

macroeconomic



# review

briefing  
30 October 2019



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## Special Features

- A **Asian Monetary Policy Forum 2019**
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# International Economy

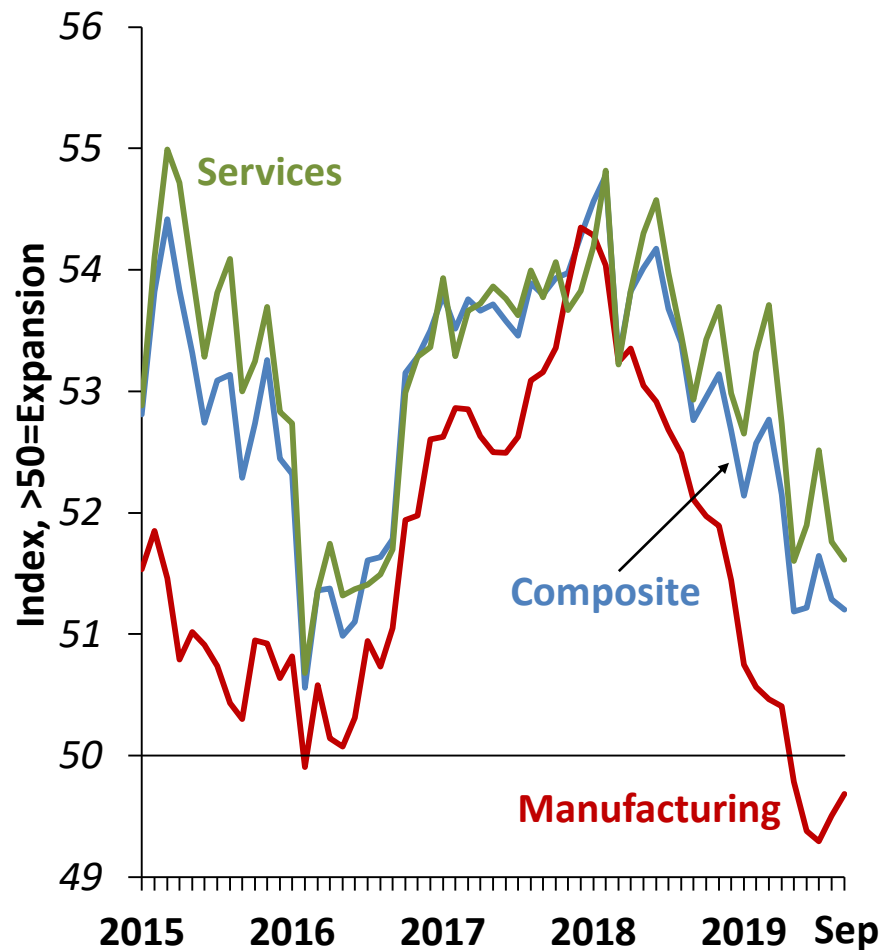
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A Synchronous Slowdown

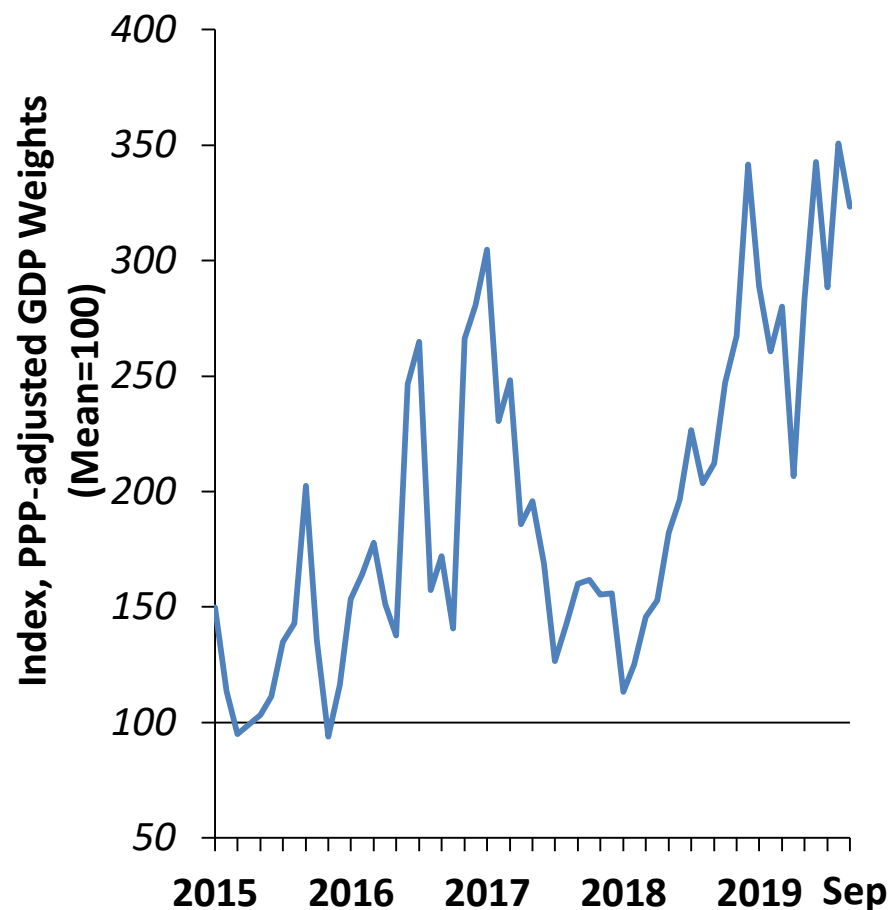
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# Global growth will slow before stabilising in 2020.

## Global PMIs

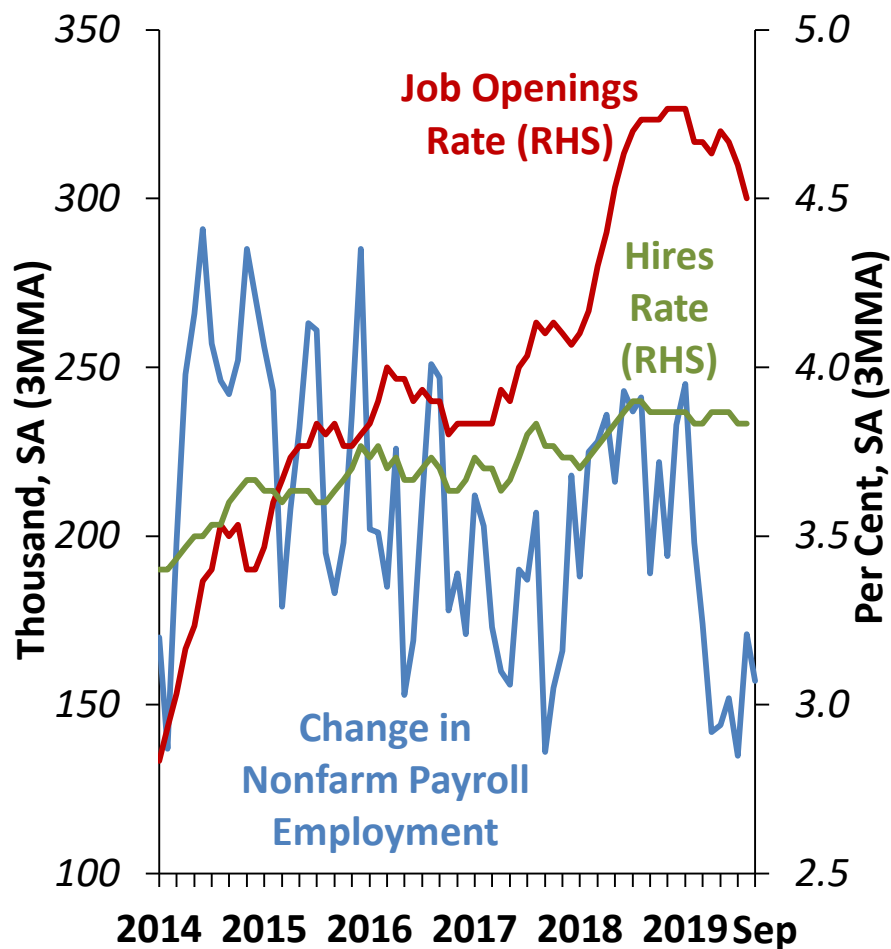


## Global Economic Policy Uncertainty Index

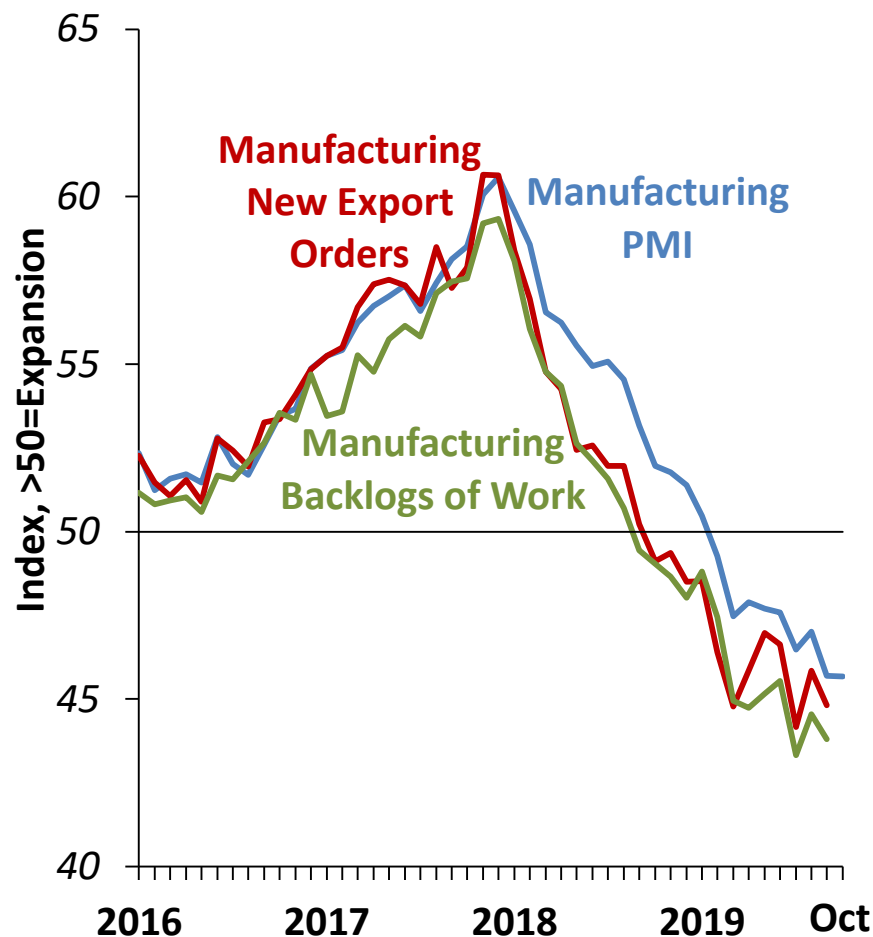


# Firm labour markets and looser macro policies will provide some support to G3 growth.

## US Labour Market Indicators

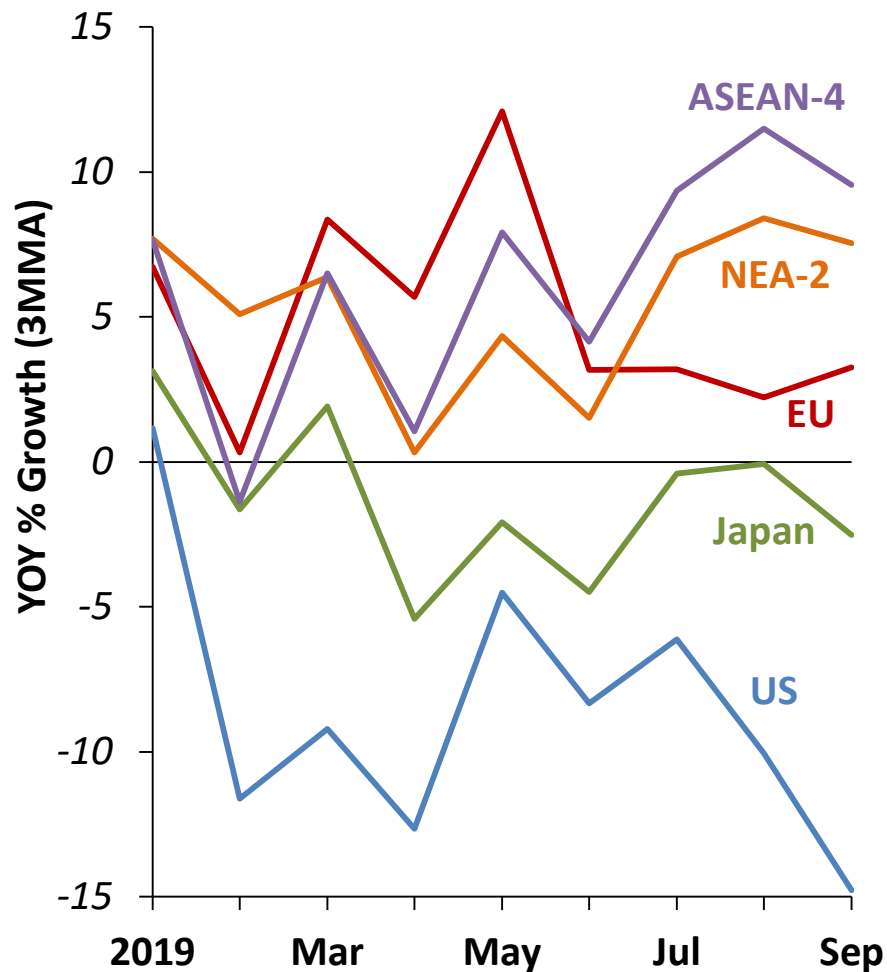


## Leading Indicators of Eurozone Exports

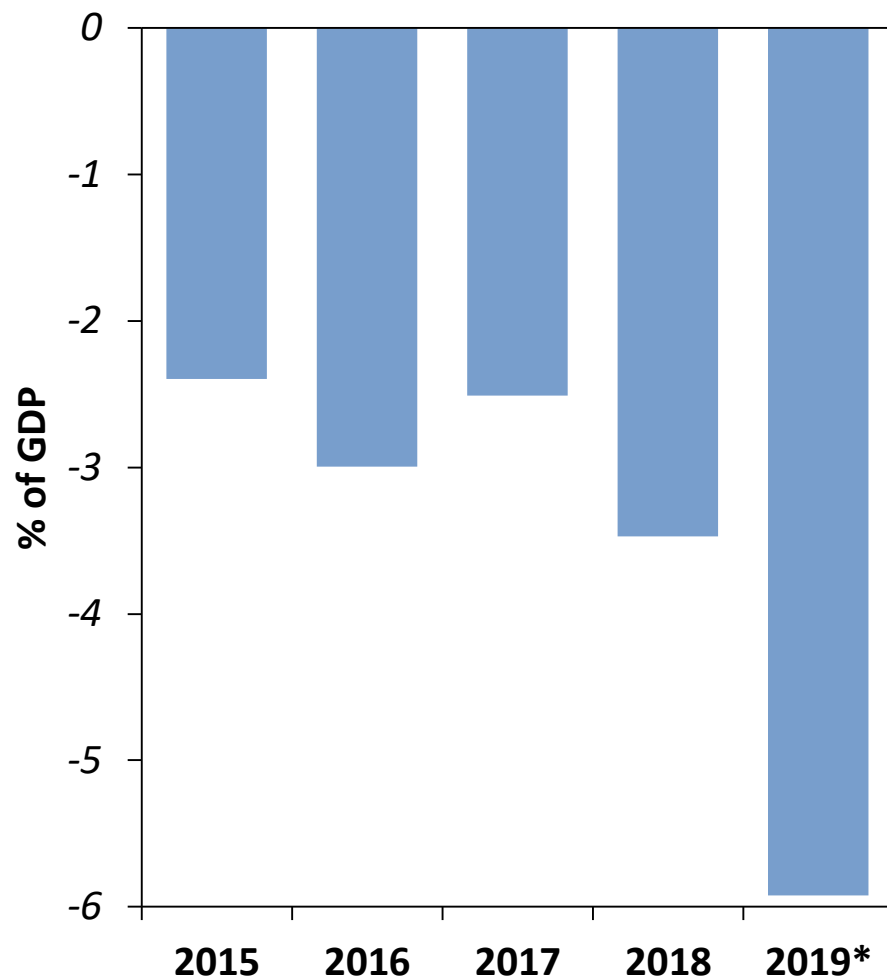


# China's policy response has been more targeted and measured than in the past.

## China's Exports by Destination



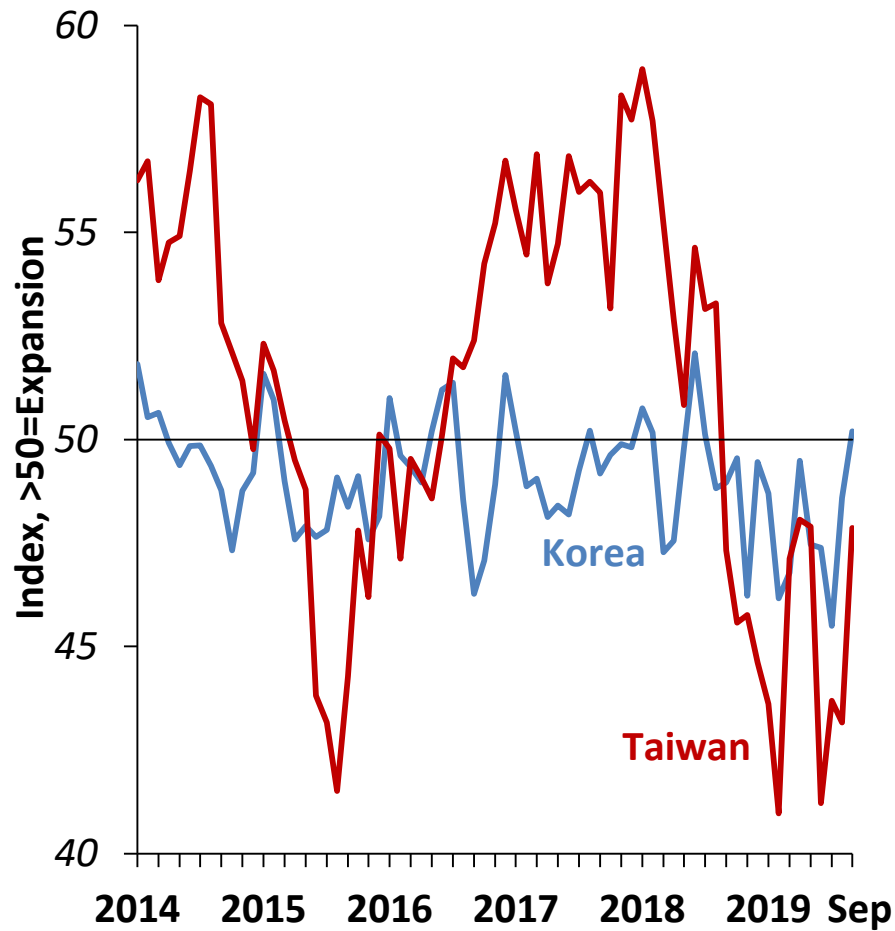
## China's Consolidated Fiscal Deficit



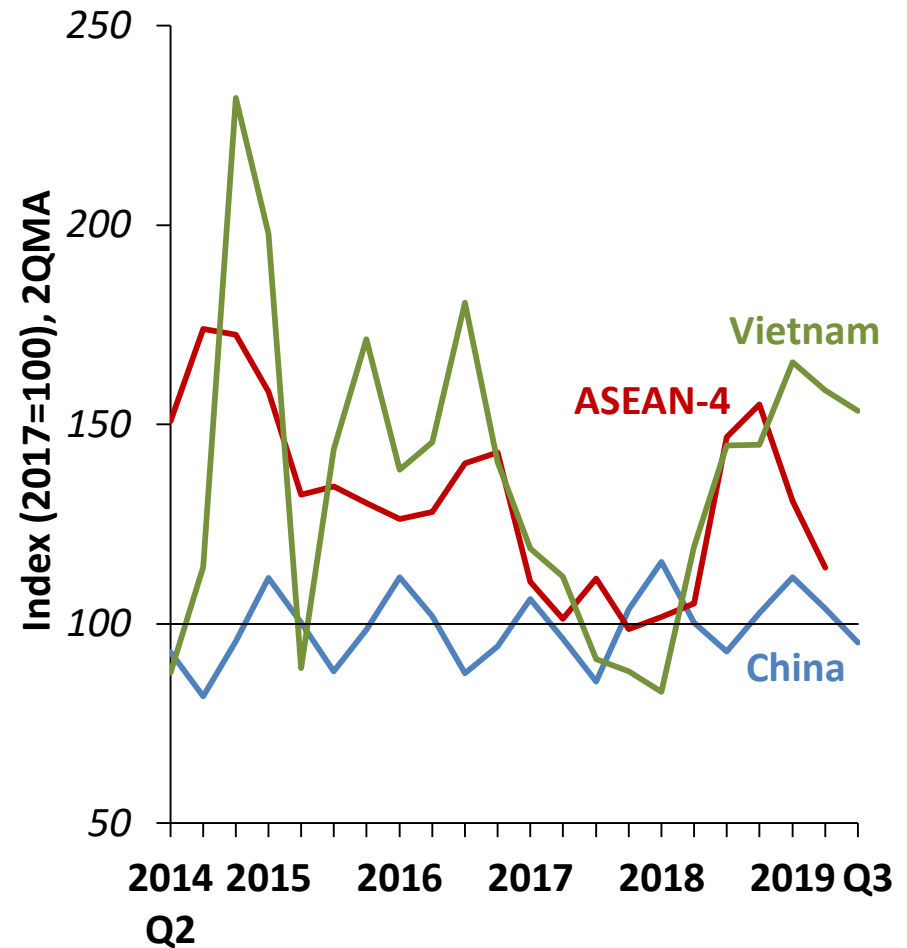
\* Data for 2019 is from budget projections

# Resilient domestic demand will continue to support growth in Korea, Taiwan, and ASEAN-4.

## Korea and Taiwan Export Orders



## FDI Flows into ASEAN-4 and China





# Domestic Economy

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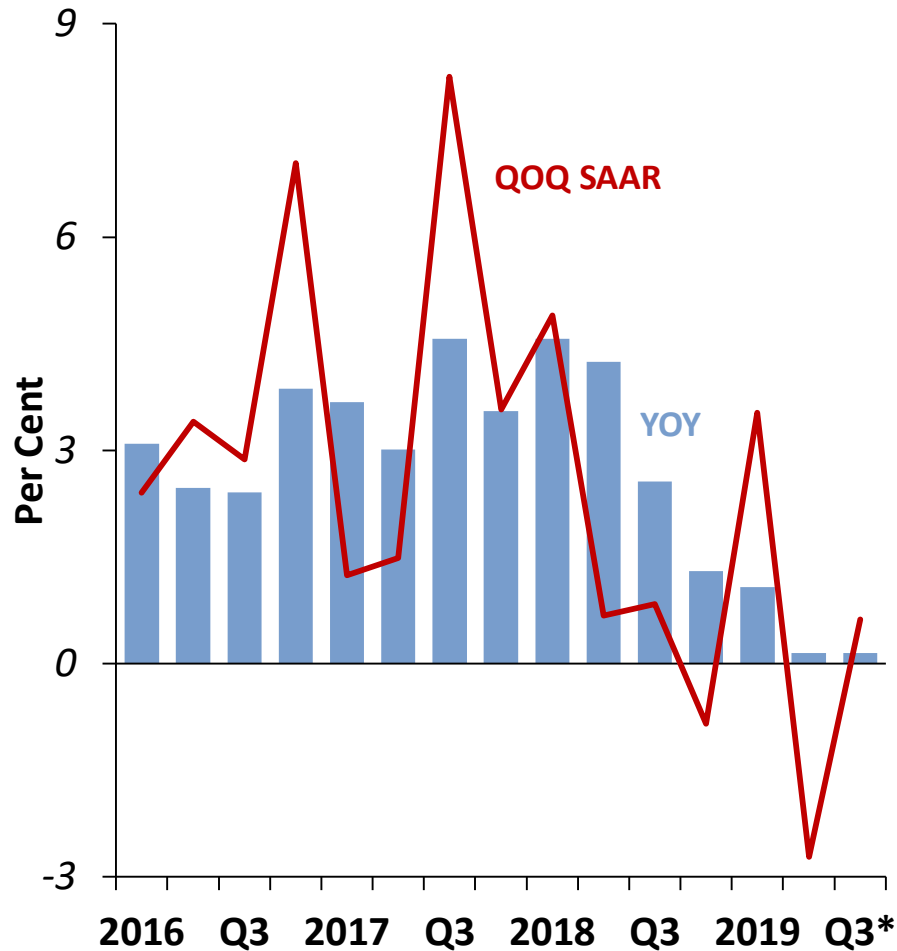
A Step-down in Growth

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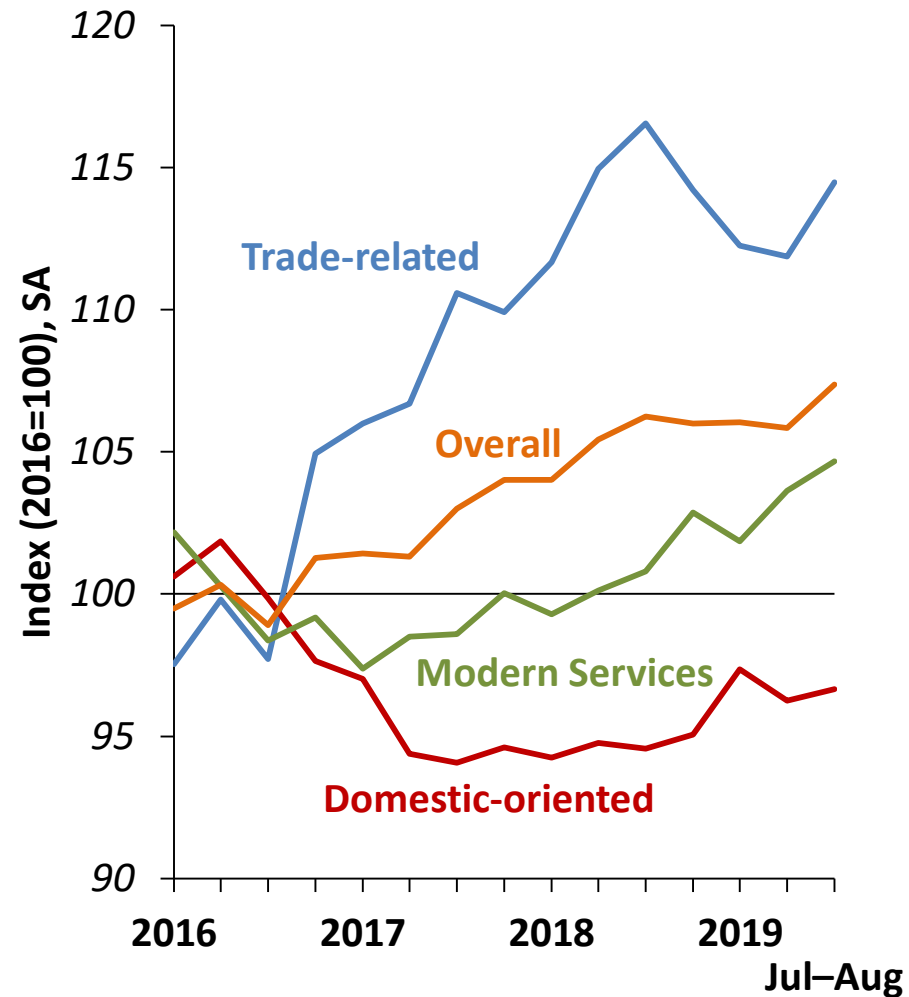
# The Singapore economy saw a downshift in growth momentum.

## Singapore's GDP Growth



\* Advance Estimates

## Economic Activity Index



# An Extended Trough.

2019F: Around mid-point of 0–1%  
2020F: Improve modestly from 2019



1

## Trade-related Cluster

- Synchronous slowdown across key trading partners
- Ongoing reconfigurations of regional trade flows and supply chains pose an added source of uncertainty



2

## Modern Services Cluster

- On-going digital transformation efforts will provide support
- Strong expansion in electronic transactions benefit payment network operators



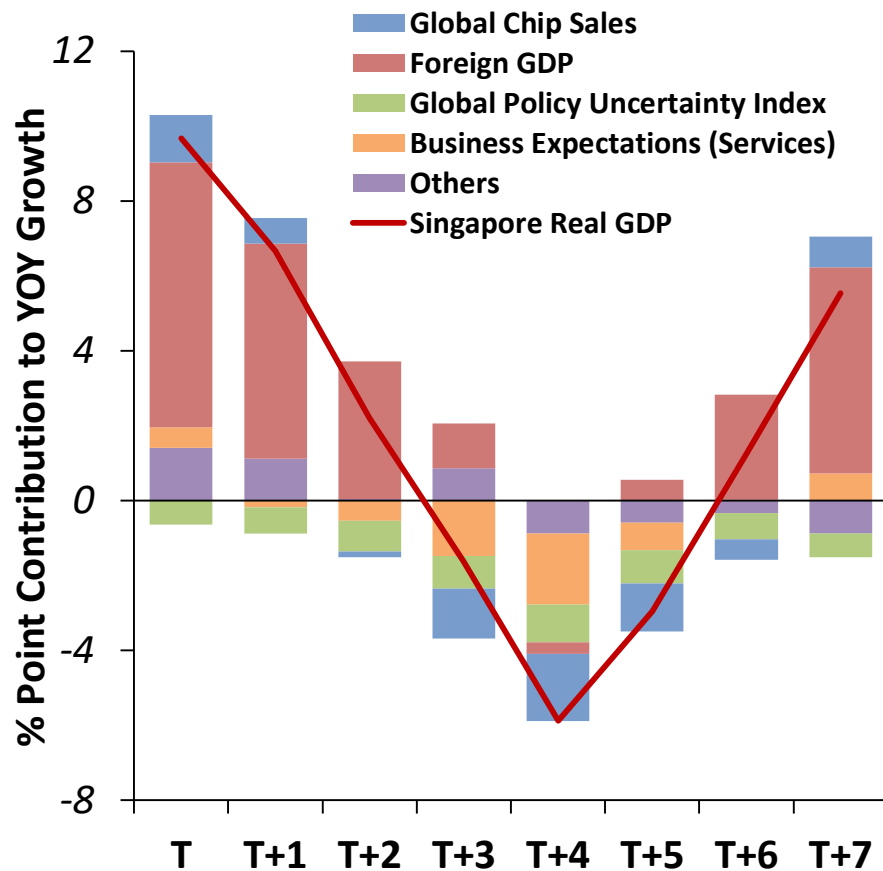
3

## Domestic-oriented Cluster

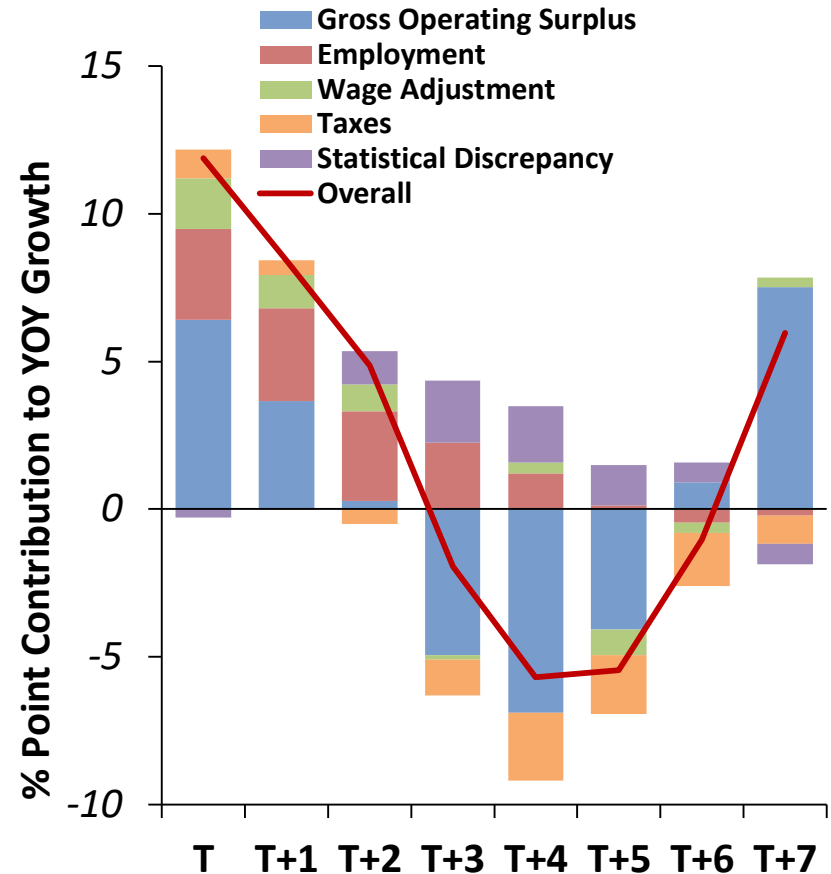
- Underpinned by the recovery in the construction sector
- Growth in essential services remain resilient

# Singapore's Economic Downturns: A Macro-Financial Perspective

**Decomposition of Singapore's GDP Growth During Previous Downturns  
( T=Peak Quarter)**



**Average Change in GDP Income Components During Previous Downturns  
( T=Peak Quarter)**





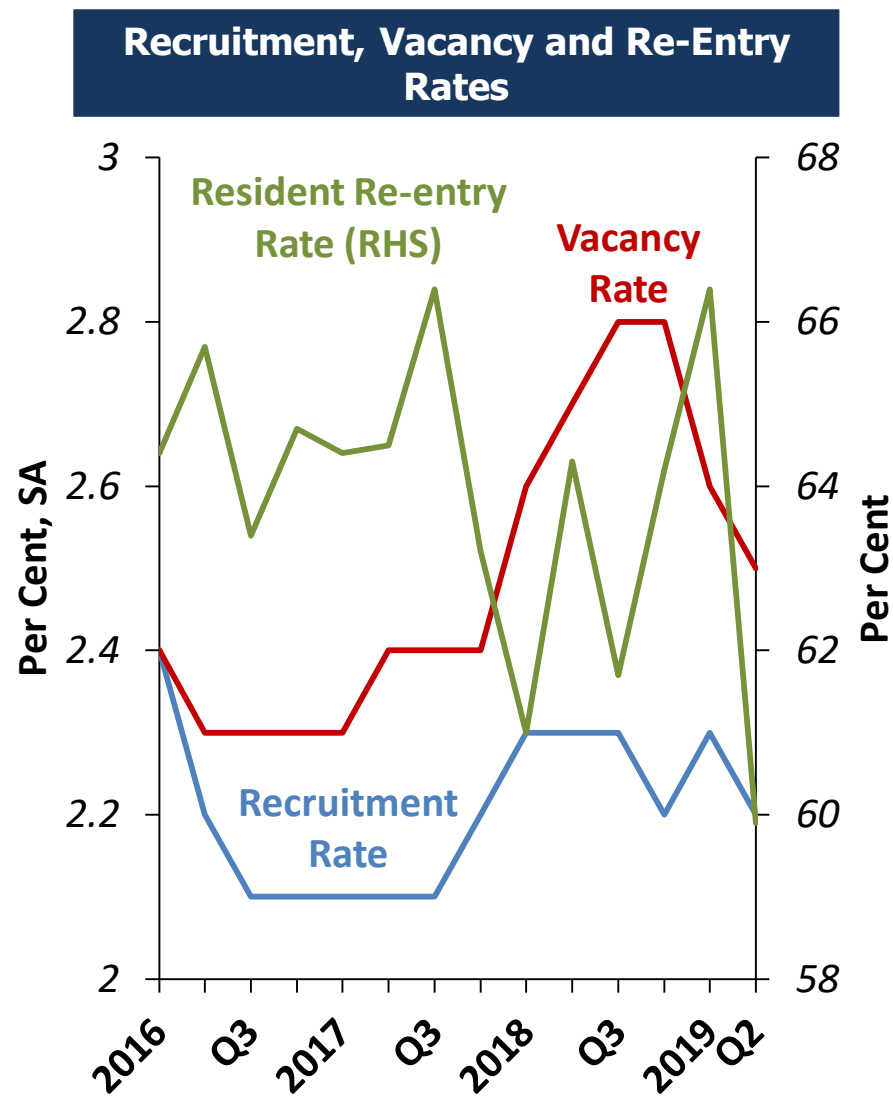
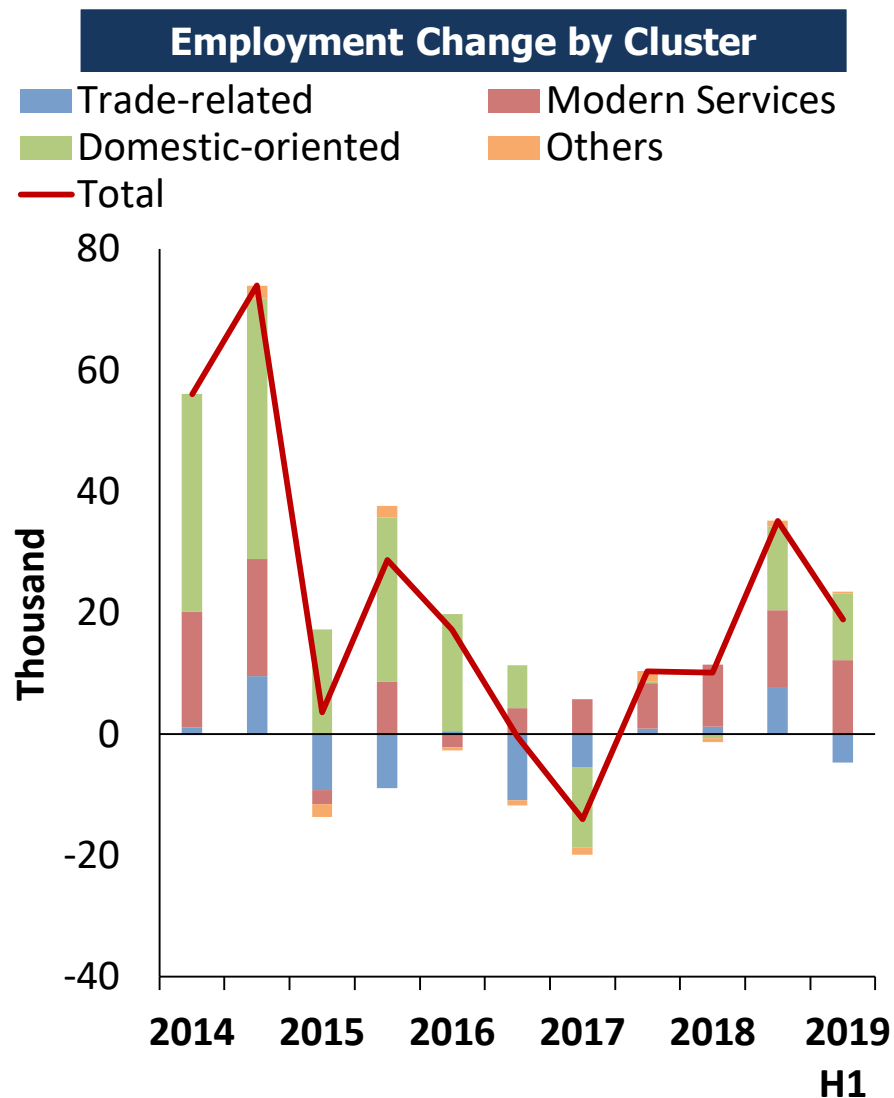
# Labour Market and Inflation

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Core Inflation is Subdued

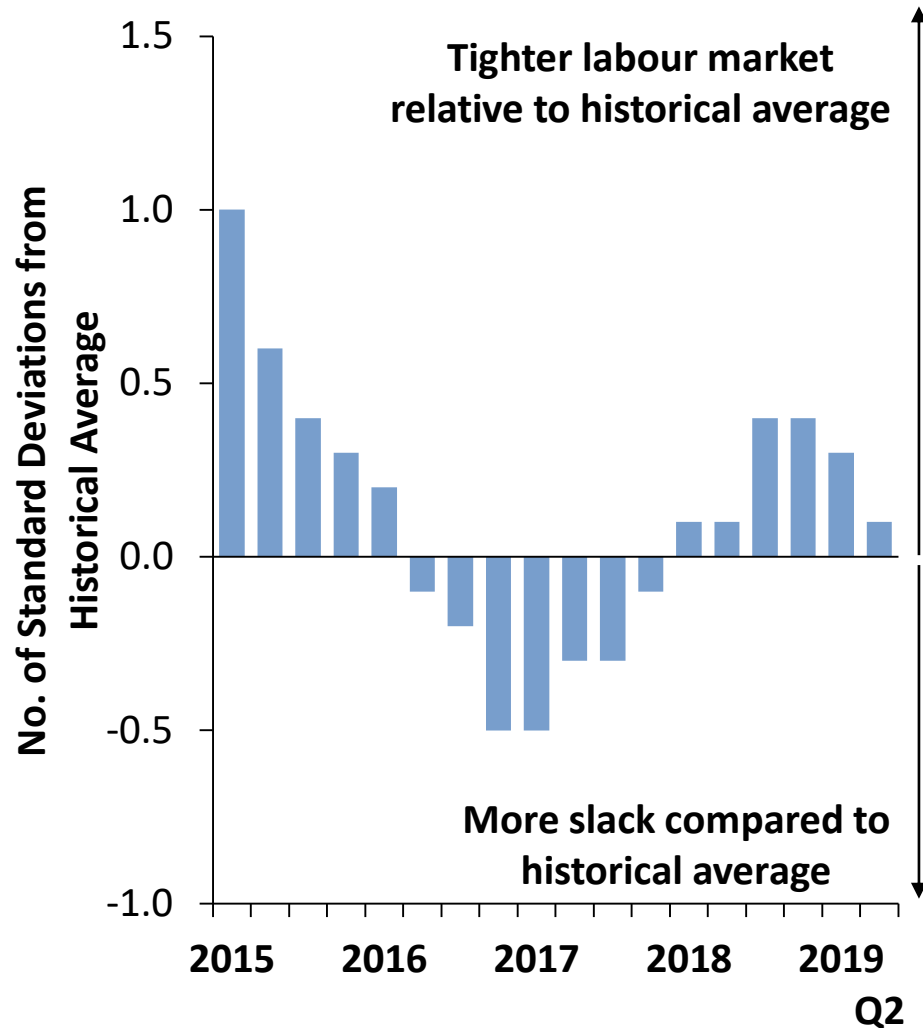
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# Hiring sentiment turned cautious but employers retained their existing workers.

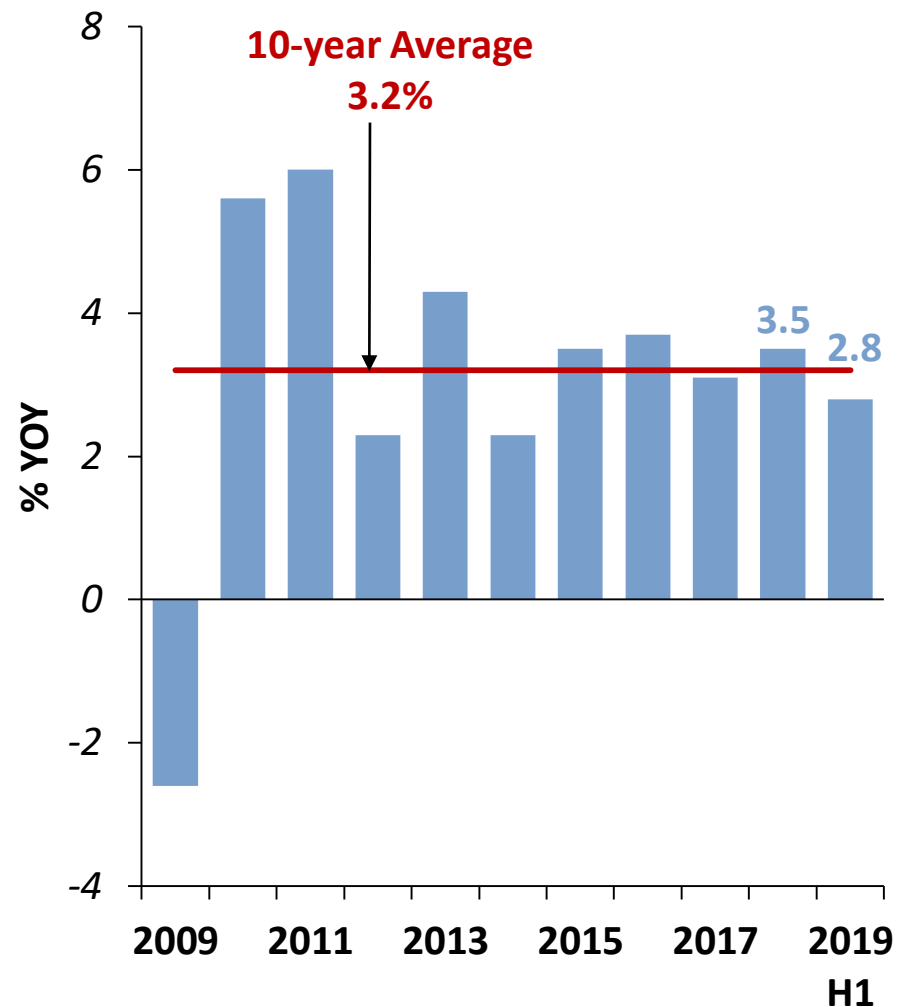


# The labour market has softened.

## Labour Market Pressure Indicator

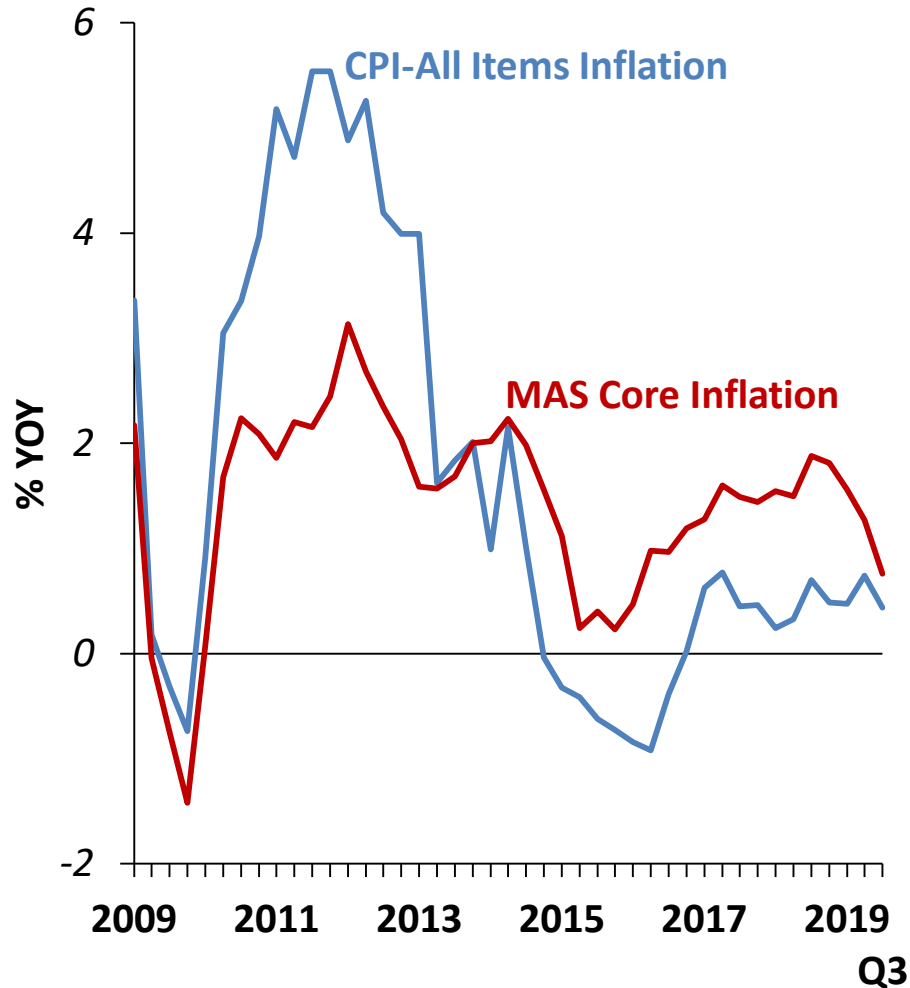


## Resident Wage Growth

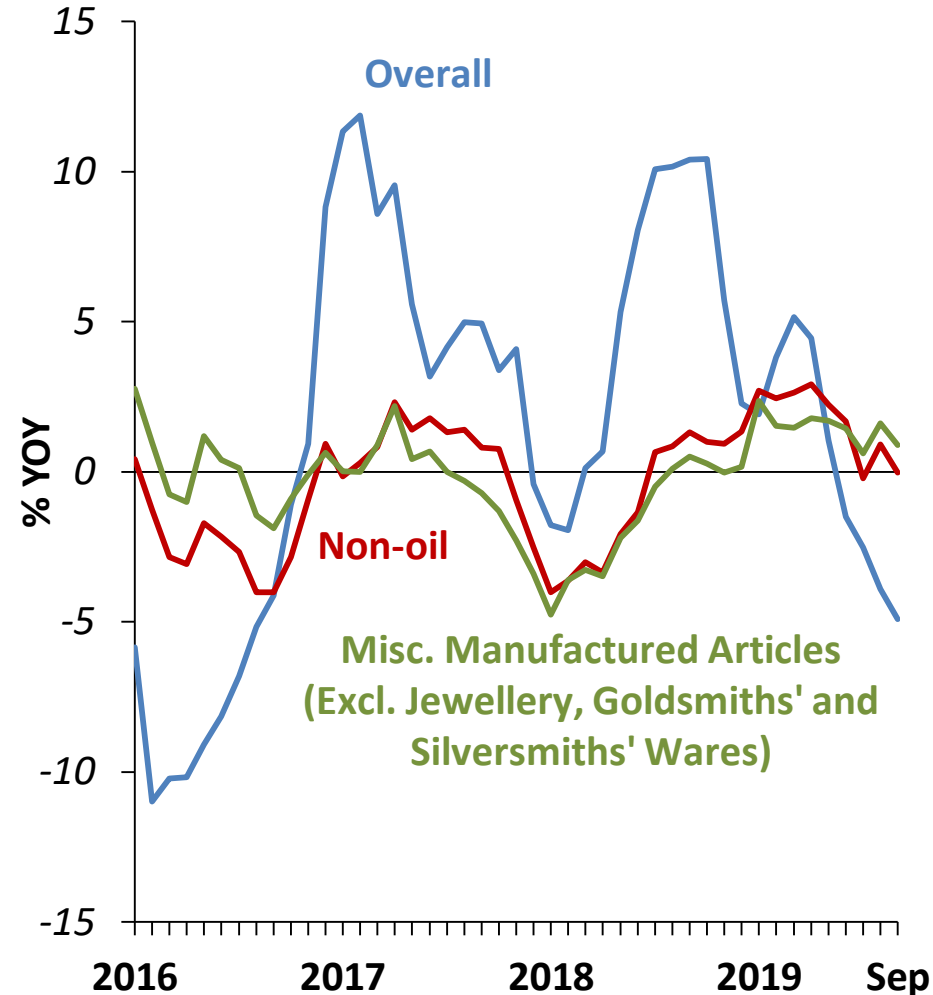


# Core inflation fell in Q3 2019.

## CPI-All Items and MAS Core Inflation

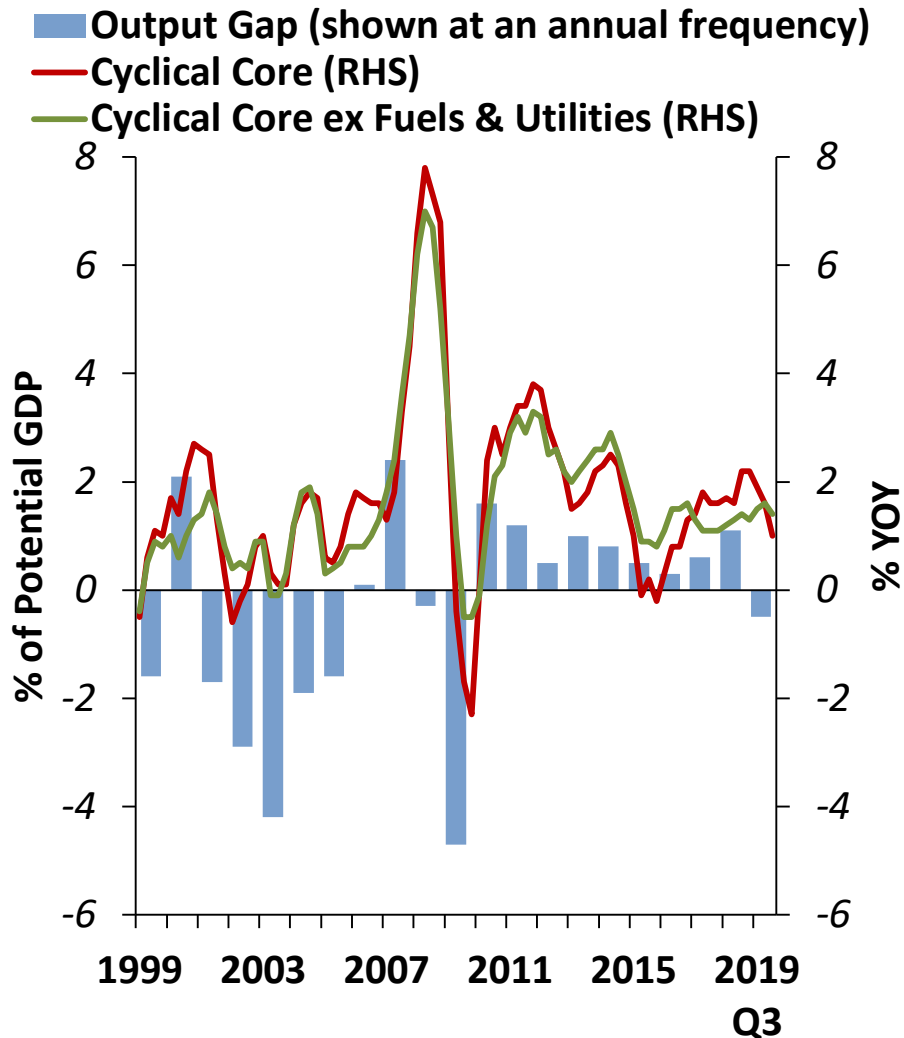


## Selected Components of the IPI

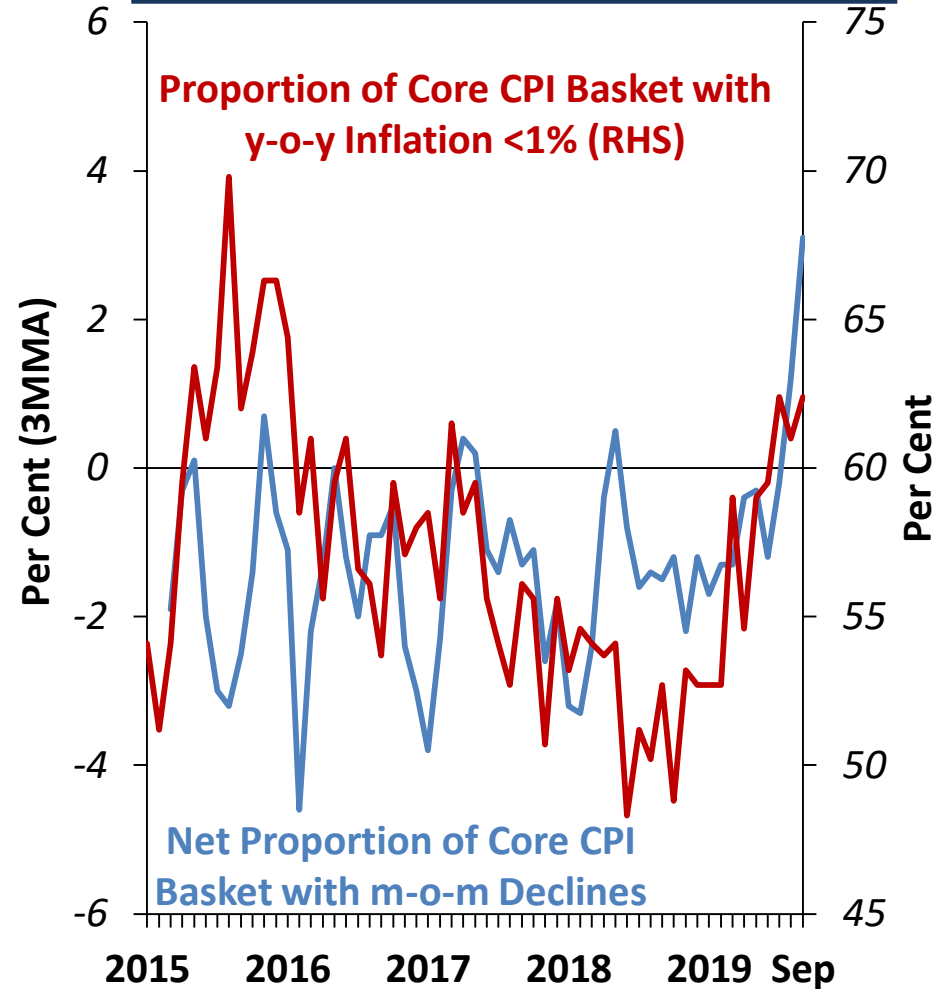


# There are signs of a broad-based retreat in price pressures.

## Cyclical Core Inflation and Output Gap



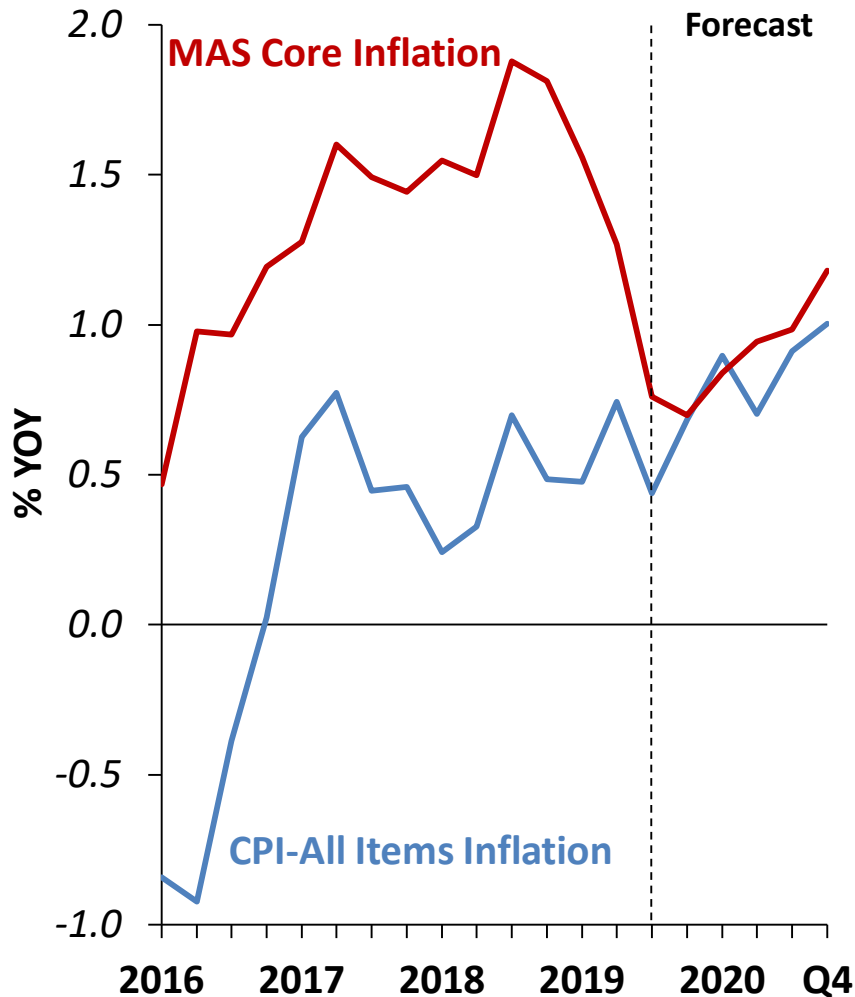
## Indicators of Price Pressure in the Core Inflation Basket



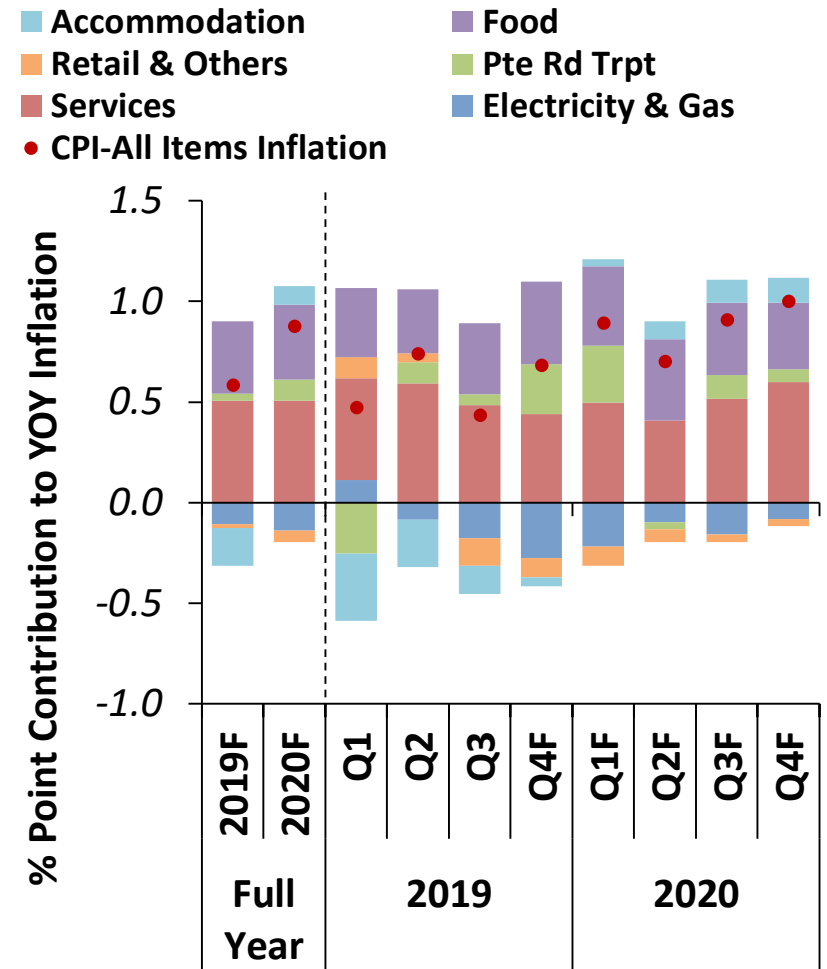


# Inflationary pressures are expected to be muted in the near term.

## CPI-All Items and MAS Core Inflation



## Contribution to CPI-All Items Inflation





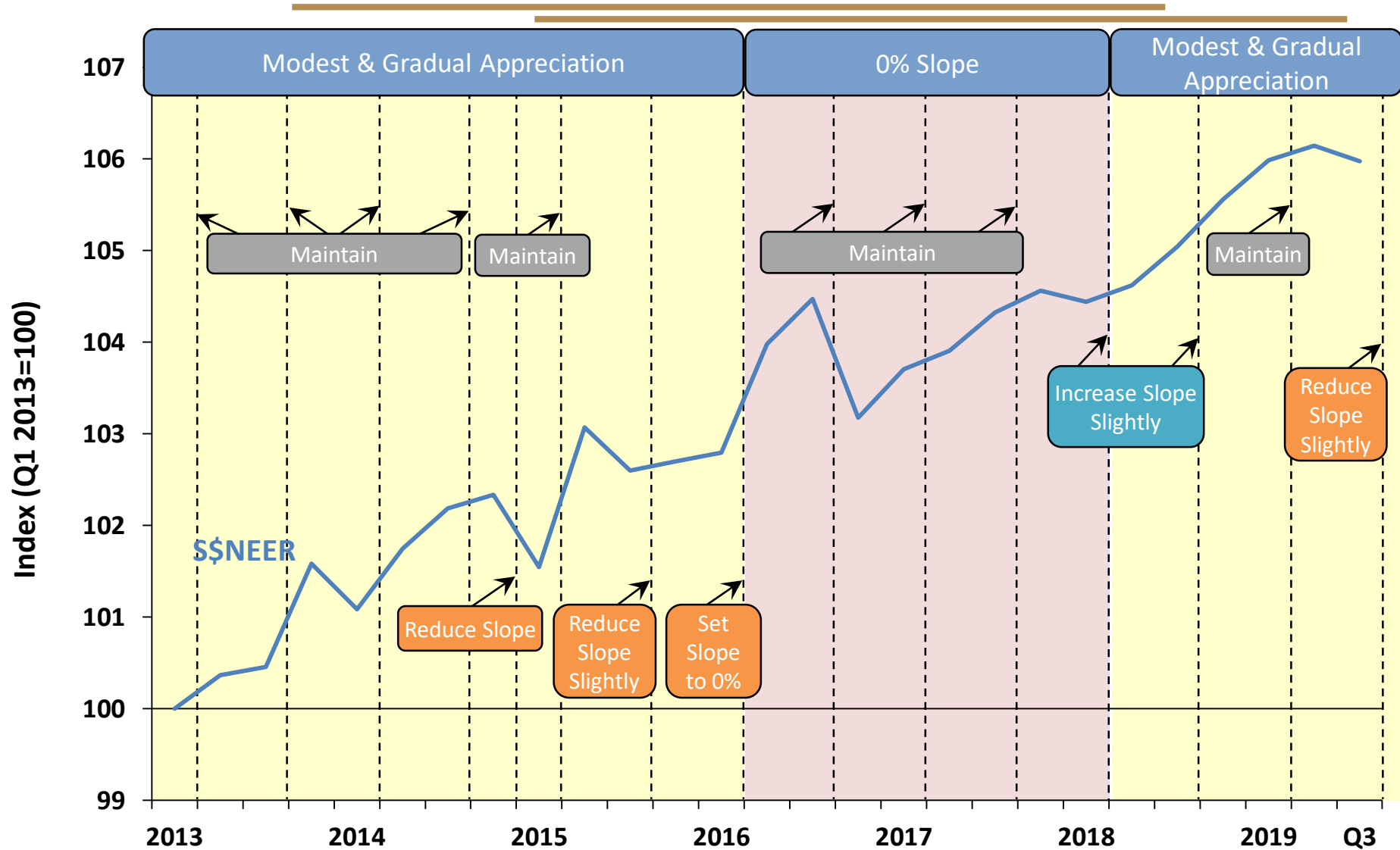
# Macroeconomic Policy

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Securing Medium-term Price Stability

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# A measured easing in October 2019.



macroeconomic



Q&A



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