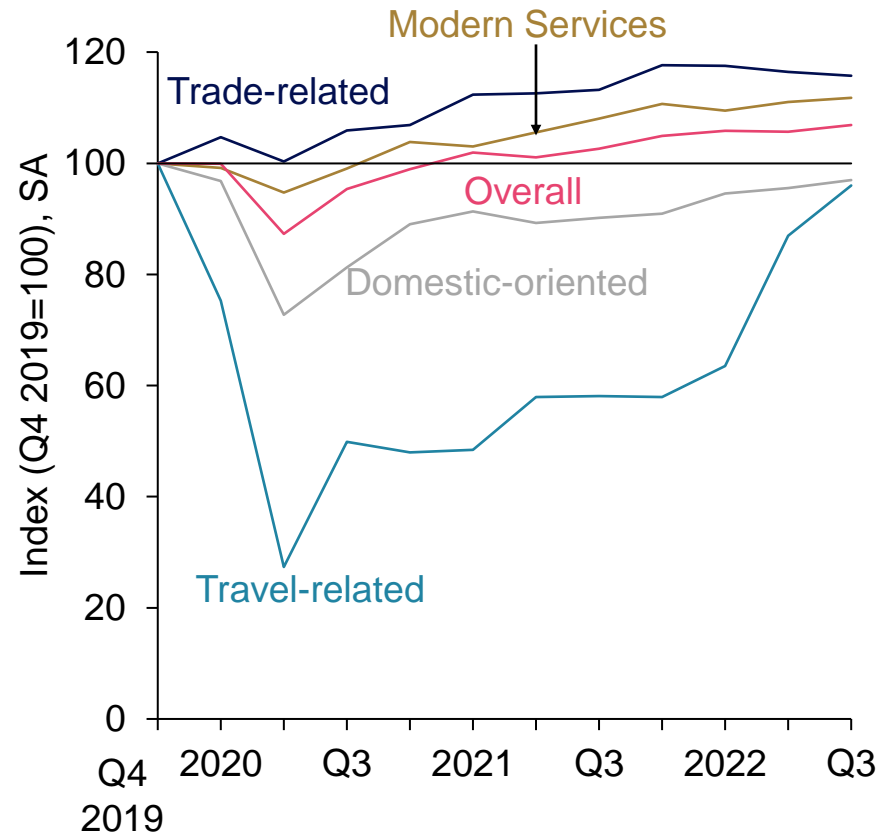
Singapore Economy

Singapore's GDP growth in recent quarters was underpinned by the reopening of the economy

Singapore's GDP Growth

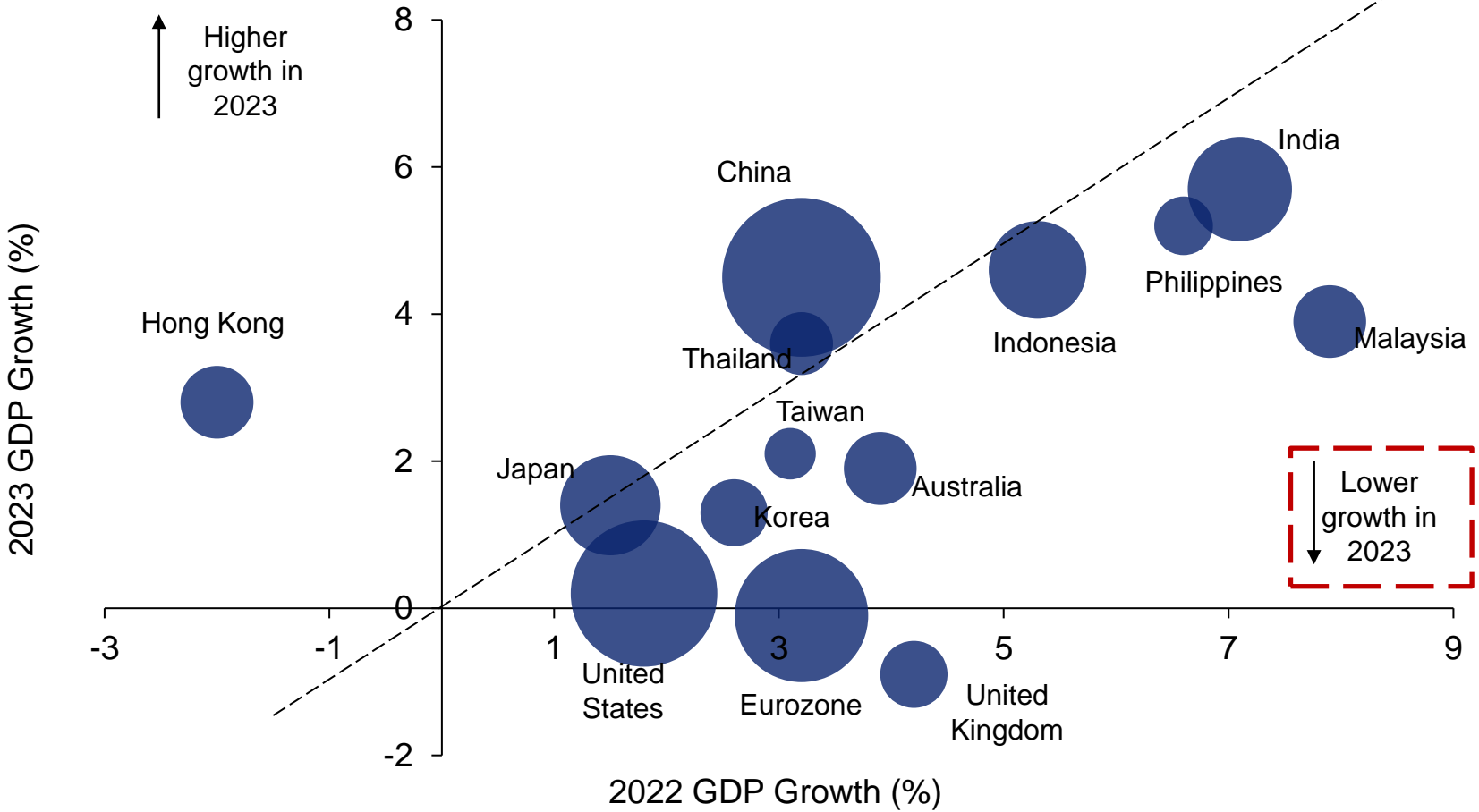


GDP Growth by Cluster



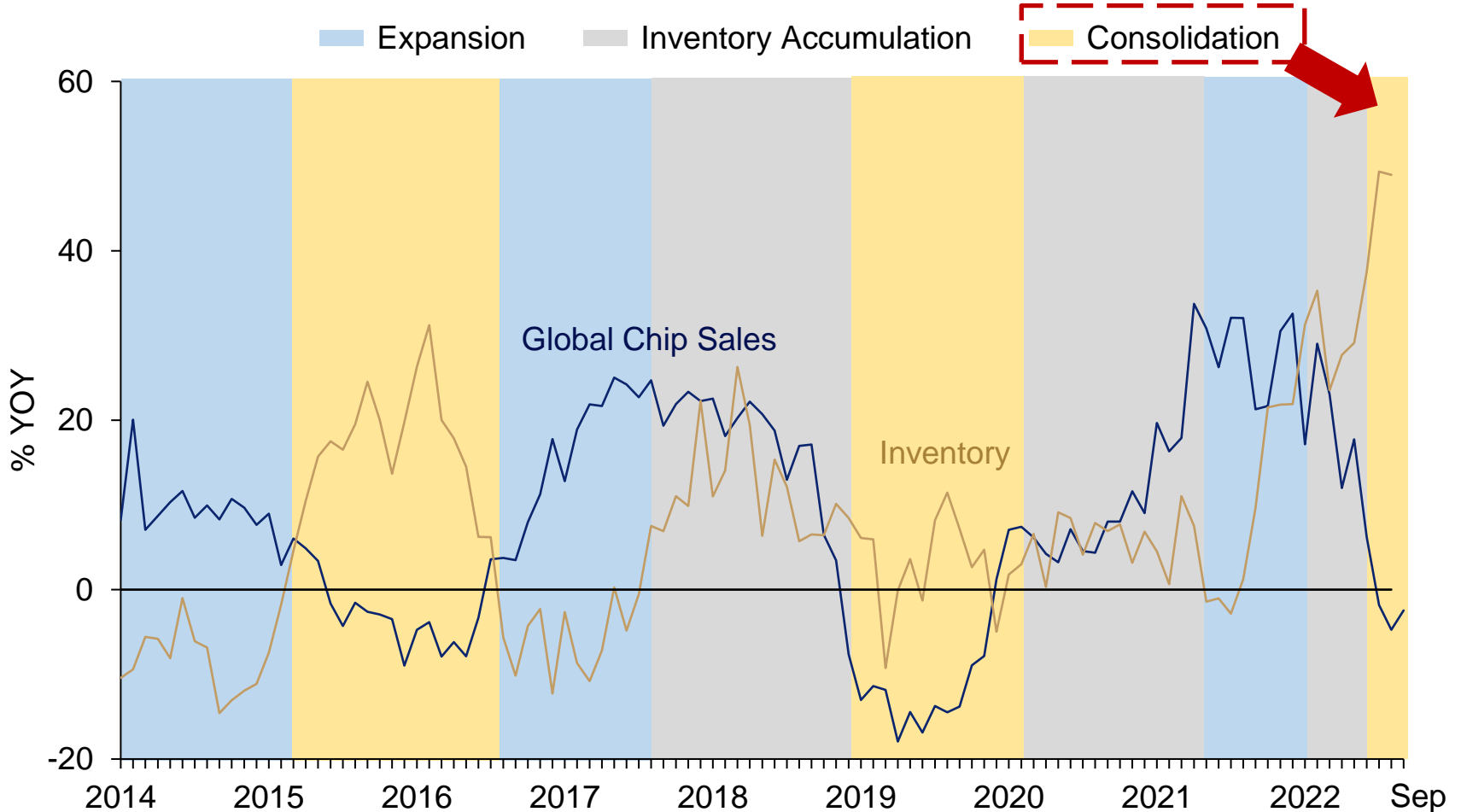
Many of Singapore's major trading partners are expected to post slower growth next year

Real GDP Growth Forecast for Singapore's Major Trading Partners



The global electronics industry has moved into a consolidation phase

Global Chip Sales and Chip Inventory

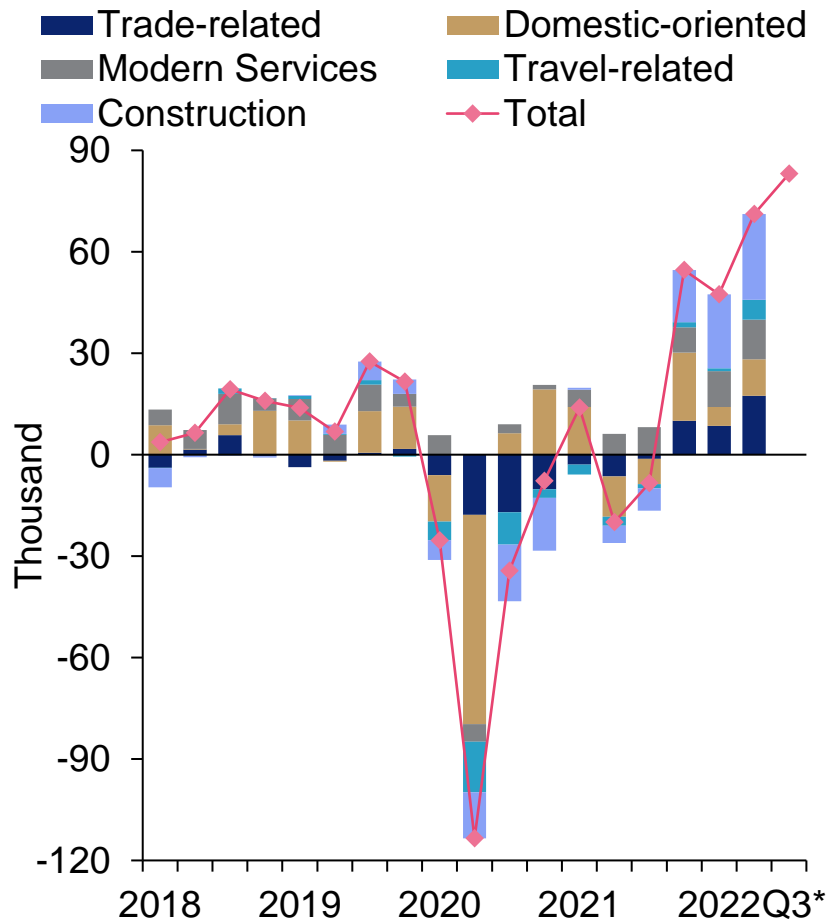




Labour Market and Inflation

Employment has grown strongly and the labour market remains tight overall in 2022 so far

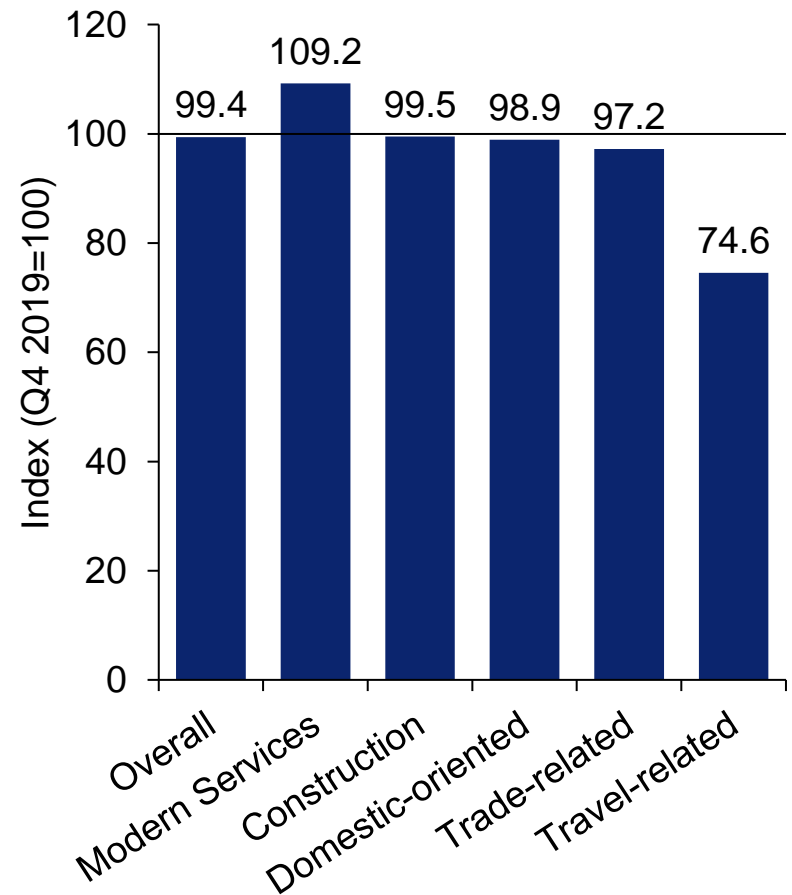
Employment Changes by Sector



* Q3 2022 refers to MOM's preliminary data

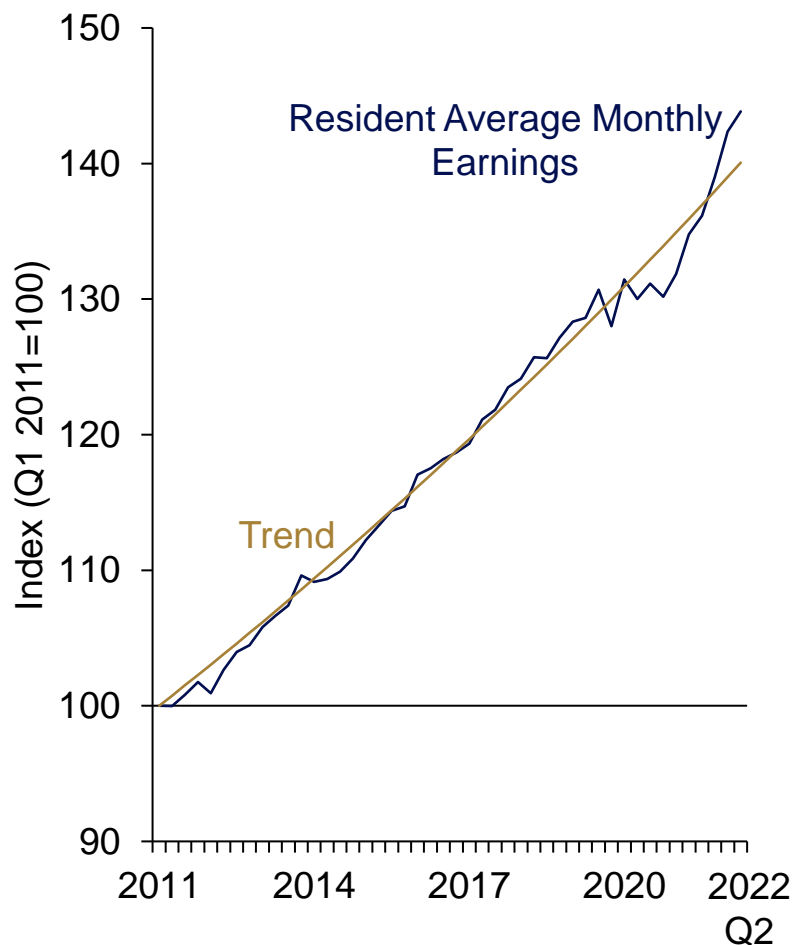
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Employment in Q2 2022 Relative to Pre-COVID Level by Sector

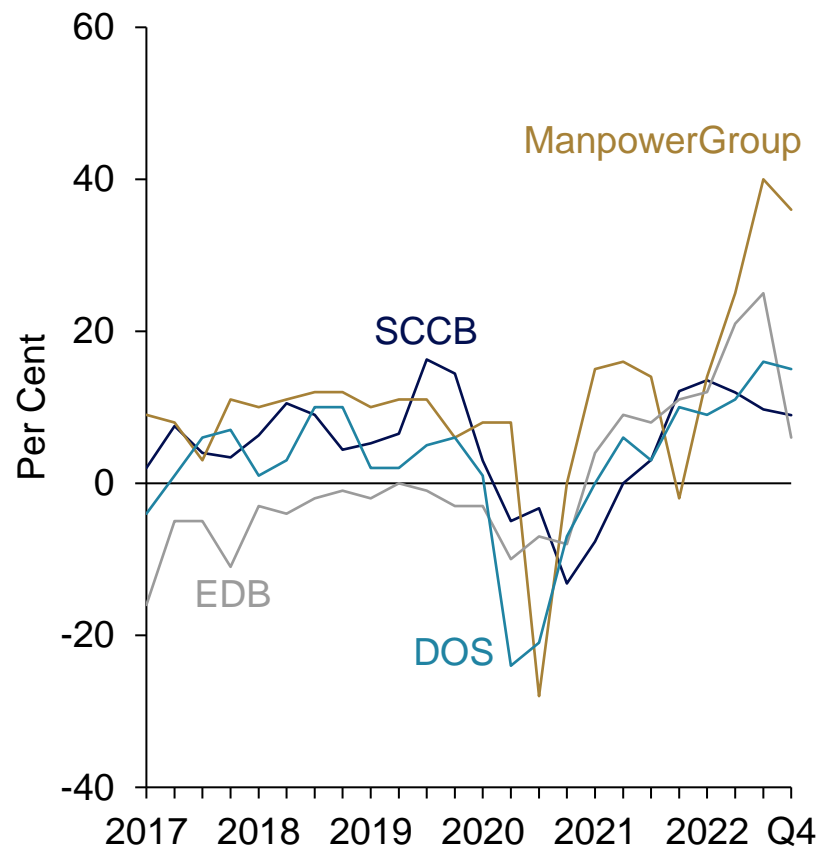


Weakening growth prospects will ease wage pressures, but labour demand would remain supported

Average Monthly Earnings



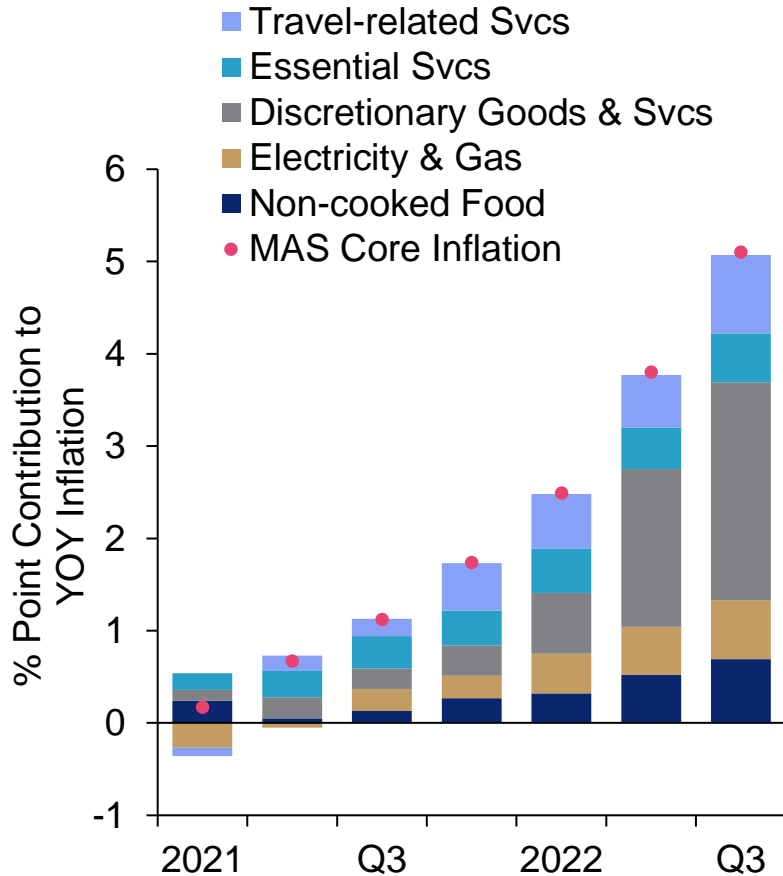
Net Employment Outlook



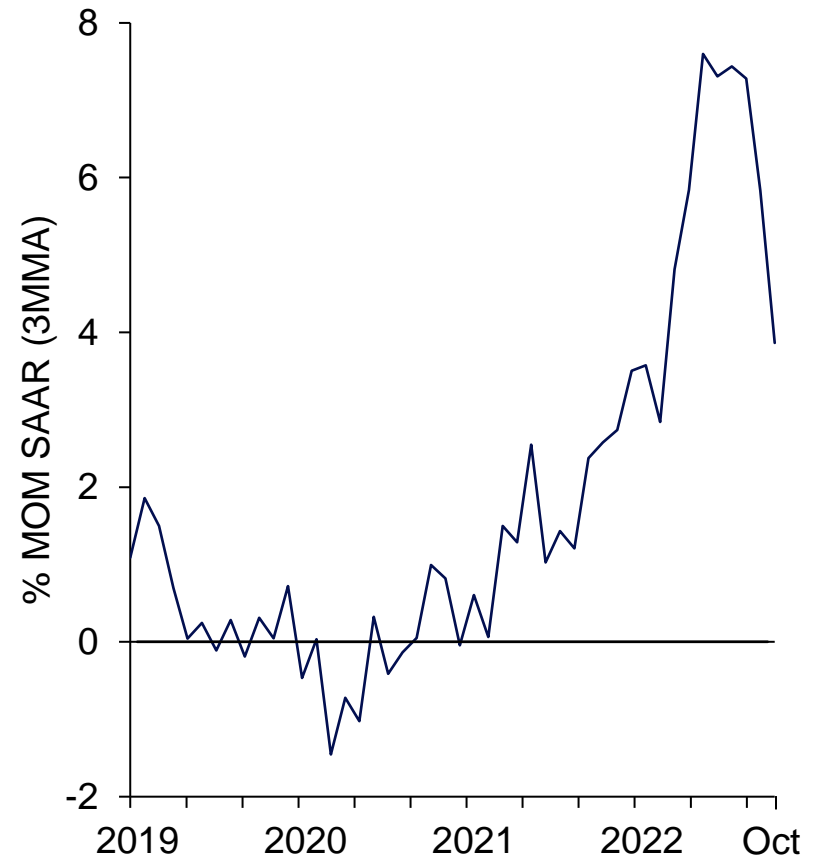
Note: Singapore Commercial Credit Bureau (SCCB) Business Optimism Index

Price pressures were firm and broad-based in Q3

Contribution to MAS Core Inflation

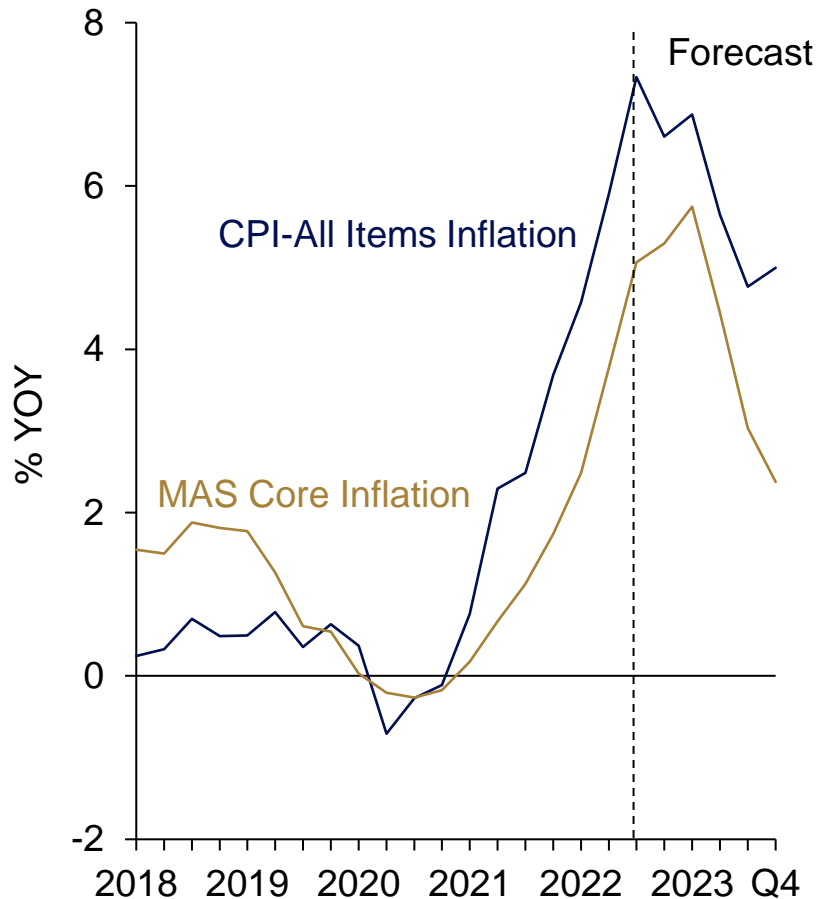


Underlying Inflation Momentum

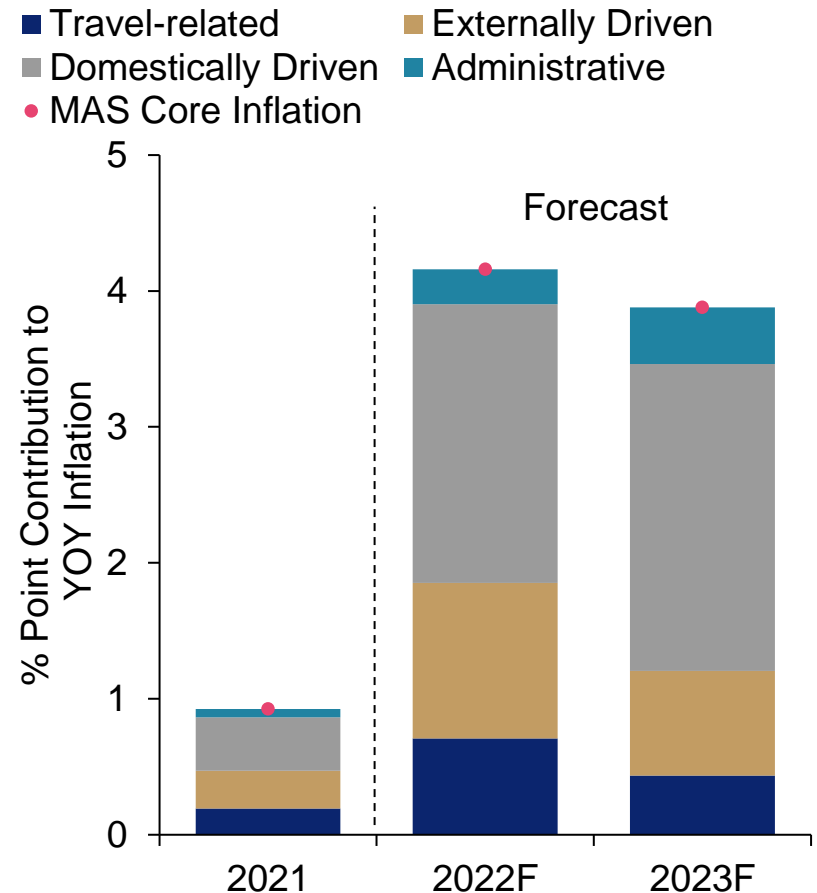


Lagged pass-through of accumulated business costs will keep core inflation elevated next year

Core and Headline Inflation Forecasts



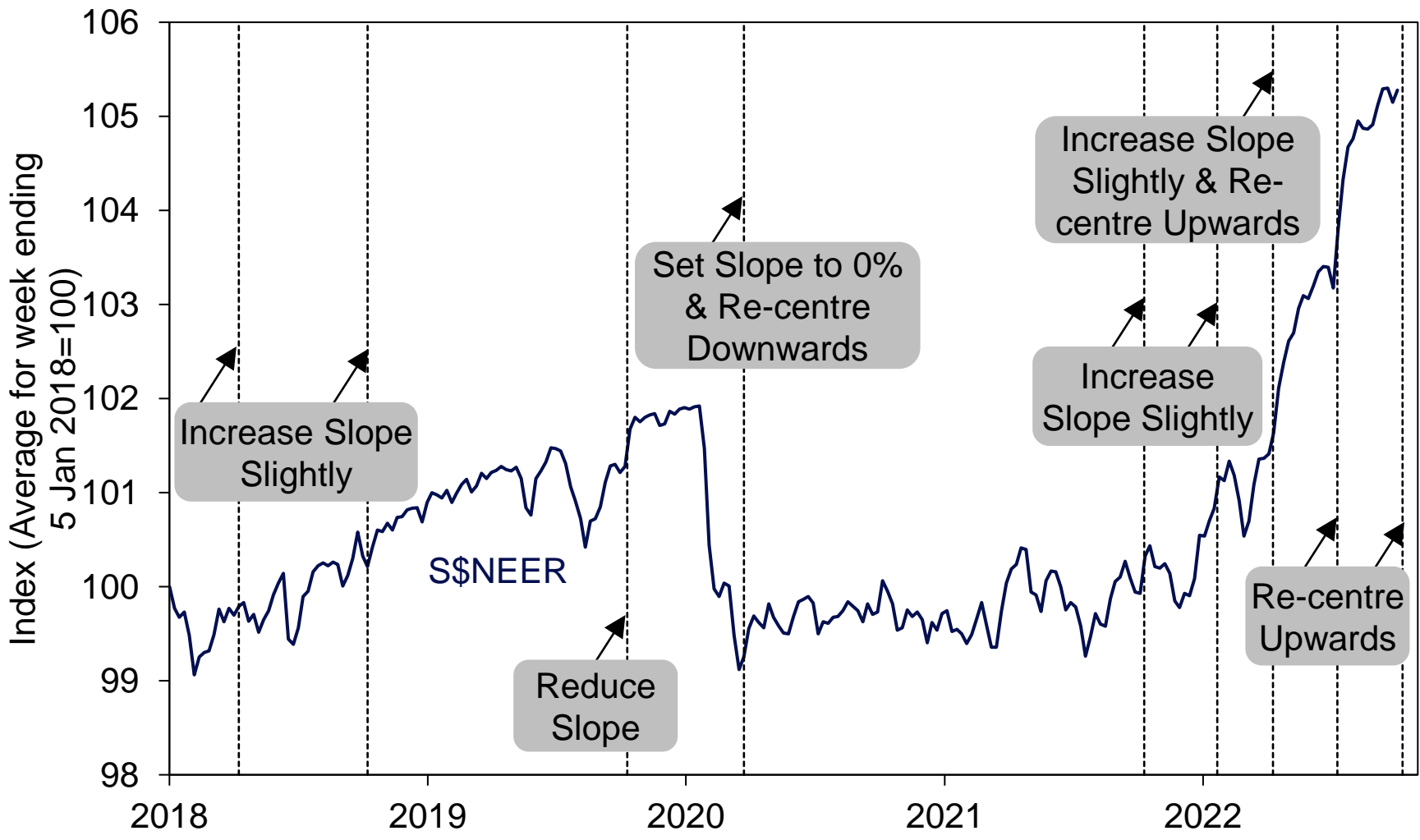
Contribution to MAS Core Inflation





Macroeconomic Policy

The mid-point of the S\$NEER policy band was re-centred upwards in both July and October





THANK YOU