

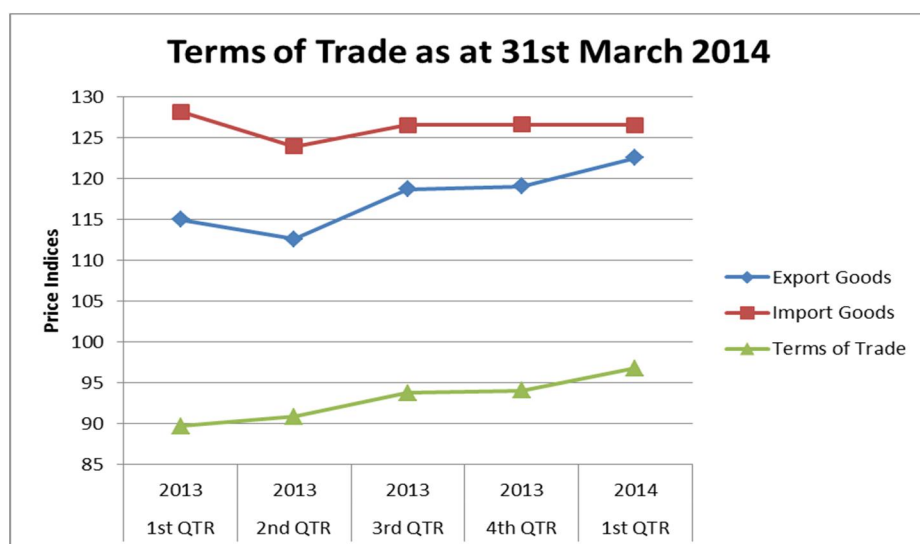
## EXPORT-IMPORT PRICE INDEX

### JANUARY-MARCH 2014

The Export and Import Price Index (XMPI), along with the Retail Price Index and the Producer Price Index, is designed to capture the change in prices in Barbados. Foreign trade price indices allow policy makers to analyze the impact of international trade on growth and inflation in the domestic economy. The XMPI will be used to deflate the foreign trade component in the expenditure approach for calculating Gross Domestic Product at current prices thus deriving Gross Domestic Product at constant prices. The XMPI will also be a useful tool in tracking trade flows in real terms by breaking down changes in the value of traded goods and services into price changes, volume changes, or both. In addition, export and import price indices provide an early indicator of inflation pressures on the domestic economy as well as an input for a variety of other purposes including negotiations for trade agreements, analyzing the effects of exchange rates, and measuring competitiveness. This document specifically covers the movement of export and import prices within Barbados for the first quarter of 2014.

### PERFORMANCE OF INDEX

- ❖ Import commodity prices remained constant for the quarter but declined by 1.3 percent for the 12 month period ending in March 2014.
- ❖ Export commodity prices rose by 2.9 percent for the quarter and 6.5 percent for the 12 month period ending in March 2014.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 2.9 percent in the quarter and 7.9 percent for the 12 months since March 2013.



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### TERMS OF TRADE TABLE

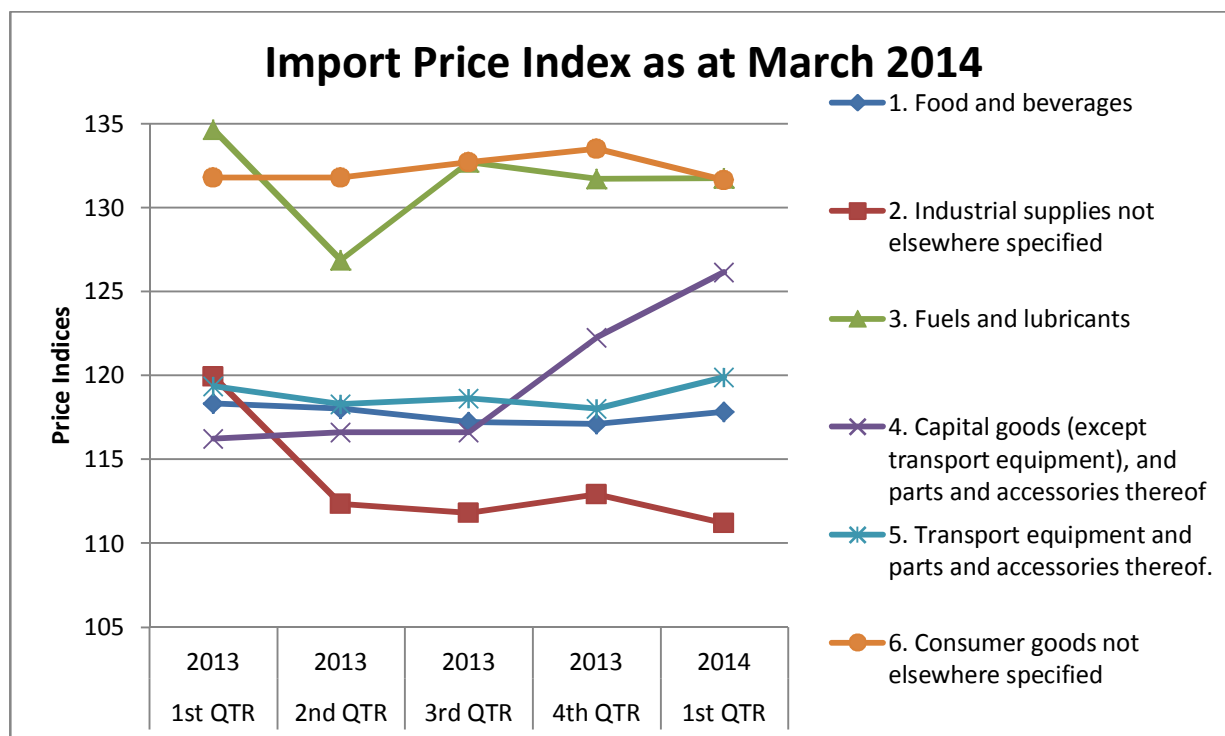
	1st QTR 2013	2nd QTR 2013	3rd QTR 2013(R)	4th QTR 2013(R)	1st QTR 2014(P)		1st QTR % Change	12 Month % Change
4th QTR 2007=100						2013		
Export Goods	115.00	112.62	118.69	119.09	122.53	116.35	2.9	6.5
Import Goods	128.19	123.92	126.58	126.6	126.55	126.33	0.0	-1.3
Terms of Trade	89.71	90.88	93.77	94.08	96.83	92.10	2.9	7.9

## **ANALYSIS OF EXPORT-IMPORT PRICE INDICES**

### **Import Price Index for Goods**

During this first quarter of 2014, Fuels and Lubricants remained constant while Food and Beverages prices rose by 0.6 percent. Transport equipment and Capital Goods both increased by 1.6 percent and 3.2 percent respectively for the first quarter of the year. In contrast, Industrial Supplies and Consumer Goods posted declines in both the first quarter of 2014 with Industrial Supplies declining by 1.5 percent for the quarter while Consumer goods prices were down 1.4 percent.

However, for the 12 month period ending March 2014, Fuels and Lubricants and Food and Beverages both fell by 2.1 percent and 0.4 percent respectively. Transport equipment and Capital Goods both increased over the 12 month period by 0.4 percent and 8.5 percent respectively. Industrial Supplies and Consumer Goods both posted declines of 7.3 percent and 0.1 percent respectively.

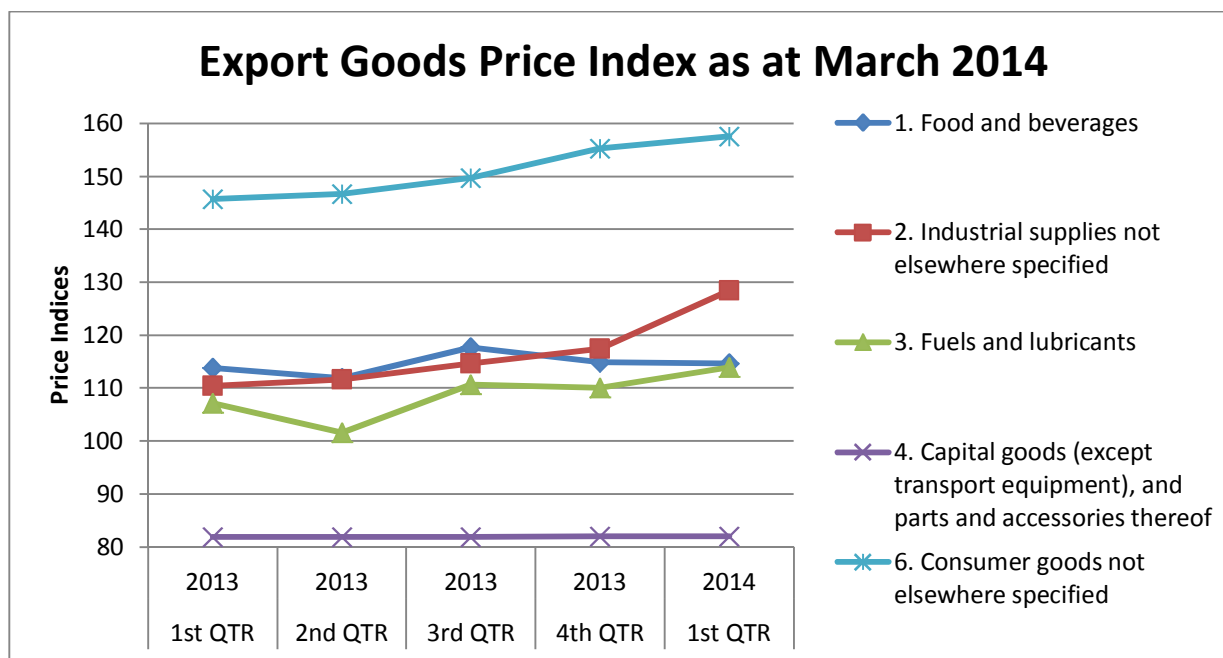


### **Export Price Index for Goods**

During this first quarter of 2014, Fuels and Lubricants increased by 3.5 percent while Consumer goods rose by 1.5 percent. Industrial Supplies increased by 9.4 percent for the quarter, while Foods and Beverages edged down 0.2 percent.

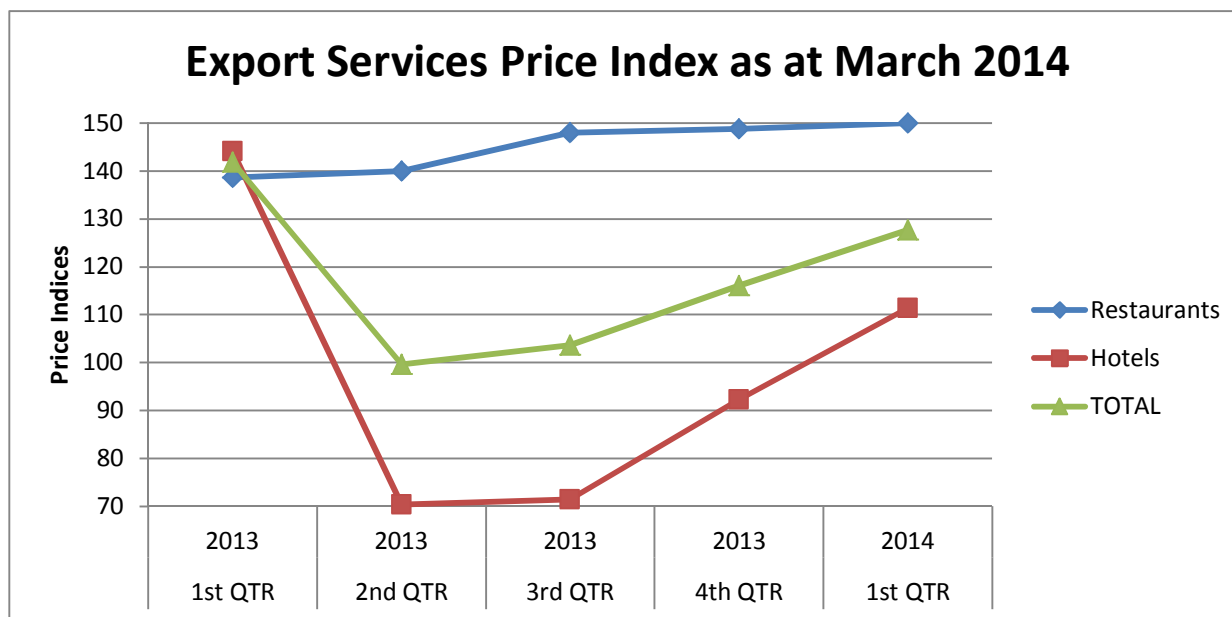
However, for the 12 month period ending March 2014, Fuels and Lubricants increased by 6.3 percent while Consumer goods rose by 8.2 percent over the same time period. Industrial Supplies

increased 16.3 percent over the 12 month period while Foods and Beverages recorded a 0.7 percent increase over the same period.



### Export Price Index for Services

Export travel services increased 10 percent for the quarter as both restaurant and hotels prices increased by 0.8 percent and 20.8 percent respectively. However, during the 12 month period ending March 2014, hotel prices declined by 22.6 percent reflecting the usual seasonal pattern for this time of year.



## APPENDIX

### EXPORT GOODS PRICE INDEX

B.E.C.	1st QTR	2nd QTR	3rd QTR	4th QTR	1st QTR		1st QTR %	12 Month %
Exports 4th QTR 2007=100	2013	2013	2013(R)	2013(R)	2014(P)	2013	Change	Change
1. Food and beverages	113.75	111.82	117.67	114.85	114.59	114.52	-0.2	0.7
2. Industrial supplies not elsewhere specified	110.42	111.65	114.62	117.45	128.45	113.54	9.4	16.3
3. Fuels and lubricants	107.14	101.59	110.63	110.04	113.86	107.35	3.5	6.3
4. Capital goods (except transport equipment), and parts and accessories thereof	81.88	81.85	81.93	82.03	82.03	81.92	0.0	0.2
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	145.67	146.71	149.76	155.27	157.55	149.35	1.5	8.2
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
<b>TOTAL</b>	<b>115.00</b>	<b>112.62</b>	<b>118.69</b>	<b>119.09</b>	<b>122.53</b>	<b>116.35</b>	<b>2.9</b>	<b>6.5</b>

### EXPORT SERVICES PRICE INDEX

Travel	1st QTR	2nd QTR	3rd QTR	4th QTR	1st QTR		1st QTR %	12 Month %
4th QTR 2007=100	2013	2013	2013(R)	2013(R)	2014(P)	2013	Change	Change
<b>Restaurants</b>	138.61	139.94	147.94	148.81	149.98	143.82	<b>0.8</b>	<b>8.2</b>
<b>Hotels</b>	144.07	70.46	71.49	92.28	111.44	94.58	<b>20.8</b>	<b>-22.6</b>
<b>TOTAL</b>	141.78	99.64	103.6	116.02	127.63	115.26	<b>10.0</b>	<b>-10.0</b>

### **IMPORT GOODS PRICE INDEX**

B.E.C. Imports 4th QTR 2007=100	1st QTR 2013	2nd QTR 2013	3rd QTR 2013(R)	4th QTR 2013(R)	1st QTR 2014(P)	2013	1st QTR % Change	12 Month % Change
1. Food and beverages	118.32	118.03	117.23	117.1	117.82	117.67	0.6	-0.4
2. Industrial supplies not elsewhere specified	119.92	112.34	111.82	112.9	111.21	114.24	-1.5	-7.3
3. Fuels and lubricants	134.64	126.86	132.71	131.71	131.76	131.48	0.0	-2.1
4. Capital goods (except transport equipment), and parts and accessories thereof	116.25	116.62	116.61	122.25	126.16	117.93	3.2	8.5
5. Transport equipment and parts and accessories thereof.	119.37	118.28	118.63	118.02	119.88	118.57	1.6	0.4
6. Consumer goods not elsewhere specified	131.78	131.8	132.71	133.5	131.62	132.45	-1.4	-0.1
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
<b>TOTAL</b>	<b>128.25</b>	<b>123.92</b>	<b>126.58</b>	<b>126.58</b>	<b>126.55</b>	<b>126.33</b>	<b>0.0</b>	<b>-1.3</b>

*The Barbados Statistical Service would also like to express its sincere thanks to all those officers at the many business establishments who give their continued cooperation with their timely responses to our quarterly surveys. This Export Import Price Index could not have been done without your support.*