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**FOR IMMEDIATE RELEASE**

**Business sentiment among local firms moderates slightly  
in Q2 2025**  
*Financial and Wholesale trade sectors most optimistic  
- Singapore Commercial Credit Bureau*

**Singapore, 18 March 2025** – Business sentiment among local firms have remained upbeat but dipped slightly in Q2 2025. 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) fell moderately after six consecutive quarters of increase in Q2 2025, from +5.45 percentage points in Q1 2025 to +5.20 percentage points in Q2 2025. On a year-on-year (y-o-y) basis, BOI moderated from +5.45 percentage points in Q1 2025 to +5.20 percentage points in Q2 2025.

As with Q1 2025, 5 of six indicators are expansionary in Q2 2025.

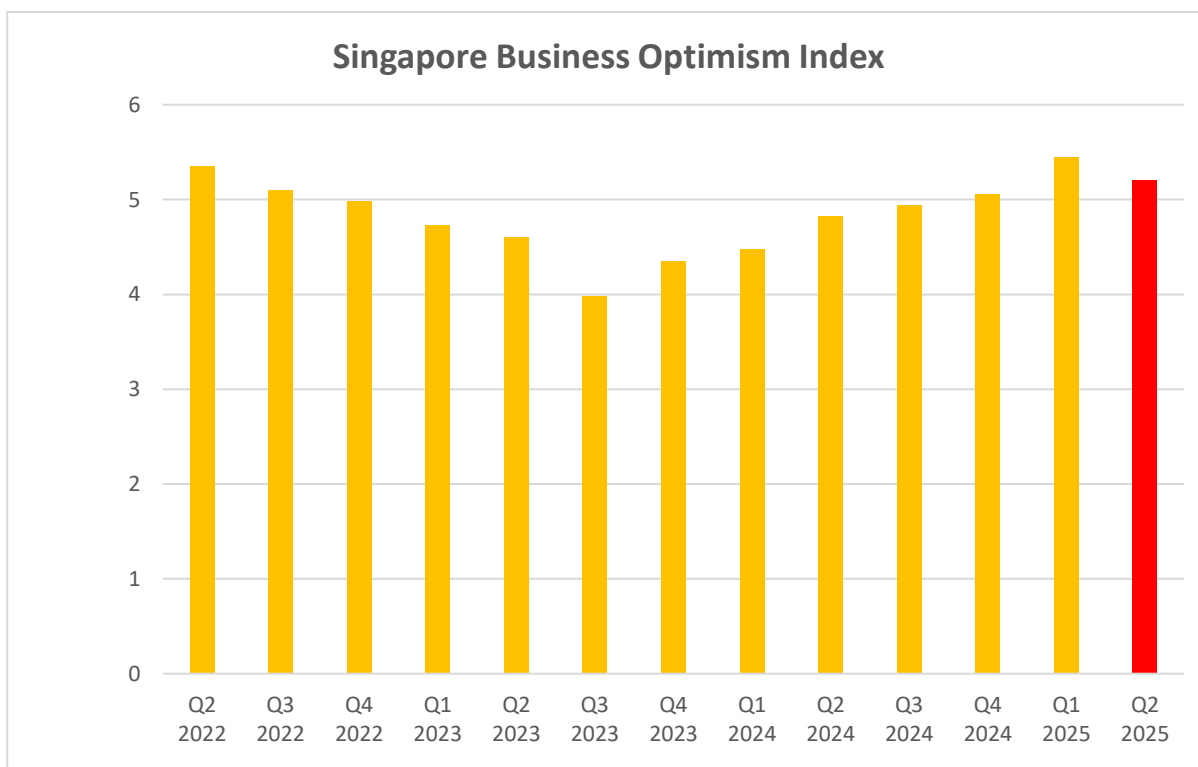


Figure 1. Overall Business Optimism Score, Q2 2022 – Q2 2025

**Point Commentary**

According to SCCB, 2 of six indicators have improved on a q-o-q basis in Q2 2025.

- ❖ Both volume of sales and net profits moderated slightly from +7.46 percentage points in Q1 2025 to +6.40 percentage points in Q2 2025.
- ❖ Selling price increased from +8.15 percentage points in Q1 2025 to +8.80 percentage points in Q2 2025.
- ❖ New orders fell from +3.70 percentage points in Q1 2025 to +3.20 percentage points in Q2 2025.
- ❖ Inventory levels slipped from 0 percentage point in Q1 2025 to -0.80 percentage points in Q2 2025..
- ❖ Employment levels rose from +5.93 percentage points in Q1 2025 to +7.20 percentage points in Q2 2025.

On a y-o-y basis, only 2 of six indicators have improved in Q2 2025.

- ❖ Volume of sales rose from +3.70 percentage points in Q2 2024 to +6.40 percentage points in Q2 2025.
- ❖ Net profit jumped from +4.44 percentage points in Q2 2024 to +6.40 percentage points in Q2 2025.
- ❖ Selling price fell from +10.37 percentage points in Q2 2024 to +8.80 percentage points in Q2 2025.
- ❖ New orders dropped from +5.93 percentage points in Q2 2024 to +3.20 percentage points in Q2 2025.
- ❖ Inventory levels rose visibly, up from -2.99 percentage points in Q2 2024 to -0.8 percentage points in Q2 2025.
- ❖ Employment levels fell from +7.41 percentage points in Q2 2024 to +7.20 percentage points in Q2 2025.

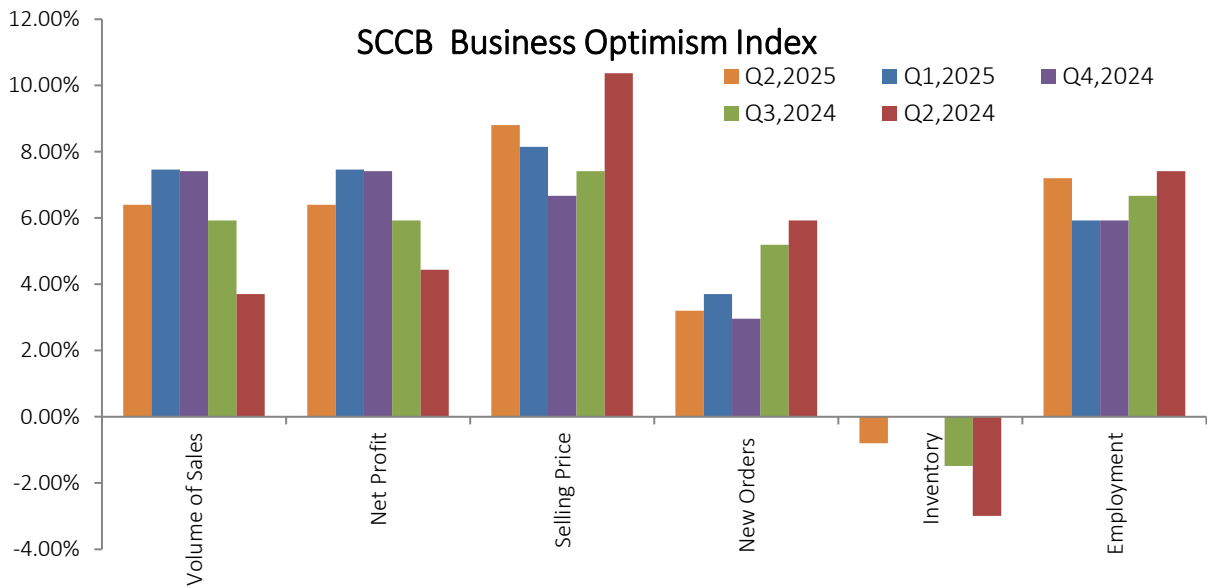


Figure 2. SCCB Optimism Index of Business Indicators, Q2 2024 – Q2 2025

**Key Highlights for Q2 2025 Sectoral Outlook**

The financial and construction sectors are the most optimistic while sentiments within the wholesale trade sector moderated for Q2 2025.

**Construction**

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

- ❖ Both volume of sales and net profit moderated downwards slightly, from +7.46 percentage points in Q1 2025 to +6.40 percentage points in Q2 2025.
- ❖ Selling price remained optimistic, registering +23.08 percentage points in Q2 2025.
- ❖ New orders increased from 0 percentage point in Q1 2025 to +30.77 percentage points in Q2 2025.
- ❖ Inventory levels rose from 0 percentage point in Q1 2025 to +7.69 percentage points in Q2 2025.
- ❖ Employment levels remained unchanged at +23.08 percentage points in Q2 2025.

**Financial**

The financial sector is also optimistic with all six indicators in positive territory for Q2 2025.

- ❖ Both volume of sales and net profit fell from +35.71 percentage points in Q1 2025 to +14.29 percentage points in Q2 2025.
- ❖ Selling price rose from 0 percentage point in Q1 2025 to +7.14 percentage points in Q2 2025.
- ❖ New orders and inventory levels remained upbeat at +7.14 percentage points in Q2 2025.
- ❖ Employment levels decreased from +21.43 percentage points in Q1 2025 to +14.29 percentage points in Q2 2025.

**Transportation**

Sentiments within the transportation sector remained upbeat with 5 of six indicators in positive territory for Q2 2025.

- ❖ Both volume of sales and net profit jumped from +8.33 percentage points in Q1 2025 to +25.0 percentage points in Q2 2025.
- ❖ Selling price increased from +8.44 percentage points in Q1 2025 to +41.67 percentage points in Q2 2025.
- ❖ New orders moderated from +25.0 percentage points in Q1 2025 to +8.33 percentage points in Q2 2025.
- ❖ Inventory levels remained unchanged at 0 percentage point in Q2 2025.
- ❖ Employment levels climbed from +16.67 percentage points in Q1 2025 to +41.67 percentage points in Q2 2025.

**Wholesale**

Sentiments within the wholesale sector have moderated visibly with 3 of six indicators in negative territory as compared with 2 indicators in the previous quarter.

- ❖ Both volume of sales and net profit moderated from 0 percentage point in Q1 2025 to -20.0 percentage points in Q2 2025.
- ❖ Selling price moderated from +6.67 percentage points in Q1 2025 to 0 percentage point in Q2 2025.
- ❖ Both new orders and inventory levels remained unchanged at 0 percentage point in Q2 2025.
- ❖ Employment levels fell into the negative zone, down from +6.67 percentage points in Q1 2025 to -6.67 percentage points in Q2 2025.

### **Services**

As with the previous quarter, the outlook for the services sector remained positive with 4 of six indicators in positive territory for Q2 2025.

- ❖ Both volume of sales and net profit remained expansionary, up from +4.55 percentage points in Q1 2025 to +6.82 percentage points in Q2 2025.
- ❖ Selling price remained upbeat at +13.64 percentage points in Q2 2025.
- ❖ New orders decreased from +2.27 percentage points in Q1 2025 to 0 percentage point in Q2 2025.
- ❖ Inventory levels fell into the contractionary zone from 0 percentage point in Q1 2025 to -2.27 percentage points in Q2 2025.
- ❖ Employment levels increased from at 0 percentage point in Q1 2025 to 4.55 percentage points in Q2 2025.

### **Manufacturing**

Sentiments among manufacturers have moderated with 3 of six indicators in the positive territory, as compared to five indicators in the previous quarter.

- ❖ Both volume of sales and net profit moderated from +7.69 percentage points in Q1 2025 to +5.88 percentage points in Q2 2025.
- ❖ Selling price dropped from +7.69 percentage points in Q1 2025 to 0 percentage point in Q2 2025.
- ❖ New orders fell into the contractionary zone from +3.85 percentage points in Q2 2025 to -5.88 percentage points in Q3 2025.
- ❖ Inventory levels fell from +3.85 percentage points in Q1 2025 to 0 percentage point in Q2 2025.
- ❖ Employment levels rose from +3.85 percentage points in Q1 2025 to +5.88 percentage points in Q2 2025.

The Ministry of Trade and Industry (MTI) has projected its GDP growth forecast for 2025 to be between +1.0 per cent to +3.0 per cent.

“The overall outlook among local firms has remained relatively upbeat despite the slight dip compared to the last quarter. This is due to a slight moderation in the growth outlook among manufacturers and wholesalers. The uncertainties surrounding major economies such as the US and continued slowdown in China may also weigh on growth in the near-term. Despite these uncertainties, there are still some bright spots within certain sectors. The strong demand within financial and services and a healthy pipeline of projects within the construction sector are likely to provide continued growth support in the coming months.” commented Ms. Audrey Chia, SCCB’s Chief Executive Officer.

### **Overview of Business Indicators**

#### **Volume of Sales**

Volume of sales moderated slightly to +6.40 percentage points (compared to +7.46 percentage points in Q1 2025). The transportation sector (net +25.0 percentage points) is most upbeat, followed by construction (net +15.39 percentage points), financial (net +14.29 percentage points), services (net +6.82 percentage points) and manufacturing (net +5.88 percentage points). Both agriculture and mining (net 0 percentage points) have anticipated volume of sales to remain unchanged. The wholesale sector (net -20.0 percentage points) has anticipated volume of sales to be downbeat.

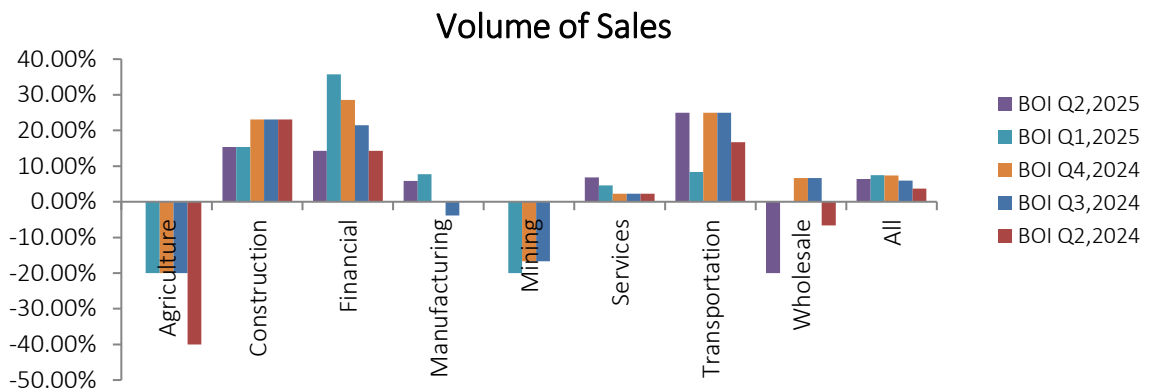


Figure 3. Volume of Sales Optimism Index, Q2 2024 – Q2 2025

**Net Profit**

Net profit moderated to +6.40 percentage points (compared to +7.46 percentage point in Q1 2025). The transportation sector (net +25.0 percentage points) is most upbeat, followed by construction (net +15.39 percentage points), financial (net +14.29 percentage points), services (net +6.82 percentage points) and manufacturing (net +5.88 percentage points). Both agriculture and mining (net 0 percentage points) have anticipated volume of sales to remain unchanged. The wholesale sector (net -20.0 percentage points) has anticipated volume of sales to be downbeat.

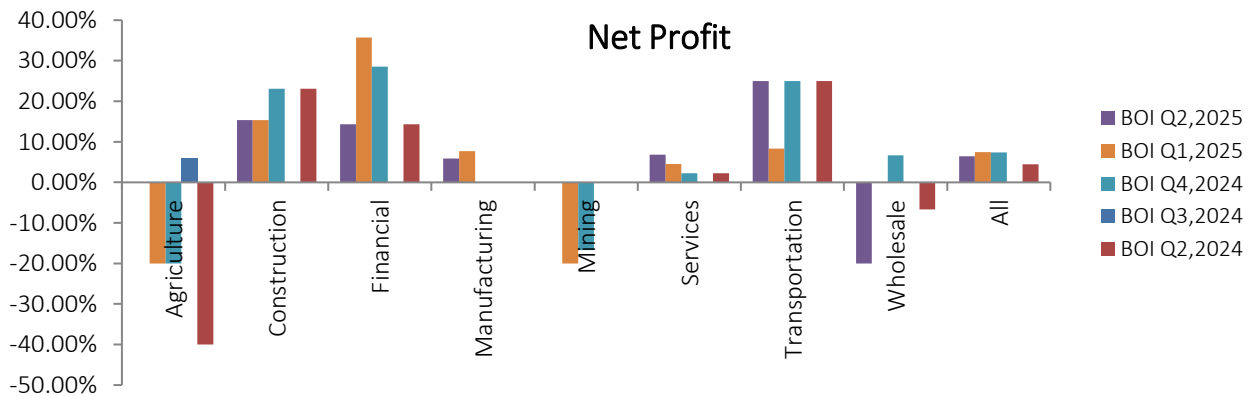


Figure 4. Net Profit Optimism Index, Q2 2024 – Q2 2025

**Selling Price**

Selling price rose to +8.80 percentage points (compared to +8.15 percentage points in Q1 2025). The transportation sector (+41.67 percentage points) is most upbeat about selling price, followed by construction (net +23.08 percentage points), services (net +13.64 percentage points) and financial (net +7.14 percentage points). Both mining (net -60.0 percentage points) and agriculture (net -20.0 percentage points) are downbeat about selling price. The manufacturing and wholesale sectors (net 0 percentage point) have anticipated selling price to remain unchanged.



Figure 5. Selling Price Optimism Index, Q2 2024 – Q2 2025

**New Orders**

New orders fell to +3.20 percentage points (compared to +3.70 percentage points in Q1 2025). The construction sector (+30.77 percentage points) is most upbeat, followed by the transportation sector (net +8.33 percentage points) and financial sector (net +7.14 percentage points). Both agricultural (net -20.0 percentage points) and manufacturing (net -5.88 percentage points) are downbeat about new orders. The remaining sectors –mining, services and wholesale (net 0 percentage point) have expected new orders to remain unchanged.

**New Orders (All Sectors)**

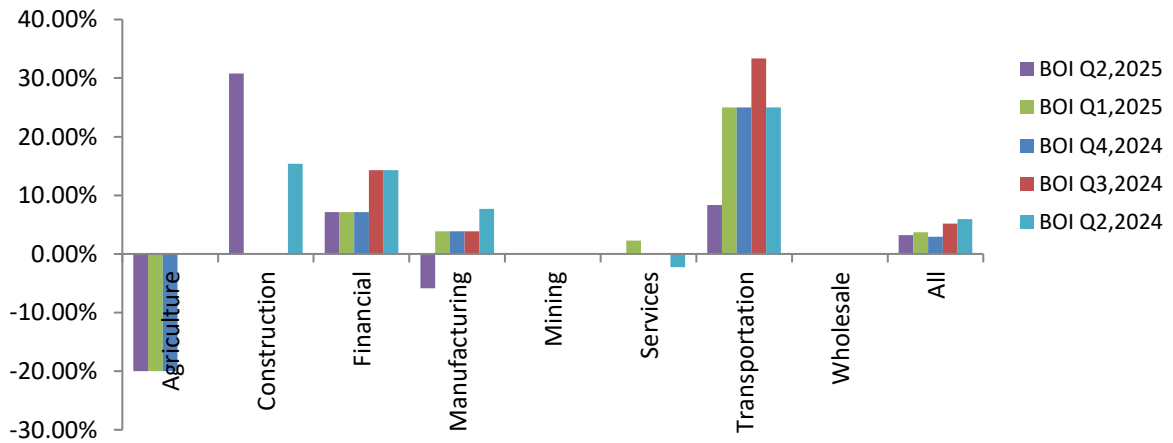


Figure 6. New Orders Optimism Index, Q2 2024 – Q2 2025

**Inventory Levels**

Inventory levels dipped slightly to -0.80 percentage points (compared to 0 percentage point in Q1 2025). Both construction (net +7.69 percentage points) and financial (net +7.14 percentage points) are upbeat about inventory levels. The agricultural (-20.0 percentage points), mining (net -20.0 percentage points) and services (net -2.27 percentage points) sectors are downbeat about inventory levels. The remaining sectors – manufacturing, transportation and wholesale (net 0 percentage point) have anticipated inventory levels to remain unchanged.

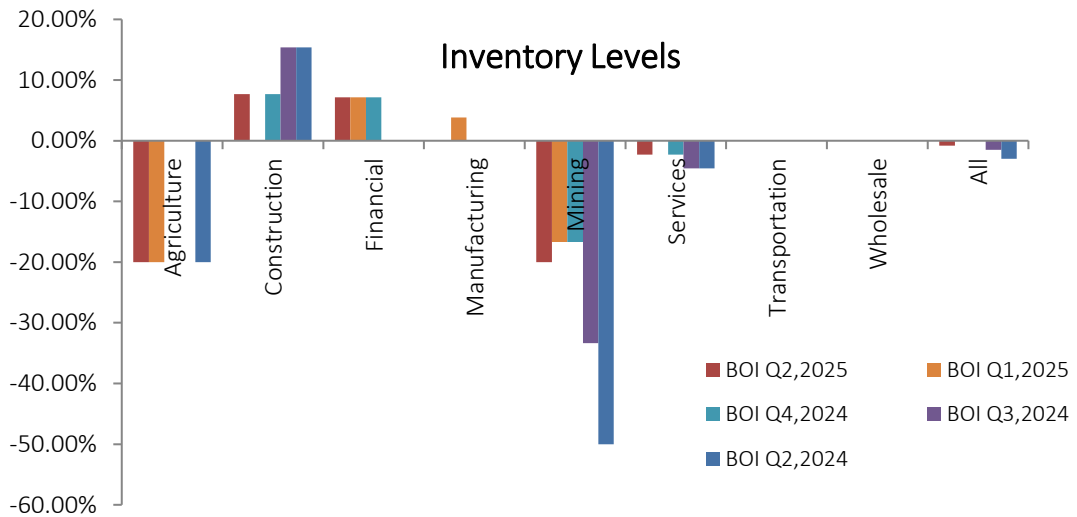


Figure 7. Inventory Levels Optimism Index, Q2 2024 – Q2 2025

**Employment**

Employment levels remained expansionary at +7.20 percentage points (compared to +5.93 percentage points in Q1 2025). The transportation sector (net +41.67 percentage points) is most upbeat, followed by construction (net +23.08 percentage points), financial (net +14.29 percentage points), manufacturing (net +5.88 percentage points) and services (net +4.55 percentage points). Both mining (net -60.0 percentage points) and wholesale (net -6.67 percentage points) are downbeat about employment, The agriculture sector (net 0 percentage point) has anticipated employment to remain unchanged.

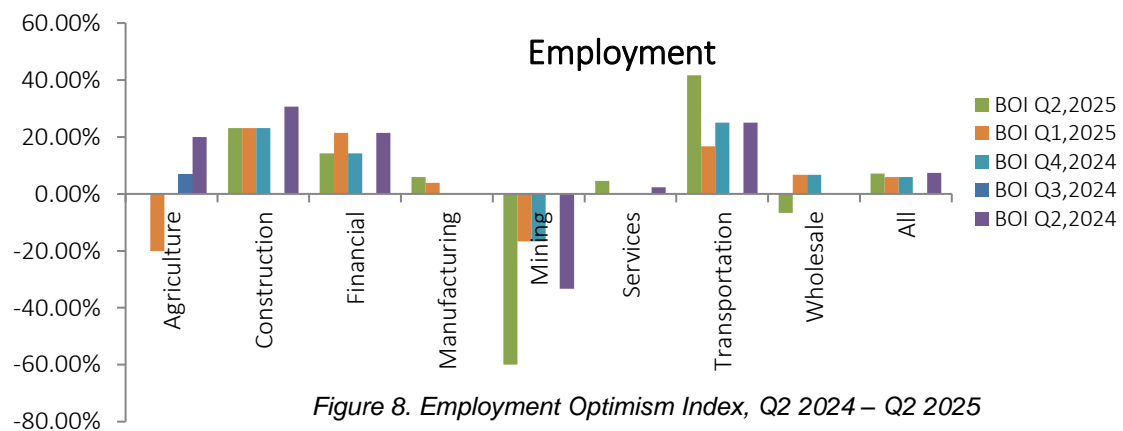


Figure 8. Employment Optimism Index, Q2 2024 – Q2 2025

**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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