

# Business Sentiment Survey

Second Quarter 2021



96%  
SMEs



4%  
Non-SMEs

The Multi-Ministry Taskforce (MTF) announced Singapore's reversion to Phase 2 (Heightened Alert) measures from 22 July to 18 August 2021, to mitigate the risk of further community spread from COVID-19 clusters linked to the Jurong Fishery Port. Against this backdrop of tightened measures, companies' sentiments on the economy and industry took a hit this quarter.

Our recent study was conducted in July to August 2021 with 1,576 business leaders from various industries: Environmental Services, Food Services, Logistics, Retail, ICT, Security, Wholesale Trade, Real Estate, Air Transport, Land Transport, Sea Transport, Hotels, Construction, Financial Services, Professional Services, and Food Manufacturing.

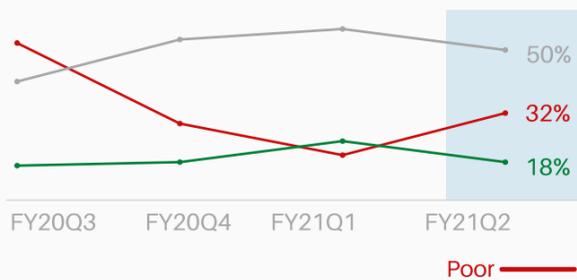
This is an abridged version of the survey findings. Click [HERE](#) to participate in our future surveys and receive full reports.



## Perceptions of Singapore's Economy and Industry Situation

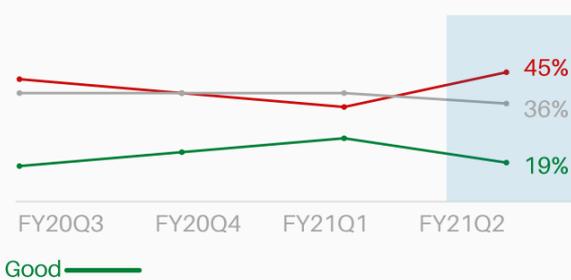
### Current Economic Sentiment

Perceptions of the economy worsened for the quarter. However, majority were optimistic of the future economic outlook.



### Current Industry Sentiment

Industry sentiments were impacted by the return to Phase 2 (Heightened Alert). However, slightly more companies had a positive future industry outlook.



### Future Economic Outlook

54%



### Future Industry Outlook

45%



## Revenue Changes



of companies were profitable in FY2020

Businesses have become more financially fragile, with **2 in 5** companies experiencing a drop in revenue between April and June 2021. About half of these companies had not expected a revenue decrease. **Food Services** saw a higher proportion of companies with a decrease in Y-o-Y revenue for the first time since April to June 2020, and the sector remained pessimistic about earnings in July to September 2021.



## Return to Phase 2 Heightened Alert (P2HA) Measures

2 in 5



companies were at least moderately impacted by the P2HA measures

### Views on P2HA

A majority of the companies (72%) agreed that Singapore's return to P2HA was necessary. Most companies hoped for a relaxation of measures after 2 weeks.

### Re-opening of Singapore's economy

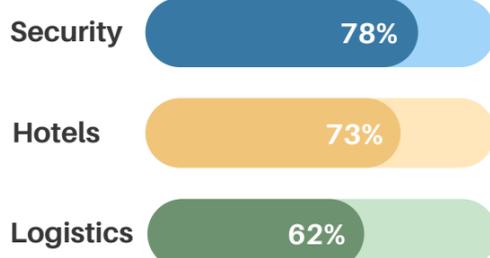
Compared to the first implementation of P2HA in May and June 2021, twice as many companies now thought that the economy should gradually re-open.



## Progressive Wage Accreditation Mark

The Government is looking to accredit companies that commit to improving the wages and working conditions of lower-wage workers with a certification Mark. This Mark would provide businesses an opportunity to distinguish themselves as a responsible and progressive employer that pays fair wages. It would also allow consumers to identify such progressive companies and consciously support them by purchasing their products and services.

### Top Sectors Interested in Accreditation



### Key Motivators for Accreditation

- 1 Will not lead to significant additional cost to business
- 2 The administrative process to get accredited is minimal and fuss-free
- 3 Demonstrates company's commitment as a responsible & progressive employer that pays fair wages

Visit our [One-Stop Resource page](#) to browse assistance schemes grouped according to business stage/function.

IndSights Research is a not-for-profit industry research company conducting studies on various issues affecting Information and Communications Technology (ICT) companies, as well as businesses in all key industries in Singapore.

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