

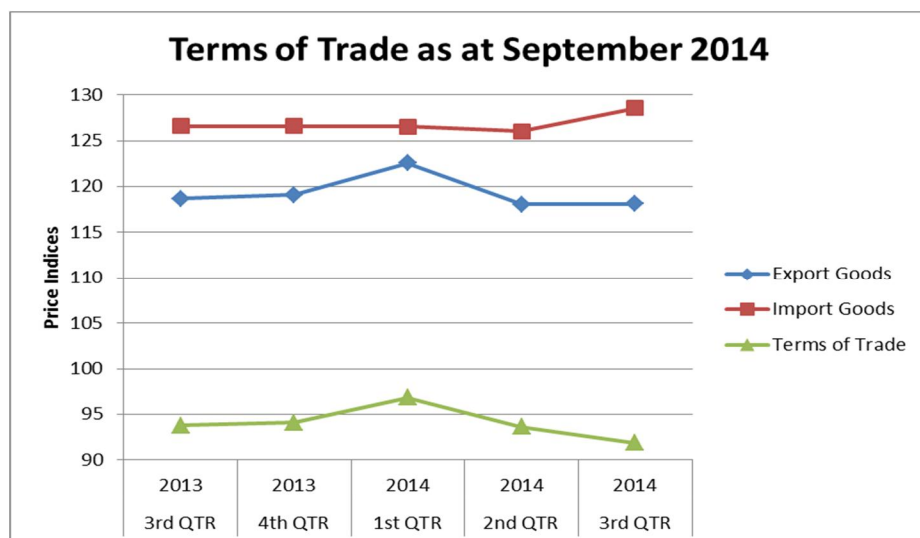
EXPORT-IMPORT PRICE INDEX

JULY-SEPTEMBER 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 third quarter of 2014.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 2.0 percent for the period July to September 2014 and by 1.6 percent for the 12 month period ending September 2014.
- ❖ Export commodity prices increased by 0.1 percent for the quarter but declined by 0.5 percent for the 12 month period ending September 2014.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, decreased by 1.8 percent in the quarter and by 2.0 percent for the 12 months since September 2013.



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TERMS OF TRADE TABLE

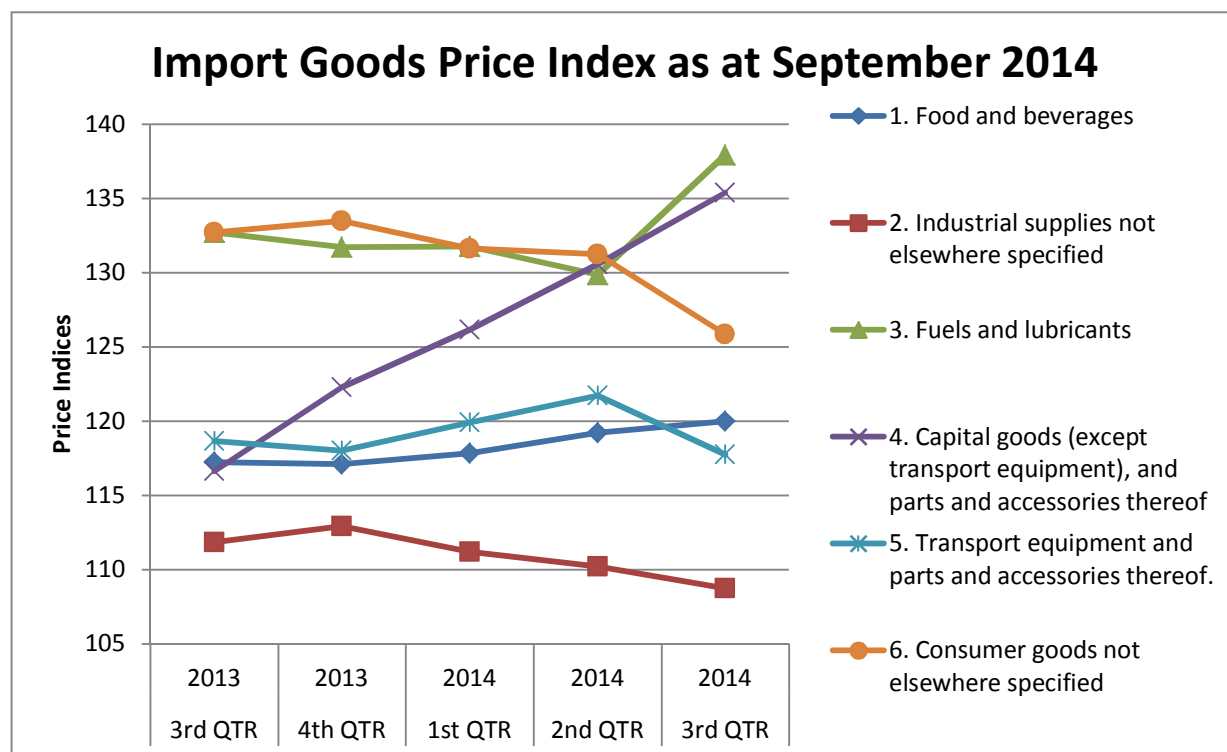
	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR		3rd QTR %	12 Month %
4th QTR 2007=100	2013	2013	2014(R)	2014(R)	2014	2013	Change	Change
Export Goods	118.69	119.09	122.53	118.04	118.12	116.35	0.1	-0.5
Import Goods	126.58	126.60	126.55	126.01	128.55	126.33	2.0	1.6
Terms of Trade	93.77	94.08	96.83	93.61	91.89	92.10	-1.8	-2.0

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the third quarter of 2014, Fuels and Lubricants and Capital Goods both increased by 6.2 percent and 3.7 percent respectively. Food and Beverages prices increased by 0.6 percent while Transport equipment declined by 3.3 percent. In contrast, Industrial Supplies and Consumer Goods posted declines in the third quarter of 2014 with Industrial Supplies declined by 1.3 percent while Consumer goods prices declined by 4.1 percent.

However, for the 12 month period ending September 2014, Fuels and Lubricants and Capital Goods both increased by 3.9 percent and 16.1 percent respectively. Transport equipment declined by 0.8 percent while Food and Beverages prices increased over the 12 month period by 2.3 percent. In contrast, Industrial Supplies and Consumer Goods both posted declines of 2.8 percent and 5.2 percent respectively.

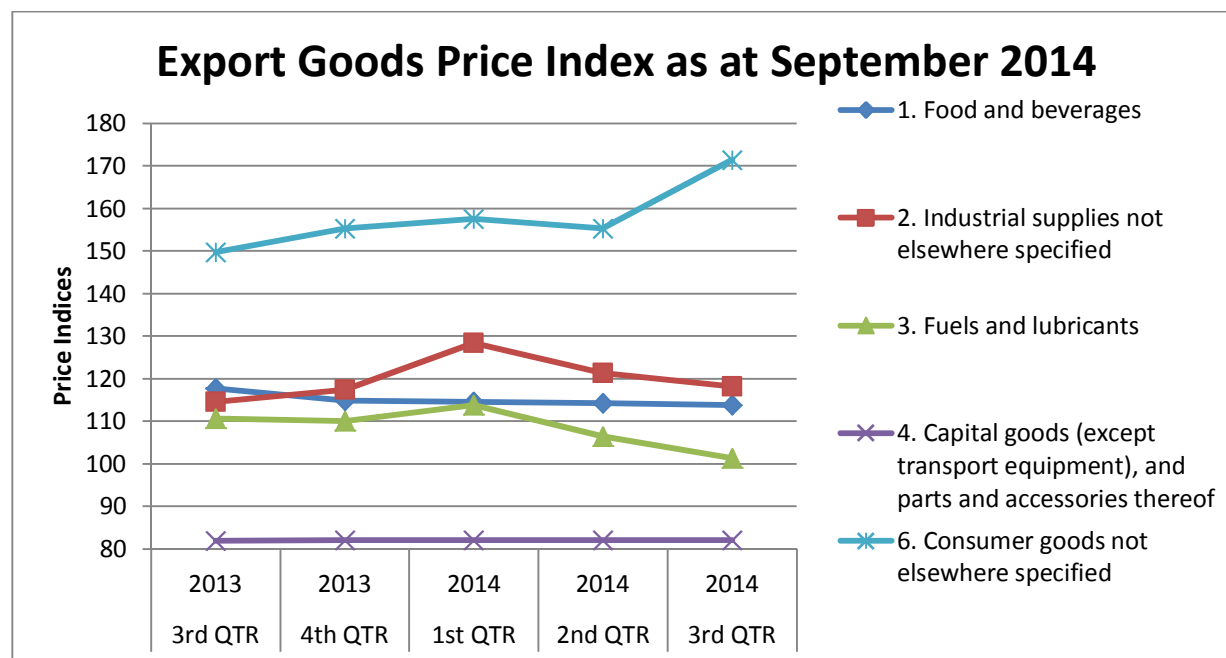


Export Price Index for Goods

During the third quarter of 2014, Fuels and Lubricants declined by 4.8 percent while Consumer Goods increased by 10.4 percent. Capital Goods remained constant while there were declines recorded in Industrial Supplies and Food and Beverages of 2.6 percent and 0.4 percent respectively.

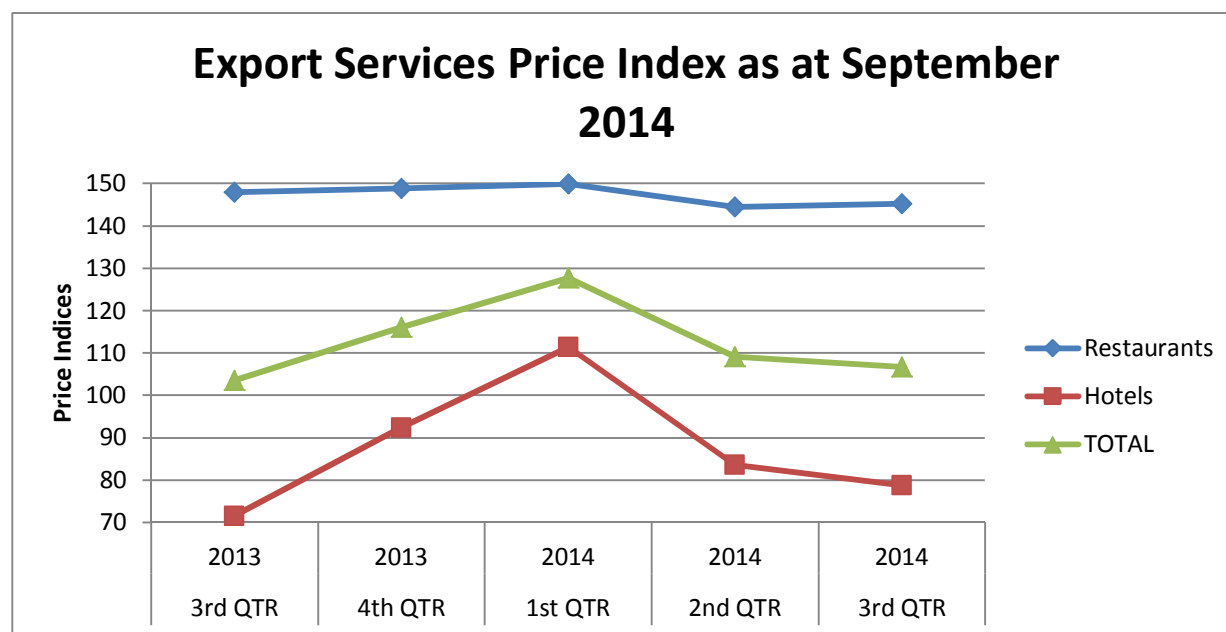
However, for the 12 month period ending September 2014, Fuels and Lubricants declined by 8.5 percent while Consumer goods rose by 14.5 percent over the same time period. Industrial

Supplies increased 3.1 percent over the 12 month period while Foods and Beverages declined by 3.2 percent. Capital Goods increased by 0.1 percent over the same period.



Export Price Index for Services

Export travel services declined 2.2 percent for the quarter as restaurant prices increased by 0.6 percent while hotels prices declined by 5.7 percent. However, during the 12 month period ending September 2014, hotel prices increased by 10.2 percent reflecting the usual seasonal pattern for this time of year.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C.	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR		3rd QTR %	12 Month %
Exports 4th QTR 2007=100	2013	2013	2014(R)	2014(R)	2014(P)	2013	Change	Change
1. Food and beverages	117.67	114.85	114.59	114.30	113.85	114.52	-0.4	-3.2
2. Industrial supplies not elsewhere specified	114.62	117.45	128.45	121.35	118.23	113.54	-2.6	3.1
3. Fuels and lubricants	110.63	110.04	113.86	106.40	101.25	107.35	-4.8	-8.5
4. Capital goods (except transport equipment), and parts and accessories thereof	81.93	82.03	82.03	82.03	82.03	81.92	0.0	0.1
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	149.76	155.27	157.55	155.33	171.44	149.35	10.4	14.5
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	118.69	119.09	122.53	118.04	118.12	116.35	0.1	-0.5

EXPORT SERVICES PRICE INDEX

Travel	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR		3rd QTR %	12 Month %
4th QTR 2007=100	2013	2013	2014(R)	2014(R)	2014(P)	2013	Change	Change
Restaurants	147.94	148.81	149.98	144.41	145.23	143.82	0.6	-1.8
Hotels	71.49	92.28	111.44	83.59	78.80	94.58	-5.7	10.2
TOTAL	103.6	116.02	127.63	109.13	106.70	115.26	-2.2	3.0

IMPORT GOODS PRICE INDEX

B.E.C.	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR		3rd QTR %	12 Month %
Imports 4th QTR 2007=100	2013	2013	2014(R)	2014(R)	2014(P)	2013	Change	Change
1. Food and beverages	117.23	117.10	117.82	119.21	119.98	117.67	0.6	2.3
2. Industrial supplies not elsewhere specified	111.82	112.90	111.21	110.21	108.74	114.24	-1.3	-2.8
3. Fuels and lubricants	132.71	131.71	131.76	129.88	137.92	131.48	6.2	3.9
4. Capital goods (except transport equipment), and parts and accessories thereof	116.61	122.25	126.16	130.54	135.39	117.93	3.7	16.1
5. Transport equipment and parts and accessories thereof.	118.63	118.02	119.88	121.73	117.74	118.57	-3.3	-0.8
6. Consumer goods not elsewhere specified	132.71	133.50	131.62	131.22	125.87	132.45	-4.1	-5.2
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	126.58	126.58	126.55	126.10	128.55	126.33	1.9	1.6

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.