



## PRESS RELEASE

### Wholesale Trade Index Fourth Quarter 2011

#### Highlights

##### *Domestic Wholesale Trade*

- Domestic wholesale trade (seasonally adjusted) decreased 0.9% in fourth quarter 2011 compared to the previous quarter. Excluding petroleum, overall domestic sales increased 2.1%. After removing the price effect, domestic wholesale trade decreased 4.0% over third quarter 2011.
- Compared to the same period a year ago, domestic wholesale trade in fourth quarter 2011 grew by 8.2%. Excluding petroleum, overall domestic wholesale trade rose 4.7%. After adjusting for price changes, domestic wholesale trade registered a decrease of 5.3% over fourth quarter 2010.

##### *Foreign Wholesale Trade*

- Compared to the previous quarter, foreign wholesale trade (seasonally adjusted) rose 2.4% in fourth quarter 2011. Excluding petroleum, foreign wholesale trade grew by 0.8%. After removing the price effect, foreign wholesale trade registered a decrease of 0.6%.
- On a year-on-year basis, foreign wholesale trade grew by 13.8%. Excluding petroleum, foreign wholesale trade rose 8.3%. After adjusting for price changes, foreign wholesale trade increased by a smaller 2.1%.

## **Domestic Wholesale Trade by Sector**

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

After seasonal adjustment, general wholesale trade sector experienced a decline of 7.1% in its domestic sales while petroleum & petroleum products, chemicals & chemical products and electronic components sectors recorded declines of between 2.8% and 4.3% in fourth quarter 2011 (Table 1).

In contrast, telecommunications & computers, ship chandlers & bunkering, industrial & construction machinery and timber, paints & construction materials sectors registered increases of between 5.2% and 10.3% over third quarter 2011.

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

Ship chandlers & bunkering sector reported strong year-on-year growth of 29.5% in domestic sales in nominal value (Table 3). After removing the price effect, the domestic wholesale trade volume of ship chandlers & bunkering sector increased marginally by 0.5%.

Other sectors that posted double-digit year-on-year increases in domestic sales included telecommunications & computers (16.1%), transport equipment (13.9%) and industrial & construction machinery (13.1%). Petroleum & petroleum products sector also recorded a double-digit growth of 12.7% in nominal terms, but its sales registered a 12.5% decline in real terms.

Timber, paints & construction materials, general wholesale trade and food, beverages & tobacco sectors registered relatively smaller increases of between 4.6% and 6.4%.

On the other hand, sectors that reported year-on-year declines in domestic sales included electronic components (-15.9%), household equipment & furniture (-12.2%) and chemicals and chemical products (-6.7%).

## **Foreign Wholesale Trade by Sector**

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

After seasonal adjustment, sectors which reported positive growth in foreign sales in fourth quarter 2011 included electronic components (7.1%), timber, paints & construction materials (5.5%), petroleum & petroleum products (3.1%), industrial & construction machinery (1.5%) and telecommunications & computers (1.4%) (Table 2).

In contrast, transport equipment and household equipment & furniture sectors posted decreases of 15.4% and 12.9% respectively over third quarter 2011. Lower foreign sales were also reported by food, beverages & tobacco (-4.2%) and ship chandlers & bunkering (-1.6%) sectors.

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

Compared to the same period a year ago, timber, paints & construction materials and general wholesale trade sectors reported increases of 22.5% and 20.0% in foreign wholesale trade respectively (Table 4). Industrial & construction machinery and telecommunications & computers sectors also reported positive growth of 14.8% and 13.8% respectively.

Positive growth was also registered for foreign wholesale trade of petroleum & petroleum products (20.5%), ship chandlers & bunkering (18.4%) and chemicals & chemical products (9.6%) sectors, due largely to higher prices compared to a year ago. After removing the price effect, the foreign sales of chemicals & chemical products, ship chandlers & bunkering and petroleum & petroleum products sectors declined by 7.3%, 7.2% and 6.4% respectively.

However, lower foreign sales were registered in transport equipment (-15.6%) and household equipment & furniture (-9.5%) sectors compared to the same quarter last year.

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

| Activity                                | Weights       | % Change<br>at Current Prices |                | % Change<br>at Constant Prices |                |
|---|---------------|-------------------------------|----------------|--------------------------------|----------------|
|   |               | 3Q11 /<br>2Q11                | 4Q11 /<br>3Q11 | 3Q11 /<br>2Q11                 | 4Q11 /<br>3Q11 |
| <b>Total</b>                            | <b>10,000</b> | <b>-2.3</b>                   | <b>-0.9</b>    | <b>-1.8</b>                    | <b>-4.0</b>    |
| Total (Excluding petroleum)             | 5,604         | -3.5                          | 2.1            | -1.7                           | -0.9           |
| Food, Beverages & Tobacco               | 407           | 0.9                           | -0.4           | 1.1                            | -0.9           |
| Household Equipment & Furniture         | 298           | -8.4                          | 0.5            | -6.1                           | 0.2            |
| Petroleum & Petroleum Products          | 4,396         | -2.3                          | -4.3           | -1.6                           | -9.9           |
| Chemicals & Chemical Products           | 406           | -11.6                         | -3.9           | -11.5                          | -11.4          |
| Electronic Components                   | 839           | -4.6                          | -2.8           | -2.2                           | -4.5           |
| Industrial & Construction Machinery     | 285           | -0.4                          | 6.2            | 0.7                            | 1.3            |
| Telecommunications & Computers          | 567           | -0.4                          | 10.3           | 1.6                            | 7.2            |
| Timber, Paints & Construction Materials | 357           | -8.1                          | 5.2            | -8.8                           | 4.9            |
| General Wholesale Trade                 | 572           | -0.9                          | -7.1           | 0.8                            | -9.9           |
| Ship Chandlers & Bunkering              | 883           | 0.1                           | 7.5            | 2.6                            | 3.9            |
| Transport Equipment                     | 190           | 1.6                           | -0.5           | 1.9                            | -2.1           |
| Other Wholesale Trade                   | 800           | -0.2                          | 1.6            | -1.1                           | -0.1           |

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

| Activity                                | Weights       | % Change<br>at Current Prices |                | % Change<br>at Constant Prices |                |
|---|---------------|-------------------------------|----------------|--------------------------------|----------------|
|   |               | 3Q11 /<br>2Q11                | 4Q11 /<br>3Q11 | 3Q11 /<br>2Q11                 | 4Q11 /<br>3Q11 |
| <b>Total</b>                            | <b>10,000</b> | <b>1.6</b>                    | <b>2.4</b>     | <b>3.3</b>                     | <b>-0.6</b>    |
| Total (Excluding petroleum)             | 5,456         | 0.4                           | 0.8            | 2.2                            | 0.7            |
| Food, Beverages & Tobacco               | 374           | 8.2                           | -4.2           | 11.0                           | -8.0           |
| Household Equipment & Furniture         | 287           | 2.9                           | -12.9          | 5.1                            | -14.9          |
| Petroleum & Petroleum Products          | 4,544         | 1.0                           | 3.1            | 3.6                            | -1.8           |
| Chemicals & Chemical Products           | 513           | 8.1                           | 0.2            | 11.3                           | -2.7           |
| Electronic Components                   | 1,084         | -1.5                          | 7.1            | -1.5                           | 6.3            |
| Industrial & Construction Machinery     | 257           | 7.3                           | 1.5            | 6.5                            | -1.3           |
| Telecommunications & Computers          | 799           | 2.9                           | 1.4            | 5.9                            | 2.4            |
| Timber, Paints & Construction Materials | 186           | 4.1                           | 5.5            | 7.2                            | 7.3            |
| General Wholesale Trade                 | 574           | -0.2                          | -0.6           | 2.1                            | -3.4           |
| Ship Chandlers & Bunkering              | 229           | 0.3                           | -1.6           | 4.1                            | -5.0           |
| Transport Equipment                     | 288           | 21.9                          | -15.4          | 21.8                           | -16.2          |
| Other Wholesale Trade                   | 865           | -9.1                          | 5.2            | -8.0                           | 10.8           |

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

| Activity                                | Weights       | % Change<br>at Current Prices |                | % Change<br>at Constant Prices |                |
|---|---------------|-------------------------------|----------------|--------------------------------|----------------|
|   |               | 3Q11 /<br>3Q10                | 4Q11 /<br>4Q10 | 3Q11 /<br>3Q10                 | 4Q11 /<br>4Q10 |
| <b>Total</b>                            | <b>10,000</b> | <b>18.1</b>                   | <b>8.2</b>     | <b>1.9</b>                     | <b>-5.3</b>    |
| Total (Excluding petroleum)             | 5,604         | 5.1                           | 4.7            | 1.5                            | -0.1           |
| Food, Beverages & Tobacco               | 407           | 12.2                          | 4.6            | 10.4                           | 1.2            |
| Household Equipment & Furniture         | 298           | -6.7                          | -12.2          | 2.7                            | -5.8           |
| Petroleum & Petroleum Products          | 4,396         | 37.0                          | 12.7           | 2.4                            | -12.5          |
| Chemicals & Chemical Products           | 406           | 7.8                           | -6.7           | -11.9                          | -21.6          |
| Electronic Components                   | 839           | -14.5                         | -15.9          | -7.8                           | -14.3          |
| Industrial & Construction Machinery     | 285           | 5.6                           | 13.1           | 17.5                           | 16.5           |
| Telecommunications & Computers          | 567           | -2.5                          | 16.1           | 11.6                           | 25.2           |
| Timber, Paints & Construction Materials | 357           | 1.8                           | 6.4            | 0.1                            | 5.0            |
| General Wholesale Trade                 | 572           | 23.8                          | 5.9            | 13.2                           | -4.0           |
| Ship Chandlers & Bunkering              | 883           | 20.2                          | 29.5           | -10.5                          | 0.5            |
| Transport Equipment                     | 190           | 9.5                           | 13.9           | 11.5                           | 12.0           |
| Other Wholesale Trade                   | 800           | -0.7                          | -1.9           | -2.3                           | -3.9           |

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

| Activity                                | Weights       | % Change<br>at Current Prices |                | % Change<br>at Constant Prices |                |
|---|---------------|-------------------------------|----------------|--------------------------------|----------------|
|   |               | 3Q11 /<br>3Q10                | 4Q11 /<br>4Q10 | 3Q11 /<br>3Q10                 | 4Q11 /<br>4Q10 |
| <b>Total</b>                            | <b>10,000</b> | <b>18.9</b>                   | <b>13.8</b>    | <b>5.5</b>                     | <b>2.1</b>     |
| Total (Excluding petroleum)             | 5,456         | 11.3                          | 8.3            | 12.2                           | 8.6            |
| Food, Beverages & Tobacco               | 374           | 13.3                          | 0.1            | 9.2                            | -4.5           |
| Household Equipment & Furniture         | 287           | 4.4                           | -9.5           | 13.2                           | -6.4           |
| Petroleum & Petroleum Products          | 4,544         | 28.7                          | 20.5           | -3.2                           | -6.4           |
| Chemicals & Chemical Products           | 513           | 22.4                          | 9.6            | 2.4                            | -7.3           |
| Electronic Components                   | 1,084         | -4.4                          | 4.5            | 1.9                            | 5.4            |
| Industrial & Construction Machinery     | 257           | 9.1                           | 14.8           | 13.2                           | 13.6           |
| Telecommunications & Computers          | 799           | 12.4                          | 13.8           | 39.6                           | 28.3           |
| Timber, Paints & Construction Materials | 186           | 12.9                          | 22.5           | 9.5                            | 28.0           |
| General Wholesale Trade                 | 574           | 33.2                          | 20.0           | 31.1                           | 14.5           |
| Ship Chandlers & Bunkering              | 229           | 17.0                          | 18.4           | -11.5                          | -7.2           |
| Transport Equipment                     | 288           | 4.8                           | -15.6          | 10.4                           | -13.4          |
| Other Wholesale Trade                   | 865           | 8.5                           | 9.6            | -3.7                           | 11.7           |

## **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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