

Chapter 6.3

WHOLESALE TRADE

OVERVIEW

The wholesale trade sector expanded by 0.2 per cent year-on-year in the fourth quarter of 2023, moderating from the 1.1 per cent growth in the previous quarter. Growth during the quarter came largely on the back of an increase in the volume of foreign wholesale sales of metals, timber & construction materials, petroleum & petroleum products, food, beverages & tobacco and electronic components.

For the whole of 2023, the sector grew by 0.8 per cent, slowing from the 4.0 per cent expansion in 2022.

WHOLESALE SALES

In the fourth quarter, the wholesale trade sector was supported by an increase in foreign wholesale sales volume, which more than offset the decline in domestic wholesale sales volume.

Specifically, foreign wholesale sales volume rose by 0.4 per cent year-on-year in the fourth quarter, moderating from the 2.7 per cent increase in the preceding quarter (Exhibit 6.9). Growth in sales volume was fastest in the metals, timber & construction materials (13.5 per cent), food, beverages & tobacco (9.6 per cent) and electronic components (7.8 per cent) segments, which outpaced the decline in the sales volume of the ship chandlers & bunkering (-38.1 per cent) and general wholesale trade (-16.4 per cent) segments. For the whole of 2023, the foreign wholesale trade index rose by 1.5 per cent, easing from the 3.9 per cent increase in the previous year.

Meanwhile, domestic wholesale sales volume fell by 2.7 per cent year-on-year in the fourth quarter, easing from the 8.3 per cent decline in the preceding quarter. The contraction in sales volume was the sharpest in the transport equipment (-29.3 per cent) and petroleum & petroleum products (-24.6 per cent) segments, while increases in the sales volumes of metals, timber & construction materials (88.6 per cent) and electronic components (40.5 per cent) were fastest. For the whole of 2023, the domestic wholesale trade index grew by 0.1 per cent, a reversal from the 9.7 per cent contraction posted in 2022.

Exhibit 6.9: Changes in Wholesale Trade Index in Chained Volume Terms

