

Contact:
Matthias Chen, Strategy & Transformation
Matthias.Chen@dnb.com.sg
+65 6439 6670
+65 9478 5568

FOR IMMEDIATE RELEASE

Local business sentiment dipped to near 2-year low in Q3 2025 *Manufacturing and Wholesale trade sectors are most downbeat* **- Singapore Commercial Credit Bureau**

Singapore, 17 June 2025 – Business sentiment among local firms has dipped to a near 2-year low in Q3 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 visibly for a second consecutive quarter in Q3 2025, from +5.20 percentage points in Q2 2025 to +4.30 percentage points in Q3 2025. On a year-on-year (y-o-y) basis, BOI dropped from +4.94 percentage points in Q3 2024 to +4.30 percentage points in Q3 2025.

As with Q2 2025, 5 of six indicators are expansionary in Q3 2025.

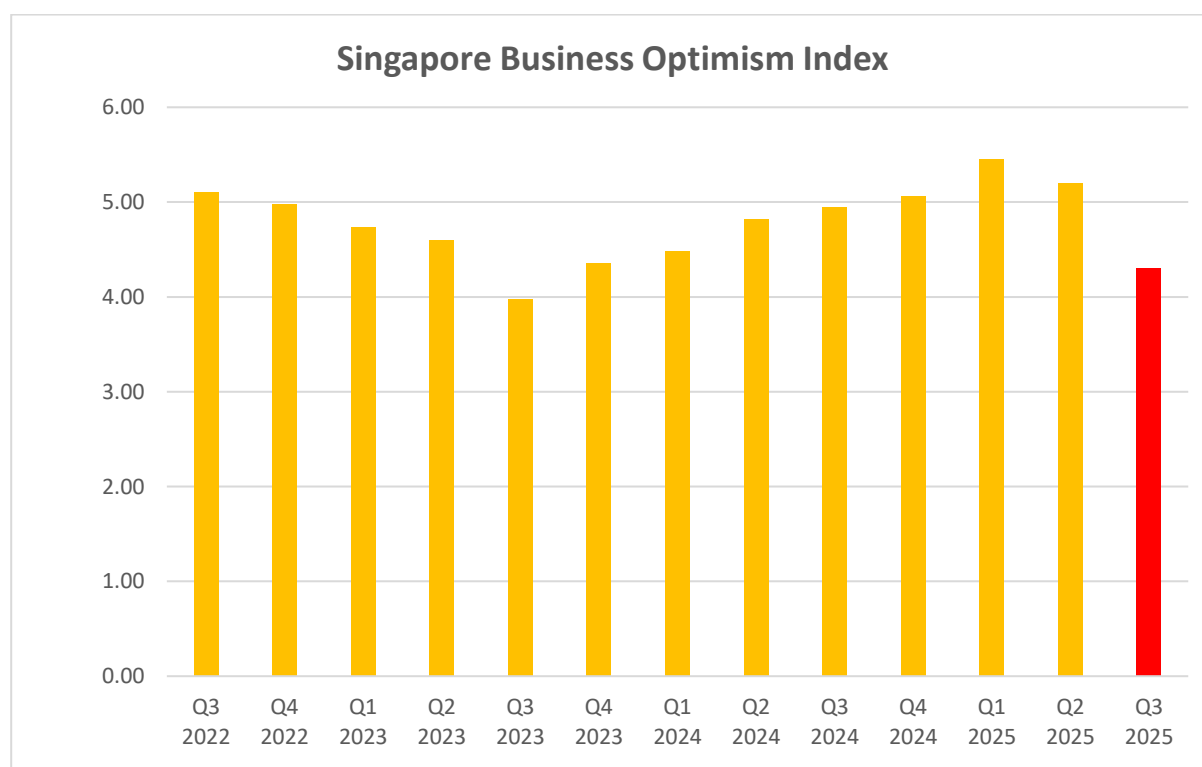


Figure 1. Overall Business Optimism Score, Q3 2022 – Q3 2025

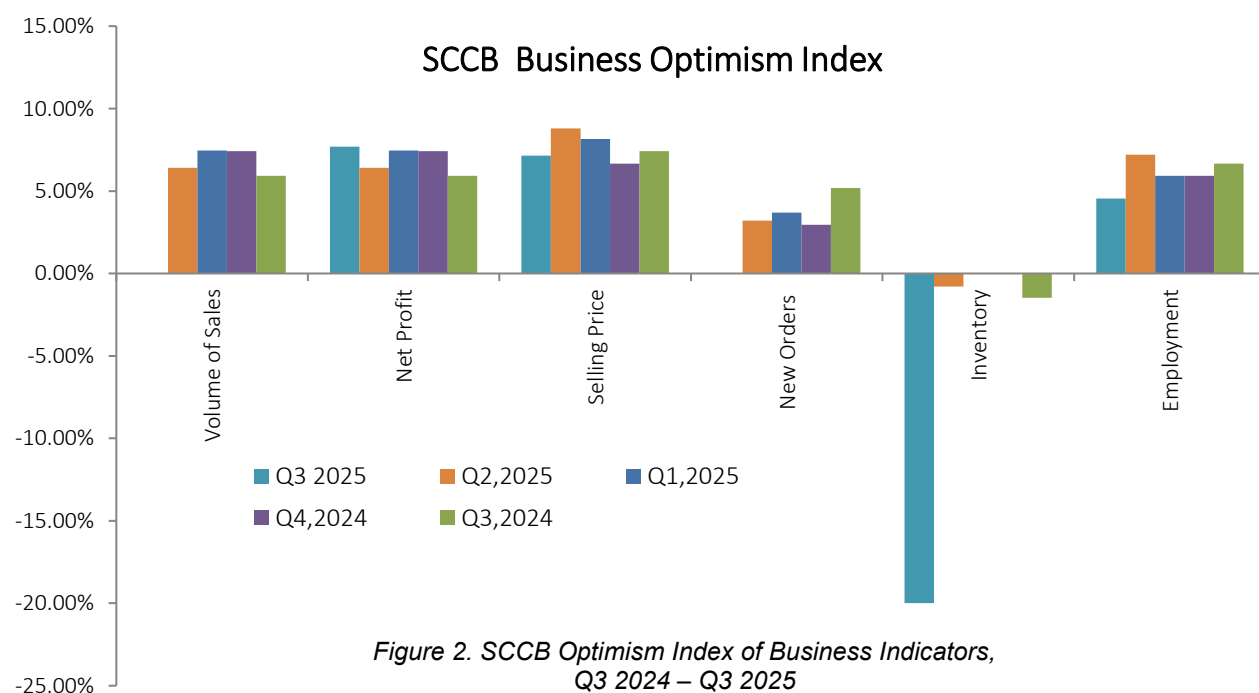
Point Commentary

According to SCCB, only 1 of six indicators has improved on a q-o-q basis in Q3 2025.

- ❖ Both volume of sales and net profits fell further from +6.40 percentage points in Q2 2025 to +5.19 percentage points in Q3 2025.
- ❖ Selling price increased from +8.80 percentage points in Q2 2025 to +10.83 percentage points in Q3 2025.
- ❖ New orders slipped from +3.20 percentage points in Q2 2025 to +2.40 percentage points in Q3 2025.
- ❖ Inventory levels remained contractionary at -0.80 percentage points in Q3 2025.
- ❖ Employment levels fell from +7.20 percentage points in Q2 2025 to +2.99 percentage points in Q3 2025.

On a y-o-y basis, 2 of six indicators have improved in Q3 2025.

- ❖ Both volume of sales and net profit fell from +5.93 percentage points in Q3 2024 to +5.19 percentage points in Q3 2025.
- ❖ Selling price rose from +7.41 percentage points in Q3 2024 to +10.83 percentage points in Q3 2025.
- ❖ New orders dropped from +5.19 percentage points in Q3 2024 to +2.40 percentage points in Q3 2025.
- ❖ Inventory levels remained contractionary, up from -1.48 percentage points in Q3 2024 to -0.80 percentage points in Q3 2025.
- ❖ Employment levels fell from +6.67 percentage points in Q3 2024 to +2.99 percentage points in Q3 2025.



Key Highlights for Q3 2025 Sectoral Outlook

The transportation and financial sectors are the most optimistic while sentiments within the manufacturing and wholesale trade sectors are downbeat for Q3 2025.

Transportation

Sentiments within the transportation sector remained upbeat with all six indicators in positive territory for Q3 2025.

- ❖ Both volume of sales and net profit jumped from +25.0 percentage points in Q2 2025 to +41.67 percentage points in Q3 2025.
- ❖ Selling price remained expansionary at +41.67 percentage points in Q3 2025.
- ❖ New orders rose from +8.33 percentage points in Q2 2025 to +25.0 percentage points in Q3 2025.
- ❖ Inventory levels jumped from 0 percentage point in Q2 2025 to +8.33 percentage points in Q3 2025.
- ❖ Employment levels moderated from +41.67 percentage points in Q2 2025 to +33.33 percentage points in Q3 2025.

Financial

Sentiments within the financial sector moderated slightly albeit remaining optimistic with 5 of six indicators in positive territory for Q3 2025.

- ❖ Both volume of sales and net profit fell from +14.29 percentage points in Q2 2025 to +7.14 percentage points in Q3 2025.
- ❖ Selling price dropped from +7.14 percentage points in Q2 2025 to 0 percentage point in Q3 2025.
- ❖ New orders and inventory levels remained upbeat at +7.14 percentage points in Q3 2025.
- ❖ Employment levels decreased from +14.29 percentage points in Q2 2025 to +7.14 percentage points in Q3 2025.

Construction

The outlook for the construction sector has also moderated with 4 of six indicators in positive territory.

- ❖ Both volume of sales and net profit fell further from + 15.39 percentage points in Q2 2025 to +7.69 percentage points in Q3 2025.
- ❖ Selling price also dropped from +23.08 percentage points in Q2 2025 to +15.39 percentage points in Q3 2025.
- ❖ New orders tumbled from +30.77 percentage points in Q2 2025 to +7.69 percentage points in Q3 2025.
- ❖ Inventory levels moderated from +7.69 percentage points in Q2 2025 to 0 percentage point in Q3 2025.
- ❖ Employment levels moderated from +23.08 percentage points to 0 percentage point in Q3 2025.

Services

The outlook for the services sector remained lukewarm with 4 of six indicators in positive territory for Q3 2025.

- ❖ Both volume of sales and net profit remained expansionary, down from +6.82 percentage points in Q2 2025 to +4.55 percentage points in Q3 2025.
- ❖ Selling price remained upbeat at +13.64 percentage points in Q3 2025.
- ❖ New orders remained unchanged at 0 percentage point in Q3 2025.
- ❖ Inventory levels increased from -2.27 percentage points in Q2 2025 to 0 percentage point in Q3 2025.
- ❖ Employment levels fell from +4.55 percentage points in Q2 2025 to +2.27 percentage points in Q3 2025.

Manufacturing

Sentiment among manufacturers has remained downbeat with 2 of six indicators in the negative territory, as compared to 3 of five indicators in the previous quarter.

- ❖ Both volume of sales and net profit moderated from +5.88 percentage points in Q2 2025 to 0 percentage point in Q3 2025.
- ❖ Selling price remained unchanged at 0 percentage point in Q3 2025.
- ❖ New orders remained in the contractionary zone at -5.88 percentage points in Q3 2025.
- ❖ Inventory levels fell from 0 percentage point in Q2 2025 to -5.88 percentage points in Q3 2025.
- ❖ Employment levels moderated from +5.88 percentage points in Q2 2025 to 0 percentage point in Q3 2025.

Wholesale

The outlook within the wholesale sector has moderated further with only 1 of six indicators in negative territory as compared to 3 indicators in the previous quarter.

- ❖ Both volume of sales and net profit fell from -20.0 percentage points in Q2 2025 to -6.67 percentage points in Q3 2025.
- ❖ Selling price rose from 0 percentage point in Q2 2025 to +10.0 percentage points in Q3 2025.
- ❖ Both new orders and inventory levels remained unchanged at 0 percentage point in Q3 2025.
- ❖ Employment levels remained in the negative zone, up from -6.67 percentage points in Q2 2025 to -3.85 percentage points in Q3 2025.

The Ministry of Trade and Industry (MTI) has maintained its GDP growth forecast for 2025 to be between 0 per cent to +2.0 per cent.

“The overall outlook among local firms has dampened visibly over the recent months due to significant global uncertainties and downside risks. Both manufacturing and wholesale trade sectors which are externally oriented are the most hardly hit given their exposure to global markets. As the impending deadline for US tariffs looms large, the possibility of a trade fallout is likely to be exacerbated, increasing business costs and a potential slowdown in overall economic activity.” commented Ms. Audrey Chia, SCCB’s Chief Executive Officer.

Overview of Business Indicators

Volume of Sales

Volume of sales moderated further to +5.19 percentage points (compared to +6.40 percentage points in Q2 2025). The transportation sector (net +41.67 percentage points) is most upbeat, followed by construction (net +7.69 percentage points), financial (net +7.14 percentage points) and services (net +4.55 percentage points). Both agriculture and manufacturing (net 0 percentage points) have anticipated volume of sales to remain unchanged. The mining (net -20.0 percentage points) and wholesale (net -6.67 percentage points) sectors have anticipated volume of sales to be downbeat.

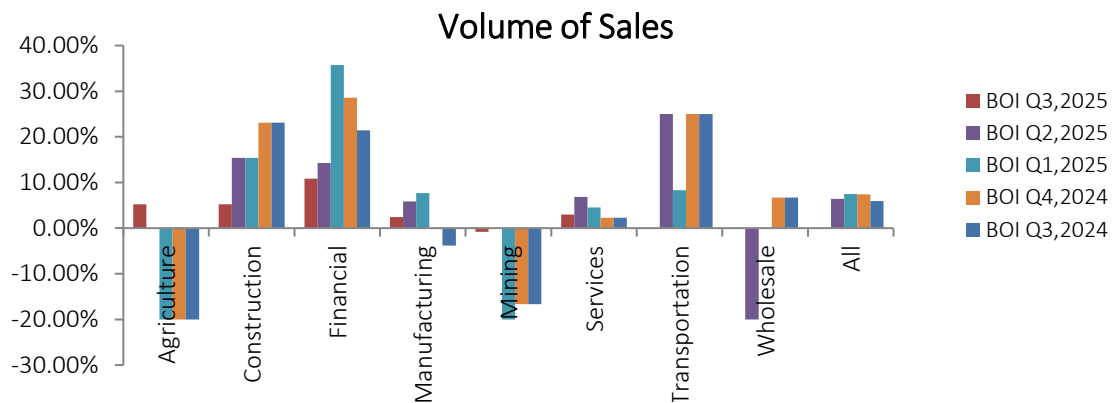


Figure 3. Volume of Sales Optimism Index, Q3 2024 – Q3 2025

Net Profit

Net profit moderated to +5.19 percentage points (compared to +6.40 percentage point in Q2 2025). The transportation sector (net +41.67 percentage points) is most upbeat, followed by construction (net +7.69 percentage points), financial (net +7.14 percentage points) and services (net +4.55 percentage points). Both agriculture and manufacturing (net 0 percentage points) have anticipated volume of sales to remain unchanged. The mining (net -20.0 percentage points) and wholesale (net -6.67 percentage points) sectors have anticipated volume of sales to be downbeat.

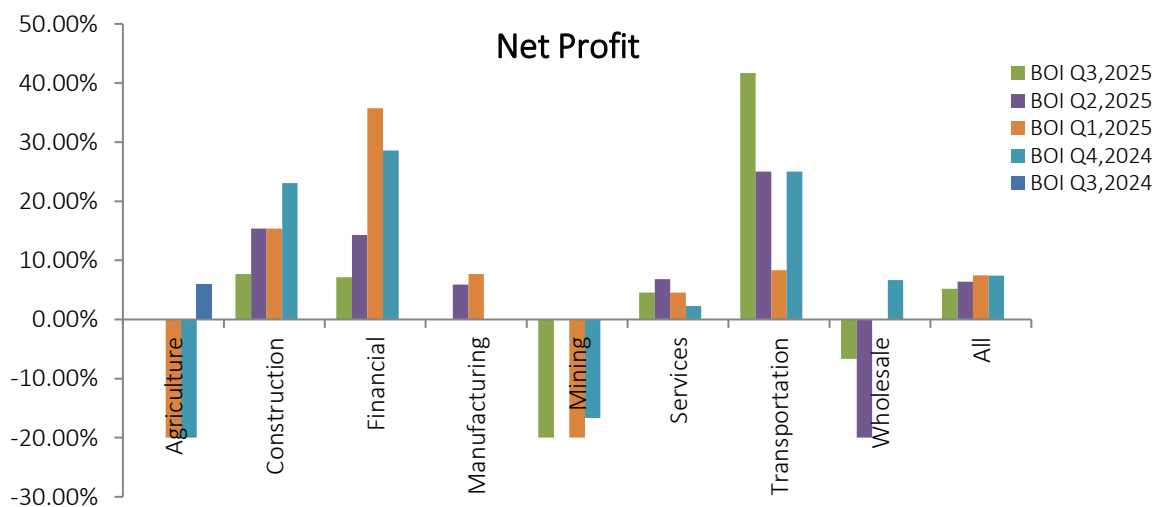


Figure 4. Net Profit Optimism Index, Q3 2024 – Q3 2025

Selling Price

Selling price rose to +10.83 percentage points (compared to +8.80 percentage points in Q2 2025). The transportation sector (+41.67 percentage points) is most upbeat about selling price, followed by construction (net +15.39 percentage points), services (net +13.64 percentage points) and wholesale (net +10.0 percentage points). The mining (net -20.0 percentage points) is downbeat about selling price. The agriculture, financial and manufacturing sectors (net 0 percentage point) have anticipated selling price to remain unchanged.

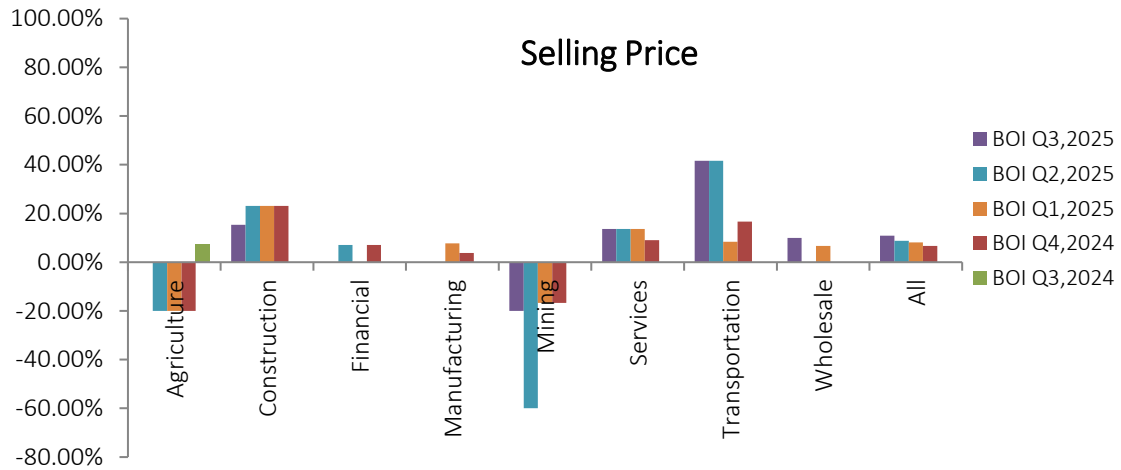


Figure 5. Selling Price Optimism Index, Q3 2024 – Q3 2025

New Orders

New orders slipped to +2.40 percentage points (compared to +3.20 percentage points in Q2 2025). The transportation sector (net +25.0 percentage points) is most upbeat, followed by the construction (+7.69 percentage points) and financial (net +7.14 percentage points) sectors. 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.

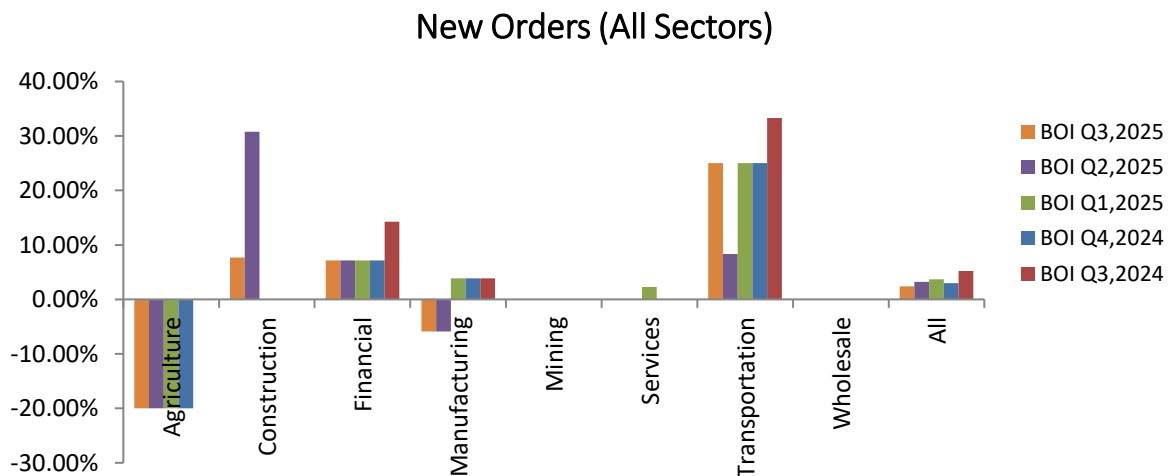


Figure 6. New Orders Optimism Index, Q3 2024 – Q3 2025

Inventory Levels

Inventory levels remained in the contractionary zone at -0.80 percentage points (compared to -0.80 percentage points in Q2 2025). The transportation sector (net +8.33 percentage points) is most upbeat, followed by the financial (net +7.14 percentage points) sector. The mining (net -20.0 percentage points), agriculture (net -20.0 percentage points) and manufacturing (net -5.88 percentage points) are downbeat. The remaining sectors – construction, services and wholesale (net 0 percentage point) have anticipated inventory levels to remain unchanged.

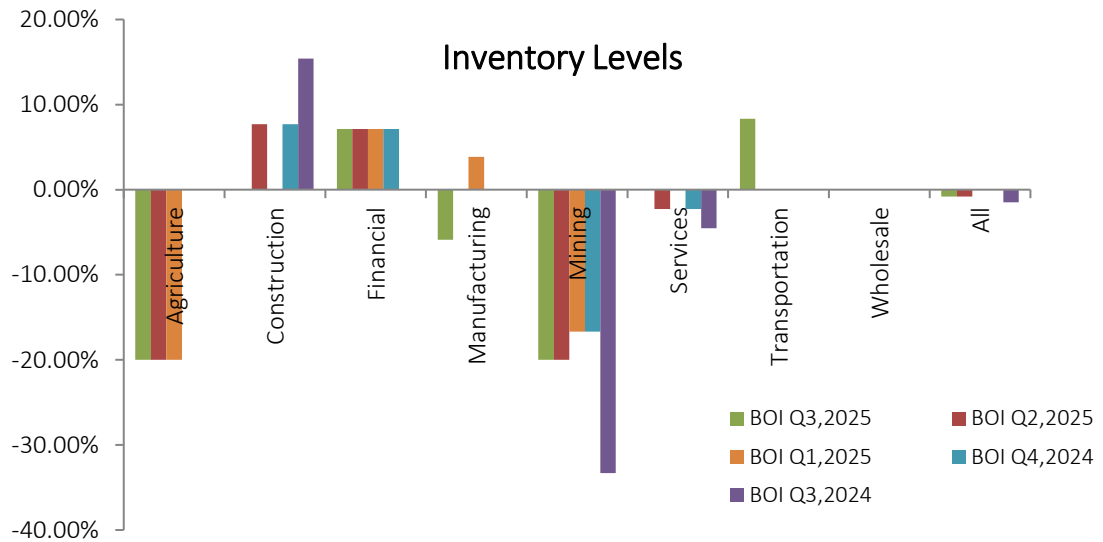


Figure 7. Inventory Levels Optimism Index, Q3 2024 – Q3 2025

Employment

Employment levels moderated to +2.99 percentage points (compared to +7.20 percentage points in Q2 2025). The transportation sector (net +33.33 percentage points) is most upbeat, followed by financial (net +7.14 percentage points) and services (net +2.27 percentage points). Both mining (net -20.0 percentage points) and wholesale (net -3.85 percentage points) are downbeat about employment. The remaining sectors – agriculture, construction and manufacturing (net 0 percentage point) have anticipated employment to remain unchanged.

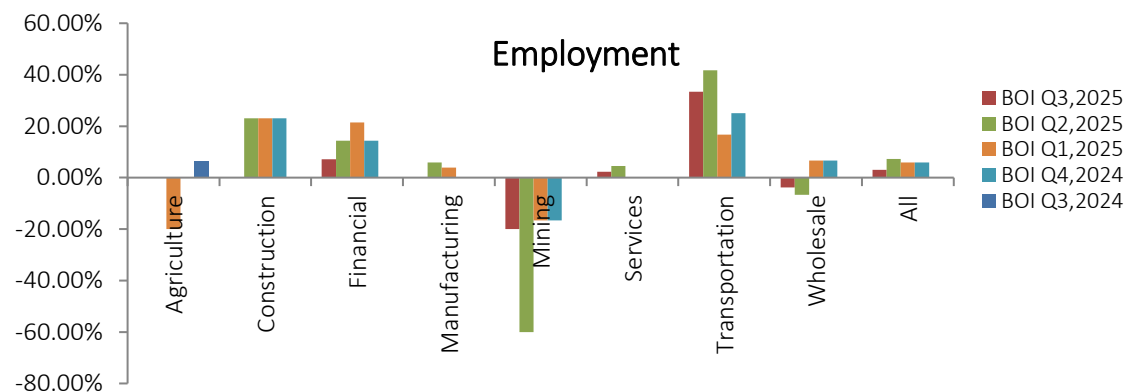


Figure 8. Employment Optimism Index, Q3 2024 – Q3 2025

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

Contact Information

Matthias Chen

Strategy & Transformation

DID: +65 6439 6670

HP: +65 9478 5568

Email: Matthias.Chen@dnb.com.sg