Singapore

26 November 2025

October manufacturing is off to a good start with a better than expected 29.1% YoY (11.5% MoM sa)

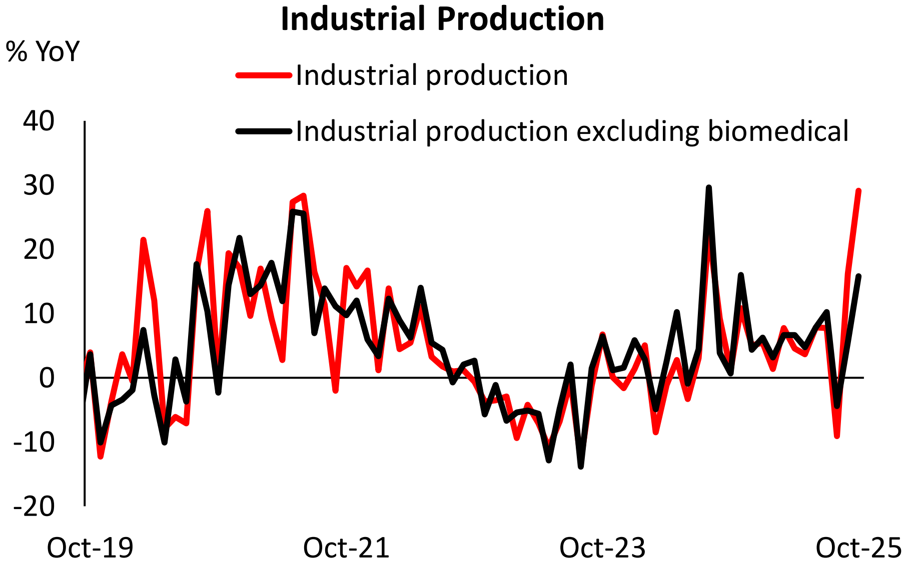
Selena Ling
Head of Research and Strategy
lingssselena@ocbc.com

- Manufacturing momentum remained strong in October, rising by 29.1% YoY, compared with an upwardly revised 16.2% in September.
- More broad-based growth in the manufacturing sector implies Singapore's growth will have legs to end on a strong note in 4Q25.
- Looking ahead, even if manufacturing output growth moderates in November-December 2025, we are upgrading our full-year 2025 manufacturing growth to 6.1% YoY.

Manufacturing momentum remained strong in October. Singapore's October manufacturing is off to a good start with a better than expected 29.1% YoY (11.5% MoM sa), coming in nearly double of the revised September print of 16.2% YoY (26.4% MoM sa) and marking the best performance since November 2010. This print also beat market consensus forecast of 6.7% YoY (-8.3% MoM sa) and our forecast of 12.2% YoY (-2.8% MoM sa). Excluding biomedical manufacturing, output jumped 15.8% YoY (11.7% MoM sa). The main driver was biomedical manufacturing which surged 89.6% YoY, the highest expansion since December 2021, and was led by pharmaceuticals which increased by 122.9% YoY amid higher production of active pharmaceutical ingredients and biological products.

More broad-based growth in the manufacturing sector implies Singapore's growth will have legs to end on a strong note in 4Q25. The January-October 2025 manufacturing output grew by 7.7% YoY, outperforming the 2.9% seen in the same period last year, and suggesting that the frontloading ahead of tariffs story has been overtaken by the ramp up in the biomedical cluster and the ongoing strong pipeline activities in the transport engineering cluster, led by the aerospace arising from stronger demand for aircraft parts and higher value MRO jobs. Electronics output also grew 26.9% YoY, aided by infocomms & consumer electronics amid server and server-related products, while semiconductors and computer peripherals & data storage also stronger output. This also meant that precision engineering cluster was also resilient at 12.2% YoY with machinery and systems seeing continued support from semicon equipment and process control equipment industries.

Looking ahead, even if manufacturing output growth moderates in November-December 2025, we are upgrading our full-year 2025 manufacturing growth to 6.1% YoY. For 2026, we tip manufacturing growth to ease to 2.3% YoY given the higher-than-expected base for 2025. 2025 GDP growth may also come in slightly above the 4% handle if upside manufacturing surprises sustain into November-December 2025.



Source: EDB, CEIC, OCBC.

Macro Research

Selena Ling
Head of Research & Strategy
lingssselena@ocbc.com

Tommy Xie Dongming
Head of Asia Macro Research
xied@ocbc.com

Keung Ching (Cindy)
Hong Kong & Macau Economist
cindyckeung@ocbc.com

Herbert Wong
Hong Kong & Taiwan Economist
herberthtwong@ocbc.com

Lavanya Venkateswaran
Senior ASEAN Economist
lavanyavenkateswaran@ocbc.com

Ahmad A Enver
ASEAN Economist
ahmad.enver@ocbc.com

Jonathan Ng
ASEAN Economist
jonathanng4@ocbc.com

Ong Shu Yi
ESG Analyst
shuyiong1@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA
Head of FX & Rates Strategy
francescheung@ocbc.com

Christopher Wong
FX Strategist
christopherwong@ocbc.com

Credit Research

Andrew Wong
Head of Credit Research
wongvkam@ocbc.com

Ezien Hoo, CFA
Credit Research Analyst
ezienhoo@ocbc.com

Wong Hong Wei, CFA
Credit Research Analyst
wonghongwei@ocbc.com

Chin Meng Tee, CFA
Credit Research Analyst
mengteechin@ocbc.com

Co.Reg.no.: 193200032W