



Services Producer Price Indices

Fourth Quarter 2020

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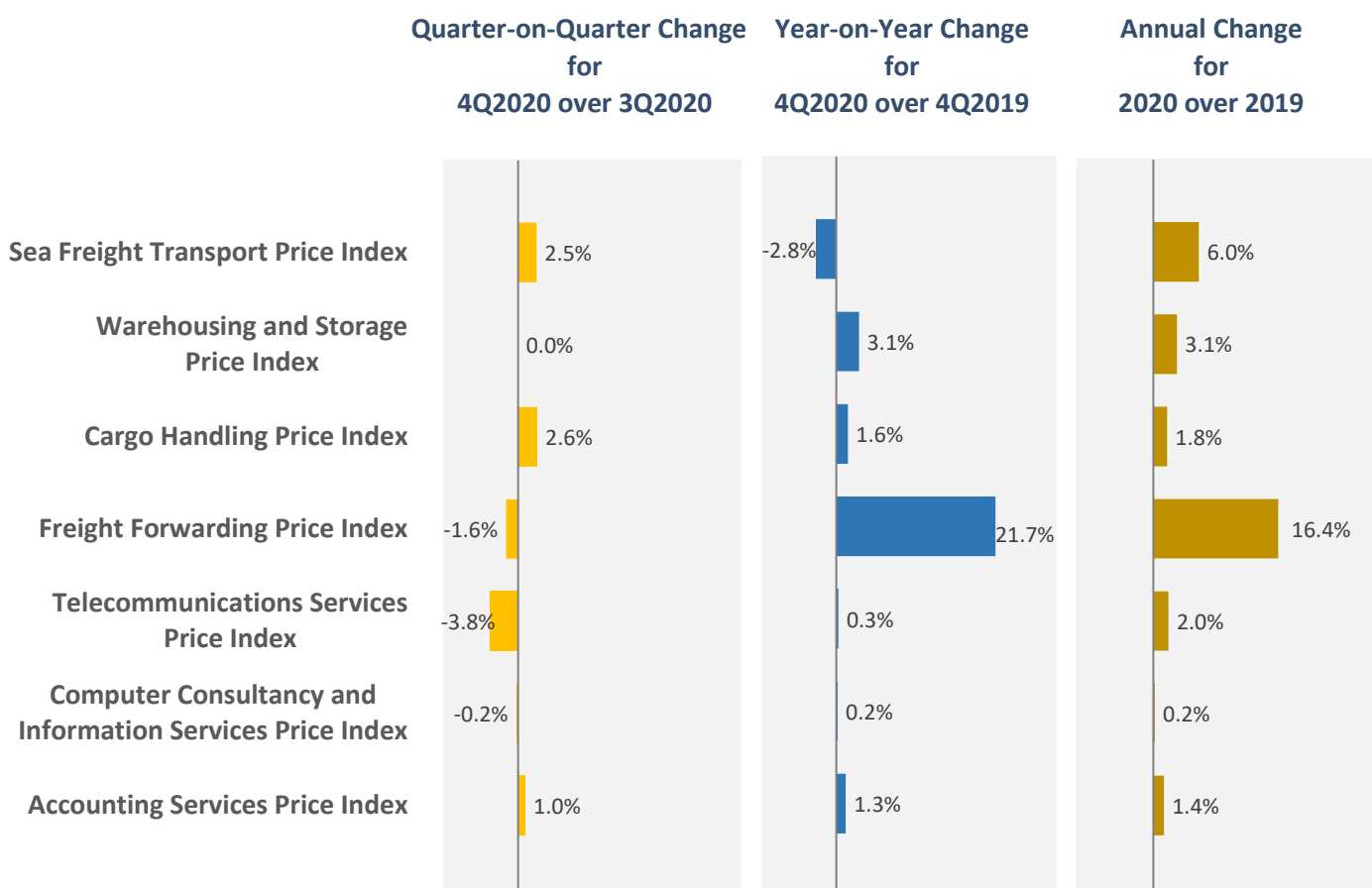
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SERVICES PRODUCER PRICE INDICES FOURTH QUARTER 2020



The Department of Statistics (DOS) compiles a suite of Services Producer Price Indices (SPPIs) to measure the changes in the average prices of services produced by establishments, for selected industries of the Singapore economy. These are prices that reflect the amount received by a producer exclusive of any taxes. The SPPIs facilitate the analysis of macro-economic conditions and in monitoring price movements of the services sector. More importantly, the SPPIs are used mainly as price deflators in the national accounts to estimate the real growth of the services sector in Singapore.

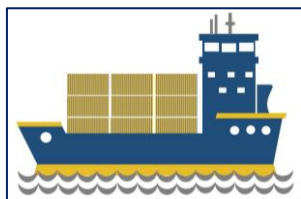
OVERVIEW OF PRICE INDICES CHANGES



PRICE INDEX CHANGES BY INDUSTRY

SEA FREIGHT TRANSPORT PRICE INDEX (SFTPI)

The SFTPI measures changes in the prices of transporting seaborne freight by Singapore-registered ship operators.



SFTPI (2017=100) for 4Q2020 : **117.3**

Quarter-on-Quarter Change for 4Q2020 over 3Q2020 : **+2.5%**

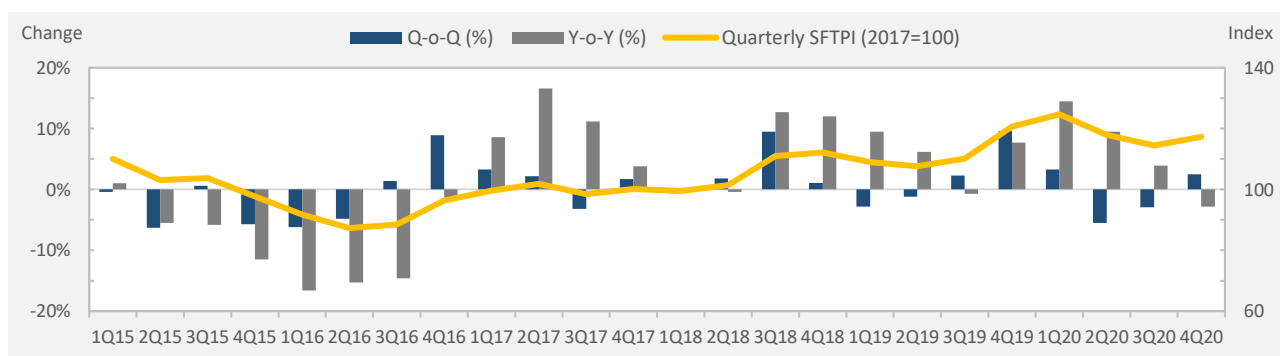
Year-on-Year Change for 4Q2020 over 4Q2019 : **-2.8%**

Annual Change for 2020 over 2019 : **+6.0%**

Fourth Quarter 2020

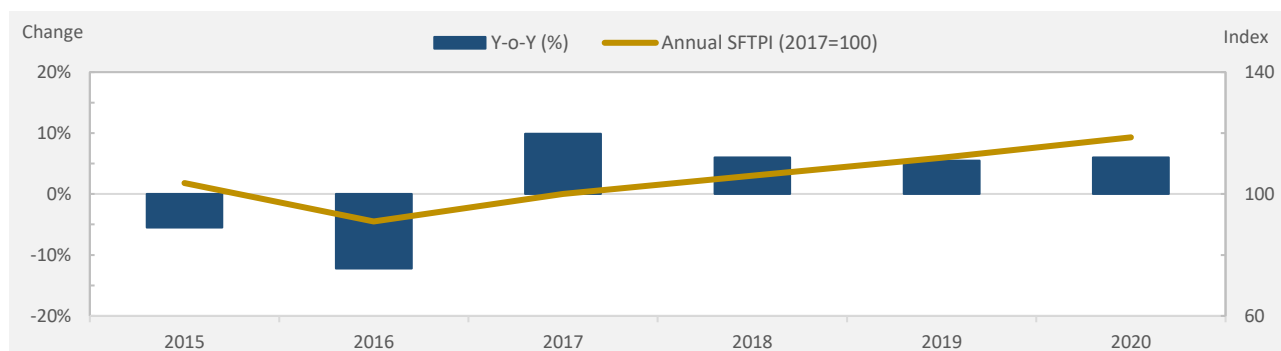
The SFTPI rose 2.5 per cent in 4Q2020 over the previous quarter, reversing the 2.9 per cent decline in 3Q2020, led mainly by higher container freight rates.

In contrast, the SFTPI fell 2.8 per cent in 4Q2020 on a year-on-year basis, primarily on account of lower crude oil freight rates.



Annual 2020

On an annual basis, the SFTPI rose 6.0 per cent in 2020, extending the 5.5 per cent increase in 2019, due mainly to higher bulk liquid and container freight charges.



SERVICES PRODUCER PRICE INDICES, FOURTH QUARTER 2020

WAREHOUSING AND STORAGE PRICE INDEX (WSPI)

The WSPI measures changes in the prices of services produced by Singapore-registered warehousing and storage establishments.

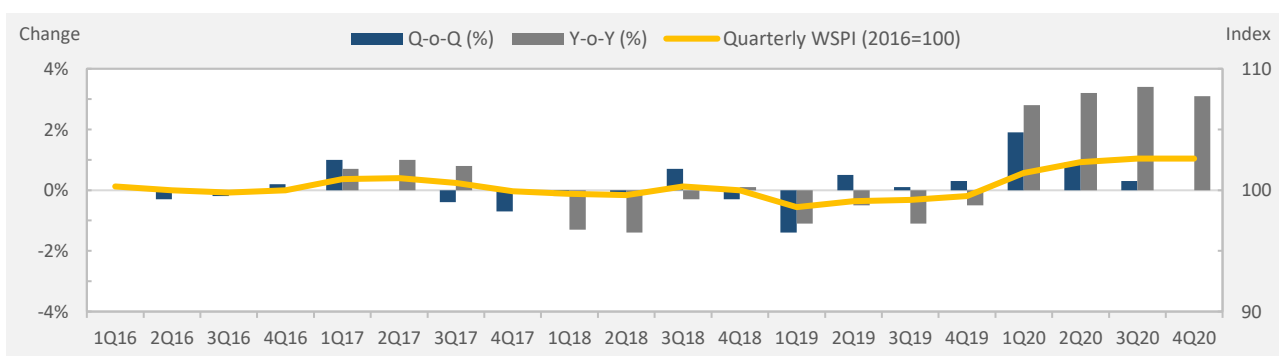


WSPI (2016=100) for 4Q2020 : 102.6
Quarter-on-Quarter Change for 4Q2020 over 3Q2020 : 0.0%
Year-on-Year Change for 4Q2020 over 4Q2019 : +3.1%
Annual Change for 2020 over 2019: +3.1%

Fourth Quarter 2020

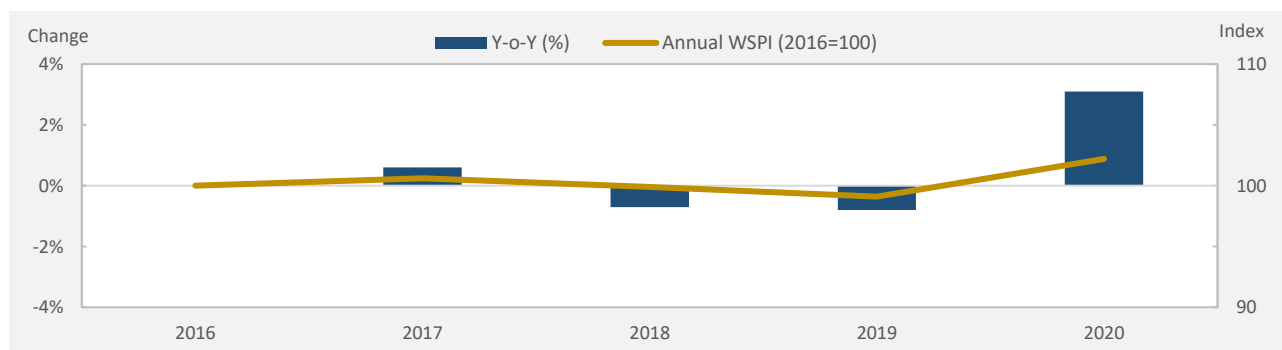
The WSPI was unchanged in 4Q2020 over the last quarter, after increasing 0.3 per cent in 3Q2020.

The WSPI rose 3.1 per cent in 4Q2020 on a year-on-year comparison, mainly on account of higher charges of class cargo storage.



Annual 2020

The WSPI increased 3.1 per cent in 2020 over 2019, reversing the 0.8 per cent decline in 2019 over 2018, largely as a result of higher class cargo storage charges.



SERVICES PRODUCER PRICE INDICES, FOURTH QUARTER 2020

CARGO HANDLING PRICE INDEX (CHPI)

The CHPI measures changes in the prices of services provided by Singapore-registered cargo handling establishments.



CHPI (2016=100) for 4Q2020 : **101.3**

Quarter-on-Quarter Change for 4Q2020 over 3Q2020 : **+2.6%**

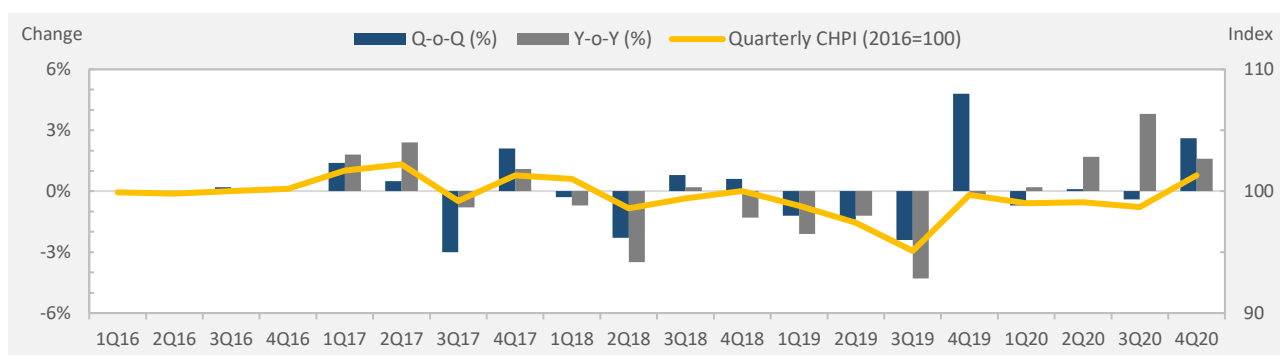
Year-on-Year Change for 4Q2020 over 4Q2019 : **+1.6%**

Annual Change for 2020 over 2019 : **+1.8%**

Fourth Quarter 2020

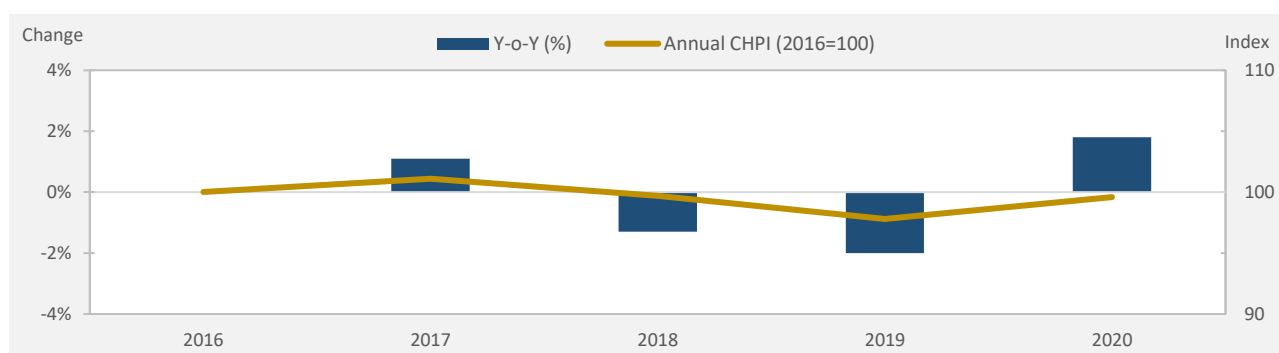
The CHPI increased 2.6 per cent in 4Q2020 over the previous quarter, in contrast to the 0.4 per cent decline in 3Q2020, due to higher crane services rates.

Similarly, the CHPI rose 1.6 per cent in 4Q2020 against 4Q2019, attributed primarily to higher charges for crane services.



Annual 2020

The CHPI rose 1.8 per cent in 2020, reversing the 2.0 per cent decline in 2019, largely contributed by the price hike for crane services.



FREIGHT FORWARDING PRICE INDEX (FFPI)

The FFPI measures changes in the prices for freight transport arrangement on behalf of a shipper, via air, sea and land transportation modes by Singapore-registered freight forwarding companies and non-vessel operating common carriers.

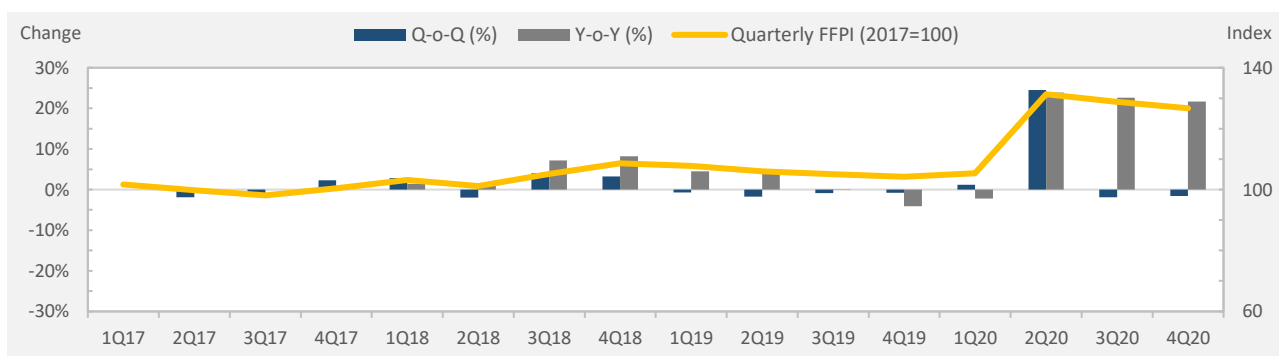


FFPI (2017=100) for 4Q2020 : 126.7
Quarter-on-Quarter Change for 4Q2020 over 3Q2020 : -1.6%
Year-on-Year Change for 4Q2020 over 4Q2019 : +21.7%
Annual Change for 2020 over 2019 : +16.4%

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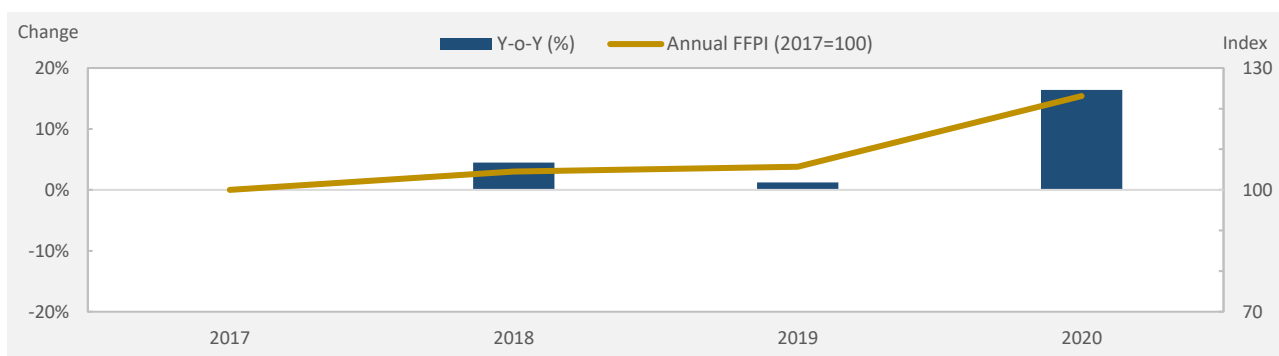
The FFPI fell 1.6 per cent in 4Q2020 over the last quarter, after declining 1.9 per cent in 3Q2020, due mainly to lower air freight forwarding charges.

On the other hand, the FFPI surged 21.7 per cent in 4Q2020 over 4Q2019, extending the increases registered in the previous two quarters, as air freight forwarding charges accelerated during the COVID-19 outbreak.



Annual 2020

The FFPI rose 16.4 per cent in 2020 against 2019, following the 1.2 per cent increase in 2019 over 2018, largely due to higher air freight forwarding charges arising from the reduction of air cargo capacity amid the global COVID-19 pandemic.



SERVICES PRODUCER PRICE INDICES, FOURTH QUARTER 2020

TELECOMMUNICATIONS SERVICES PRICE INDEX (TSPI)

The TSPI measures changes in the prices of telecommunications services produced by Singapore-registered telecommunications services providers.



TSPI (2017=100) for 4Q2020 : **98.8**

Quarter-on-Quarter Change for 4Q2020 over 3Q2020 : **-3.8%**

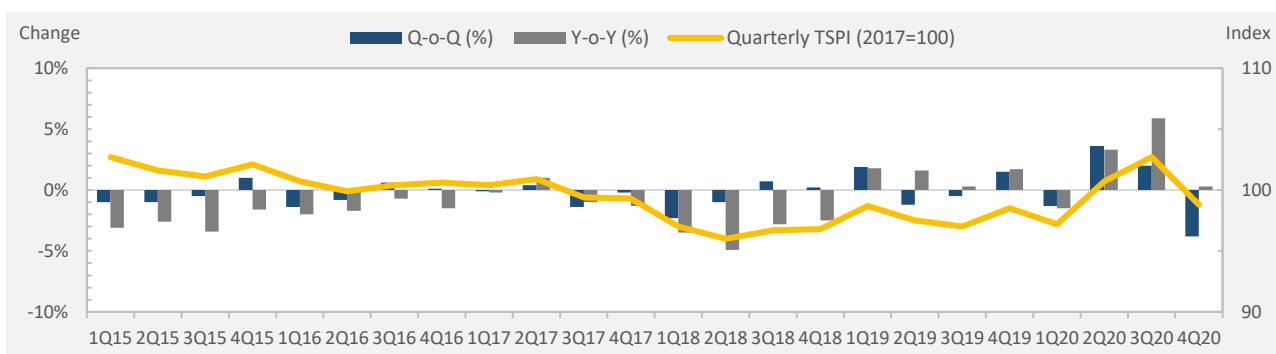
Year-on-Year Change for 4Q2020 over 4Q2019 : **+0.3%**

Annual Change for 2020 over 2019 : **+2.0%**

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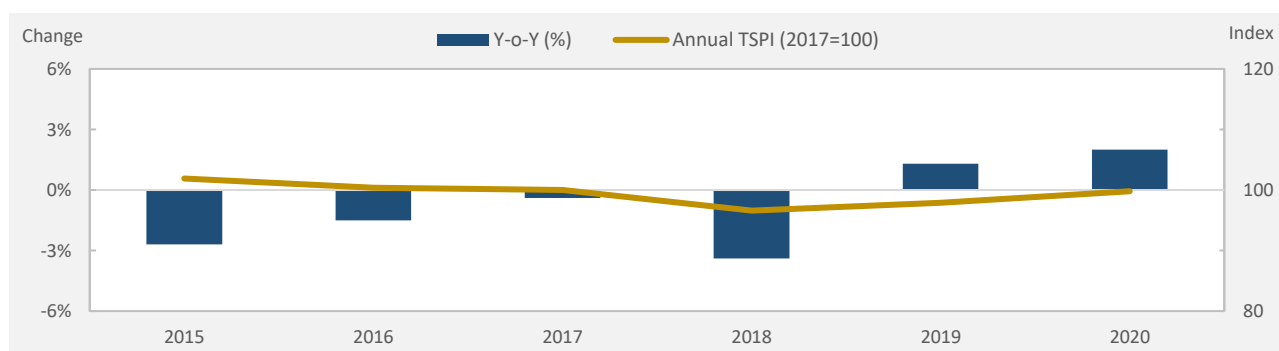
The TSPI fell 3.8 per cent in 4Q2020 over last quarter, reversing the 2.0 per cent increase in 3Q2020, led by lower charges for wireless services.

Conversely, the TSPI rose 0.3 per cent in 4Q2020 against 4Q2019, as a result of higher prices for wireless services due to costlier roaming rates.



Annual 2020

The TSPI rose 2.0 per cent in 2020, extending the 1.3 per cent increase in 2019, attributed mainly to higher charges for wireless services.



SERVICES PRODUCER PRICE INDICES, FOURTH QUARTER 2020

COMPUTER CONSULTANCY AND INFORMATION SERVICES PRICE INDEX (CISPI)

The CISPI measures the changes in the prices of services produced by Singapore-registered information technology services providers.



CISPI (2016=100) for 4Q2020 : **103.4**

Quarter-on-Quarter Change for 4Q2020 over 3Q2020 : **-0.2%**

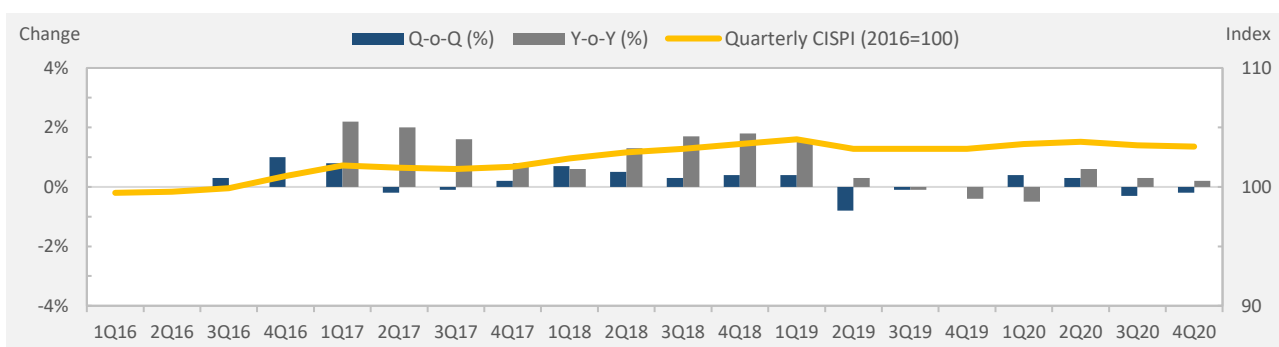
Year-on-Year Change for 4Q2020 over 4Q2019 : **+0.2%**

Annual Change for 2020 over 2019 : **+0.2%**

Fourth Quarter 2020

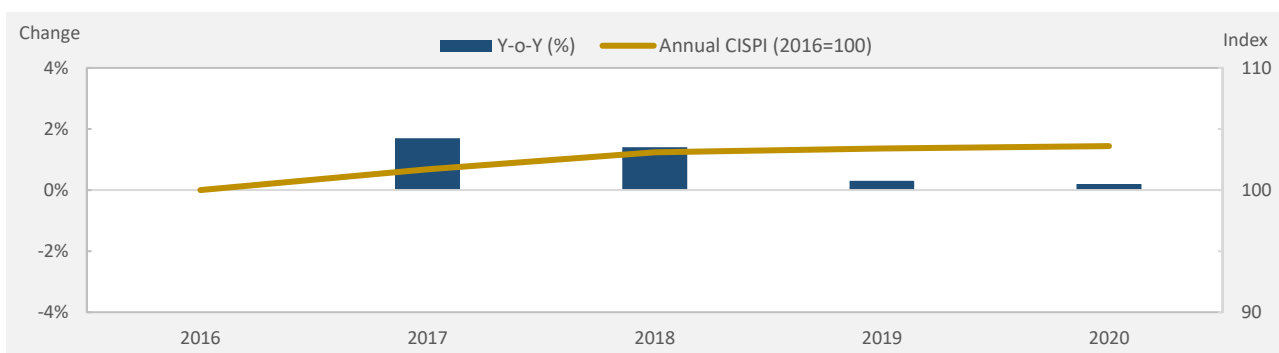
The CISPI fell 0.2 per cent in 4Q2020 over the last quarter, after declining 0.3 per cent in 3Q2020, due to lower charges for data hosting services.

In contrast, the CISPI inched up 0.2 per cent in 4Q2020 over 2019, on account of higher charges for computer programming and consultancy services.



Annual 2020

The CISPI gained 0.2 per cent in 2020, following the 0.3 per cent increase in 2019, due to higher charges for computer programming and consultancy fees and higher rates for data and web hosting services.



SERVICES PRODUCER PRICE INDICES, FOURTH QUARTER 2020

ACCOUNTING SERVICES PRICE INDEX (ASPI)

The ASPI measures changes in the prices of accounting and auditing services provided by Singapore-registered accounting establishments.



ASPI (2017=100) for 4Q2020 : **111.3**

Quarter-on-Quarter Change for 4Q2020 over 3Q2020 : **+1.0%**

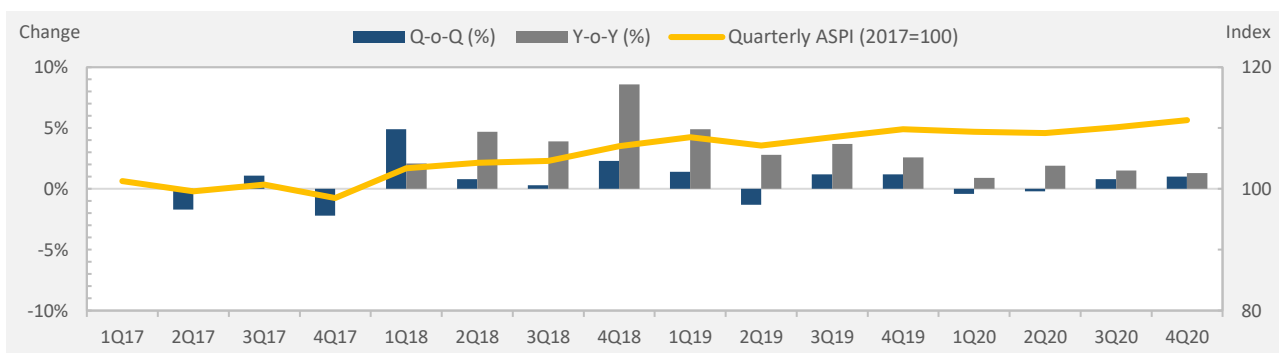
Year-on-Year Change for 4Q2020 over 4Q2019 : **+1.3%**

Annual Change for 2020 over 2019 : **+1.4%**

Fourth Quarter 2020

The ASPI rose 1.0 per cent in 4Q2020 over the previous quarter, continuing the 0.8 per cent increase in 3Q2020, as a result of higher accounting fees across all business activities.

Likewise, the ASPI increased 1.3 per cent in 4Q2020 on a year-on-year comparison, led by higher charges for tax advisory & compliance and audit & assurance services.



Annual 2020

The ASPI rose 1.4 per cent in 2020, extending the 3.5 per cent increase in 2019, due to price increases in the audit and tax advisory services.

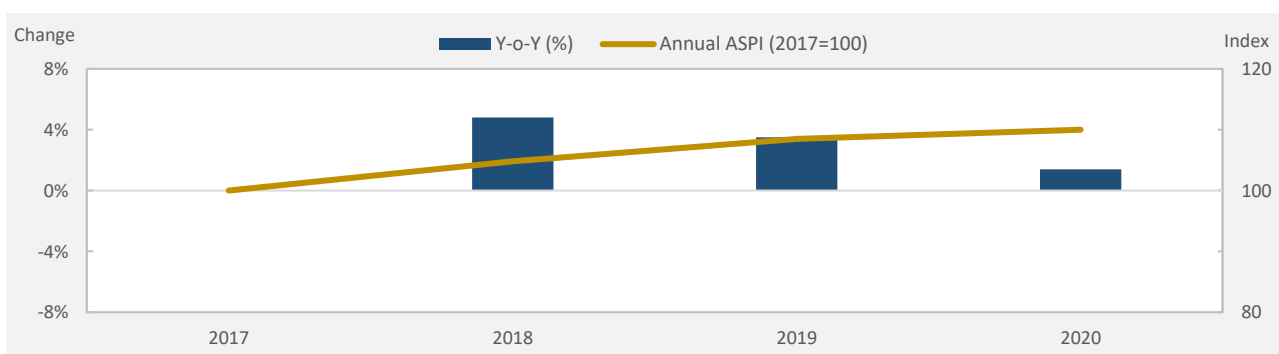


TABLE 1

Quarterly Services Producer Price Indices

Services Producer Price Index	Base Year	Indicator	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	
Sea Freight Transport	2017	Index	100.1	99.5	101.4	111.0	112.1	109.0	107.6	110.1	120.7	124.7	117.9	114.5	117.3	
		Q-o-Q(%)	1.7	-0.6	1.8	9.5	1.1	-2.8	-1.2	2.3	9.6	3.3	-5.5	-2.9	2.5	
		Y-o-Y(%)	3.8	-0.1	-0.4	12.7	12.0	9.5	6.2	-0.7	7.7	14.5	9.5	3.9	-2.8	
Warehousing and Storage	2016	Index	99.9	99.7	99.6	100.3	100.0	98.6	99.1	99.2	99.5	101.4	102.3	102.6	102.6	
		Q-o-Q(%)	-0.7	-0.2	-0.1	0.7	-0.3	-1.4	0.5	0.1	0.3	1.9	0.9	0.3	0.0	
		Y-o-Y(%)	-0.1	-1.3	-1.4	-0.3	0.1	-1.1	-0.5	-1.1	-0.5	2.8	3.2	3.4	3.1	
Cargo Handling	2016	Index	101.3	101.0	98.6	99.4	100.0	98.8	97.4	95.1	99.7	99.0	99.1	98.7	101.3	
		Q-o-Q(%)	2.1	-0.3	-2.3	0.8	0.6	-1.2	-1.4	-2.4	4.8	-0.7	0.1	-0.4	2.6	
		Y-o-Y(%)	1.1	-0.7	-3.5	0.2	-1.3	-2.1	-1.2	-4.3	-0.2	0.2	1.7	3.8	1.6	
Freight Forwarding	2017	Index	100.4	103.2	101.2	105.2	108.6	107.8	106.0	105.0	104.2	105.4	131.3	128.8	126.7	
		Q-o-Q(%)	2.3	2.8	-2.0	4.0	3.2	-0.7	-1.7	-0.9	-0.8	1.2	24.5	-1.9	-1.6	
		Y-o-Y(%)	-	1.4	1.4	7.2	8.2	4.5	4.8	-0.1	-4.1	-2.2	23.9	22.6	21.7	
Telecommunications Services	2017	Index	99.3	97.0	96.0	96.7	96.8	98.7	97.5	97.0	98.5	97.2	100.7	102.7	98.8	
		Q-o-Q(%)	-0.2	-2.3	-1.0	0.7	0.2	1.9	-1.2	-0.5	1.5	-1.3	3.6	2.0	-3.8	
		Y-o-Y(%)	-1.3	-3.5	-4.9	-2.8	-2.5	1.8	1.6	0.3	1.7	-1.5	3.3	5.9	0.3	
Computer Consultancy and Information Services	2016	Index	101.7	102.4	102.9	103.2	103.6	104.0	103.2	103.2	103.2	103.2	103.6	103.8	103.5	103.4
		Q-o-Q(%)	0.2	0.7	0.5	0.3	0.4	0.4	-0.8	-0.1	0.0	0.4	0.3	-0.3	-0.2	
		Y-o-Y(%)	0.8	0.6	1.3	1.7	1.8	1.6	0.3	-0.1	-0.4	-0.5	0.6	0.3	0.2	
Accounting Services	2017	Index	98.5	103.4	104.3	104.6	107.0	108.5	107.1	108.5	109.8	109.4	109.2	110.1	111.3	
		Q-o-Q(%)	-2.2	4.9	0.8	0.3	2.3	1.4	-1.3	1.2	1.2	-0.4	-0.2	0.8	1.0	
		Y-o-Y(%)	-	2.1	4.7	3.9	8.6	4.9	2.8	3.7	2.6	0.9	1.9	1.5	1.3	

Notes:

Q-o-Q(%) refers to Percentage change of a quarter index over the previous quarter.

Y-o-Y(%) refers to Percentage change of a quarter index over the same quarter in the previous year.

Base Year refers to the Price reference period and Index reference period of the index.

SERVICES PRODUCER PRICE INDICES, FOURTH QUARTER 2020

TABLE 2

Annual Services Producer Price Indices

Services Producer Price Index	Base Year	Indicator	2015	2016	2017	2018	2019	2020
Sea Freight Transport	2017	Index	103.6	91.0	100.0	106.0	111.9	118.6
		Y-o-Y(%)	-5.5	-12.2	9.9	6.0	5.5	6.0
Warehousing and Storage	2016	Index	-	100.0	100.6	99.9	99.1	102.2
		Y-o-Y(%)	-	-	0.6	-0.7	-0.8	3.1
Cargo Handling	2016	Index	-	100.0	101.1	99.7	97.8	99.6
		Y-o-Y(%)	-	-	1.1	-1.3	-2.0	1.8
Freight Forwarding	2017	Index	-	-	100.0	104.5	105.7	123.1
		Y-o-Y(%)	-	-	-	4.5	1.2	16.4
Telecommunications Services	2017	Index	101.9	100.4	100.0	96.6	97.9	99.8
		Y-o-Y(%)	-2.7	-1.5	-0.4	-3.4	1.3	2.0
Computer Consultancy and Information Services	2016	Index	-	100.0	101.7	103.1	103.4	103.6
		Y-o-Y(%)	-	-	1.7	1.4	0.3	0.2
Accounting Services	2017	Index	-	-	100.0	104.8	108.5	110.0
		Y-o-Y(%)	-	-	-	4.8	3.5	1.4

Notes:

Y-o-Y(%) refers to Percentage change of an annual index over the previous year.

Base Year refers to the Price reference period and Index reference period of the index.

SERVICES PRODUCER PRICE INDICES, FOURTH QUARTER 2020

TABLE 3

Coverage of Services Producer Price Indices

Services Producer Price Index	Year Started	Coverage by SSIC 2020 ¹
Sea Freight Transport Price Index (2017=100)	2007	<ul style="list-style-type: none"> • 50021-Shipping companies, including chartering of ships and boats with crew (freight) • Chartering of vessels without operator, and operation of barges, tugboats are excluded.
Warehousing and Storage Price Index (2016=100)	2016	<ul style="list-style-type: none"> • 52101-General warehousing • 52102-Refrigerated warehousing and storage • 52103-Storage for dangerous goods • 52109-Specialised storage n.e.c. • Operation of self-storage facilities and rental of storage space are excluded.
Cargo Handling Price Index (2016=100)	2016	<ul style="list-style-type: none"> • 52241-Container depot services • 52242-Crane services for all industries except construction • 52243-Stevedoring services • 52291-Cargo surveying services • Operation of port terminal facilities is excluded.
Freight Forwarding Price Index (2017=100)	2017	<ul style="list-style-type: none"> • 52292-Freight transport arrangement • Shipping agents, haulage services, packing and crafting firms are excluded.
Telecommunications Services Price Index (2016=100)	2009	<ul style="list-style-type: none"> • 61011-Wired telecommunications network operation • 61012-Mobile cellular and other wireless telecommunications network operation • 61092-Internet access providers, include ISPs • 61099-Other telecommunications activities n.e.c. • Third party telco providers, radio and TV broadcast are excluded.
Computer Consultancy and Information Services Price Index (2016=100)	2016	<ul style="list-style-type: none"> • 6201-Computer programming activities • 6202-Information technology consulting and computer facilities management activities • 6209-Other information technology and computer service activities • 6311-Data analytics processing, hosting and related activities • Publishers of packaged software, sales of computer hardware or software are excluded.
Accounting Services Price Index (2017=100)	2017	<ul style="list-style-type: none"> • 69201-Accounting and auditing services • 69202-Book-keeping services • Accounting training services and software are excluded.

Notes:

¹SSIC 2020 – Singapore Standard Industrial Classification 2020, Department of Statistics.

EXPLANATORY NOTES

The Services Producer Price Indices (SPPIs) cover key priority services sectors that require price deflators to obtain more precise and reliable measurement of real national account estimates.

The SPPIs are compiled from prices collected from routine statutory price surveys conducted by DOS under the Statistics Act (Chapter 317), or from online or administrative sources. The selection of companies for the price survey of an industry is generally based on judgemental and stratified sampling methods. A representative sample of service products that can be priced over time, is selected from each company.

The SPPIs are aligned to the Singapore Standard Industrial Classification. They are calculated using the modified Laspeyres price index formula¹ with fixed base weights where the weights reference period precedes the price reference period. The price indices at the higher level are aggregated from the lower level price indices together with their corresponding weights using weighted arithmetic means. Non-responses are imputed for, in accordance with IMF guidelines² and aligned with the best practices of other National Statistical Offices overseas.

The SPPIs are rebased every five years to ensure they remain relevant to the selected industries. During the rebasing exercise, the basket of services and the weights structure of the SPPI are updated to correspond to the prevailing production patterns of the industry. The weights are mainly obtained from surveys conducted by DOS and supplemented by administrative data. The frequency of rebasing may be shorter for service industries that are more dynamic.

The SPPIs are published quarterly. The quarters are defined as 1Q-(Jan to Mar), 2Q-(Apr to Jun), 3Q-(Jul to Sep) and 4Q-(Oct to Dec). The quarter-on-quarter change (Q-o-Q) refers to the percentage change of the reference quarter over the previous quarter e.g. 2Q2020/1Q2020. The year-on-year change (Y-o-Y) for the quarterly index refers to the percentage change of the reference quarter over the same quarter in the previous year e.g. 2Q2020/2Q2019 while the Y-o-Y change for the annual index refers to the percentage change of the reference year over the previous year e.g. 2020/2019.

The published SPPIs are not seasonally adjusted. The published indices for previous reference quarters may be revised when late returns and amendments received from survey respondents are incorporated at a later date.

¹ Modified Laspeyres Price Index Formula

$$PLas(m) = \sum w^b \left(\frac{p^t}{p^0} \right) \quad p^t = \text{prices of period } t, \quad p^0 = \text{prices in the price reference period } 0;$$

w^b = weights shares in weights reference period b

² Producer Price Index Manual : Theory and Practice : International Monetary Fund, 2004

DISSEMINATION OF DATA

This Services Producer Price Indices report is published on the 25th day of the 3rd month after the reference quarter, or the next working day if it falls on a Saturday, Sunday or Public Holiday. The indices are available on the SingStat Website (www.singstat.gov.sg/tablebuilder). Excel tables for this quarter's report are available at www.singstat.gov.sg/publications/economy/services-producer-price-indices or through the QR code below:



Singapore Department of Statistics
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