

Publication: MSN Online

Date: 18 April 2023

Headline: Half of Singaporeans expect inflation to decline in the next 12 months

Half of Singaporeans expect inflation to decline in the next 12 months



Consumers cite three reasons for the shift in their expectations.

More Singaporeans (50%) now expect inflation to decline in the next 12 months, the Singapore Index of Inflation Expectations Survey revealed.

In the December 2022 edition of the survey, only 41% believed that price pressures will ease within a year.

According to the survey, consumers are now more positive about their inflation expectations because central banks in major economies are raising interest rates (41%), and there has been a slowdown in global growth (35%).

Consumers also expect the resolution of pandemic-induced supply chain disruptions to relieve price pressures.

Whilst more Singaporeans think prices will decrease, some believe otherwise.

Based on the survey, 41% of consumers still expect inflation to increase in the next 12 months, likely because of central banks in major economies raising interest rates (36%), higher demand due to the relaxation of pandemic restrictions (27%) and geopolitical uncertainties due to the Ukraine-Russia conflict (23%).

Some (11%) also cited lingering supply chain disruptions to push prices up.

Publication: MSN Online

Date: 18 April 2023

Headline: Half of Singaporeans expect inflation to decline in the next 12 months

Meanwhile, the survey also found that consumers are divided on whether the current economic conditions will negatively impact one-year-ahead and five-year-ahead overall inflation.

Consumers are unsure whether current economic conditions will positively or negatively impact food, transportation, housing & utilities, healthcare, clothing & footwear, and household durables & services.