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Headline: Fewer Singaporeans expect inflation to decline: DBS, SMU survey

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As of September, only 49.5% of Singaporeans expect inflation to decline, a drop from 51% in June.

More Singaporeans expect inflation to increase in the next 12 months.

According to the Singapore Index of Inflation Expectations Survey (SinDEX) of DBS and Singapore Management University (SMU), the percentage of Singaporeans expecting inflation to increase has risen to 44% in September from 43% in June.

Meanwhile, the percentage of Singaporeans who expect inflation to decline has fallen from 51% in June to 49.5% in September.

Of those who expect inflation to increase, most cited central banks in major economies raising interest rates (31%) as a factor that will lead to further uptick in prices. Other factors cited by Singaporeans were the Ukraine-Russia conflict (26%), high demand due to the easing of COVID-19 restrictions (21%), and supply chain disruptions (14%).

Singaporeans who believe inflation will decrease, meanwhile, point to higher interest rates (41%), slowdown in global growth (36%), and resolution of pandemic-induced supply chain disruptions (16.5%) to relieve price pressures.

Overall, Singaporeans' one-year-ahead inflation expectations have fallen to 4.5% in September from 4.9% in June.

In 2024, Singaporeans expect price increases in food (from 7% to 5%), transportation (from 6% to 5%), housing and utilities (from 6% to 5%) to be milder.