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FOR IMMEDIATE RELEASE

**Business sentiment among local firms remains cautious
in Q4 2025**
Manufacturing and Wholesale trade sectors are most downbeat
- Singapore Commercial Credit Bureau

Singapore, 24 September 2025 – Business sentiment among local firms remains cautious for Q4 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) inched up marginally after a downtrend for two consecutive quarters in Q4 2025, from +4.30 percentage points in Q3 2025 to +4.50 percentage points in Q4 2025. On a year-on-year (y-o-y) basis, BOI dropped from +5.06 percentage points in Q4 2024 to +4.50 percentage points in Q4 2025.

As with Q3 2025, 5 of six indicators are expansionary in Q4 2025.

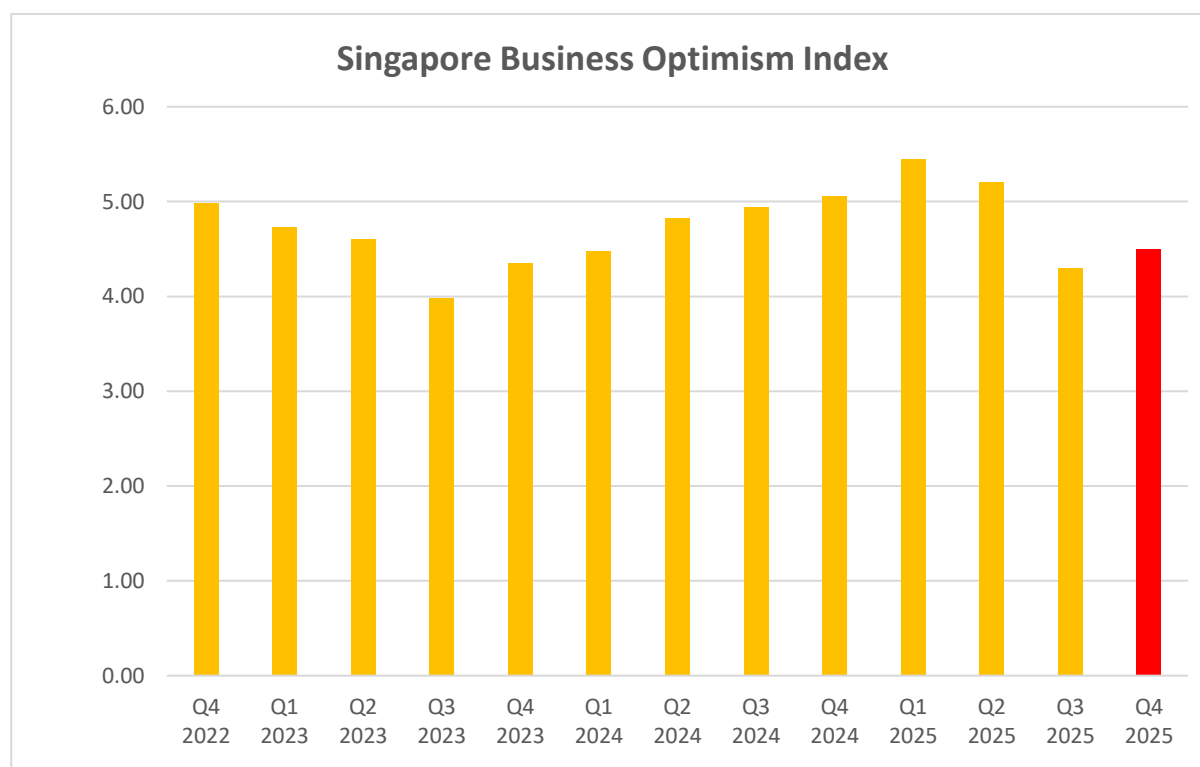


Figure 1. Overall Business Optimism Score, Q4 2022 – Q4 2025

Point Commentary

According to SCCB, 3 of six indicators has improved on a q-o-q basis in Q4 2025.

- ❖ Both volume of sales and net profits rose marginally from +5.19 percentage points in Q3 2025 to +5.93 percentage points in Q4 2025.
- ❖ Selling price dipped from +10.83 percentage points in Q3 2025 to +10.0 percentage points in Q4 2025.
- ❖ New orders remained expansionary at +2.40 percentage points in Q4 2025.
- ❖ Inventory levels remained contractionary, down from -0.80 percentage points in Q3 2025 to -0.85 percentage points in Q4 2025.
- ❖ Employment levels rose from +2.99 percentage points in Q3 2025 to +3.25 percentage points in Q4 2025.

On a y-o-y basis, only 1 of six indicators has improved in Q4 2025.

- ❖ Both volume of sales and net profit fell from +7.41 percentage points in Q4 2024 to +5.93 percentage points in Q4 2025.
- ❖ Selling price rose from +6.67 percentage points in Q4 2024 to +10.0 percentage points in Q4 2025.
- ❖ New orders dropped from +2.96 percentage points in Q4 2024 to +2.40 percentage points in Q4 2025.
- ❖ Inventory levels remained contractionary, down from 0 percentage point in Q4 2024 to -0.85 percentage points in Q4 2025.
- ❖ Employment levels fell from +5.93 percentage points in Q4 2024 to +3.25 percentage points in Q4 2025.

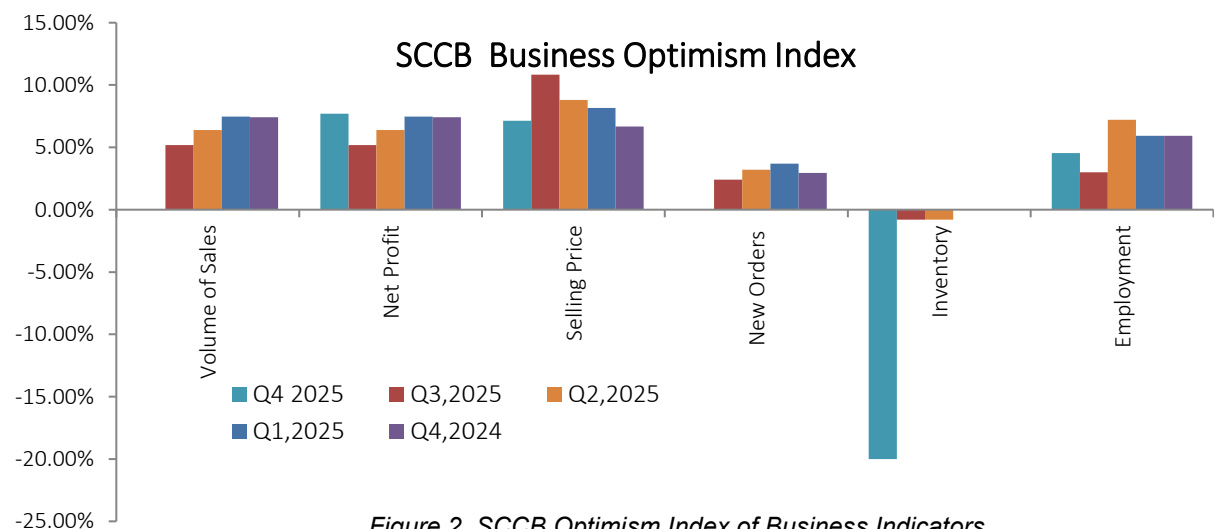


Figure 2. SCCB Optimism Index of Business Indicators, Q4 2024 – Q4 2025

Key Highlights for Q4 2025 Sectoral Outlook

The transportation and financial sectors remained the most optimistic while sentiments within the manufacturing and wholesale trade sectors continued to be downbeat for Q4 2025.

Transportation

Sentiments within the transportation sector moderated visibly despite all six indicators in positive territory for Q4 2025.

- ❖ Both volume of sales and net profit fell from +41.67 percentage points in Q3 2025 to +16.67 percentage points in Q4 2025.
- ❖ Selling price also dropped from +41.67 percentage points in Q3 2025 to +25.0 percentage points in Q4 2025.
- ❖ New orders fell from +25.0 percentage points in Q3 2025 to +8.33 percentage points in Q4 2025.
- ❖ Inventory levels remained expansionary at +8.33 percentage points in Q4 2025.
- ❖ Employment levels dipped from +33.33 percentage points in Q3 2025 to +25.0 percentage points in Q4 2025.

Financial

Sentiments within the financial sector rose moderately with all 6 indicators in positive territory for Q4 2025.

- ❖ Both volume of sales and net profit rose from +7.14 percentage points in Q3 2025 to +14.29 percentage points in Q4 2025.
- ❖ Selling price climbed from 0 percentage point in Q3 2025 to +7.14 percentage points in Q4 2025.
- ❖ New orders, inventory and employment levels remained upbeat at +7.14 percentage points in Q4 2025.

Services

The outlook for the services sector has improved slightly with 5 of six indicators in positive territory for Q4 2025.

- ❖ Both volume of sales and net profit remained expansionary at +4.55 percentage points in Q4 2025.
- ❖ Selling price remained upbeat at +13.64 percentage points in Q4 2025.
- ❖ New orders rose from 0 percentage point in Q3 2025 to +2.27 percentage points in Q4 2025.
- ❖ Inventory levels fell into the contractionary zone, down from 0 percentage point in Q3 2025 to -2.27 percentage points in Q4 2025.
- ❖ Employment levels remained expansionary at +2.27 percentage points in Q4 2025.

Construction

The outlook for the construction sector has remained cautiously optimistic with 4 of six indicators in positive territory.

- ❖ Both volume of sales and net profit rose from +7.69 percentage points in Q3 2025 to + 15.39 percentage points in Q4 2025.
- ❖ Selling price remained expansionary at +15.39 percentage points in Q4 2025.
- ❖ New orders fell from +7.69 percentage points in Q3 2025 to 0 percentage point in Q4 2025.
- ❖ Inventory levels remained unchanged at 0 percentage point in Q4 2025.
- ❖ Employment levels rose from 0 percentage point in Q3 2025 to +9.09 percentage points in Q4 2025.

Wholesale

The outlook within the wholesale sector has remained downbeat with only 2 of six indicators in negative territory for Q4 2025.

- ❖ Both volume of sales and net profit remained contractionary at -6.67 percentage points in Q4 2025.
- ❖ Selling price remained expansionary at +10.0 percentage points in Q4 2025.
- ❖ New orders rose from 0 percentage point in Q3 2025 to +6.67 percentage points in Q4 2025.
- ❖ Inventory levels remained unchanged at 0 percentage point in Q4 2025.
- ❖ Employment levels rebounded from -3.85 percentage points in Q3 2025 to 0 percentage point in Q4 2025.

Manufacturing

Sentiment among manufacturers has remained downbeat with none of the indicators in the positive territory in Q4 2025.

- ❖ Both volume of sales and net profit remained unchanged at 0 percentage point in Q4 2025.
- ❖ Selling price fell into the contractionary zone, down from 0 percentage point in Q3 2025 to -5.88 percentage points in Q4 2025.
- ❖ New orders remained in the contractionary zone at -5.88 percentage points in Q4 2025.
- ❖ Inventory levels increased from -5.88 percentage points in Q3 2025 to 0 percentage point in Q4 2025.
- ❖ Employment levels remained unchanged at 0 percentage point in Q4 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.

"Business sentiment remains cautious as firms continue to navigate a complex global landscape marked by trade tensions, regional instability, and slowing growth in major economies. Despite these headwinds, we're seeing resilience in sectors such as finance, transport, and construction. The marginal uptick in optimism for the final quarter of 2025 suggests that businesses are adapting. However, we anticipate sentiment to remain lukewarm in the months ahead given global geopolitical and economic uncertainties." said Ms. Audrey Chia, SCCB's Chief Executive Officer.

Overview of Business Indicators

Volume of Sales

Volume of sales inched up slightly to +5.93 percentage points (compared to +5.19 percentage points in Q3 2025). The mining sector (net +20.0 percentage points) is most upbeat, followed by transportation (net +16.67 percentage points), construction (net +15.39 percentage points), financial (net +14.29 percentage points) and services (net +4.55 percentage points). Both manufacturing and agriculture (net 0 percentage point) have anticipated volume of sales to remain unchanged. The wholesale sector (net -6.67 percentage points) is downbeat about volume of sales.

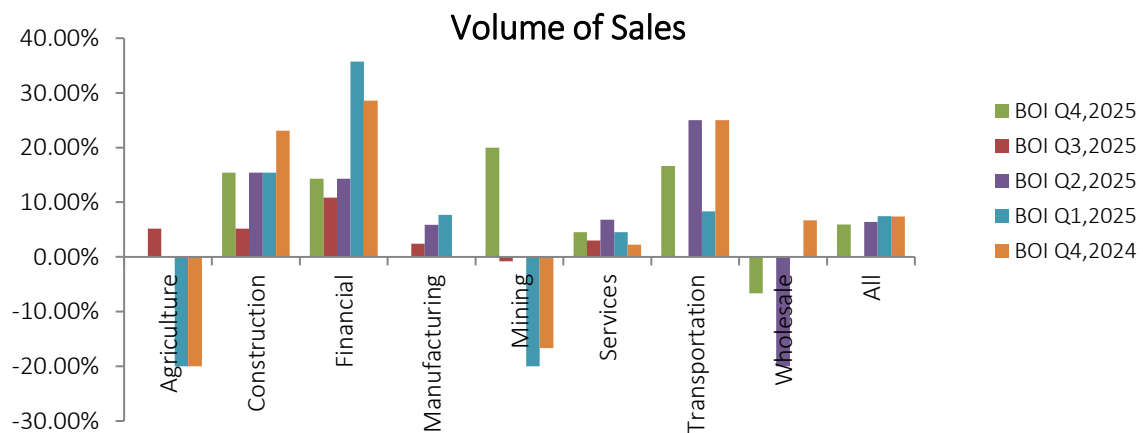


Figure 3. Volume of Sales Optimism Index, Q4 2024 – Q4 2025

Net Profit

Net profit inched up slightly to +5.93 percentage points (compared to +5.19 percentage point in Q3 2025). The mining sector (net +20.0 percentage points) is most upbeat, followed by transportation (net +16.67 percentage points), construction (net +15.39 percentage points), financial (net +14.29 percentage points) and services (net +4.55 percentage points). Both manufacturing and agriculture (net 0 percentage point) have anticipated net profit to remain unchanged. The wholesale sector (net -6.67 percentage points) is downbeat about net profit.

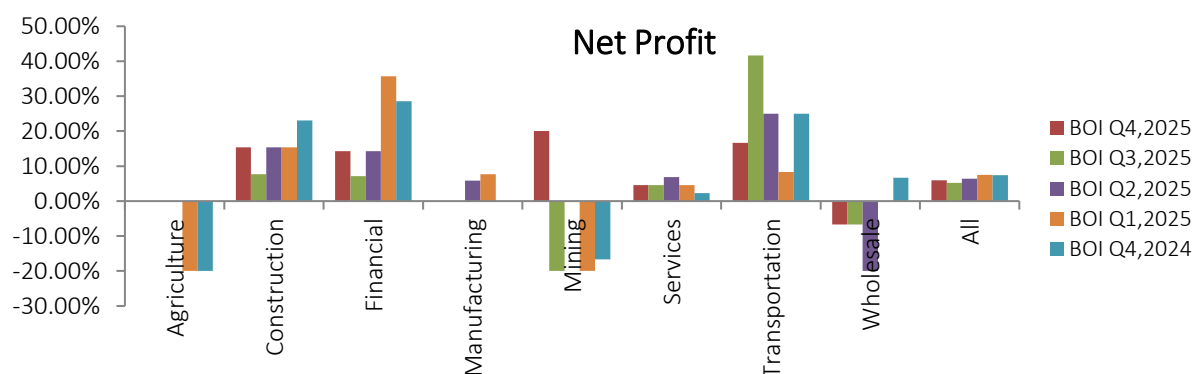


Figure 4. Net Profit Optimism Index, Q4 2024 – Q4 2025

Selling Price

Selling price moderated to +10.0 percentage points (compared to +10.83 percentage points in Q3 2025). The transportation sector (+25.0 percentage points) is most upbeat about selling price, followed by agriculture (net +20.0 percentage points), construction (net +15.39 percentage points), services (net +13.64 percentage points), wholesale (net +10.0 percentage points) and financial (net +7.14 percentage points). Both mining (net -20.0 percentage points) and manufacturing (net -5.88 percentage points) are downbeat about selling price.

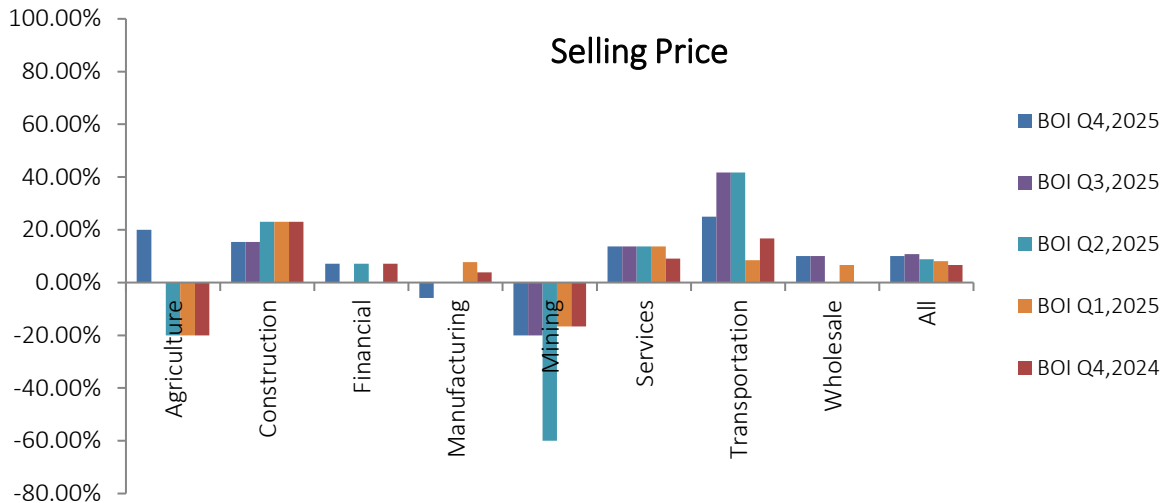


Figure 5. Selling Price Optimism Index, Q4 2024 – Q4 2025

New Orders

New orders remained at +2.50 percentage points (compared to +2.40 percentage points in Q3 2025). The transportation sector (net +8.33 percentage points) is most upbeat, followed by the financial (net +7.14 percentage points), wholesale (net +6.67 percentage points) and services (net +2.27 percentage points) sectors. The manufacturing sector (net -5.88 percentage points) are downbeat about new orders. The remaining sectors – agriculture, construction and mining (net 0 percentage point) have expected new orders to remain unchanged.

New Orders (All Sectors)

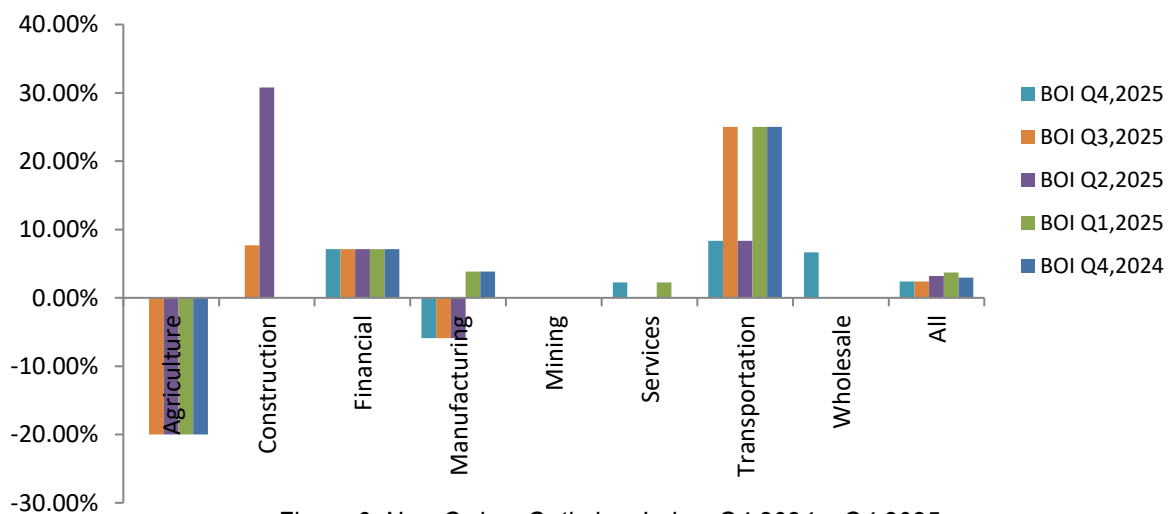


Figure 6. New Orders Optimism Index, Q4 2024 – Q4 2025

Inventory Levels

Inventory levels remained in the contractionary zone at -0.85 percentage points (compared to -0.80 percentage points in Q3 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 services (net -2.27 percentage points) are downbeat. The remaining sectors – construction, manufacturing, and wholesale (net 0 percentage point) have anticipated inventory levels to remain unchanged.

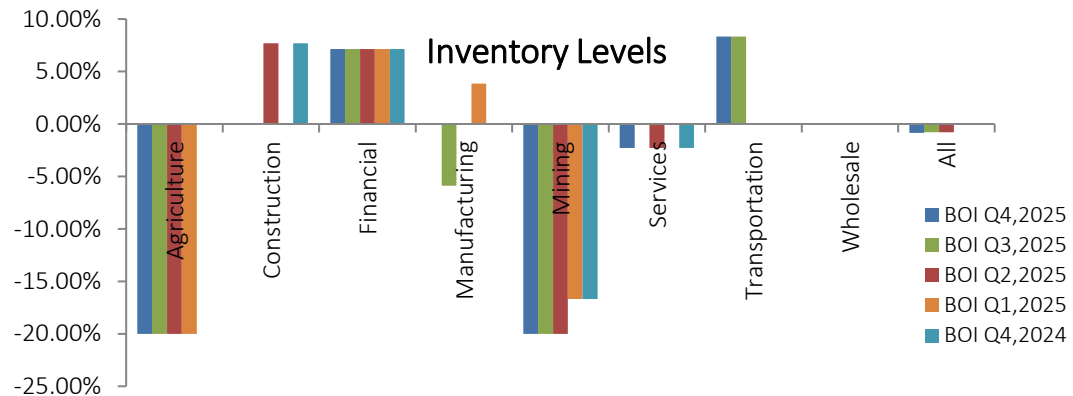


Figure 7. Inventory Levels Optimism Index, Q4 2024 – Q4 2025

Employment

Employment levels increased to +3.25 percentage points (compared to +2.99 percentage points in Q3 2025). The transportation sector (net +25.0 percentage points) is most upbeat, followed by construction (net +9.09 percentage points), financial (net +7.14 percentage points) and services (net +2.27 percentage points). Both mining and agricultural (net -20.0 percentage points) sectors are downbeat about employment. The remaining sectors –manufacturing and wholesale (net 0 percentage point) have anticipated employment to remain unchanged.

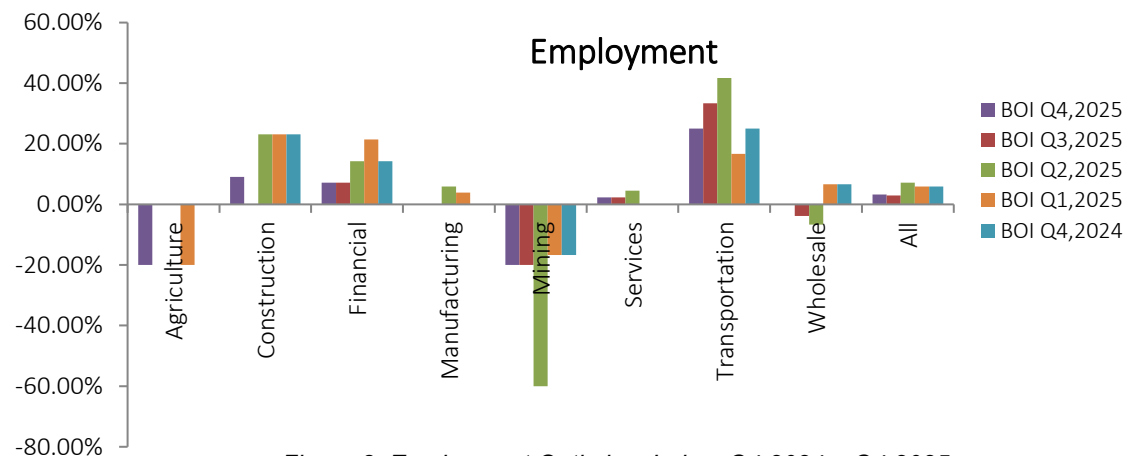


Figure 8. Employment Optimism Index, Q4 2024 – Q4 2025

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

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