

6.7

FOOD & BEVERAGE SERVICES¹¹

OVERVIEW

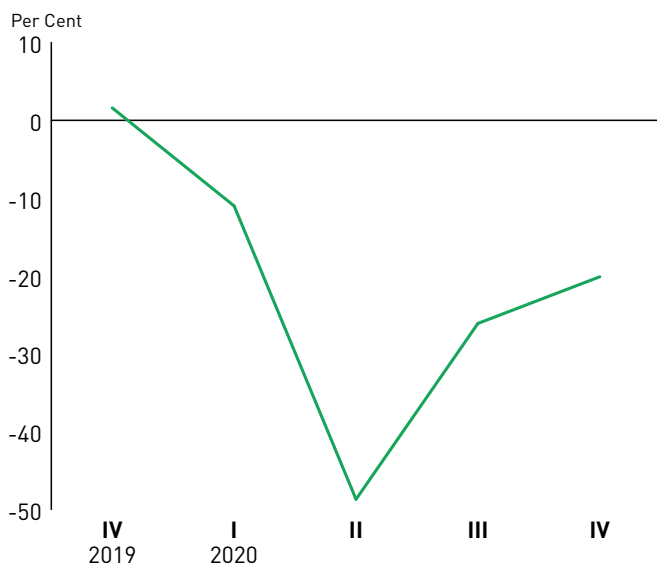
The food & beverage services sector shrank by 19 per cent year-on-year in the fourth quarter, improving from the 24 per cent contraction in the previous quarter.

For the whole of 2020, the sector contracted by 25 per cent, a sharp reversal from the 0.3 per cent growth in 2019.

FOOD & BEVERAGE SALES

Overall food & beverage sales volume fell by 20 per cent year-on-year in the fourth quarter, easing from the 26 per cent decline in the preceding quarter (Exhibit 6.18). The decrease came on the back of an across-the-board decline in sales volumes at food caterers (-75 per cent), restaurants (-23 per cent), cafes, food courts & other eating places (-11 per cent) and fast food outlets (-2.5 per cent).

Exhibit 6.18: Changes in Food and Beverage Services Index in Chained Volume Terms



For the whole of 2020, the food & beverage services index declined by 26 per cent. This was a significant pullback compared to the 1.5 per cent growth recorded in 2019. In particular, the food & beverage sales volume was adversely affected by weak demand caused by the COVID-19 pandemic and the attendant public health measures implemented to contain the pandemic (e.g., border restrictions, Circuit Breaker, safe distancing measures and capacity constraints). These, in turn, led to declines in the sales volumes of food caterers (-55 per cent), restaurants (-34 per cent), cafes, food courts & other eating places (-18 per cent), as well as fast food outlets (-8.8 per cent).

¹¹ With effect from the preliminary GDP estimates for the fourth quarter of 2020, the estimates for the Accommodation & Food Services sector will be disaggregated into their constituent Accommodation and Food & Beverage Services 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).