

RPT-Singapore cuts 2008 GDP growth forecast to 4-5% - PM

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SINGAPORE, Aug 8 (Reuters) - Singapore's prime minister on Friday cut the government's 2008 economic growth forecast to 4-5 percent from 4-6 percent and said the country faced a tough year ahead as it was beginning to feel the impact of a U.S. slowdown.

"For the whole year, we expect growth to be between 4 and 5 percent," Prime Minister Lee Hsien Loong said in a televised speech to mark the country's national day.

He said the trade-dependent economy had expanded by 4.5 percent in the first six months of 2008.

"Singapore's economy has so far been partly buffered, because we've been carried along by the vibrancy of the Asian region. But Asian economies are starting to feel the impact of America's problems, and so are we."

"We must therefore prepare ourselves for a bumpy year ahead."

Final second-quarter gross domestic product data is due to be released on Monday and economists forecast a seasonally adjusted quarter-on-quarter contraction of 6.0 percent -- broadly in line with flash estimates released a month ago. [ID:nSP71373] (Reporting by Jan Dahinten, editing by Neil Chatterjee)

Source: Reuters