

## 6.4 ACCOMMODATION & FOOD SERVICES

### OVERVIEW

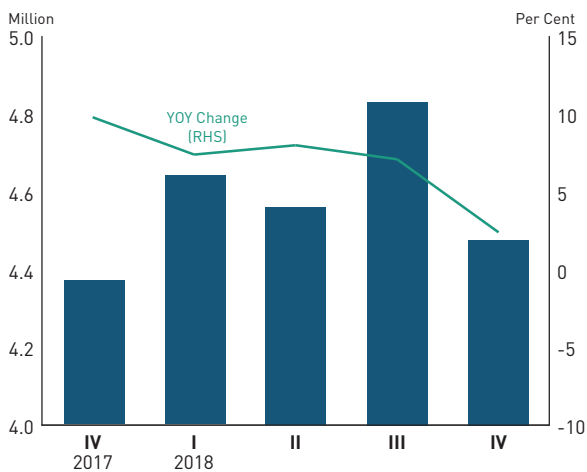
The accommodation & food services sector expanded by 2.9 per cent year-on-year in the fourth quarter, moderating from the 4.0 per cent growth in the previous quarter.

For the whole of 2018, the sector grew by 2.7 per cent, easing from the 3.0 per cent growth in 2017.

### VISITOR ARRIVALS

Singapore received a total of 4.5 million visitors in the fourth quarter, 2.4 per cent higher compared to the same period a year ago (Exhibit 6.13). This came on the back of an increase in visitor arrivals from key markets such as India (9.8 per cent), Malaysia (8.2 per cent) and Japan (3.9 per cent).

Exhibit 6.13: Visitor Arrivals

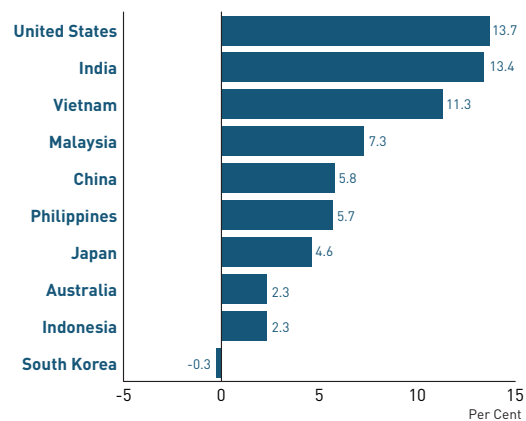


For the full year, visitor arrivals rose by 6.2 per cent, the same pace of increase as in 2017. In total, visitor arrivals reached 18.5 million in 2018.

In terms of source markets, Singapore's top five visitor-generating markets in 2018 were China (3.4 million visitors), Indonesia (3.0 million), India (1.4 million), Malaysia (1.3 million) and Australia (1.1 million). Together, they accounted for 55 per cent of total visitor arrivals in 2018.

Among the top 10 visitor-generating markets, the United States (14 per cent), India (13 per cent) and Vietnam (11 per cent) posted the highest growth rates in visitor arrivals in 2018 (Exhibit 6.14).

Exhibit 6.14: Growth Rates of Top Ten Visitor Generating Markets in 2018

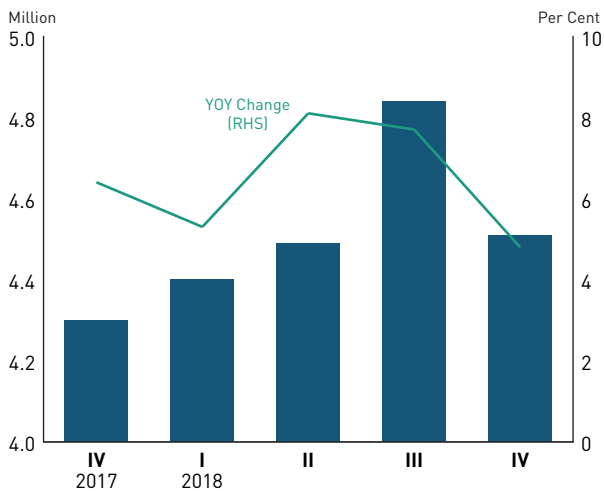


## ACCOMMODATION

In tandem with the growth in visitor arrivals, gross lettings of gazetted hotel rooms rose by 4.8 per cent year-on-year in the fourth quarter, although this was a moderation from the 7.7 per cent growth seen in the previous quarter (Exhibit 6.15). Similarly, room revenue grew by 6.4 per cent year-on-year, moderating from the 7.3 per cent growth in the preceding quarter. The rise in room revenue came on the back of an improvement in the average occupancy rate of gazetted hotels as well as the average daily room rate. Specifically, the average occupancy rate rose by 1.0 percentage-point to reach 84 per cent, while the average daily room rate increased by 1.6 per cent to \$222 in the fourth quarter.

For the full year, the performance of the accommodation segment was robust. The overall room revenue of gazetted hotels rose by 7.4 per cent to reach \$4.0 billion in 2018 on the back of a 6.5 per cent increase in gross lettings.

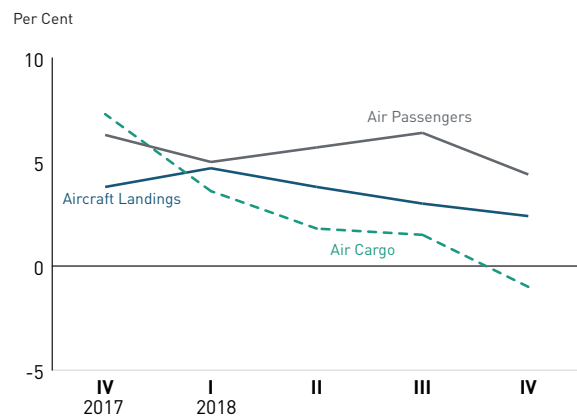
Exhibit 6.15: Gross Lettings



## FOOD & BEVERAGE SERVICES

Overall food & beverage sales volume expanded by 1.6 per cent year-on-year in the fourth quarter, picking up from the 0.2 per cent growth in the preceding quarter (Exhibit 6.16). The improved performance in the fourth quarter came on the back of higher sales volume across all segments. Specifically, other eating places (1.7 per cent), fast food outlets (4.6 per cent), food caterers (2.7 per cent) and restaurants (0.2 per cent) all registered higher sales.

Exhibit 6.16: Changes in Food and Beverage Services Index at Constant Prices



For the whole of 2018, the food & beverage services index fell marginally by 0.2 per cent. This represented an easing from the 1.7 per cent decline recorded in 2017. The contraction in 2018 was due to a decline in the sales volume of restaurants (-1.3 per cent), other eating places (-1.2 per cent) and food caterers (-0.8 per cent), which was almost offset by the higher sales volume of fast food outlets (6.8 per cent).