DANGER AHEAD?

Who in Singapore is at risk if the US slips into recession

The Monetary Authority of Singapore provided this snapshot of how the Singapore economy may be affected by recession in the United States.

- **FINANCIAL SERVICES** (Sentiment-sensitive, eg. Stock Markets)
- **WHOLESALE** (Electronics)
- **MANUFACTURING** (Except transport and pharmaceuticals)

These are most vulnerable because US markets drive investor sentiment worldwide and Americans are key buyers of IT and electronics goods.

As the recession sinks in, stock prices will be hit and investors will hold back from putting money in the markets. Local manufacturing and IT-related industries will bear the brunt of lower demand.

- **TRANSPORT & STORAGE**
- **HOTELS & RESTAURANTS**
- **RETAIL TRADE**
- **BUSINESS SERVICES**
- **WHOLESALE** (Non-electronics)
- **REST OF FINANCIAL SERVICES**

Aviation, ports and logistics, as well as services sectors like real estate and tourism, are now supported by booming growth in Singapore and Asia.

The good times could end if Asia as a whole succumbs to the impact of the US recession. The tourism boom has seen 60 per cent of new visitors coming from Asia.

- **CONSTRUCTION**
- **FINANCIAL INTERMEDIATION** (eg. Bank lending)
- **TRANSPORT MANUFACTURING** (eg. Marine and offshore engineering)
- **PHARMACEUTICALS**
- **INFORMATION & COMMUNICATIONS**
- **UTILITIES**

With a strong pipeline of projects stretching to 2013, the prospects for construction look healthy.

Activity in the marine and offshore engineering industry should stay brisk as high oil prices drive oil exploration and spur demand for oil rigs and rig-conversion projects.

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ST GRAPHICS