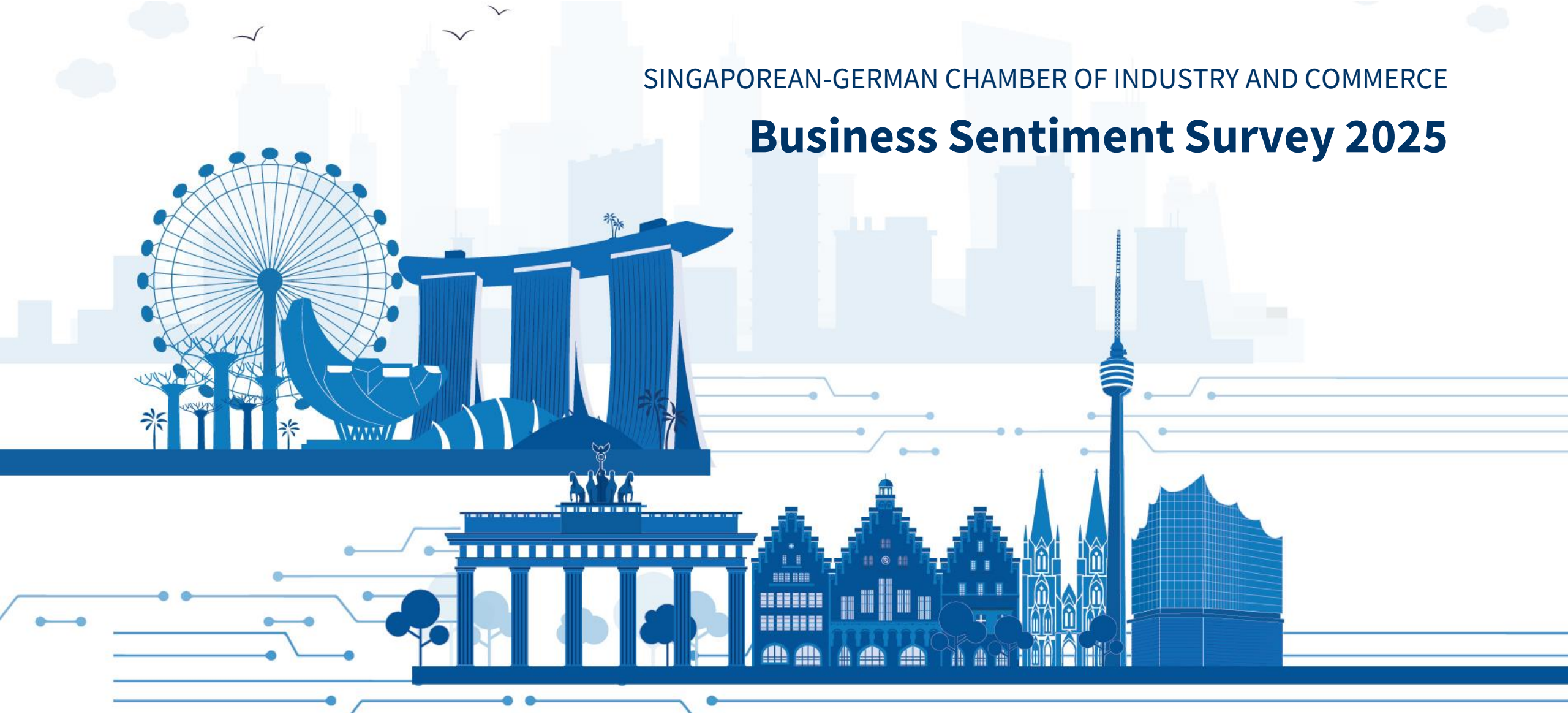


SINGAPOREAN-GERMAN CHAMBER OF INDUSTRY AND COMMERCE

# Business Sentiment Survey 2025



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SINGAPOREAN-GERMAN CHAMBER OF INDUSTRY AND COMMERCE

## AHK Singapur

The Singaporean-German Chamber of Industry and Commerce (SGC) is part of a network of 150 offices of the German bilateral Chambers of Industry and Commerce abroad (AHKs) in 93 countries. The AHKs are institutions of German foreign trade promotion.


The SGC is one of the largest national Business Chambers in Singapore with a membership of close to 600 representatives from a variety of industries from Germany and Singapore. The SGC is a valuable and well-established networking platform and well connected with authorities in Singapore and Germany. Through its active industry committees SGC gives a voice to businesses.

[www.sgc.org.sg](http://www.sgc.org.sg)



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# Overview

- 
- A stylized white illustration of the Singapore skyline, featuring the Esplanade - Theatres on the Bay, the Singapore Flyer, and several skyscrapers, set against a red background.
- 1. Company Profile**
  - 2. Business Environment Singapore**
  - 3. Regional Business Sentiment**
  - 4. Deep Dive: Impact of U.S. Tariffs on Singapore-based companies**
  - 5. Rating Singapore as a Business Hub**

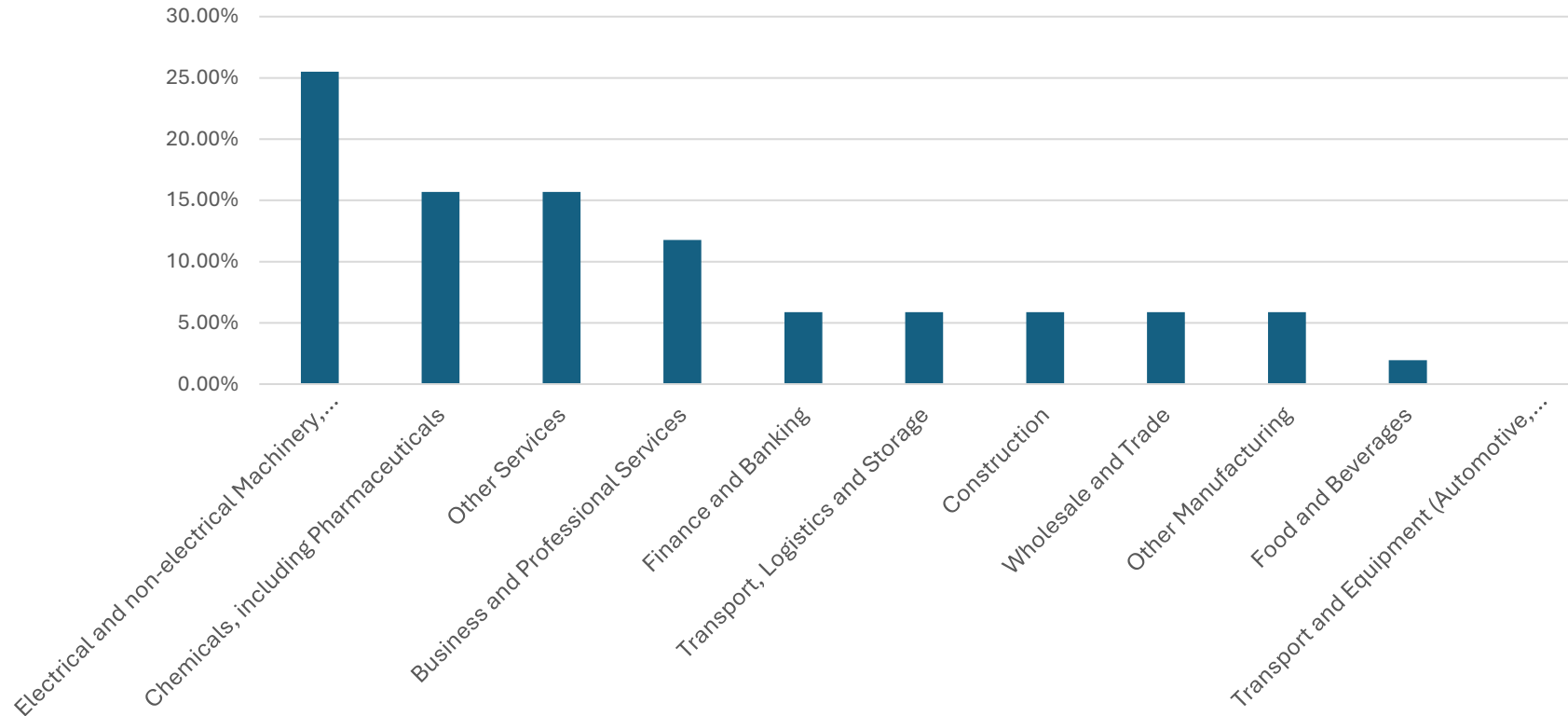
# Overview

## 1. Company Profile



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# What sector are you predominantly operating in?

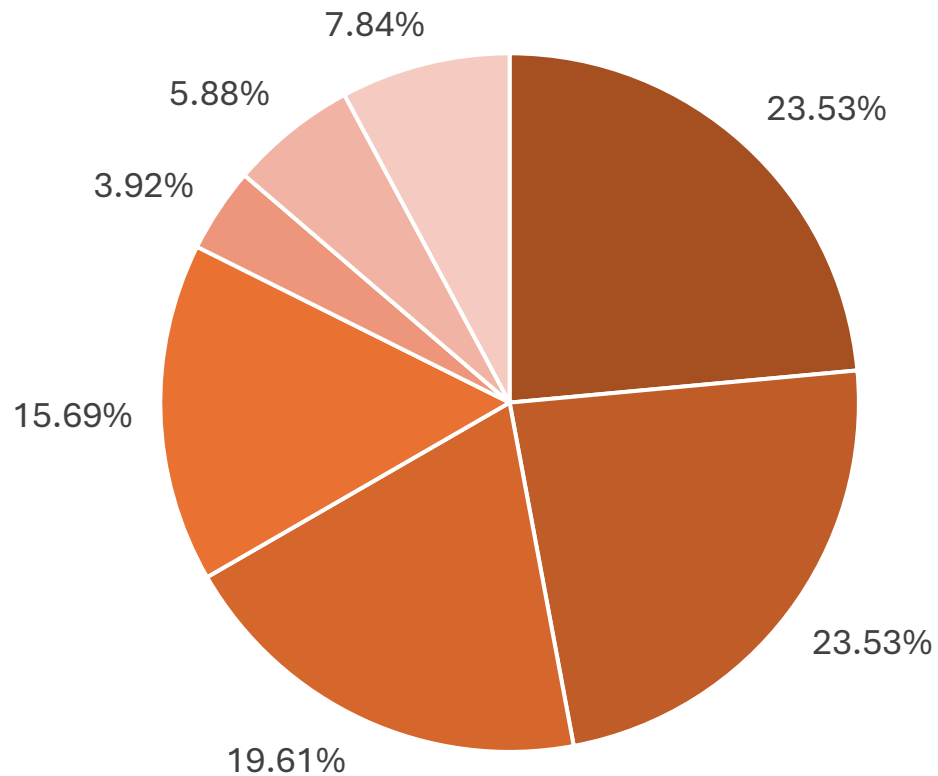


- Responses collected: 51
- Top 3 sectors participating in this survey are:
  - Electrical and non-electrical machinery, incl Medical Devices (25.5%)
  - Chemicals and Pharmaceutical (15.7%)
  - Other Services (15.7%)



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# How many employees does your company have in Singapore?



- Roughly 82% of respondents fall under the MSME category (<250 employees)

■ 1 - 10 ■ 11 - 25 ■ 26 - 100 ■ 101 - 250 ■ 251 - 500 ■ 501 - 1000 ■ more than 1000

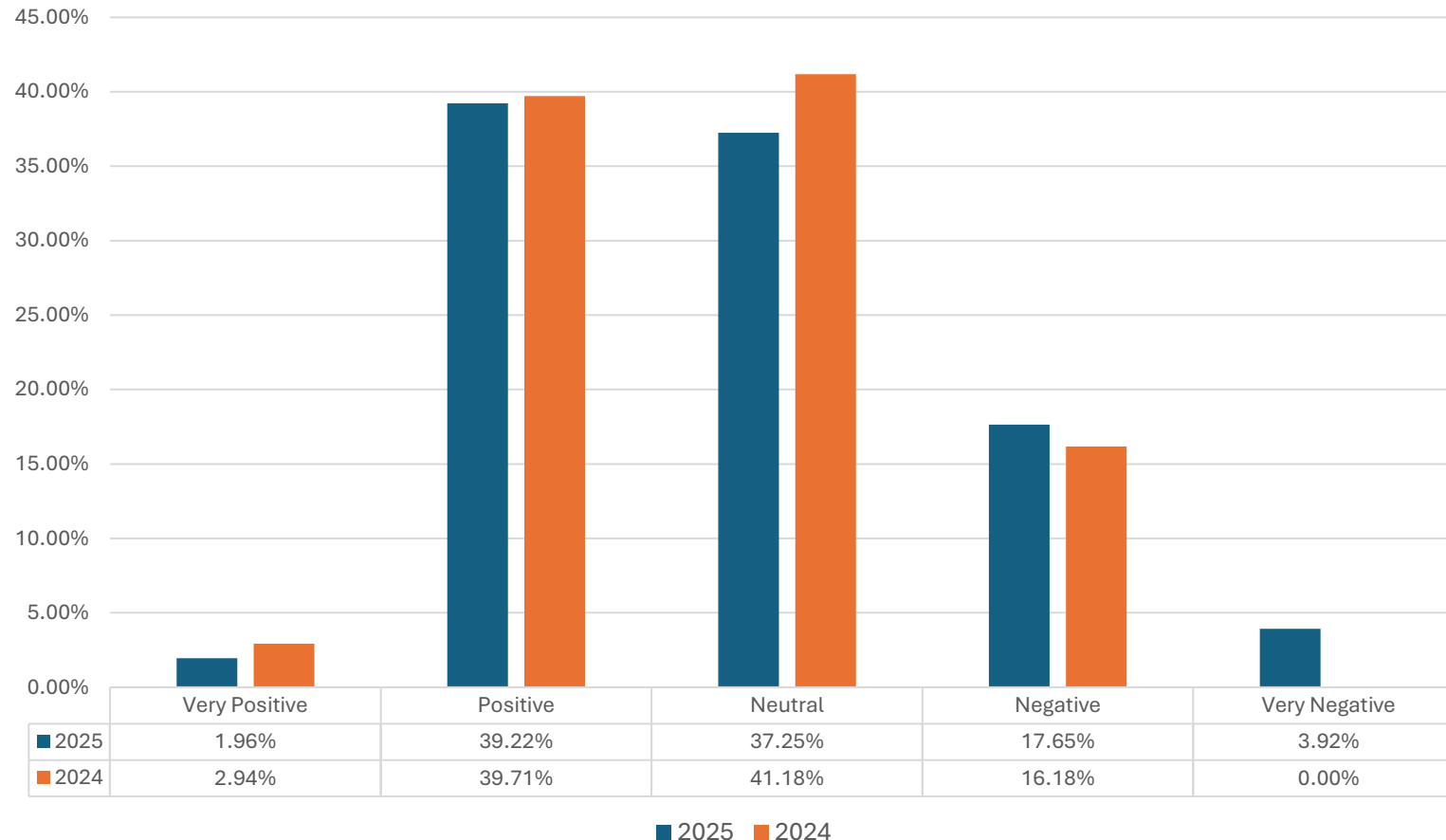


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# In your opinion, how would you rate the business outlook for your company in 2025?



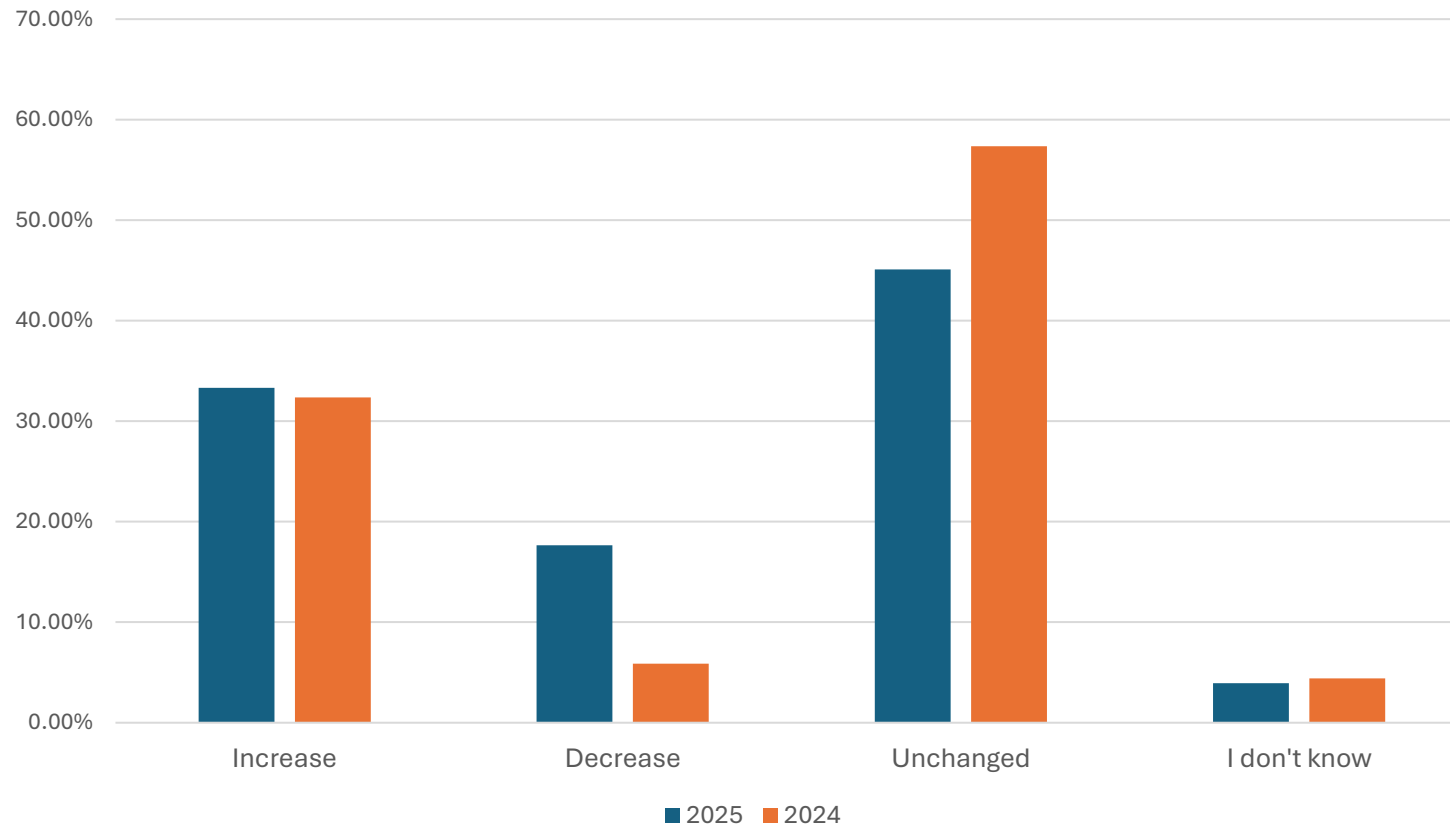
- Careful optimism
- Balanced positive or neutral business outlook
- Marginally less optimistic and slightly more negative outlook compared to 2024
- The plan for so-called “Reciprocal Tariffs” by the U.S. was already public, but the scale was still unknown while this survey was conducted



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## Are you planning to increase or decrease your number of employees in Singapore in the next 12 months?

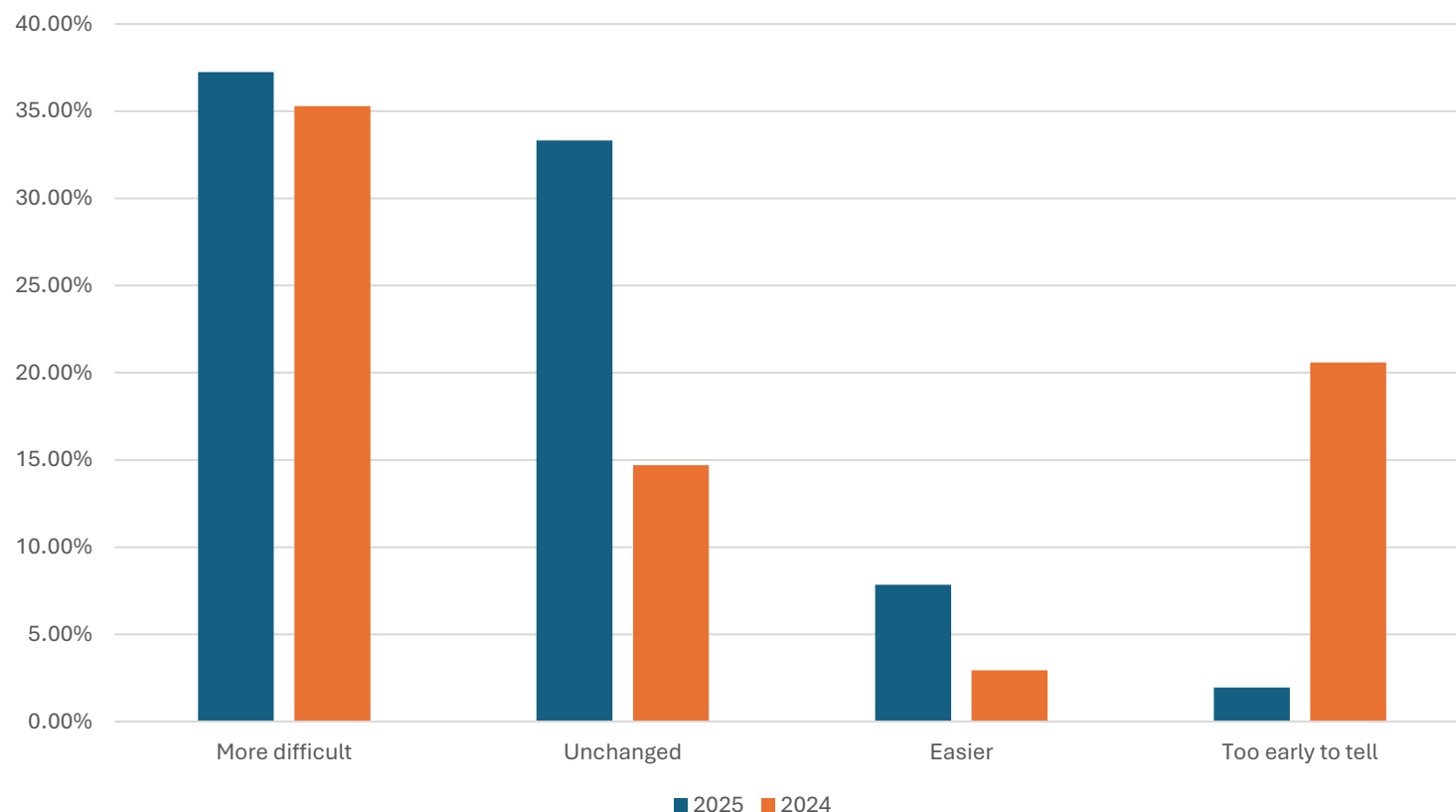


- Clear majority of companies not planning to make any changes (45.1%)
- More companies planning to decrease their workforce compared to 2024
- Still, more companies are planning to increase
- Reflecting careful optimism but also the slight negative trend in the general business outlook compared to 2024



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Since September 2023, new Employment Pass (EP) applicants have to go through the new Complementary Assessment Framework (COMPASS). Since September 2024, also EP renewals are affected by COMPASS. Based on your experience, obtaining or renewing an EP has become \_\_\_\_ since the implementation of the COMPASS framework.

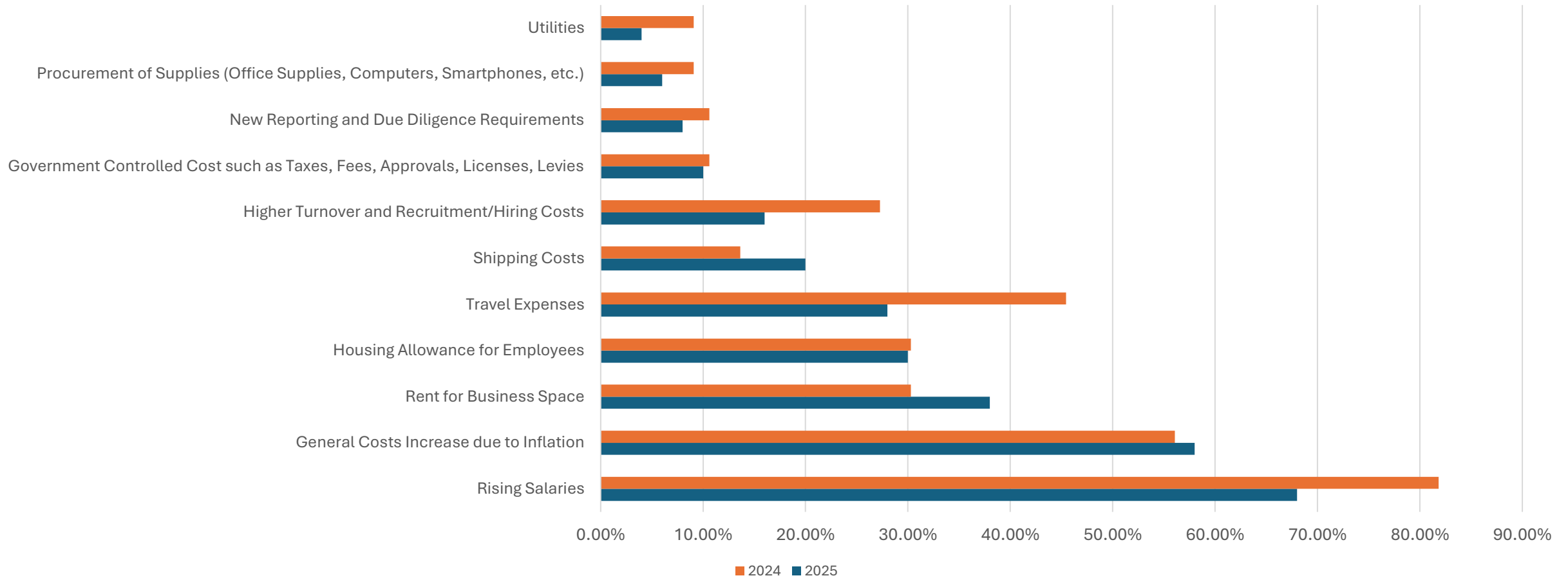


- COMPASS has been fully implemented since September 2024
- Strong opinion shift this year from “Too early to tell” to “Unchanged”
- Perception of increased difficulty in obtaining Employment Passes (EPs) is a continuation of a trend that was also apparent during our recent surveys



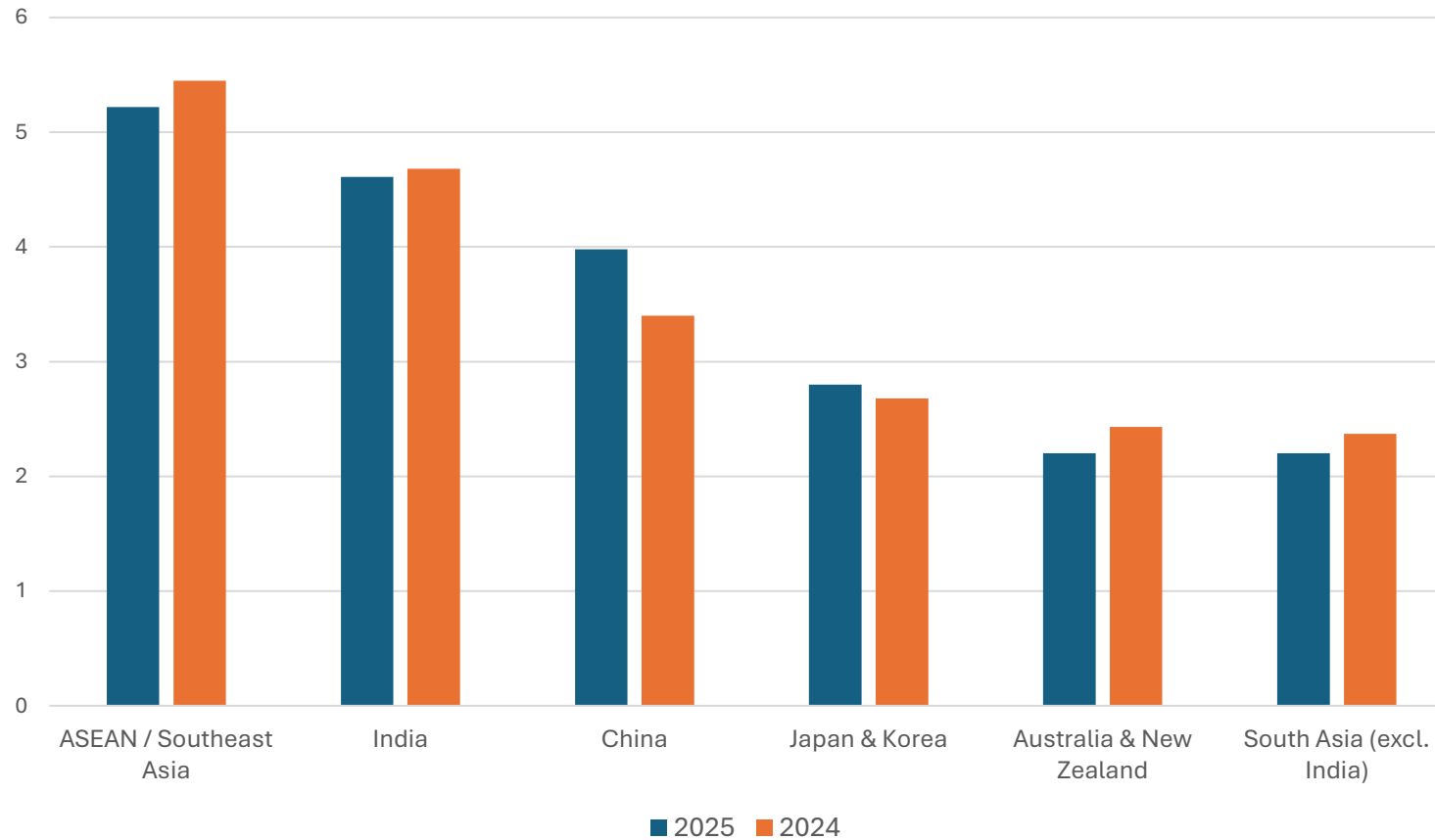
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# Cost of doing business: Name three most important factors that caused an increase in business costs? (Please select top three factors)



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# How would you rank the following markets in terms of growth potential in the next 3 years? (top: highest potential; bottom: lowest potential)



- ASEAN / Southeast Asia and India with biggest growth potential
- China remains third most attractive market, rating recovers after a slight dip in 2024



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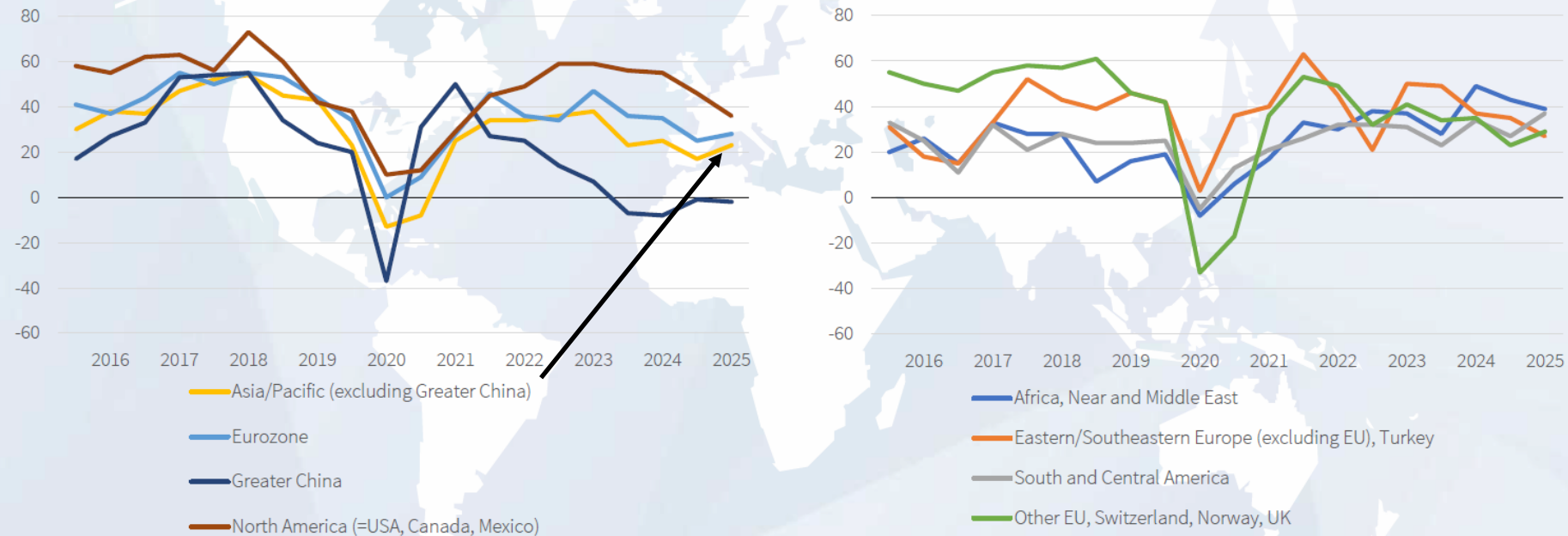
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# How do you rate your current business situation?

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## Business situation (balance in points)



Balance in points (difference between good and bad)

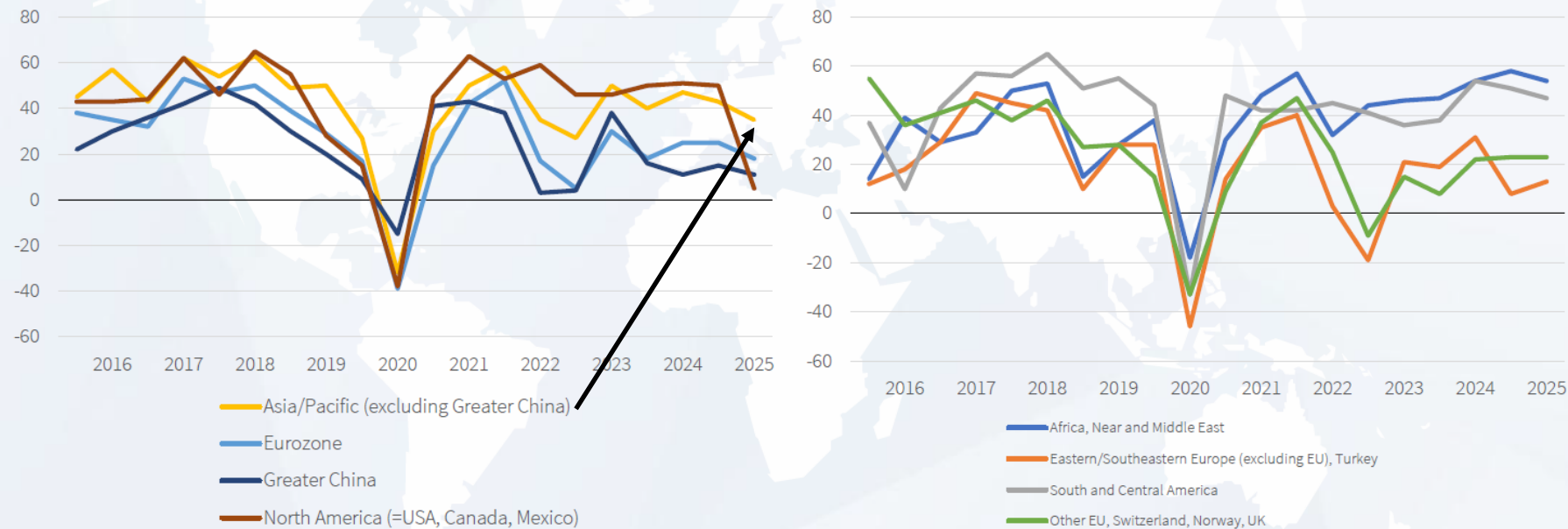


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# What are your business expectations for the next 12 months?

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## Business expectations (balance in points)

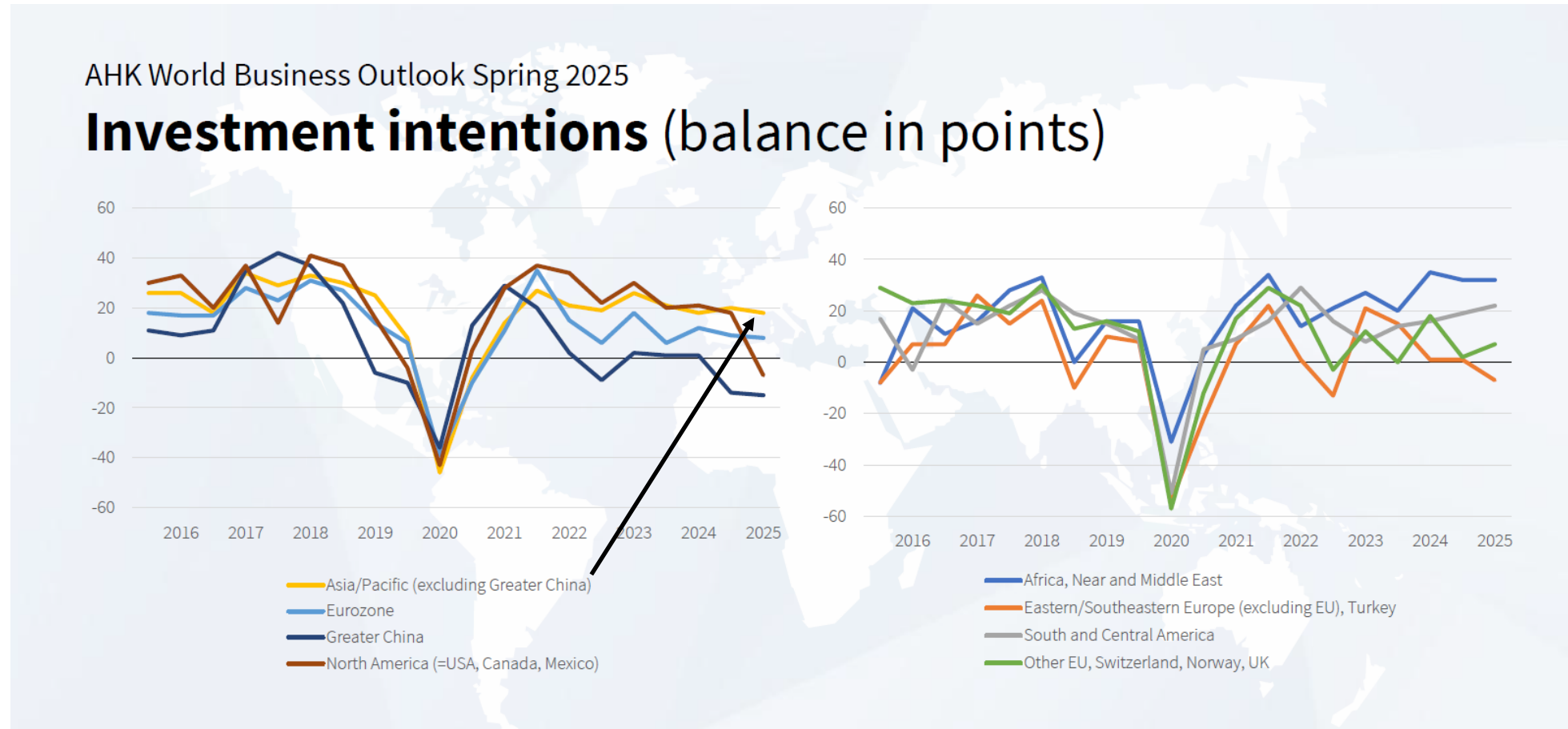


Balance in points (difference between better and worse)



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# Please rate your companies investment intentions over the next 12 months



Balance in points (difference between higher and lower)



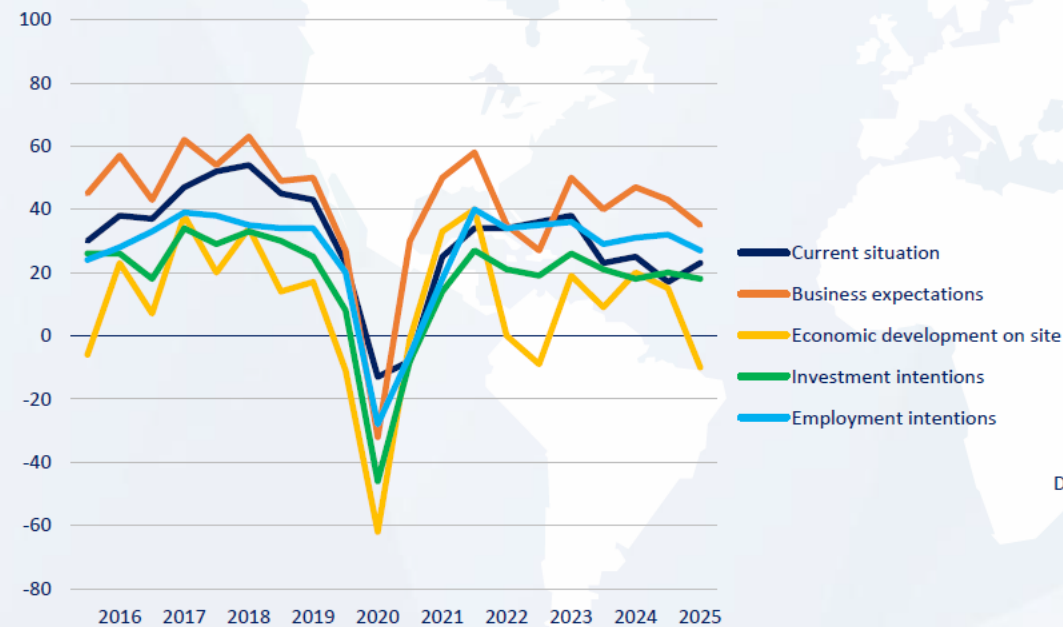
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# Summary AHK World Business Outlook for:

## Asia/Pacific (excluding Greater China)

Balance in points



Risks in per cent

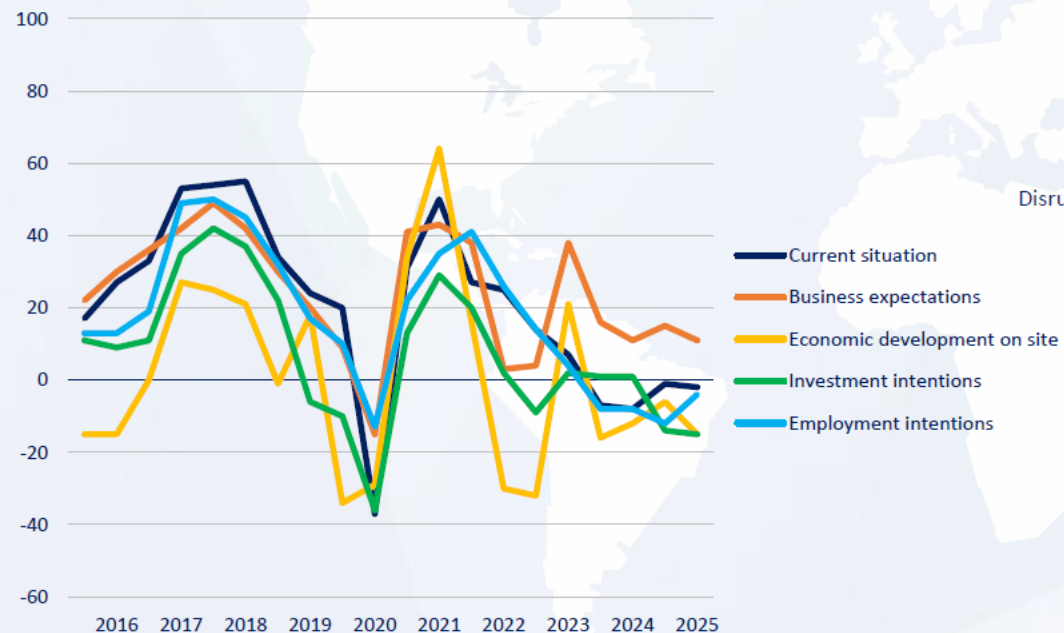


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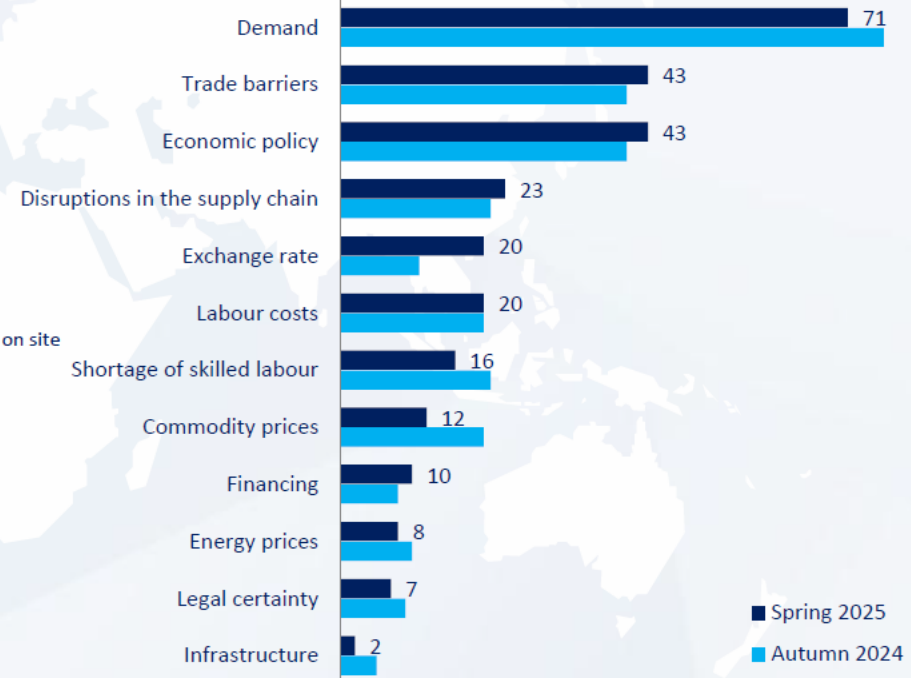
# Summary AHK World Business Outlook for:

## Greater China (PR China, Taiwan, Hong Kong)

Balance in points



Risks in per cent



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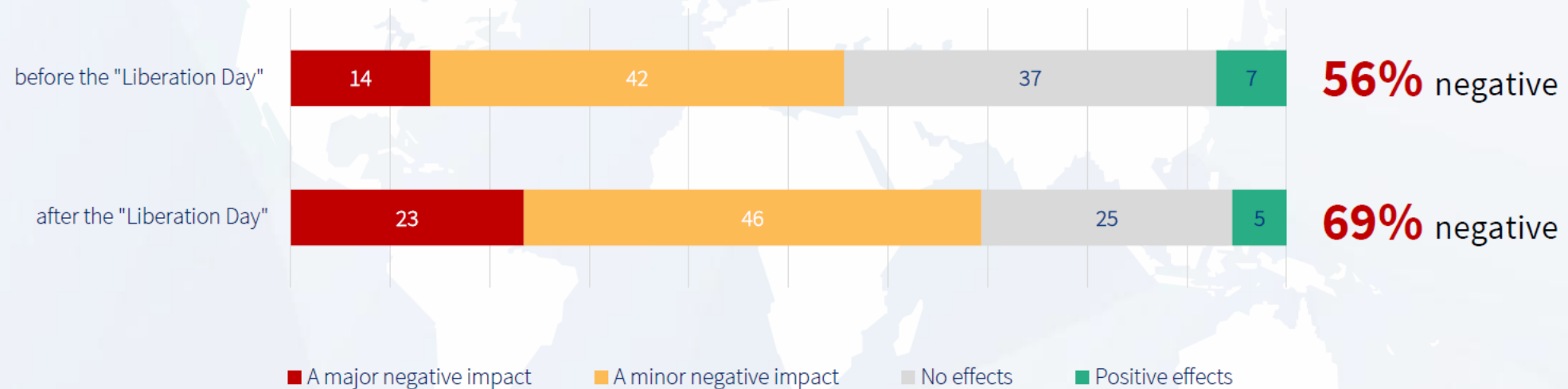


# What impact do you expect the new US trade policy to have on your company's local business?

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## Effects of the new US trade policy for local companies

*The company survey took place from 17 March to 15 April 2025. On 2 April 2025, Donald Trump announced extensive tariffs on "Liberation Day". The chart compares the companies' responses before and after 2 April.*

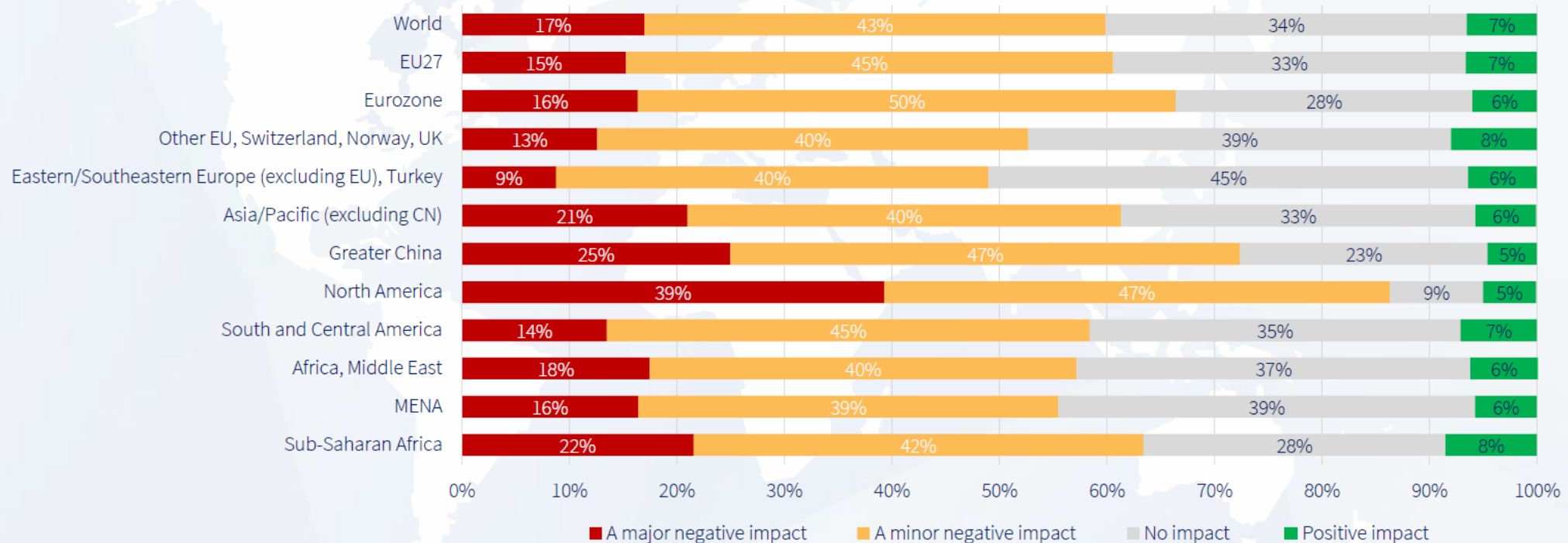


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# What impact do you expect the new U.S. trade policy to have on your company's local business?

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## Effects of the new US trade policy for local companies



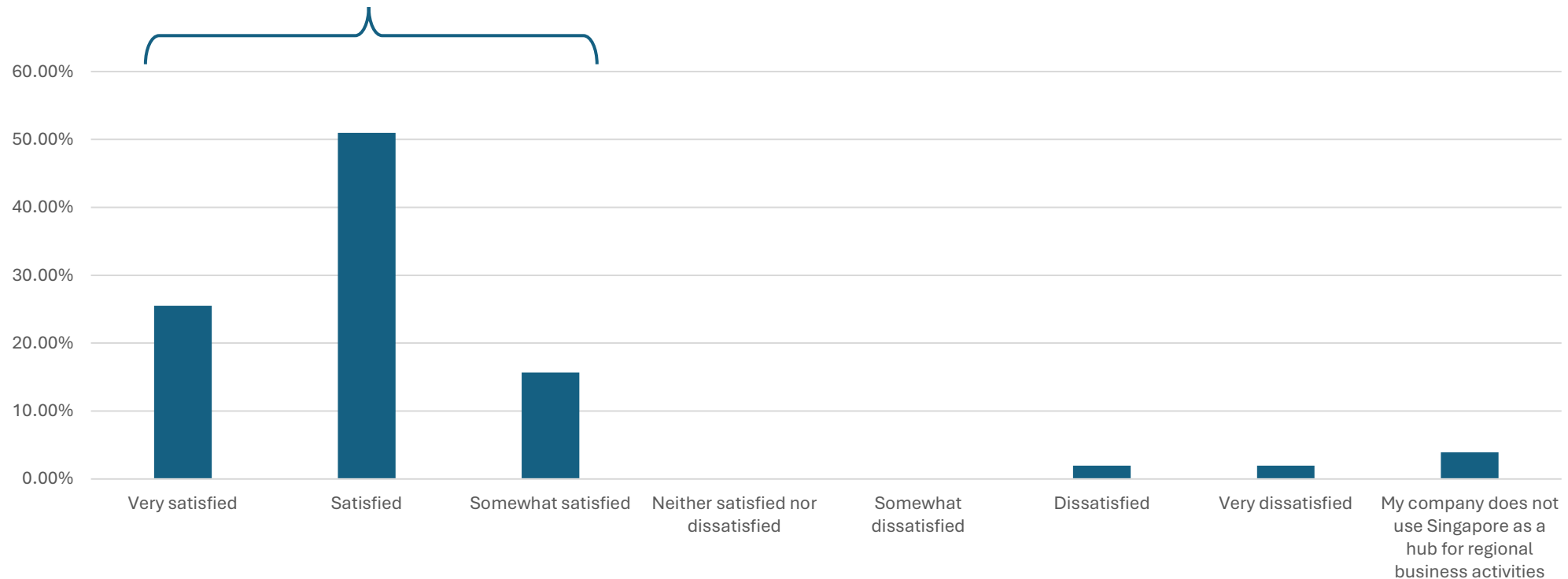
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# Overview

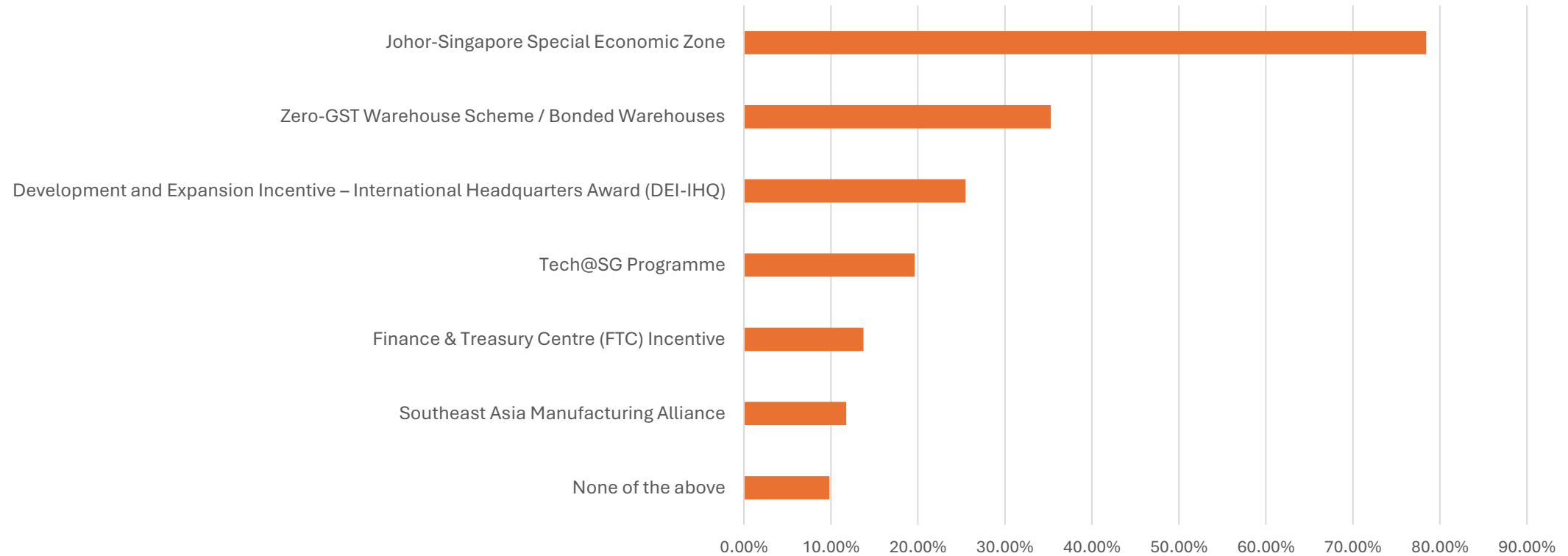
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# Overall Satisfaction: How satisfied are you with Singapore as a hub for your regional business activities?

- More than 80% of SGC members are satisfied or very satisfied with Singapore as a hub for their regional business activities

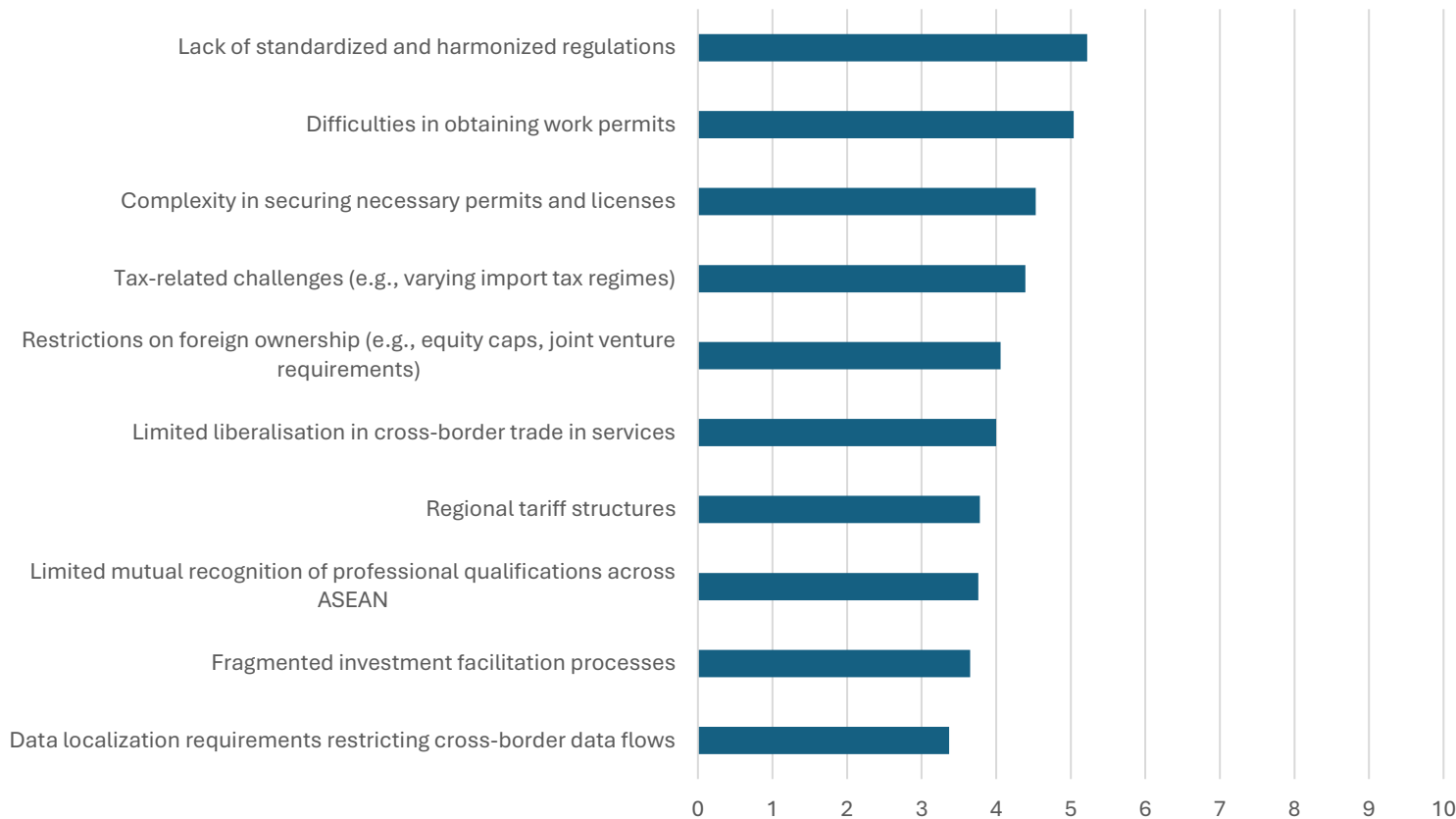


# Awareness of Regionalization Initiatives and Support Programmes: Which of the following regionalization initiatives and government support schemes are you familiar with? (Select all that apply)





# Challenges to Regionalisation: Please rate the following factors based on the extent to which they hinder your company's regional expansion efforts in ASEAN. (Scale: 1 = Not an obstacle, 10 = Major obstacle)

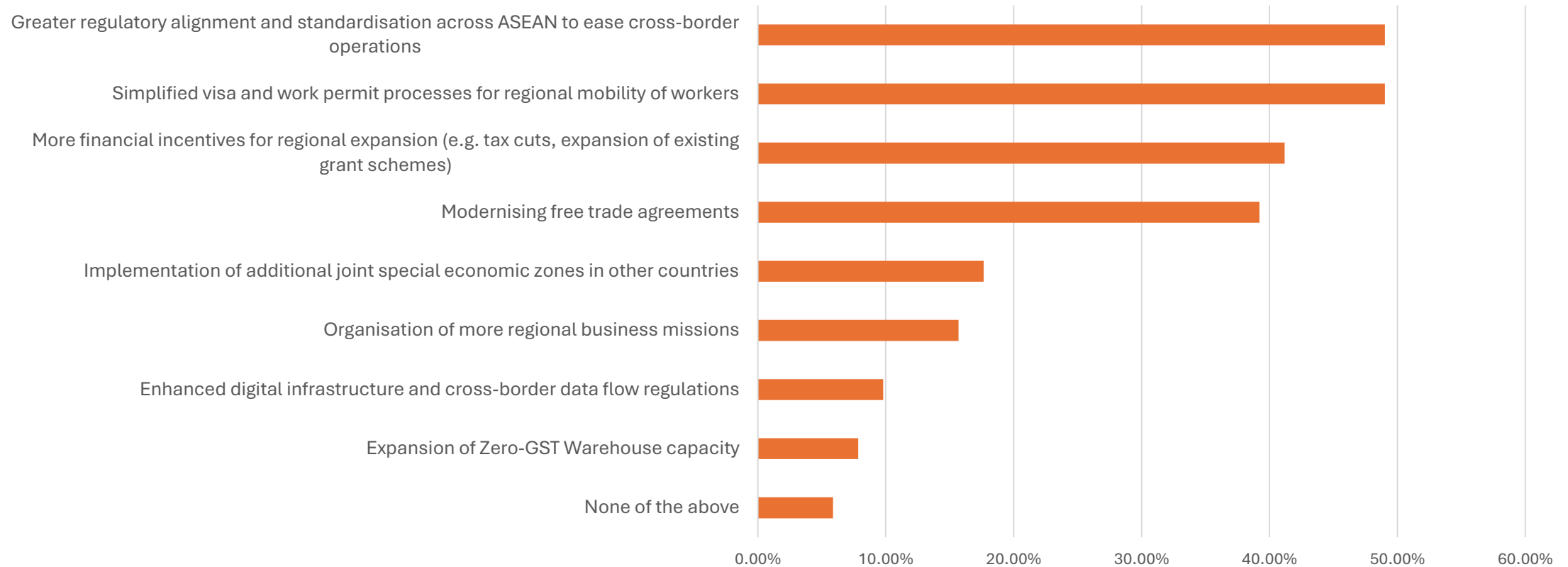


- The biggest hurdles mentioned by SGC members for their regional business activities are:
  - Lack of standardised regulations
  - Obtaining work permits for different markets
  - Complexity in securing permits and licenses

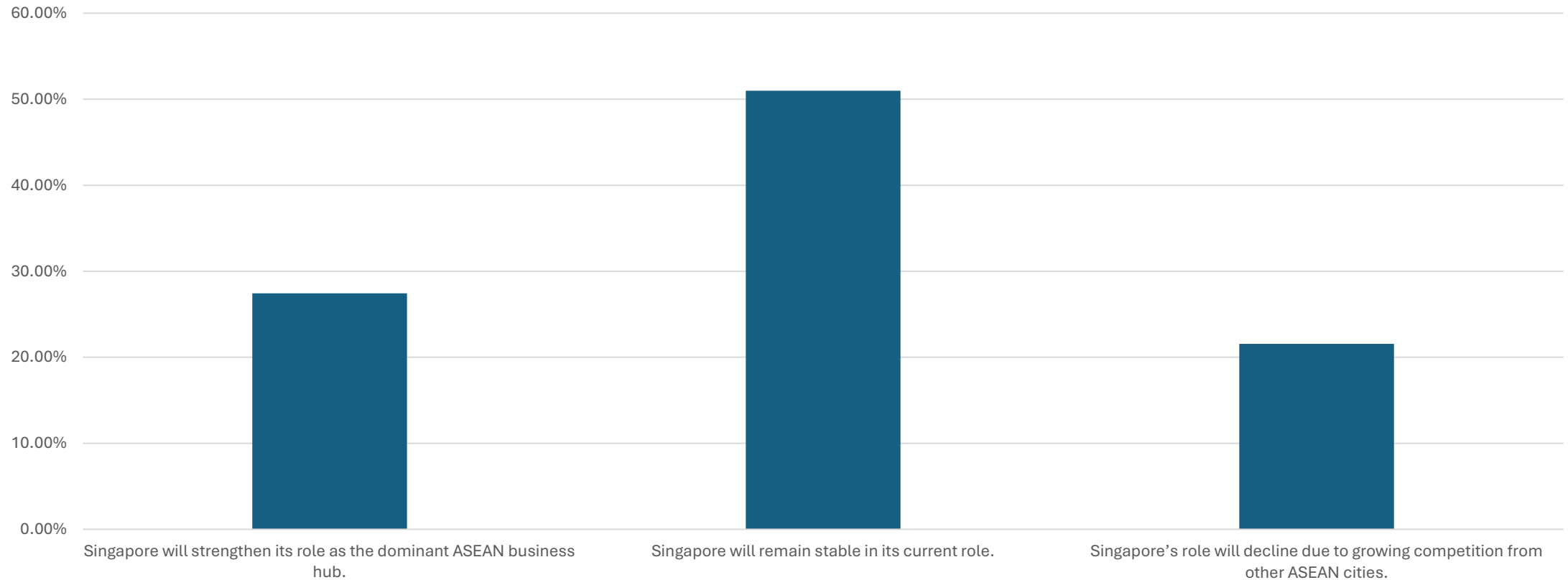


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# Support for Regional Expansion: What additional support would be most valuable for your company's regionalization efforts? (Select up to three)



# The Future of Singapore as a Regional Hub: How do you see Singapore's role as a regional hub evolving over the next five years?





SINGAPOREAN-GERMAN CHAMBER OF INDUSTRY AND COMMERCE (SGC)


# Thank you!



## Your **#PartnerInSingapore**

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# Sources

- **SGC Business Sentiment Survey 2025, Singaporean German Chamber of Industry and Commerce (SGC)**
- **AHK World Business Outlook Spring 2025, German Chamber of Commerce and Industry (DIHK) and German Chambers of Commerce Abroad (AHK)**
- **Poll of Businesses: Sentiments on U.S. Tariff Changes (11 April – 23 April 2025) – Singapore Business Federation (SBF)**

