

Singapore

25 July 2025

Singapore's June manufacturing output accelerated to 8.0% YoY (0.0% MoM sa).

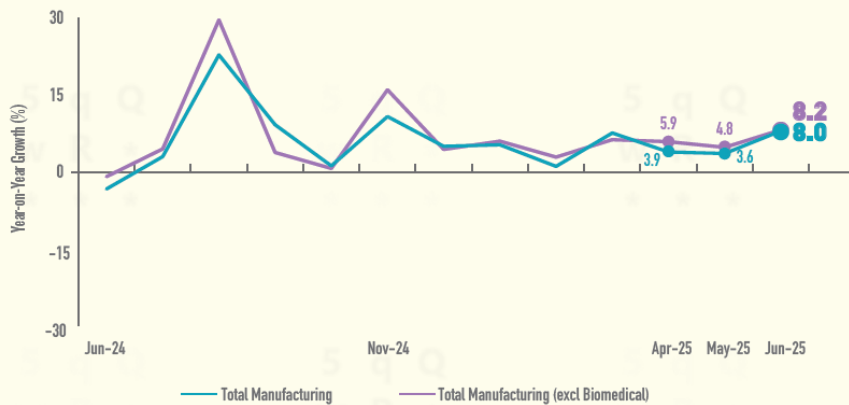
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Highlights:

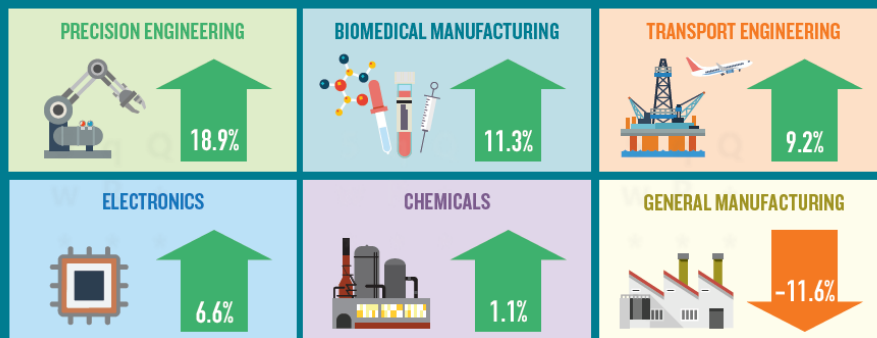
- **Singapore's strong manufacturing performance sustained into June, expanding by 8.0% YoY** which is an improvement from the 3.6% YoY registered in May. This is also the best YoY growth since November 2024, although in month-on-month sequential terms it was flat compared to May. Excluding biomedical manufacturing, output rose 8.2% YoY (-0.8% MoM sa). This beat Bloomberg market consensus forecast of 7.1% YoY (-1.6% MoM sa) and our forecast for 5.6% YoY (-2.8% MoM sa).
- **Frontloading and resilient external demand continued to provide a tailwind.** The acceleration in growth momentum was led by precision engineering which saw the second consecutive month of double-digit growth at 18.9% YoY, largely attributable to machinery & systems (19.3% YoY) due to demand for semiconductor equipment and process control equipment, as well as precision modules & components (17.9% YoY amid higher plastic and metal precision component, optical instrument and electronics connector industries. Separately, the biomedical manufacturing industry also did well at 11.3% YoY, driven by the pharmaceuticals (3.8% YoY due to low base effects) whilst the medical technology segment declined 2.5% YoY. The transport engineering industry also saw output growth of 9.2% YoY (May: 25.6% YoY), aided by the aerospace segment (20.6%) amid strong maintenance, repair and overhaul (MRO) activity pipeline from commercial airlines, whereas the marine & offshore engineering and land segments were lacklustre. Electronics output also grew 6.6% YoY, bolstered by strong production of infocomms & consumer electronics *22.4% YoY) and semiconductors (4.3%), albeit the computer peripherals & data storage and other electronic modules & components fared poorly.
- **For the first half of 2025, manufacturing output increased 8.2% YoY**, setting a strong start which could be partly attributable to frontloading ahead of anticipated US tariffs as well as stronger-than-expected external demand in key markets. Given the imminent US reciprocal tariff implementation on 1 August, as well as the potential sectoral tariffs on semiconductors and pharmaceuticals, there could be some risk of a payback moderation into 2H25. As highlighted by MTI during the advance 2Q25 GDP growth estimates, there remain significant uncertainty and downside risks in the global economy in the second half of 2025 given the lack of clarity over the tariff policies of the US. Singapore has not received a letter regarding its reciprocal tariff rate, so the assumption is that it is unlikely to deviate from the initial 10% level announced on Liberation Day. The bigger question is if there will be any concessions given for the sectoral tariffs that could be

impending for semiconductors and pharmaceuticals that could mean a bigger hit to domestic manufacturing growth looking ahead.

**Singapore's manufacturing output increased 8.0% year-on-year in June 25.
Excluding Biomedical Manufacturing, output increased 8.2%.**



All clusters recorded output growth except the general manufacturing cluster.



For more information, please refer to the [full report](#).

Source: EDB.

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