



UNDER EMBARGO UNTIL 07.00 GMT, WEDNESDAY, 6 AUGUST 2014

SINGAPORE

Country briefing notes

Economic growth rebounded

- Given the high exposure to international trade, economic growth rebounded to 3.9% in 2013 on improved global economy, from a 1.9% growth in 2012.
- Growth of government spending accelerated in 2013, while contribution from net exports also increased. In contrast, private consumption and investment was relatively weak amidst policy measures to curb inflation in property markets and transport.
- On the supply side, external-oriented sectors, such as manufacturing, wholesale trade and transportation, bounced back in the second half of 2013. But tight labour market conditions weighed on labour-intensive sectors like construction. The unemployment rate has fallen steadily in recent years, reaching 1.8% in 2013.
- The outlook for 2014 is positive, with a projected growth of 3.5%, mainly supported by exports and public spending. Gradual improvements in the global economy, alongside a pickup in the IT industry, should propel external-oriented sectors. Public sector-led infrastructure projects, including new MRT lines, are also expected to support domestic demand.

Inflation stabilized

- The inflation rate eased to 2.4% in 2013, from 4.6% in 2012. Rapid increases in house prices and transport costs began to stabilize. These two items account for over 40% of the consumer price index. The appreciation of the Singapore dollar also helped contain imported inflation.

Exports rebounded in the second half of 2013

- Export earnings contracted in the first half of 2013, although the rebound in the second half of the year helped Singapore achieve a positive export growth for the full year. In particular, exports of manufacturing equipment showed a strong recovery. Overall imports declined, pushing the current account surplus up to 18.3% of GDP in 2013.

- FDI inflows have increased steadily in recent years and reached \$63.8 billion in 2013, which was higher than pre-crisis levels. The overall balance of payments surplus nonetheless declined in 2013, as large net outflows from the capital and financial account offset gains in the current account surplus.

Policy developments and challenges

- The monetary authorities have kept the nominal effective exchange rate policy band on a gradual appreciation path since 2012. In addition, it introduced a series of macro-prudential measures to tame property markets, including a cap on loan-to-value ratio and restrictions on retirees' use of Central Provident Fund resources to buy or rent property.
- While inflation has stabilized somewhat, the Government's efforts to enhance productivity through tightening the inflow of foreign labour could, at least temporarily, elevate labour costs and core inflation.
- The 2013 Government Budget emphasized economic restructuring for higher productivity and more equitable growth. This emphasis was further strengthened in the 2014 Budget, which provided incentives for labour-saving technologies and worker training. Levies for the least skilled foreign workers were raised, while firms were encouraged to retain higher skilled workers. In addition, small and medium-sized enterprises benefited from a cash grant programme.
- To reduce income inequality, additional support for students from low-income families and elderly groups was introduced. And to promote social mobility, the Government is committed to double spending in the pre-school sector over the next five years.
- Despite higher public expenditures, a budget surplus of 1.1% of GDP was recorded in 2013, owing to strong revenues from stamp duties and vehicle quota premiums. Some delays in public infrastructure projects also played a role.
- While fiscal space is not a major challenge for Singapore, improvements in the tax-to-GDP ratio are possible. As of 2013, corporate income tax rate was 17%, the second lowest in the Asia-Pacific after Hong Kong, China.

我们的产品



大数据平台

国内宏观经济数据库

国际经济合作数据库

行业分析数据库

条约法规平台

国际条约数据库

国外法规数据库

即时信息平台

新闻媒体即时分析

社交媒体即时分析

云报告平台

国内研究报告

国际研究报告

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/云报告?reportId=5_5264

