



Decide with Confidence

PRESS RELEASE

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FOR IMMEDIATE RELEASE

Singapore business confidence continues to hold firm through Q2- D&B Singapore Business Optimism Index

Singapore, 10 May 2011 – Singapore business outlook for the second quarter of 2011 remains optimistic despite looming uncertainties in global trade following recent disasters in Japan, the political crisis in Middle East and upward pressure on oil prices.

Led by the services and construction industries, D&B Singapore Business Optimism Index (BOI) survey for Q2 2011 reported marked growth expectations in sales volume, net profit and employment figures amongst businesses. The survey report was presented amidst an earlier forecast by the Monetary Authority of Singapore (MAS) on a temporary slowdown expected in Q2, though economic growth is projected to be sustained for the rest of the year.

Overview (Sector Breakdown)

Positive business sentiments continue to improve across all industries with a majority expecting substantial growth in overall sales volume, net profit, selling price, employment and inventory in Q2 2011.

Both services and construction sectors are expected to be the key contributors to a bullish performance in sales volumes and robust net profit takings in Q2. Singapore's economy may suffer temporary slowdown as trade is disrupted due to Japan's recent disaster. With an increase in new orders expected, the general outlook of the manufacturing industry remains upbeat, although a decline in inventory level is to be anticipated.

In general, employers of all eight industries are confident of sustained growth in hiring opportunities in Q2 2011, indicating the presence of a strong labour market in Singapore.

The details on the indicators are discussed in the following sections:

Net Profits

A positive optimism index of +29% (compared to Q1 +16%) amongst companies surveyed, mainly driven by the construction and services sectors.

The overall sentiment remains in the expansion region for the eighth quarter running.



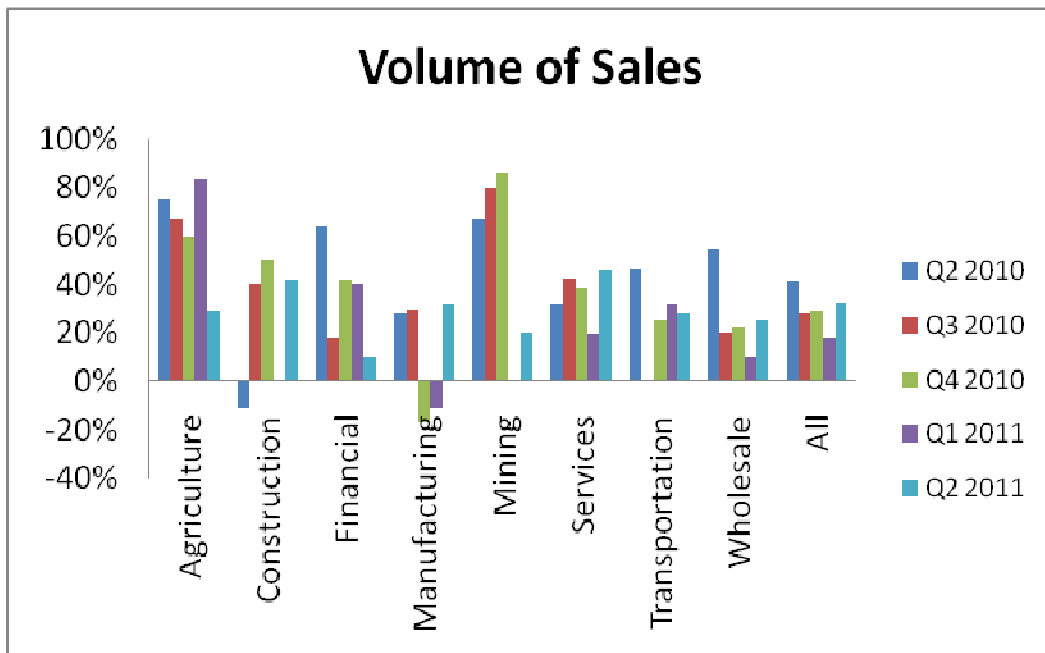
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Volume of Sales

A positive optimism index of +33% (compared to Q1 +19%) amongst companies surveyed.

Growth is observed in all sectors, with the services and construction sector anticipating a bullish performance with an optimism index of +47% (compared to Q1 +19%) and +42% (compared to Q1 +0%) respectively.

The overall sentiment remains in the expansion region for the eighth quarter running since its decline in Q2 2009(- 34%).



Selling Prices

A moderate increase of +13% (compared to Q1 +10%) optimism amongst companies surveyed.

The financial sector is the only sector that reported a pessimistic outlook at -10%.

New Orders

A marked improvement in the manufacturers' order book position with a net optimism index of +36% (compared to Q1 -11%).

The manufacturing sector is the only sector that supplied the information about their expectation on new orders.

Employment

A positive optimism index of +30% (compared to Q1 +15%) for the eighth quarter running.

Hiring intentions are strongest amongst the services (+37%) and manufacturing (+36%) sectors.

Inventory Levels

A modest increase of +8% (compared to Q1 +11%) optimism amongst companies surveyed.

The manufacturers expect a decline in inventory at -9% (compared to Q1 -27%).

Commentary

This is the 8th D&B Singapore Business Optimism Index (BOI) released (1st issue was released in July 2009).

The D&B Business Optimism Index (BOI) is a measure of business confidence in the economy. Released quarterly, it is based on a business sentiment survey that is designed to capture business expectations and is one of the most effective ways to track how the business community perceives the business environment, and where they think it is moving. This is commonly used, worldwide, to assist in analyzing major trends and issues concerning the business community through tracking business parameters including net profits, selling prices, new orders, inventory levels, and employee count.

About the Survey

D&B Singapore conducts latest Business Expectations Surveys every quarter. Each quarter, 200 business owners and senior executives representing major industry sectors across Singapore are asked if they expect increases, decreases or no changes in their upcoming quarterly Sales, Profits, Employment, New Orders, Inventories and Selling Prices.

Note: The index figures used in the survey represent the net percentage of survey respondents expecting higher sales, profits, etc., compared with the same quarter of the previous year. The indices are calculated by subtracting the percentage of respondents expecting decreases from the percentage expecting increases.

About D&B

D&B is the world's leading provider of business-to-business credit, marketing and purchasing information and receivables management services. D&B manages the world's most valuable commercial database with information on more than 195 million businesses.

Information is gathered in over 200 countries, in 95 languages or dialects, covering 186 monetary currencies. The database is refreshed more than one million times daily as part of D&B's commitment to provide accurate, comprehensive information for its customers around the world.

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