



SINGAPORE DEPARTMENT OF STATISTICS

PRESS RELEASE

Wholesale Trade Index First Quarter 2009

Highlights

Domestic Wholesale Trade

- Domestic wholesale trade (seasonally adjusted) declined by 11.0% in 1Q2009 compared to 4Q2008. The decline was mainly attributable to lower sales of ship chandlers & bunkering, chemicals and petroleum sectors, which were partially affected by lower prices of petroleum and chemical products.
- After removing price effect, domestic wholesale trade (seasonally adjusted) declined moderately by 2.4% in 1Q2009 compared to 4Q2008.
- Similarly, domestic wholesale trade declined by 34.5% in 1Q2009 compared to 1Q2008, due mainly to lower sales of petroleum, electronic components and ship chandlers & bunkering sectors.
- After removing price effect, domestic wholesale trade declined by 6.8% in 1Q2009 compared to 1Q2008.

Foreign Wholesale Trade

- Foreign wholesale trade (seasonally adjusted) declined by 10.5% in 1Q2009 compared to 4Q2008. Petroleum sales declined mainly due to price changes. Lower sales were also registered in general wholesale trade and telecommunications & computers sectors.
- After removing price effect, foreign wholesale trade (seasonally adjusted) declined moderately by 1.9% in 1Q2009 compared to 4Q2008.
- Foreign wholesale trade declined by 36.0% in 1Q2009 compared to 1Q2008, attributable to lower sales of petroleum, chemicals, general wholesale trade and electronic components sectors.
- After removing price effect, foreign wholesale trade declined by 9.7% in 1Q2009 compared to 1Q2008.

Domestic Wholesale Trade by Sector

Quarter-on-Quarter Change (Seasonally Adjusted)

Domestic sales of ship chandlers & bunkering, chemicals & chemical products and petroleum & petroleum products in 1Q2009 fell between 17.4% and 25.1% compared to 4Q2008 after seasonal adjustment. The declines were partly due to lower domestic wholesale prices. After removing the price effect, the sales volume declined between 2.0% and 9.7% for the three sectors.

Similarly, domestic sales of electronic components, general wholesale trade, industrial & construction machinery and food, beverages & tobacco declined between 5.1% and 14.1% in 1Q2009 over 4Q2008.

Telecommunications & computers sector, on the other hand, reported higher domestic sales of 6.0% compared to 4Q2008.

Year-on-Year Change

Compared to a year ago, domestic sales decreased in 1Q2009 for all wholesale sectors. Sales of petroleum & petroleum products, chemicals & chemical products, ship chandlers & bunkering fell between 35.6% and 48.7%, mainly attributable to lower prices of petroleum and chemical products. Sales of electronic components and general wholesale trade sectors declined by 36.0% and 30.5% respectively.

After adjusting for price changes, the sales volume dropped by 2.1% and 4.9% for petroleum & petroleum products and chemicals & chemical products respectively while the sales volume went up for ship chandlers & bunkering.

Other wholesale sectors with lower domestic trade include transport equipment (-19.5%), telecommunications & computers (-12.8%), timber, paints & construction materials (-12.5%) and household equipment & furniture (-10.7%).

Foreign Wholesale Trade by Sector

Quarter-on-Quarter Change (Seasonally Adjusted)

After seasonal adjustment, foreign sales of ship chandlers & bunkering and petroleum & petroleum products fell by 22.9% and 18.8% respectively, attributable to price changes. After adjusting for price changes, the sales volume of ship chandlers & bunkering fell moderately by 3.7% while that of petroleum & petroleum products rose slightly by 2.9%.

Other major sectors reported double-digit declines in 1Q2009 include general wholesale trade (-20.1%) and telecommunications & computers (-15.0%).

Foreign sales of household equipment & furniture, timber, paints & construction materials, industrial & construction machinery also declined between 20.2% and 30.2% in 1Q2009 over 4Q2008.

Conversely, wholesaling of food, beverages & tobacco registered higher sales of 3.8% compared to 4Q2008.

Year-on-Year Change

Similar to domestic sales, all wholesale sectors reported declines in foreign sales in 1Q2009 over 1Q2008. Foreign sales of petroleum & petroleum products and ship chandlers & bunkering declined by 47.9% and 34.6% respectively. However, after removing the price effect, the sales volume of the two sectors rose by 2.5% and 14.6% respectively.

Other major sectors registered large declines include general wholesale trade (-41.5%), chemicals & chemical products (-36.8%) and electronic components (-28.9%).

Similarly, household equipment & furniture, timber, paints & construction materials, industrial & construction machinery, transport equipment and telecommunications & computers also registered double-digit declines between 12.2% and 38.1% in 1Q2009 over 1Q2008.

**Table 1 Quarter-on-Quarter Change of Domestic Wholesale Trade Index (2007=100)¹
(Seasonally Adjusted)**

Activity	Weights	% Change at Current Prices		% Change at Constant Prices	
		4Q08 / 3Q08	1Q09 / 4Q08	4Q08 / 3Q08	1Q09 / 4Q08
Total	10,000	-29.1	-11.0	-2.9	-2.4
Total (Excluding petroleum)	5,604	-15.3	-6.9	-3.4	-2.7
Food, Beverages & Tobacco	407	1.0	-5.1	0.3	-3.4
Household Equipment & Furniture	298	-5.0	-4.9	-7.1	-6.4
Petroleum & Petroleum Products	4,396	-42.8	-17.4	-2.3	-2.0
Chemicals & Chemical Products	406	-16.7	-22.8	15.3	-9.7
Electronic Components	839	-18.6	-14.1	-20.2	-15.9
Industrial & Construction Machinery	285	3.1	-5.4	-2.3	-7.0
Telecommunications & Computers	567	-15.4	6.0	-20.1	4.8
Timber, Paints & Construction Materials	357	-14.9	-4.0	-15.5	1.5
General Wholesale Trade	572	-33.3	-10.6	-16.4	-4.9
Ship Chandlers & Bunkering	883	-24.6	-25.1	38.8	-8.1
Other Wholesale Trade	800	-0.4	-1.1	1.4	-3.1

**Table 2 Quarter-on-Quarter Change of Foreign Wholesale Trade Index (2007=100)¹
(Seasonally Adjusted)**

Activity	Weights	% Change at Current Prices		% Change at Constant Prices	
		4Q08 / 3Q08	1Q09 / 4Q08	4Q08 / 3Q08	1Q09 / 4Q08
Total	10,000	-28.1	-10.5	-4.8	-1.9
Total (Excluding petroleum)	5,456	-16.9	-9.2	-10.5	-6.7
Food, Beverages & Tobacco	374	-2.9	3.8	-5.7	3.7
Household Equipment & Furniture	287	-10.4	-30.2	-12.3	-29.3
Petroleum & Petroleum Products	4,544	-46.0	-18.8	3.1	2.9
Chemicals & Chemical Products	513	-35.2	-7.1	-6.1	7.6
Electronic Components	1,084	-14.5	-8.0	-20.6	-9.1
Industrial & Construction Machinery	257	1.2	-20.2	0.3	-20.2
Telecommunications & Computers	799	-0.3	-15.0	-3.8	-13.5
Timber, Paints & Construction Materials	186	-19.4	-26.4	-11.6	-20.0
General Wholesale Trade	574	-34.5	-20.1	-27.5	-16.7
Ship Chandlers & Bunkering	229	-36.1	-22.9	13.6	-3.7
Other Wholesale Trade	865	-12.0	-13.9	0.0	-5.6

¹ The industry "Transport Equipment" is not presented in showing seasonally adjusted figures. The series was first introduced in 1Q2007 and is too short for seasonal adjustment.

Table 3 Year-on-Year Change of Domestic Wholesale Trade Index (2007=100)

Activity	Weights	% Change at Current Prices		% Change at Constant Prices	
		4Q08 / 4Q07	1Q09 / 1Q08	4Q08 / 4Q07	1Q09 / 1Q08
Total	10,000	-23.0	-34.5	-5.4	-6.8
Total (Excluding petroleum)	5,604	-13.5	-21.7	-7.4	-10.3
Food, Beverages & Tobacco	407	1.3	-4.8	-5.0	-8.1
Household Equipment & Furniture	298	-9.4	-10.7	-8.4	-14.1
Petroleum & Petroleum Products	4,396	-33.4	-48.7	-2.8	-2.1
Chemicals & Chemical Products	406	-18.9	-36.4	0.4	-4.9
Electronic Components	839	-20.3	-36.0	-20.0	-37.8
Industrial & Construction Machinery	285	0.4	-8.5	-2.1	-13.0
Telecommunications & Computers	567	-23.5	-12.8	-21.9	-14.4
Timber, Paints & Construction Materials	357	-8.0	-12.5	-17.3	-11.9
General Wholesale Trade	572	-39.8	-30.5	-32.9	-15.6
Ship Chandlers & Bunkering	883	-6.8	-35.6	29.1	16.2
Transport Equipment	190	-2.2	-19.5	-3.7	-23.0
Other Wholesale Trade	800	-2.0	-3.1	-3.9	-3.9

Table 4 Year-on-Year Change of Foreign Wholesale Trade Index (2007=100)

Activity	Weights	% Change at Current Prices		% Change at Constant Prices	
		4Q08 / 4Q07	1Q09 / 1Q08	4Q08 / 4Q07	1Q09 / 1Q08
Total	10,000	-22.7	-36.0	-5.9	-9.7
Total (Excluding petroleum)	5,456	-11.3	-25.1	-8.5	-18.7
Food, Beverages & Tobacco	374	9.3	-6.0	-2.2	-12.9
Household Equipment & Furniture	287	-16.5	-38.1	-12.5	-36.4
Petroleum & Petroleum Products	4,544	-35.3	-47.9	-2.3	2.5
Chemicals & Chemical Products	513	-31.1	-36.8	-18.3	-10.6
Electronic Components	1,084	-23.7	-28.9	-21.9	-31.2
Industrial & Construction Machinery	257	-0.5	-23.0	-3.1	-26.3
Telecommunications & Computers	799	-14.3	-12.2	-10.3	-9.8
Timber, Paints & Construction Materials	186	-23.6	-35.3	-24.2	-28.6
General Wholesale Trade	574	-18.6	-41.5	-14.0	-35.7
Ship Chandlers & Bunkering	229	-10.3	-34.6	19.2	14.6
Transport Equipment	288	0.5	-18.8	-6.6	-26.0
Other Wholesale Trade	865	8.1	-18.6	10.8	-2.9

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 2000 to 2007, the second re-basing exercise since the index was first introduced in 1995. The new WTI series (2007=100) have been released with effect from 1Q2008 report.

Data Collection

Data for the compilation of the WTI are obtained from the results of the quarterly survey of over 1,000 wholesale establishments. Wholesalers supply the merchandise to manufacturers, commercial and institutional clients for use in production, or to other wholesalers and retailers for resale. Wholesalers may 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 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.

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More data are available at SingStat website at <http://www.singstat.gov.sg/pubn/business.html#wti>
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