

# 6.4 RETAIL TRADE<sup>6</sup>

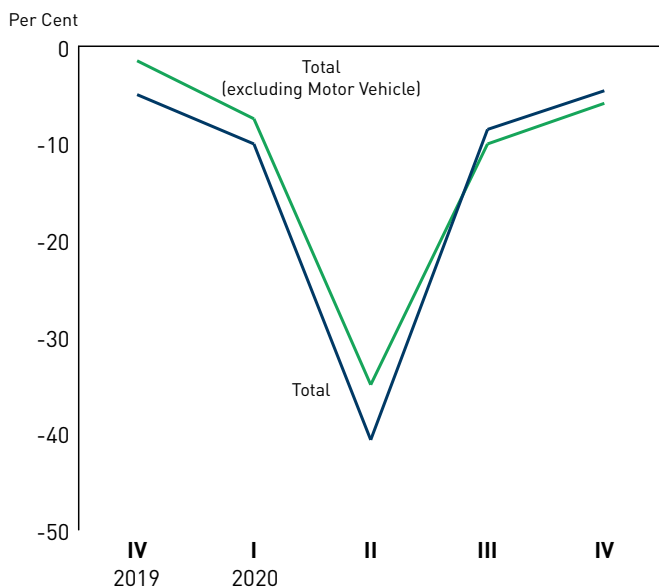
## OVERVIEW

The retail trade sector contracted by 4.7 per cent year-on-year in the fourth quarter, improving from the 8.6 per cent decline in the previous quarter. For the whole of 2020, the sector shrank by 16 per cent, deteriorating from the 2.4 per cent contraction in 2019.

## RETAIL SALES

Retail sales volume fell by 4.6 per cent year-on-year in the fourth quarter, moderating from the 8.6 per cent decline in the third quarter (Exhibit 6.11). Retail sales were supported by motor vehicle sales volume, which increased by 4.8 per cent. By contrast, non-motor vehicle sales volume contracted by 5.9 per cent, with declines seen across several categories of goods. In particular, the sales volume of goods such as food & alcohol (-39 per cent), cosmetics, toiletries & medical goods (-30 per cent) and department stores (-26 per cent) registered the highest declines. On the other hand, the sales volumes of supermarkets & hypermarkets (24 per cent), furniture & household equipment (20 per cent) and recreational goods (13 per cent) rose. These were purchases likely to have been made by consumers because they were spending more time at home given that work-from-home arrangements remained largely in place.

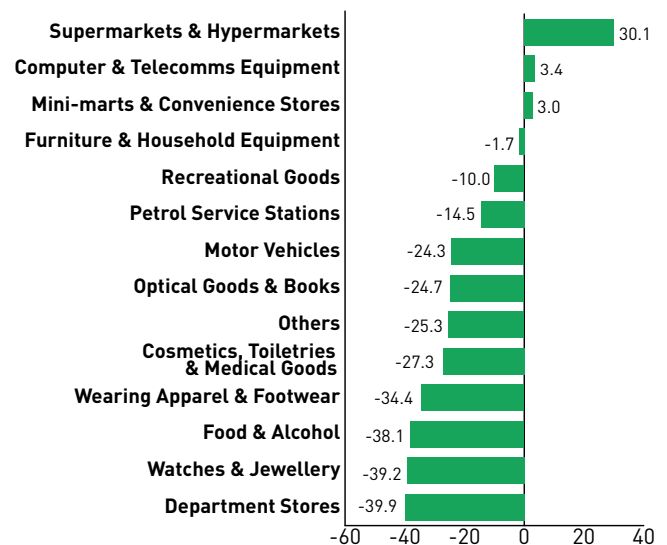
**Exhibit 6.11: Changes in Retail Sales Index in Chained Volume Terms**



For the full year, retail sales volume shrank by 16 per cent, extending the 3.4 per cent decline in 2019. The contraction was due to declines in both motor vehicle sales volume (-24 per cent) and non-motor vehicle sales volume (-14 per cent).

The decline in motor vehicle sales volume in 2020 came in tandem with a fall in COE supply. Meanwhile, the decrease in non-motor vehicle sales volume was underpinned by contractions in most categories of goods as a result of sluggish demand arising from the COVID-19 pandemic and public health measures (e.g., border restrictions, Circuit Breaker measures) undertaken to limit COVID-19 transmissions. For instance, department stores (-40 per cent), watches & jewellery (-39 per cent) and food & alcohol (-38 per cent) saw the largest declines in sales volumes (Exhibit 6.12). The exceptions were supermarkets & hypermarkets (30 per cent), computers & telecommunications equipment (3.4 per cent) and mini-marts & convenience stores (3.0 per cent), which saw increases in sales volumes.

**Exhibit 6.12: Changes in Retail Sales Index at Constant Prices for Major Segments in 2020**



<sup>6</sup> 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](http://www.singstat.gov.sg)).