Firms in the **Wholesale Trade** industry engage in the bulk sale of goods to manufacturers, retailers and businesses, who then use these goods as inputs for production or resell them to consumers.

The wholesalers serve as intermediaries by procuring goods from producers and suppliers for distribution to various buyers.



How is Value Added for the Wholesale Trade industry measured?

The **output** of the Wholesale Trade industry is measured by:

Output = Sales – Cost of goods purchased for resale + Changes in inventories

Total value of trade margins realised on the goods purchased for resale

Value Added is then derived as:

Value Added = Output – Intermediate consumption (*value of inputs used in production)

Types of Wholesale Trade Activities

Domestic Wholesale Trade is the sale of imported or locally manufactured goods to buyers within the country, while Foreign Wholesale Trade is the sale of goods to overseas buyers.



Did You Know?

In Singapore, wholesale sales are predominantly to overseas buyers.

The majority of revenue (around 89.01% in 2023) in the Wholesale Trade sector stems from Foreign Wholesale Trade activities.

Figure 1. Type of Wholesale Trade Activity¹

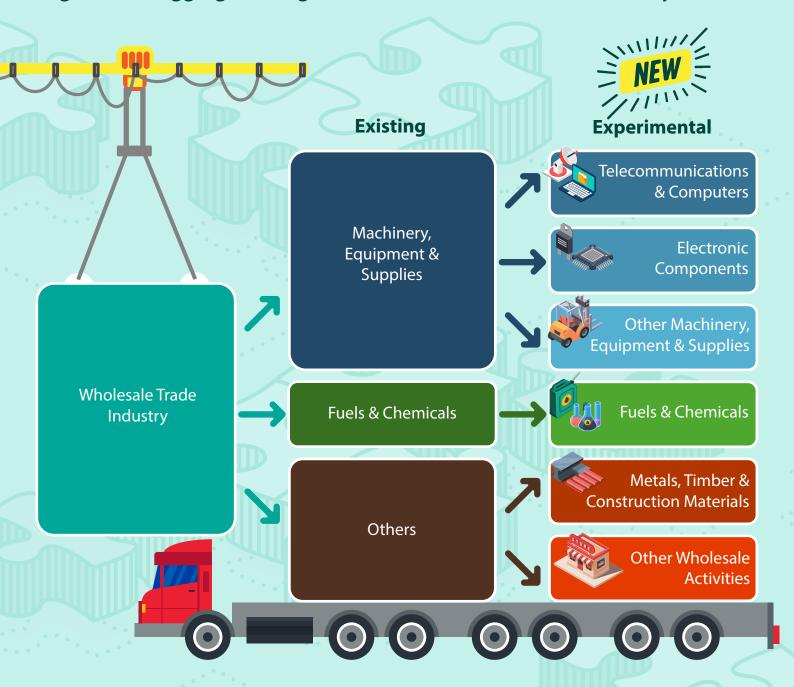


Note:

^{*}Such as freight charges for transport, advertising and utilities expenses

¹ Data are based on estimates from the Annual Industry Survey 2023.

Figure 2. Disaggregated Segments of the Wholesale Trade Industry



The Department of Statistics has developed a new experimental Value Added series², disaggregating the Wholesale Trade industry into six segments. This granular disaggregation provides a more nuanced analysis, enabling a deeper understanding of industry trends and segment performance.



Note:

² Data are based on estimates from the annual Economic Survey of Singapore 2024.

Key Highlights

Fuels & Chemicals and Telecommunications & Computers Segments Have Led Wholesale Trade in Recent Years



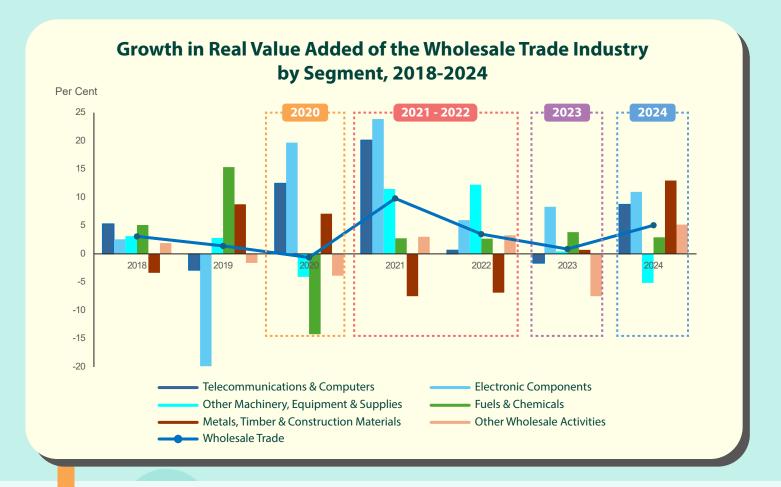
2018 to 2022 Fuels & Chemicals was the fastest growing segment driven by wholesale sales of petroleum & petroleum products (e.g., crude oil and liquefied petroleum gases).

Fluctuations in oil prices have caused volatility in the segment's share by impacting trade margins. In 2022, the Fuels & Chemicals segment share surged, mainly driven by higher margins as oil prices soared amid concerns over supply disruptions from the Russia-Ukraine conflict.

2023 to 2024 The share of the Telecommunications & Computers segment increased, driven by the strong wholesale sales of computer equipment.

In 2023, nominal share of the Metals, Timber & Construction Materials segment moderated, primarily due to falling metal prices which narrowed the trade margins of wholesalers trading in metals.

Strong Demand for Machinery and Equipment Supported Wholesale **Trade Growth**



2020

The Wholesale Trade industry contracted, mainly attributed to the Fuels & Chemicals segment.

During the COVID-19 pandemic, lockdowns and travel restrictions resulted in a sharp drop in demand for fuels like gasoline and jet fuel, leading to a decline in wholesale volume of petroleum & petroleum products.

2021 to

2022

The Wholesale Trade industry rebounded, driven by global economic recovery, eased pandemic restrictions, and renewed demand for goods.

In particular, the wholesale of Electronic Components and Telecommunications & Computers recorded a significant boost, fuelled by rapid advancements in artificial intelligence technology and the shift to remote work.

The Other Machinery, Equipment & Supplies segment also saw a robust recovery, partly driven by the wholesale of industrial and construction machinery as construction activities resumed. Within the segment, the wholesale of transport equipment also surged, due to fleet upgrades and a growing demand for electric and hybrid vehicles.

2023

The growth of the Wholesale Trade industry moderated, mainly weighed down by the decline in other wholesale activities, such as the wholesaling of household equipment & furniture, as weakened global demand and shifts in consumer spending patterns dampened performance of the segment.

2024

The Wholesale Trade industry's growth improved, supported by broad-based increases across most segments. Performance in the Telecommunications & Computers and Electronic Components segments was robust, reflecting sustained demand from the ongoing artificial intelligence boom.











