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**FOR IMMEDIATE RELEASE**

**Local payment performance improves in Q1 2021**  
*Q-o-q Improvements remain marginal across majority of the sectors*  
 - Singapore Commercial Credit Bureau

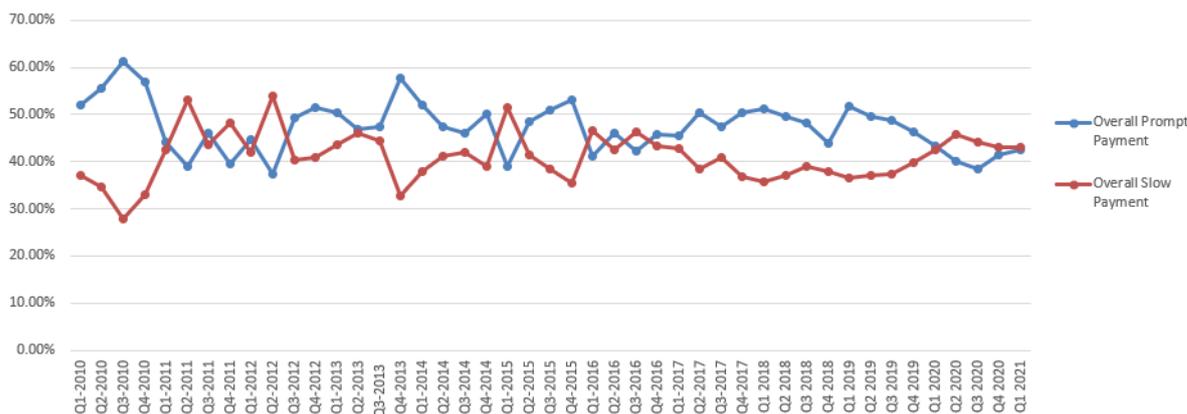
**Singapore, 06 April 2021** – Payment performance of local firms improves further albeit marginally in Q1 2021. According to Singapore Commercial Credit Bureau - a subsidiary under Credit Bureau Asia (CBA) Limited, a credit and risk information solutions provider in Southeast Asia, both prompt and slow payments each accounted for more than two-fifths of total payment transactions.

On a quarter-on-quarter (q-o-q) basis, prompt payments inched up by 1.21 percentage points from 41.29 per cent in Q4 2020 to 42.50 per cent in Q1 2021. The increase in prompt payments is visibly smaller compared to the previous quarter when prompt payments rose by 2.90 percentage points. Year-on-year (y-o-y), prompt payments have decreased by 0.70 percentage points from 43.20 per cent in Q1 2020 to 42.50 per cent in Q1 2021.

Slow payments dipped slightly by 0.07 percentage points from 43.15 per cent in Q4 2020 to 43.08 per cent in Q1 2021. Y-o-y, slow payment increased by 0.50 percentage points from 42.58 per cent in Q1 2020 to 43.08 per cent in Q1 2021.

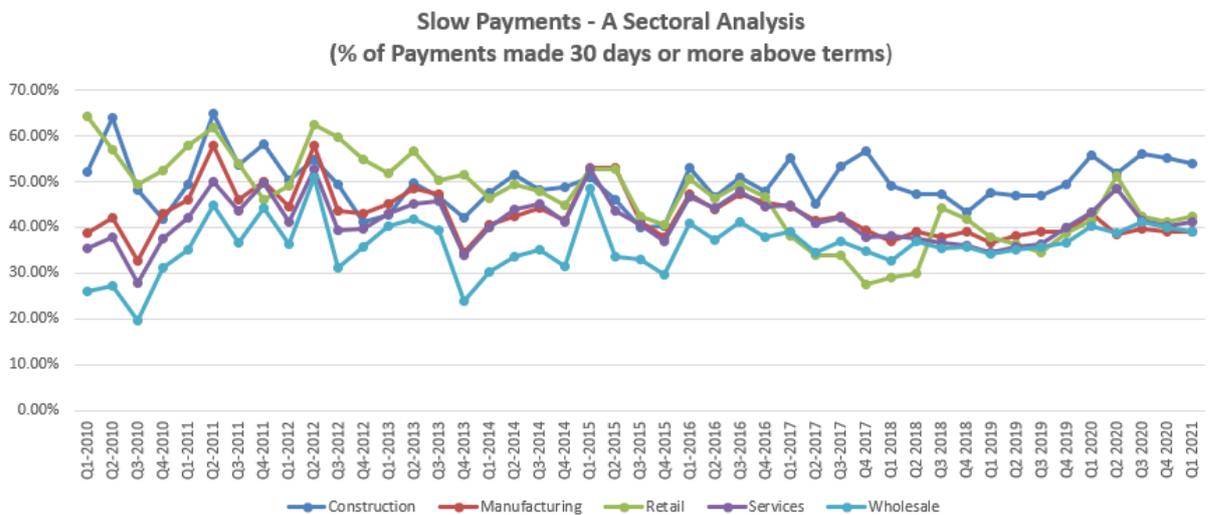
Meanwhile, partial payments fell marginally by 1.14 percentage points from 15.56 per cent in Q4 2020 to 14.42 per cent in Q1 2021. Y-o-y partial payments rose by 3.42 percentage points from 11.0 per cent in Q1 2020 to 14.42 per cent in Q1 2021.

**Overall Payment Performance (Q1 2010 to Q1 2021)**



From a sectoral perspective, q-o-q slow payments have improved slightly across 3 of five industries. Meanwhile, y-o-y slow payments have improved across 4 of five industries.

Sector	% of Slow Payments			Percentage-Point Change	
	Q1 2021	Q4 2020	Q1 2020	Q-o-q	Y-o-y
Construction	54.03	55.12	55.90	-1.09	-1.87
Manufacturing	39.05	39.20	43.15	-0.15	-4.10
Retail	42.28	41.15	41.50	+1.13	+0.78
Services	41.08	40.23	43.32	+0.85	-2.24
Wholesale	38.96	40.07	40.38	-1.11	-1.42



**Construction**

As with Q4 2020, the construction sector registered the highest proportion of slow payments, accounting for more than half of payment transactions in Q1 2021.

- ❖ Q-o-q slow payments dipped by 1.09 percentage points from 55.12 per cent in Q4 2020 to 54.03 per cent in Q1 2021.
- ❖ The heavy construction sub-sector saw the largest decrease in slow payments, down by 1.46 percentage points from 54.70 per cent in Q4 2020 to 53.24 per cent in Q1 2021. Slow payments within the building construction sub-sector fell marginally, down by 1.46 percentage points from 56.0 per cent in Q4 2020 to 54.75 per cent in Q1 2021. Payment delays among special trade contractors fell by 0.55 percentage points, from 54.66 per cent in Q4 2020 to 52.11 per cent in Q1 2021.
- ❖ On a y-o-y basis, slow payments dropped moderately by 1.87 percentage points from 55.90 per cent in Q1 2020 to 54.03 per cent in Q1 2021.

### **Manufacturing**

The manufacturing sector registered the second lowest proportion of slow payments in Q1 2021, owing to a fall in payment delays by manufacturers of tobacco, lumber and wood, and primary metal.

- ❖ Slow payments dipped by 0.15 percentage points from 39.20 per cent in Q4 2020 to 39.05 per cent in Q1 2021.
- ❖ Payment delays by manufacturers of metal products fell significantly, down by 8.67 percentage points from 48.40 per cent in Q4 2020 to 39.73 per cent in Q1 2021. This is followed by manufacturers of tobacco, down by 8.07 percentage points from 68.07 per cent in Q4 2020 to 60.0 per cent in Q1 2021. Slow payments by manufacturers of primary metal fell by 3.75 percentage points from 37.87 per cent in Q4 2020 to 34.12 per cent in Q1 2021.
- ❖ On a y-o-y basis, slow payments dropped visibly by 4.10 percentage points from 43.15 per cent in Q1 2020 to 39.05 per cent in Q1 2021.

### **Retail**

Payment delays in the retail sector have increased after two consecutive quarters of improvement in Q1 2021. This is largely due to a rise in slow payments by retailers of general merchandise, apparels and accessories.

- ❖ Slow payments rose by 1.13 percentage points from 41.15 per cent in Q4 2020 to 42.28 per cent in Q1 2021.
- ❖ Retailers of general merchandise experienced Payment delays by retailers of general merchandise increased moderately by 1.82 percentage points, from 27.51 per cent in Q4 2020 to 29.33 per cent in Q1 2021. Payment delays by retailers of apparels and accessories rose marginally by 1.14 percentage points from 50.41 per cent in Q4 2020 to 51.55 per cent in Q1 2021.
- ❖ On a y-o-y basis, slow payments inched up by 0.78 percentage points from 41.50 per cent in Q1 2020 to 42.28 per cent in Q1 2021.

### **Services**

Slow payments within the services sector have also risen after two consecutive quarters due to a rise in payment delays by personal, hotels and accommodation, and membership services.

- ❖ Q-o-q slow payments increased by 0.85 percentage points from 40.23 per cent in Q4 2020 to 41.08 percentage points in Q1 2021.
- ❖ The membership services saw the largest increase, up by 4.33 percentage points from 45.67 per cent in Q4 2020 to 50.0 per cent in Q1 2021. This is followed by personal services, up by 2.96 percentage points from 44.16 per cent in Q4 2020 to 47.12 in Q1 2021. The hotels and accommodation sub-sector saw the third largest increase in slow payments, up by 1.14 percentage points from 51.43 per cent in Q4 2020 to 52.57 per cent in Q1 2021.
- ❖ On a y-o-y basis, slow payments fell by 2.24 percentage points from 43.32 per cent in Q1 2020 to 41.08 per cent in Q1 2021.

### **Wholesale Trade**

Payment delays within the wholesale trade continued to fall for the second consecutive quarter due to a fall in slow payments by wholesalers of both durable and non-durable goods.

- ❖ Q-o-q payment delays dropped by 1.11 percentage points from 40.07 per cent in Q4 2020 to 38.96 per cent in Q1 2021.
- ❖ Slow payments by wholesalers of durable goods fell by 1.84 percentage points from 39.96 per cent in Q4 2020 to 38.12 per cent in Q1 2021 while payment delays by wholesalers of non-durable goods dipped by 0.38 percentage points from 40.17 per cent in Q4 2020 to 39.79 per cent in Q1 2021.

- ❖ On a y-o-y basis, slow payments fell by 1.42 percentage points from 40.07 per cent in Q4 2020 to 38.96 per cent in Q1 2021.

“On the overall, the improvement in payment performance among local firms should come as no surprise despite tapering off slightly in the first quarter of 2021. This is due partly to a slight increase in payment delays among retailers and the service sector which have offset the decrease in slow payments from the construction, manufacturing and wholesale sectors. However, we anticipate payment performance to improve further with a pick-up in momentum of economic activities in the next few months.” commented Ms. Audrey Chia, SCCB’s Chief Executive Officer.

### **Commentary**

D&B Singapore compiles the figures by monitoring more than 2.4 million payment transactions of firms operating through its Singapore Commercial Credit Bureau (SCCB). Payment data is contributed to the Bureau by local firms. Prompt payment refers to when 90% or more of total bills are paid within the agreed payment terms. Slow payment refers to when less than 50% of total bills are paid within the agreed terms. Partial payment refers to when between 50% and 90% of total bills are paid within the agreed payment terms.

### **About Singapore Commercial Credit Bureau**

Established in 2005, Singapore Commercial Credit Bureau (SCCB) is a subsidiary of Credit Bureau Asia Limited, a credit and risk information solutions provider in Southeast Asia. SCCB operates a database of local enterprises and their credit history to provide clients with the insight needed to build trust and improve the quality of business relationships with their customers, suppliers and business partners. SCCB operates under D&B Singapore.

### **About Credit Bureau Asia Limited ([www.creditbureauasia.com](http://www.creditbureauasia.com))**

CBA is a leading player in the credit and risk information solutions market in Southeast Asia, providing credit and risk information solutions to an extensive client base of banks, financial institutions, multinational corporations, telecommunication companies, government bodies and public agencies, local enterprises and individuals across Singapore, Malaysia, Cambodia and Myanmar. CBA’s business has two core segments, the FI Data Business and the Non-FI Data Business, covering both consumer and commercial credit risk information.

The Group, together with its joint ventures, is currently the dominant market leader in Singapore’s FI Data Business and the sole market player in Cambodia’s and Myanmar’s FI Data Business. Depending on the territory involved, these credit bureaus operate to provide their subscribing members, mainly banks and financial institutions, with access to credit information on consumers or business entities, all of which are generated from up-to-date credit information contributed by subscribing members. As at 30 June 2020, the Group has close to 200 financial institution members across Singapore and Cambodia which include banks, microfinance institutions, leasing companies and rural credit operators.

For its Non-FI Data Business, the Group has more than 6,000 customers (including multinational corporations and small and medium-sized enterprises) and access to a database covering more than 330 million business records globally as at 6 November 2020. CBA’s Non-FI Data Business operates in Singapore and Malaysia, where customers can access a wide range of business information and risk management services, sales and marketing solutions, commercial insights and other services, using data sourced from a variety of publicly accessible registries and Dun & Bradstreet’s extensive international network as well as information contributed by businesses which subscribe to CBA’s payment bureau services.

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