

# BUSINESS SENTIMENT SURVEY

Second Quarter FY2022

The Singapore economy is moving more cautiously towards post-pandemic recovery with a lower estimated economic forecast for the latter half of the year. Continual challenges from stiff global headwinds, which were further intensified by global supply chain bottlenecks and food & energy price inflation were reflected in companies' sentiments about the future. However, current sentiments about the business situation have held steady and are showing slight improvement despite remaining in negative territory.

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

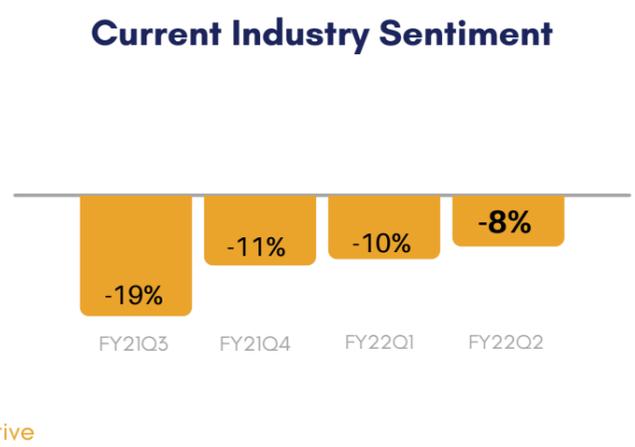
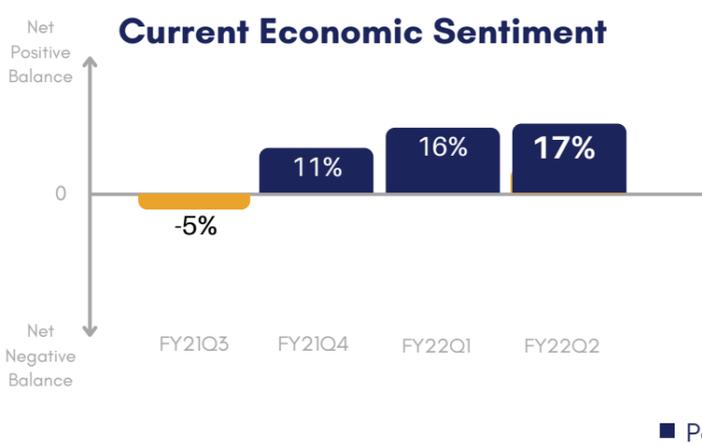


Our recent survey was conducted in July to September 2022 with 1,520 business leaders from: Environmental Services, Food Services, Logistics, Retail, Information & Communications, Security, Wholesale Trade, Real Estate, Air Transport, Land Transport, Sea Transport, Hotels, Construction, Financial Services, Professional Services, Food Manufacturing, Healthcare, Education, Electronics, Energy & Chemicals, Marine & Offshore, Precision Engineering, and Aerospace.

## Perceptions of Economy and Industry

**Positive sentiments towards the Singapore economy increased slightly**, with a net balance of 17% compared to 16% in the previous quarter. However, companies were much more pessimistic about the future economic outlook; with a 21p.p plunge from the previous quarter.

Negative sentiments about the current business situation saw an improvement from the previous quarter. However, companies were **notably less positive about their future business situation**.



Note: Net balance is calculated by taking the difference between the percentages of positive and negative sentiments. A plus sign in the net balance indicates a net upward trend (a higher proportion of companies were optimistic) and a minus sign denotes a net downward trend (a higher proportion of companies were pessimistic) about the economic/industry situation.

## Revenue

Revenue change in Apr-Jun 2022 remained stable with a net balance of -2%. Sectors in **Food Services** and **Sea Transport** saw a higher proportion of companies with YoY revenue increases, while **Precision Engineering**, **Food Manufacturing** and **Security** topped the sectors which experienced YoY revenue decreases in Apr-Jun. In view of expected recovery in economic activities, firms are in general expecting positive YoY revenue growth for the period of Jul-Sep 2022.



## Companies Top Concerns

Companies' main concerns in the next 6 months are largely related to macroeconomic factors such as inflation and demand/supply issues.

### Companies' top 3 concerns in the next 6 months



78%

Cost of doing business in Singapore



53%

Disruptions to businesses (e.g. supply chain disruptions, shortage of resources, inflation)



37%

Low demand for products/services

## Sustainability



50% are aware of how they can adopt sustainable and green practices into their business model.

2 in 5 companies agreed that growth in demand for sustainability and green solutions would open new opportunities for their business; 47% of them have put in place budget/plans to adopt such practices in the next 2 to 3 years.