

Media Release
14 February 2019



Five Focus Areas to Drive Investment Commitments in 2019

1. The Singapore Economic Development Board (EDB) secured investment commitments in 2018 that met or exceeded forecasts for all indicators. The results reflect Singapore's continued strength as a manufacturing hub, and as the preferred location in Asia for global companies to base key business functions that drive innovation and growth.
2. For 2019, investment commitments are expected to be sustained at 2018 levels. EDB will continue to capture growth opportunities and create good jobs for Singaporeans by attracting quality investments, transforming the installed base of activities, and working with large corporates to create new businesses from Singapore.

YEAR 2018 IN REVIEW

3. In 2018, EDB anchored investments committing S\$10.9 billion in Fixed Asset Investments ("FAI") and S\$6.2 billion in Total Business Expenditure Per Annum ("TBE") to Singapore, within the forecast range for the year. When these projects are fully implemented, they will create 17,400 new jobs, within the forecast range of 16,000-18,000 jobs, with an expected contribution of S\$13.6 billion in Value-Added Per Annum ("VA").

Indicator	2017 Actual	2018 Forecast	2018 Actual
Fixed Asset Investment (S\$ billion)	9.4	8.0 – 10.0	10.9
Total Business Expenditure Per Annum (S\$ billion)	6.5	5.0 – 7.0	6.2
Expected Value-Added Per Annum (S\$ billion)	17.2	-	13.6
Expected Jobs	22,500	16,000 – 18,000	17,400

(Please refer to Annex A and Annex B for details)

2019 INVESTMENT OUTLOOK

4. For 2019, EDB expects investment commitment numbers to be sustained at 2018 levels, as global growth eases amid dampening demand and uncertainties in the global operating environment.

Indicator	2018 Forecast	2018 Actual	2019 Forecast
Fixed Asset Investment (S\$ billion)	8.0 – 10.0	10.9	8.0 – 10.0
Total Business Expenditure Per Annum (S\$ billion)	5.0 – 7.0	6.2	5.0 – 7.0
Expected Jobs	16,000 – 18,000	17,400	16,000 – 18,000

5. EDB will focus on five key priorities in 2019. First, against the backdrop of global trade tensions, EDB sees an opportunity for Singapore to become a platform for ASEAN, where global and regional companies do business. EDB will also enhance Singapore's physical and digital connectivity, as well as cultivate an ASEAN-centric workforce through the Global Innovators Academy.
6. Digitalisation unlocks new sources of growth and innovation for companies. In this regard, EDB will focus on two areas of the digital economy. For advanced manufacturing, EDB will continue to strengthen Singapore's competitive edge by attracting leading manufacturers to invest in advanced manufacturing here, becoming a regional platform for Singapore-based companies to export technologies and services through the Industrial Transformation Asia Pacific event, and supporting companies in implementing the steps necessary in their Industry 4.0 journey. EDB will also look to become the digital hub for non-manufacturing companies, where they can learn best practices, access world-class capabilities and embark on their digital transformation journey.
7. Fourth, as part of Singapore's shift towards a value-creating, innovation-led economy, EDB will continue to connect companies with Institutes of Higher Learning to establish corporate labs. In addition, it will take a more active role in helping companies that are looking to create new products, services and businesses, and support them on the journey of experimentation, commercialisation, and scaling out of Singapore.

8. Finally, as technological disruption opens up new possibilities, some industries that were previously considered unviable are becoming potential growth areas for Singapore. Mobility is one example. Backed by its advanced manufacturing capabilities and highly skilled workforce, Singapore can play a leading role in autonomous vehicles and smart mobility. EDB will build on the momentum generated by investments across the mobility value chain, including artificial intelligence, urban research, and insurance, to establish an ecosystem of related projects in support of this industry cluster.

CONCLUSION

9. “The 2018 investment commitment numbers are testament to Singapore’s continued strength as a global business city and a hub for manufacturing. There are significant uncertainties in the global operating environment and signs of softening in many economies around the world. However, the level of investment commitments in Singapore is likely to remain resilient through 2019,” said Dr Beh Swan Gin, Chairman, EDB. “EDB will continue to strengthen Singapore’s positioning as a key node in ASEAN, help companies to adopt and innovate with digital technologies, and leverage our capabilities to venture into new growth areas that will create good jobs for Singaporeans.”

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About the Singapore Economic Development Board

The Singapore Economic Development Board (EDB), a government agency under the Ministry of Trade and Industry, is responsible for strategies that enhance Singapore's position as a global centre for business, innovation, and talent. We undertake investment promotion and industry development, and work with international businesses, both foreign and local, by providing information, connection to partners and access to government incentives for their investments. Our mission is to create sustainable economic growth, with vibrant business and good job opportunities for Singapore.

For more information on EDB, please visit www.edb.gov.sg.

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Definitions

Fixed Asset Investment (FAI) refers to a company's incremental capital investment in facilities, equipment and machinery.

Total Business Expenditure (TBE) refers to a company's incremental operating expenditure in Singapore (excluding depreciation). The major components include wages and rental.

Value Added (VA) measures the direct contribution a company makes to Singapore's Gross Domestic Product, excluding multiplier effects. The major components include wages and profit.

Jobs is defined as the sum of all incremental jobs created when the investments are fully implemented.

Note: The investment commitment classification by industry for 2018 is based on the latest Singapore Standard Industrial Classification (SSIC 2015).

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Table A: 2018 Investment Commitments by Industry

Industry	FAI (S\$ million)	TBE (S\$ million)	Expected VA per annum (S\$ million)	Jobs Expected to be Created
Biomedical Manufacturing	949	275	773	691
Chemicals	214	90	184	197
Education/Healthcare Services	187	87	71	515
Electronics	3,088	168	686	537
Engineering & Environmental Services	1,491	1,066	1,677	3,795
General Manufacturing Industries	195	70	44	133
Headquarters & Professional Services	211	1,122	1,983	2,567
Infocommunications & Media	1,999	1,132	3,207	3,001
Logistics	100	155	280	279
Precision Engineering	157	146	356	1,014
Research & Development	1,581	1,296	3,637	3,872
Transport Engineering	701	562	731	816
Total	10,873	6,170	13,630	17,417

*Due to rounding, figures may not add up

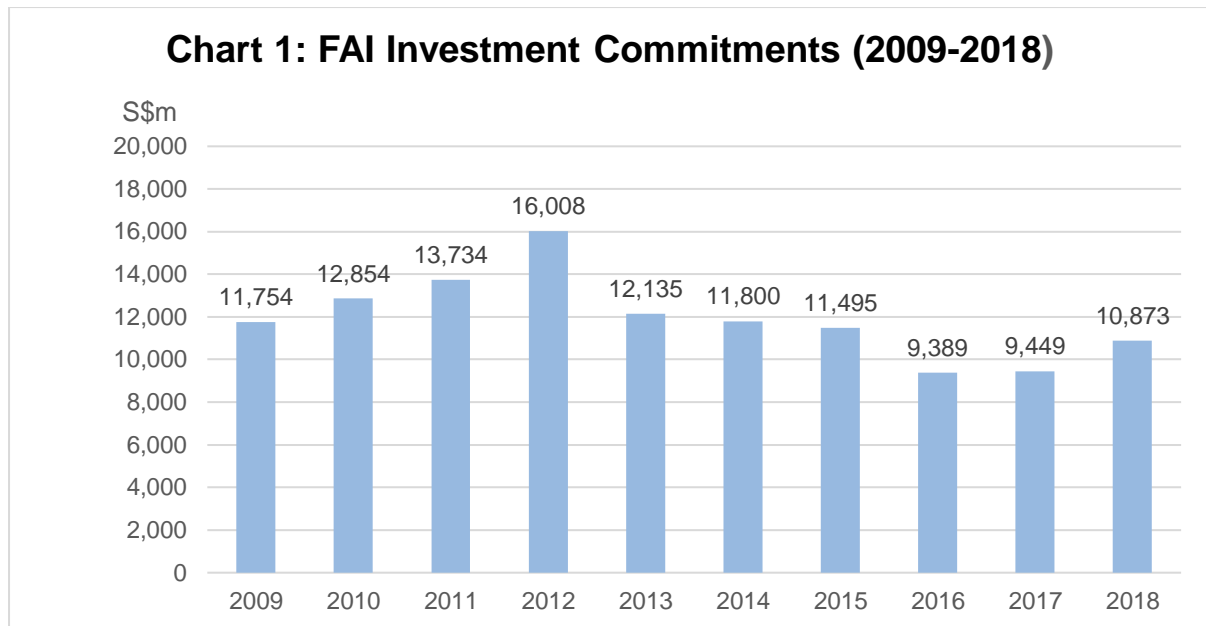


Chart 2: FAI Investment Commitments by Industry (2017)

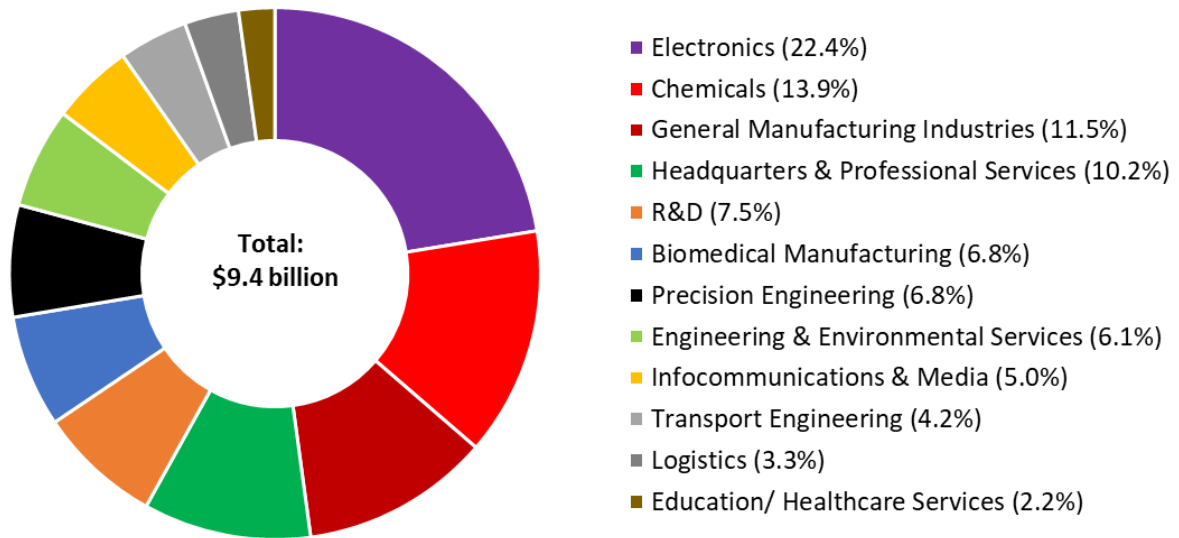


Chart 3: FAI Investment Commitments by Industry (2018)

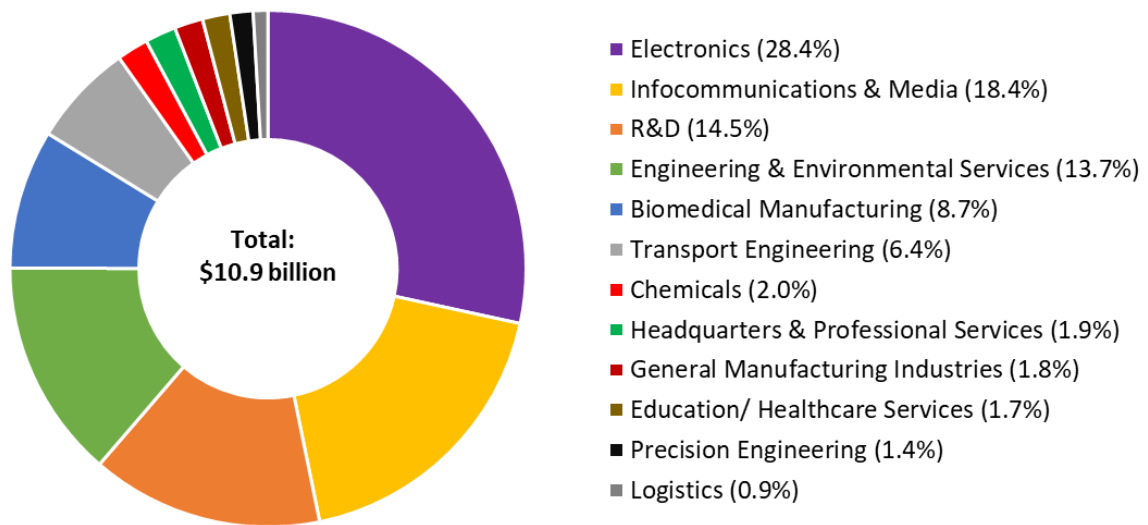


Chart 4: FAI Investment Commitments by Region (2017)

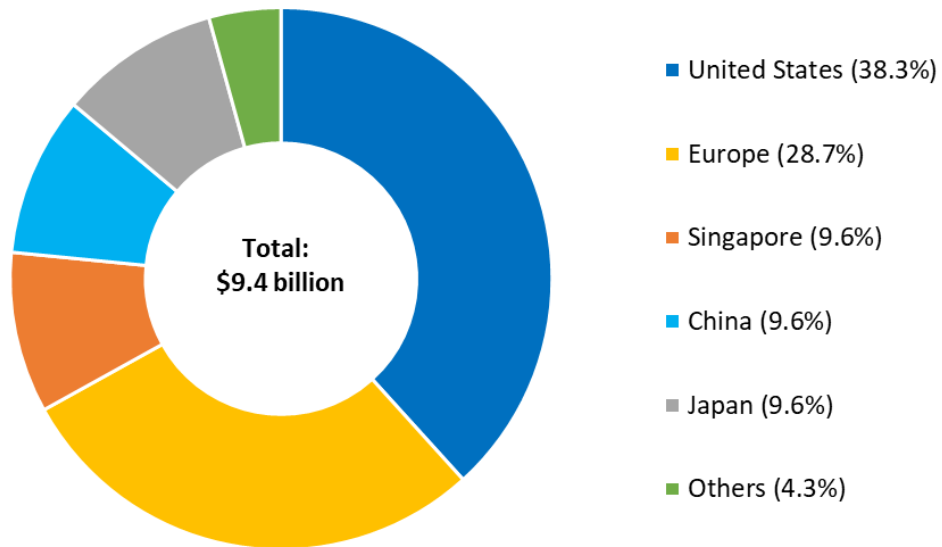
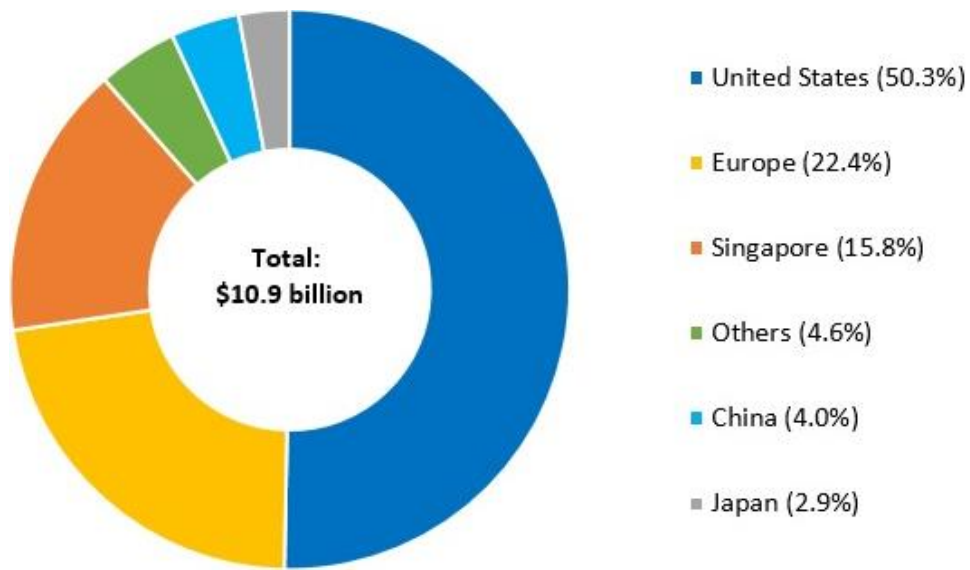


Chart 5: FAI Investment Commitments by Region (2018)



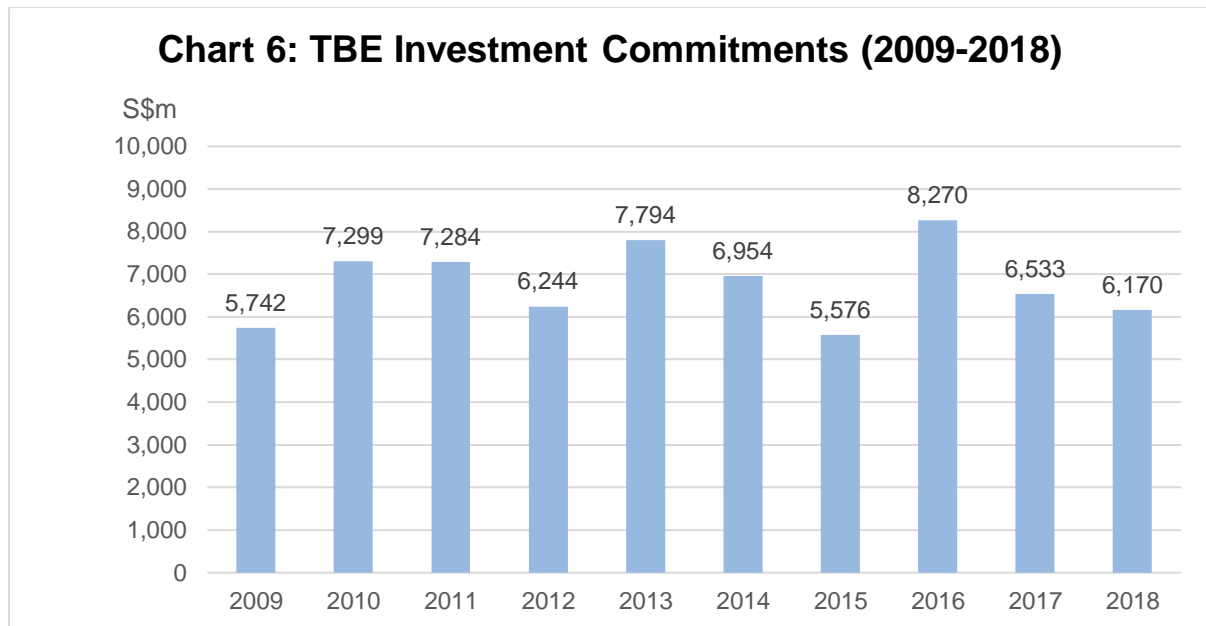


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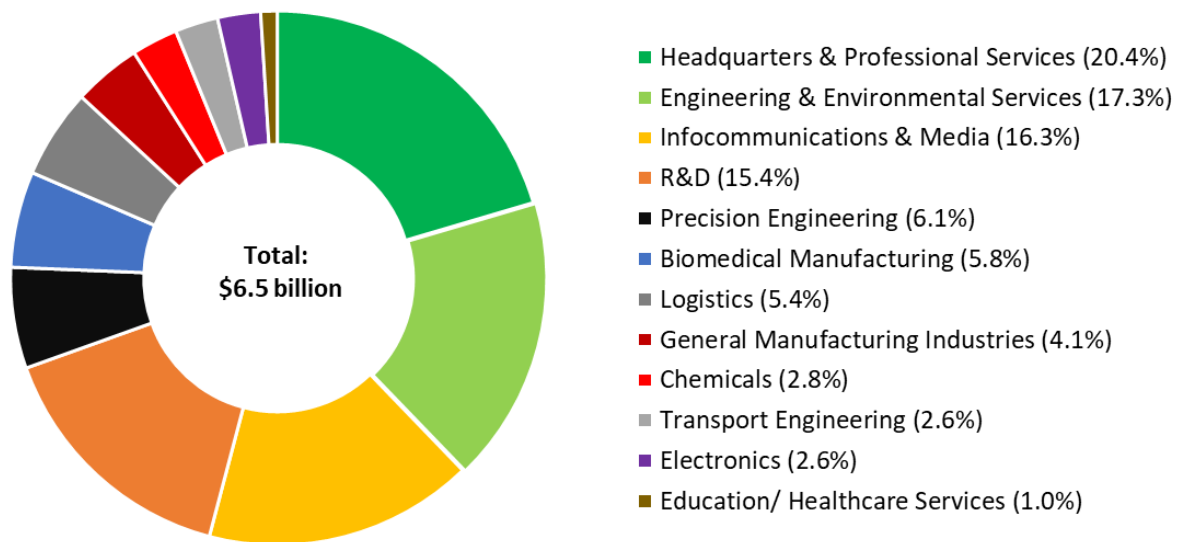


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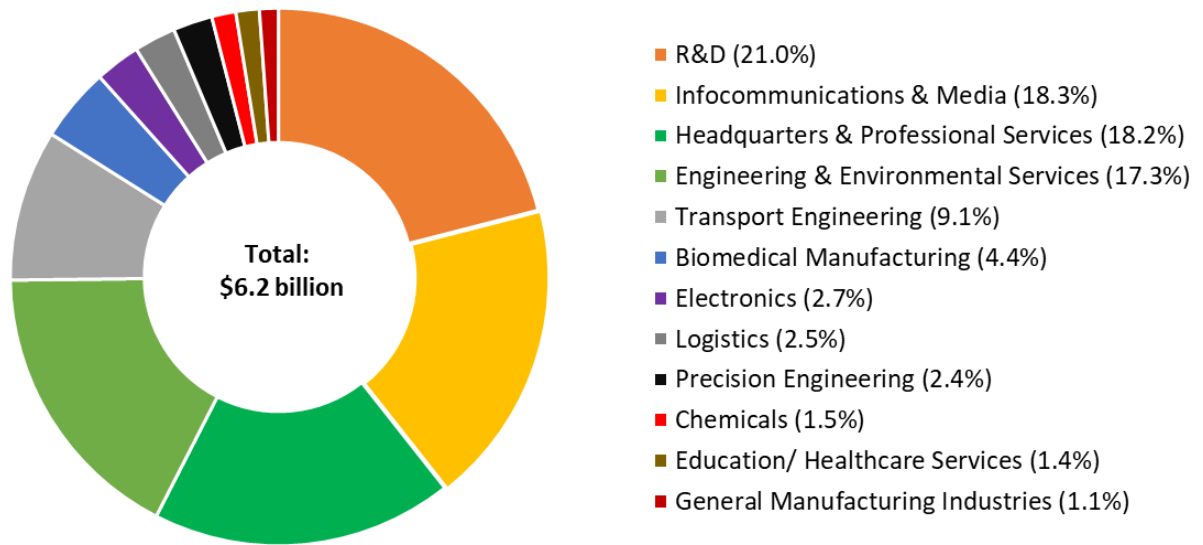


Chart 9: TBE Investment Commitments by Region (2017)

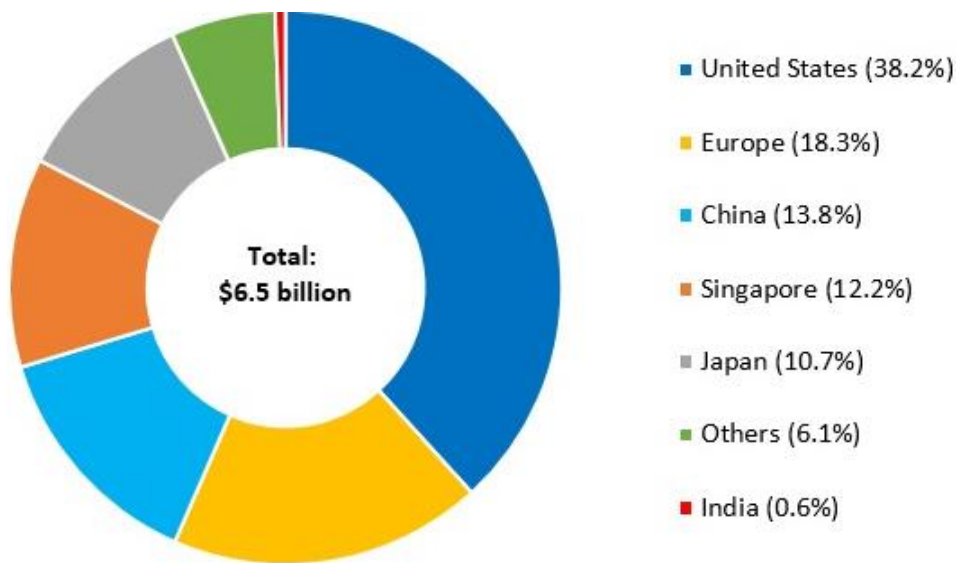
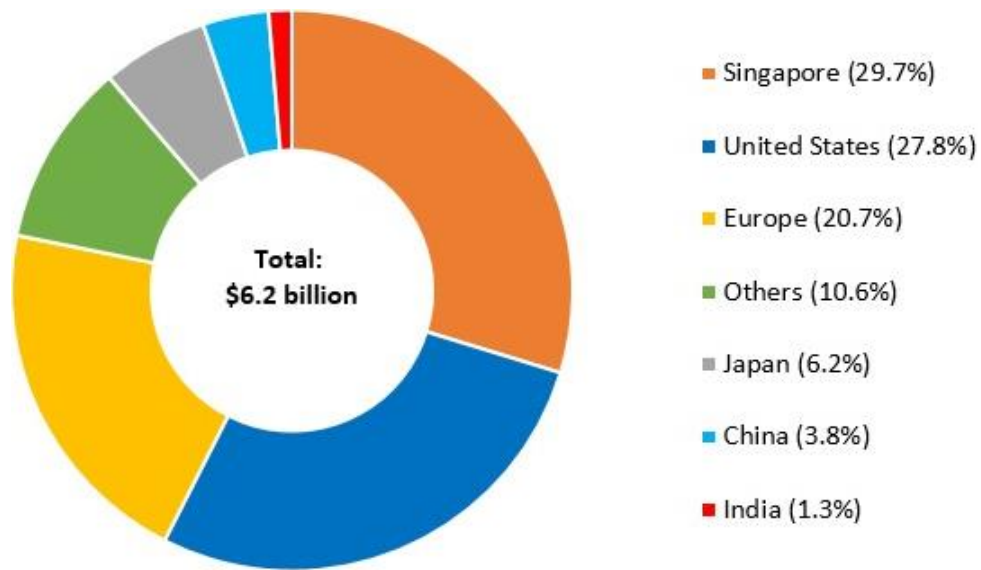


Chart 10: TBE Investment Commitments by Region (2018)



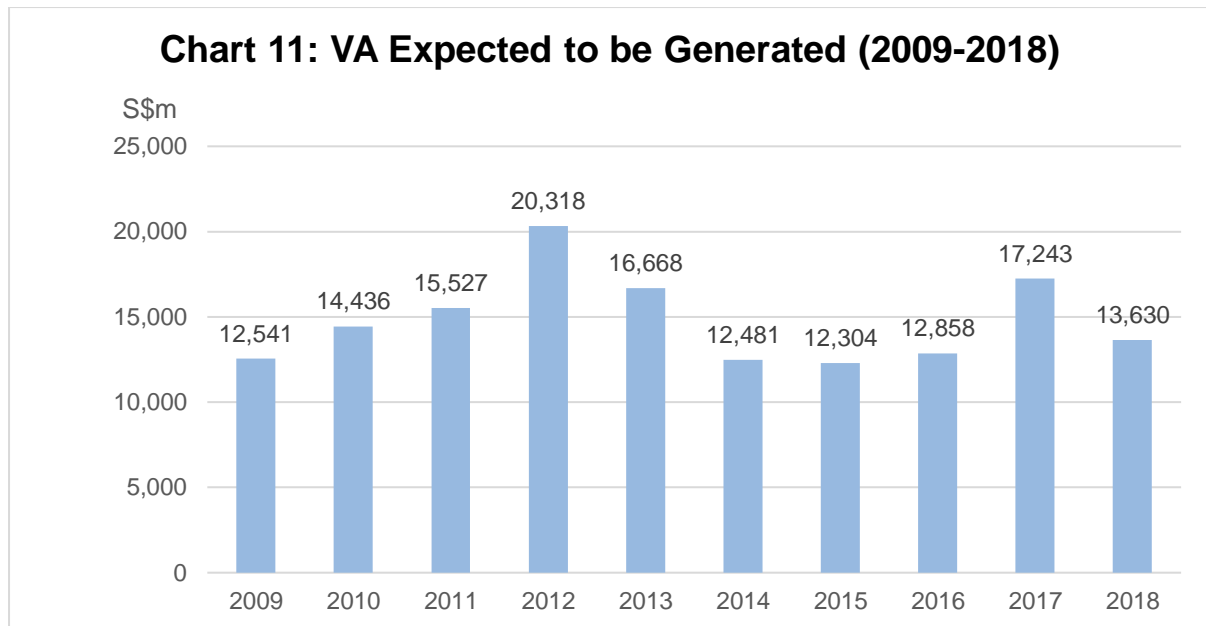


Chart 12: VA Expected to be Generated by Industry (2017)

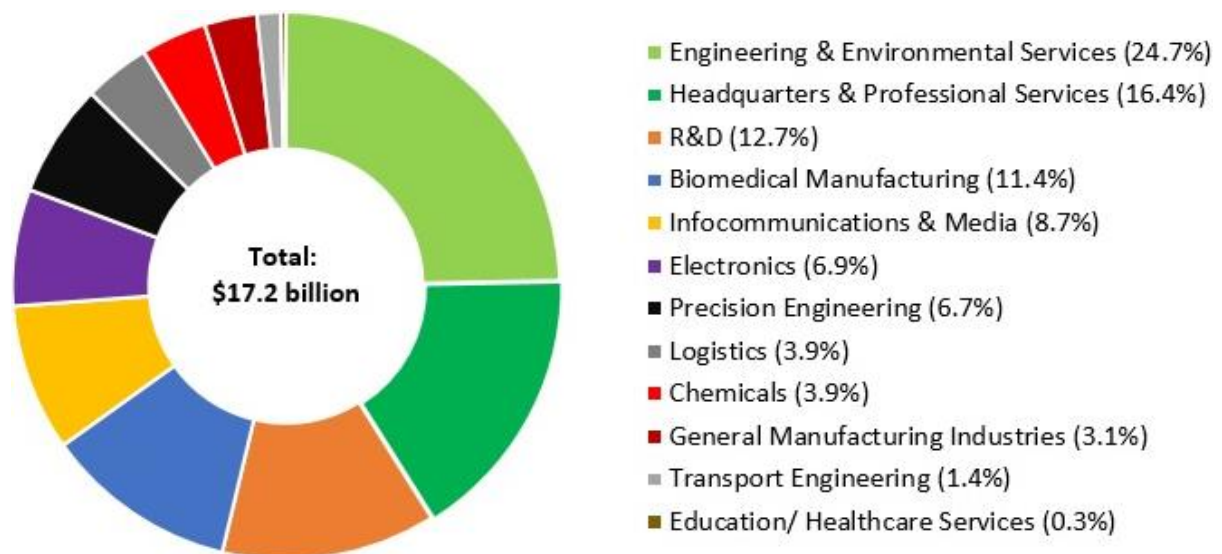


Chart 13: VA Expected to be Generated by Industry (2018)

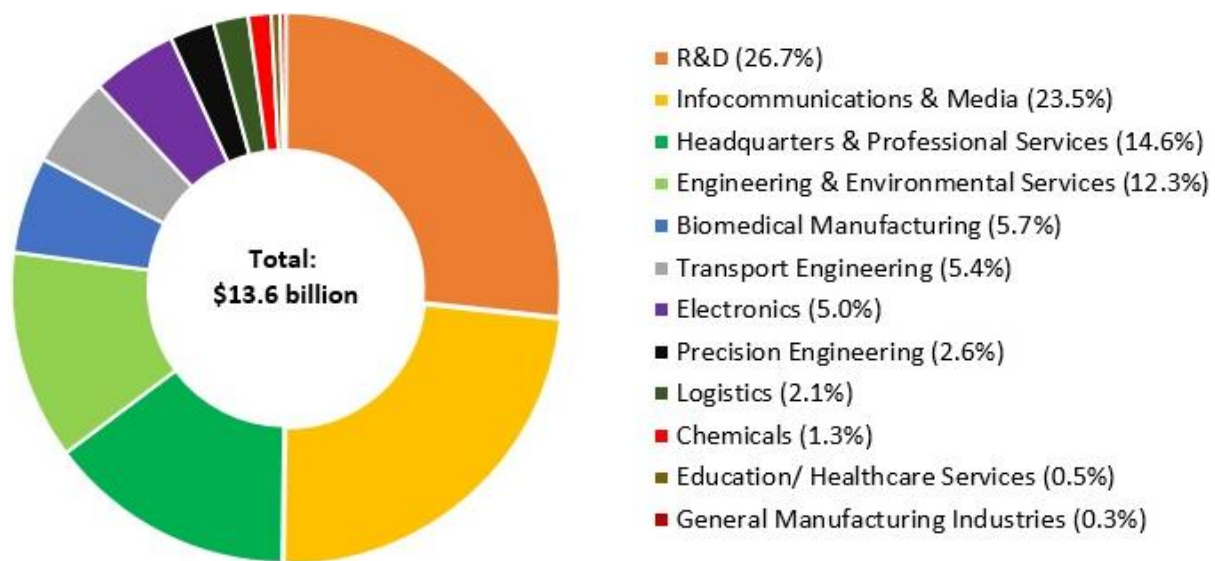


Chart 14: VA Expected to be Generated by Region (2017)

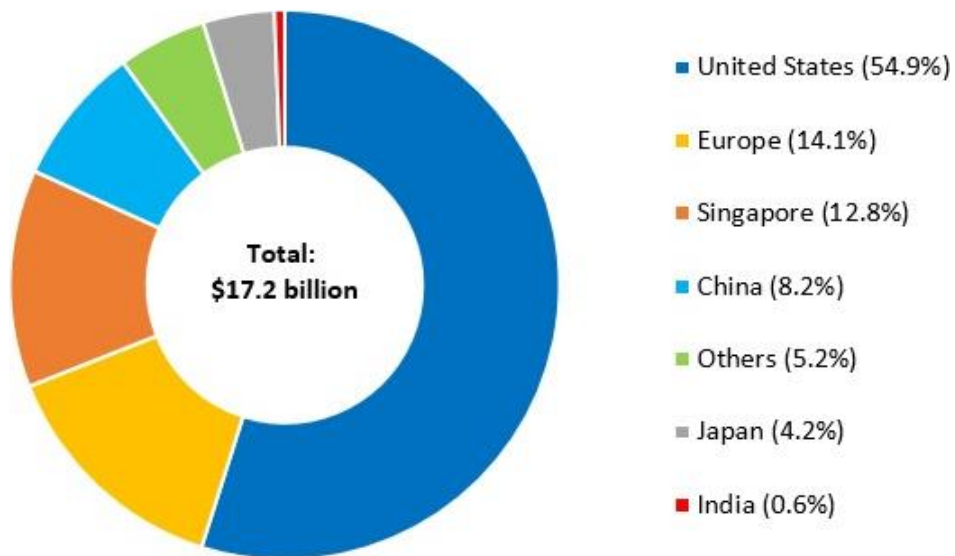


Chart 15: VA Expected to be Generated by Region (2018)

