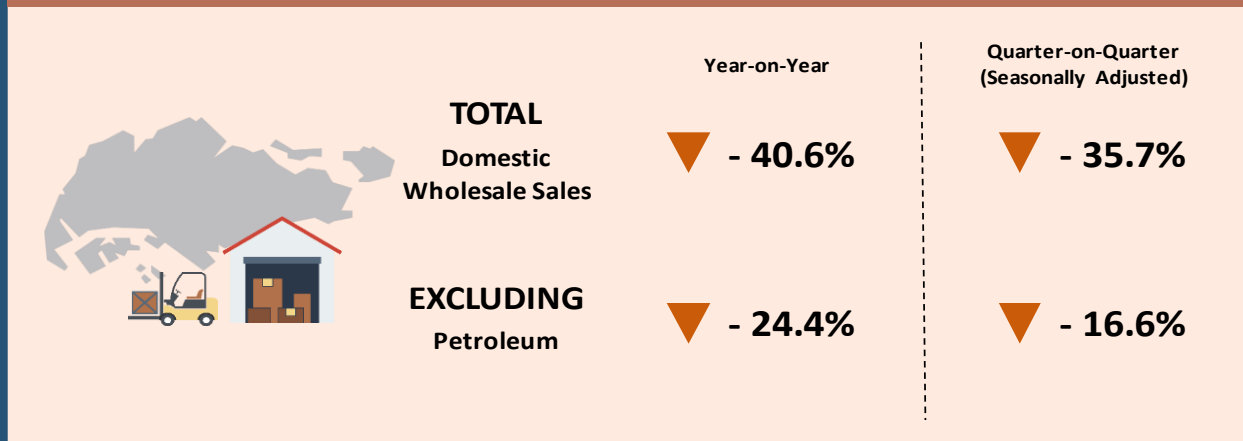




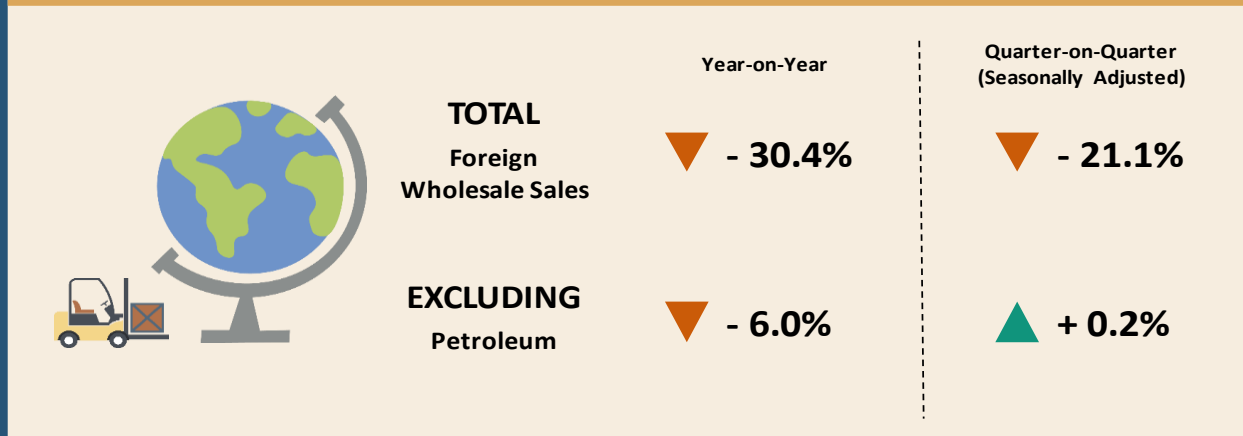
Wholesale Trade Index

Second Quarter 2020

DOMESTIC WHOLESale TRADE



FOREIGN WHOLESale TRADE



OVERVIEW – DOMESTIC WHOLESALE TRADE

Singapore's domestic wholesale sales registered a decline of 40.6% in second quarter 2020 compared to the same period a year ago, due mainly to lower sales in petroleum. Excluding petroleum, domestic wholesale sales decreased 24.4%. The decline was due mainly to the Circuit Breaker, resulting in lower domestic demand from various industries.

Compared to the previous quarter, seasonally adjusted domestic wholesale sales dropped 35.7% in second quarter 2020, due to lower sales in petroleum. Excluding petroleum, domestic sales contracted by 16.6% from the previous quarter.

Year-on-Year Change (at Current Prices)

On a year-on-year basis, declines in domestic wholesale sales were recorded in all industries in second quarter 2020, except for the Food, Beverages & Tobacco industry. The Petroleum & Petroleum Products industry contracted by 55.6%, due mainly to lower oil prices and weaker domestic demand. The weak performances of the Metals, Timber & Construction Materials (-50.0%), Transport Equipment (-48.6%) and Industrial & Construction Machinery (-40.2%) industries were due mainly to the disruption of construction activities and lower demand for motor vehicles during the Circuit Breaker period.













Conversely, the Food, Beverages & Tobacco industry recorded a growth in domestic sales of 2.4%, due partly to higher sales to supermarkets.

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

On a seasonally adjusted basis, most of the wholesale trade industries experienced declines in domestic sales in second quarter 2020 compared to the previous quarter. Those which saw double-digit decreases in domestic sales included the Petroleum & Petroleum Products (-53.0%), Transport Equipment (-44.6%) and Metals, Timber & Construction Materials (-44.4%) industries due to lower domestic demand during the Circuit Breaker period.

In contrast, the Telecommunications & Computers industry expanded by 9.0% from the previous quarter, due mainly to increased demand for computer products arising from work-from-home arrangements and home-based learning for schools.

Change in Domestic Wholesale Trade Index by Industry

Food, Beverages & Tobacco Year-on-Year  +2.4% Quarter-on-Quarter ¹ -1.2%	Household Equipment & Furniture Year-on-Year  -48.6% Quarter-on-Quarter ¹ -37.5%	Petroleum & Petroleum Products Year-on-Year  -55.6% Quarter-on-Quarter ¹ -53.0%
Chemicals & Chemical Products Year-on-Year  -27.1% Quarter-on-Quarter ¹ -20.4%	Electronic Components Year-on-Year  -18.4% Quarter-on-Quarter ¹ -9.8%	Industrial & Construction Machinery Year-on-Year  -40.2% Quarter-on-Quarter ¹ -36.9%
Telecommunications & Computers Year-on-Year  -5.6% Quarter-on-Quarter ¹ +9.0%	Metals, Timber & Construction Year-on-Year Materials  -50.0% Quarter-on-Quarter ¹ -44.4%	General Wholesale Trade Year-on-Year  -7.6% Quarter-on-Quarter ¹ -3.1%
Ship Chandlers & Bunkering Year-on-Year  -50.5% Quarter-on-Quarter ¹ -42.8%	Transport Equipment Year-on-Year  -48.6% Quarter-on-Quarter ¹ -44.6%	Other Wholesale Trade Year-on-Year  -22.5% Quarter-on-Quarter ¹ -14.7%

¹Seasonally Adjusted

OVERVIEW – FOREIGN WHOLESALE TRADE

Singapore's foreign wholesale sales declined 30.4% in second quarter 2020 compared to the same quarter a year ago, due mainly to a decline in sales of petroleum. Excluding petroleum, foreign wholesale sales fell by a smaller 6.0%. The weaker foreign wholesale sales were mainly attributed to lockdowns in major economies due to the COVID-19 pandemic, resulting in a decline in global trade.

Foreign wholesale sales (seasonally adjusted) reported a decrease of 21.1% in second quarter 2020 over first quarter 2020, due to lower petroleum sales. Excluding petroleum, foreign wholesale sales rose slightly by 0.2%.

Year-on-Year Change (at Current Prices)

All industries recorded lower foreign wholesale sales in second quarter 2020 compared to the same period a year ago, except for the Electronic Components, Telecommunications & Computers and Food, Beverages & Tobacco industries. The Petroleum & Petroleum Products industry dropped 55.1%, as the segment continued to be adversely affected by sharp declines in global oil prices and weaker global demand for petroleum products, during the lockdowns in major economies to contain the spread of COVID-19. Similarly, weaker performances were recorded by the Transport Equipment (-52.5%) and Industrial & Construction Machinery (-16.5%) industries due to a fall in external demand. The Ship Changers & Bunkering and Chemicals & Chemical Products industries experienced declines of 38.2% and 19.9% respectively, due mainly to lower prices of petroleum, chemicals and related products.













In contrast, the Electronic Components and Telecommunications & Computers industries reported increases in foreign sales of 12.0% and 6.9% respectively on a year-on-year basis, due partly to an increase in demand for semiconductor components and integrated circuits as well as higher sales from new mobile phone launches.

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

After seasonal adjustment, the foreign wholesale sales of the Petroleum & Petroleum Products, Ship Changers & Bunkering and Chemicals & Chemical Products industries contracted by 46.2%, 36.7% and 6.7% respectively from the previous quarter, due mainly to lower prices of petroleum, chemicals and related products. Similarly, the foreign sales of the Transport Equipment industry dropped 41.2%, due to lower demand for motor vehicles and marine equipment, as a result of lockdowns in major economies.

Conversely, the Telecommunications & Computers and Electronic Components industries grew by 10.6% and 8.0% respectively. The gradual resumption of construction works in some foreign markets also contributed to a 6.0% increase in foreign sales for the Metals, Timber & Construction Materials industry in second quarter 2020.

Change in Foreign Wholesale Trade Index by Industry

Food, Beverages & Tobacco Year-on-Year  +3.1% Quarter-on-Quarter ¹ +3.3%	Household Equipment & Furniture Year-on-Year  -3.5% Quarter-on-Quarter ¹ +0.5%	Petroleum & Petroleum Products Year-on-Year  -55.1% Quarter-on-Quarter ¹ -46.2%
Chemicals & Chemical Products Year-on-Year  -19.9% Quarter-on-Quarter ¹ -6.7%	Electronic Components Year-on-Year  +12.0% Quarter-on-Quarter ¹ +8.0%	Industrial & Construction Machinery Year-on-Year  -16.5% Quarter-on-Quarter ¹ -5.0%
Telecommunications & Computers Year-on-Year  +6.9% Quarter-on-Quarter ¹ +10.6%	Metals, Timber & Construction Year-on-Year Materials  -0.2% Quarter-on-Quarter ¹ +6.0%	General Wholesale Trade Year-on-Year  -15.5% Quarter-on-Quarter ¹ -1.6%
Ship Changers & Bunkering Year-on-Year  -38.2% Quarter-on-Quarter ¹ -36.7%	Transport Equipment Year-on-Year  -52.5% Quarter-on-Quarter ¹ -41.2%	Other Wholesale Trade Year-on-Year  -11.2% Quarter-on-Quarter ¹ -6.4%

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	
	1Q20/ 1Q19	2Q20/ 2Q19	1Q20/ 4Q19	2Q20/ 1Q20
Total	-8.3	-40.6	-0.4	-35.7
Total (Excluding Petroleum)	-8.9	-24.4	-2.4	-16.6
Food, Beverages & Tobacco	2.9	2.4	3.7	-1.2
Household Equipment & Furniture	-16.6	-48.6	-9.5	-37.5
Petroleum & Petroleum Products	-7.8	-55.6	1.4	-53.0
Chemicals & Chemical Products	-9.1	-27.1	5.4	-20.4
Electronic Components	-18.4	-18.4	-3.3	-9.8
Industrial & Construction Machinery	-10.0	-40.2	-2.2	-36.9
Telecommunications & Computers	-10.7	-5.6	-5.2	9.0
Metals, Timber & Construction Materials	-18.1	-50.0	-4.2	-44.4
General Wholesale Trade	-0.2	-7.6	-2.4	-3.1
Ship Chandlers & Bunkering	-8.0	-50.5	-1.5	-42.8
Transport Equipment	-12.3	-48.6	-12.0	-44.6
Other Wholesale Trade	-2.0	-22.5	-1.8	-14.7

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	
	1Q20/ 1Q19	2Q20/ 2Q19	1Q20/ 4Q19	2Q20/ 1Q20
Total	-12.3	-30.4	-8.4	-21.1
Total (Excluding Petroleum)	-6.4	-6.0	-5.6	0.2
Food, Beverages & Tobacco	0.3	3.1	-2.4	3.3
Household Equipment & Furniture	-6.1	-3.5	-0.2	0.5
Petroleum & Petroleum Products	-18.4	-55.1	-11.6	-46.2
Chemicals & Chemical Products	-12.5	-19.9	-10.8	-6.7
Electronic Components	-2.2	12.0	1.2	8.0
Industrial & Construction Machinery	-14.2	-16.5	-5.0	-5.0
Telecommunications & Computers	-6.3	6.9	-3.5	10.6
Metals, Timber & Construction Materials	-3.3	-0.2	-6.2	6.0
General Wholesale Trade	-11.0	-15.5	-12.4	-1.6
Ship Chandlers & Bunkering	0.3	-38.2	-9.0	-36.7
Transport Equipment	-20.2	-52.5	-7.9	-41.2
Other Wholesale Trade	-6.8	-11.2	-5.6	-6.4

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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