

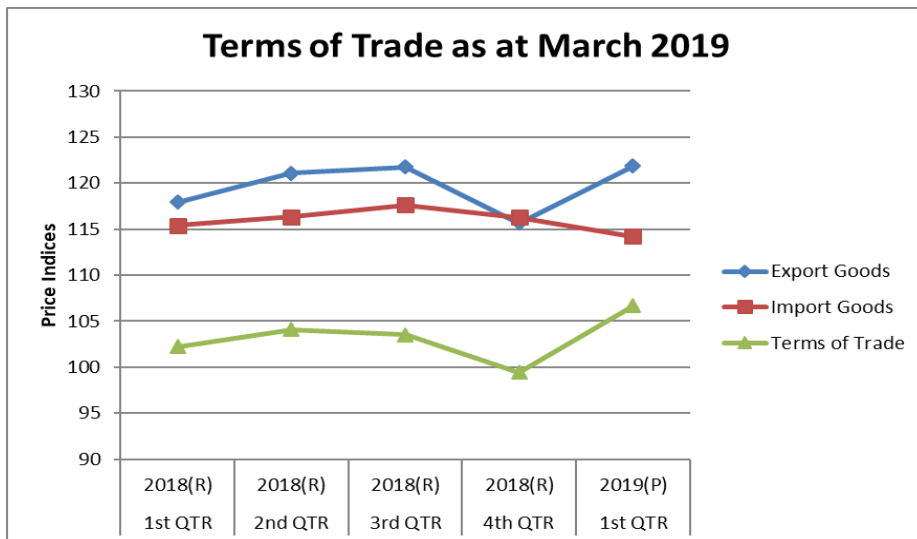
## EXPORT-IMPORT PRICE INDEX

### JANUARY-MARCH 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 first quarter of 2019.

#### PERFORMANCE OF INDEX

- ❖ Import commodity prices declined by 1.8 percent for the period January to March 2019 and by 1.0 percent for the 12 month period ending March 2019.
- ❖ Export commodity prices increased by 5.4 percent for the quarter and by 3.3 percent for the 12 month period ending March 2019.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 7.3 percent in the quarter and by 4.3 percent for the 12 months since March 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

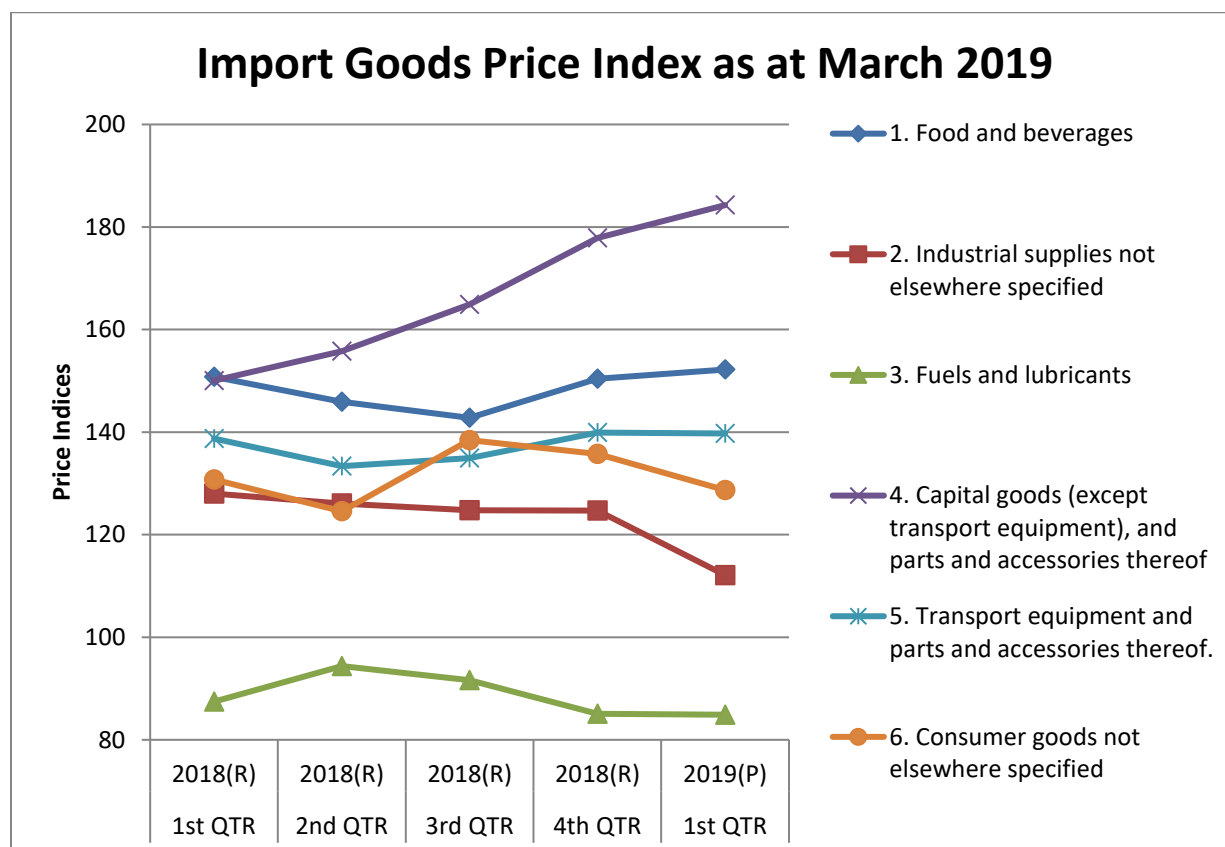
4th QTR 2007=100	1st QTR 2018(R)	2nd QTR 2018(R)	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2018	1st QTR % Change	12 Month % Change
<b>Export Goods</b>	117.95	121.07	121.75	115.66	121.85	119.11	5.4	3.3
<b>Import Goods</b>	115.38	116.30	117.64	116.29	114.23	116.40	-1.8	-1.0
<b>Terms of Trade</b>	102.23	104.10	103.50	99.45	106.66	102.32	7.4	4.5

## **ANALYSIS OF EXPORT-IMPORT PRICE INDICES**

### **Import Price Index for Goods**

During the first quarter of 2019, Fuels and Lubricants decreased by 0.2 percent while Capital Goods prices increased by 3.6 percent. Consumer Goods decreased by 5.2 percent while Food and Beverages increased by 1.2 percent. Similarly, Transport Equipment posted an increase of 0.1 percent while Industrial Supplies prices declined by 10.1 percent.

However, for the 12 month period ending March 2019, Fuels and Lubricants decreased by 2.9 percent while Capital Goods increased by 22.8 percent. Food and Beverages increased by 0.9 percent while Industrial Supplies prices declined by 12.4 percent. Similarly, Consumer Goods & Transport Equipment prices recorded declines of 1.6 percent and 0.7 percent respectively.

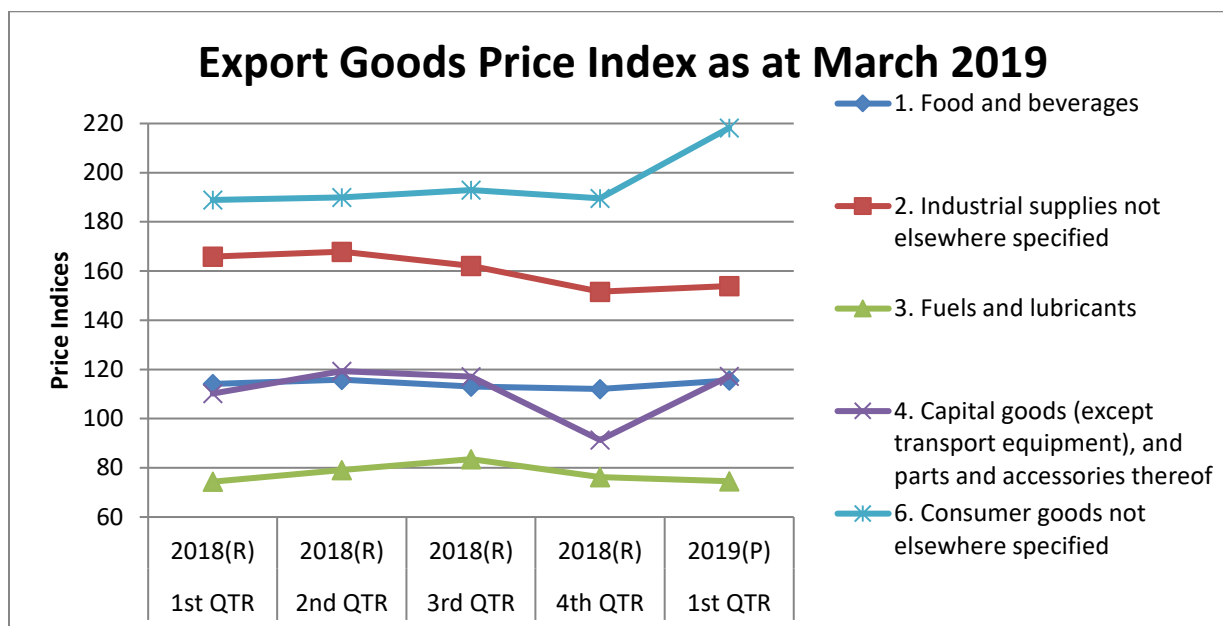


### **Export Price Index for Goods**

During the first quarter of 2019, Fuels and Lubricants prices declined by 2.2 percent while Consumer Goods increased by 15.1 percent. Industrial Supplies increased by 1.5 percent while Food and Beverages also increased by 3.1 percent. Capital Goods increased by 28.4 percent.

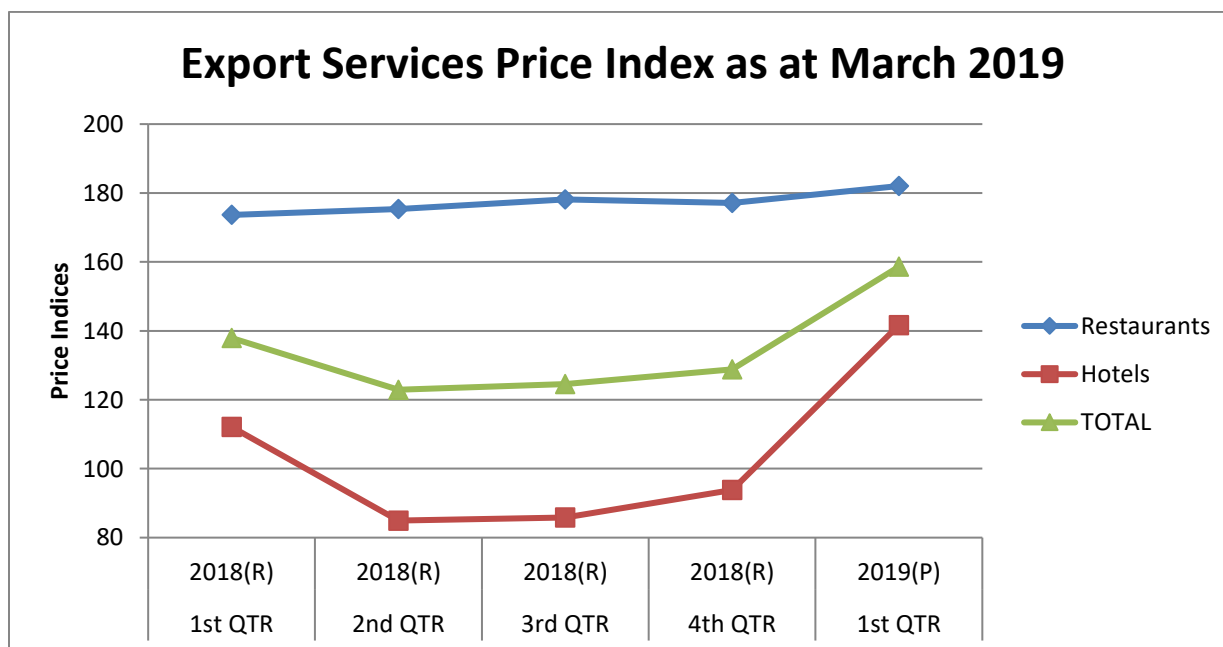
However, for the 12 month period ending March 2019, Fuels and Lubricants prices increased by 0.3 percent while Consumer Goods also increased by 15.5 percent. Industrial Supplies decreased

by 7.2 percent while Food and Beverages also increased by 1.2 percent. Capital Goods increased by 6.3 percent.



### Export Price Index for Services

Export travel services increased by 23.1 percent for the quarter as restaurant and hotel prices increased by 2.8 percent and 51.0 percent respectively. However, during the 12 month period ending March 2019, hotel prices increased by 26.4 percent reflecting the usual seasonal pattern for this time of year.



## APPENDIX

### EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	1st QTR 2018(R)	2nd QTR 2018(R)	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2018	1st QTR % Change	12 Month % Change
1. Food and beverages	114.12	115.85	113.05	112.06	115.53	113.77	3.1	1.2
2. Industrial supplies not elsewhere specified	165.90	167.88	162.15	151.63	153.88	161.89	1.5	-7.2
3. Fuels and lubricants	74.36	79.14	83.53	76.23	74.59	78.32	-2.2	0.3
4. Capital goods (except transport equipment), and parts and accessories thereof	110.24	119.30	117.13	91.31	117.20	109.49	28.4	6.3
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	188.91	190.01	192.90	189.50	218.19	190.33	15.1	15.5
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
<b>TOTAL</b>	<b>117.95</b>	<b>121.07</b>	<b>121.75</b>	<b>115.66</b>	<b>121.85</b>	<b>119.11</b>	<b>5.4</b>	<b>3.3</b>

### EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	1st QTR 2018(R)	2nd QTR 2018(R)	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2018	1st QTR % Change	12 Month % Change
Restaurants	173.64	175.36	178.13	177.13	182.03	176.07	2.8	4.8
Hotels	112.12	84.95	85.80	93.81	141.66	94.17	51.0	26.4
<b>TOTAL</b>	<b>137.96</b>	<b>122.92</b>	<b>124.58</b>	<b>128.81</b>	<b>158.62</b>	<b>128.57</b>	<b>23.1</b>	<b>15.0</b>

### **IMPORT GOODS PRICE INDEX**

<b>B.E.C. Imports 4th QTR 2007=100</b>	<b>1st QTR 2018(R)</b>	<b>2nd QTR 2018(R)</b>	<b>3rd QTR 2018(R)</b>	<b>4th QTR 2018(R)</b>	<b>1st QTR 2019(P)</b>	<b>2018</b>	<b>1st QTR % Change</b>	<b>12 Month % Change</b>
<b>1. Food and beverages</b>	150.78	145.94	142.79	150.39	152.20	147.48	1.2	0.9
<b>2. Industrial supplies not elsewhere specified</b>	128.01	126.09	124.76	124.67	112.12	125.88	-10.1	-12.4
<b>3. Fuels and lubricants</b>	87.47	94.38	91.62	85.09	84.90	89.64	-0.2	-2.9
<b>4. Capital goods (except transport equipment), and parts and accessories thereof</b>	150.05	155.77	164.87	177.87	184.27	162.14	3.6	22.8
<b>5. Transport equipment and parts and accessories thereof.</b>	138.73	133.37	134.95	139.91	139.72	136.74	-0.1	0.7
<b>6. Consumer goods not elsewhere specified</b>	130.77	124.57	138.44	135.75	128.70	132.38	-5.2	-1.6
<b>7. Goods not elsewhere specified</b>	--	--	--	--	--	--	--	--
<b>TOTAL</b>	<b>115.38</b>	<b>116.30</b>	<b>117.64</b>	<b>116.29</b>	<b>114.23</b>	<b>116.40</b>	<b>-1.8</b>	<b>-1.0</b>

*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.*