

(EMBARGOED UNTIL 30 JANUARY 2018, 12:00PM)

30 January 2018

**INVESTMENT COMMITMENTS IN 2017 MET FORECAST;
2018 EXPECTED TO BE COMPARABLE, WITH TRANSFORMATION AS FOUNDATION
TO INNOVATION AND GROWTH**

(I) OVERVIEW

1. EDB secured investment commitments in 2017 that met or exceeded forecasts for all indicators. The results reflect the continued confidence of global companies in Singapore as a strategic location to base key business functions driving innovation and growth.
2. For 2018, investment commitments are expected to be sustained at 2017 levels. EDB will continue to capture growth opportunities and create good jobs for Singaporeans, by anchoring new investments and transforming the installed base of activities.

(II) YEAR 2017 IN REVIEW

3. In 2017, EDB anchored investments committing S\$9.4 billion in Fixed Asset Investments (“FAI”) and S\$6.5 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 22,500 new jobs, exceeding the forecast range of 19,000-21,000 jobs, with an expected contribution of S\$17.2 billion in Value-Added Per Annum (“VA”).

Indicator	2016 Actual	2017 Forecast	2017 Actual
Fixed Asset Investment (S\$ billion)	9.4	8.0 – 10.0	9.4
Total Business Expenditure Per Annum (S\$ billion)	8.3	5.0 – 7.0	6.5
Expected Value-Added Per Annum (S\$ billion)	12.9	12.0 – 14.0	17.2
Expected Jobs	20,100	19,000 – 21,000	22,500

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

4. The TBE commitments for 2017 are within the forecast range for the year. The higher-than-usual figures achieved in 2016 were due to several large shipyard investments, without which the 2016 TBE commitments would have been within the range of S\$5.5-6.5 billion. Those projects have a long investment cycle, and do not happen on a recurring basis.

(III) 2018 INVESTMENT OUTLOOK

5. For 2018, EDB expects investment commitment numbers to be sustained at 2017 levels, as the recovery in global aggregate demand and steady growth in Asia are tempered by continued uncertainties in the global environment.

Indicator	2017 Forecast	2017 Actual	2018 Forecast
Fixed Asset Investment (S\$ billion)	8.0 – 10.0	9.4	8.0 – 10.0
Total Business Expenditure Per Annum (S\$ billion)	5.0 – 7.0	6.5	5.0 – 7.0
Expected Jobs	19,000 – 21,000	22,500	16,000-18,000

6. EDB will continue to consolidate Singapore’s position as a high value manufacturing base by deepening Singapore’s advanced manufacturing and digital capabilities to raise productivity and output. While still attracting investments from lead adopters of advanced manufacturing, we will also build on 2017’s work to transform Singapore-based enterprises through initiatives such as the Singapore Smart Industry Readiness Index.
7. As industries move towards greater automation and digitalisation, EDB is committed to helping companies upskill their workforce to take on the new jobs that will be created. We will also continue to partner Workforce Singapore and support Professional Conversion Programmes to reskill and assist PMETs seeking career opportunities in other sectors.
8. A growing priority for EDB is to foster the creation of new and disruptive businesses from Singapore, with a focus on our large local enterprises and MNCs that are anchored in Singapore. We also work with fellow agencies such as A*STAR, Enterprise Singapore and the National Research Foundation to nurture the local system for innovation, to facilitate R&D of new technologies and solutions from Singapore, for both Singapore and the world.

(IV) CONCLUSION

9. *“The 2017 investment commitment levels are a demonstration of Singapore’s continued strength as a global business city and manufacturing hub. We expect the steady and solid level of investment interest from companies to continue in 2018 although there are uncertainties in the global operating environment.”* said Dr Beh Swan Gin, Chairman, EDB. *“EDB will also continue to focus on industry transformation, and help companies stay competitive through the adoption of, and innovation in, advanced manufacturing, and digital technologies. This will open doors to new opportunities for companies based in Singapore, and create good jobs for Singaporeans.”*

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ABOUT THE EDB

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 (GDP) 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 2017 is based on the latest Singapore Standard Industrial Classification (SSIC 2015).

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Table A: 2017 Investment Commitments by Industry

Industry	FAI (S\$ million)	TBE (S\$ million)	Expected VA per annum (S\$ million)	Jobs Expected to be Created
Biomedical Manufacturing	646	377	1,969	1,903
Chemicals	1,317	186	666	340
Education/Health Services	212	65	52	355
Electronics	2,115	172	1,195	1,173
Engineering & Environmental Services	581	1,132	4,255	3,874
General Manufacturing Industries	1,087	265	530	289
Headquarters & Professional Services/ Research & Development	1,676	2,342	5,014	7,035
Infocommunications & Media	469	1,066	1,497	2,500
Logistics	311	353	678	1,452
Precision Engineering	640	402	1,147	2,706
Transport Engineering	396	173	240	854
Total	9,449	6,533	17,243	22,481

*Due to rounding, figures may not add up.

Chart 1: FAI Investment Commitments (2008-2017)

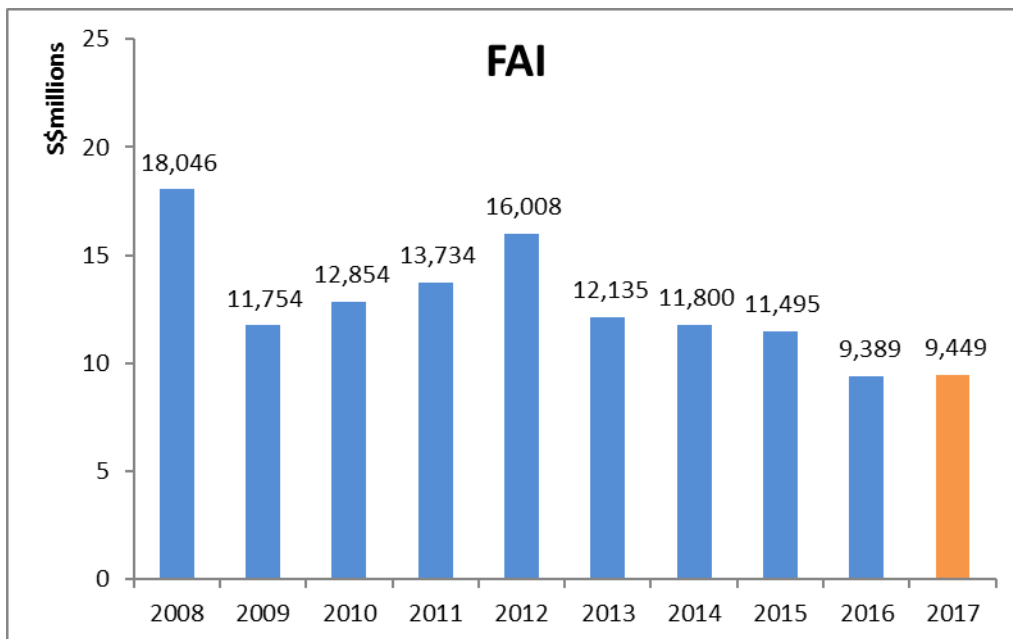
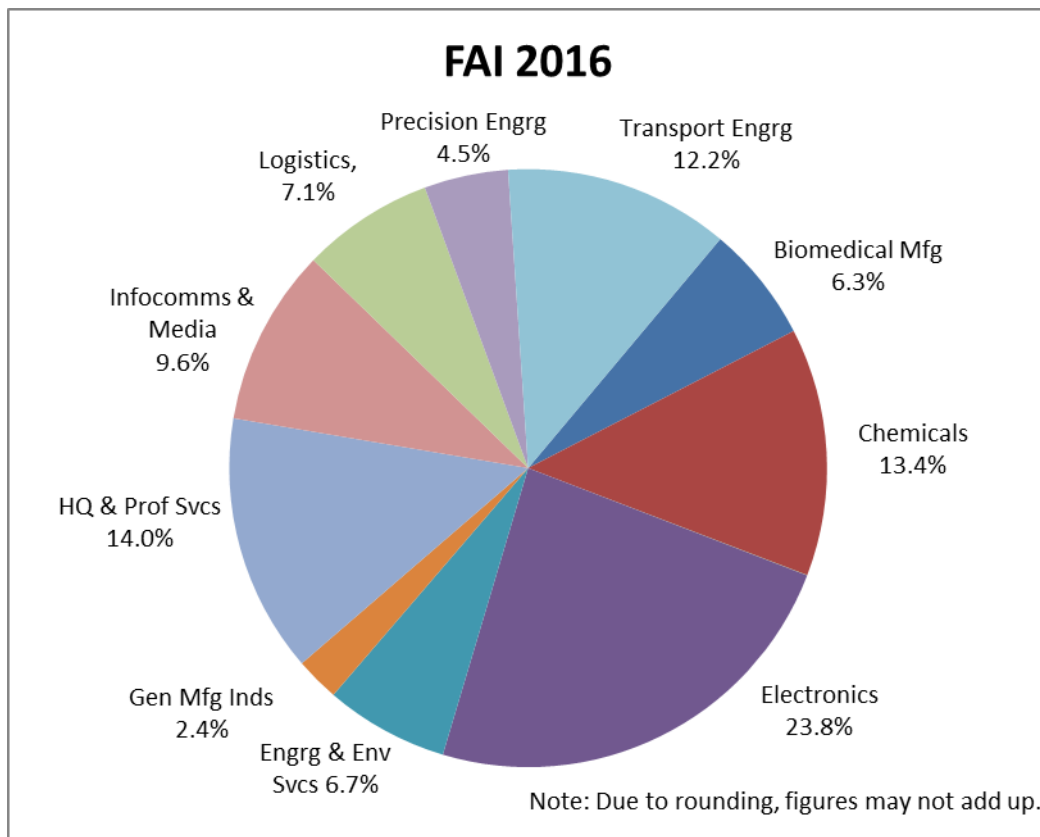
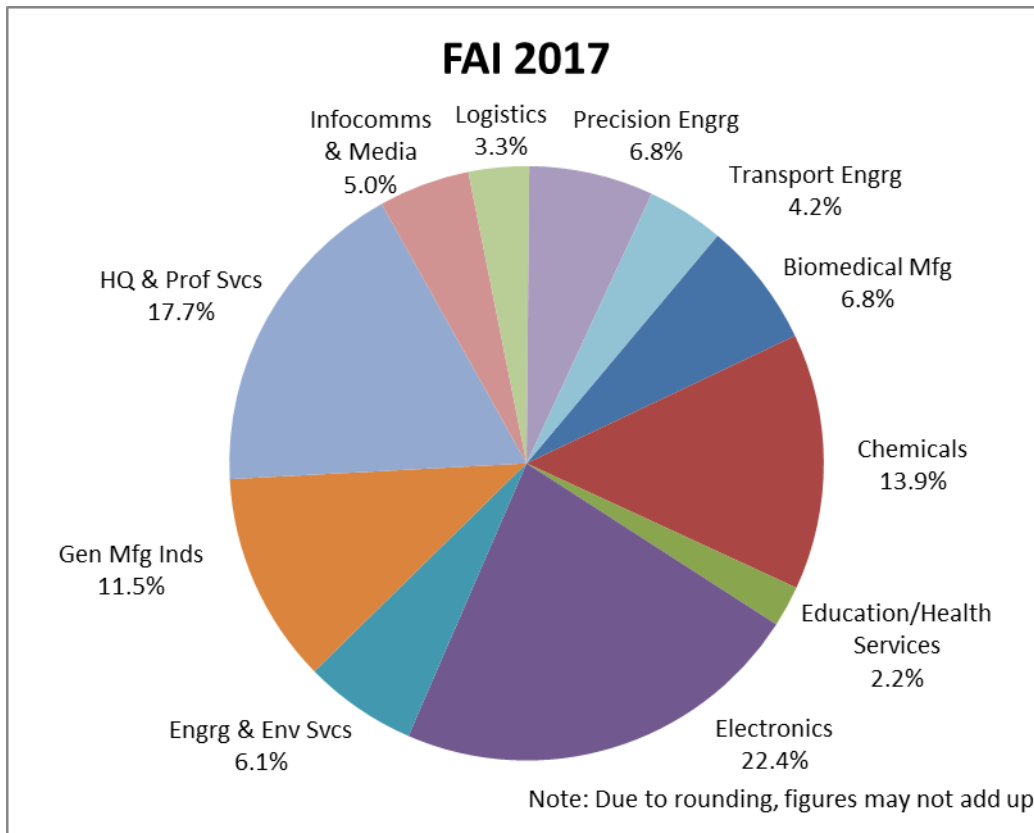


Chart 2: FAI Investment Commitments by Industry (2016)



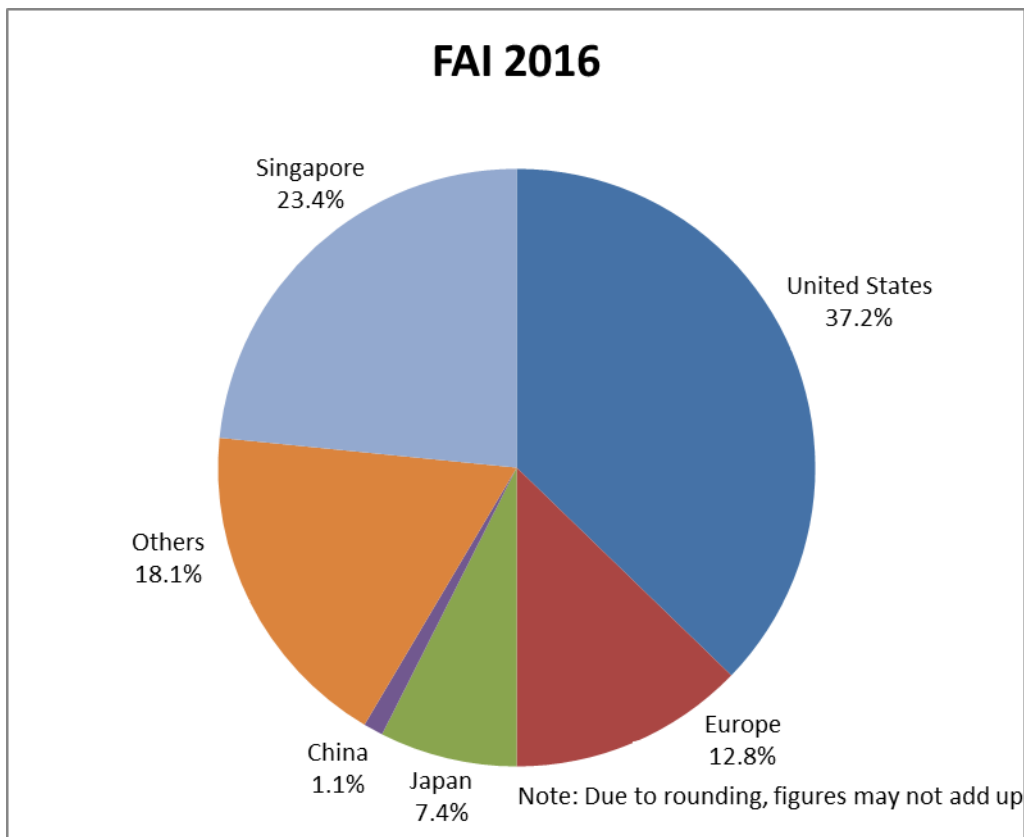
Total: S\$9.4 billion

Chart 3: FAI Investment Commitments by Industry (2017)



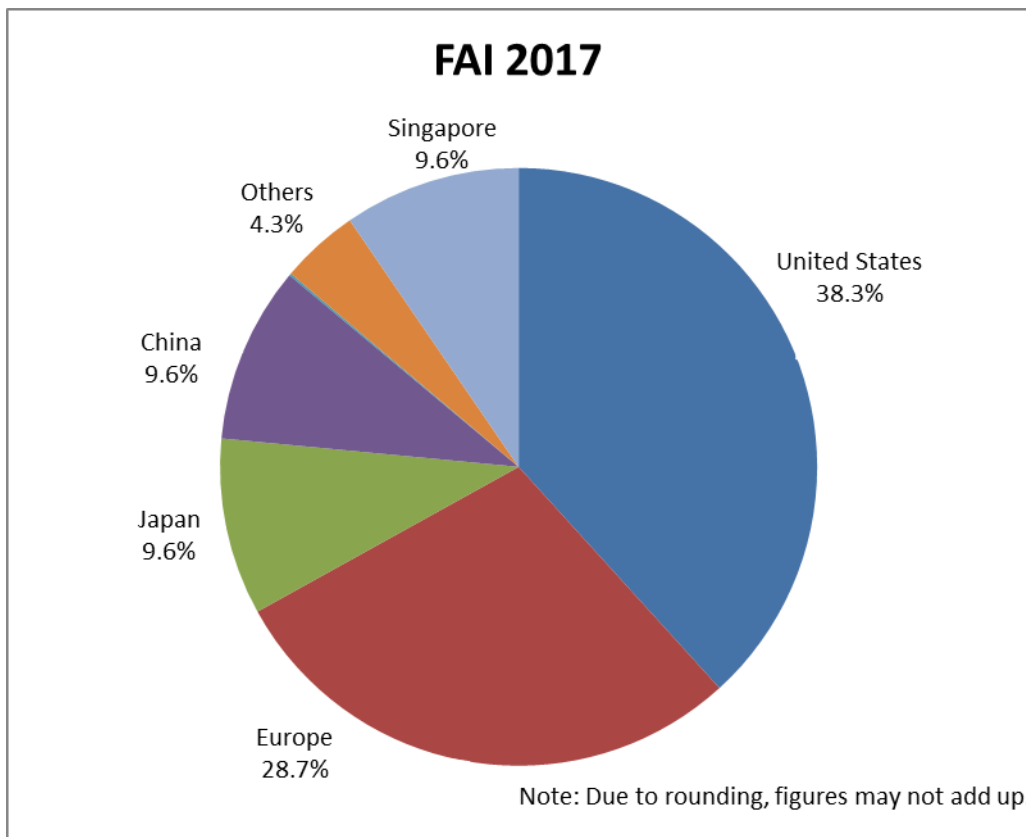
Total: S\$9.4 billion

Chart 4: FAI Investment Commitments by Region (2016)



Total: S\$9.4 billion

Chart 5: FAI Investment Commitments by Region (2017)



Total: S\$9.4 billion

Chart 6: TBE Investment Commitments (2008-2017)

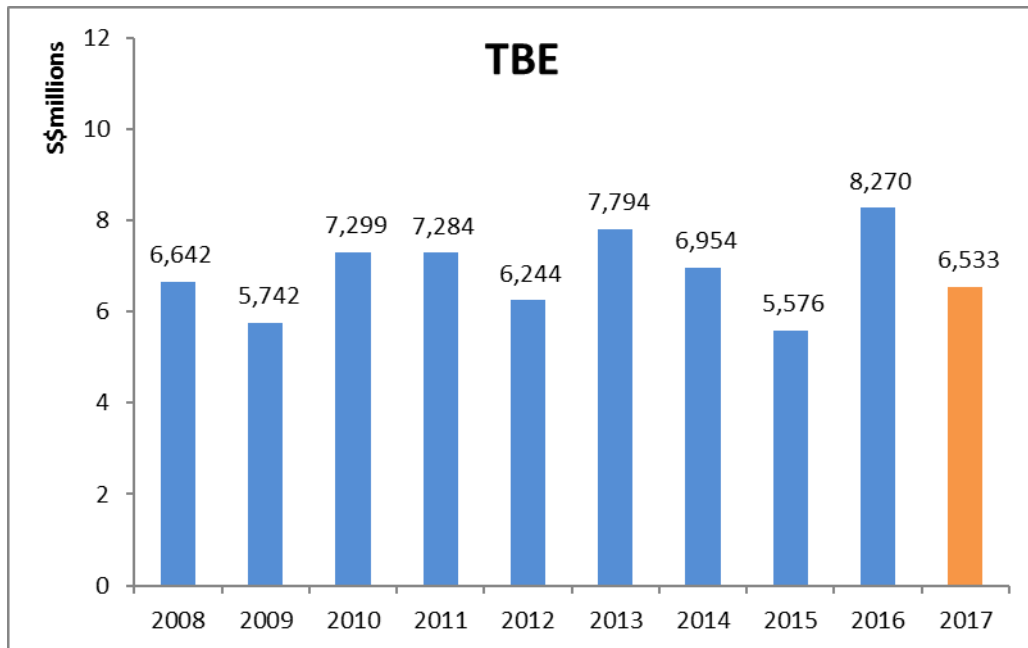
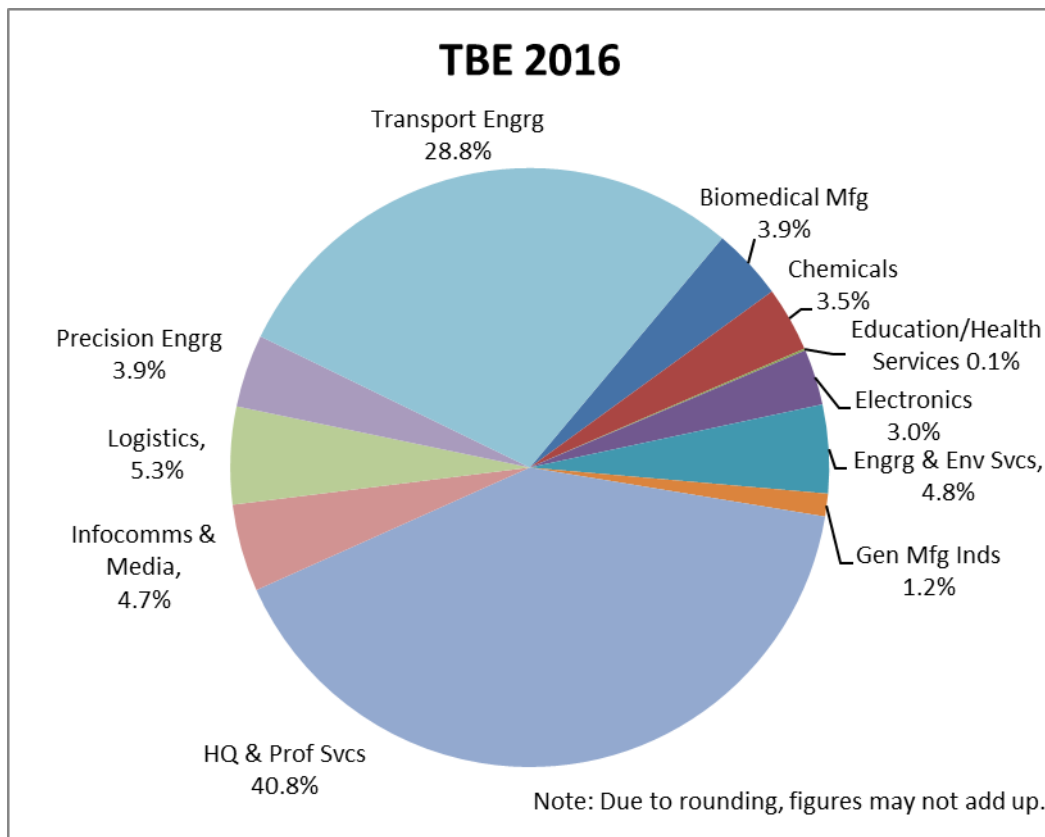
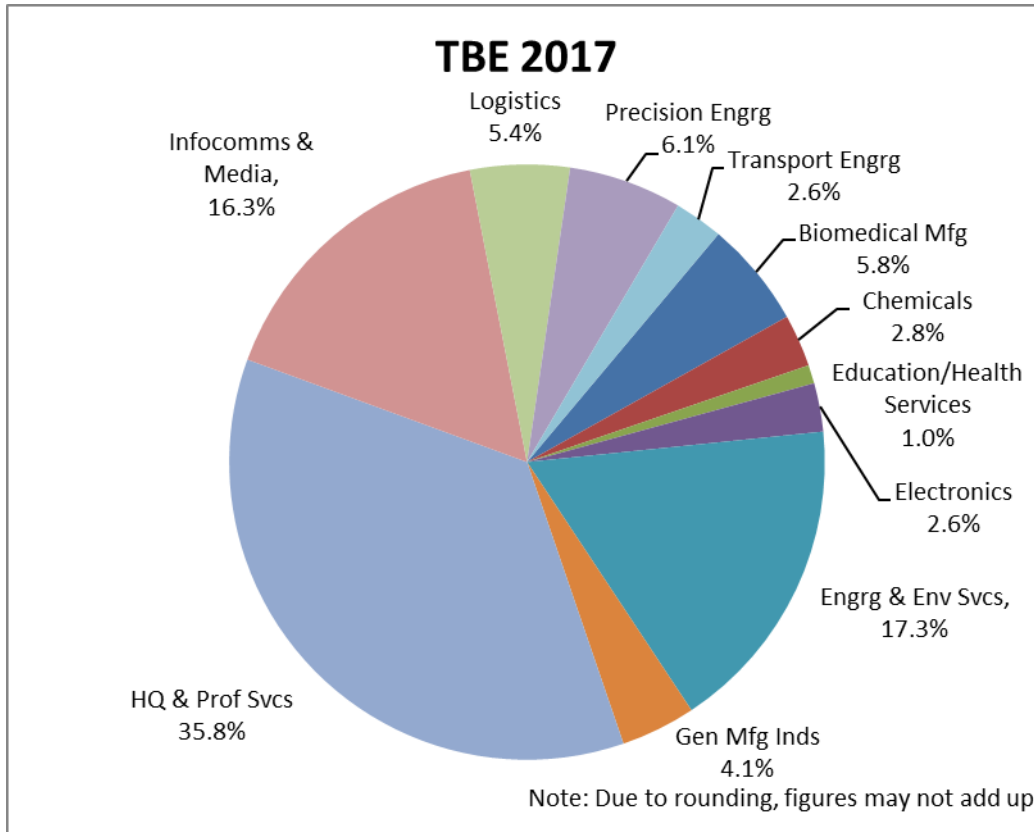


Chart 7: TBE Investment Commitments by Industry (2016)



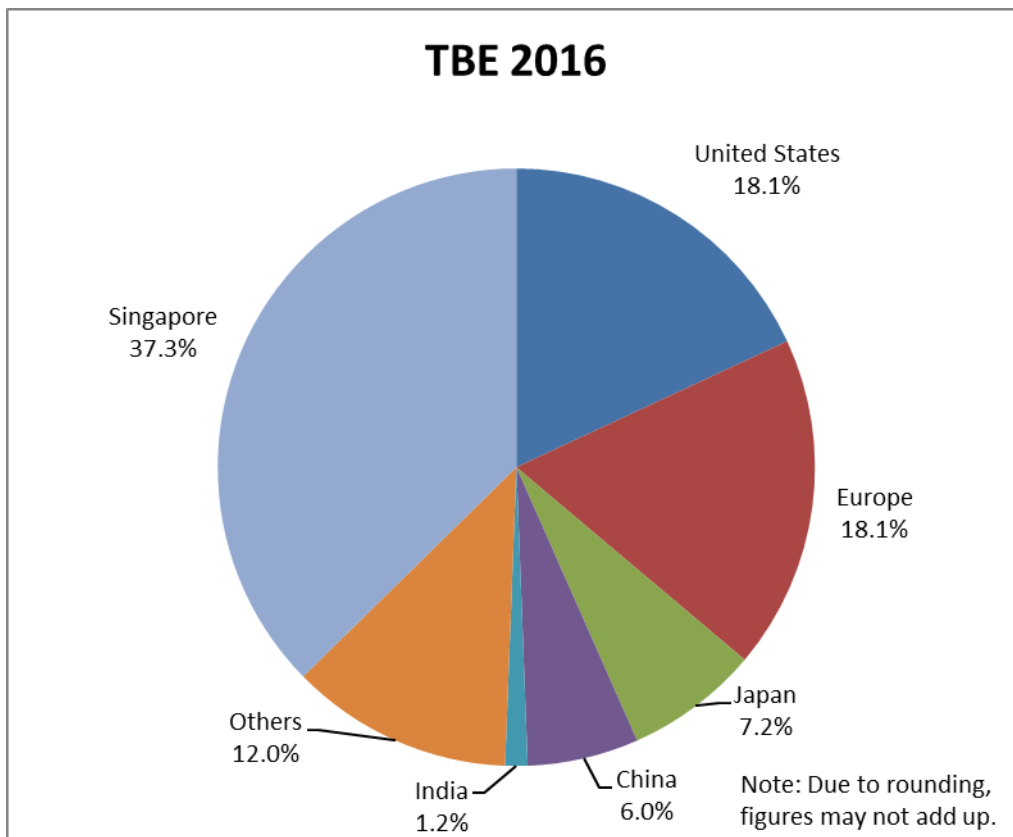
Total: S\$8.3 billion

Chart 8: TBE Investment Commitments by Industry (2017)



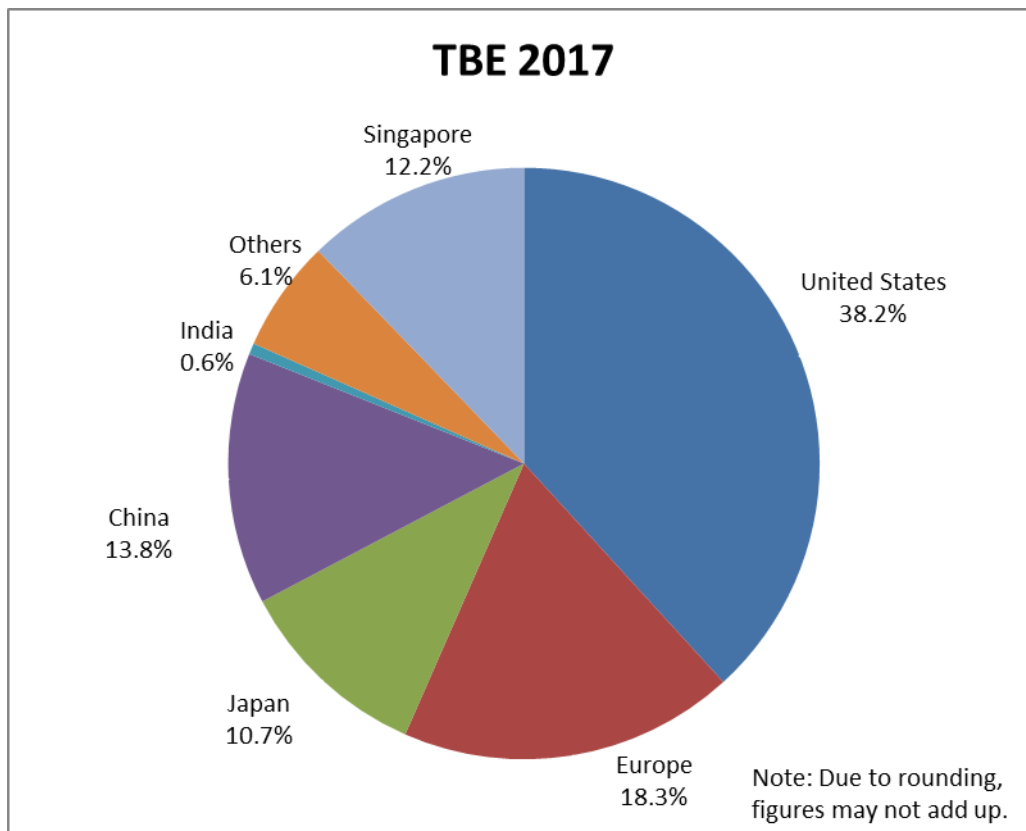
Total: S\$6.5 billion

Chart 9: TBE Investment Commitments by Region (2016)



Total: S\$8.3 billion

Chart 10: TBE Investment Commitments by Region (2017)



Total: S\$6.5 billion

Chart 11: VA Expected to be Generated (2008 – 2017)

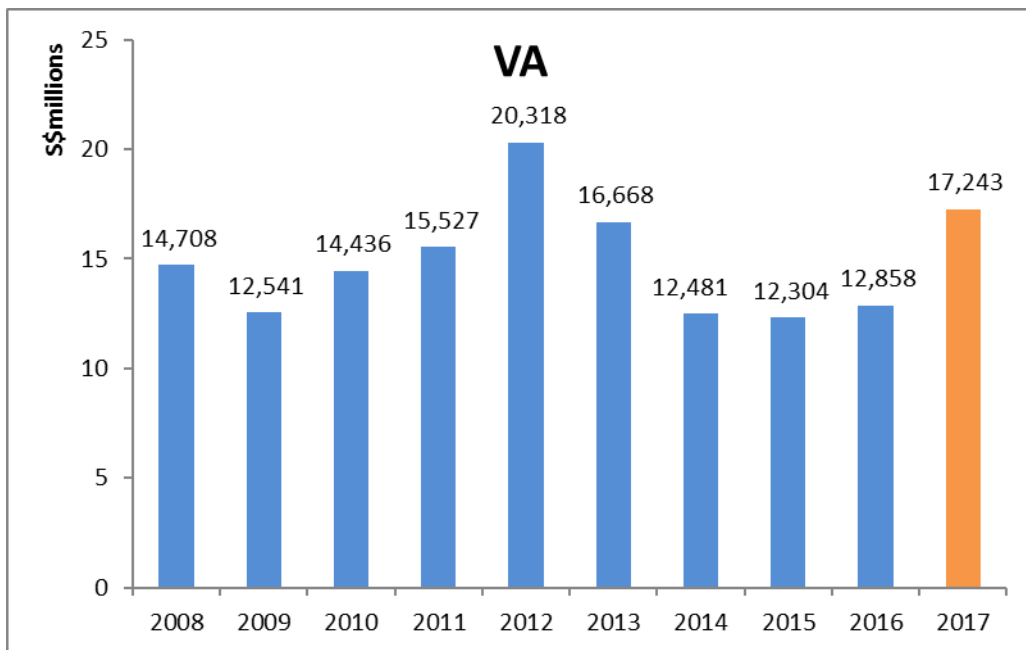
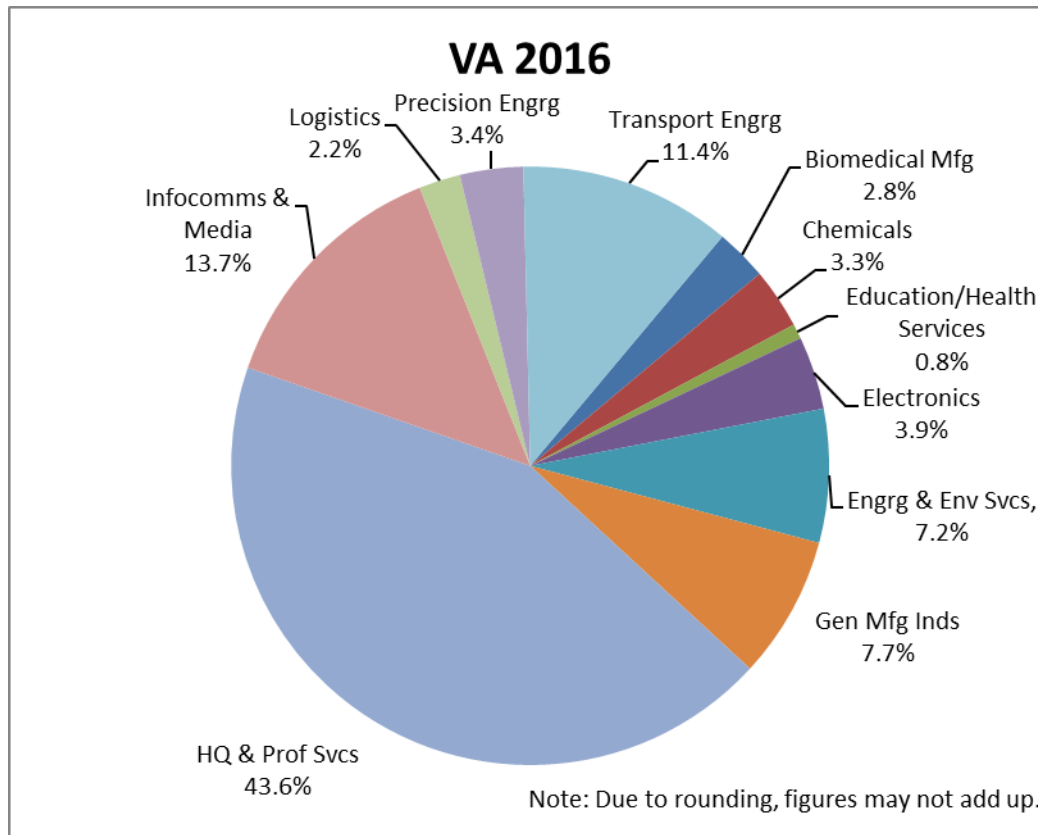
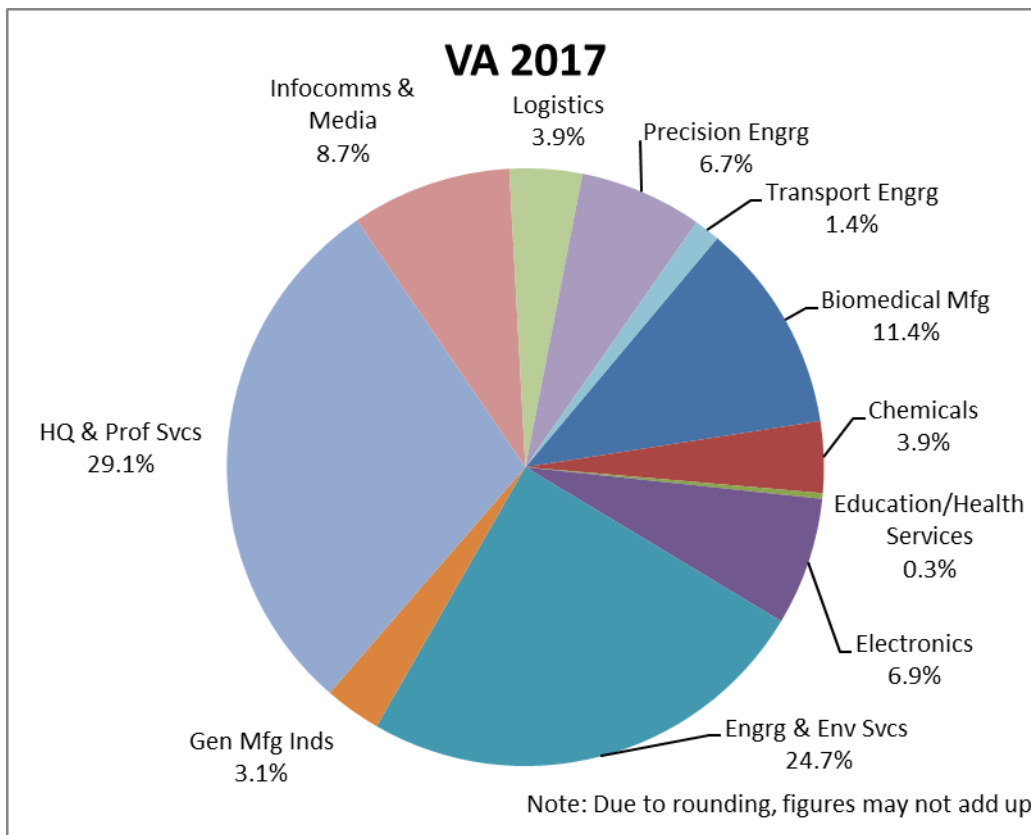


Chart 12: VA Expected to be Generated by Industry (2016)



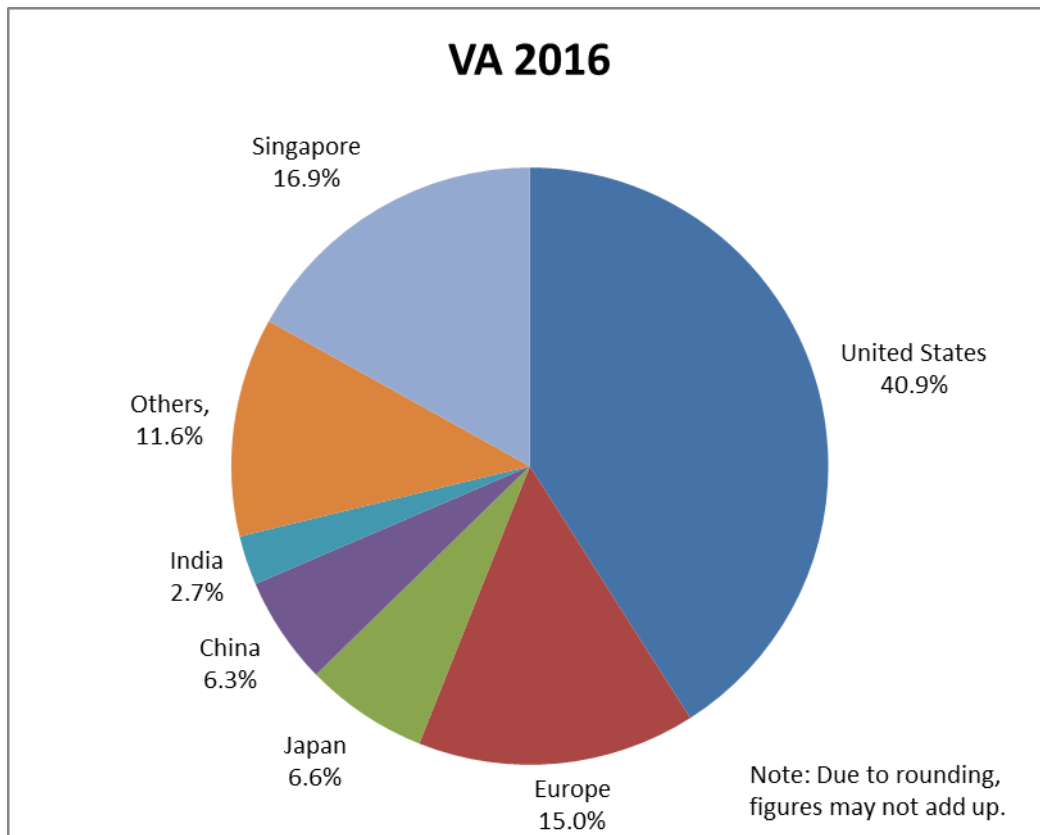
Total: S\$12.9 billion

Chart 13: VA Expected to be Generated by Industry (2017)



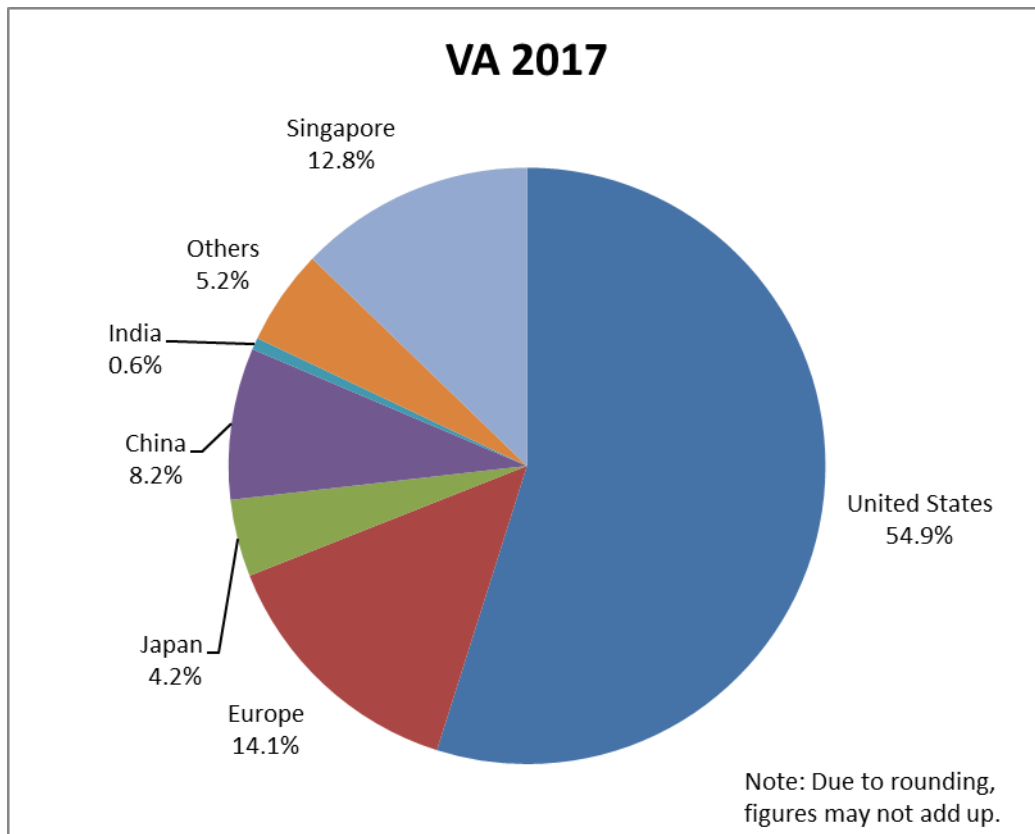
Total: S\$17.2 billion

Chart 14: VA Expected to be Generated by Region (2016)



Total: S\$12.9 billion

Chart 15: VA Expected to be Generated by Region (2017)



Total: S\$17.2 billion

Chart 16: Total Employment Figures (2008-2017)

