SINGAPORE INDUSTRY INDEX · INSIGHT

The State of Singapore Industry 2026

The verified annual record of Singapore's industrial base — full-year 2025, with momentum to Q2 2026. Every figure sourced to a primary authority.

18.5% MANUFACTURING SHARE OF GDP · 2025	**+8.7%** MFG VALUE-ADDED GROWTH · FY2025	**+12.2%** MFG GROWTH Y/Y · Q2 2026
~10% OF THE WORLD'S CHIPS MADE HERE	**494,400** EMPLOYED IN MANUFACTURING · DEC 2025	**S$14.2b** FIXED-ASSET INVESTMENT COMMITTED · 2025

Sources: MTI · EDB · MOM · MPA · BCA · PSA

THE READ

Best year in a decade — but the strength is narrow

Singapore's factories are having their best year in a decade, and one force explains most of it. Manufacturing value-added grew **8.7% in 2025**, more than double 2024's pace, and accelerated into 2026 — the sector expanded **12.2% year-on-year in Q2 2026**, leading an economy that grew 5.7%. Behind almost all of it sits a single word: memory. The AI build-out has turned semiconductors into the load-bearing column of the entire industrial economy, and Singapore — which already makes roughly **one in ten of the world's chips** and **one in five of the world's chipmaking machines** — is pouring in capital to make more.

That strength is narrow, and honesty requires saying so. Of Singapore's six manufacturing clusters, electronics (**+12.7%**), transport engineering (**+18.7%**) and biomedical (**+16.3%**) carried 2025; chemicals barely moved (**+0.2%**) and general manufacturing shrank (**−7.8%**). By Q2 2026 the split had sharpened — electronics and precision engineering surging while chemicals and biomedical contracted. This is a two-speed industrial base: a semiconductor-led fast lane, and a slow lane exposed to global cycles and energy costs.

Underneath the cycle, the structure is shifting — from petrochemicals toward chips and pharmaceuticals, most visibly in Shell's April 2025 exit from its Pulau Bukom refinery. Manufacturing still holds **18.5% of GDP** and employs **494,400 people**, a share most advanced economies gave up long ago, defended with capital, not nostalgia.

PART 1

The macro picture

Manufacturing accounted for **18.5% of nominal GDP in 2025** (MTI), barely eroded in a decade even as the economy grew. Real value-added grew **8.7%**, up from 3.8% in 2024, and ran into 2026 at **+12.2% y/y in Q2**. The manufacturing PMI (SIPMM) read **51.3 in June 2026**, a fifteenth straight month of expansion. Manufacturing employed **494,400** at December 2025 (~13% of the workforce, excl. migrant domestic workers), and EDB secured **S$14.2 billion** of fixed-asset investment over the year.

Electronics alone is now **43.2% of manufacturing value-added and 8.0% of GDP**, and within it semiconductors have risen to 80% of the cluster — Singapore's industrial fortunes and the global chip cycle are now, to a first approximation, the same thing. (At 18.5% of a ~S$790bn nominal GDP, manufacturing value-added is on the order of S$145bn — derived from the share, not a separately published line.)

CLUSTER	2025 GROWTH	READ
Transport engineering	**+18.7%**	Aerospace MRO + marine/offshore orders
Biomedical manufacturing	**+16.3%**	High-value pharma; volatile by product cycle
Electronics	**+12.7%**	The engine — semiconductors, AI-driven
Precision engineering	**+3.6%**	The supplier spine; lagged the chip surge
Chemicals	+0.2%	Flat; feedstock and demand pressure
General manufacturing	**−7.8%**	The only cluster to contract

PART 2

The twelve sectors

Semiconductors & electronics — the engine

Singapore makes ~10% of the world's chips and ~20% of the world's semiconductor equipment, roughly 7% of GDP. The AI supercycle triggered the largest fab-investment wave in the country's history: **Micron's US$24bn NAND fab** (announced Jan 2026) and its ~US$7bn HBM packaging plant (2025), alongside UMC's US$5bn 22nm fab, Siltronic's ~S$2.9bn plant, Soitec's SOI expansion and Applied Materials' toolmaking expansion. Counter-signal: the VSMC (Vanguard–NXP) ~US$7.8bn fab is being rephased amid soft mature-node demand.

Precision engineering — the spine

3,000-plus suppliers underpin the semiconductor and aerospace clusters — the machinists, toolmakers and coaters whose customers are far larger than they are. The least visible and most filmable industrial base in Singapore, and the core of SII's record.

Transport engineering — aerospace & marine

The fastest-growing cluster of 2025 (+18.7%). Aerospace performs ~10% of global MRO with 130+ players across Seletar Aerospace Park. In marine/offshore, **Seatrium** posted **S$11.5bn** FY2025 revenue, a near-doubled S$324m net profit and a **S$17.8bn** order book weighted to FPSOs and offshore wind.

Energy & chemicals — the base in transition

Jurong Island hosts 100-plus companies and S$60bn-plus of cumulative investment, ~3% of GDP — but the cluster was flat in 2025 (+0.2%). The defining event: **Shell completed the sale of its Pulau Bukom refinery and Jurong Island assets to CAPGC (Chandra Asri–Glencore) on 1 April 2025.** ExxonMobil's 592,000 b/d refinery remains; Neste's 2.6m-tonne renewables refinery anchors the transition.

Biomedical & medtech — high value, high volatility

60-plus biopharma plants produced S$12.1bn in 2024 (against S$18bn-plus in 2023 — output swings hard by product cycle). MedTech output reached S$19.4bn in 2023. Heavy 2024 slate: AstraZeneca (US$1.5bn), Pfizer (US$743m), Sanofi (~US$590m).

Construction, logistics, data centres, food

BCA put 2025 construction demand at a preliminary **S$50.5bn** (near a decade high), S$47–53bn projected for 2026. PSA handled a record **40m-plus TEU in 2024**; Tuas Port passed 10m TEU cumulatively. Singapore hosts 70-plus data centres (~1.4 GW); the Green Data Centre Roadmap unlocked 300 MW-plus, with a fresh 200 MW round in March 2026. On food, Singapore **replaced "30 by 30" on 4 Nov 2025** with softer 2035 targets (20% fibre, 30% protein).

PART 3

The four shifts that outlast the cycle

One: the memory supercycle is remaking the base. Back-to-back Micron commitments (US$7bn in 2025, US$24bn in 2026) plus UMC, Siltronic, Soitec and Applied Materials concentrated a decade of fab investment into eighteen months — real, and narrow.

Two: petrochemicals are giving way to chips and pharma. Shell's April 2025 exit is the clearest marker of a base rotating from oil toward semiconductors and biologics.

Three: the value moved up, not out. Singapore kept manufacturing at nearly a fifth of GDP by abandoning volume assembly for wafers, advanced packaging and precision components — under 500,000 workers producing far more than their headcount implies.

Four: the constraints are being renegotiated, not removed. Data-centre capacity, food self-sufficiency and Jurong Island's carbon footprint were hard limits a few years ago; each was re-set in 2024–2025 toward "grow, but efficiently."

PART 4

Key figures

METRIC	VALUE	PERIOD	SOURCE
Manufacturing share of GDP	18.5%	2025	MTI
Manufacturing VA growth (real)	**+8.7%**	FY2025	MTI
Manufacturing VA growth (real)	**+12.2% y/y**	Q2 2026	MTI
Manufacturing employment	494,400 (~13%, excl. MDW)	Dec 2025	MOM
EDB fixed-asset investment	S$14.2bn	2025	EDB
Electronics share of mfg VA	43.2%	2025	MTI
Global chip output share	~10%	2025/26	EDB
Global semicon equipment share	~20%	2025/26	EDB
Micron NAND fab	US$24bn	Announced Jan 2026	Micron
Seatrium revenue / order book	S$11.5bn / S$17.8bn	FY2025	Seatrium
Bunker sales (world's largest)	56.77m t (record, +3.4%)	2025	MPA
Construction demand	S$50.5bn; S$47–53bn (2026f)	2025/26	BCA
PSA container throughput	40m+ TEU (record)	2024	PSA
Data-centre capacity	~1.4 GW, 70+ centres	2024	IMDA

METHODOLOGY

How this study was built

Official Singapore sources are used wherever one exists — MTI (Economic Survey of Singapore 2025 and the Q2 2026 GDP release), EDB, MOM, MPA, BCA, PSA, IMDA, SFA and EnterpriseSG — supplemented by company filings for named firms. Commercial market-sizing vendors were deliberately excluded. Growth figures are real value-added unless stated; share figures are nominal. Where a figure is derived (manufacturing value-added in dollars) or provisional (latest-month output, the VSMC fab timeline) it is flagged in the text.

Every headline figure in this study was independently verified against its primary source before publication. Annual snapshots — biomedical output in particular — swing by year and should be read by the stated year, not as a trend. This is the 2026 edition; the next refresh follows the FY2026 results season. Corrections are logged with each annual edition.

SOURCES

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· MTI — Q2 2026 GDP release: www.mti.gov.sg/newsroom

· MTI — Electronics cluster & the AI boom (feature article), Economic Survey of Singapore 2025

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· EDB — Micron US$7bn HBM facility groundbreaking (Jan 2025)

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· MOM — Labour Market Report Q4 2025: stats.mom.gov.sg

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· Shell — Completion of sale of Singapore Energy & Chemicals Park to CAPGC, 1 April 2025: www.shell.com/news-and-insights

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· PSA — Record throughput of 40m+ TEU, 2024: www.globalpsa.com

· IMDA — Green Data Centre Roadmap (May 2024) & DC-CFA2 allocation (Mar 2026)

· SFA / MSE — Food-security target revision, 4 November 2025

· Micron — US$24bn Singapore NAND fab, announced 27 January 2026 (CNBC / TrendForce)