

Singapore: Industrial production rebounds for its first gain in more than a year

Singapore industrial production jumped 7.4% YoY, much better than expectations for a contraction



A deep water port in Singapore

7.4% YoY change

Higher than expected

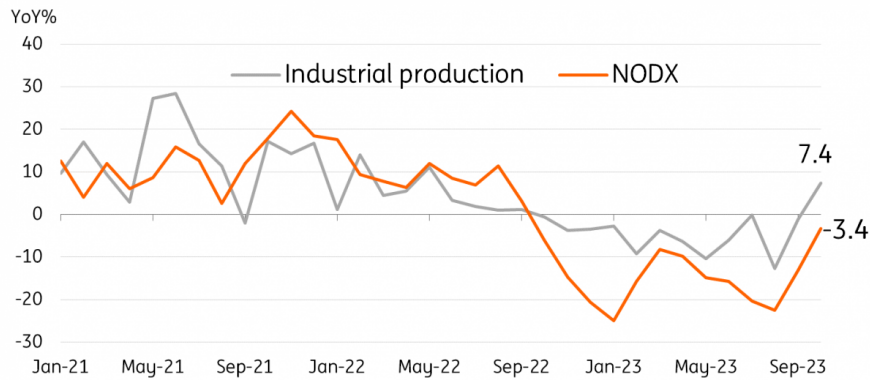
October industrial production up 7.4%

Singapore's string of positive data continues, this time with industrial production beating market consensus to rise 7.4% YoY. Market expectations tipped production to slow for a 13th straight month. Compared to the previous month, industrial production jumped 9.8%, much better than expectations for a 0.4% contraction.

Electronics picked up to 14.8% YoY, from 12.7% in the previous month. Biomedical and general manufacturing rose 5.1% YoY and 4.3% YoY, respectively. Chemicals remained in contraction

(1.0% YoY) but at a less pronounced pace compared than the 13.0% YoY drop of the previous month.

Industrial production bounces back sharply, tracking NODX



Source: Singapore Department of Statistics

Better IP data today a sign of things to come?

Industrial production had been mired in an extended slump (13 months), tracking the struggles of the export sector. With global demand relatively subdued of late, soft non-oil domestic oil (NODX) orders filtered through to the industrial output numbers.

The improvement in the October NODX report signaled a potential recovery for the industrial sector and we could see this sector string together a decent streak of expansion now that global demand appears to be showing signs of a potential recovery.

Today's industrial production report should contribute well to 4Q GDP numbers which will continue to get a boost from leisure related services. 2023 full year GDP growth of 1% YoY is well within reach.