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**FOR IMMEDIATE RELEASE**

**Payment performance deteriorates slightly in Q2 2021**  
*Retail and Consumer Services sectors saw highest increase in payment delays*  
 - Singapore Commercial Credit Bureau

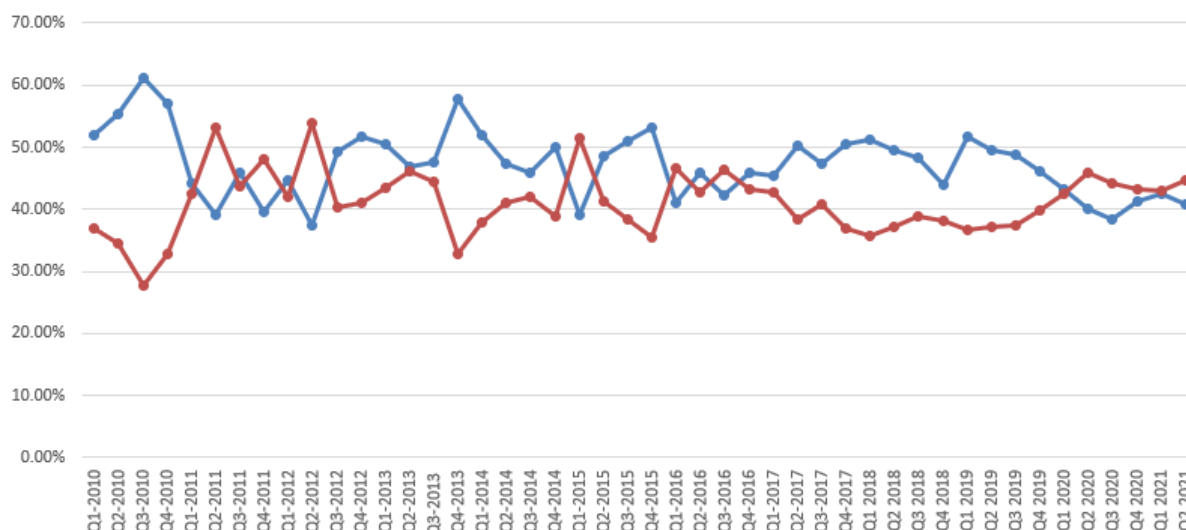
**Singapore, 05 July 2021** – Local payment performance has deteriorated slightly after three consecutive quarters of improvement. According to Singapore Commercial Credit Bureau - a subsidiary under Credit Bureau Asia (CBA) Limited, a credit and risk information solutions provider in Southeast Asia, 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 dipped by 1.74 percentage points from 42.50 per cent in Q1 2021 to 40.76 per cent in Q2 2021. Year-on-year (y-o-y), prompt payments have increased by 0.67 percentage points from 40.09 per cent in Q2 2020 to 40.76 per cent in Q2 2021.

Slow payments rose slightly by 1.48 percentage points from 43.08 per cent in Q1 2021 to 44.56 per cent in Q2 2021. Y-o-y, slow payment decreased by 1.22 percentage points from 45.78 per cent in Q2 2020 to 44.56 per cent in Q2 2021.

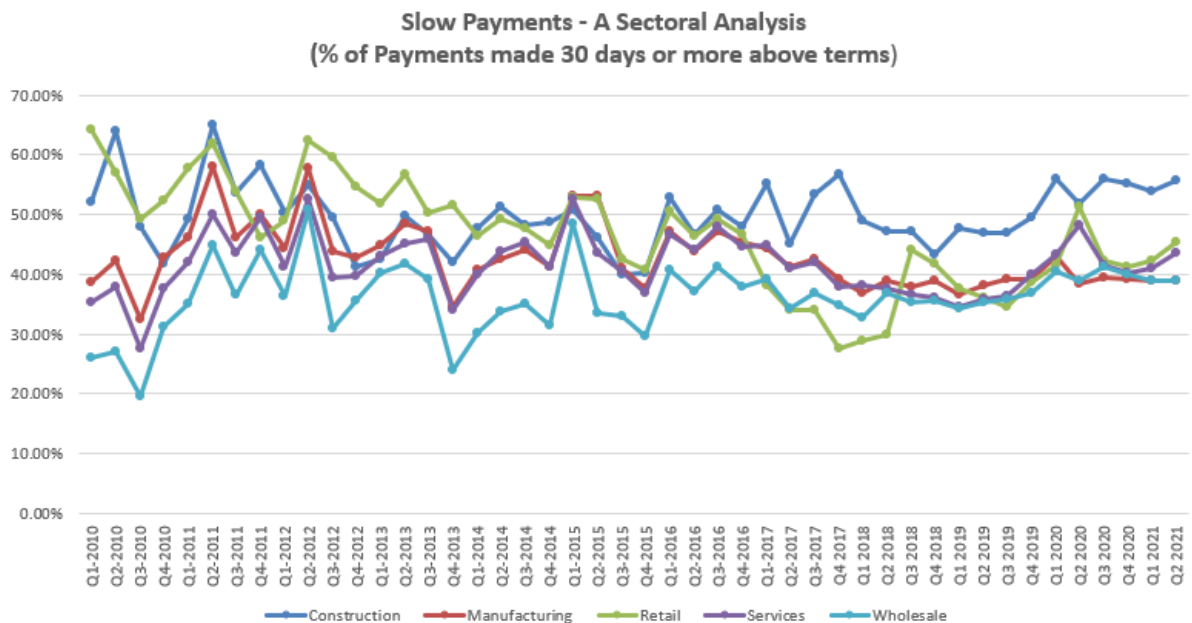
Meanwhile, partial payments inched up marginally by 0.26 percentage points from 14.42 per cent in Q1 2021 to 14.68 per cent in Q2 2021. Y-o-y partial payments rose by 0.55 percentage points from 14.13 per cent in Q2 2020 to 14.68 per cent in Q2 2021.

Overall Payment Performance (Q1 2010 to Q2 2021)



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

Sector	% of Slow Payments			Percentage-Point Change	
	Q2 2021	Q1 2021	Q2 2020	Q-o-q	Y-o-y
Construction	55.80	54.03	51.97	+1.77	+3.83
Manufacturing	38.98	39.05	38.52	-0.07	+0.46
Retail	45.30	42.28	51.22	+3.02	-5.92
Services	43.72	41.08	48.35	+2.64	-4.63
Wholesale	38.98	38.96	38.83	+0.02	+0.15



**Construction**

As with Q1 2021, the construction sector registered the highest proportion of slow payments, accounting for more than half of payment transactions in Q2 2021.

- ❖ Q-o-q slow payments rose by 1.77 percentage points from 54.03 per cent in Q1 2021 to 55.80 per cent in Q2 2021.
- ❖ The building construction sector accounted for the highest proportion of payment delays, up by 1.40 percentage points from 54.75 per cent in Q1 2021 to 56.15 per cent in Q2 2021. Slow payments among special trade contractors rose by 1.48 percentage points, up from 54.11 per cent in Q1 2021 to 55.59 per cent in Q2 2021. Special trade contractors registered the highest increase in slow payments, up by 2.41 percentage points, from 53.24 per cent in Q1 2021 to 55.65 per cent in Q2 2021.
- ❖ On a y-o-y basis, slow payments jumped by 3.83 percentage points from 51.97 per cent in Q2 2020 to 55.80 per cent in Q2 2021.

### **Manufacturing**

Slow payments among manufacturers have improved further Q2 2021, owing to a fall in payment delays by manufacturers of chemicals, electronics and instrument products.

- ❖ Slow payments dipped by 0.07 percentage points from 39.05 per cent in Q1 2021 to 38.98 percentage points in Q2 2021.
- ❖ Payment delays by manufacturers of electronics fell visibly by 3.43 percentage points from 50.75 per cent in Q1 2021 to 47.32 per cent in Q2 2021. Slow payments by chemical manufacturers dipped by 1.23 percentage points, from 46.43 per cent in Q1 2021 to 45.20 per cent in Q2 2021. Payment delays by manufacturers of instruments dropped by 0.83 percentage points, from 45.78 per cent in Q1 2021 to 44.95 per cent in Q2 2021.
- ❖ On a y-o-y basis, slow payments jumped by 0.46 percentage points from 38.52 per cent in Q2 2020 to 38.98 per cent in Q2 2021.

### **Retail**

Payment delays in the retail sector have increased for the second consecutive quarter of improvement in Q2 2021. This is largely due to a rise in slow payments by retailers of food and beverage, general merchandise, apparels and accessories.

- ❖ Slow payments climbed 3.02 percentage points from 42.28 per cent in Q1 2021 to 45.30 per cent in Q2 2021.
- ❖ Food and beverage retailers experienced the highest increase in payment delays, up by 7.07 percentage points, from 48.71 per cent in Q1 2021 to 55.78 per cent in Q2 2021. This is followed by retailers of general merchandise which saw slow payments increase by 6.59 percentage points, from 29.33 per cent in Q1 2021 to 35.92 per cent in Q2 2021. Slow payments by retailers of apparels and accessories saw the third largest increase, up by 3.25 percentage points, from 51.55 per cent in Q1 2021 to 54.80 per cent in Q2 2021.
- ❖ On a y-o-y basis, slow payments tumbled by 5.92 percentage points from 51.22 per cent in Q2 2020 to 45.30 per cent in Q2 2021.

### **Services**

Slow payments within the services sector have also risen for the second consecutive quarter due to an increase in payment delays by personal services, hotels and accommodation, and membership services.

- ❖ Q-o-q slow payments rose by 2.64 percentage points from 41.08 percentage points in Q1 2021 to 43.72 percentage points in Q2 2021.
- ❖ Slow payments by the personal services sector saw the largest increase, up by 5.08 percentage points, from 47.12 per cent in Q1 2021 to 52.20 per cent in Q2 2021. Payment delays by membership services rose by 3.24 percentage points, from 50.0 per cent in Q1 2021 to 53.24 per cent in Q2 2021. The hotels and accommodation sub-sector saw the third largest increase in slow payments, up by 1.19 percentage points from 52.57 per cent in Q1 2021 to 53.76 per cent in Q2 2021.
- ❖ On a y-o-y basis, slow payments fell by 4.63 percentage points from 48.35 per cent in Q2 2020 to 43.72 per cent in Q2 2021.

**Wholesale Trade**

Payment delays within the wholesale trade increased slightly due to primarily to a rise in slow payments by wholesalers of non-durable goods.

- ❖ Q-o-q payment delays inched up by 0.02 percentage points from 38.96 per cent in Q1 2021 to 38.98 per cent in Q2 2021.
- ❖ Slow payments by wholesalers of durable goods fell by 0.07 percentage points from 38.12 per cent in Q1 2021 to 38.05 per cent in Q2 2021 while payment delays by wholesalers of non-durable goods inched up by 0.11 percentage points from 39.79 per cent in Q1 2021 to 39.90 per cent in Q2 2021.
- ❖ On a y-o-y basis, slow payments rose by 0.15 percentage points from 38.83 per cent in Q2 2020 to 38.98 per cent in Q2 2021.

“We saw an increase in firms experiencing cashflow woes, particularly the retail and consumer services sub-sectors, which were adversely affected by the string of COVID-19 restrictions and measures being implemented in the previous quarter. However, as compared to the same period last year, payment performance has improved visibly, which are definitely encouraging signs. Notwithstanding the uncertainties in the trajectory of the pandemic, we anticipate any improvements in payment performance to be gradual in the coming 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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