

EXPORT-IMPORT PRICE INDEX

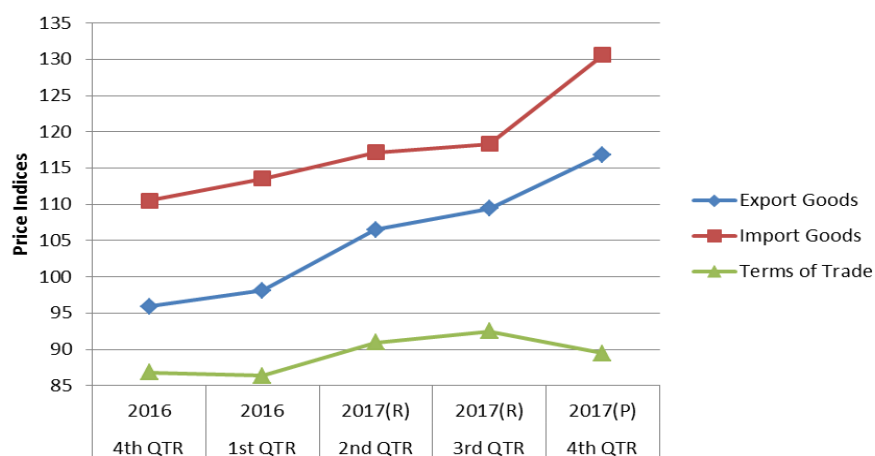
OCTOBER-DECEMBER 2017

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 2017.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 10.3 percent for the period October to December 2017 and by 18.1 percent for the 12 month period ending December 2017.
- ❖ Export commodity prices increased by 6.8 percent for the quarter and by 21.8 percent for the 12 month period ending December 2017.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, decreased by 3.2 percent in the quarter but increased by 3.1 percent for the 12 months since December 2016.

Terms of Trade as at December 2017



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TERMS OF TRADE TABLE

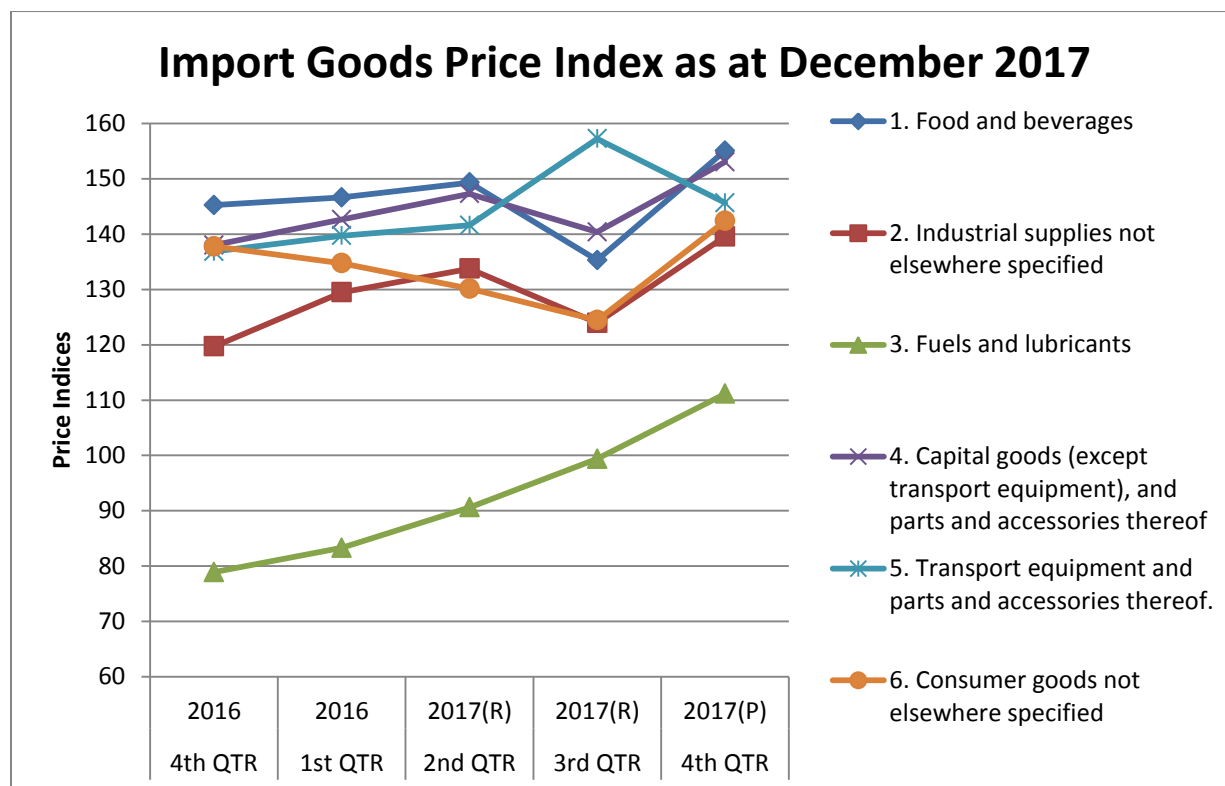
4th QTR 2007=100	4th QTR 2016	1st QTR 2016	2nd QTR 2017(R)	3rd QTR 2017(R)	4th QTR 2017(P)	2016	4th QTR % Change	12 Month % Change
Export Goods	95.94	98.09	106.53	109.44	116.84	96.52	6.8	21.8
Import Goods	110.53	113.56	117.16	118.34	130.58	104.85	10.3	18.1
Terms of Trade	86.81	86.37	90.93	92.48	89.48	92.05	-3.2	3.1

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the fourth quarter of 2017, Fuels and Lubricants and Capital Goods prices both increased by 11.8 percent and 9.0 percent respectively. Food and Beverages increased by 14.6 percent while Transport Equipment declined by 7.4 percent. In contrast, Industrial Supplies and Consumer Goods posted increases of 12.6 percent and 14.4 percent respectively.

However, for the 12 month period ending December 2017, Fuels and Lubricants increased by 40.8 percent while Capital Goods also increased by 10.9 percent. Industrial Supplies increased by 16.6 percent while Food and Beverages prices also increased by 6.8 percent. Similarly, Transport Equipment and Consumer Goods both posted increases of 6.4 percent and 3.3 percent respectively.

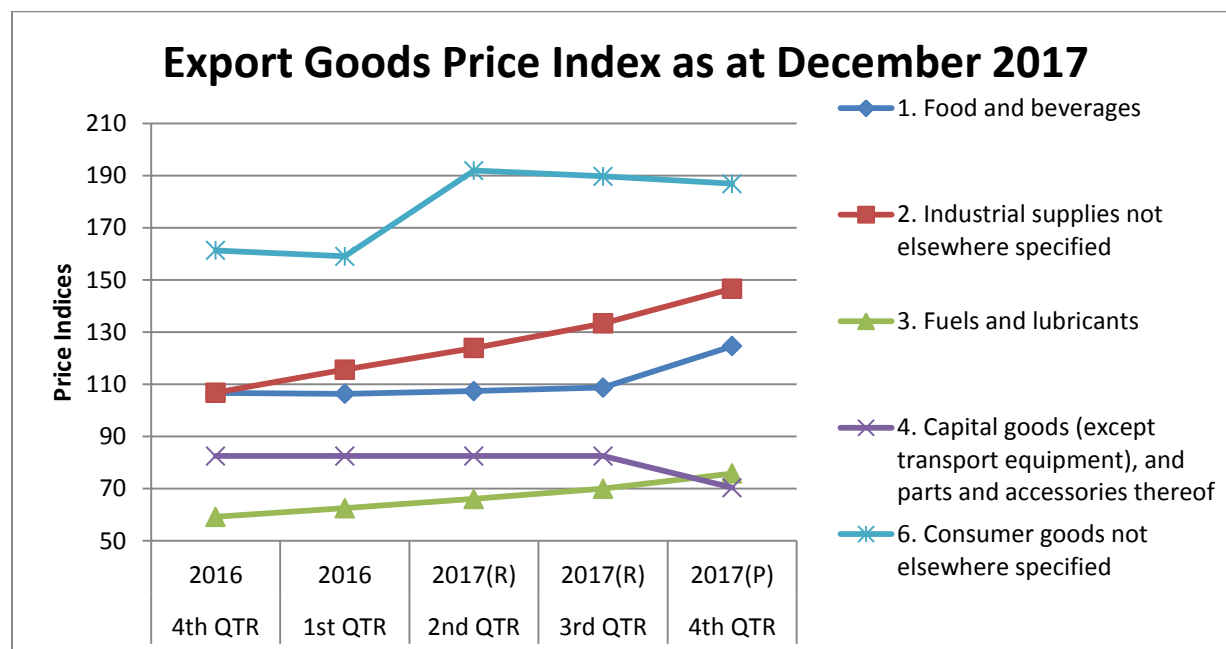


Export Price Index for Goods

During the fourth quarter of 2017, Fuels and Lubricants prices increased by 8.3 percent while Consumer Goods declined by 1.5 percent. Capital Goods declined by 14.7 percent while Food and Beverages increased by 14.6 percent. Similarly, Industrial Supplies posted an increase of 10.0 percent.

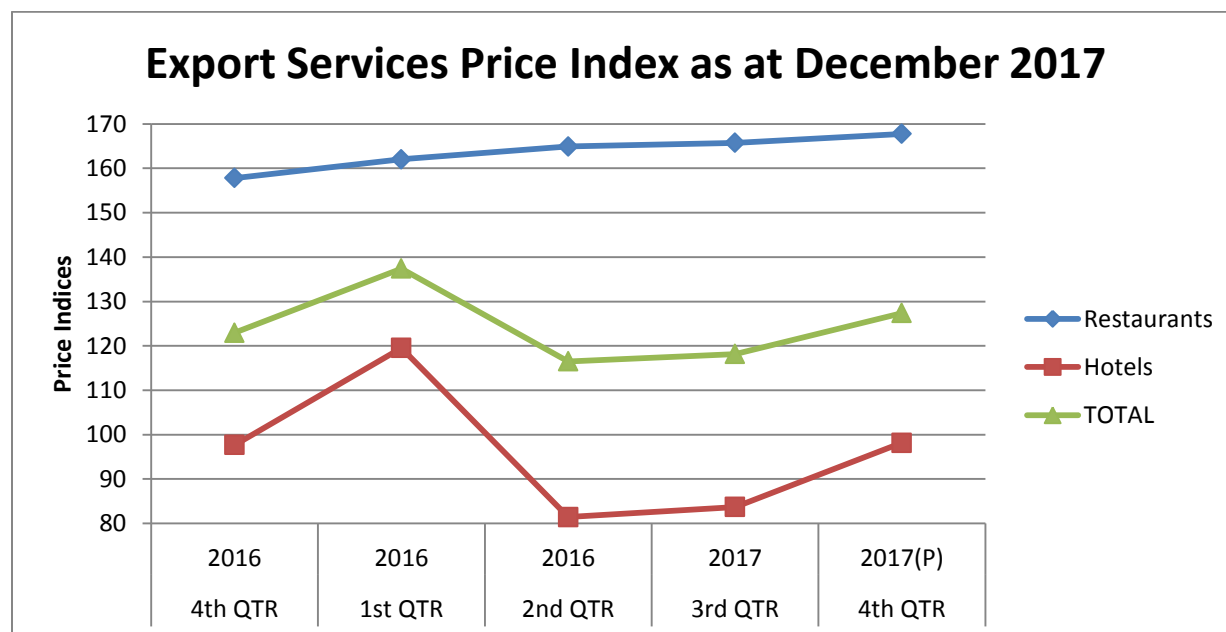
However, for the 12 month period ending December 2017, Fuels and Lubricants and Consumer Goods increased by 28.0 percent and 15.9 percent respectively. Capital Goods declined by 14.7

percent while Food and Beverages increased by 16.8 percent. Similarly, Industrial Supplies posted an increase of 37.4 percent.



Export Price Index for Services

Export travel services increased by 7.8 percent for the quarter as hotel and restaurant prices increased by 17.2 percent and 1.2 percent respectively. However, during the 12 month period ending December 2017, hotel prices increased by 0.5 percent reflecting the usual seasonal pattern for this time of year.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	4th QTR 2016	1st QTR 2016	2nd QTR 2017(R)	3rd QTR 2017(R)	4th QTR 2017(P)	2016	4th QTR % Change	12 Month % Change
1. Food and beverages	106.69	106.37	107.40	108.73	124.62	105.34	14.6	16.8
2. Industrial supplies not elsewhere specified	106.77	115.61	123.90	133.33	146.67	111.68	10.0	37.4
3. Fuels and lubricants	59.22	62.53	66.09	70.02	75.82	58.91	8.3	28.0
4. Capital goods (except transport equipment), and parts and accessories thereof	82.50	82.50	82.50	82.50	70.40	82.50	-14.7	-14.7
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	161.28	159.01	191.87	189.70	186.87	163.29	-1.5	15.9
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	95.94	98.09	106.53	109.44	116.84	96.52	6.8	21.8

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	4th QTR 2016	1st QTR 2016	2nd QTR 2016	3rd QTR 2017	4th QTR 2017(P)	2016	4th QTR % Change	12 Month % Change
Restaurants	157.81	162.04	164.91	165.75	167.75	158.49	1.2	6.3
Hotels	97.69	119.55	81.42	83.71	98.14	94.11	17.2	0.5
TOTAL	122.94	137.39	116.49	118.17	127.38	121.15	7.8	3.6

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	4th QTR 2016	1st QTR 2016	2nd QTR 2017(R)	3rd QTR 2017(R)	4th QTR 2017(P)	2016	4th QTR % Change	12 Month % Change
1. Food and beverages	145.21	146.62	149.30	135.29	155.05	145.04	14.6	6.8
2. Industrial supplies not elsewhere specified	119.68	129.46	133.76	123.93	139.56	114.41	12.6	16.6
3. Fuels and lubricants	78.91	83.30	90.61	99.38	111.14	70.12	11.8	40.8
4. Capital goods (except transport equipment), and parts and accessories thereof	138.00	142.62	147.27	140.36	153.02	131.99	9.0	10.9
5. Transport equipment and parts and accessories thereof.	136.84	139.70	141.58	157.23	145.63	134.73	-7.4	6.4
6. Consumer goods not elsewhere specified	137.77	134.74	130.14	124.44	142.38	133.87	14.4	3.3
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	110.53	113.56	117.16	118.34	130.58	104.85	10.3	18.1

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.