

Singapore Monthly Update

March 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 1.34

IFC Highlights

As of March 2025, the Singapore office committed **US\$1,126mn** to **10 deals** (Aqua Tanzania, GWFP Valency, Jungle Fund V, DFP NAC, DFP Orion, Actis AACT, Lagos FZ Equity, CI Wingify, Weigao Asia, and Amarthia_Incl_CIP), with an additional **5 deals** in the pipeline worth **US\$240mn** for FY25.



Macro Highlights

- Singapore's GDP is forecast to grow between 1% and 3% in 2025, following a 4.4% expansion in 2024.
- Core inflation dropped further to 0.6% in February (YoY), which was the lowest it had been in four years.
- 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) dipped 0.2 points to 50.7 in February, which signaled continued expansion, but at a slower pace, for the 18th consecutive month.



Politics, Policies & Economy

- Singapore ranks **fourth** in global cross-border investment in 2024, with total investments amounting to US\$5bn. The logistics and urban living sectors are expected to attract most of the investment in 2025.
- Singapore reached its 2025 **solar target** early, having deployed 1.5 GW of solar by end-2024.
- Singapore will purchase its first tranche of **carbon credits** following the launch of low-carbon tech testbed collaborations with Bhutan, Papua New Guinea and Ghana.
- Singapore and Vietnam upgrade ties to a **Comprehensive Strategic Partnership**, marking Singapore's first such partnership with an ASEAN country. Collaboration initiatives will focus on sectors such as digital economy, renewable energy and carbon credits.
- Singapore semicon companies, including startups, will gain access to a new US\$372mn **national fab facility** by 2027, as announced in Budget 2025.



Financial Institutions, Asset Managers, and Venture Capital

- DBS raises US\$2bn through a multi-tranche U.S. dollar **senior bond issuance** for general business purposes and to finance treasury activities.
- DBS is targeting opportunities in transition financing beyond energy projects. Under a new **transition financing framework**, the bank will target mid-cap companies and small-to-medium enterprises in the region, alongside larger corporations, beyond green energy players.
- Moody's cautions that Singapore banks face **margin squeeze** despite strong results, driven by challenging economic conditions affecting lending margins.
- Singapore's three largest banks are shifting focus to **neighboring countries** as they brace for potentially protectionist policies in the US.
- Under its newly unveiled roadmap **Forward30**, CIMB announced readiness to accelerate growth and openness to M&A to fuel it.
- **Pentagreen Capital** and British International Investment announce a US\$80mn financing facility in collaboration with ib vogt Singapore to catalyse greenfield solar and battery storage projects across South-East Asia.
- Singapore's Clime Capital closes **second clean energy fund** at US\$175mn.
- Singapore's Motion Ventures launches US\$100mn **maritime tech** fund.
- Axiom Asia Private Capital has closed its seventh flagship **fund-of-funds**, Axiom Asia 7, at US\$1.2bn.
- Singapore's Airwallex boosts Asia-Pacific expansion with its **acquisition** of Vietnam's paytech CTIN Pay.
- After Malaysia, India's fintech **Razorpay** expands into Singapore, strengthening presence in Southeast Asia.
- Singapore biotech **Callio Therapeutics** launches with a US\$187mn Series A round.
- Singapore-based agri startup **Agros** closes a US\$5.25mn Series A funding round to accelerate its expansion and innovation.
- Healthcare B2B e-commerce marketplace **Kyberlife** raises US\$3mn in a round led by 5I Ventures to pursue Southeast Asia expansion.
- Two Singapore fintech firms, **Liquid Group and Proxtera**, are capitalizing on Africa's digital payments surge, with Ghana and Rwanda leading a 54-country, 1.4 billion-person market push.
- Singaporean agriculture technology company Archisen plans to leverage the new **Johor SEZ** with the launch of a new urban vegetable factory in Malaysia's Johor SEZ in the second half of 2025, with another five sites in the state currently under discussion.
- Singapore's Pomelo Group acquires **paytech start-up** Arrow Checkout for an undisclosed sum.
- GoBear, a Singapore-based insurance and banking marketplace, has acquired **local fintech AsiaKredit**. With the GoBear will introduce "lending-as-a-service" to its more than 100 bank partners across Hong Kong, Malaysia, Vietnam, Indonesia, Thailand, and the Philippines, as well as Singapore.



Real Sectors

- **Equinix**, a global digital infrastructure company, announced its issuance of US\$375.43mn in green bonds in its inaugural offering in the Singaporean market.

- Keppel Infrastructure Fund leads acquisition of subsea cable solutions provider **Global Marine Group** for an undisclosed amount.
- Singapore surpasses **1,000 MW** of data centre capacity to become the fifth largest market in Asia Pacific.
- Singapore seeks **experts** to work on global framework for cross-border renewable energy certificates.
- Singapore's corporate heavyweights, including Temasek, Sembcorp, Keppel, and CMIA, are keen on investing in **renewable energy projects** in Vietnam.
- Salesforce announced plans **to invest US\$1bn in Singapore** over the next five years to accelerate the country's digital transformation.

- Grab aims to **raise up to** US\$2bn loan to support possible GoTo acquisition.
- Temasek and GIC will acquire a significant minority stake in Australian clinical testing **Novotech** from TPG at an over US\$1.9bn valuation.
- **Cold Storage** and Giant supermarket chains in Singapore have been acquired by Malaysian company Macrovalue in a US\$93mn deal.
- **CapitaLand Investment** closes a US\$214mn purchase of a 40 percent stake in Singapore-based fund manager SC Capital Partners.
- SC Capital Partners closes sixth APAC opportunistic **real estate fund** at US\$900mn.
- Asia's ability to supply sustainable aviation fuel (SAF) will **outpace regional demand** in 2025 and 2026 as more production comes online, increasing exports and potentially lowering prices for the fuel.
- Temasek secures a 10% stake in India's snacks business **Haldiram** for approximately US\$1bn.