



## PRESS RELEASE

### Wholesale Trade Index First Quarter 2014

#### Highlights

##### *Domestic Wholesale Trade*

- Domestic wholesale trade (seasonally adjusted) decreased 0.6% in first quarter 2014 over fourth quarter 2013. Excluding petroleum, domestic wholesale trade went up marginally by 0.2%. After removing the price effect, overall domestic wholesale trade increased 0.4% over the previous quarter.
- Compared to the same period a year ago, domestic wholesale trade fell 2.8% in first quarter 2014. Excluding petroleum, domestic wholesale trade rose 2.5% compared to first quarter 2013. After adjusting for price changes, overall domestic wholesale trade registered a smaller year-on-year decline of 1.4%.

##### *Foreign Wholesale Trade*

- Foreign wholesale trade (seasonally adjusted) decreased 4.0% in first quarter 2014 over fourth quarter 2013. Excluding petroleum, foreign wholesale trade dropped 4.6% over the previous quarter. After removing the price effect, overall foreign wholesale trade contracted by 2.7%.
- Compared to the same period a year ago, foreign wholesale trade fell 1.1%. Excluding petroleum, foreign wholesale trade dipped 0.8%. After adjusting for price changes, foreign wholesale trade was down slightly by 0.2% year-on-year.

## **Domestic Wholesale Trade by Sector**

### ***Quarter-on-Quarter Change (Seasonally Adjusted)***

After seasonal adjustment, lower domestic sales were reported in the transport equipment (-7.7%), telecommunications & computers (-3.3%), ship chandlers & bunkering (-3.2%), industrial & construction machinery (-2.7%), petroleum & petroleum products (-1.4%) and food, beverages & tobacco (-1.3%) sectors during first quarter 2014, compared to fourth quarter 2013 (Table 1). However, after adjusting for price changes, domestic sales of petroleum & petroleum products increased 1.0%.

In contrast, growth in domestic sales was observed in the general wholesale trade (7.1%), metals, timber & construction materials (5.5%), chemicals & chemical products (4.6%), household equipment & furniture (1.3%) and electronic components (1.0%) sectors in first quarter 2014 over fourth quarter 2013.

### ***Year-on-Year Change***

On a year-on-year basis, the telecommunications & computers sector reported a double-digit decline of 13.4% in domestic sales in first quarter 2014. Other sectors that experienced lower domestic sales included petroleum & petroleum products (-7.6%), ship chandlers & bunkering (-5.8%), household equipment & furniture (-4.0%) and metals, timber & construction materials (-1.8%). However, after removing the price effect, the domestic sales volume of the household equipment & furniture and metals, timber & construction materials sectors increased 4.0% and 0.3% respectively.

In comparison, the general wholesale trade sector reported the largest growth of 35.4% in domestic sales in first quarter 2014, primarily due to an increase in demand in the domestic market. Similarly, the chemicals & chemical products sector recorded a double-digit increase of 13.1% in domestic sales while the electronic components, food, beverages & tobacco, industrial & construction machinery and transport equipment sectors registered increases of between 2.0% and 4.0%. After excluding price changes, domestic sales of transport equipment decreased 4.1%.

## Foreign Wholesale Trade by Sector

### *Quarter-on-Quarter Change (Seasonally Adjusted)*

After seasonal adjustment, most wholesale trade sectors reported lower foreign sales in first quarter 2014 over fourth quarter 2013, except for the industrial & construction machinery sector which recorded an increase of 4.7% (Table 2).

Sectors which registered relatively larger declines in foreign sales included chemicals & chemical products (-10.8%), metals, timber & construction materials (-9.9%), transport equipment (-6.8%) and general wholesale trade (-5.6%). Foreign sales of the household equipment & furniture, electronic components, petroleum & petroleum products, food, beverages & tobacco, ship chandlers & bunkering and telecommunications & computers sectors also decreased between 0.9% and 4.9%. After excluding price changes, foreign sales of the chemicals & chemical products sector contracted by a larger 15.9% while the petroleum & petroleum products sector reported an increase of 1.1%.

### *Year-on-Year Change*

On a year-on-year basis, lower foreign sales were recorded in the telecommunications & computers (-6.8%), chemicals and chemical products (-6.3%), industrial & construction machinery (-3.0%), transport equipment (-3.0%) and petroleum & petroleum products (-1.4%) sectors. After excluding price changes, the transport equipment sector recorded a larger decline of 8.4%.

On the other hand, sectors that experienced higher foreign sales as compared to the same quarter a year ago included ship chandlers & bunkering (9.6%), metals, timber & construction materials (6.5%), general wholesale trade (4.0%), electronic components (3.2%) and household equipment & furniture (0.7%). Foreign sales of food, beverages & tobacco went up slightly by 0.2% over the same period.

<b>Table 1 Percentage Change of Domestic Wholesale Trade Index (2012=100)</b>								
Activity	Quarter-on-Quarter Change (Seasonally Adjusted)				Year-on-Year Change			
	at Current Prices		at Constant Prices		at Current Prices		at Constant Prices	
	4Q13 / 3Q13	1Q14 / 4Q13	4Q13 / 3Q13	1Q14 / 4Q13	4Q13 / 4Q12	1Q14 / 1Q13	4Q13 / 4Q12	1Q14 / 1Q13
<b>Total</b>	<b>-3.4</b>	<b>-0.6</b>	<b>-3.3</b>	<b>0.4</b>	<b>2.6</b>	<b>-2.8</b>	<b>2.5</b>	<b>-1.4</b>
Total (Excluding petroleum)	-1.2	0.2	-0.8	-0.2	5.6	2.5	7.0	4.4
Food, Beverages & Tobacco	2.6	-1.3	2.1	-1.1	7.8	3.5	5.7	2.5
Household Equipment & Furniture	-5.6	1.3	-3.5	4.8	-17.2	-4.0	-11.3	4.0
Petroleum & Petroleum Products	-5.4	-1.4	-5.7	1.0	-0.3	-7.6	-1.8	-6.8
Chemicals & Chemical Products	-1.2	4.6	-1.2	4.3	8.5	13.1	7.3	14.6
Electronic Components	-4.1	1.0	-3.6	1.7	6.3	4.0	5.8	3.9
Industrial & Construction Machinery	-3.0	-2.7	-1.2	-4.0	8.0	2.6	8.2	1.7
Telecommunications & Computers	-0.9	-3.3	2.2	-1.5	2.1	-13.4	13.6	-3.3
Metals, Timber & Construction Materials	0.3	5.5	0.5	4.6	-3.8	-1.8	-1.2	0.3
General Wholesale Trade	-1.1	7.1	-0.8	6.7	33.4	35.4	32.5	35.6
Ship Chandlers & Bunkering	-0.8	-3.2	-2.0	-5.4	1.0	-5.8	0.3	-3.6
Transport Equipment	2.1	-7.7	1.0	-11.9	10.2	2.0	7.3	-4.1
Other Wholesale Trade	-1.5	2.1	-1.4	1.3	8.2	9.4	9.0	8.5

<b>Table 2 Percentage Change of Foreign Wholesale Trade Index (2012=100)</b>								
Activity	Quarter-on-Quarter Change (Seasonally Adjusted)				Year-on-Year Change			
	at Current Prices		at Constant Prices		at Current Prices		at Constant Prices	
	4Q13 / 3Q13	1Q14 / 4Q13	4Q13 / 3Q13	1Q14 / 4Q13	4Q13 / 4Q12	1Q14 / 1Q13	4Q13 / 4Q12	1Q14 / 1Q13
<b>Total</b>	<b>2.5</b>	<b>-4.0</b>	<b>2.1</b>	<b>-2.7</b>	<b>6.3</b>	<b>-1.1</b>	<b>5.9</b>	<b>-0.2</b>
Total (Excluding petroleum)	2.7	-4.6	3.8	-5.5	12.1	-0.8	12.5	0.6
Food, Beverages & Tobacco	3.5	-2.0	4.8	-1.6	3.7	0.2	4.5	-0.5
Household Equipment & Furniture	4.0	-4.9	4.0	-3.7	-0.4	0.7	-1.3	0.9
Petroleum & Petroleum Products	2.2	-3.1	-0.1	1.1	-0.7	-1.4	-2.0	-1.3
Chemicals & Chemical Products	4.3	-10.8	6.1	-15.9	11.1	-6.3	10.8	-5.9
Electronic Components	1.4	-4.4	5.2	-4.9	11.7	3.2	11.3	4.7
Industrial & Construction Machinery	-3.2	4.7	-2.3	2.3	-18.2	-3.0	-16.7	-3.3
Telecommunications & Computers	3.2	-0.9	3.4	0.4	-4.6	-6.8	-4.1	-6.3
Metals, Timber & Construction Materials	6.3	-9.9	7.1	-10.3	58.5	6.5	56.6	9.0
General Wholesale Trade	5.4	-5.6	7.1	-6.1	14.9	4.0	15.0	4.7
Ship Chandlers & Bunkering	-2.6	-1.7	-1.3	-3.1	16.1	9.6	16.8	11.4
Transport Equipment	1.2	-6.8	1.8	-10.9	-3.7	-3.0	-6.4	-8.4
Other Wholesale Trade	-0.7	-1.3	-0.3	-2.1	7.0	-6.0	10.4	-1.5

## **Explanatory Notes**

### ***Introduction***

The Wholesale Trade Index (WTI) measures the performance of wholesale trade activities. Two series of the WTI are compiled - the Domestic WTI and Foreign WTI. The Domestic WTI records wholesale sales in Singapore. The Foreign WTI pertains to wholesale sales outside Singapore, which comprises domestic exports, re-exports, transshipment cargo and offshore merchandise.

The WTI indices are presented at both current prices and constant prices. The indices at current prices measure the changes of sales value which can result from changes in both price and quantity. By removing the price effect, the indices at constant prices measure the changes in the sales volume.

To reflect the changes in the structure of the wholesale trade sector over the years, the weighting patterns of the index series are revised regularly. The WTI series have been re-based from base year 2007 to 2012, the third re-basing exercise since the index was first introduced in 1995. The new WTI series (2012 =100) have been released with effect from 1Q2013 report.

### ***Data Collection***

Data for the compilation of the WTI are obtained from the results of the quarterly survey of over 700 wholesale establishments. Wholesalers supply the merchandise to manufacturers, commercial and institutional clients for use in production, or to other wholesalers and retailers for resale. Some wholesalers also perform related functions such as sorting, breaking bulk, packing and logistics services. Data are collected from a sample of the wholesale establishments for quarterly domestic wholesale sales and foreign wholesale sales.

### ***Index Compilation***

To derive the Domestic / Foreign WTI index at detailed industry level, the quarterly domestic / foreign wholesale sales for that industry is divided by the average quarterly domestic / foreign sales for the same industry in the base year. The overall WTI index is then computed by combining the sales indices of the detailed industries, using the weights to measure each industry's relative importance in the overall wholesale trade sector.

To derive the constant prices indices, the sales indices at current prices at the detailed industry level are first deflated by appropriate price indices. These component indices at constant prices are then weighted and aggregated to derive the overall indices at constant prices.

### ***Seasonal Adjustment***

Seasonal effects are observed in some of the Domestic WTI and Foreign WTI series, due to intra-year periodic variations that repeat in the same quarter every year. Seasonal adjustment is the process of estimating and removing the seasonal effects from a time series to show more clearly its underlying trend and short-term movements.

Singapore Department of Statistics

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More data are available at SingStat website at

[http://www.singstat.gov.sg/publications/economy.html#wholesale\\_trade\\_index](http://www.singstat.gov.sg/publications/economy.html#wholesale_trade_index)

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