

EXPORT-IMPORT PRICE INDEX

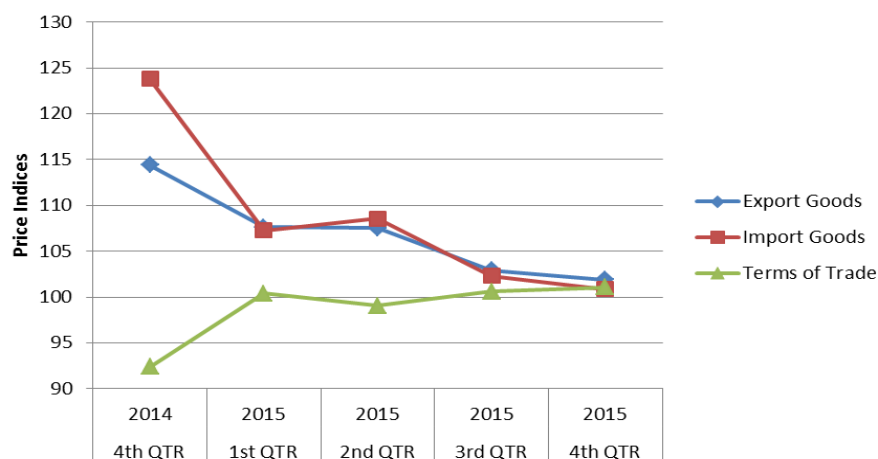
OCTOBER-DECEMBER 2015

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 fourth quarter of 2015.

PERFORMANCE OF INDEX

- ❖ Import commodity prices decreased by 1.4 percent for the period October to December 2015 and by 18.5 percent for the 12 month period ending December 2015.
- ❖ Export commodity prices decreased by 1.0 percent for the quarter and by 10.9 percent for the 12 month period ending December 2015.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 0.4 percent in the quarter and by 9.4 percent for the 12 months since December 2014.

Terms of Trade as at December 2015



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TERMS OF TRADE TABLE

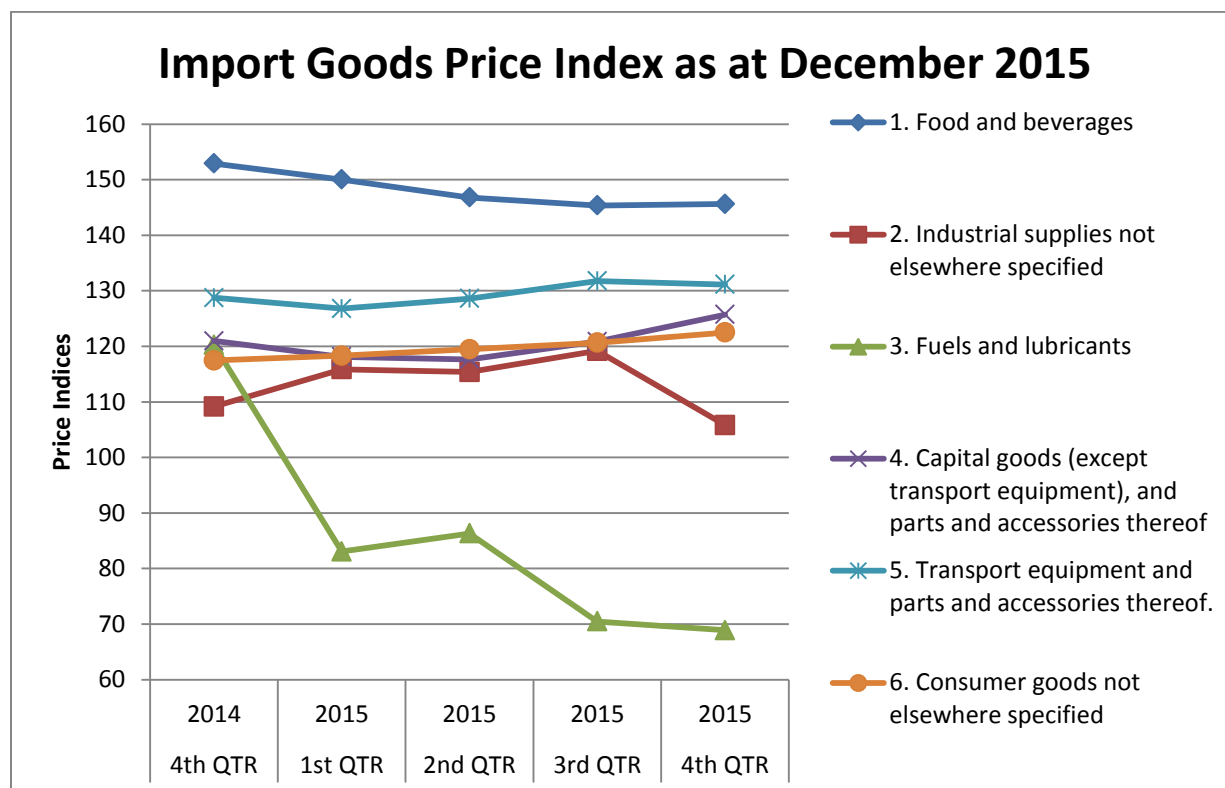
4th QTR 2007=100	4th QTR 2014	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	2014	4th QTR % Change	12 Month % Change
Export Goods	114.38	107.63	107.53	102.92	101.90	119.11	-1.0	-10.9
Import Goods	123.80	107.24	108.57	102.29	100.85	127.59	-1.4	-18.5
Terms of Trade	92.39	100.36	99.04	100.62	101.05	93.35	0.4	9.4

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the fourth quarter of 2015, Fuels and Lubricants prices declined by 2.2 percent while Capital Goods increased by 4.0 percent. Food and Beverages and Consumer Goods also increased by 0.2 percent and 1.5 percent respectively. In contrast, Industrial Supplies and Transport equipment posted declines with Industrial Supplies declined by 11.2 percent while Transport equipment prices declined by 0.5 percent.

However, for the 12 month period ending December 2015, Fuels and Lubricants declined by 42.7 percent while Capital Goods increased by 3.9 percent. Transport equipment increased by 1.9 percent while Consumer Goods prices increased over the 12 month period by 4.3 percent. In contrast, Industrial Supplies and Food and Beverages both posted declines of 3.3 percent and 4.8 percent respectively.

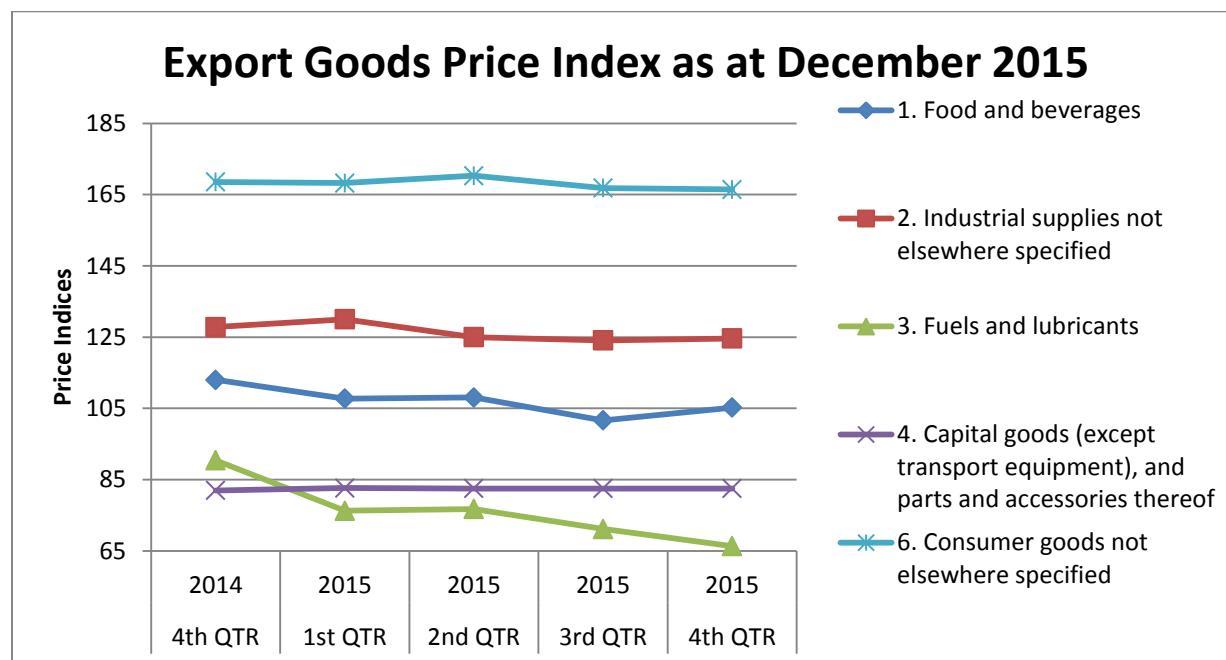


Export Price Index for Goods

During the fourth quarter of 2015, Fuels and Lubricants and Consumer Goods both declined by 6.7 percent and 0.2 percent respectively. Industrial Supplies declined by 2.5 percent while Food and Beverages increased by 3.6 percent. Capital Goods continued to remain constant.

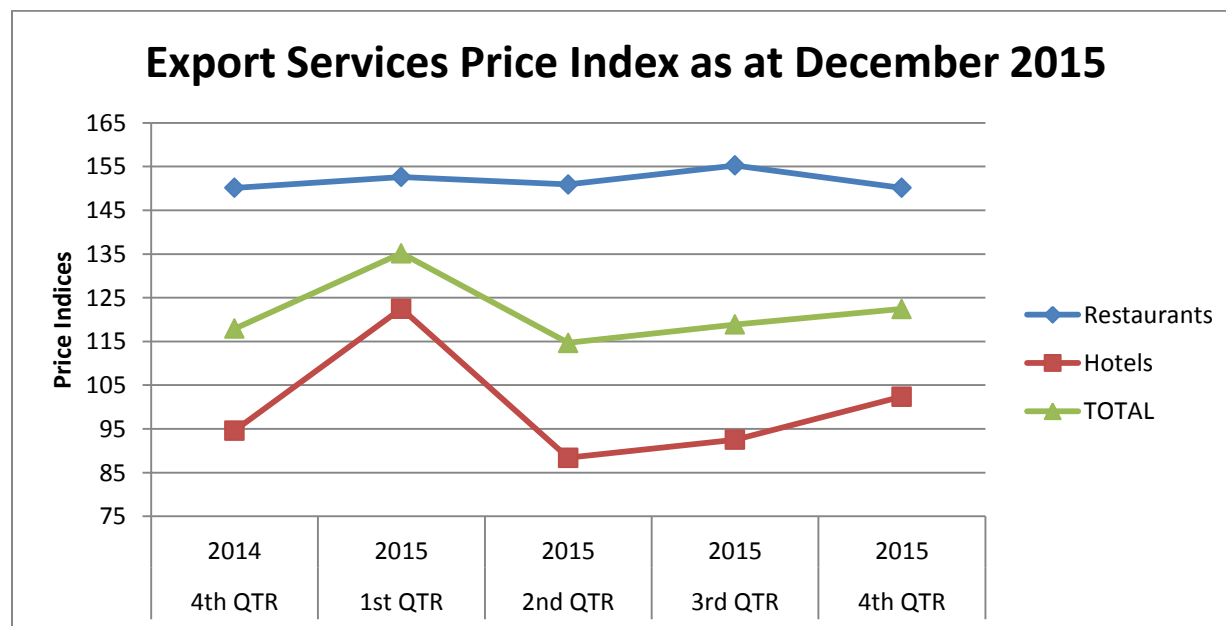
However, for the 12 month period ending December 2015, Fuels and Lubricants and Consumer Goods declined by 26.6 percent and 1.2 percent respectively. Capital Goods increased by 0.7

percent while there were declines recorded in Industrial Supplies and Food & Beverages of 2.5 percent and 6.9 percent respectively.



Export Price Index for Services

Export travel services increased by 3.0 percent for the quarter as restaurant prices declined by 3.3 percent while hotel prices increased by 10.6 percent. However, during the 12 month period ending December 2015, hotel prices increased by 8.2 percent reflecting the usual seasonal pattern for this time of year.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	4th QTR 2014	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	2014	4th QTR % Change	12 Month % Change
1. Food and beverages	112.98	107.75	108.05	101.62	105.24	113.72	3.6	-6.9
2. Industrial supplies not elsewhere specified	127.80	130.02	125.01	124.11	124.64	127.15	0.4	-2.5
3. Fuels and lubricants	90.40	76.27	76.76	71.13	66.35	101.88	-6.7	-26.6
4. Capital goods (except transport equipment), and parts and accessories thereof	81.97	82.64	82.50	82.50	82.50	82.00	0.0	0.7
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	168.53	168.22	170.30	166.85	166.46	168.42	-0.2	-1.2
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	114.38	107.63	107.53	102.92	101.90	119.11	-1.0	-10.9

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	4th QTR 2014	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	2014	4th QTR % Change	12 Month % Change
Restaurants	150.14	152.63	150.90	155.24	150.14	147.44	-3.3	0.0
Hotels	94.61	122.50	88.42	92.55	102.38	92.59	10.6	8.2
TOTAL	117.93	135.15	114.66	118.88	122.44	115.62	3.0	3.8

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	4th QTR 2014	1st QTR 2015	2nd QTR 2015	3rd QTR 2015	4th QTR 2015	2014	4th QTR % Change	12 Month % Change
1. Food and beverages	152.90	150.03	146.80	145.35	145.62	155.95	0.2	-4.8
2. Industrial supplies not elsewhere specified	109.15	115.87	115.39	119.17	105.83	109.72	-11.2	-3.0
3. Fuels and lubricants	120.24	83.07	86.31	70.48	68.90	129.69	-2.2	-42.7
4. Capital goods (except transport equipment), and parts and accessories thereof	120.97	118.12	117.66	120.85	125.71	119.95	4.0	3.9
5. Transport equipment and parts and accessories thereof.	128.74	126.80	128.61	131.76	131.15	126.48	-0.5	1.9
6. Consumer goods not elsewhere specified	117.47	118.33	119.46	120.65	122.49	113.85	1.5	4.3
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	123.80	107.24	108.57	102.29	100.85	127.59	-1.4	-18.5

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.