

Wholesale Trade Index

Third Quarter 2020

DOMESTIC WHOLESALE TRADE



TOTAL
Domestic
Wholesale Sales

Year-on-Year

▼ - 36.4%

Quarter-on-Quarter
(Seasonally Adjusted)

▲ + 8.1%

EXCLUDING
Petroleum

▼ - 16.4%

▲ + 7.6%

FOREIGN WHOLESALE TRADE



TOTAL
Foreign
Wholesale Sales

Year-on-Year

▼ - 19.5%

Quarter-on-Quarter
(Seasonally Adjusted)

▲ + 9.4%

EXCLUDING
Petroleum

▼ - 5.6%

▼ - 1.8%

OVERVIEW – DOMESTIC WHOLESALE TRADE

Singapore's domestic wholesale sales fell 36.4% on a year-on-year basis in third quarter 2020, a smaller year-on-year contraction compared to the -40.8% recorded in second quarter 2020. The decline was due partly to lower sales in petroleum. Excluding petroleum, domestic wholesale sales decreased 16.4%, mainly attributed to dampened demand from various industries as a result of a moderate domestic market recovery following the exit from the Circuit Breaker on 02 June 2020.

On a quarter-on-quarter basis (seasonally adjusted), domestic wholesale sales grew by 8.1% in third quarter 2020 when compared to a low base of activities during the Circuit Breaker in second quarter 2020. Excluding petroleum, domestic sales increased 7.6% from the previous quarter.

Year-on-Year Change (at Current Prices)













On a year-on-year basis, all wholesale trade industries registered declines in domestic sales in third quarter 2020. The Petroleum & Petroleum Products, Ship Chandlers & Bunkering and Chemicals & Chemical Products industries contracted by 53.8%, 33.7% and 21.2% respectively, amid lower oil prices and reduced domestic demand. The Metals, Timber & Construction Materials, Transport Equipment and Industrial & Construction Machinery industries saw declines of between 27.5% and 33.7%, due mainly to weaker demand for motor vehicles as well as construction materials and machinery.

Quarter-on-Quarter Change (at Current Prices, Seasonally Adjusted)

After seasonal adjustment, most of the wholesale trade industries recorded higher domestic sales in third quarter 2020 compared to the low base in second quarter 2020. The Household Equipment & Furniture and Transport Equipment industries expanded by 45.8% and 31.2% respectively, due mainly to the gradual resumption of businesses after the Circuit Breaker period².

Conversely, the Telecommunications & Computers industry dropped 8.5%, due mainly to lower sales of computer equipment.

Change in Domestic Wholesale Trade Index by Industry

Food, Beverages & Tobacco Year-on-Year  -4.8% Quarter-on-Quarter ¹ -5.4%	Household Equipment & Furniture Year-on-Year  -27.2% Quarter-on-Quarter ¹ +45.8%	Petroleum & Petroleum Products Year-on-Year  -53.8% Quarter-on-Quarter ¹ +8.9%
Chemicals & Chemical Products Year-on-Year  -21.2% Quarter-on-Quarter ¹ +9.0%	Electronic Components Year-on-Year  -9.9% Quarter-on-Quarter ¹ +3.4%	Industrial & Construction Machinery Year-on-Year  -27.5% Quarter-on-Quarter ¹ +24.9%
Telecommunications & Computers Year-on-Year  -13.3% Quarter-on-Quarter ¹ -8.5%	Metals, Timber & Construction Materials Year-on-Year  -33.7% Quarter-on-Quarter ¹ +29.7%	General Wholesale Trade Year-on-Year  -8.0% Quarter-on-Quarter ¹ -7.8%
Ship Chandlers & Bunkering Year-on-Year  -33.7% Quarter-on-Quarter ¹ +17.8%	Transport Equipment Year-on-Year  -31.8% Quarter-on-Quarter ¹ +31.2%	Other Wholesale Trade Year-on-Year  -1.1% Quarter-on-Quarter ¹ +26.1%

¹Seasonally Adjusted

²The gradual resumption of business activities due to the COVID-19 situation started on 2 June 2020 for Phase One and 19 June 2020 for Phase Two.

OVERVIEW – FOREIGN WHOLESALE TRADE

Singapore's foreign wholesale sales contracted by 19.5% on a year-on-year basis in third quarter 2020, an improvement from the 29.4% year-on-year decline in second quarter 2020. The decline was due partly to lower sales in petroleum. Excluding petroleum, foreign wholesale sales dropped 5.6%. Most industries were affected by weak external demand as major economies around the world continued to grapple with the COVID-19 pandemic.

Foreign wholesale sales (seasonally adjusted) rose 9.4% in third quarter 2020 over the lower base in second quarter 2020, also due partly to higher prices of petroleum. Excluding petroleum, foreign wholesale sales registered a decline of 1.8%.

Year-on-Year Change (at Current Prices)

On a year-on-year basis, the Ship Changers & Bunkering, Petroleum & Petroleum Products and Chemicals & Chemical Products industries experienced declines in foreign sales of 37.2%, 35.4% and 12.7% respectively in third quarter 2020, affected by lower prices of petroleum, chemicals and related products globally. Similarly, double-digit declines were recorded by the Transport Equipment (-35.5%), Industrial & Construction Machinery (-17.8%) and General Wholesale Trade (-12.7%) industries, due partly to weaker external demand.













Conversely, the Electronic Components and Household Equipment & Furniture industries grew by 10.7% and 9.9% respectively, due partly to an increase in demand for semiconductor components, integrated circuits and household equipment.

Quarter-on-Quarter Change (at Current Prices, Seasonally Adjusted)

On a seasonally adjusted basis, most of the wholesale trade industries experienced increases in foreign sales in third quarter 2020 when compared to the low base of activities in the previous quarter. Among them, the Petroleum & Petroleum Products (34.0%) and Transport Equipment (30.2%) industries recorded growths in foreign sales, also due partly to an increase in global oil prices from the low oil prices in the previous quarter and higher demand for motor vehicles.

In contrast, the foreign sales of the Telecommunications & Computers industry contracted by 11.7% from the previous quarter, due mainly to a fall in demand for computer equipment and mobile phones.

Change in Foreign Wholesale Trade Index by Industry

Food, Beverages & Tobacco Year-on-Year  +7.9% Quarter-on-Quarter ¹ +2.3%	Household Equipment & Furniture Year-on-Year  +9.9% Quarter-on-Quarter ¹ +13.7%	Petroleum & Petroleum Products Year-on-Year  -35.4% Quarter-on-Quarter ¹ +34.0%
Chemicals & Chemical Products Year-on-Year  -12.7% Quarter-on-Quarter ¹ +3.0%	Electronic Components Year-on-Year  +10.7% Quarter-on-Quarter ¹ +0.5%	Industrial & Construction Machinery Year-on-Year  -17.8% Quarter-on-Quarter ¹ -3.2%
Telecommunications & Computers Year-on-Year  -5.2% Quarter-on-Quarter ¹ -11.7%	Metals, Timber & Construction Materials Year-on-Year  +4.9% Quarter-on-Quarter ¹ +0.7%	General Wholesale Trade Year-on-Year  -12.7% Quarter-on-Quarter ¹ +3.9%
Ship Changers & Bunkering Year-on-Year  -37.2% Quarter-on-Quarter ¹ +1.7%	Transport Equipment Year-on-Year  -35.5% Quarter-on-Quarter ¹ +30.2%	Other Wholesale Trade Year-on-Year  -17.5% Quarter-on-Quarter ¹ -7.6%

¹Seasonally Adjusted

Table 1 Percentage Change of Domestic Wholesale Trade Index (2017=100)

Industry	Year-on-Year Change		Quarter-on-Quarter Change (Seasonally Adjusted)	
	at Current Prices		at Current Prices	
	2Q20/ 2Q19	3Q20/ 3Q19	2Q20/ 1Q20	3Q20/ 2Q20
Total	-40.8	-36.4	-35.9	8.1
Total (Excluding Petroleum)	-24.6	-16.4	-16.7	7.6
Food, Beverages & Tobacco	3.2	-4.8	-0.8	-5.4
Household Equipment & Furniture	-52.3	-27.2	-41.7	45.8
Petroleum & Petroleum Products	-56.0	-53.8	-53.3	8.9
Chemicals & Chemical Products	-27.1	-21.2	-19.1	9.0
Electronic Components	-18.2	-9.9	-8.1	3.4
Industrial & Construction Machinery	-41.3	-27.5	-36.8	24.9
Telecommunications & Computers	-7.5	-13.3	10.6	-8.5
Metals, Timber & Construction Materials	-47.7	-33.7	-40.5	29.7
General Wholesale Trade	-4.3	-8.0	0.4	-7.8
Ship Chandlers & Bunkering	-51.4	-33.7	-46.2	17.8
Transport Equipment	-46.9	-31.8	-41.1	31.2
Other Wholesale Trade	-23.8	-1.1	-18.8	26.1

Table 2 Percentage Change of Foreign Wholesale Trade Index (2017=100)

Industry	Year-on-Year Change		Quarter-on-Quarter Change (Seasonally Adjusted)	
	at Current Prices		at Current Prices	
	2Q20/ 2Q19	3Q20/ 3Q19	2Q20/ 1Q20	3Q20/ 2Q20
Total	-29.4	-19.5	-20.0	9.4
Total (Excluding Petroleum)	-4.2	-5.6	0.7	-1.8
Food, Beverages & Tobacco	6.4	7.9	5.5	2.3
Household Equipment & Furniture	-5.9	9.9	-2.1	13.7
Petroleum & Petroleum Products	-55.0	-35.4	-45.0	34.0
Chemicals & Chemical Products	-20.0	-12.7	-6.0	3.0
Electronic Components	12.8	10.7	8.5	0.5
Industrial & Construction Machinery	-15.5	-17.8	-4.7	-3.2
Telecommunications & Computers	11.7	-5.2	12.2	-11.7
Metals, Timber & Construction Materials	2.6	4.9	5.3	0.7
General Wholesale Trade	-14.9	-12.7	-0.8	3.9
Ship Chandlers & Bunkering	-38.2	-37.2	-37.3	1.7
Transport Equipment	-52.8	-35.5	-39.8	30.2
Other Wholesale Trade	-11.3	-17.5	-6.8	-7.6

EXPLANATORY NOTES

Introduction

Since 1995, the Department of Statistics (DOS) has been compiling the quarterly Wholesale Trade Index (WTI) to measure the short-term performance of the wholesale trade industry. Wholesalers supply the merchandise to manufacturers, commercial and institutional clients for use in production, or to other wholesalers and retailers for resale. The index series consists of the Domestic WTI and Foreign WTI. The Domestic WTI measures the quarterly trend of wholesale sales in Singapore, while the Foreign WTI measures that of wholesale sales outside Singapore, which comprises sales of off-shore merchandise, domestic exports, re-exports and transshipment cargo.

The WTI series is available at current prices and in volume terms. The indices at current prices measure the changes of sales values which can result from changes in both price and quantity, while the indices in volume terms measure the changes in the volume of economic activity by removing the price effect.

Data Collection

The data used for the compilation of the WTI are obtained from the Quarterly Survey of Services (QSS) conducted by DOS, as well as from administrative sources.

Index Compilation

The overall sales index at current prices is a weighted average of indices at the detailed industry level. To derive the sales index at detailed industry level, the quarterly wholesale sales for that industry is divided by the average quarterly wholesale sales for the same industry in the reference year. The overall WTI is then computed by combining the sales indices of the detailed industries, using weights which measure each industry's relative importance in the overall wholesale trade industry.

With effect from May 2020 (for data for reference quarter 1Q2020), indices in chained volume terms are released in place of the constant price indices.

For indices in chained volume terms, the relative price weights are updated annually. To derive the indices in chained volume terms, the sales indices at current prices at detailed industry level are first deflated by the appropriate price indices. These component indices are then weighted using previous years' weights to derive the overall indices in chained volume terms. The reference year of the indices is 2017.

Seasonal Adjustment

The WTI series is seasonally adjusted to remove the seasonal effects so as to better reflect the underlying trend of the quarterly sales. The unadjusted indices display seasonal patterns arising from intra-year periodic variations that repeat during the fixed period of time every year.



More data are available on the SingStat Website at
www.singstat.gov.sg/find-data/search-by-theme/industry/services/latest-data

or through the QR code below.



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