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FOR IMMEDIATE RELEASE

Slow payments hit 3-year low in Q3 2024
Services sector saw the largest improvement
in q-o-q slow payments
- Singapore Commercial Credit Bureau

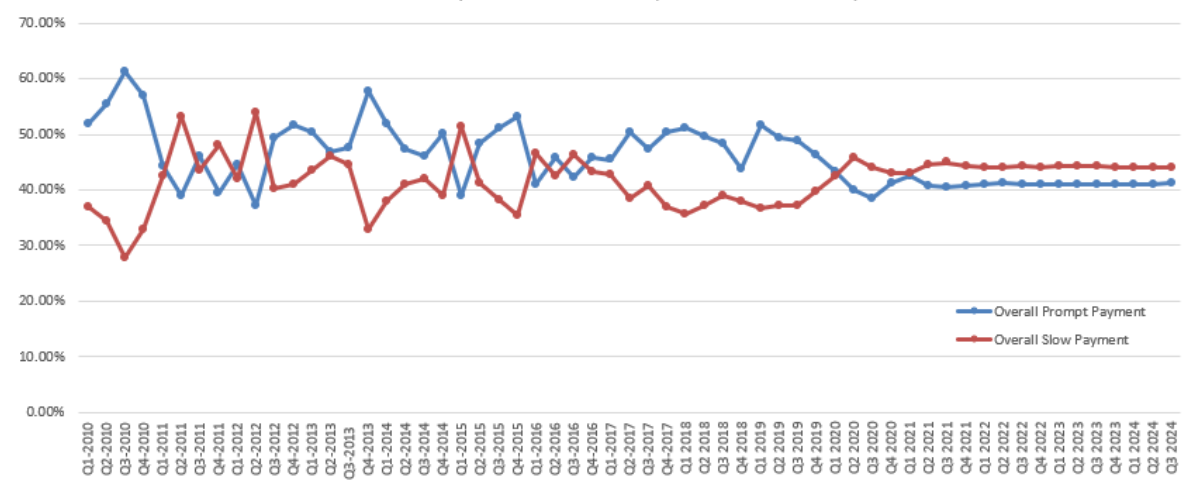
Singapore, 07 October 2024 – Payment delays have hit a 3-year low since Q2 2021. According to Singapore Commercial Credit Bureau - a subsidiary under Credit Bureau Asia (CBA) Limited, a credit and risk information solutions provider in Southeast Asia, slow payments improved for the fifth consecutive quarter in Q3 2024. Both prompt and slow payments accounted for slightly more than two-fifths of total payment transactions.

On a quarter-on-quarter (q-o-q) basis, prompt payments improved marginally, up by 0.09 percentage points from 41.11 per cent in Q2 2024 to 41.20 per cent in Q3 2024. Year-on-year (y-o-y), prompt payments rose by 0.24 percentage points from 40.96 per cent in Q3 2023 to 41.20 per cent in Q3 2024.

Slow payments fell further by 0.07 percentage points from 44.07 per cent in Q2 2024 to 44.0 per cent in Q3 2024. Y-o-y, slow payments slid by 0.25 percentage points from 44.25 per cent in Q3 2023 to 44.0 per cent in Q3 2024.

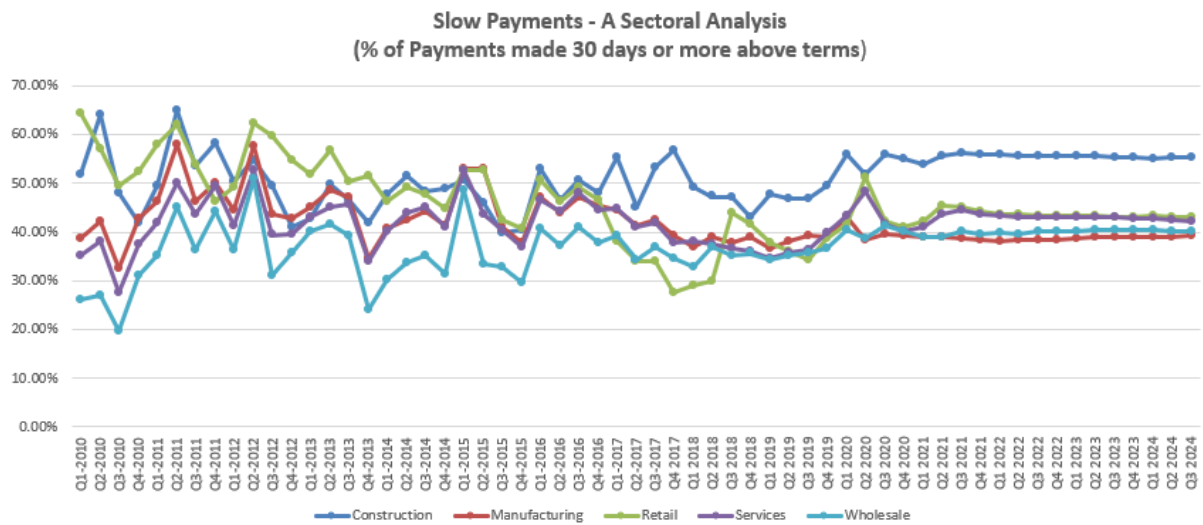
Meanwhile, partial payments slid marginally by 0.02 percentage points from 14.82 per cent in Q2 2024 to 14.80 per cent in Q3 2024. Y-o-y partial payments climbed by 0.01 percentage points from 14.79 per cent in Q3 2023 to 14.80 per cent in Q3 2024.

Overall Payment Performance (Q1 2010 to Q3 2024)



From a sectoral perspective, q-o-q slow payments have fallen in 3 of five industries in Q3 2024. On a y-o-y basis, 4 of five industries have also experienced improvements in slow payments.

Sector	% of Slow Payments			Percentage-Point Change	
	Q3 2024	Q2 2024	Q3 2023	Q-o-q	Y-o-y
Construction	55.26	55.24	55.40	+0.02	-0.14
Manufacturing	39.15	39.08	39.12	+0.07	+0.03
Retail	43.12	43.15	43.22	-0.03	-0.10
Services	42.35	42.58	43.02	-0.23	-0.67
Wholesale	40.10	40.28	40.50	-0.18	-0.40



Construction

Slow payments within the construction sector have increased for the second consecutive quarter in Q3 2024.

- ❖ Q-o-q slow payments rose marginally by 0.02 percentage points from 55.24 per cent in Q2 2024 to 55.26 per cent in Q3 2024.
- ❖ The building construction sector saw the largest increase in payment delays, up by 0.04 percentage points from 55.75 per cent in Q2 2024 to 55.79 per cent in Q3 2024. Slow payments by the heavy construction sector dipped by 0.02 percentage points from 54.72 per cent in Q2 2024 to 54.70 per cent in Q3 2024. Special trade contractors registered a slight increase in payment delays, up by 0.03 percentage points from 55.25 per cent in Q2 2024 to 55.28 per cent in Q3 2024.
- ❖ On a y-o-y basis, slow payments decreased by 0.14 percentage points from 55.40 per cent in Q3 2023 to 55.26 per cent in Q3 2024.

Manufacturing

Slow payments among manufacturers have also risen for the second consecutive quarter in Q3 2024 due to a fall in payment delays by manufactures of instruments and chemicals and general manufacturers.

- ❖ Slow payments increased by 0.07 percentage points from 39.08 per cent in Q2 2024 to 39.15 per cent in Q3 2024.
- ❖ Manufacturers of instruments saw the largest increase, up by 1.57 percentage points from 44.95 per cent in Q2 2024 to 46.52 per cent in Q3 2024. This is followed by general manufacturers, up by 1.13 percentage points from 44.85 per cent in Q2 2024 to 45.98 per cent in Q3 2024. Manufacturers of chemical products saw the third largest increase, up by 0.82 percentage points from 46.10 per cent in Q2 2024 to 46.92 per cent in Q3 2024.
- ❖ On a y-o-y basis, slow payments rose by 0.03 percentage points from 39.12 per cent in Q3 2023 to 39.15 per cent in Q3 2024.

Retail

Payment delays in the retail sector continued to decrease in Q3 2024. This is largely due to a decrease in slow payments by retailers of general merchandise, fashion apparel as well as furniture and home furnishings.

- ❖ Slow payments fell by 0.03 percentage points from 43.15 per cent in Q2 2024 to 43.12 per cent in Q3 2024.
- ❖ Slow payments by retailers of general merchandise saw the largest decrease, down by 1.20 percentage points from 27.95 per cent in Q2 2024 to 26.75 per cent in Q3 2024. This is followed by retailers of furniture and home furnishings, down by 0.83 percentage points from 39.78 per cent in Q2 2024 to 38.95 per cent in Q3 2024. Retailers of fashion apparels saw the third largest decrease in slow payments, down by 0.43 percentage points from 46.68 per cent in Q2 2024 to 46.25 per cent in Q3 2024.
- ❖ On a y-o-y basis, slow payments fell by 0.10 percentage points from 43.22 per cent in Q3 2023 to 43.12 per cent in Q3 2024.

Services

Slow payments within the services sector continued to improve for the sixth consecutive quarter in Q3 2024 due to a decrease in payment delays by the health, professional and consumer services sub-sectors.

- ❖ Q-o-q slow payments dropped by 0.23 percentage points from 42.58 per cent in Q2 2024 to 42.35 per cent in Q3 2024.
- ❖ Payment delays by professional services saw the largest decrease, down by 3.20 percentage points from 45.55 per cent in Q2 2024 to 42.35 per cent in Q3 2024. This is followed by consumer services, down by 2.18 percentage points from 43.38 per cent in Q2 2024 to 41.20 per cent in Q3 2024. The health services sector saw the third largest decrease, down by 2.10 percentage points from 32.10 per cent in Q2 2024 to 30.0 per cent in Q3 2024.
- ❖ On a y-o-y basis, slow payments fell visibly by 0.67 percentage points from 43.02 per cent in Q3 2023 to 42.35 per cent in Q3 2024.

Wholesale Trade

Payment delays within the wholesale trade improved moderately in Q3 2024 due to a decrease in both slow payments by wholesalers of both durable and non-durable goods.

- ❖ Q-o-q payment delays fell by 0.18 percentage points from 40.28 per cent in Q2 2024 to 40.10 per cent in Q3 2024.
- ❖ Slow payments by wholesalers of durable goods fell by 0.10 percentage points, down from 40.10 per cent in Q2 2024 to 40.0 per cent in Q3 2024. Payment delays by wholesalers of non-durable goods dropped by 0.25 percentage points, down from 40.45 per cent in Q2 2024 to 40.20 per cent in Q3 2024.
- ❖ On a y-o-y basis, slow payments dropped by 0.40 percentage points from 40.50 per cent in Q3 2023 to 40.10 per cent in Q3 2024.

“The overall improvements in payment performance for Q3 2024 is a sign of greater prudence among local firms in optimizing their cashflows and extending the appropriate credit terms. While slow payments have hit a 3-year low, the performance was uneven across the sectors with construction and manufacturing seeing slight increases in payment delays. Firms should continue to monitor their cashflows and exercise greater vigilance to mitigate any potential risks of payment delinquency given the market uncertainties.” commented Ms. Audrey Chia, SCCB’s Chief Executive Officer.

Commentary

Singapore Commercial Credit Bureau (SCCB) compiles the figures by monitoring more than 2.4 million payment transactions of firms. 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.

About Credit Bureau Asia Limited (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 of 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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