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LIST OF ABBREVIATIONS

3MMA	three-month moving average
ACU	Asian Currency Unit
AE	advanced economies
ASEAN	Association of Southeast Asian Nations
BOJ	Bank of Japan
COE	Certificate of Entitlement
CPF	Central Provident Fund
CPI	consumer price index
DBU	Domestic Banking Unit
ECB	European Central Bank
EIA	Energy Information Administration
EPG	Economic Policy Group
FI	Fiscal Impulse
FOMC	Federal Open Market Committee
GFC	Global Financial Crisis
GFCF	gross fixed capital formation
GOS	gross operating surplus
GST	Goods and Services Tax
ICT	information and communications technology
IMF	International Monetary Fund
IT	information technology
ITP	Industry Transformation Programme
LIBOR	London interbank offered rate
MMS	Monetary Model of Singapore
MNC	multinational corporation
m-o-m	month-on-month
NEA	Northeast Asian economies
NEER	nominal effective exchange rate
OECD	Organisation for Economic Cooperation and Development
OPEC	Organisation of the Petroleum Exporting Countries
PBOC	People's Bank of China
PMET	professionals, managers, executives and technicians
PMI	Purchasing Managers' Index
PPI	producer price index
q-o-q	quarter-on-quarter
REER	real effective exchange rate
SA	seasonally adjusted
SAAR	seasonally adjusted annualised rate
SIBOR	Singapore interbank offered rate
SME	small and medium enterprise
SPF	Survey of Professional Forecasters
TFP	total factor productivity
UBC	unit business cost
ULC	unit labour cost
WTO	World Trade Organisation
y-o-y	year-on-year

Preface

The *Macroeconomic Review* is published twice a year in conjunction with the release of the MAS Monetary Policy Statement. The *Review* documents the **Economic Policy Group's (EPG)** analysis and assessment of macroeconomic developments in the Singapore economy, and shares with market participants, analysts and the wider public, the basis for the policy decisions conveyed in the Monetary Policy Statement. It also features in-depth studies undertaken by EPG on important economic issues facing Singapore.

In this 45th year of the MAS, Special Feature A provides a broad historical narrative of Singapore's search for a nominal anchor from the early 19th century up to the present, including the considerations leading to the adoption of the unique exchange-rate centred monetary policy framework. We are pleased to have Professor Lawrence Christiano of Northwestern University write Special Feature B in this issue, titled "The Great Recession: Earthquake for Macroeconomics". We are also grateful to Professor Randall Morck of University of Alberta Business School and Professor Bernard Yeung of NUS Business School for contributing Special Feature C, which provides an Asian perspective on corporate governance with some focus on the role of the financial sector. The *Review* was edited by Associate Professor Peter Wilson.

The data used in the *Review* was drawn from the following government agencies, unless otherwise stated: BCA, CAAS, CPF Board, DOS, EDB, IDA, IE Singapore, LTA, MOF, MOM, MND, MPA, MTI, STB and URA.

The *Review* can be accessed in PDF format on the MAS website: <http://www.mas.gov.sg/Monetary-Policy-and-Economics/Monetary-Policy/Macroeconomic-Review>.

Hard copies of the *Review* may also be purchased at major bookstores, ordered online (<http://www.marketasiabooks.com>), or on an annual subscription basis (details can be found on the last page).