

EXPORT-IMPORT PRICE INDEX

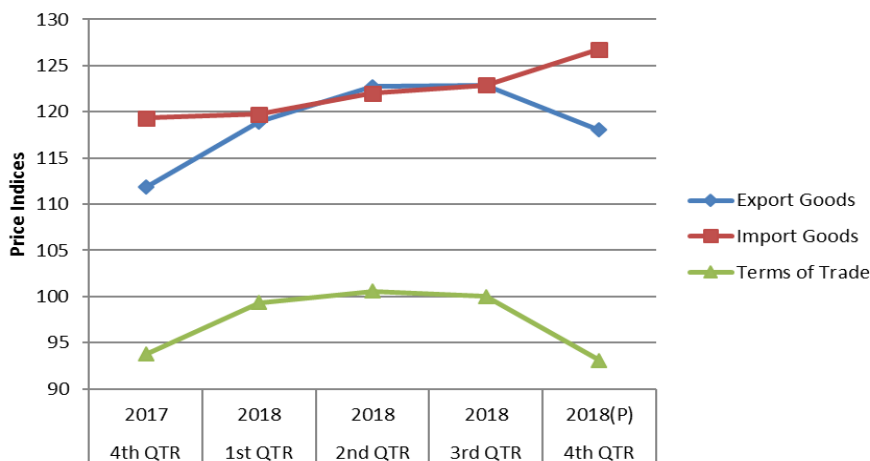
OCTOBER-DECEMBER 2018

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 fourth quarter of 2018.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 3.2 percent for the period October to December 2018 and by 6.3 percent for the 12 month period ending December 2018.
- ❖ Export commodity prices declined by 3.9 percent for the period October to December 2018 but increased by 5.5 percent for the 12 month period ending December 2018.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, decreased by 6.9 percent in the quarter and by 0.7 percent for the 12 months since December 2017.

Terms of Trade as at December 2018



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TERMS OF TRADE TABLE

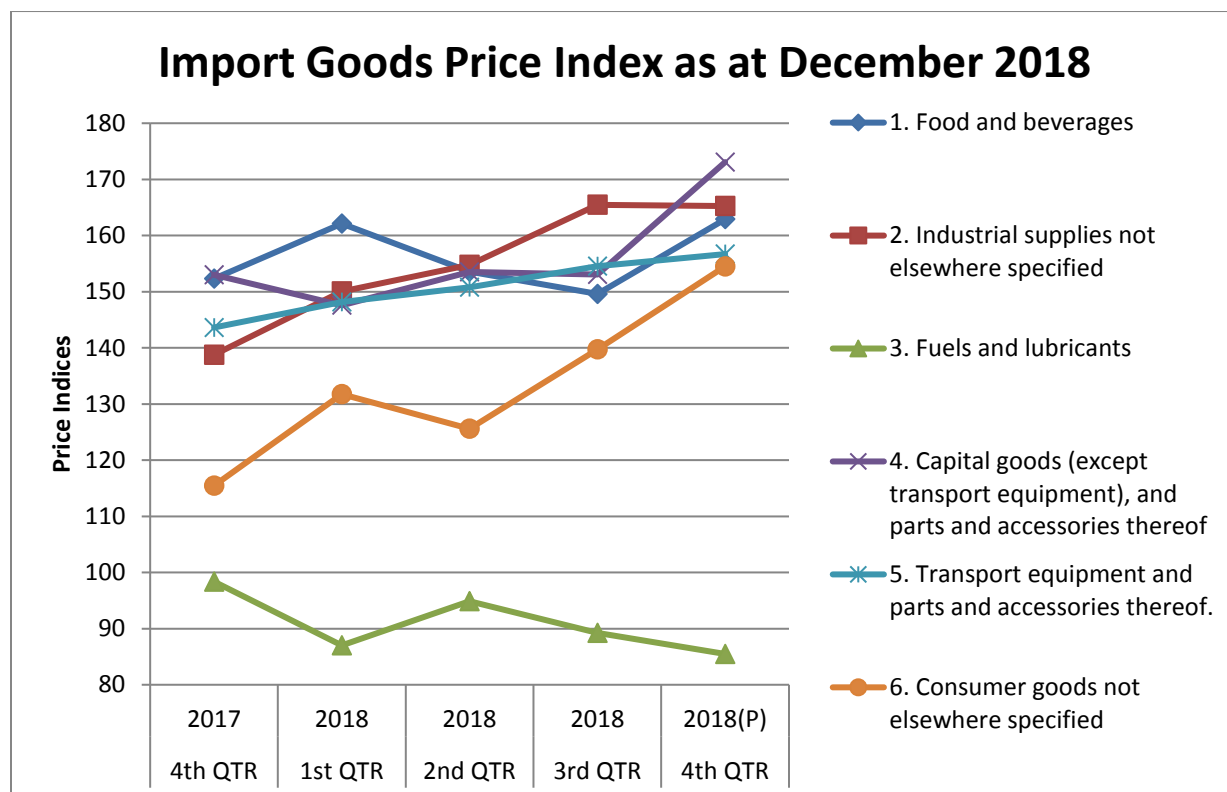
	4th QTR	1st QTR	2nd QTR	3rd QTR	4th QTR		4th QTR %	12 Month %
4th QTR 2007=100	2017	2018	2018	2018	2018(P)	2017	Change	Change
Export Goods	111.83	118.92	122.71	122.86	118.02	103.75	-3.9	5.5
Import Goods	119.30	119.74	122.00	122.87	126.78	113.62	3.2	6.3
Terms of Trade	93.74	99.32	100.59	99.99	93.09	91.32	-6.9	-0.7

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the fourth quarter of 2018, Fuels and Lubricants prices declined by 4.2 percent while Capital Goods prices increased by 13.1 percent. Food and Beverages increased by 8.9 percent while Consumer Goods declined by 0.1 percent. In contrast, Industrial Supplies and Transport Equipment posted increases of 10.6 percent and 1.4 percent respectively.

However, for the 12 month period ending December 2018, Fuels and Lubricants declined by 13.1 percent while Capital Goods increased by 13.1 percent. Industrial Supplies increased by 19.1 percent while Food and Beverages prices also increased by 7.0 percent. Similarly, Transport Equipment and Consumer Goods both posted increases of 9.1 percent and 33.8 percent respectively.

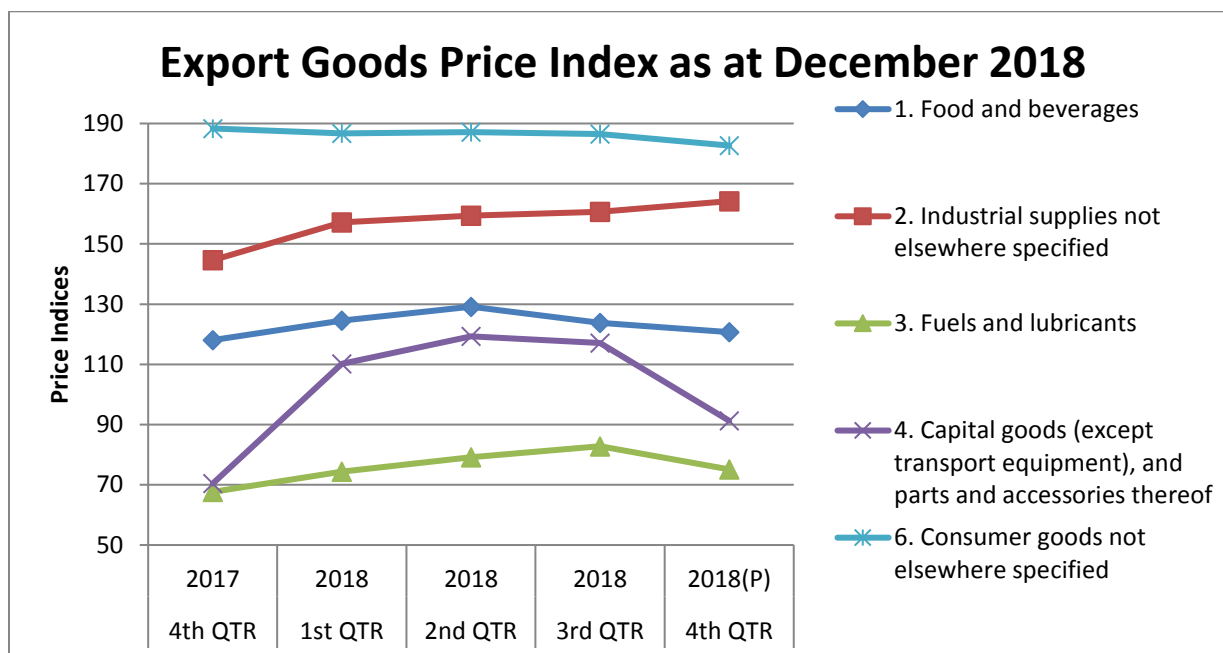


Export Price Index for Goods

During the fourth quarter of 2018, Fuels and Lubricants prices decreased by 9.3 percent while Consumer Goods also declined by 2.1 percent. Capital Goods and Food and Beverages prices both recorded declines of 22.0 percent and 2.2 percent respectively. In contrast, Industrial Supplies recorded an increase of 2.2 percent.

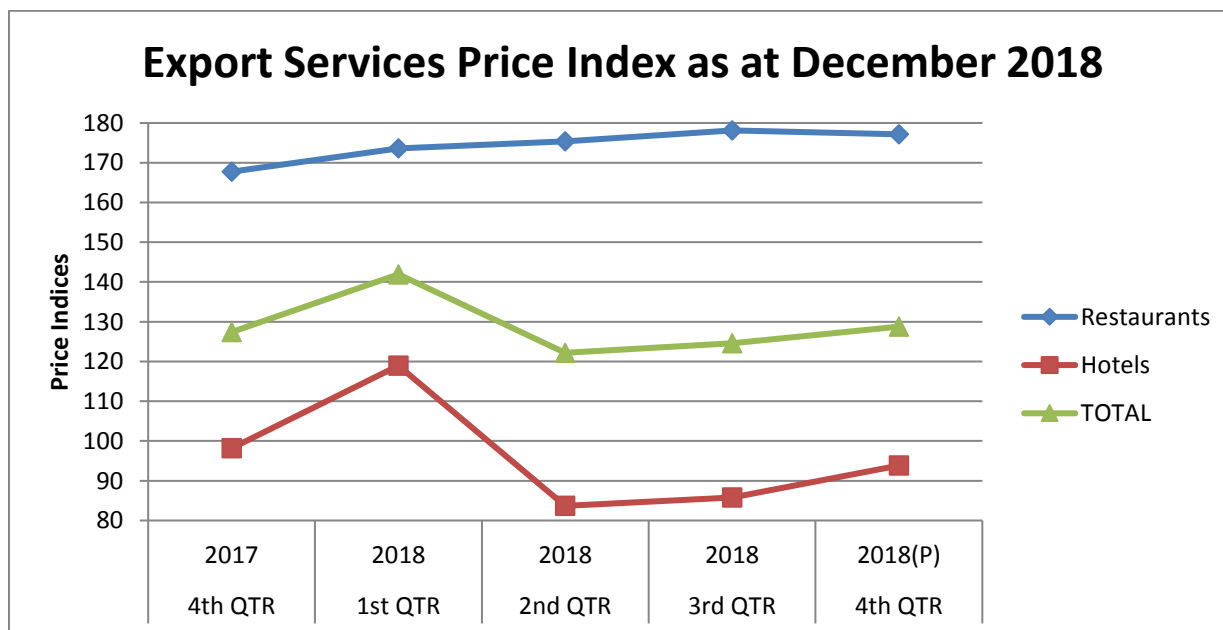
However, for the 12 month period ending December 2018, Fuels and Lubricants prices increased by 11.1 percent while Consumer Goods declined by 3.0 percent. Capital Goods increased by 29.7

percent while Food and Beverages prices also increased by 2.2 percent. Similarly, Industrial Supplies recorded an increase of 13.6 percent.



Export Price Index for Services

Export travel services increased by 3.4 percent for the quarter as hotel prices increased by 9.3 percent while restaurant prices declined by 0.6 percent. However, during the 12 month period ending December 2018, hotel prices declined by 4.4 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 2017	1st QTR 2018	2nd QTR 2018	3rd QTR 2018	4th QTR 2018(P)	2017	4th QTR % Change	12 Month % Change
1. Food and beverages	118.06	124.50	129.15	123.80	120.70	109.57	-2.5	2.2
2. Industrial supplies not elsewhere specified	144.61	157.11	159.38	160.67	164.21	129.36	2.2	13.6
3. Fuels and lubricants	67.64	74.36	79.14	82.81	75.11	60.26	-9.3	11.1
4. Capital goods (except transport equipment), and parts and accessories thereof	70.40	110.24	119.30	117.13	91.31	79.48	-22.0	29.7
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	188.35	186.66	187.12	186.50	182.67	182.13	-2.1	-3.0
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	111.83	118.92	122.71	122.86	118.02	103.75	-3.9	5.5

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	4th QTR 2017	1st QTR 2018	2nd QTR 2018	3rd QTR 2018	4th QTR 2018(P)	2017	4th QTR % Change	12 Month % Change
Restaurants	167.75	173.64	175.36	178.13	177.13	165.11	-0.6	5.6
Hotels	98.14	118.95	83.68	85.80	93.81	96.42	9.3	-4.4
TOTAL	127.38	141.92	122.18	124.58	128.81	125.27	3.4	1.1

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	4th QTR 2017	1st QTR 2018	2nd QTR 2018	3rd QTR 2018	4th QTR 2018(P)	2017	4th QTR % Change	12 Month % Change
1. Food and beverages	152.30	162.12	153.59	149.61	162.90	145.89	8.9	7.0
2. Industrial supplies not elsewhere specified	138.77	150.04	154.78	165.46	165.26	131.48	-0.1	19.1
3. Fuels and lubricants	98.37	87.04	94.90	89.26	85.49	85.67	-4.2	-13.1
4. Capital goods (except transport equipment), and parts and accessories thereof	153.02	147.58	153.54	153.05	173.08	145.82	13.1	13.1
5. Transport equipment and parts and accessories thereof.	143.63	148.14	150.76	154.53	156.70	143.21	1.4	9.1
6. Consumer goods not elsewhere specified	115.47	131.74	125.60	139.75	154.51	126.14	10.6	33.8
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	119.30	119.74	122.00	122.87	126.78	113.62	3.2	6.3

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.