

EXPORT-IMPORT PRICE INDEX

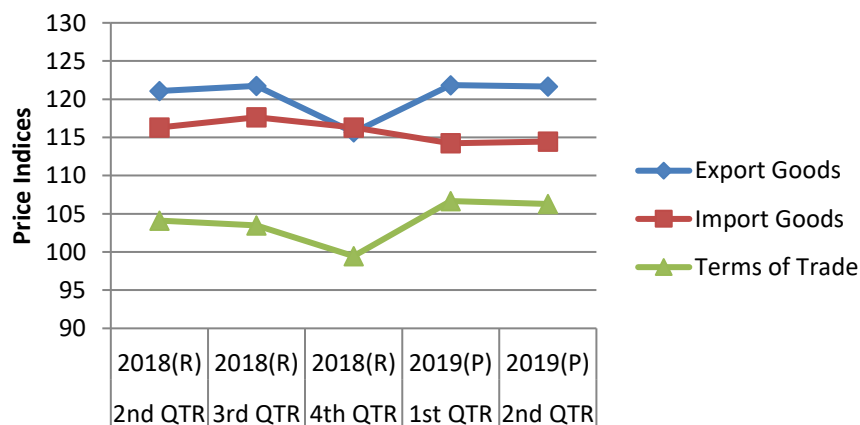
APRIL-JUNE 2019

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 second quarter of 2019.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 0.2 percent for the period April to June 2019 but displayed a decrease by 1.6 percent for the 12-month period ending June 2019.
- ❖ Export Commodity prices decreased by 0.2 percent for the quarter and recorded a 0.5 percent increase for the 12-month period ending June 2019.
- ❖ The terms of trade as measured by the ratio of export prices to import prices, decreased by 0.4 percent in the quarter. However, for the 12-months since June 2018, there was an increase of 2.1 percent.

Terms of Trade as at June 2019



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TERMS OF TRADE TABLE

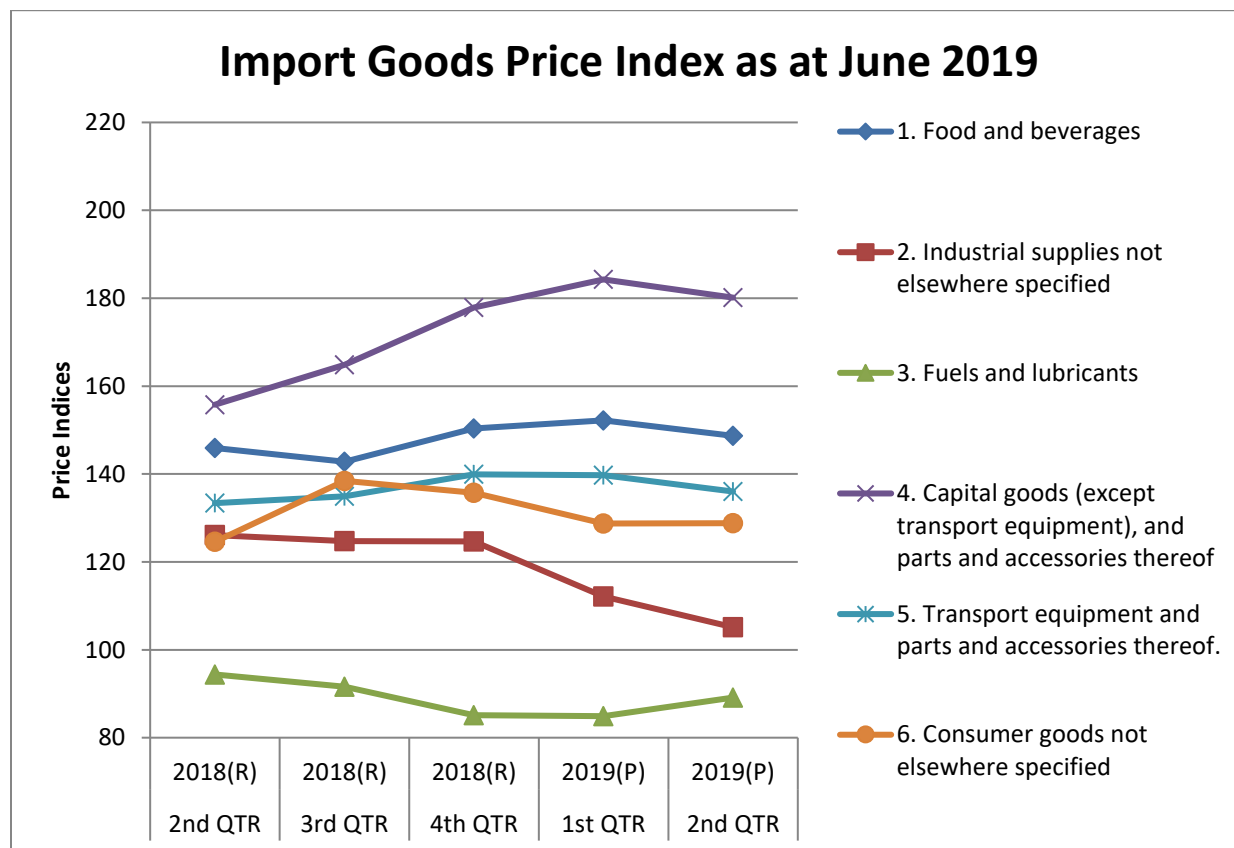
4th QTR 2007=100	2nd QTR 2018(R)	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	2018	2nd QTR % Change	12 Month % Change
Export Goods	121.07	121.75	115.66	121.85	121.65	119.11	-0.2	0.5
Import Goods	116.30	117.64	116.29	114.23	114.46	116.60	0.2	-1.6
Terms of Trade	104.10	103.50	99.45	106.66	106.28	102.15	-0.4	2.1

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the second quarter of 2019, Transport Equipment, Food and Beverages and Industrial Supplies all highlighted a decline in prices of 2.6, 2.3 and 6.2 percent respectively. Similarly, Capital Goods prices also decreased by 2.3 percent. However, Fuels and Lubricants showed an increase of 5.0 percent. This upward price movement was also recorded in Consumer Goods, as there was an increase of 0.1 percent.

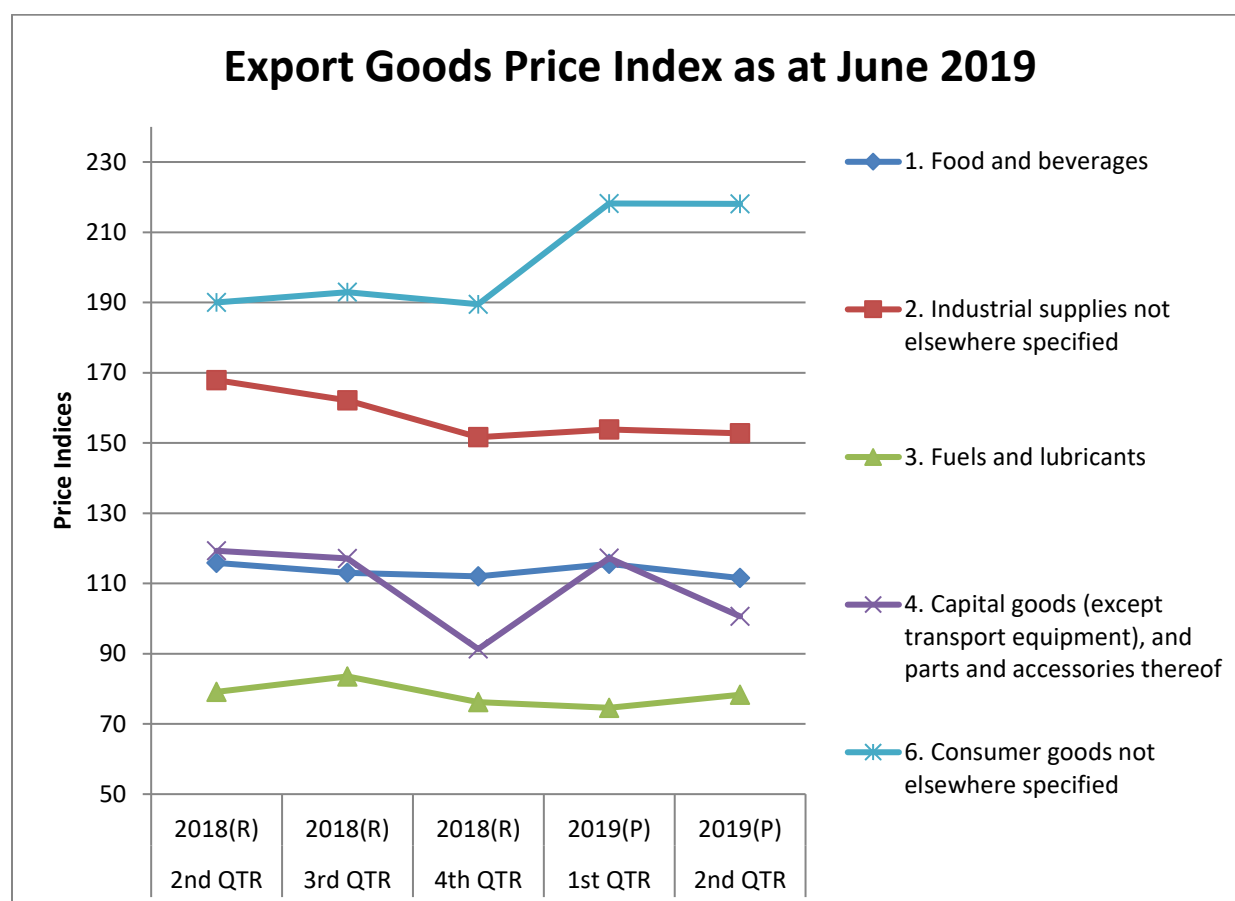
However, for the 12-month period ending June 2019, Industrial Supplies and Fuels and Lubricants recorded price decreases of 16.6 and 5.6 percent respectively. Food and Beverages along with Capital Goods and Transport Equipment all posted price increases of 1.9, 15.6 and 2.0 percent respectively. Similarly, for the period, Consumer Goods prices also increased by 3.4 percent.



Export Price Index for Goods

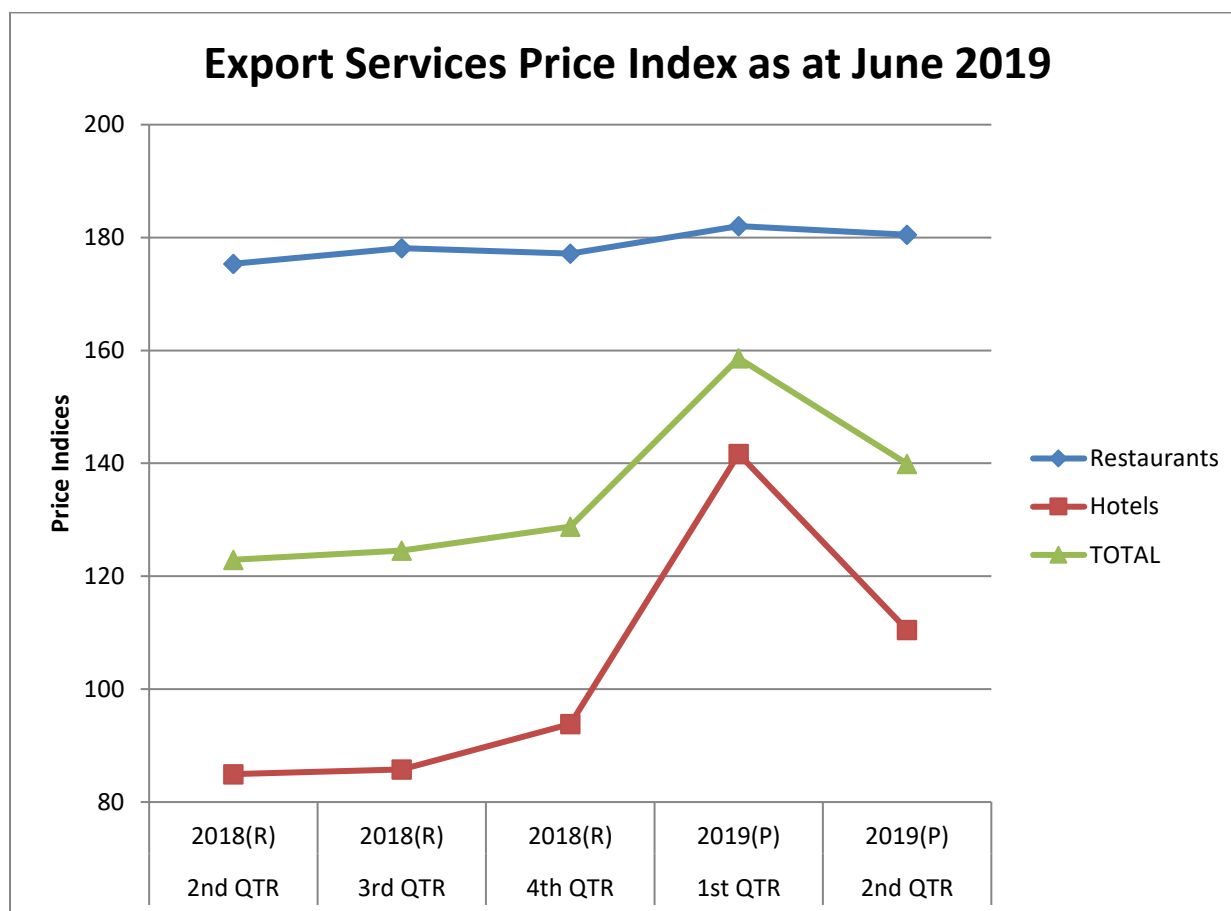
During the second quarter of 2019, Fuels and Lubricants prices grew by 5.0 percent. On the other hand, decreases were recorded in other industries such as Food and Beverages and Industrial Supplies which dropped by 3.5 percent and 0.7 percent respectively. Likewise, Capital Goods recorded a downward movement by 14.2 percent as well as Consumer Goods by 0.1 percent.

For the 12 month period ending June 2019, Consumer Goods posted an increase in prices by 14.8 percent. However, both Food and Beverages and Industrial Supplies recorded a decline in prices by 3.7 percent and 9.0 percent respectively. Additionally, Fuels and Lubricants had a decrease in prices by 1.1 percent. Similarly, Capital Goods also posted a decrease in prices by 15.7 percent for the year.



Export Price Index for Services

Export Travel Services decreased by 11.8 percent for the quarter as restaurant prices decreased by 0.8 percent as well as hotel prices which declined by 22.0 percent. However, during the 12-month period ending June 2019, both hotel and restaurants showed an increase in prices by 30.1 percent and 2.9 percent respectively.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	2nd QTR 2018(R)	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	2018	2nd QTR % Change	12 Month % Change
1. Food and Beverages	115.85	113.05	112.06	115.53	111.52	113.77	-3.5	-3.7
2. Industrial Supplies not Elsewhere Specified	167.88	162.15	151.63	153.88	152.75	161.89	-0.7	-9.0
3. Fuels and Lubricants	79.14	83.53	76.23	74.59	78.31	78.32	5.0	-1.1
4. Capital Goods (Except Transport Equipment), and Parts and Accessories Thereof	119.30	117.13	91.31	117.20	100.59	109.49	-14.2	-15.7
5. Transport Equipment and Parts and Accessories Thereof.	--	--	--	--	--	--	--	--
6. Consumer Goods not Elsewhere Specified	190.01	192.90	189.50	218.19	218.07	190.33	-0.1	14.8
7. Goods not Elsewhere Specified	--	--	--	--	--	--	--	--
TOTAL	121.07	121.75	115.66	121.85	121.65	119.11	-0.2	0.5

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	2nd QTR 2018(R)	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	2018	2nd QTR % Change	12 Month % Change
Restaurants	175.36	178.13	177.13	182.03	180.50	176.07	-0.8	2.9
Hotels	84.95	85.80	93.81	141.66	110.50	94.17	-22.0	30.1
TOTAL	122.92	124.58	128.81	158.62	139.90	128.57	-11.8	13.8

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	2nd QTR 2018(R)	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	2018	2nd QTR % Change	12 Month % Change
1. Food and Beverages	145.94	142.79	150.39	152.20	148.70	147.48	-2.3	1.9
2. Industrial Supplies not Elsewhere Specified	126.09	124.76	124.67	112.12	105.13	125.88	-6.2	-16.6
3. Fuels and Lubricants	94.38	91.62	85.09	84.90	89.10	89.64	5.0	-5.6
4. Capital goods (Except Transport Equipment), and Parts and Accessories Thereof	155.77	164.87	177.87	184.27	180.11	162.14	-2.3	15.6
5. Transport Equipment and Parts and Accessories Thereof.	133.37	134.95	139.91	139.72	136.02	138.93	-2.6	2.0
6. Consumer Goods not Elsewhere Specified	124.57	138.44	135.75	128.70	128.80	132.38	0.1	3.4
7. Goods not Elsewhere Specified	--	--	--	--	--	--	--	--
TOTAL	116.30	117.64	116.29	114.23	114.46	116.60	0.2	-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.