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**FOR IMMEDIATE RELEASE**

**Business sentiment hit 1-year high in Q2 2024**  
*Construction and Transportation sectors remained most upbeat*  
*- Singapore Commercial Credit Bureau*

**Singapore, 11 March 2024** – Business sentiment has hit a 1-year high for the second quarter of 2024. According to Singapore Commercial Credit Bureau (SCCB) - a subsidiary under Credit Bureau Asia (CBA) Limited, a credit and risk information solutions provider in Southeast Asia, Business Optimism Index (BOI) rose moderately for the third consecutive quarter in Q2 2024, from +4.48 percentage points in Q1 2024 to +4.82 percentage points in Q2 2024. On a year-on-year (y-o-y) basis, BOI rose from +4.60 percentage points in Q2 2023 to +4.82 percentage points in Q2 2024.

As with Q1 2024, 5 of six indicators are expansionary in Q2 2024.

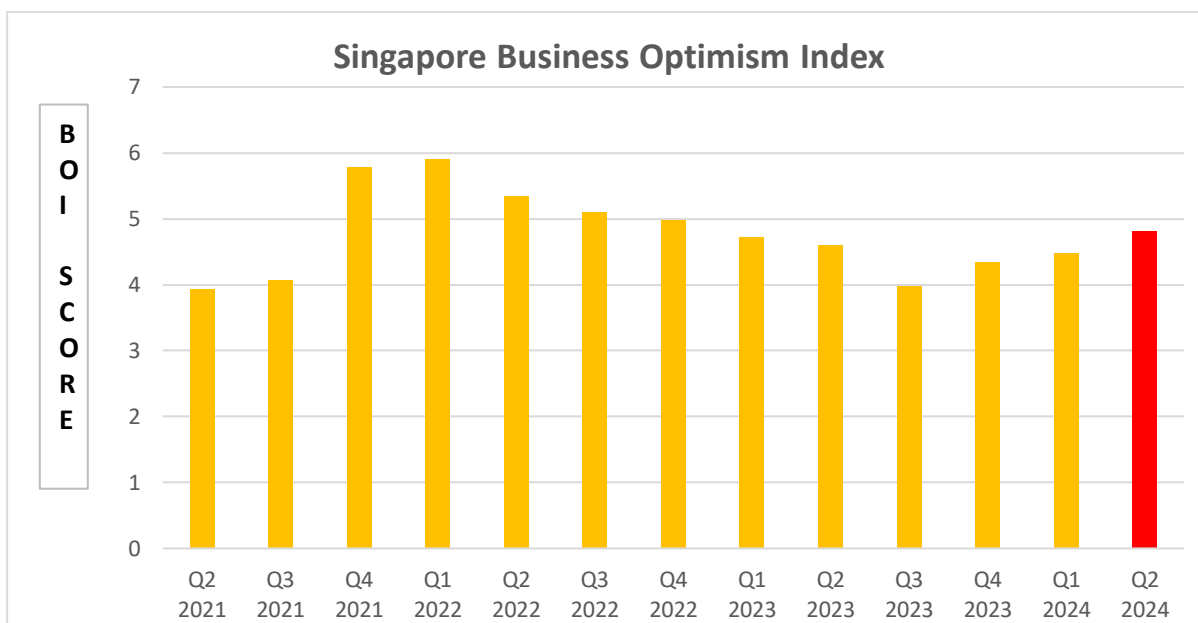


Figure 1. Overall Business Optimism Score, Q2 2021 – Q2 2024

**Point Commentary**

According to SCCB, 3 of six indicators have improved on a q-o-q basis in Q2 2024.

- ❖ Volume of sales rose from +2.24 percentage points in Q1 2024 to +3.70 percentage points in Q2 2024.
- ❖ Net profits increased from +2.24 percentage points in Q1 2024 to +4.44 percentage points in Q2 2024.
- ❖ Selling price moderated from +11.94 percentage points in Q1 2024 to +10.37 percentage points in Q2 2024.
- ❖ New orders inched up from +5.22 percentage points in Q1 2024 to +5.93 percentage points in Q2 2024.
- ❖ Inventory levels fell further from -2.24 percentage points in Q1 2024 to -2.99 percentage points in Q2 2024.
- ❖ Employment levels dipped from +7.46 percentage points in Q1 2024 to +7.41 percentage points in Q2 2024.

On a y-o-y basis, 3 of six indicators have improved in Q2 2024.

- ❖ Volume of sales jumped from +1.49 percentage points in Q1 2024 to +3.70 percentage points in Q2 2024.
- ❖ Net profit increased from 0 percentage point in Q2 2023 to +4.44 percentage points in Q2 2024.
- ❖ Selling price fell from +14.18 percentage points in Q2 2023 to +10.37 percentage points in Q2 2024.
- ❖ New orders declined from +8.96 percentage points in Q2 2023 to +5.93 percentage points in Q2 2024.
- ❖ Inventory levels remained in the contractionary zone, up from -4.48 percentage points in Q2 2023 to -2.99 percentage points in Q2 2024.
- ❖ Employment levels fell from +7.46 percentage points in Q2 2023 to +7.41 percentage points in Q2 2024.

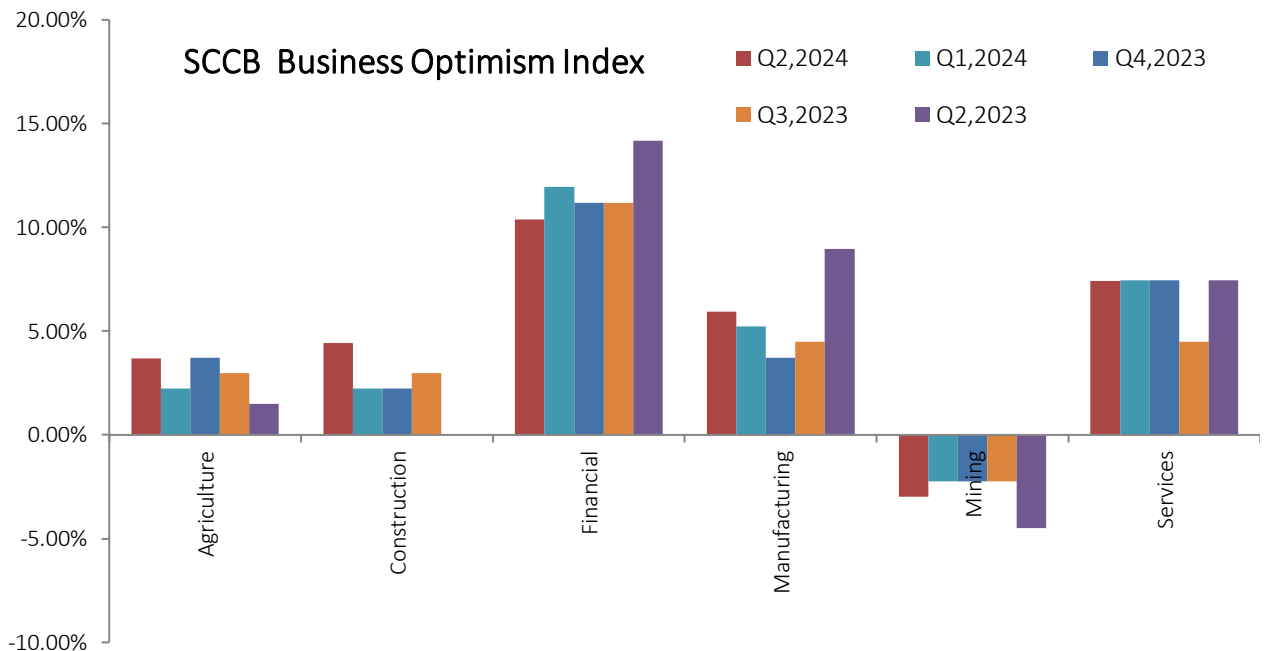


Figure 3. SCCB Optimism Index of Business Indicators, Q2 2023 – Q2 2024

**Key Highlights for Q2 2024 Sectoral Outlook**

The construction, transportation and financial sectors are the most optimistic sectors while the outlook for the wholesale sector has remained relatively weak for Q2 2024.

**Construction**

The outlook for the construction sector remained relatively upbeat with all six indicators in positive territory.

- ❖ Both volume of sales and net profit rose from +15.39 percentage points in Q1 2024 to +23.08 percentage points in Q2 2024.
- ❖ Both new orders and inventory levels remained expansionary at +15.39 percentage points in Q2 2024.
- ❖ Selling price moderated from +30.77 percentage points in Q1 2024 to +23.08 percentage points in Q2 2024.
- ❖ Employment levels remained expansionary at +30.70 percentage points in Q2 2024.

**Transportation**

As with the previous quarter, sentiments within the transportation sector remained upbeat with 5 of six indicators in positive territory.

- ❖ Volume of sales moderated from +33.33 percentage points in Q1 2024 to +16.67 percentage points in Q2 2024.
- ❖ Net profit dipped from +33.33 percentage points in Q1 2024 to +25.0 percentage points in Q2 2024.
- ❖ Selling price remained expansionary at +41.67 percentage points in Q2 2024.
- ❖ New orders rose visibly from +16.67 percentage points in Q1 2024 to +25.0 percentage points in Q2 2024.
- ❖ Inventory levels remained unchanged at 0 percentage point in Q2 2024.
- ❖ Employment levels remained expansionary at +25.0 percentage points in Q2 2024.

**Financial**

The financial is also relatively upbeat with 4 of six indicators in positive territory for Q2 2024.

- ❖ Both volume of sales and net profit rose from +7.14 percentage points in Q1 2024 to +14.29 percentage points in Q2 2024.
- ❖ Selling price and inventory levels remained unchanged at 0 percentage point in Q2 2024.
- ❖ New orders rose from +7.14 percentage points in Q1 2024 to +14.29 percentage points in Q2 2024.
- ❖ Employment levels jumped from +14.29 percentage points respectively in Q1 2024 to +21.43 percentage points in Q2 2024.

### **Manufacturing**

Sentiments among manufacturers are on a slight rebound with two of six indicators in the positive territory for Q2 2024.

- ❖ Both volume of sales and net profit rose from -7.69 percentage points in Q1 2024 to 0 percentage point in Q2 2024.
- ❖ Selling price remained expansionary at +3.85 percentage points in Q2 2024.
- ❖ New orders rose from +3.85 percentage points in Q1 2024 to +7.69 percentage points in Q2 2024.
- ❖ Both inventory and employment levels remained unchanged at 0 percentage point in Q2 2024.

### **Wholesale**

Sentiments within the wholesale sector remained weak with 2 of six indicators in positive territory as with the previous quarter.

- ❖ Both volume of sales and net profit fell into the contractionary zone from 0 percentage point in Q1 2024 to -6.67 percentage points in Q2 2024.
- ❖ Selling price remained expansionary at +6.67 percentage points in Q2 2024.
- ❖ New orders dropped from +6.67 percentage points in Q1 2024 to 0 percentage point in Q2 2024.
- ❖ Both inventory and employment levels remained unchanged at 0 percentage point in Q2 2024.

### **Services**

The outlook for the services sector remained positive with 4 of six indicators in positive territory.

- ❖ Both volume of sales and net profit remained expansionary at +2.27 percentage points in Q2 2024.
- ❖ Selling price fell from +15.91 percentage points in Q1 2024 to +13.64 percentage points in Q2 2024.
- ❖ New orders fell from 0 percentage point in Q1 2024 to -2.27 percentage points in Q2 2024.
- ❖ Inventory levels remained contractionary at -4.55 percentage points in Q2 2024.
- ❖ Employment levels remained expansionary at +2.27 percentage points in Q2 2024.

The Ministry of Trade and Industry (MTI) has maintained its GDP growth forecast for 2024 to be between +1.0 per cent to +3.0 per cent.

“On the overall, the outlook for local businesses will remain upbeat for the second quarter of 2024. We are seeing a sustained growth in the construction and transportation sectors as well as a rebound in both manufacturing and financial sectors from the previous quarter. However, downside risks in global supply chains are likely to remain in light of ongoing geo-political tensions and subdued growth within the wholesale trade segment.” commented Ms. Audrey Chia, SCCB’s Chief Executive Officer.

**Overview of Business Indicators**

**Volume of Sales**

Volume of sales jumped to +3.70 percentage points (compared to +2.24 percentage points in Q1 2024). The construction sector (net +23.08 percentage points) is most upbeat, followed by transportation (net +16.67 percentage points), financial (net +14.29 percentage points) and services (+2.27 percentage points). Both agricultural (net -40.0 percentage points) and wholesale (net -6.67 percentage points) sectors are downbeat while sentiments for both manufacturing and mining (net 0 percentage point) are expected to remain unchanged.

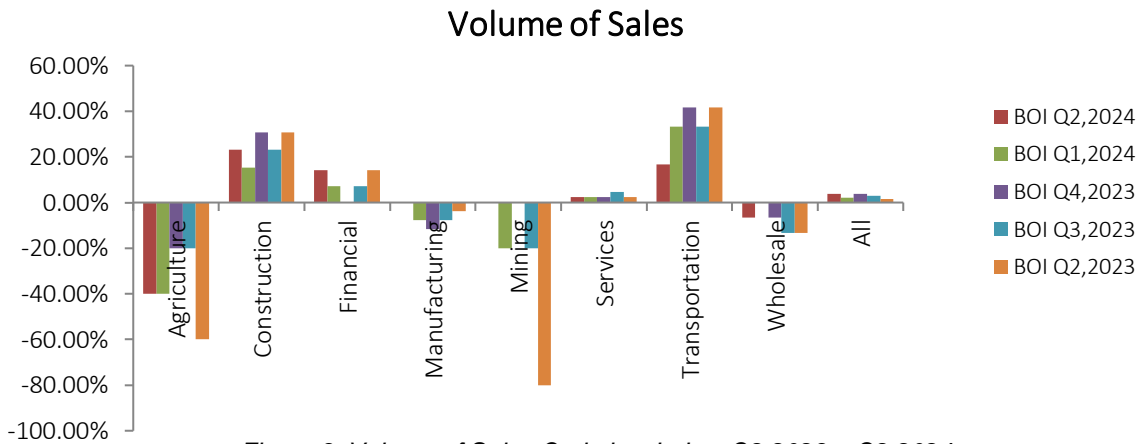


Figure 3. Volume of Sales Optimism Index, Q2 2023 – Q2 2024

**Net Profit**

Net profit rose to +4.44 percentage points (compared to +2.24 percentage point in Q1 2024). The transportation sector (net +25.0 percentage points) is most upbeat, followed by construction (net +23.08 percentage points), financial (net +14.29 percentage points) and services (net +2.27 percentage points). Both agricultural (net -40.0 percentage points) and wholesale sectors (net -6.67 percentage point) have anticipated net profit to be downbeat. The remaining sectors have anticipated net profit to remain unchanged –manufacturing and mining (net 0 percentage point).

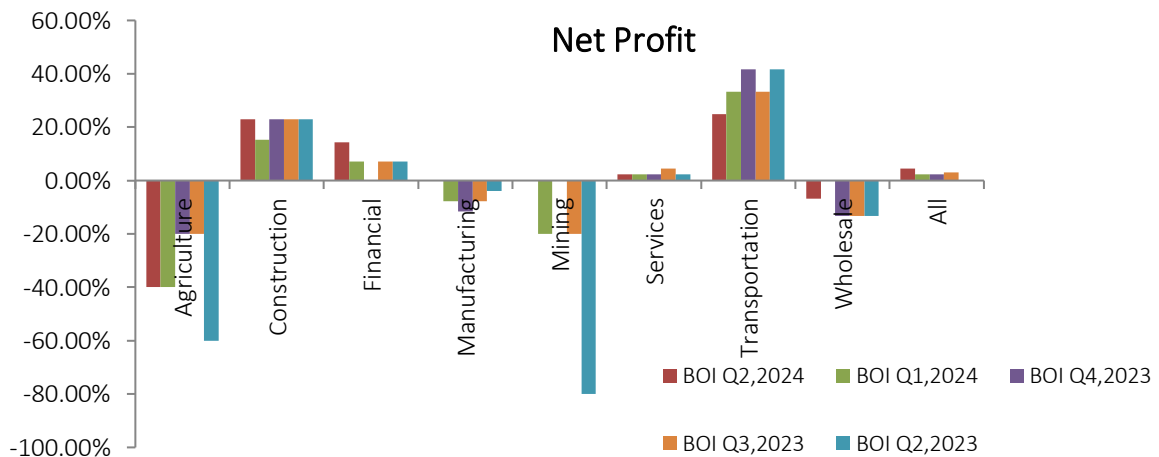


Figure 4. Net Profit Optimism Index, Q2 2023 – Q2 2024

**Selling Price**

Selling price moderated to +10.37 percentage points (compared to +11.94 percentage points in Q1 2023). The transportation sector (net +41.67 percentage points) is most upbeat about selling price, followed by construction (net +23.08 percentage points), services (net +13.64 percentage points), wholesale (net +6.67 percentage points) and manufacturing (net +3.85 percentage points). Both agricultural and financial (net 0 percentage point) expected selling price to remain unchanged. The mining sector (net -33.33 percentage points) is downbeat about selling price.

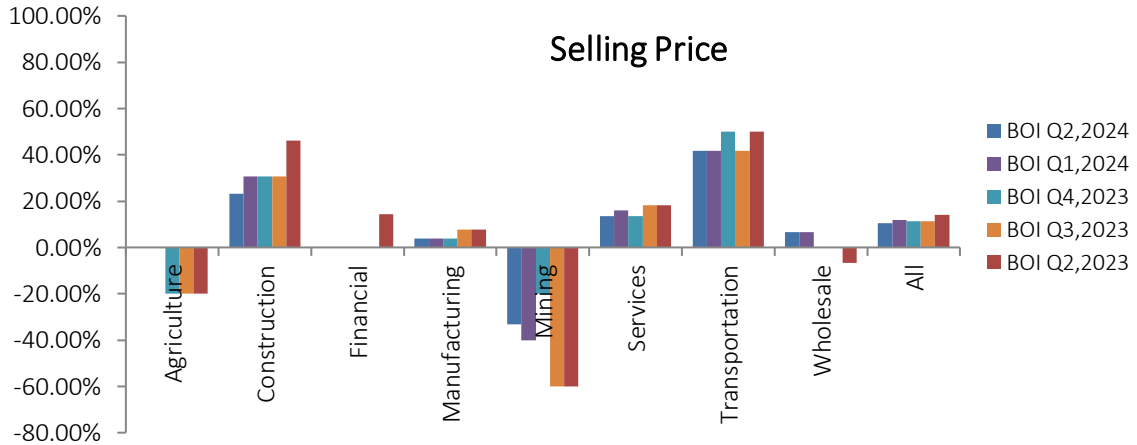


Figure 5. Selling Price Optimism Index, Q2 2023 – Q2 2024

**New Orders**

New orders rose to +5.93 percentage points (compared to +5.22 percentage points in Q1 2024). The transportation sector (+25.0 percentage points) is most upbeat, followed by the construction sector (net +15.39 percentage points), financial (net +14.29 percentage points) and manufacturing (net +7.69 percentage points). The services sector (net -2.27 percentage points) is downbeat about new orders. The remaining sectors – agriculture, wholesale and mining (net 0 percentage point) have expected new orders to remain unchanged.

**New Orders (All Sectors)**

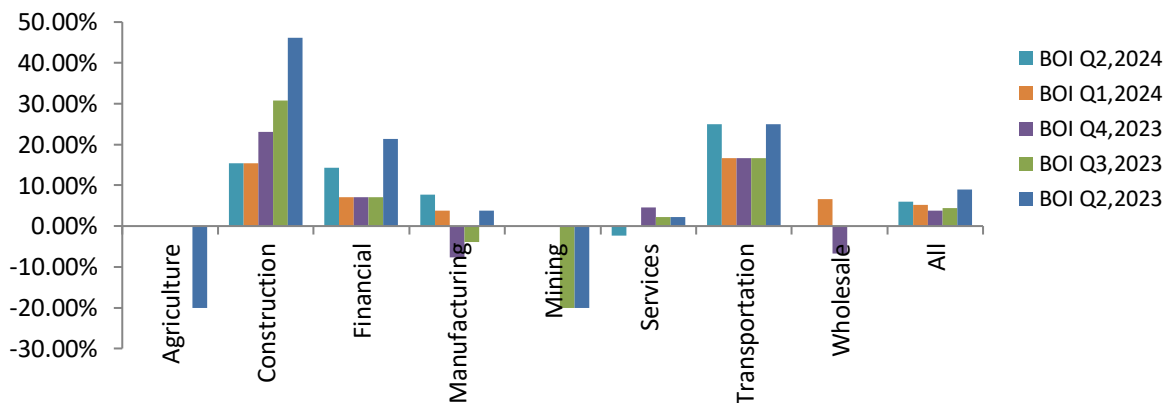


Figure 6. New Orders Optimism Index, Q2 2023 – Q2 2024

**Inventory Levels**

Inventory levels remained contractionary at -2.99 percentage points (compared to -2.24 percentage points in Q1 2024). The construction sector (net +15.39 percentage points) is the only sector which is upbeat about inventory levels. The agriculture (net -20.0 percentage points), mining (net -40.0 percentage points) and services (net -4.55 percentage points) sectors are downbeat about inventory levels. The remaining sectors have anticipated inventory levels to remain unchanged – financial, manufacturing, transportation and wholesale (net 0 percentage point).

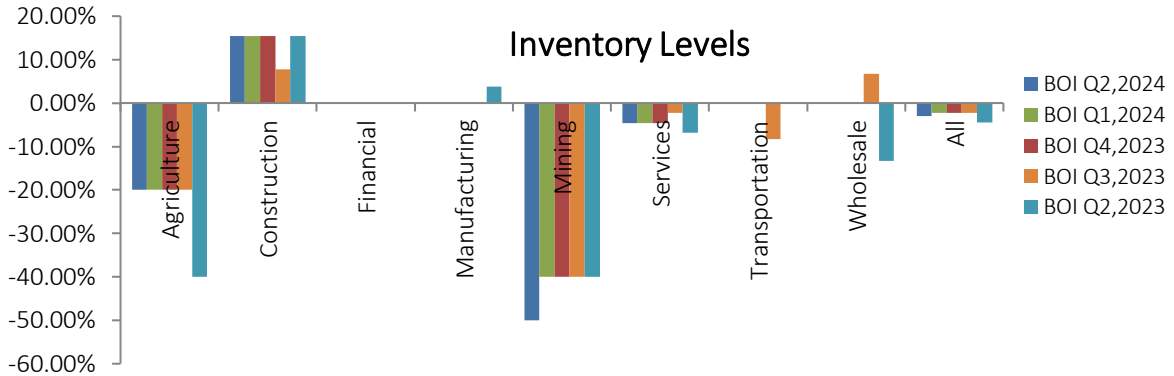


Figure 7. Inventory Levels Optimism Index, Q2 2023 – Q2 2024

**Employment**

Employment levels remained expansionary at +7.41 percentage points (compared to +7.46 percentage points in Q1 2024). The construction sector (net +30.70 percentage points) is most upbeat, followed by transportation (net +25.0 percentage points), financial (net +21.43 percentage points), agriculture (net +20.0 percentage points) and services (net +2.27 percentage points). The manufacturing and wholesale sectors (net 0 percentage point) have anticipated employment to remain unchanged. The mining sector (net -33.33 percentage points) is downbeat about employment levels.

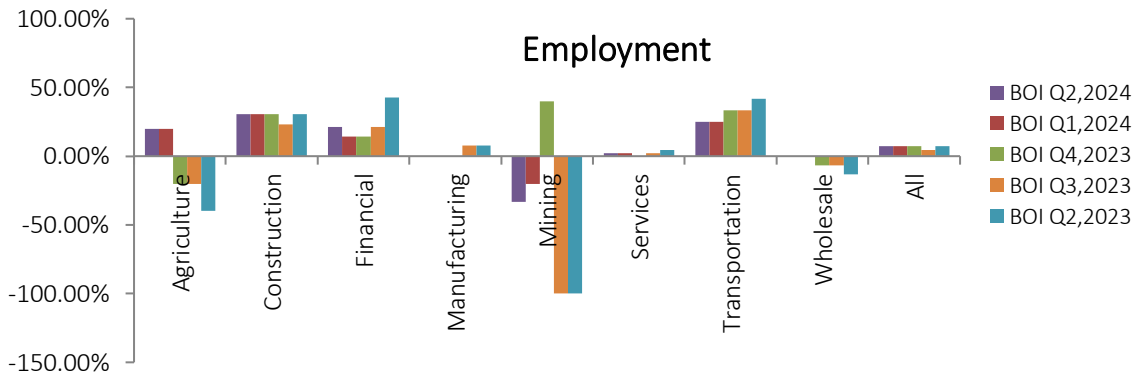


Figure 8. Employment Optimism Index, Q2 2023 – Q2 2024

**Commentary**

The SCCB Business Optimism Index (BOI) is a measure of business confidence in the economy. Released quarterly, it is based on a business sentiment survey that is designed to capture business expectations and is one of the most effective ways to track how the business community perceives the business environment, and where they think it is moving. This is commonly used, worldwide, to assist in analyzing major trends and issues concerning the business community through tracking business parameters including net profits, selling prices, new orders, inventory levels, and employee count.

**About the Survey**

Singapore Commercial Credit Bureau conducts latest Business Expectations Surveys every quarter. Each quarter, 200 business owners and senior executives representing major industry sectors across Singapore are asked if they expect increases, decreases or no changes in their upcoming quarterly Sales, Profits, Employment, New Orders, Inventories and Selling Prices.

**About Singapore Commercial Credit Bureau**

Established in 2005, Singapore Commercial Credit Bureau (SCCB) operates a database of local enterprises and their credit history to provide clients with the insight needed to build trust and improve the quality of business relationships with their customers, suppliers and business partners. SCCB operates under D&B Singapore.

For more information, please visit, [www.sccb.sg](http://www.sccb.sg)

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