

BUSINESS SENTIMENT SURVEY

Third Quarter FY2021

December 2021 marked a year since Singapore's nationwide vaccination programme was rolled out. Coupled with the local situation stabilizing, the Multi-Ministry Taskforce (MTF) announced that certain measures would be eased, such as allowing people to gather in groups of up to five and re-opening borders via VTLs. As Singapore exits the Stabilization Phase towards a strategy of living with the virus, companies' sentiments on the economy and current industry experienced a lift compared to the previous quarter.

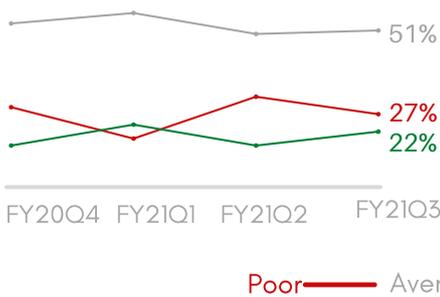
Our recent study was conducted in October to December 2021 with 1,585 business leaders from various industries: Environmental Services, Food Services, Logistics, Retail, Information & Communications, Security, Wholesale Trade, Real Estate, Air Transport, Land Transport, Sea Transport, Hotels, Construction, Financial Services, Professional Services, Food Manufacturing, Healthcare and Education.

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

Perceptions of Economy and Industry

Overall perceptions of the Singapore economy improved from Q2, with a decrease in poor sentiments. Companies' future economic outlook remained largely positive. Companies were also less optimistic about their current industry situation, with 41% rating it as poor. Still, 4 in 10 companies expect their industry situation to improve in the future.

Current Economic Sentiment



Current Industry Sentiment



Future Industry Outlook

43%

Future Economic Outlook

51%

Revenue

Similar to previous quarters, more businesses experienced a decrease rather than an increase in Y-o-Y revenues. **Food Services, Education,** and **Land Transport** sectors saw a higher proportion of companies with lower revenues in Jul-Sep 2021. However, companies remain optimistic that revenues will improve in the next two quarters.

56% of companies were profitable in FY2020

Company Strategies

Companies are giving priority to increasing their budgets for business expansion, digitalisation, and innovation in 2022. As companies seek to capitalise on possible growth prospects, these could be signs of the industry gearing up to meet new business demands with the gradual re-opening of global economies.

Training Budget Allocation:

7 out of 10

companies that allocated budget for training tended to be profitable in FY2020



Proportion of Companies Increasing Budgets:



COVID-19 Restriction Measures

Companies have become more prepared over time to handle disruptions arising from stricter COVID-19 measures. This may also explain why significantly more companies are now in favour of gradually reopening the Singapore economy.

Level of Preparedness Oct-Dec'21



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 all key industries in Singapore.

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