

Wholesale Trade: A Sectoral Analysis

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:

$$\text{Output} = \text{Sales} - \text{Cost of goods purchased for resale} + \text{Changes in inventories}$$

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

Value Added is then derived as:

$$\text{Value Added} = \text{Output} - * \text{Intermediate Consumption}$$

*Refers to value of inputs used in business operations such as freight charges for transport, advertising and utilities expenses

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.

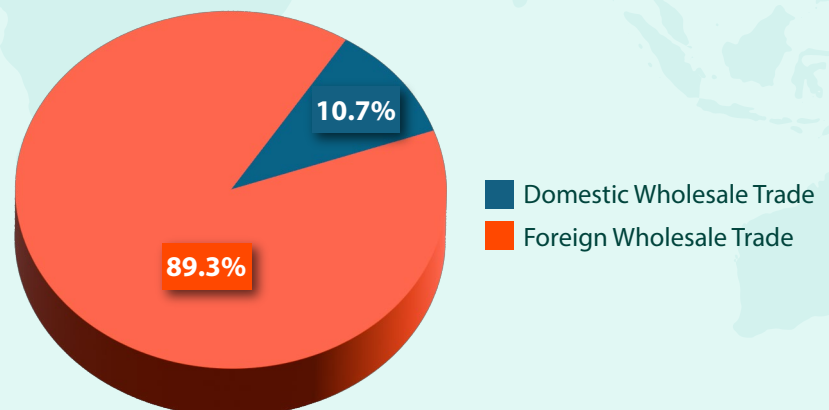
Figure 1. Type of Wholesale Trade Activity¹

Did You Know?

In Singapore, wholesale sales are predominantly to overseas buyers.

The majority of revenue (around 89.3¹ % in 2024) in the Wholesale Trade sector stems from Foreign Wholesale Trade activities.

Type of Wholesale Activity (2024)



Note:

¹ Data are based on estimates from the Annual Industry Survey 2024.

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.

Did You Know?

In 2022, the nominal GDP share of the Wholesale Trade industry (20.9%) overtook that of the Manufacturing industry (20.6%) for the first time since 1975, as the largest industry in Singapore's economy.

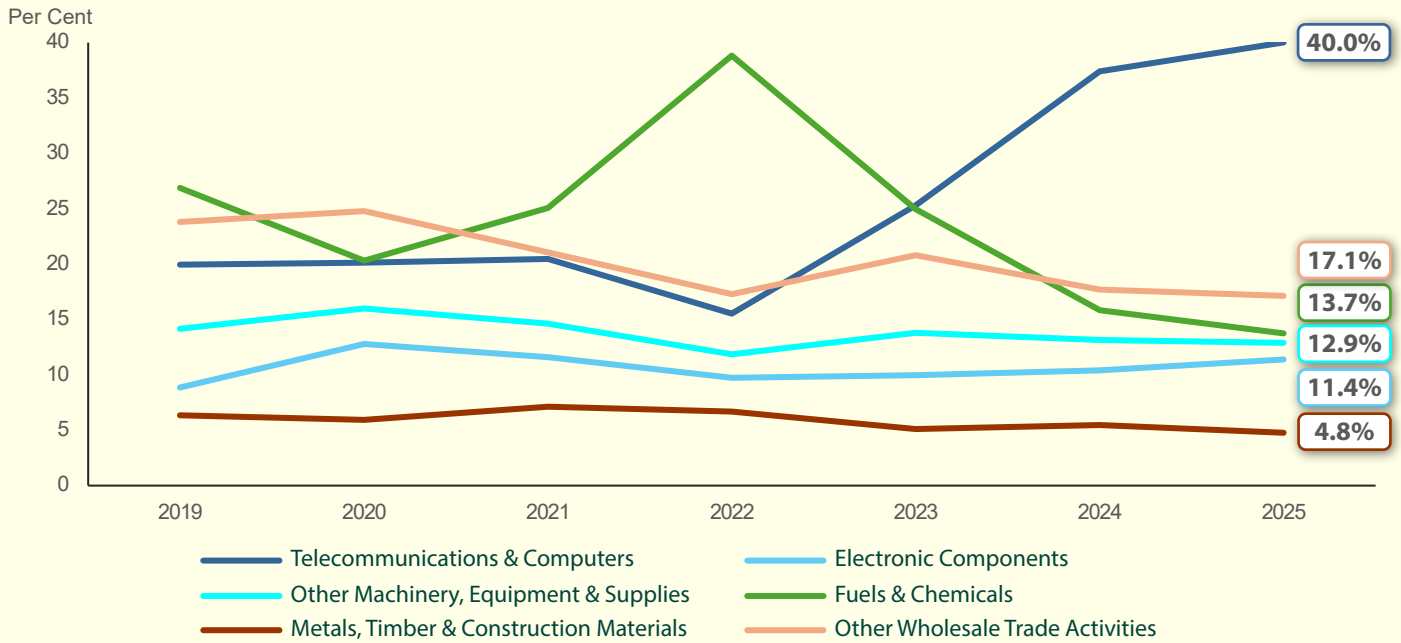
Note:

² Data are based on estimates from the annual Economic Survey of Singapore 2025.

Key Highlights/Findings

The Telecommunications & Computers Segment Led Wholesale Trade in Recent Years

Nominal Value Added Share of the Wholesale Trade Industry by Segment, 2019-2025



2019 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 2025

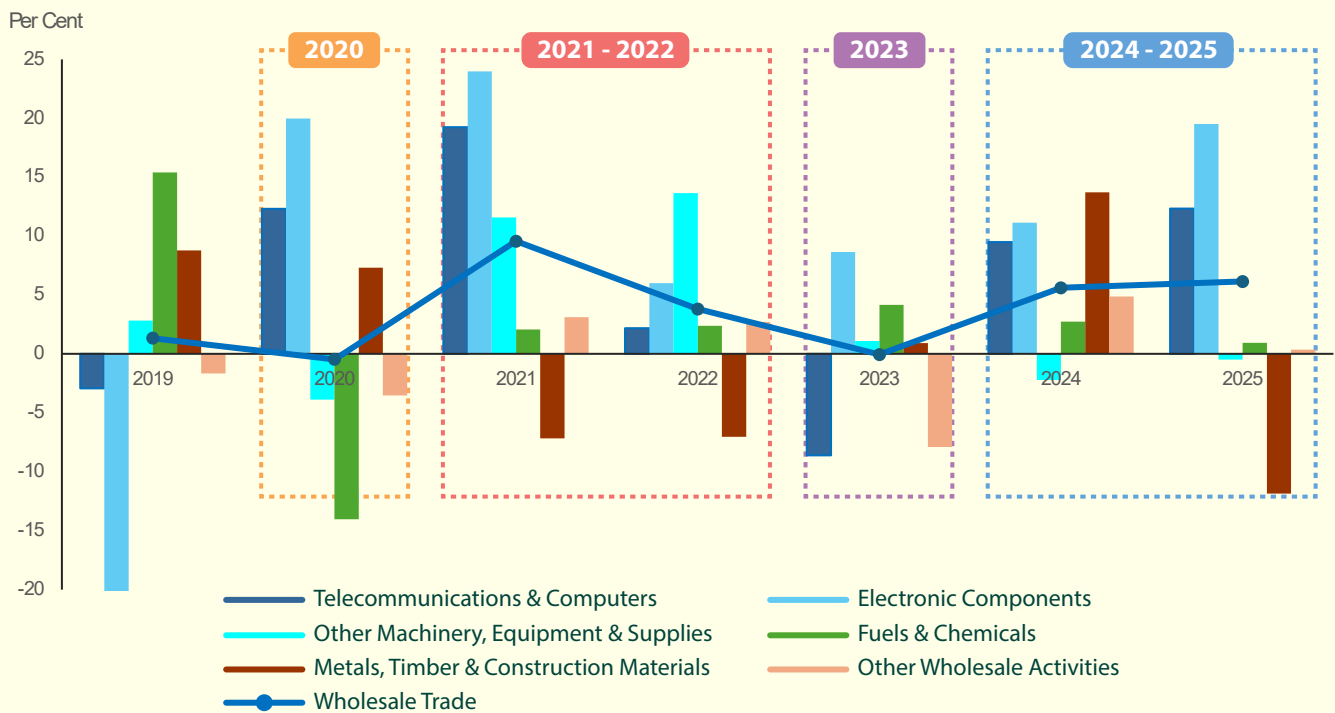
The share of the Telecommunications & Computers segment increased, driven by the strong wholesale sales of computer equipment.

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.

Key Highlights/Findings

Strong Demand For Telecommunications & Computers and Electronic Components Supported Wholesale Trade Growth

Growth in Real Value Added of the Wholesale Trade Industry by Segment, 2019-2025



- 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 the wholesale volume of petroleum & petroleum products.
- 2021 to 2022**
 - Driven by global economic recovery, eased pandemic restrictions, and renewed consumption demand for goods, the Wholesale Trade industry rebounded in 2021 and 2022.
 - In particular, the wholesale trade of Electronic Components and Telecommunications & Computers recorded significant growths, fueled by rapid advancements in artificial intelligence (AI) technology and the shift to remote work.
 - The Other Machinery, Equipment & Supplies segment also saw a robust recovery, partly driven by the wholesale trade of industrial and construction machinery as construction activities resumed. Within the segment, the wholesale trade of transport equipment also surged, due to fleet upgrades and a growing demand for electric and hybrid vehicles.
- 2023**
 - The growth of Wholesale Trade industry moderated, as the Telecommunication & Computers and Other Wholesale Activities segments declined under the weight of softening global demand and shifts in consumer spending patterns.
- 2024 to 2025**
 - The accelerated industry growths in 2024 and 2025 were primarily led by the Telecommunications & Computers and Electronic Components segments on account of sustained AI-driven demand.
 - However, growth in 2025 was partially offset by the decline in the wholesale trade of the Metals, Timber & Construction Materials segment, as weaker global demand and subdued economic growth in key markets weighed down on the segment's performance.