

EXPORT-IMPORT PRICE INDEX

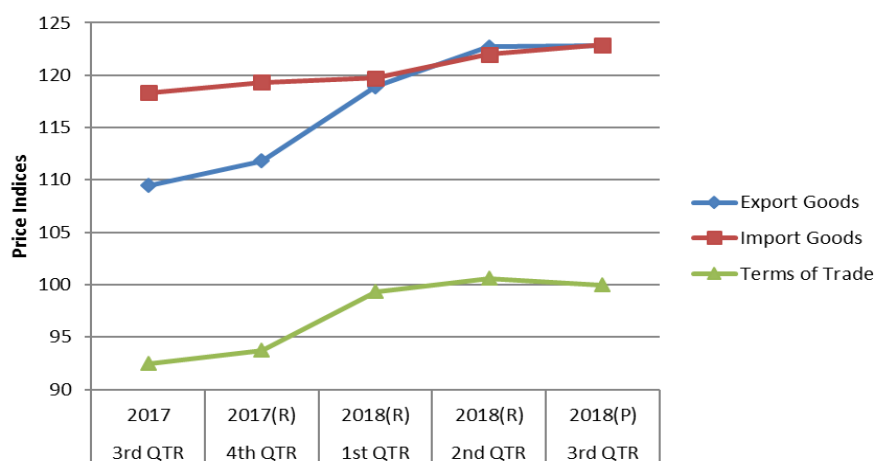
JULY-SEPTEMBER 2018

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 2018.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 0.7 percent for the period July to September 2018 and by 3.8 percent for the 12 month period ending September 2018.
- ❖ Export commodity prices increased by 0.1 percent for the period July to September 2018 and by 12.3 percent for the 12 month period ending September 2018.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, declined by 0.6 percent in the quarter but increased by 8.1 percent for the 12 months since September 2017.

Terms of Trade as at September 2018



In this bulletin:

Analysis of:-

- Import Prices on Goods 1
- Export Prices on Goods 1
- Export Prices on Services 2

Appendix of Tables:

- Export Goods Price Index 3
- Export Services Price Index 3
- Import Goods Price Index 4

TERMS OF TRADE TABLE

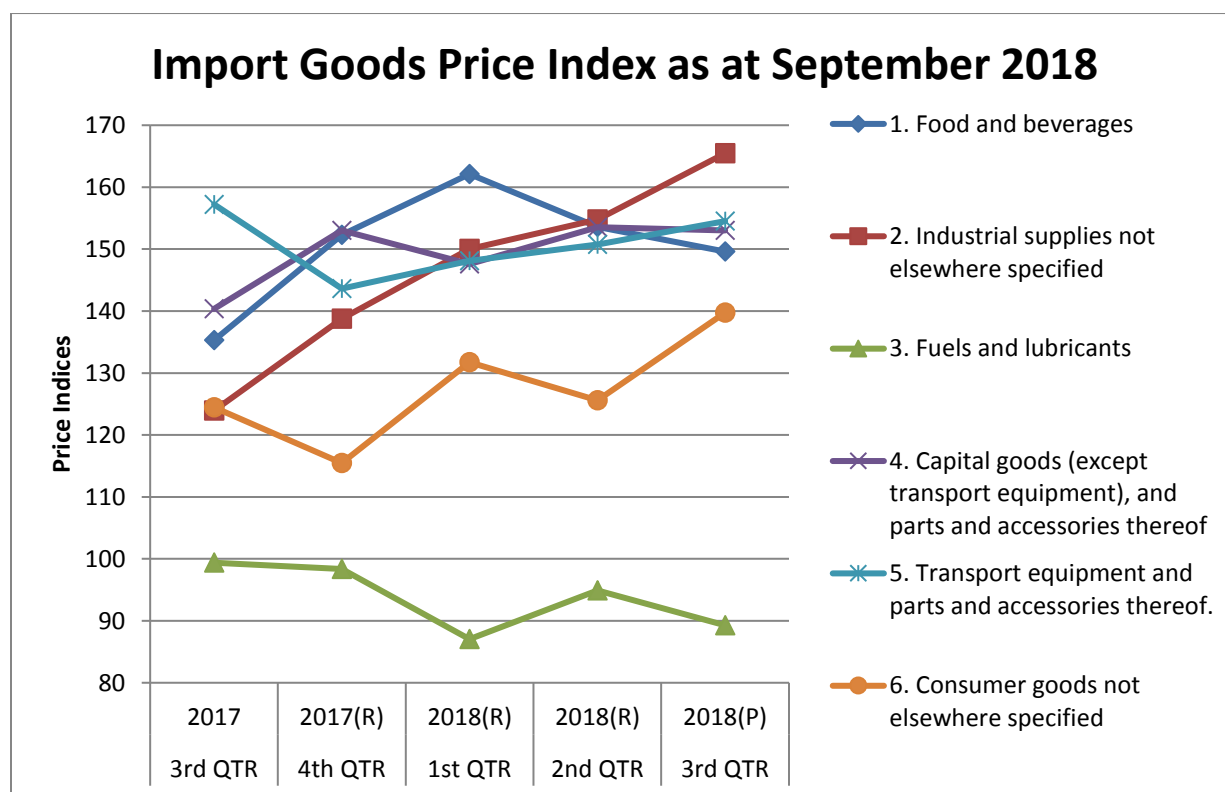
4th QTR 2007=100	3rd QTR 2017	4th QTR 2017(R)	1st QTR 2018(R)	2nd QTR 2018(R)	3rd QTR 2018(P)	2017	3rd QTR % Change	12 Month % Change
Export Goods	109.44	111.83	118.92	122.71	122.86	103.75	0.1	12.3
Import Goods	118.34	119.30	119.74	122.00	122.87	113.62	0.7	3.8
Terms of Trade	92.48	93.74	99.32	100.59	99.99	91.32	-0.6	8.1

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the third quarter of 2018, Fuels and Lubricants and Capital Goods prices both decreased by 5.9 percent and 0.3 percent respectively. Consumer Goods increased by 11.3 percent while Food and Beverages prices recorded a decline of 2.6 percent. In contrast, Industrial Supplies and Transport Equipment posted increases of 6.9 percent and 2.5 percent respectively.

However, for the 12 month period ending September 2018, Fuels and Lubricants and Transport Equipment both recorded declines of 10.2 percent and 1.7 percent respectively. In contrast, Consumer Goods and Food and Beverages both recorded increases of 12.3 percent and 10.6 percent respectively. Similarly, Capital Goods prices increased by 9.0 percent while Industrial Supplies prices also increased by 33.5 percent.

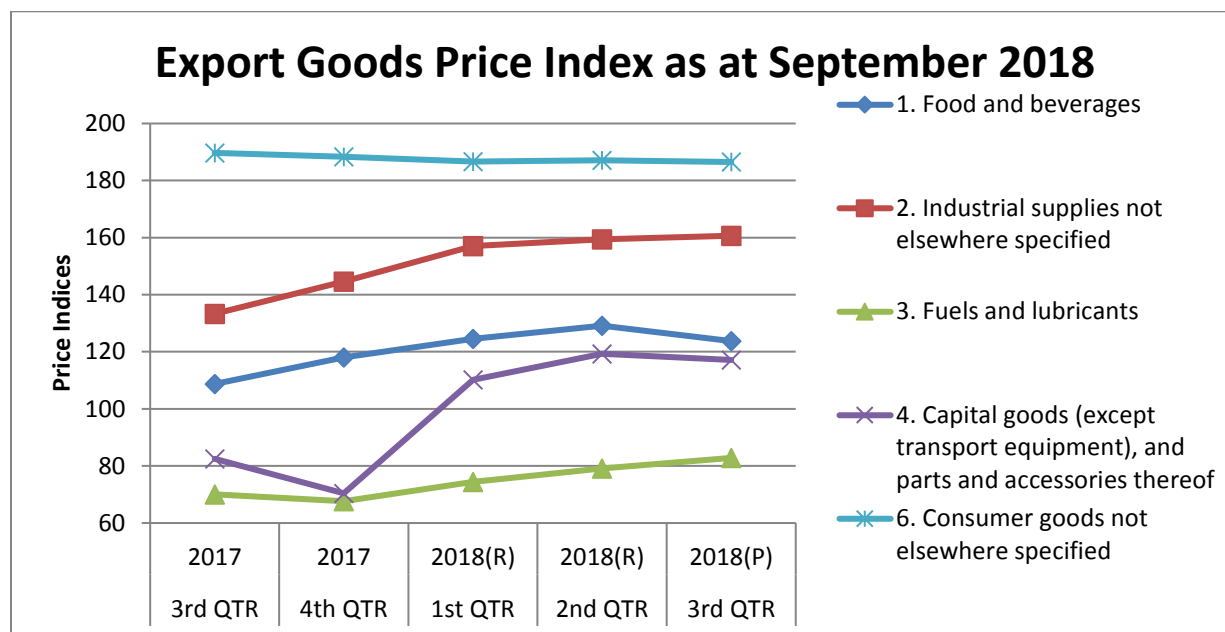


Export Price Index for Goods

During the third quarter of 2018, Fuels and Lubricants prices increased by 4.6 percent while Consumer Goods declined by 0.3 percent. Industrial Supplies prices increased by 0.8 percent while there were declines recorded in Capital Goods and Food and Beverages prices of 1.8 percent and 4.1 percent respectively.

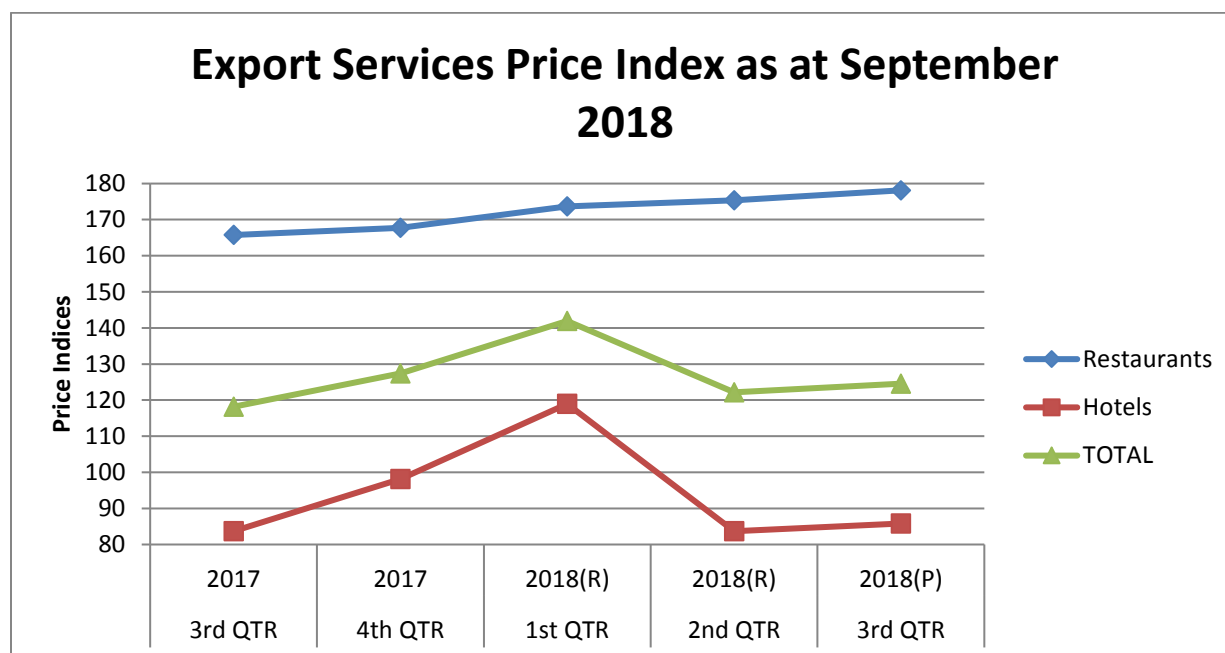
However, for the 12 month period ending September 2018, Fuels and Lubricants prices increased by 18.3 percent while Consumer Goods declined by 1.7 percent. In contrast, Industrial Supplies,

Capital Goods and Food and Beverages prices recorded increases of 20.5 percent, 42.0 percent and 13.9 percent respectively.



Export Price Index for Services

Export travel services increased by 2.0 percent for the quarter as restaurant and hotel prices increased by 1.6 percent and 2.5 percent respectively. However, during the 12 month period ending September 2018, hotel prices increased by 2.5 percent reflecting the usual seasonal pattern for this time of year.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	3rd QTR 2017	4th QTR 2017	1st QTR 2018(R)	2nd QTR 2018(R)	3rd QTR 2018(P)	2017	3rd QTR % Change	12 Month % Change
1. Food and beverages	108.73	118.06	124.50	129.15	123.80	109.57	-4.1	13.9
2. Industrial supplies not elsewhere specified	133.33	144.61	157.11	159.38	160.67	129.36	0.8	20.5
3. Fuels and lubricants	70.02	67.64	74.36	79.14	82.81	60.26	4.6	18.3
4. Capital goods (except transport equipment), and parts and accessories thereof	82.50	70.40	110.24	119.30	117.13	79.48	-1.8	42.0
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	189.70	188.35	186.66	187.12	186.50	182.13	-0.3	-1.7
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	109.44	111.83	118.92	122.71	122.86	103.75	0.1	12.3

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	3rd QTR 2017	4th QTR 2017	1st QTR 2018(R)	2nd QTR 2018(R)	3rd QTR 2018(P)	2017	3rd QTR % Change	12 Month % Change
Restaurants	165.75	167.75	173.64	175.36	178.13	165.11	1.6	7.5
Hotels	83.71	98.14	118.95	83.68	85.80	96.42	2.5	2.5
TOTAL	118.17	127.38	141.92	122.18	124.58	125.27	2.0	5.4

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	3rd QTR 2017	4th QTR 2017(R)	1st QTR 2018(R)	2nd QTR 2018(R)	3rd QTR 2018(P)	2017	3rd QTR % Change	12 Month % Change
1. Food and beverages	135.29	152.30	162.12	153.59	149.61	145.89	-2.6	10.6
2. Industrial supplies not elsewhere specified	123.93	138.77	150.04	154.78	165.46	131.48	6.9	33.5
3. Fuels and lubricants	99.38	98.37	87.04	94.90	89.26	85.67	-5.9	-10.2
4. Capital goods (except transport equipment), and parts and accessories thereof	140.36	153.02	147.58	153.54	153.05	145.82	-0.3	9.0
5. Transport equipment and parts and accessories thereof.	157.23	143.63	148.14	150.76	154.53	143.21	2.5	-1.7
6. Consumer goods not elsewhere specified	124.44	115.47	131.74	125.60	139.75	126.14	11.3	12.3
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	118.34	119.30	119.74	122.00	122.87	113.62	0.7	3.8

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.