



SINGAPORE DEPARTMENT OF STATISTICS

PRESS RELEASE

Wholesale Trade Index Second Quarter 2010

Highlights

Domestic Wholesale Trade

- Domestic wholesale trade (seasonally adjusted) declined 1.4% in 2nd quarter 2010 compared to previous quarter. The drop was largely attributed to lower revenue in chemicals & chemical products and industrial & construction machinery sectors. Excluding petroleum, overall domestic sales contracted by 3.4%.
- Compared to the same period a year ago, domestic wholesale trade in 2nd quarter 2010 grew by 15.1%, with higher sales reported by all sectors except industrial & construction machinery sector. Excluding petroleum, domestic wholesale trade increased 20.0%.
- After removing price effect, domestic wholesale trade volume showed a relatively smaller year-on-year increase of 1.3%. Excluding petroleum, domestic wholesale trade volume rose 15.4%.

Foreign Wholesale Trade

- Compared to previous quarter, foreign wholesale trade (seasonally adjusted) increased 3.1% in 2nd quarter 2010, with most of the wholesale sectors reporting higher sales. Excluding petroleum, foreign wholesale trade grew by 4.4% quarter-on-quarter.
- On a year-on-year basis, foreign wholesale trade expanded by 28.8%, with strong growths in most wholesale sectors. Excluding petroleum, foreign wholesale trade increased 18.8%.
- After adjusting for price changes, foreign wholesale trade volume grew by 13.7% year-on-year. Excluding petroleum, foreign wholesale trade volume increased 14.1%.

Domestic Wholesale Trade by Sector

Quarter-on-Quarter Change (Seasonally Adjusted)

Most sectors registered quarter-on-quarter declines in domestic wholesale trade after seasonal adjustment.

Chemicals & chemical products and industrial & construction machinery sectors reported decreases of 14.0% and 9.0% respectively. Petroleum & petroleum products, electronic components, food, beverages & tobacco and general wholesale trade sectors also experienced declines of between 1.8% and 5.0% in their domestic sales.

Timber, paints & construction materials and telecommunications & computers sectors, on the other hand, recorded positive quarter-on-quarter growths of 3.7% and 0.9% respectively.

Year-on-Year Change

All wholesale sectors, with the exception of industrial & construction machinery, reported year-on-year growths in domestic wholesale trade in 2nd quarter 2010.

General wholesale trade sector registered a strong positive growth of 63.7% in its domestic sales, compared to the same period a year ago. Other sectors that experienced double-digit year-on-year increases in domestic wholesale trade include electronic components (25.4%), telecommunications & computers (23.0%), timber, paints & construction materials (21.3%), chemicals & chemical products (19.6%), ship chandlers & bunkering (15.9%) and household equipment & furniture (10.4%).

Domestic sales of the industrial & construction machinery sector dropped 3.0% compared to last year same quarter.

Foreign Wholesale Trade by Sector

Quarter-on-Quarter Change (Seasonally Adjusted)

After seasonal adjustment, all wholesale sectors (except ship chandlers & bunkering) reported quarter-on-quarter improvements in foreign wholesale trade in 2nd quarter 2010.

Timber, paints & construction materials and petroleum & petroleum products sectors recorded double-digit growths of 31.4% and 12.6% respectively in foreign wholesale trade. Foreign sales of household equipment & furniture, chemicals & chemical products, industrial & construction machinery and food, beverages & tobacco also rose between 4.0% and 8.0%.

Foreign sales of ship chandlers & bunkering sector however, declined 1.7% over the previous quarter.

Year-on-Year Change

Other than the food, beverages & tobacco sector which registered a marginal drop of 2.1%, all wholesale sectors experienced double-digit year-on-year growths in foreign wholesale trade.

Petroleum & petroleum products, ship chandlers & bunkering as well as chemicals & chemical products sectors reported higher foreign sales of between 23.5% and 42.3%. After adjusting for price changes, foreign wholesale trade volume of petroleum & petroleum products, chemicals & chemical products and ship chandlers & bunkering grew by a smaller 13.3%, 6.3% and 1.3% respectively.

Other sectors that recorded strong year-on-year growths in foreign sales include timber, paints & construction materials (60.0%), industrial & construction machinery (35.1%), transport equipment (30.7%), telecommunications & computers (23.1%) and household equipment & furniture (22.2%).

**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	
		1Q10 / 4Q09	2Q10 / 1Q10	1Q10 / 4Q09	2Q10 / 1Q10
Total	10,000	1.6	-1.4	-0.5	-0.3
Total (Excluding petroleum)	5,604	10.2	-3.4	8.2	-1.1
Food, Beverages & Tobacco	407	1.3	-2.3	-1.7	-1.8
Household Equipment & Furniture	298	0.9	-0.2	1.8	-0.4
Petroleum & Petroleum Products	4,396	-4.4	-5.0	-10.6	0.7
Chemicals & Chemical Products	406	16.6	-14.0	6.6	-10.8
Electronic Components	839	7.6	-2.5	9.0	-2.1
Industrial & Construction Machinery	285	24.5	-9.0	24.1	-8.4
Telecommunications & Computers	567	5.8	0.9	7.6	0.9
Timber, Paints & Construction Materials	357	-2.4	3.7	-6.7	3.1
General Wholesale Trade	572	24.4	-1.8	22.3	-1.9
Ship Chandlers & Bunkering	883	2.4	-0.6	-2.4	0.2
Other Wholesale Trade	800	1.6	-0.3	-1.2	-0.4

**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	
		1Q10 / 4Q09	2Q10 / 1Q10	1Q10 / 4Q09	2Q10 / 1Q10
Total	10,000	10.0	3.1	4.9	4.3
Total (Excluding petroleum)	5,456	8.3	4.4	6.2	3.1
Food, Beverages & Tobacco	374	-3.7	4.0	-4.9	2.8
Household Equipment & Furniture	287	5.7	8.0	9.5	9.6
Petroleum & Petroleum Products	4,544	4.0	12.6	3.9	10.0
Chemicals & Chemical Products	513	5.9	7.3	1.8	6.0
Electronic Components	1,084	1.7	1.3	2.5	2.7
Industrial & Construction Machinery	257	12.8	5.5	16.0	6.7
Telecommunications & Computers	799	0.9	0.8	3.1	1.2
Timber, Paints & Construction Materials	186	-3.9	31.4	-6.4	29.3
General Wholesale Trade	574	15.5	0.6	13.8	0.5
Ship Chandlers & Bunkering	229	5.1	-1.7	0.7	-3.7
Other Wholesale Trade	865	9.4	3.8	-1.1	2.0

¹ The industry "Transport Equipment" is not presented in 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	
		1Q10 / 1Q09	2Q10 / 2Q09	1Q10 / 1Q09	2Q10 / 2Q09
Total	10,000	37.7	15.1	9.9	1.3
Total (Excluding petroleum)	5,604	27.8	20.0	18.8	15.4
Food, Beverages & Tobacco	407	8.4	5.6	7.1	3.5
Household Equipment & Furniture	298	17.3	10.4	23.7	15.6
Petroleum & Petroleum Products	4,396	54.6	8.8	-1.1	-13.9
Chemicals & Chemical Products	406	65.9	19.6	24.9	1.0
Electronic Components	839	38.0	25.4	48.0	32.8
Industrial & Construction Machinery	285	16.8	-3.0	31.8	4.6
Telecommunications & Computers	567	26.4	23.0	36.2	30.5
Timber, Paints & Construction Materials	357	9.5	21.3	13.8	19.2
General Wholesale Trade	572	96.3	63.7	75.5	53.0
Ship Chandlers & Bunkering	883	16.6	15.9	-23.0	-8.6
Transport Equipment	190	20.3	8.6	26.7	15.0
Other Wholesale Trade	800	11.3	14.6	9.8	10.3

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

Activity	Weights	% Change at Current Prices		% Change at Constant Prices	
		1Q10 / 1Q09	2Q10 / 2Q09	1Q10 / 1Q09	2Q10 / 2Q09
Total	10,000	38.2	28.8	10.2	13.7
Total (Excluding petroleum)	5,456	23.8	18.8	18.2	14.1
Food, Beverages & Tobacco	374	-0.5	-2.1	0.9	-3.0
Household Equipment & Furniture	287	48.8	22.2	62.6	34.8
Petroleum & Petroleum Products	4,544	60.6	42.3	1.8	13.3
Chemicals & Chemical Products	513	33.1	23.5	6.0	6.3
Electronic Components	1,084	15.5	10.4	21.4	13.1
Industrial & Construction Machinery	257	13.6	35.1	32.2	58.8
Telecommunications & Computers	799	25.5	23.1	34.7	30.5
Timber, Paints & Construction Materials	186	42.2	60.0	38.4	51.3
General Wholesale Trade	574	41.6	17.0	36.3	13.3
Ship Chandlers & Bunkering	229	46.5	28.3	0.4	1.3
Transport Equipment	288	37.3	30.7	35.8	35.1
Other Wholesale Trade	865	18.8	22.1	-5.2	-3.4

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 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.

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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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