

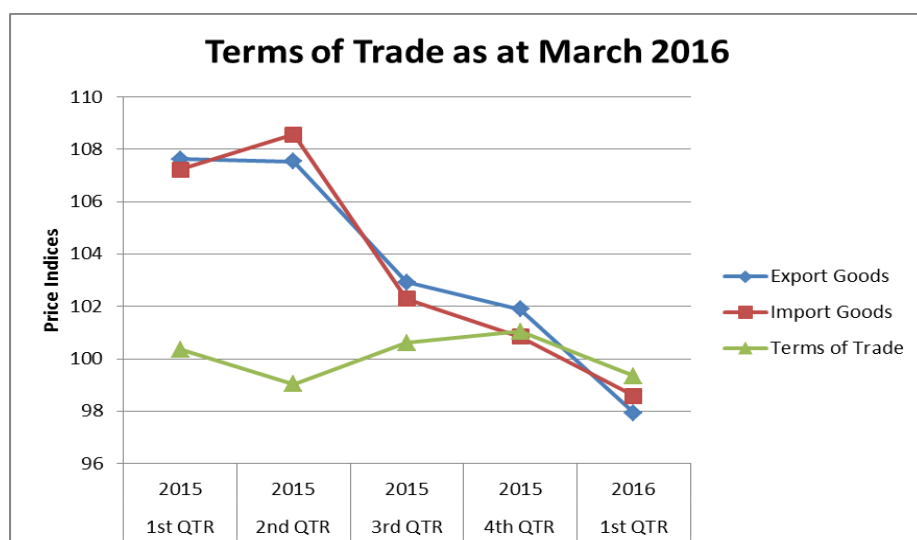
EXPORT-IMPORT PRICE INDEX

JANUARY-MARCH 2016

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 2016.

PERFORMANCE OF INDEX

- ❖ Import commodity prices decreased by 2.2 percent for the period January to March 2016 and by 8.1 percent for the 12 month period ending March 2016.
- ❖ Export commodity prices decreased by 3.9 percent for the quarter and by 9.0 percent for the 12 month period ending March 2016.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, decreased by 1.7 percent in the quarter and by 1.0 percent for the 12 months since March 2015.



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TERMS OF TRADE TABLE

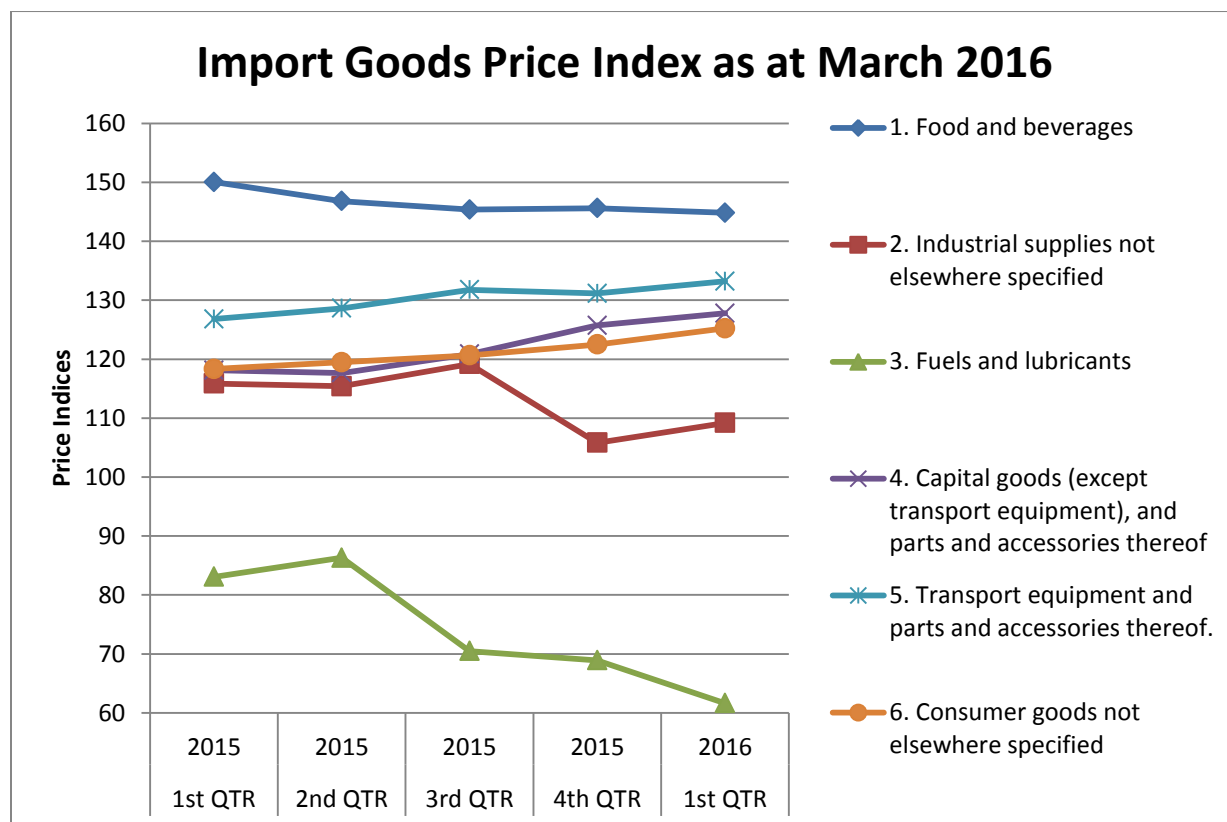
4th QTR 2007=100	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	1st QTR 2016	2015	1st QTR % Change	12 Month % Change
Export Goods	107.63	107.53	102.92	101.90	97.94	105.00	-3.9	-9.0
Import Goods	107.24	108.57	102.29	100.85	98.59	104.74	-2.2	-8.1
Terms of Trade	100.36	99.04	100.62	101.05	99.34	100.25	-1.7	-1.0

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the first quarter of 2016, Fuels and Lubricants declined by 10.5 percent while Capital Goods increased by 1.6 percent. Consumer Goods increased by 2.2 percent while Food and Beverages declined by 0.6 percent. In contrast, Transport equipment and Industrial Supplies posted increases of 1.6 percent and 3.2 percent respectively.

However, for the 12 month period ending March 2016, Fuels and Lubricants declined by 25.8 percent while Capital Goods increased by 8.2 percent. Industrial Supplies decreased by 5.8 percent while Food and Beverages prices also declined over the 12 month period by 3.5 percent. In contrast, Transport Equipment and Consumer Goods both posted increases of 5.1 percent and 5.8 percent respectively.

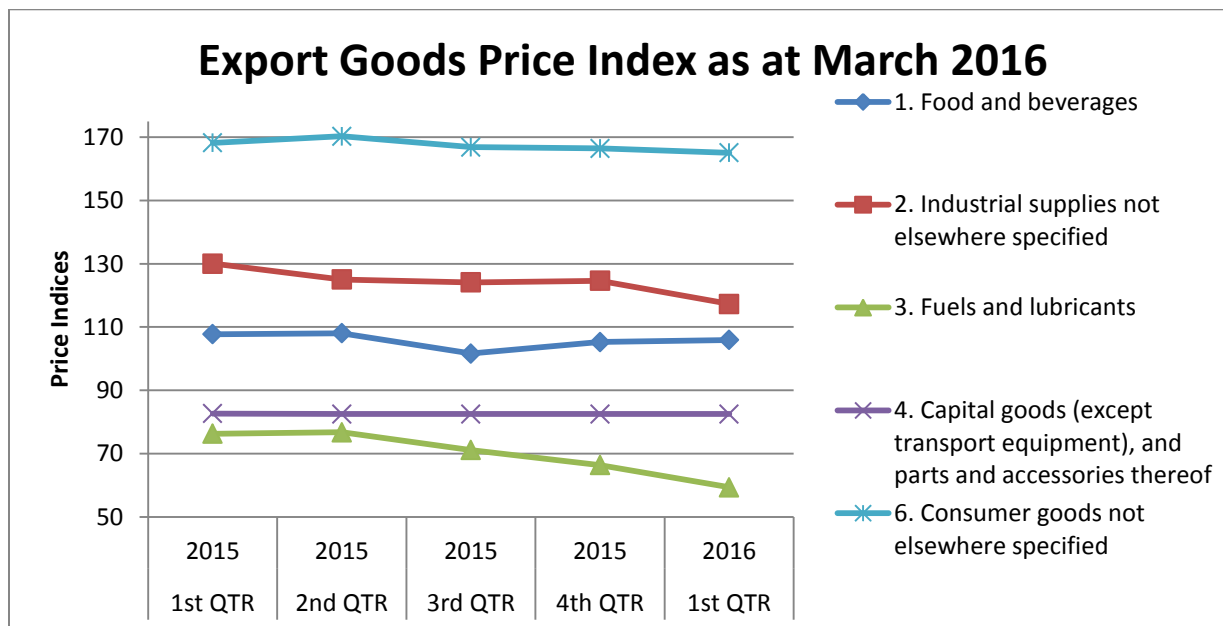


Export Price Index for Goods

During the first quarter of 2016, Fuels and Lubricants and Consumer Goods both declined by 10.6 percent and 0.8 percent respectively. Industrial Supplies declined by 5.9 percent while Food and Beverages increased by 0.6 percent. Capital Goods prices remained constant.

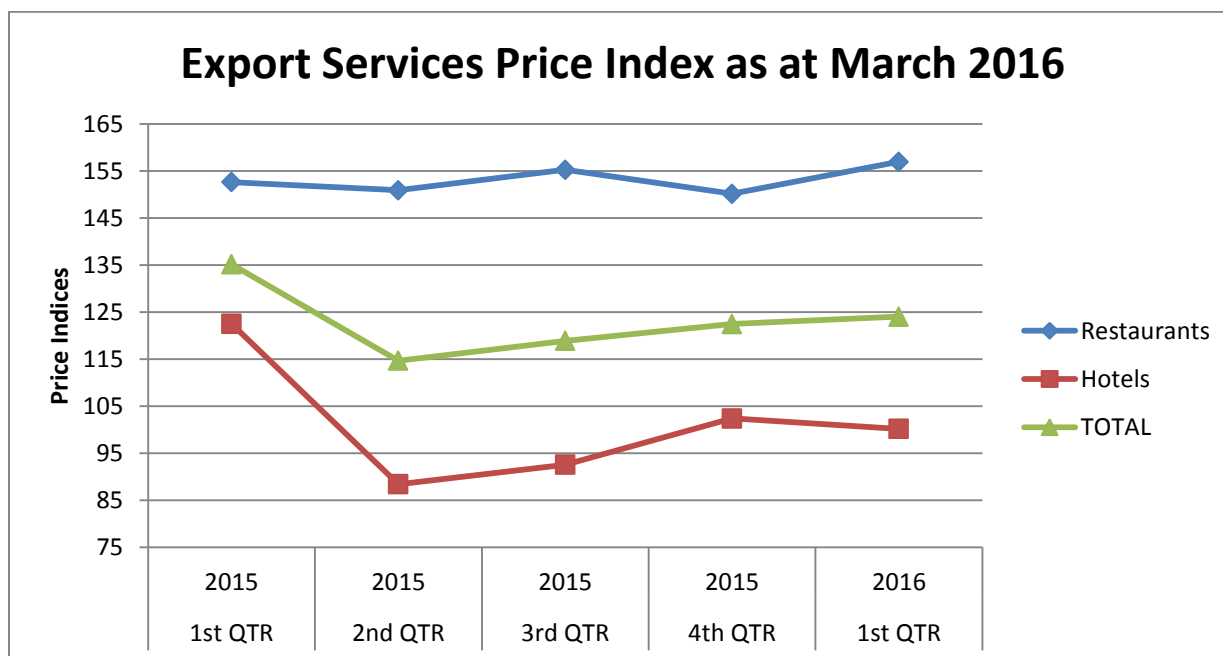
However, for the 12 month period ending March 2016, Fuels and Lubricants and Consumer Goods both declined by 22.2 percent and 1.9 percent respectively. Capital Goods decreased by

0.2 percent while there were also declines recorded in Industrial Supplies and Food & Beverages of 9.8 percent and 1.7 percent respectively.



Export Price Index for Services

Export travel services increased by 1.3 percent for the quarter as restaurant prices increased by 4.5 percent while hotel prices declined by 2.1 percent. However, during the 12 month period ending March 2016, hotel prices declined by 18.2 percent reflecting the usual seasonal pattern for this time of year.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	1st QTR 2016	2015	1st QTR % Change	12 Month % Change
1. Food and beverages	107.75	108.05	101.62	105.24	105.92	105.67	0.6	-1.7
2. Industrial supplies not elsewhere specified	130.02	125.01	124.11	124.64	117.28	125.94	-5.9	-9.8
3. Fuels and lubricants	76.27	76.76	71.13	66.35	59.32	72.63	-10.6	-22.2
4. Capital goods (except transport equipment), and parts and accessories thereof	82.64	82.50	82.50	82.50	82.50	82.54	0.0	-0.2
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	168.22	170.30	166.85	166.46	165.09	167.96	-0.8	-1.9
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	107.63	107.53	102.92	101.90	97.94	105.00	-3.9	-9.0

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	1st QTR 2016	2015	1st QTR % Change	12 Month % Change
Restaurants	152.63	150.90	155.24	150.14	156.94	152.23	4.5	2.8
Hotels	122.50	88.42	92.55	102.38	100.20	101.46	-2.1	-18.2
TOTAL	135.15	114.66	118.88	122.44	124.03	122.78	1.3	-8.2

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	1st QTR 2016	2015	1st QTR % Change	12 Month % Change
1. Food and beverages	150.03	146.80	145.35	145.62	144.81	146.95	-0.6	-3.5
2. Industrial supplies not elsewhere specified	115.87	115.39	119.17	105.83	109.19	114.07	3.2	-5.8
3. Fuels and lubricants	83.07	86.31	70.48	68.90	61.64	77.19	-10.5	-25.8
4. Capital goods (except transport equipment), and parts and accessories thereof	118.12	117.66	120.85	125.71	127.78	120.59	1.6	8.2
5. Transport equipment and parts and accessories thereof.	126.80	128.61	131.76	131.15	133.21	129.58	1.6	5.1
6. Consumer goods not elsewhere specified	118.33	119.46	120.65	122.49	125.22	120.23	2.2	5.8
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	107.24	108.57	102.29	100.85	98.59	104.74	-2.2	-8.1

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.