

## Singapore

5 December 2024

### Retail sales rose 2.4% YoY (0.1% MoM sa) in October, but was mostly driven by motor vehicle sales (18.4% YoY)

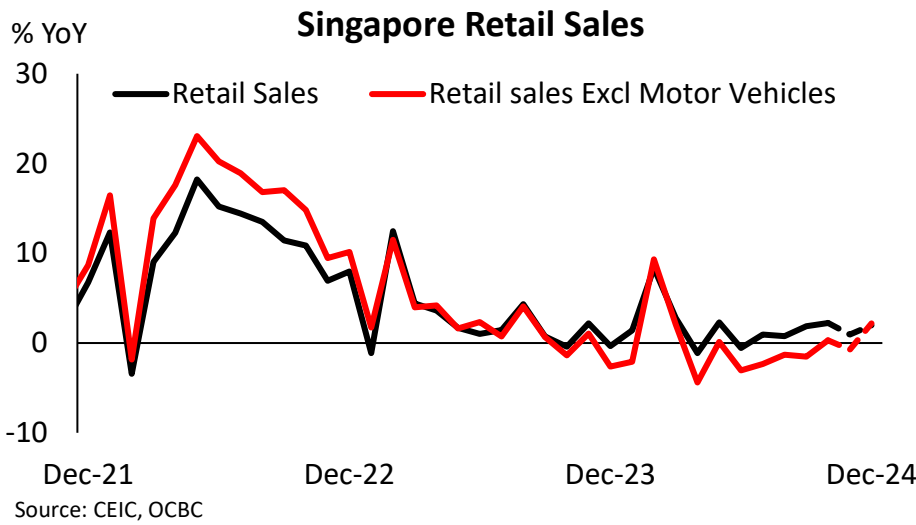
#### Highlights:

- **Retail sales rose for the fourth consecutive month by 2.2% YoY (0.1% MoM sa) in October**, slightly below our expectation for 2.4% YoY (-0.1% MoM sa) and the Bloomberg consensus forecast (2.4% YoY). The September retail sales was also revised down from 2.0% YoY (0.4% MoM sa) to 1.9% YoY. Excluding motor vehicle sales (18.4% YoY and -65% MoM sa), October retail sales was tepid at 0.3% YoY, albeit this was still an improvement from the revised 1.5% YoY contraction seen in September. Notably, retail sales excluding autos had been falling YoY for four consecutive months prior to the October turnaround, so the question is whether this positive trend would sustain.
- **Retail sales also expanded for furniture & household equipment** (5.7% YoY), food & alcohol (5.5% YoY) cosmetics, toiletries & medical goods (3.6% YoY), supermarkets & hypermarkets (3.2% YoY), watches & jewellery (2.7% YoY) and recreational goods (1.4% YoY). The main drag came computer & telecommunications equipment (-10.9% YoY), optical goods & books (-5.8% YoY), mini-marts & convenience stores (-5.3% YoY) and wearing apparel & footwear (-3.0% YoY). In particular, computer & telecommunications equipment sales had been declining since January 2024, so there are no green shoots emerging domestically despite the global electronics demand pickup. Similarly, wearing apparel & footwear sales have been contracting for seven straight months, while mini-mart & convenience stores also shrank for eight straight months – these data points suggest that the retail landscape remains challenging for selected industries, notwithstanding the four consecutive months of positive retail sales growth.
- **For the year-to-date 2024, retail sales rose 1.9% YoY**, which is undershooting the 2.8% YoY registered in the same period a year ago. This points to some retraction in terms of consumer demand, which could be in line with the gradually cooling domestic labour market given the external headwinds and also the tapering visitor arrivals. **Our full-year 2024 retail sales forecast could come in slightly below the 2% YoY handle** since November-December data is likely to hover around the current 1.9%-2% YoY range. **For 2025, retail sales growth could still average around 2% YoY.**

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| Change in Retail Sales By Industry   |  |   |  |  |  |
|--|--|---|--|--|--|
| <b>Department Stores</b><br>Year-on-Year: <b>-1.5%</b><br>Month-on-Month: <b>+8.3%</b>                         |  | <b>Supermarkets &amp; Hypermarkets</b><br>Year-on-Year: <b>+3.2%</b><br>Month-on-Month: <b>0.0%</b> |  | <b>Mini-marts &amp; Convenience Stores</b><br>Year-on-Year: <b>-5.3%</b><br>Month-on-Month: <b>-5.0%</b>           |  |
| <b>Food &amp; Alcohol</b><br>Year-on-Year: <b>+5.5%</b><br>Month-on-Month: <b>+8.5%</b>                        |  | <b>Motor Vehicles</b><br>Year-on-Year: <b>+18.4%</b><br>Month-on-Month: <b>-6.5%</b>                |  | <b>Petrol Service Stations</b><br>Year-on-Year: <b>-5.9%</b><br>Month-on-Month: <b>+1.1%</b>                       |  |
| <b>Cosmetics, Toiletries &amp; Medical Goods</b><br>Year-on-Year: <b>+3.6%</b><br>Month-on-Month: <b>+0.2%</b> |  | <b>Wearing Apparel &amp; Footwear</b><br>Year-on-Year: <b>-3.0%</b><br>Month-on-Month: <b>+5.2%</b> |  | <b>Furniture &amp; Household Equipment</b><br>Year-on-Year: <b>+5.7%</b><br>Month-on-Month: <b>+1.2%</b>           |  |
| <b>Recreational Goods</b><br>Year-on-Year: <b>+1.4%</b><br>Month-on-Month: <b>+3.3%</b>                        |  | <b>Watches &amp; Jewellery</b><br>Year-on-Year: <b>+2.7%</b><br>Month-on-Month: <b>+8.1%</b>        |  | <b>Computer &amp; Telecommunications Equipment</b><br>Year-on-Year: <b>-10.9%</b><br>Month-on-Month: <b>-15.7%</b> |  |
| <b>Optical Goods &amp; Books</b><br>Year-on-Year: <b>-5.8%</b><br>Month-on-Month: <b>-4.9%</b>                 |  | <b>Others</b><br>Year-on-Year: <b>+8.4%</b><br>Month-on-Month: <b>+1.0%</b>                         |  |  |  |

Month-on-Month values are seasonally adjusted.

Source: Singstat

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