

6.3 WHOLESALE TRADE⁴

OVERVIEW

The wholesale trade sector expanded by 1.8 per cent year-on-year in the fourth quarter, a reversal from the 5.0 per cent contraction in the previous quarter, largely on the back of improved foreign wholesale sales of telecommunications & computers and electronic components.

For the whole of 2020, the sector shrank by 2.4 per cent, worse than the 0.8 per cent contraction in 2019.

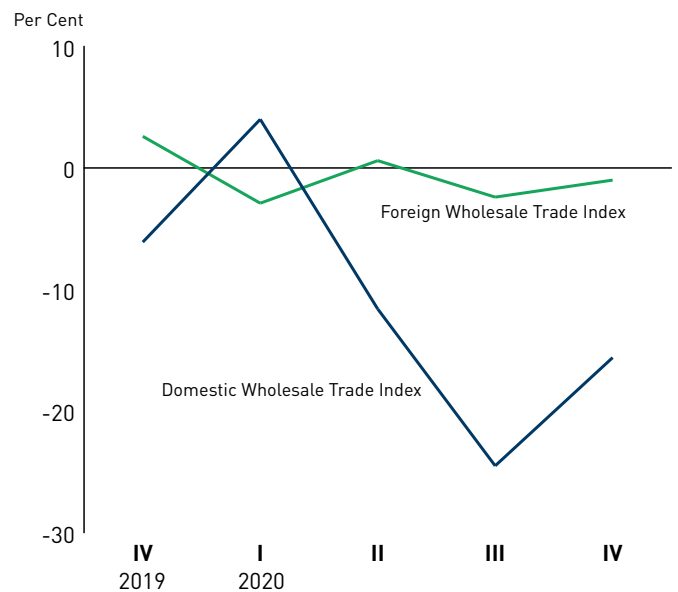
WHOLESALE SALES

In the fourth quarter, the wholesale trade sector was weighed down by declines in both domestic and foreign wholesale sales volumes.

The domestic wholesale sales volume fell by 16 per cent year-on-year in the fourth quarter, extending the 25 per cent contraction in the preceding quarter (Exhibit 6.10). The decline was led by weaker sales volumes in segments such as petroleum & petroleum-related products (-24 per cent), ship chandlers & bunkering (-14 per cent) and household equipment & furniture (-29 per cent), which outweighed the increase in the sales volumes of chemicals & chemicals-related products (23 per cent) and general wholesale trade (21 per cent). For the whole of 2020, the domestic wholesale trade index fell by 12 per cent, weakening from the 3.4 per cent decline in 2019.

Meanwhile, foreign wholesale sales volume fell by 1.0 per cent year-on-year in the fourth quarter, improving from the 2.4 per cent decline in the preceding quarter. The contraction was largely due to lower sales volumes of petroleum & petroleum-related products (-9.0 per cent) and other wholesale trade⁵ (-14 per cent). These declines more than offset robust expansions in the sales volumes of electronic components (41 per cent) and telecommunications & computers (38 per cent). For the full year, the foreign wholesale trade index contracted by 1.4 per cent, extending the 1.7 per cent decline in the previous year.

Exhibit 6.10: Changes in Wholesale Trade Index in Chained Volume Terms



⁴ With effect from the preliminary GDP estimates for the fourth quarter of 2020, the estimates for the Wholesale & Retail Trade sector will be disaggregated into their constituent Wholesale Trade and Retail Trade sectors. The Department of Statistics (DOS) will continue to make available the data for the broader sectors for downloading on DOS' website (www.singstat.gov.sg).

⁵ The "other wholesale trade" segment consists of a diverse range of products that includes agricultural raw materials and live animals, tropical produce, personal effects and medicinal and pharmaceutical products, among others.