

# Singapore's Construction Horizon : Trends and Opportunities

*Presented by*

**Teo Jing Siong**

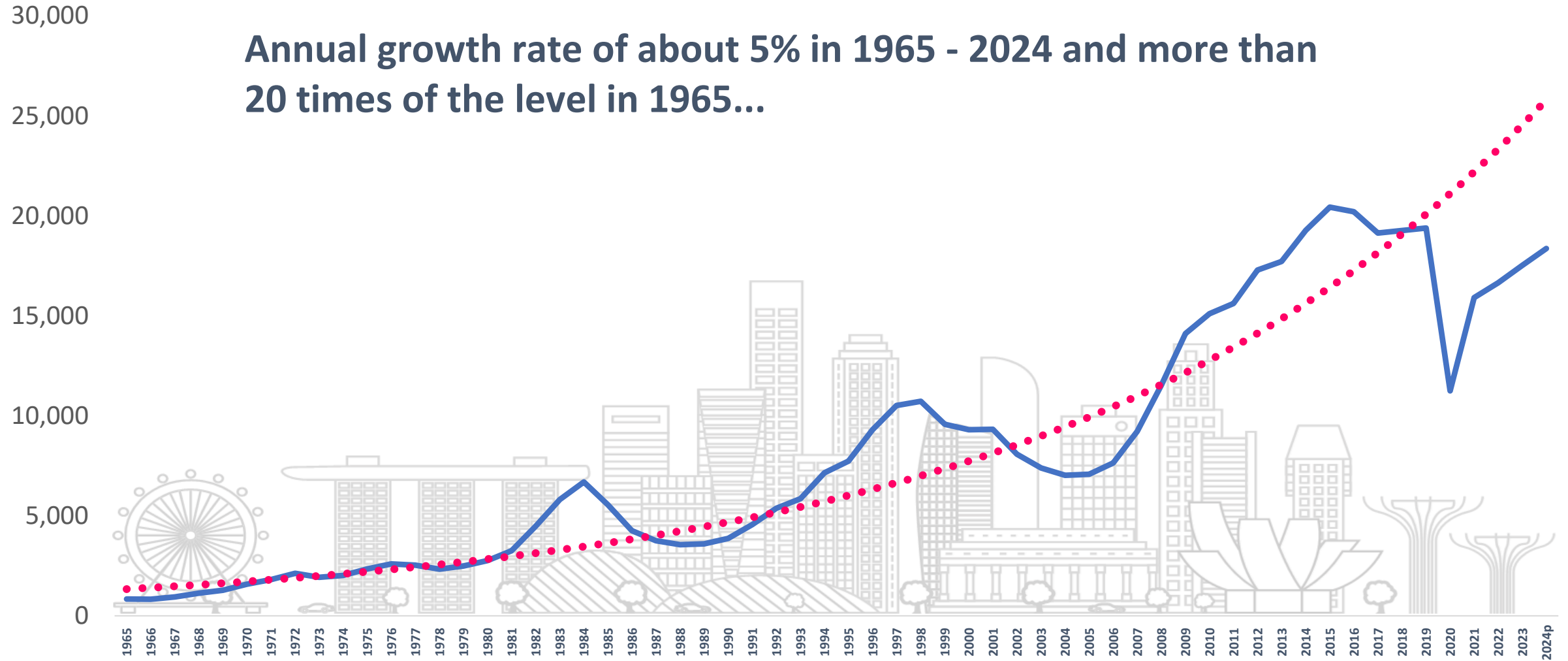
Group Director

Strategic Planning and Transformation Office  
Building and Construction Authority

# • Real Construction GDP

\$M in 2015 prices

**Annual growth rate of about 5% in 1965 - 2024 and more than 20 times of the level in 1965...**



# • Total Construction Demand\*

\$ Million

From basic infrastructure to world-class developments in supporting the nation's economic growth and urban transformation...

50,000

45,000

40,000

35,000

30,000

25,000

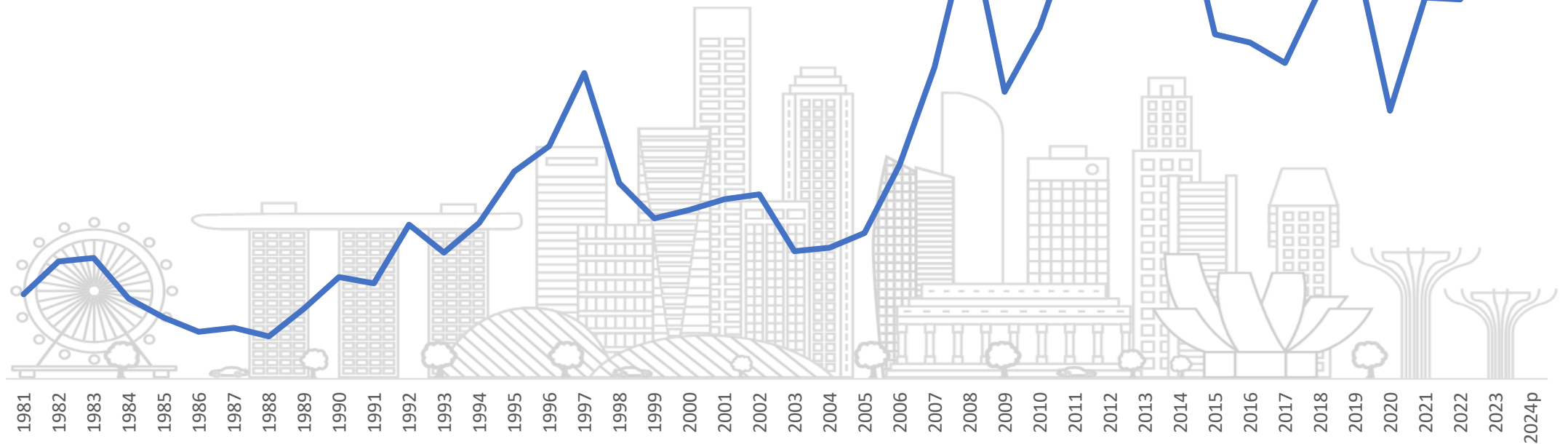
20,000

15,000

10,000

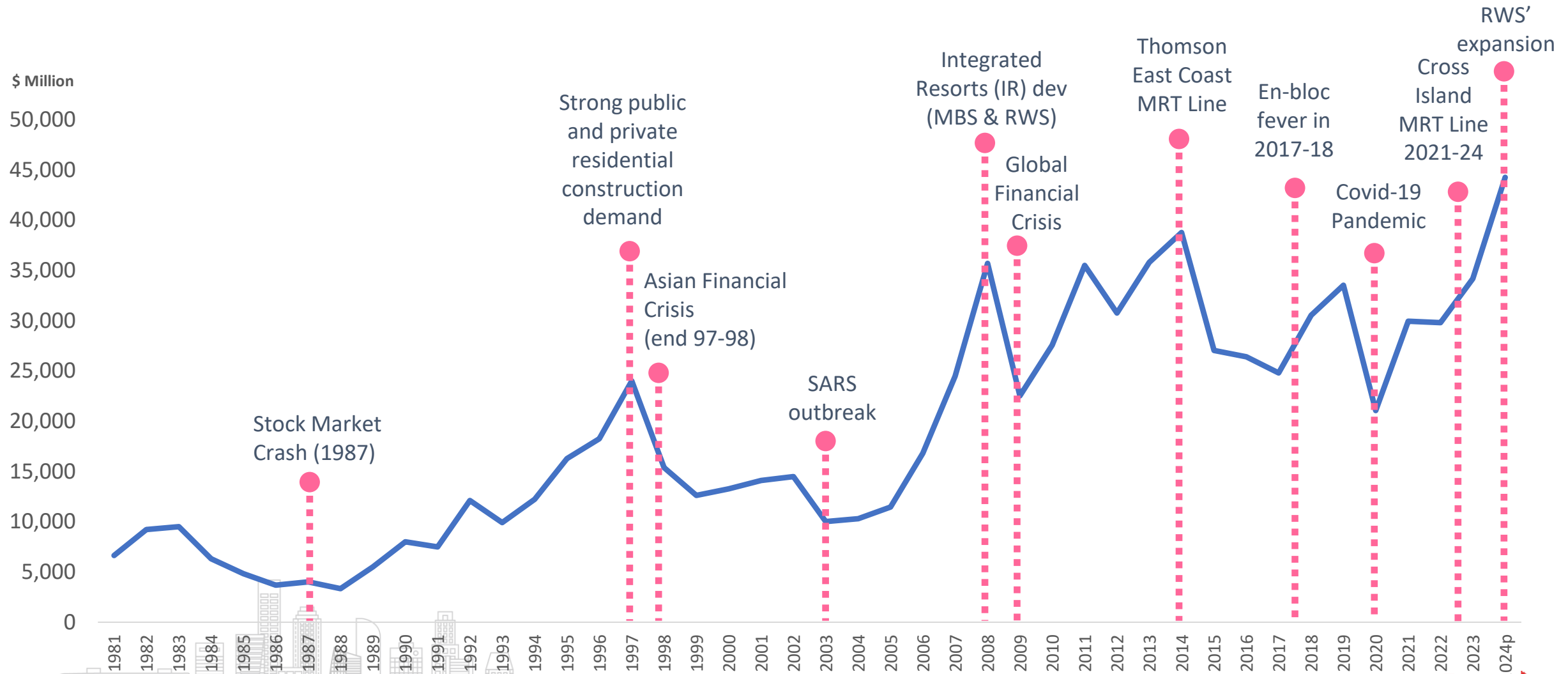
5,000

0



\*in current market prices

# • Total Construction Demand\*



\*in current market prices

# • Scope of Presentation

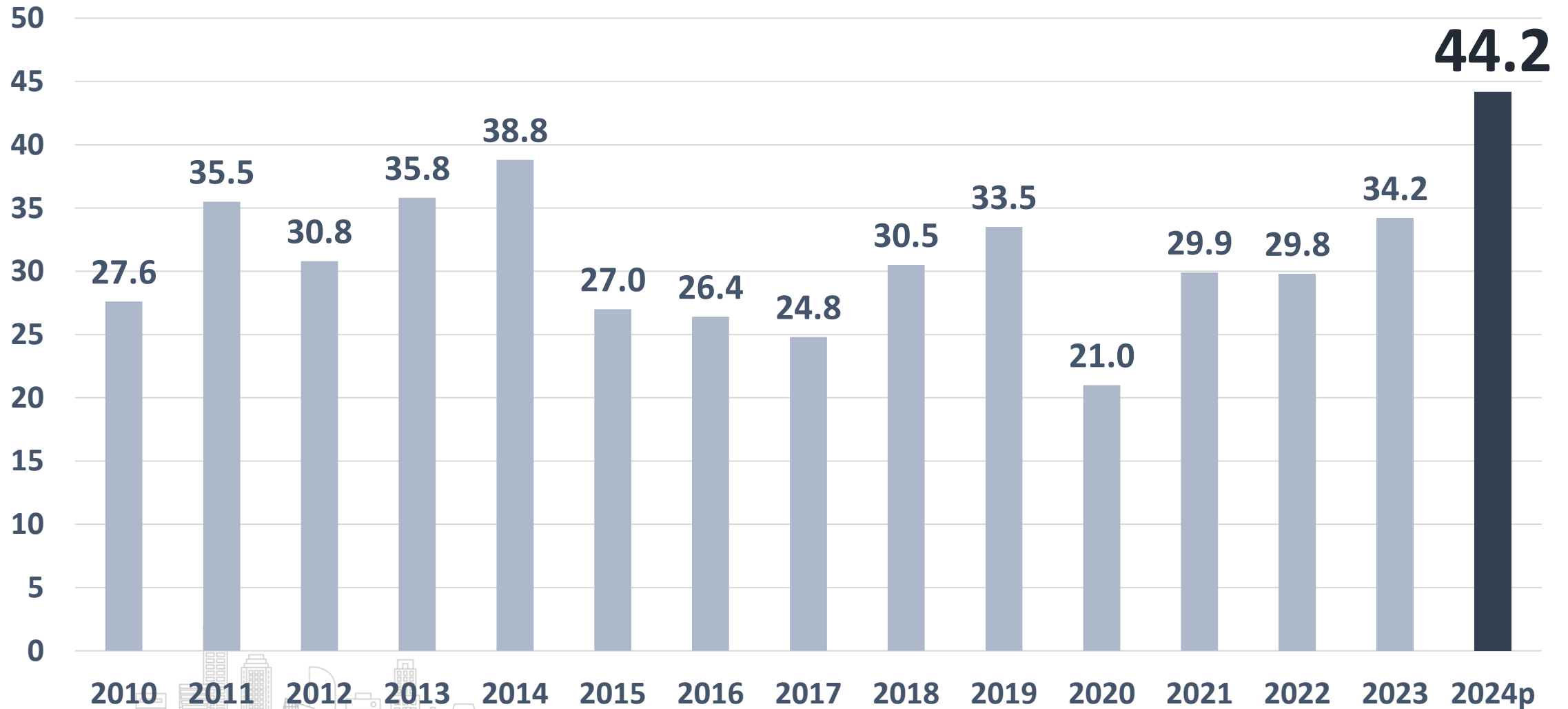
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- Demand Performance in 2024
- Construction Demand Outlook in 2025 - 2029
- Impact on Construction Output
- Key Construction Materials' Demands
- Tender Prices



# • Review of 2024

Contracts Awarded (in \$b)



p: Preliminary



# • Review of 2024

**TOTAL: \$44.2b**



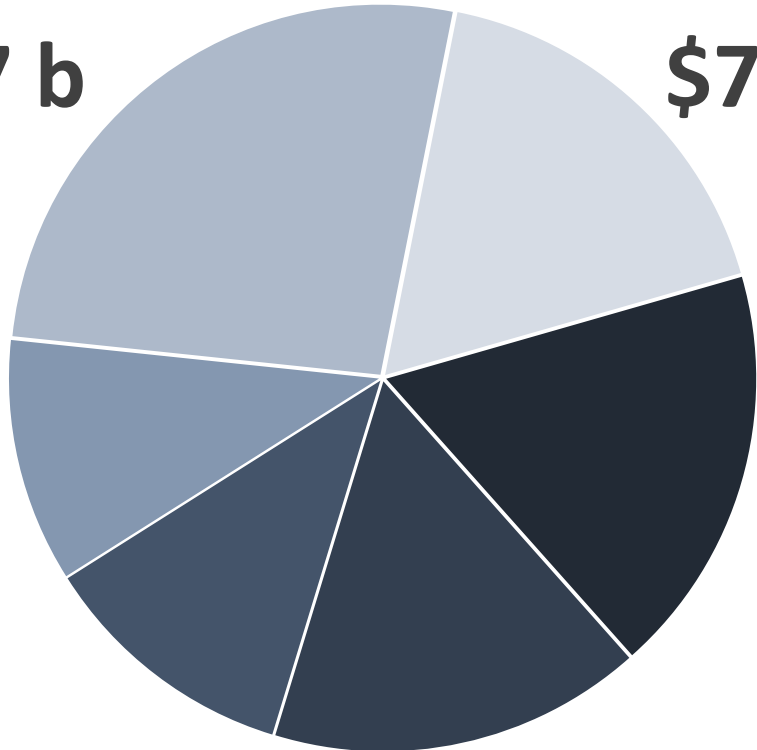
**Institutional & Others  
\$11.7 b**

**Civil Engineering  
\$7.7 b**



**Industrial  
\$4.7 b**

**Public Residential  
\$7.9 b**



**Commercial  
\$5.0 b**

**Private Residential  
\$7.2 b**



# • Review of 2024

**TOTAL: \$44.2b**

## Major Projects

- Public Housing
- Polyclinics with Nursing Homes
- Eastern Integrated Health Campus (Foundation Works)
- Alexandra Hospital Redevelopment (Foundation Works)
- Health Sciences Authority Building
- New Science Centre
- Bukit Timah Integrated Development
- Infrastructure Works at Bulim
- Cross Island MRT Line Phase 2
- Resort World Sentosa 2.0



Image credits: Channel News Asia, Crime Lab Design website, SAA Architects



# The Year Ahead

# 2025

## Economists stick to Singapore growth outlook, but warn of downside risks

External headwinds could include Trump's expected tariff plan, rise in geopolitical tensions

## S'pore raises 2024 growth forecast, but sees economy slowing in 2025 from global uncertainties

Singapore economy beats forecasts in Q4 2024 but analysts see tougher 2025 growth outlook

## Singapore's manufacturing sector ends 2024 on positive note

## Government ramps up supply of industrial sites in H1 2025 amid still-rising rents

Seven sites on confirmed list with 9.71 ha of land and three on reserve list with 4.36 ha



the last of such parcels, located at Islebell Road, was from the 2018 reserve list.

### SINGAPORE PROPERTY

## Government maintains private housing land supply on H1 2025 confirmed list

The 10 sites can yield about 5,030 private housing units, including 980 EC ones

## Economists see S'pore GDP growth slowing to 2.6% in 2025: MAS survey

downside risks cast to fall

OUTLOOK 2025

## Global and Singapore outlooks stay stable, but threats are on the rise

### Asian economies resilient enough to endure turbulence: IMF

## Singapore business sentiment improves for 2025; manpower costs, uncertain demand still top worries

To offset the pressures of rising expenditures, companies are turning to cost-saving initiatives and price hikes

by Alysia Tan  
alytan@spu.com.sg

mas sentiment also became more positive, with 40 per cent of com-

More positivity

## Businesses more hopeful for 2025 but rising costs among top concerns

sentiment picked up in Q4 2024, with 40% companies satisfied with business climate

by Chiang  
news Correspondent

Nearly one in three businesses (32 per cent) saw improvements in business conditions in the Asia region. This surpassed that of other global business climates, where

### How Singapore companies expect to fare

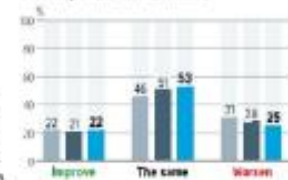
Firms more optimistic about Singapore economy in next 12 months

■ Q4 2023 ■ 12 2024 ■ Q4 2024

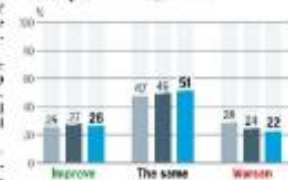
Current business climate



Economy in the last 12 months



Economy in the next 12 months



NOTE: Total figures may not tally due to rounding off.

Top 5 business challenges of operating in Singapore



SOURCE: SINGAPORE BUSINESS FEDERATION (SMBF) SURVEY (2024)

OUTLOOK 2025 - SUBSCRIBERS

## Potential US tariffs to put pressure on currencies of export-oriented economies: analysts

In contrast, domestic-driven economies' currencies could be this year's top performers, market observers say



Tan Nai Lun  
Published Mon, Jan 13, 2025 - 05:00 AM

## Trump's tariffs and likely trade war will test resilience of S'pore's economy

US leader's protectionist agenda will hit export-driven economies in 2025: Analysts

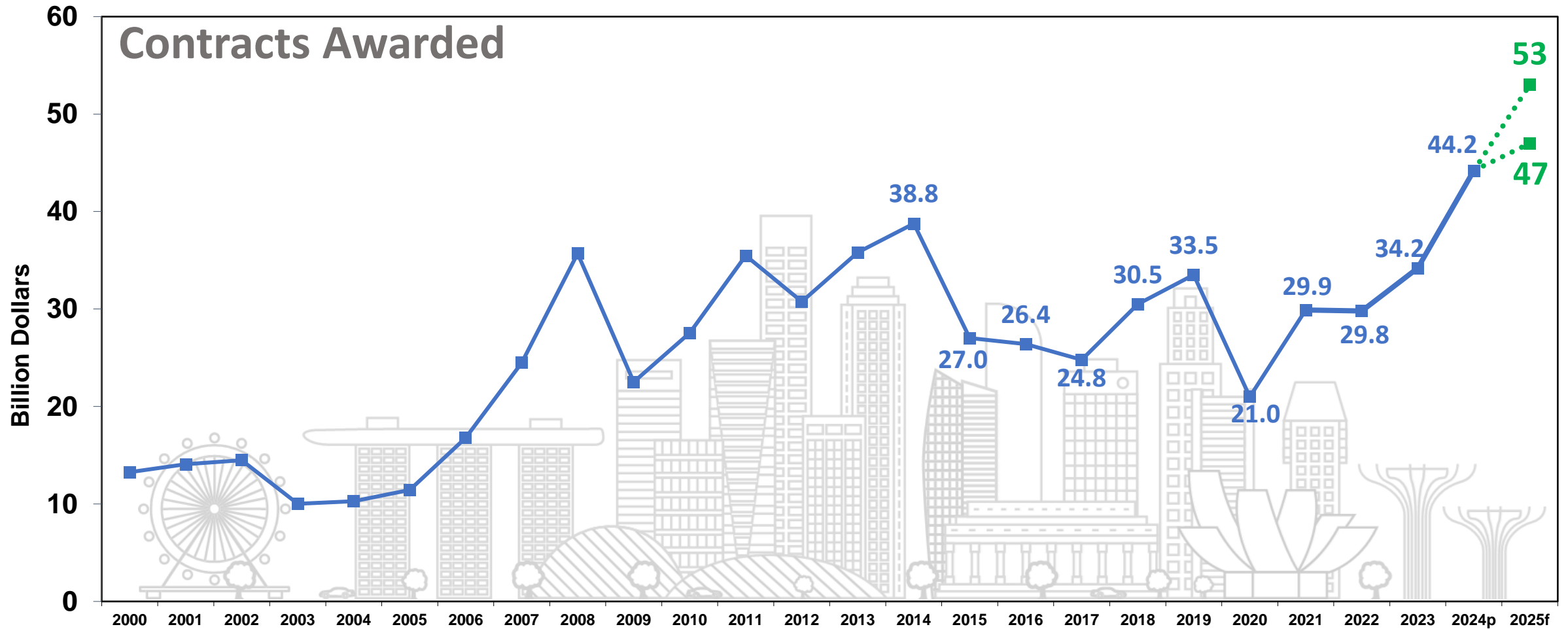
by Alysia Tan  
news Correspondent

good year for Singapore's an unexpected surge in and manufacturing in 1 quarter led to an upsurge full-year economic growth by the Ministry of Trade and Industry (MITI). Private sector



# 2025 Construction Demand

## Projected 2025: \$47b - \$53b



p : Preliminary f : Forecast

Note :

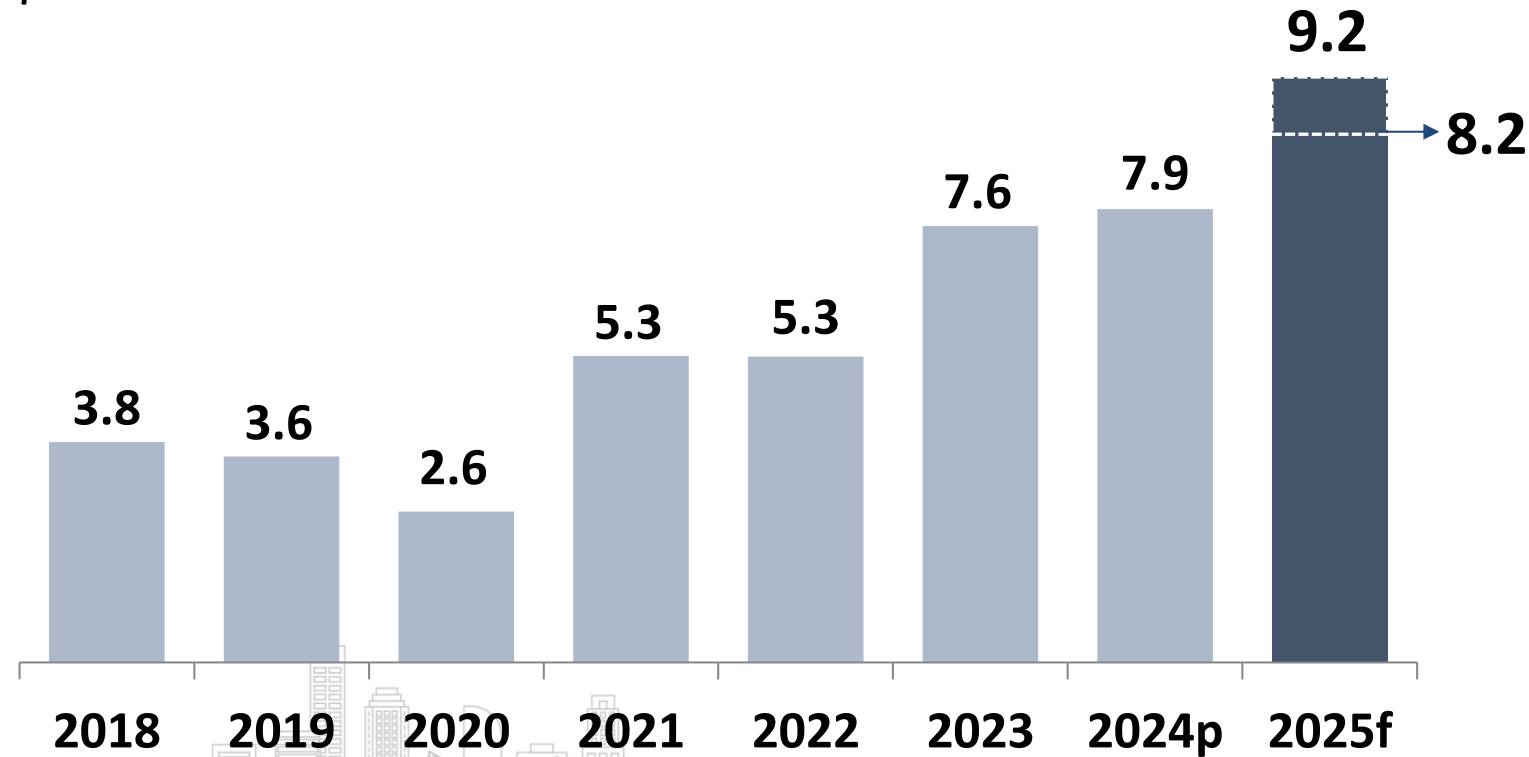
Construction demand excludes reclamation projects

# 2025 Construction Demand

## Public Residential: \$8.2b - \$9.2b

*Total public residential construction demand is expected to stay strong...*

\$b



### New Flats

~ \$7.5b

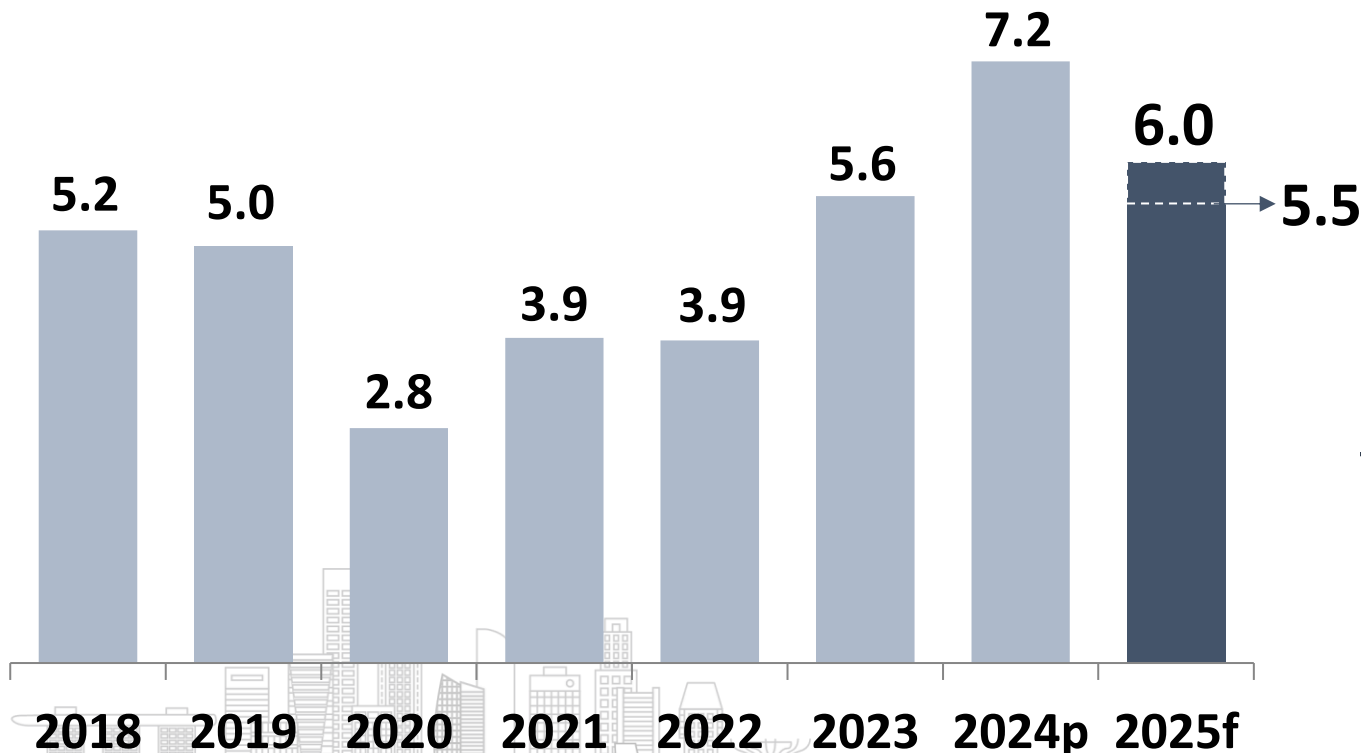


# • 2025 Construction Demand

## Private Residential: \$5.5b - \$6.0b

*Private residential construction demand is anticipated to moderate, but remains higher than the annual levels in 2015-2023...*

\$b



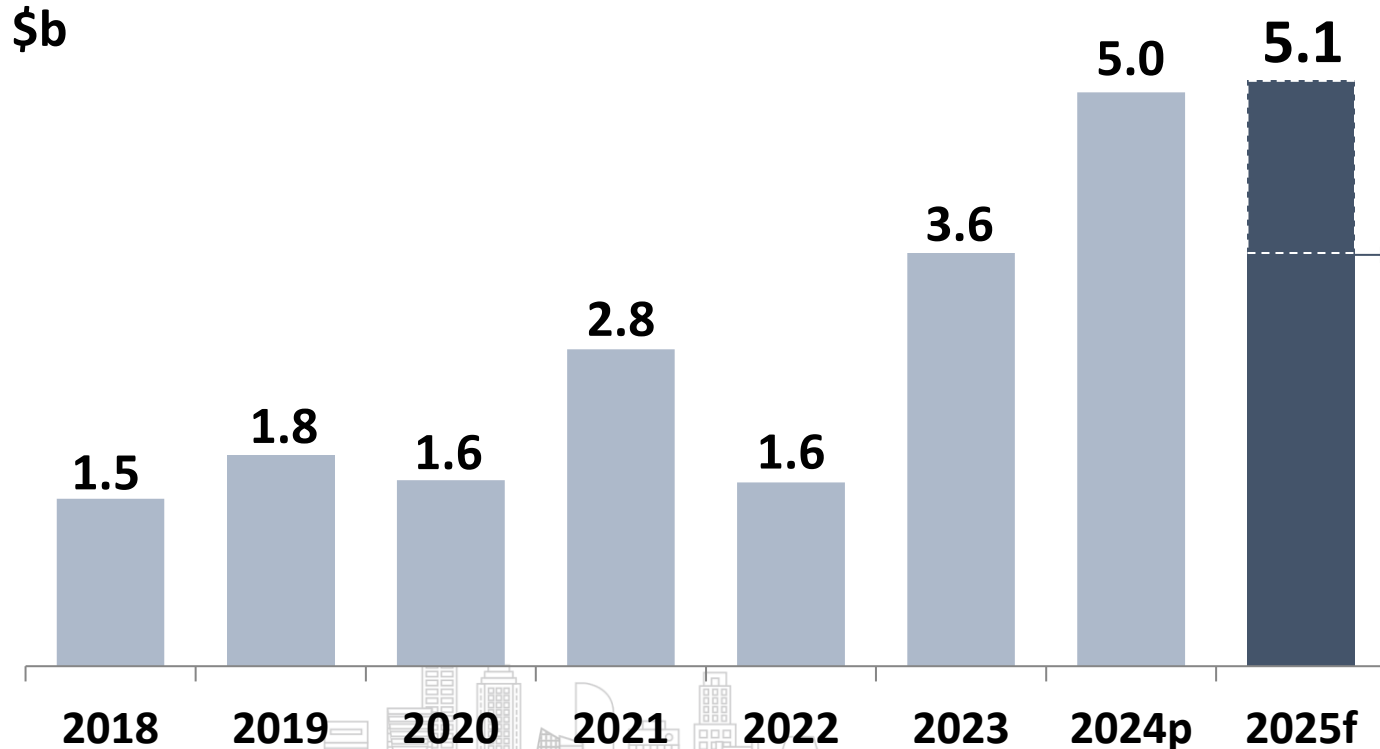
### Likely Major Projects

- Condominium Developments at Zion Road, Plantation Close, Canberra Crescent & Jalan Jurong Kechil
- Redevelopment of Robertson Walk to Apartments
- New Phases of Luxus Hills

# • 2025 Construction Demand

## Commercial: \$3.6b - \$5.1b

*Commercial construction demand is expected to be comparable with that of the volume in 2024 should upper bound projects proceed as scheduled...*



### Likely Major Projects

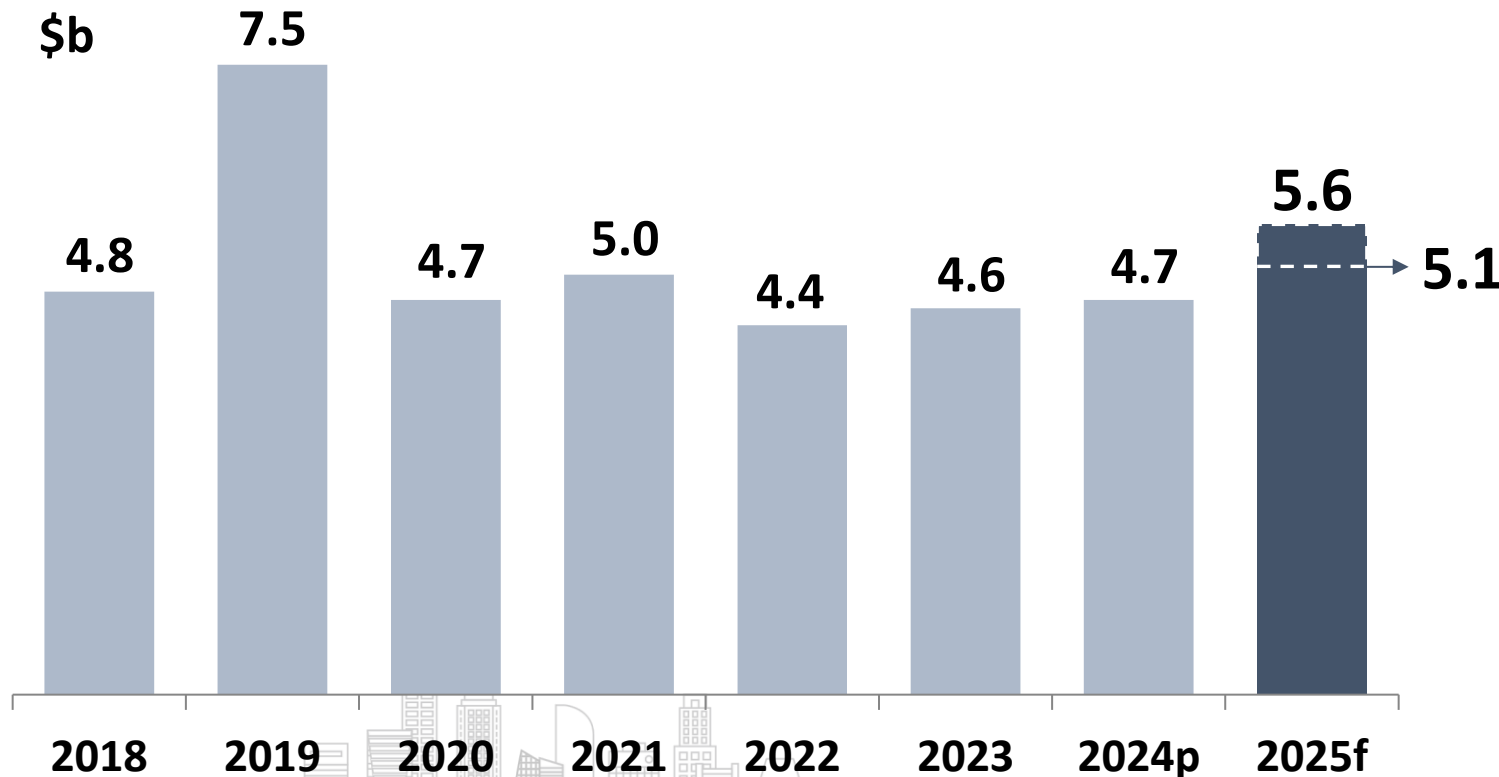
- MBS Refurbishment
- MBS Integrated Resort 2
- Tanglin Shopping Centre Redevelopment
- Other Mixed-Use Developments



# • 2025 Construction Demand

## Industrial: \$5.1b - \$5.6b

*Industrial construction demand is likely to be supported by more high-specification industrial building developments...*



### Likely Major Projects

- Biomedical/ Pharmaceutical Plants
- Semiconductor Chip Plant
- Data Centres
- Onshore Facilities for the 2<sup>nd</sup> LNG Terminal
- Various Water Reclamation Facilities under the DTSS Phase 2
- Changi NEWater Factory 3

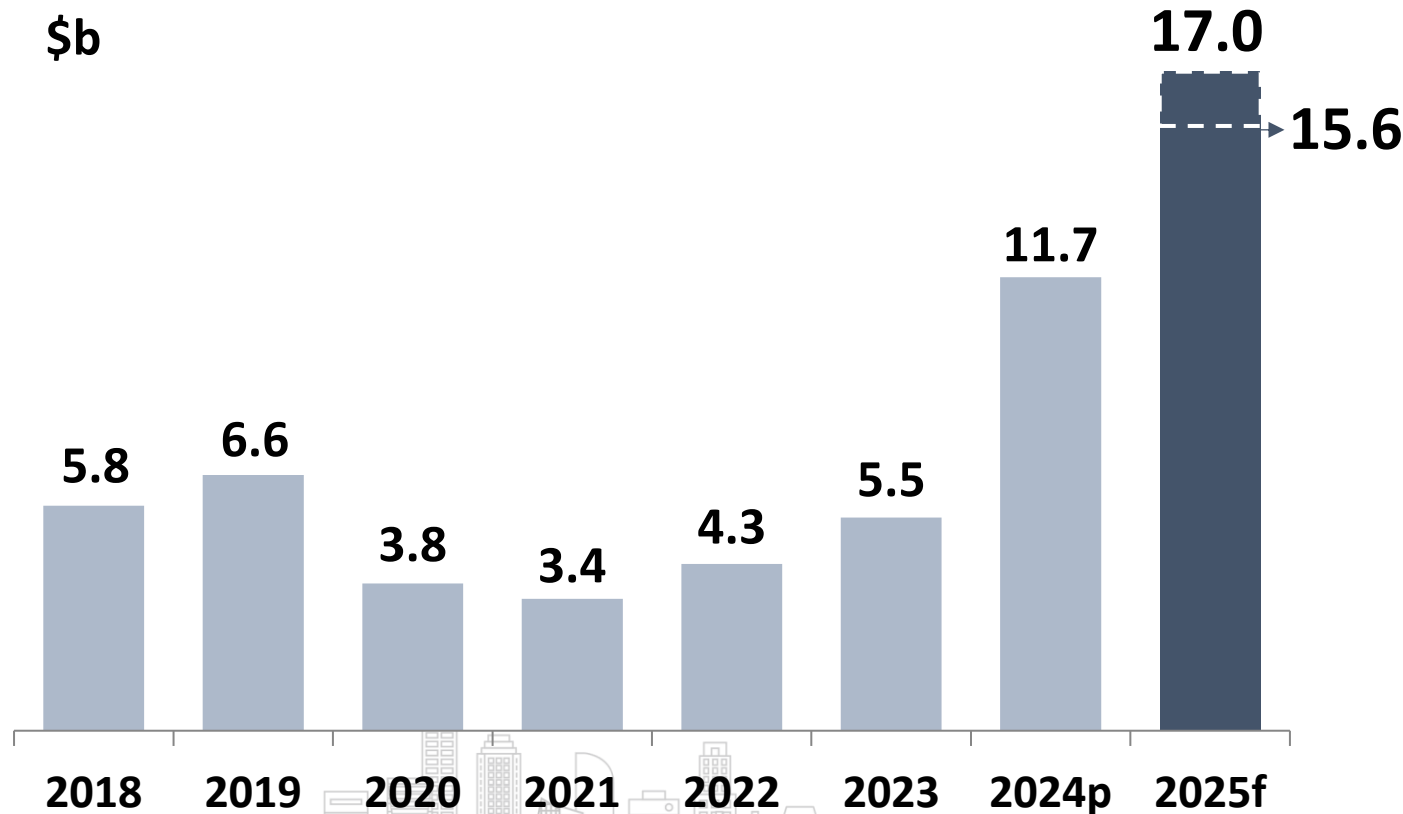


# • 2025 Construction Demand

## Institutional & Others: \$15.6b - \$17.0b

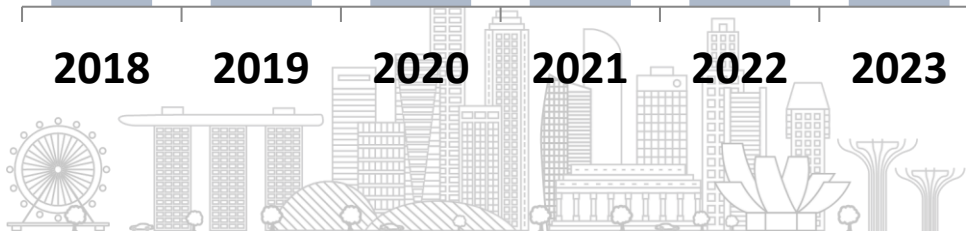
*Institutional & other building construction demand is expected to continue its growth...*

\$b



### Likely Major Projects

- Various Packages for T5 Development
- Goh Keng Swee Centre for Education
- Redevelopment of Various JCs
- Eastern Integrated Health Campus
- Alexandra Integrated Hospital
- Toa Payoh Integrated Development
- Woodlands Checkpoint Extension (Phase 1)
- Bus Depot Development & Upgrading

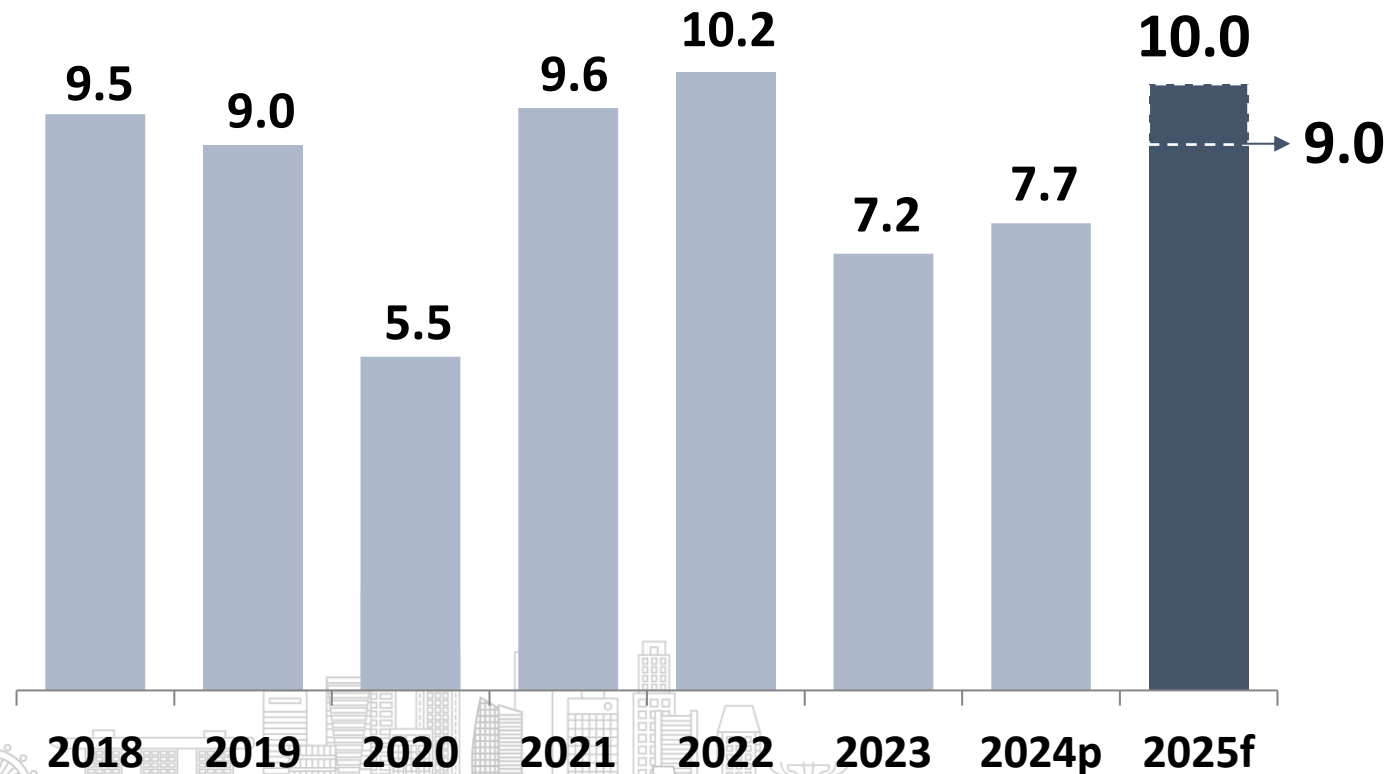


# • 2025 Construction Demand

## Civil Engineering: \$9.0b - \$10b

*Civil engineering construction demand is projected to strengthen...*

\$b



### Likely Major Projects

- M&E Contracts for TEL & CRL Phase 1
- New MRT Stations at Sungei Kadut
- Road Projects
- Sewerage & Drainage Works
- Infrastructure Works for Woodlands Checkpoint Extension, the Tuas Port and T5





# • 2025 Construction Demand

## Public Residential

\$8.2b - \$9.2b



## Private Residential

\$5.5b - \$6.0b



## Commercial

\$3.6b - \$5.1b



## Industrial

\$5.1b - \$5.6b



## Institutional & Others

\$15.6b - \$17.0b

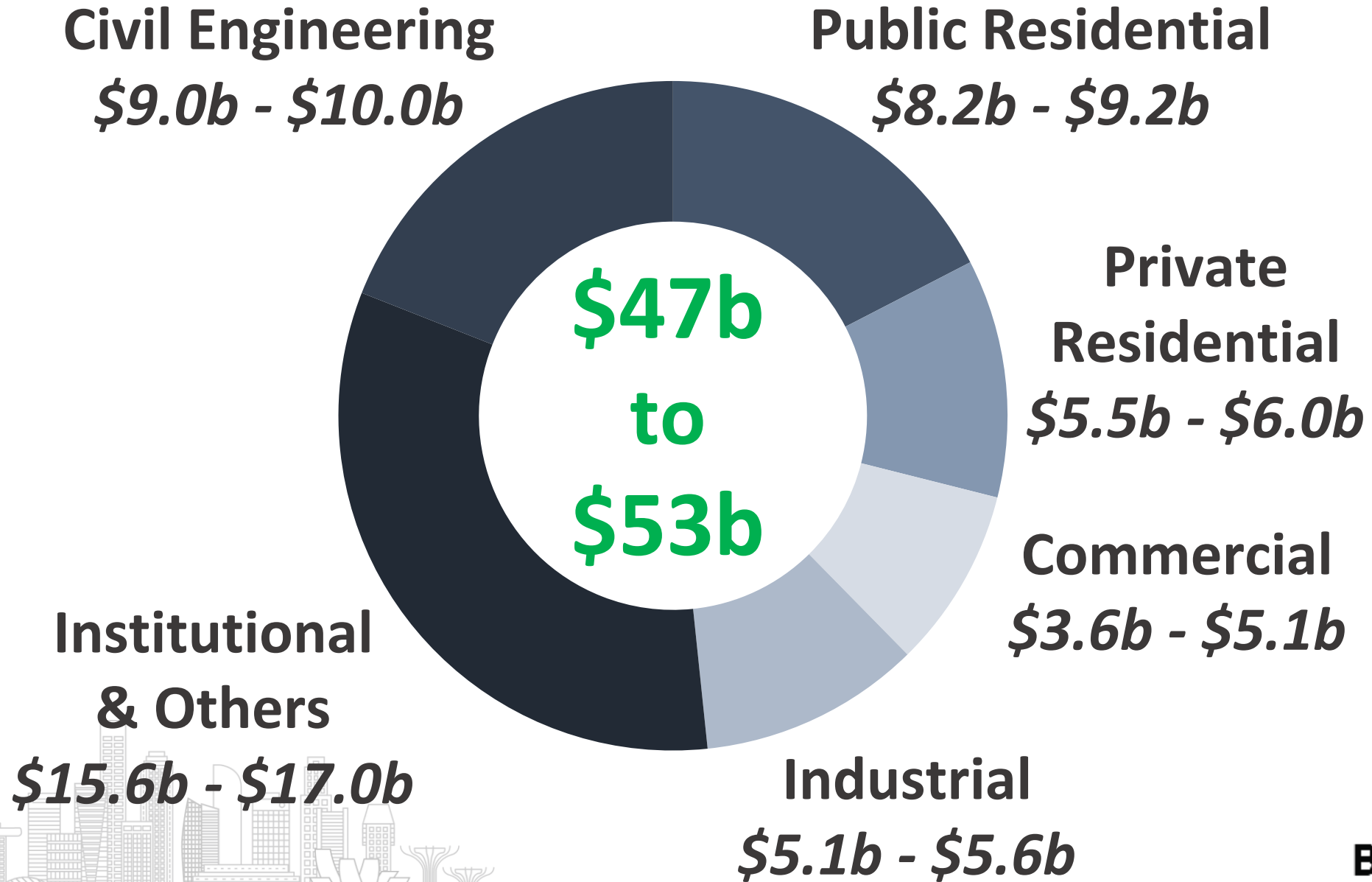


## Civil Engineering

\$9.0b - \$10.0b



# • 2025 Construction Demand



- **Outlook for 2026-2029**

**Average Annual Demand**

**\$39b-\$46b**



# • Outlook for 2026-2029

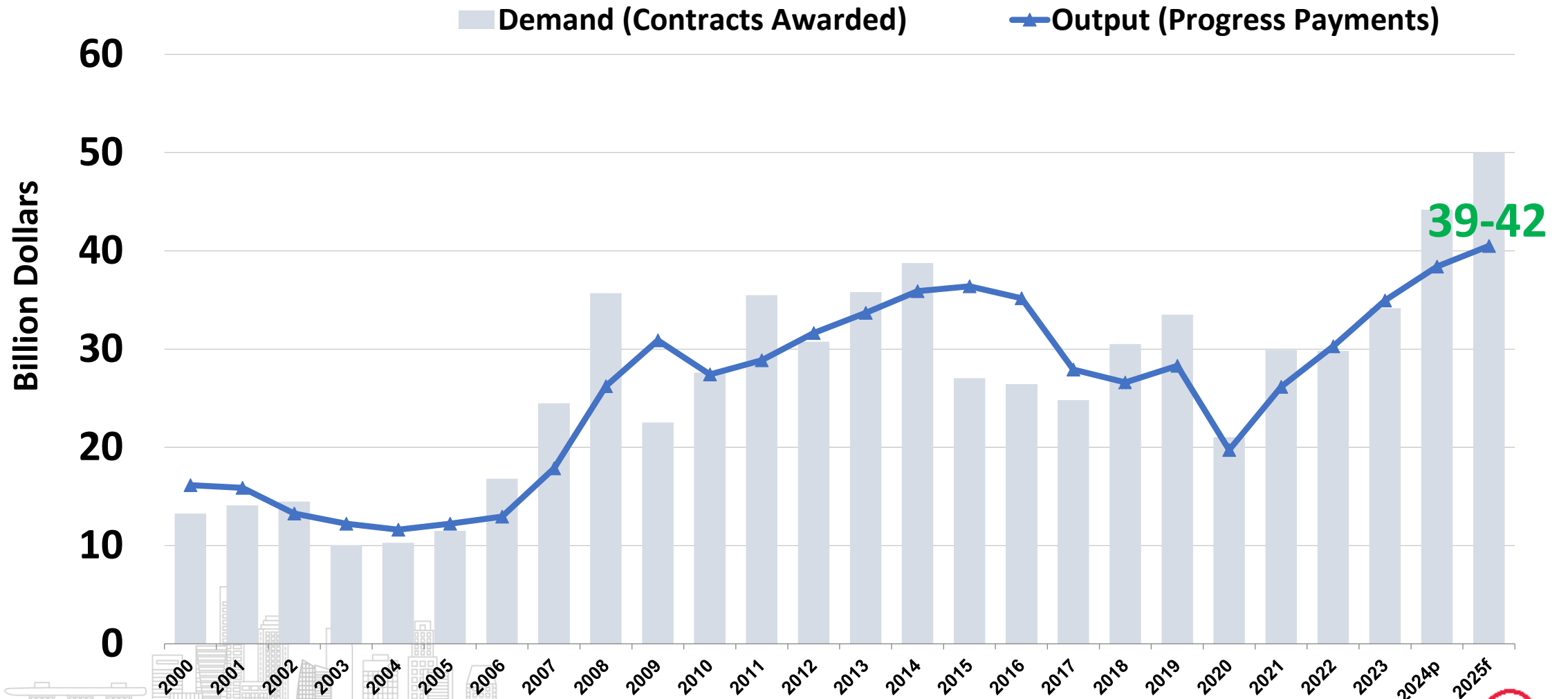
## Major Pipeline Projects

- ❖ Public Housing Developments
- ❖ T5 Development
- ❖ Cross Island MRT Line (Phase 3)
- ❖ Downtown Line Extension to Sungei Kadut
- ❖ Integrated Waste Management Facility (Phase 2)
- ❖ Tengah General & Community Hospital
- ❖ Siglap South Integrated Development
- ❖ Woodlands North Coast Industrial Estate



# Construction Output

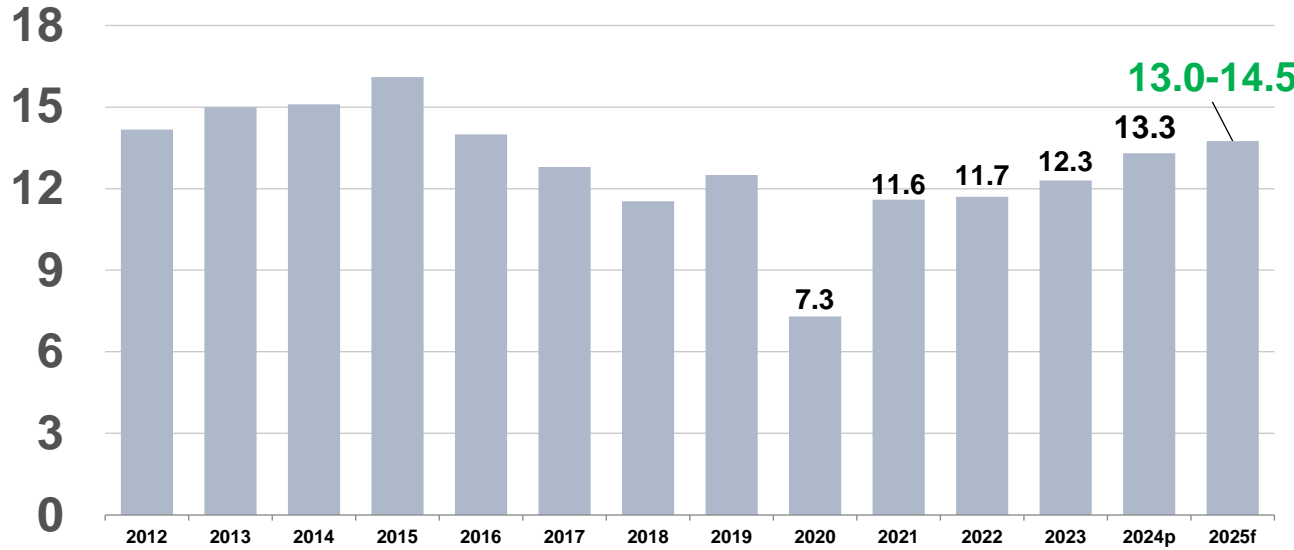
Total nominal construction output to improve to between \$39 billion and \$42 billion...



# Construction Materials

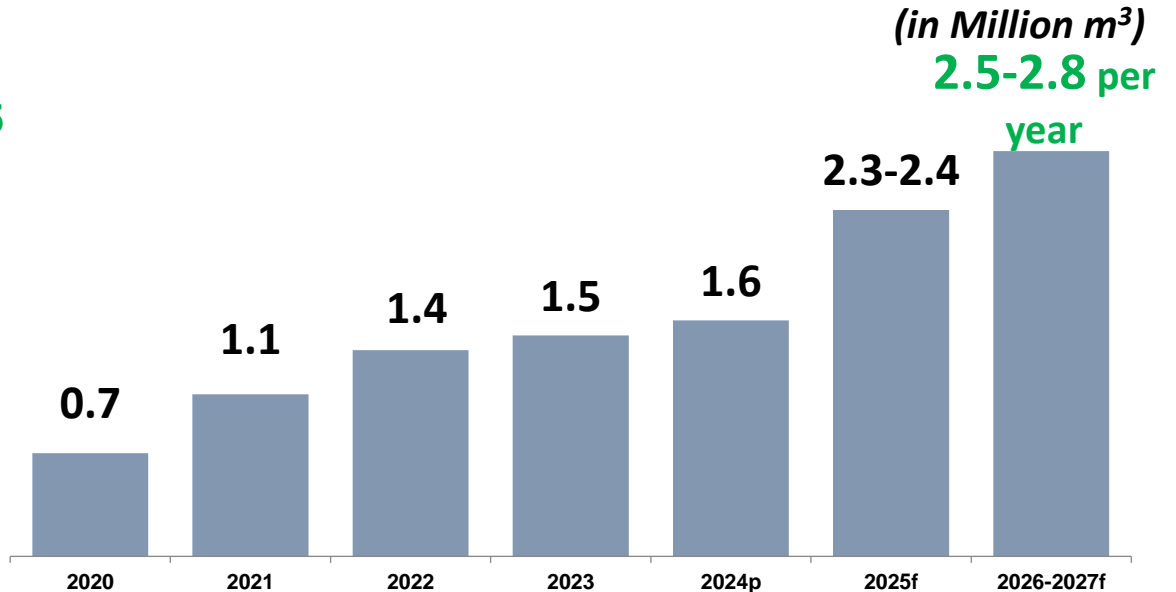
## Ready-Mixed Concrete

(in Million m<sup>3</sup>)



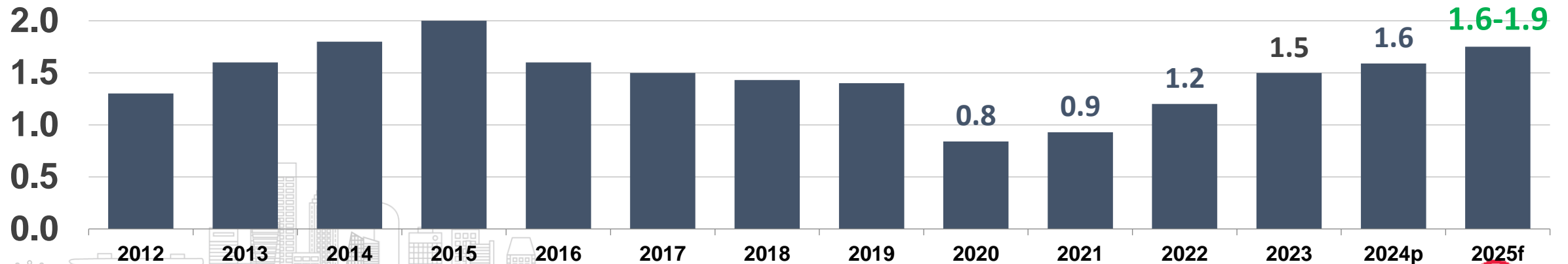
## Precast Concrete

(in Million m<sup>3</sup>)  
2.5-2.8 per year



## Steel Rebars\*

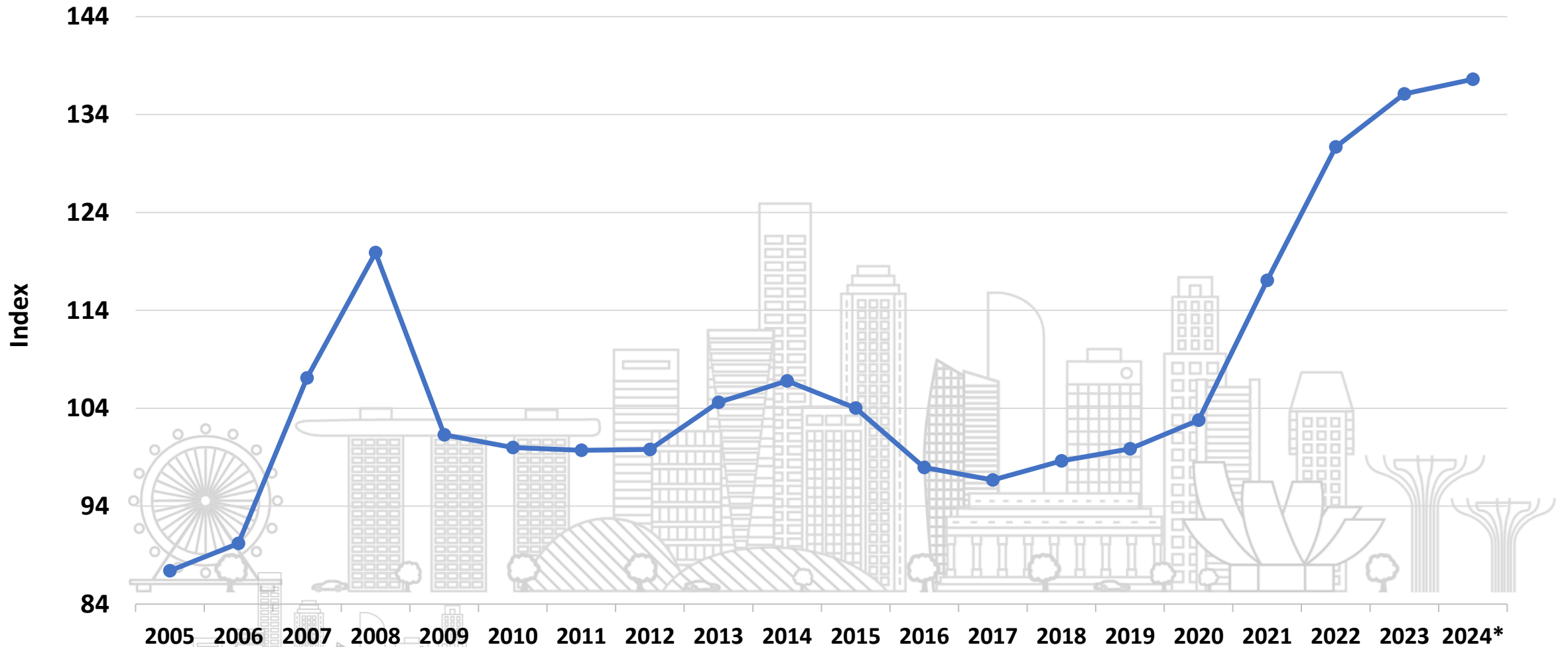
(in Million Tonnes)



\*Net imports plus local production (without factoring in stock level)

# • BCA's Building Works Tender Price Index

*Tender prices remained relatively stable...*



\* preliminary figure

# Conclusion

- Construction demand rose to \$44.2 billion in 2024 and is expected to continue to grow to between \$47 billion and \$53 billion in 2025.
- Over the medium-term, a steady stream of infrastructure projects, ongoing ramp-up in public housing construction, large-scale institutional developments, and vibrant urban rejuvenation projects will provide significant impetus to construction landscape.
- Industry stakeholders should embrace technological adoption, collaborative initiatives and workforce upskilling to foster industry transformation and open up new avenues for long-term growth.





# THANK YOU & HAPPY NEW YEAR



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