

EXPORT-IMPORT PRICE INDEX

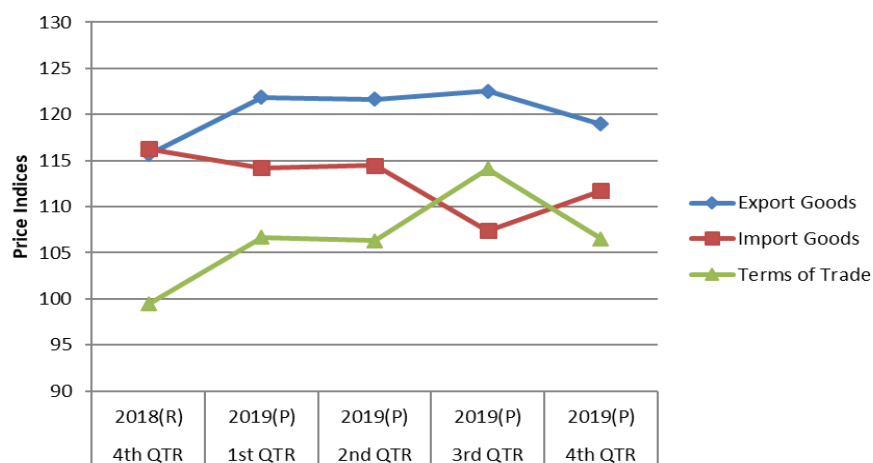
OCTOBER-DECEMBER 2019

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 fourth quarter of 2019.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 4.0 percent for the period October to December 2019 but declined by 3.9 percent for the 12 month period ending December 2019.
- ❖ Export commodity prices declined by 2.9 percent for the period October to December 2019 but increased by 2.9 percent for the 12 month period ending December 2019.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, decreased by 6.7 percent in the quarter but increased by 7.1 percent for the 12 months since December 2018.

Terms of Trade as at December 2019



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TERMS OF TRADE TABLE

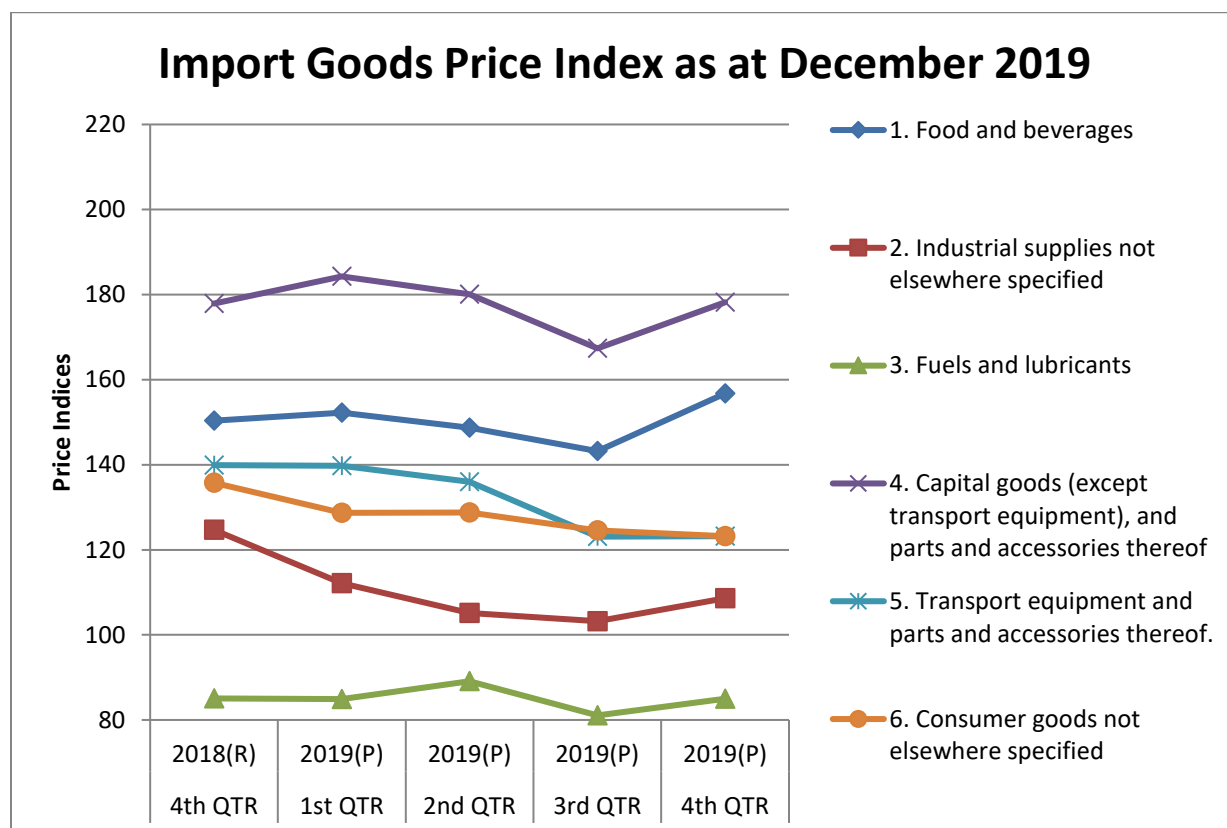
4th QTR 2007=100	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	3rd QTR 2019(P)	4th QTR 2019(P)	2018	4th QTR % Change	12 Month % Change
Export Goods	115.66	121.85	121.65	122.52	118.98	119.11	-2.9	2.9
Import Goods	116.29	114.23	114.46	107.39	111.73	116.40	4.0	-3.9
Terms of Trade	99.45	106.66	106.28	114.10	106.49	102.32	-6.7	7.1

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the fourth quarter of 2019, Fuels and Lubricants prices increased by 4.8 percent while Capital Goods prices also increased by 6.5 percent. Food and Beverages increased by 9.5 percent while Consumer Goods declined by 1.1 percent. In contrast, Industrial Supplies and Transport Equipment posted increases of 5.2 percent and 0.1 percent respectively.

However, for the 12 month period ending December 2019, Fuels and Lubricants declined by 0.1 percent while Transport Equipment also declined by 11.9 percent. Industrial Supplies declined by 12.9 percent while Consumer Goods prices also declined by 9.2 percent. In contrast, Capital Goods and Food and Beverages both posted increases of 0.2 percent and 4.2 percent respectively.

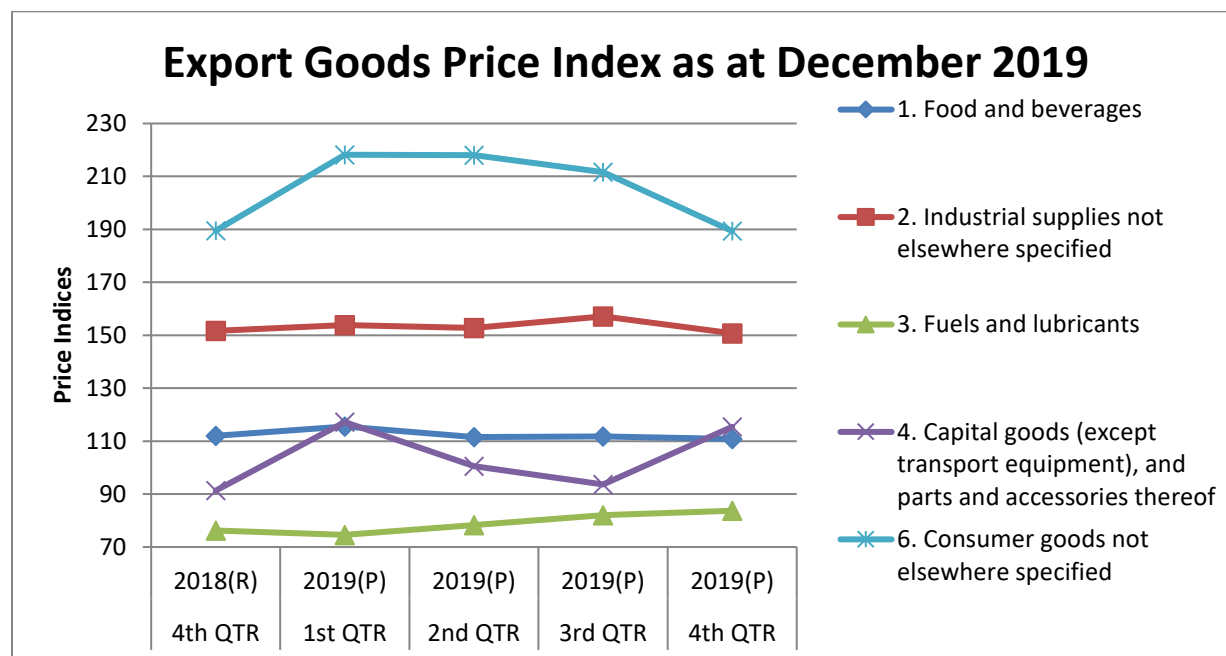


Export Price Index for Goods

During the fourth quarter of 2019, Fuels and Lubricants prices increased by 2.1 percent while Consumer Goods declined by 10.5 percent. Industrial Supplies and Food and Beverages prices both recorded declines of 4.1 percent and 0.8 percent respectively. In contrast, Capital Goods recorded an increase of 23.2 percent.

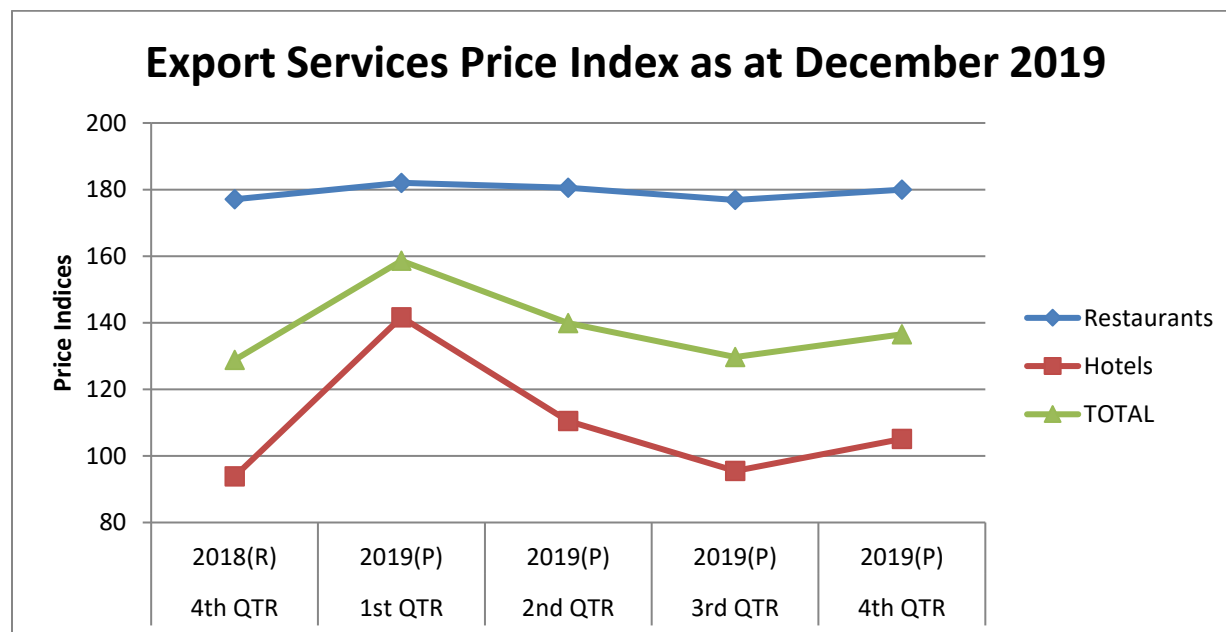
However, for the 12 month period ending December 2019, Fuels and Lubricants prices increased by 9.8 percent while Consumer Goods declined by 0.1 percent. Capital Goods increased by 26.4

percent while Food and Beverages prices decreased by 1.1 percent. Similarly, Industrial Supplies recorded a decline of 0.6 percent.



Export Price Index for Services

Export travel services increased by 5.3 percent for the quarter as restaurant and hotel prices increased by 1.7 percent and 10.1 percent respectively. However, during the 12 month period ending December 2019, hotel prices increased by 12.1 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 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	3rd QTR 2019(P)	4th QTR 2019(P)	2018	4th QTR % Change	12 Month % Change
1. Food and beverages	112.06	115.53	111.52	111.73	110.83	113.77	-0.8	-1.1
2. Industrial supplies not elsewhere specified	151.63	153.88	152.75	157.13	150.75	161.89	-4.1	-0.6
3. Fuels and lubricants	76.23	74.59	78.31	82.02	83.71	78.32	2.1	9.8
4. Capital goods (except transport equipment), and parts and accessories thereof	91.31	117.20	100.59	93.66	115.39	109.49	23.2	26.4
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	189.50	218.19	218.07	211.63	189.34	190.33	-10.5	-0.1
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	115.66	121.85	121.65	122.52	118.98	119.11	-2.9	2.9

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	3rd QTR 2019(P)	4th QTR 2019(P)	2018	4th QTR % Change	12 Month % Change
Restaurants	177.13	182.03	180.50	176.87	179.93	176.07	1.7	1.6
Hotels	93.81	141.66	110.50	95.52	105.13	94.17	10.1	12.1
TOTAL	128.81	158.62	139.90	129.69	136.54	128.57	5.3	6.0

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	4th QTR 2018(R)	1st QTR 2019(P)	2nd QTR 2019(P)	3rd QTR 2019(P)	4th QTR 2019(P)	2018	4th QTR % Change	12 Month % Change
1. Food and beverages	150.39	152.20	148.70	143.20	156.75	147.48	9.5	4.2
2. Industrial supplies not elsewhere specified	124.67	112.12	105.13	103.23	108.63	125.88	5.2	-12.9
3. Fuels and lubricants	85.09	84.90	89.10	81.08	84.98	89.64	4.8	-0.1
4. Capital goods (except transport equipment), and parts and accessories thereof	177.87	184.27	180.11	167.35	178.21	162.14	6.5	0.2
5. Transport equipment and parts and accessories thereof.	139.91	139.72	136.02	123.10	123.22	136.74	0.1	-11.9
6. Consumer goods not elsewhere specified	135.75	128.70	128.80	124.59	123.20	132.38	-1.1	-9.2
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	116.29	114.23	114.46	107.39	111.73	116.40	4.0	-3.9

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.