

Singaporeans' inflation expectations at their lowest since 2021



Consumers' one-year-ahead headline inflation expectations dipped to 3.5% in June 2025.

The one-year-ahead inflation expectations of Singaporean consumers decreased to 3.5% in June 2025 from 3.8% in March 2025, their lowest level since December 2021, results from the 56th round of the Singapore Index of Inflation Expectations (SInDEX) survey showed.

The poll was conducted by DBS and Sim Kee Boon Institute for Financial Economics (SKBI) at Singapore Management University between 23 and 29 June 2025.

Results of the June 2025 survey also showed that around 50.3% of Singaporeans surveyed expect inflation to decline in the next 12 months. This is higher compared to the 44.4% recorded in March 2025.

On the other hand, only 42.4% felt that inflation will increase.

The results show that more respondents expect a decline in one-year-ahead inflation expectations, breaking a virtual dead heat in the March 2025 survey, where equal proportions of respondents expected inflation to go up or down.

Publication: Singapore Business Review

Date: 23 July 2025

Headline: Singaporeans' inflation expectations at their lowest since 2021

The main reasons cited by those expecting inflation to decline were the slowdown in global growth (34.7%), the uncertain impact of trade policies (29.6%), and the role of central banks in keeping interest rates high (12.4%).

Amongst respondents expecting inflation to increase over the next 12 months, the most common cited reasons were high demand due to geopolitical uncertainties due to the conflicts involving Hamas and Israel, Ukraine and Russia and Iran and Israel (28.1%), the relaxation of pandemic-era measures (17.7%), the impact of higher interest rates by the central banks of major economies (16.5%) and higher trade policy uncertainty due to tariffs (15.2%) and supply chain disruptions (11.7%).