

Singapore Monthly Update

February 2025



GDP US\$521bn	Population 6.04mn	Per capita US\$84,734
Unemployment rate 1.9%	Moody's(Aaa), S&P (AAA), Fitch (AAA)	Exchange rate US\$/SGD 1.35

IFC Highlights

As of February 2025, the Singapore office committed **US\$1,020mn** to **9 deals** (Aqua Tanzania, GWFP Valency, Jungle Fund V, DFP NAC, DFP Orion, Actis AACT, Lagos FZ Equity, CI Wingify and Weigao Asia), with an additional **8 deals** in the pipeline worth **US\$695mn** for FY25.



Macro Highlights

- **2024 GDP growth beats forecasts at 4% and is expected to ease to 1-3% in 2025.**
- **Core inflation dropped further to 0.8% in January (YoY)**, which was the lowest it had been since November 2021.
- **Labor market growth was slower in Q4 2024**, with total employment growth slowing from 22,300 in Q3 to 8,700 in Q4. Unemployment rate slightly up across the board at 1.9%.
- **Top GDP sectoral components are Manufacturing (22%), Wholesale Trade (19%), Finance & Insurance (14%).** Purchasing Manager's Index (PMI) edged down 0.3 points to 50.9 in January, which signaled continued expansion, but at a slower pace, for the 17th consecutive month.



Politics, Policies & Economy

- Singapore's annual GDP **expands** at the fastest pace since 2021, lifted by trade, finance and manufacturing sectors.
- Singapore's non-oil domestic exports **fell** by 2.1% in January, reversing the 9% expansion that was seen in December last year.
- Singapore draws US\$10bn in fixed **asset investments** in 2024, up 6.3% YoY, set to create 18,700 jobs.
- MAS announces a new US\$3.7bn **scheme** to boost SGX-listed stocks as part of measures to revive the Singapore market, aiming to increase interest from both retail and institutional investors, while also improving trading liquidity.
- 'Reliable and politically stable': Taiwan's **investments** in Singapore surpass those in China.
- Vietnam becomes the 9th largest **trading partner** of Singapore.
- Singapore releases new **emissions targets** for 2035, on track to reach net zero by 2050. The city committed to reduce its GHG emissions to 50Mt by 2035, down from 60Mt in 2030.
- Canada's development finance institution, FinDev Canada, launches its **first overseas** office in Singapore, aiming to expand its support to APAC emerging economies.



Financial Institutions, Asset Managers, and Venture Capital

- Singapore's UOB posts record profits as it bets that its **Southeast Asia** focus will drive growth amid global uncertainties.
- Singapore's DBS sees **4,000 temporary jobs** cut as AI replaces roles.

- Building upon its success in LatAm, Africa, and India, EBANX secures In-Principle Approval from MAS, cementing its APAC expansion.
- Singapore-based private equity firm StateSquare Capital is raising its debut fund to tap mid-market investment opportunities in SE Asia.
- Travel services and experience booking platform Klook has secured US\$100mn in a fresh funding round led by international investment firm Vitruvian Partners, as the firm seeks to deepen its reach across the Asia-Pacific region.
- Swiss impact investor responsAbility Investments is looking to allocate as much as US\$180mn annually into South and Southeast Asia's climate tech sector for the next three to four years, through credit-focused strategies from its climate funds.

Real Sectors

- CapitaLand Investment Limited (CLI) acquired a freehold land parcel in Osaka to develop its first data center in Japan which will entail a total investment of more than US\$700mn.
 - Singtel's Nxera DCT secures a US\$476mn green loan to construct a new 58MW data centre in Singapore.
 - Sembcorp Industries is acquiring a 96-megawatt solar farm in Cadiz, Negros Occidental, signaling its entry into the Philippine renewable energy sector.
 - Singapore's Vena Energy once again pushes for wind farm in a Philippine protected area.
 - GIP hires banks to sell Vena Energy stake at up to US\$10bn valuation.
 - HSBC buys stake in Singapore EV charging operator SP Mobility, which has one of largest EV charging networks in the city-state.
 - I Squared is looking to acquire Digital Bridge's EdgePoint Infrastructure unit's towers in the Philippines and Malaysia, valued at as much as US\$2bn.
 - The Association of Singapore Marine and Offshore Energy Industries (Asmi) launches a plan to establish Singapore as green maritime and offshore hub, expected to create 1,000 new jobs.
 - Singapore's MMG acquires Brazilian nickel assets from Anglo American for US\$500mn.
 - FedEx strengthens connectivity between Singapore and Johor amid JS-SEZ growth.
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- Singaporean food trader Olam Group reached a US\$1.8bn deal to sell a major stake in its agri-business unit to SALIC, a state-owned Saudi Arabian investment firm that values the operations at US\$4bn.
 - Singapore's Frasers Property bets on 'China plus one' with a half-billion-dollar industrial park in Thailand.
 - Temasek and real estate manager CenterSquare Investment Management have formed a co-investment vehicle to deploy up to US\$200mn into high-quality subordinated real estate loans.
 - Grab and GoTo are in advanced merger talks, with investors eager to reach a deal in 2025.
 - Ikea-backed Livspace moves HQ to India to focus on future fundraising, IPO processes, and expansion.
 - Construction chemicals maker Sika acquired Elmich Pte, a Singaporean construction firm and supplier of greening systems to help it expand in APAC.
 - Brazilian chemical firm Unigel will launch an IPO in Singapore in the next few months.
 - Ikhlas Capital Singapore invests US\$17m in Sarawak-based PMG Healthcare.