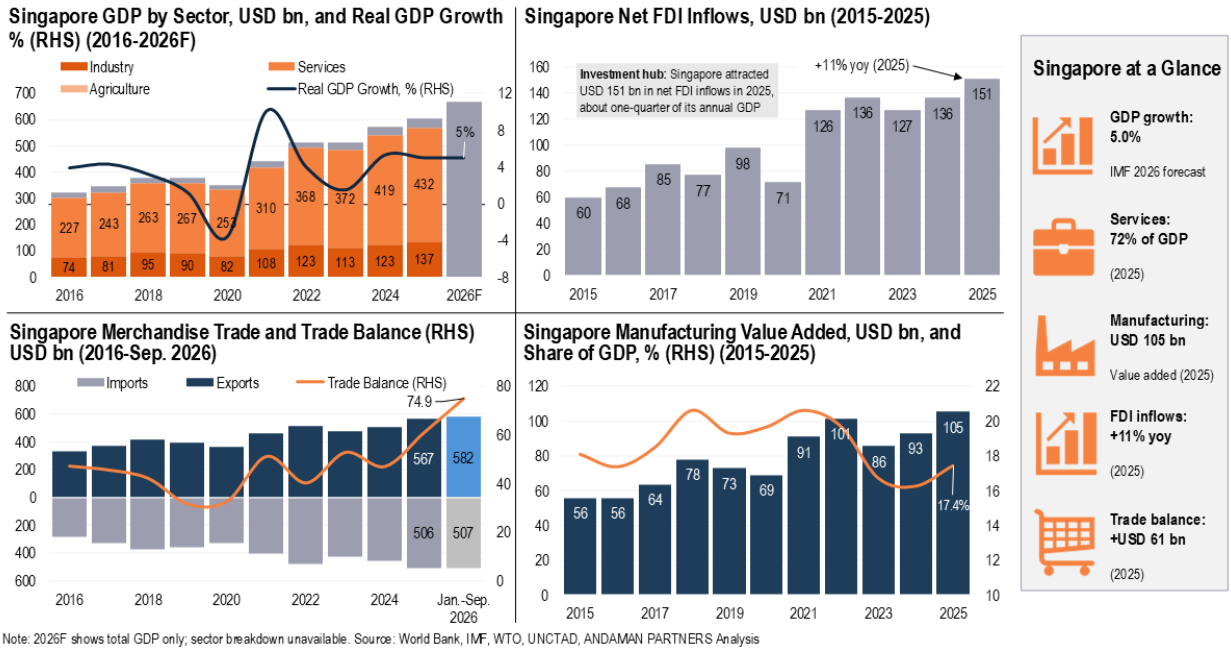
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Singapore's Economy Combines Strong Growth with Rising Foreign Investment

GDP is forecast to expand 5.0% in 2026, supported by a services-led economy, substantial manufacturing activity and continued strength in foreign investment



Note: 2026F shows total GDP only; sector breakdown unavailable. Source: World Bank, IMF, WTO, UNCTAD, ANDAMAN PARTNERS Analysis

Singapore continues to demonstrate why it occupies such an important position in the Asian and global economy. Despite its relatively small population and domestic market, the city-state has developed into a major centre for international trade, investment, finance and advanced manufacturing. Its economy is forecast to grow by 5.0% in 2026, supported by a diversified economic structure in which services account for approximately 72% of GDP.

Yet Singapore is far more than a financial and business services hub. Its manufacturing sector generated USD 105 billion in value added in 2025, accounting for 17.4% of GDP, with industries such as electronics, semiconductors and pharmaceuticals connecting the country to global production networks.

Foreign investment and trade further illustrate Singapore's international reach. Net FDI inflows rose 11% to USD 151 billion in 2025, equivalent to roughly one-quarter of annual GDP and reflecting the country's role as a destination for international capital and regional business operations.

Merchandise exports reached USD 567 billion in 2025, while the trade surplus stood at approximately USD 61 billion. In the first nine months of 2026 alone, exports reached USD 582

billion, and the surplus approached USD 75 billion, highlighting the extraordinary scale of trade passing through Singapore's economy. These figures also reflect its important role in re-exports and regional supply chains, rather than domestic production alone.

For international businesses, Singapore's significance extends well beyond its own market: it provides a gateway to Southeast Asia, a base for regional headquarters and investment operations and a sophisticated platform linking Asian manufacturing, international capital and global commerce.

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- Asia's Manufacturing Momentum Is Shifting in 2026
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