

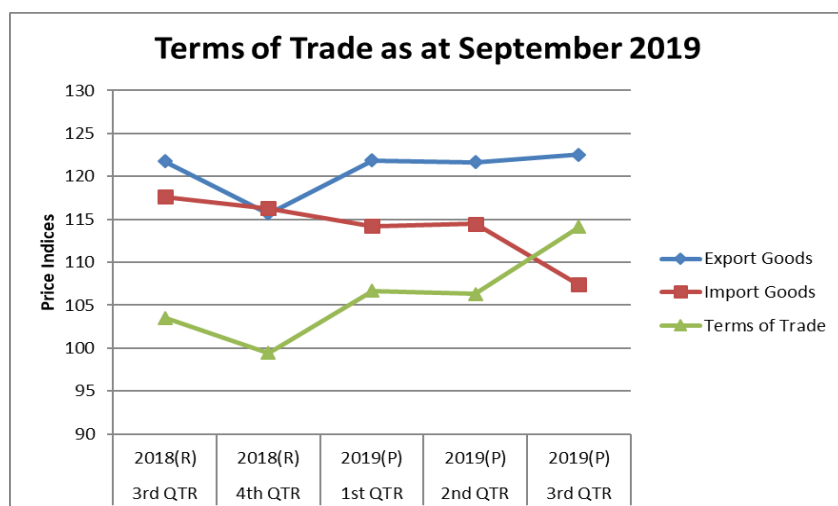
EXPORT-IMPORT PRICE INDEX

JULY-SEPTEMBER 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 third quarter of 2019.

PERFORMANCE OF INDEX

- ❖ Import commodity prices decreased by 6.2 percent for the period July to September 2019 and by 8.7 percent for the 12 month period ending September 2019.
- ❖ Export commodity prices increased by 0.7 percent for the period July to September 2019 and by 0.6 percent for the 12 month period ending September 2019.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 7.4 percent in the quarter but increased by 10.2 percent for the 12 months since September 2018.



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TERMS OF TRADE TABLE

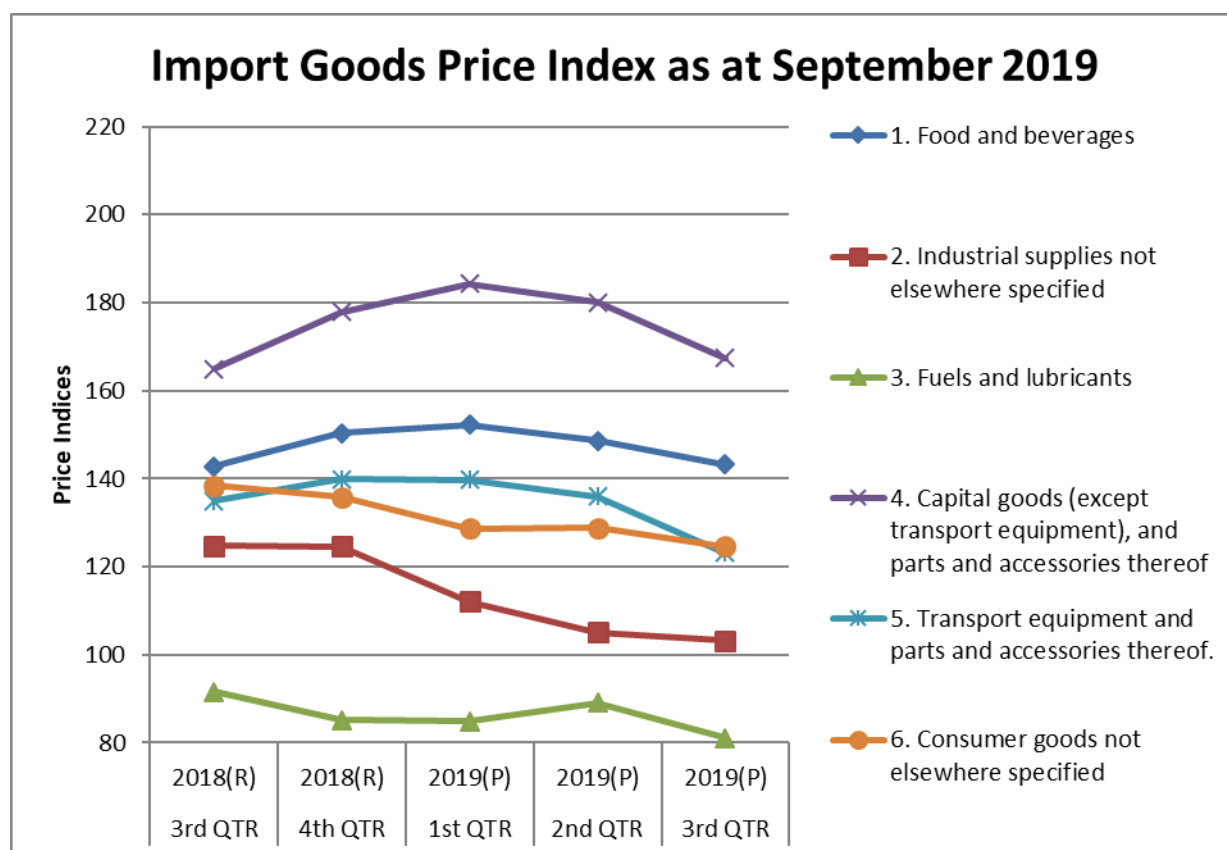
	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR		3rd QTR %	12 Month %
4th QTR 2007=100	2018(R)	2018(R)	2019(P)	2019(P)	2019(P)	2018	Change	Change
Export Goods	121.75	115.66	121.85	121.65	122.52	119.11	0.7	0.6
Import Goods	117.64	116.29	114.23	114.46	107.39	116.40	-6.2	-8.7
Terms of Trade	103.50	99.45	106.66	106.28	114.10	102.32	7.4	10.2

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the third quarter of 2019, Fuels and Lubricants and Capital Goods prices both decreased by 9.0 percent and 7.1 percent respectively. Consumer Goods decreased by 3.3 percent while Food and Beverages prices recorded a decline of 3.7 percent. Industrial Supplies and Transport Equipment also posted decreases of 1.8 percent and 9.5 percent respectively.

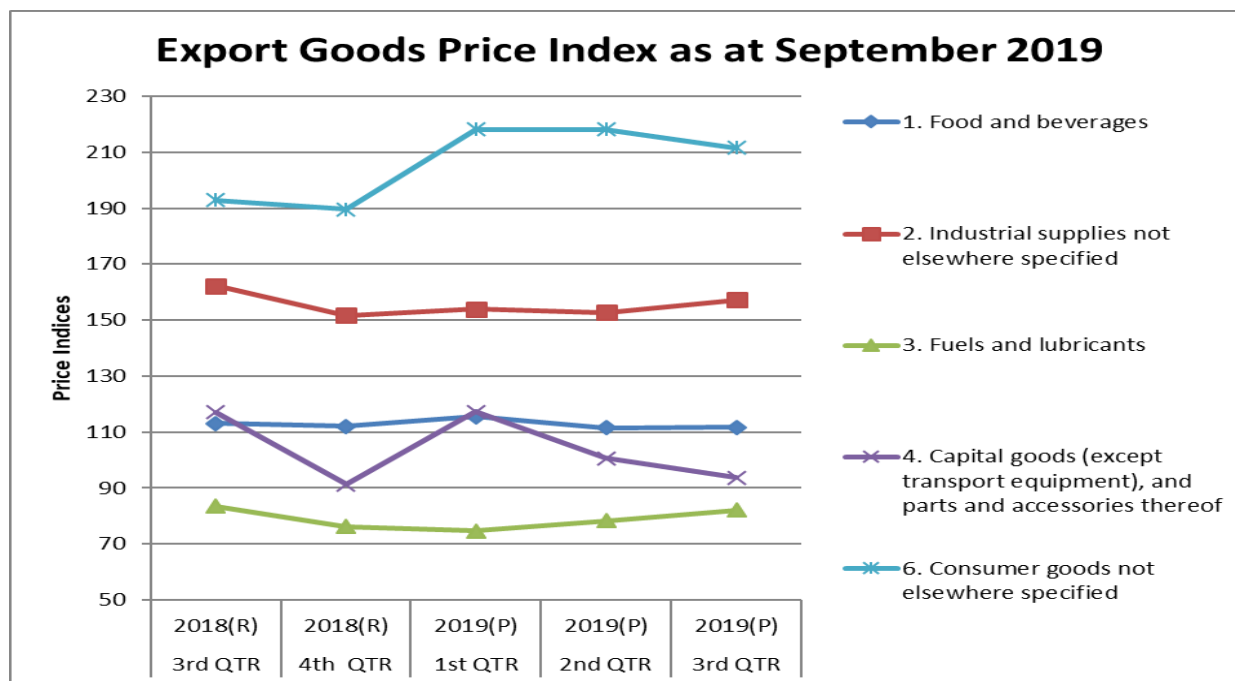
However, for the 12 month period ending September 2019, Fuels and Lubricants as well as Transport Equipment recorded decreases of 11.5 percent and 8.8 percent respectively. Similarly, Consumer Goods experienced a decrease of 10.0 percent while Food and Beverages recorded an increase of 0.3 percent. Capital Goods prices experienced an increase of 1.5 percent while Industrial Supplies experienced a decrease of 17.3 percent.



Export Price Index for Goods

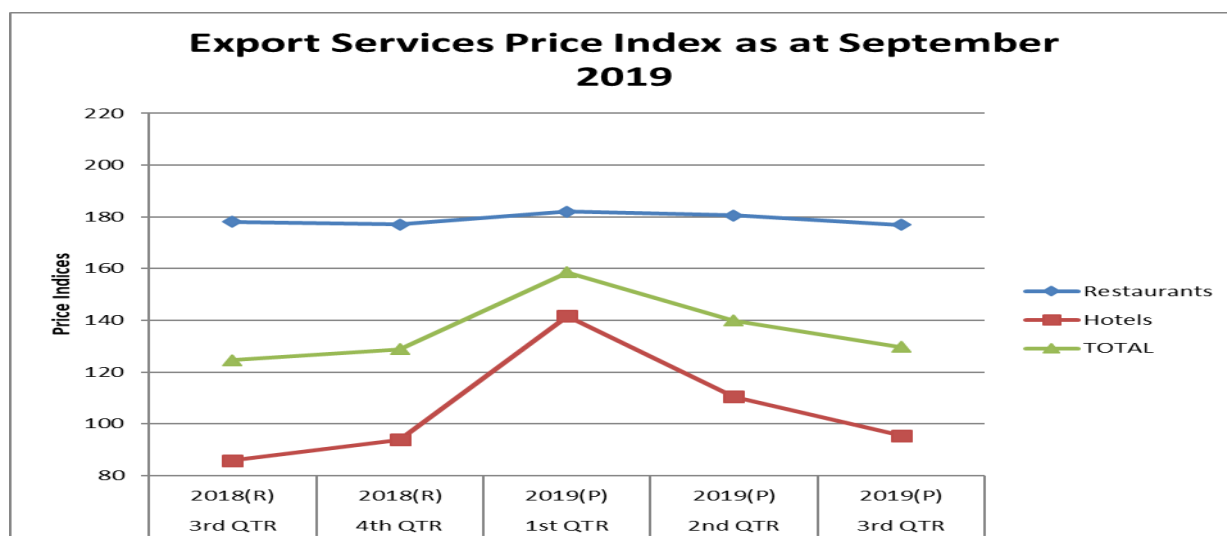
During the third quarter of 2019, Fuels and Lubricants prices increased by 4.7 percent while Consumer Goods declined by 3.0 percent. Industrial Supplies and Food and Beverages prices experienced increases of 2.9 percent and 0.2 percent respectively, while there was a decline recorded for Capital Goods of 6.9 percent.

However, for the 12 month period ending September 2019, Fuels and Lubricants prices decreased by 1.8 percent while Consumer Goods increased by 9.7 percent. In contrast, Industrial Supplies, Capital Goods and Food and Beverages prices recorded decreases of 3.1 percent, 20.0 percent and 1.2 percent respectively.



Export Price Index for Services

Export travel services decreased by 7.3 percent for the quarter as well as restaurant and hotel prices by 2.0 percent and 13.5 percent respectively. However, during the 12 month period ending September 2019, hotel prices increased by 11.3 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 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	3rd QTR 2019(P)	2018	3rd QTR % Change	12 Month % Change
1. Food and beverages	113.05	112.06	115.53	111.52	111.73	113.77	0.2	-1.2
2. Industrial supplies not elsewhere specified	162.15	151.63	153.88	152.75	157.13	161.89	2.9	-3.1
3. Fuels and lubricants	83.53	76.23	74.59	78.31	82.02	78.32	4.7	-1.8
4. Capital goods (except transport equipment), and parts and accessories thereof	117.13	91.31	117.20	100.59	93.66	109.49	-6.9	-20.0
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	192.90	189.50	218.19	218.07	211.63	190.33	-3.0	9.7
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	121.75	115.66	121.85	121.65	122.52	119.11	0.7	0.6

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	3rd QTR 2019(P)	2018	3rd QTR % Change	12 Month % Change
Restaurants	178.13	177.13	182.03	180.50	176.87	176.07	-2.0	-0.7
Hotels	85.80	93.81	141.66	110.50	95.52	94.17	-13.5	11.3
TOTAL	124.58	128.81	158.62	139.90	129.69	128.57	-7.3	4.1

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	3rd QTR 2018(R)	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	3rd QTR 2019(P)	2018	3rd QTR % Change	12 Month % Change
1. Food and beverages	142.79	150.39	152.20	148.70	143.20	147.48	-3.7	0.3
2. Industrial supplies not elsewhere specified	124.76	124.67	112.12	105.13	103.23	125.88	-1.8	-17.3
3. Fuels and lubricants	91.62	85.09	84.90	89.10	81.08	89.64	-9.0	-11.5
4. Capital goods (except transport equipment), and parts and accessories thereof	164.87	177.87	184.27	180.11	167.35	162.14	-7.1	1.5
5. Transport equipment and parts and accessories thereof.	134.95	139.91	139.72	136.02	123.10	136.74	-9.5	-8.8
6. Consumer goods not elsewhere specified	138.44	135.75	128.70	128.80	124.59	132.38	-3.3	-10.0
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	117.64	116.29	114.23	114.46	107.39	116.40	-6.2	-8.7

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.