

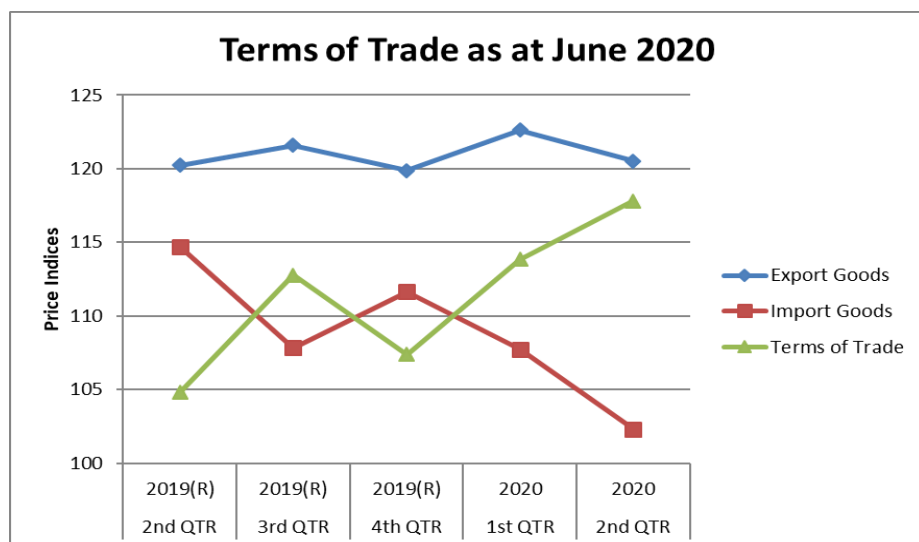
## EXPORT-IMPORT PRICE INDEX

### APRIL-JUNE 2020

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 2020.

### PERFORMANCE OF INDEX

- ❖ Import commodity prices decreased by 5.0 percent for the period April to June 2020 and by 10.6 percent for the 12 month period ending June 2020.
- ❖ Export commodity prices decreased by 1.7 percent for the quarter but increased by 0.2 percent for the 12 month period ending June 2020.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 3.5 percent in the quarter and by 12.4 percent for the 12 months since June 2019.



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### TERMS OF TRADE TABLE

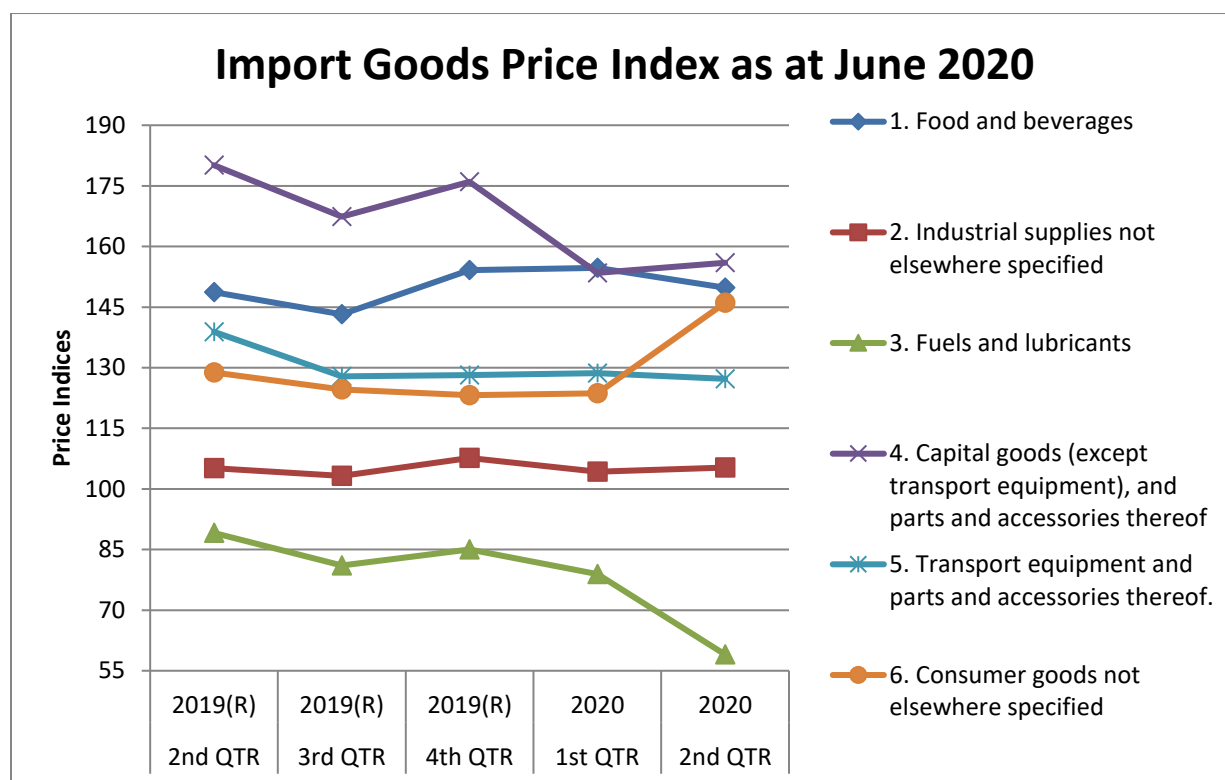
	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR		2nd QTR %	12 Month %
4th QTR 2007=100	2019(R)	2019(R)	2019(R)	2020	2020	2019	Change	Change
Export Goods	120.23	121.60	119.88	122.63	120.52	120.60	-1.7	0.2
Import Goods	114.72	107.82	111.63	107.72	102.31	112.12	-5.0	-10.8
Terms of Trade	104.80	112.78	107.39	113.84	117.80	107.56	3.5	12.4

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

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

During the second quarter of 2020, Fuels and Lubricants prices declined by 25.2 percent while Consumer Goods increased by 18.1 percent. Food and Beverages and Transport Equipment prices both declined by 3.2 percent and 1.1 percent respectively. In contrast, Capital Goods and Industrial Supplies both recorded increases of 1.7 percent and 0.9 percent respectively.

However, for the 12 month period ending June 2020, Fuels and Lubricants prices decreased by 33.8 percent while Capital Goods also decreased by 13.4 percent. Industrial Supplies and Food and Beverages prices both recorded increases of 0.1 percent and 0.7 percent respectively. In contrast, Transport Equipment prices recorded a decline of 8.4 percent while Consumer Goods increased by 13.4 percent.

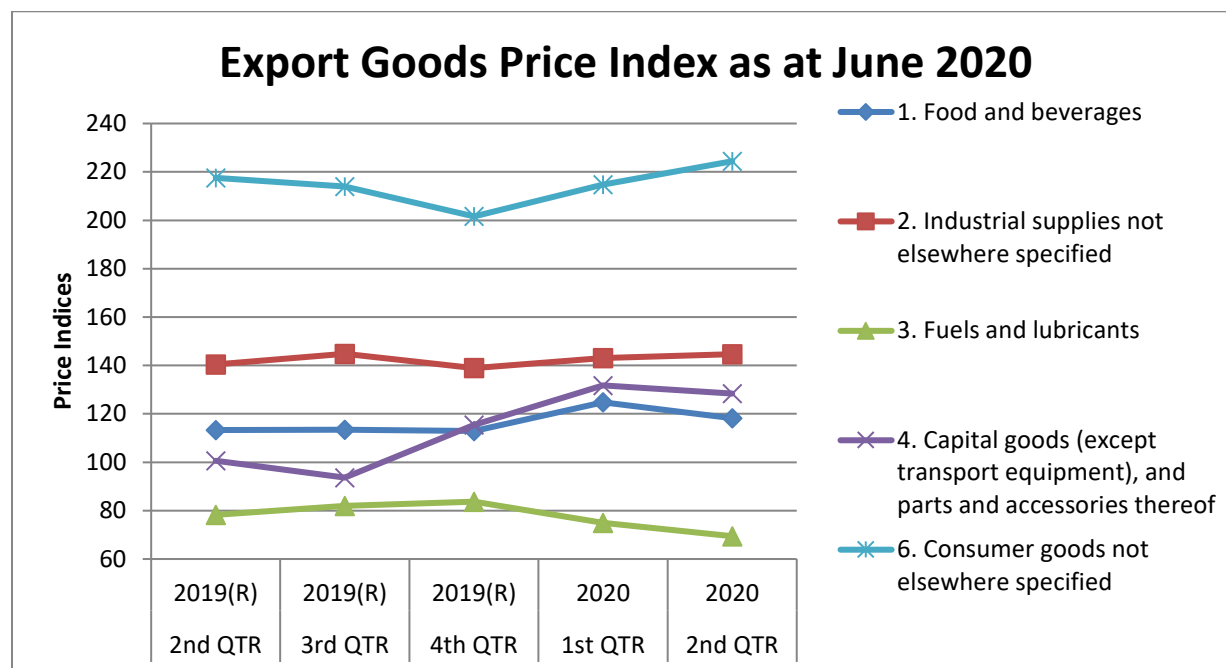


### **Export Price Index for Goods**

During the second quarter of 2020, Fuels and Lubricants prices declined by 7.4 percent while Consumer Goods prices increased by 4.5 percent. Industrial Supplies increased by 1.2 percent while Food and Beverages prices declined by 5.2 percent. Capital Goods prices declined by 2.6 percent.

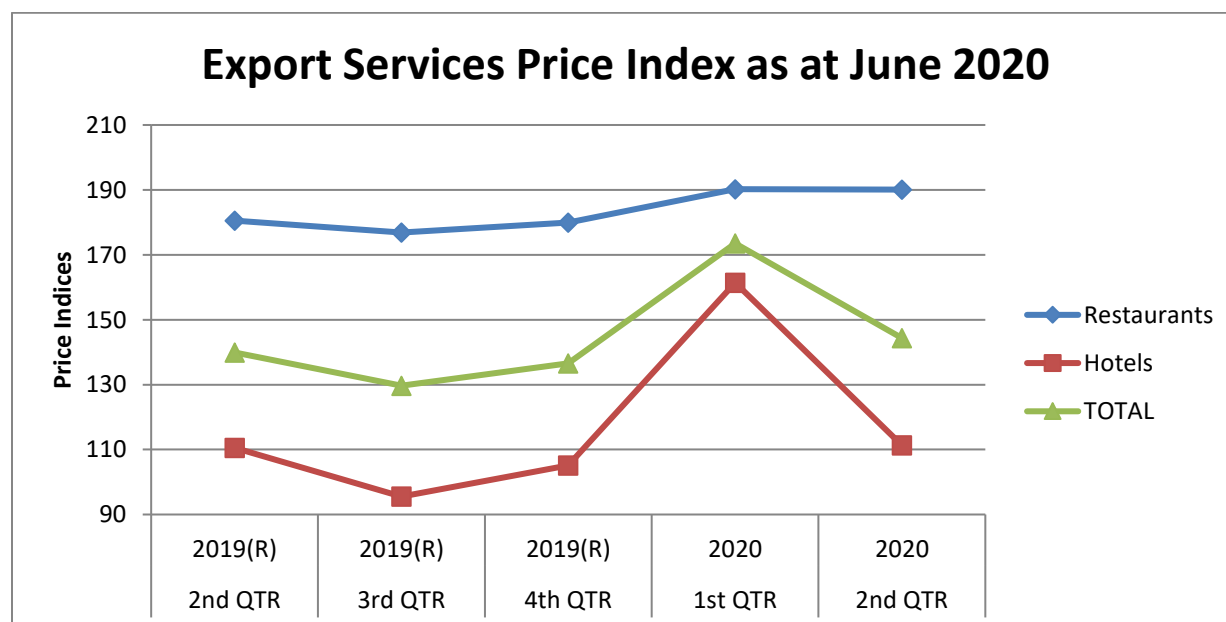
However, for the 12 month period ending June 2020, Fuels and Lubricants prices declined by 11.3 percent while Consumer Goods prices increased by 3.2 percent. Capital Goods prices increased by

27.6 percent. Similarly, Industrial Supplies and Foods and Beverages recorded increases of 3.1 percent and 4.4 percent respectively.



### Export Price Index for Services

Export travel services decreased by 16.8 percent for the quarter as restaurant and hotel prices declined by 0.1 percent and 31.0 percent. However, during the 12 month period ending June 2020, hotel prices increased by 0.8 percent while restaurant prices increased by 5.3 percent reflecting the start of the COVID pandemic's impact on the economy.



## APPENDIX

### EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	2nd QTR 2019(R)	3rd QTR 2019(R)	4th QTR 2019(R)	1st QTR 2020	2nd QTR 2020	2019	2nd QTR % Change	12 Month % Change
1. Food and beverages	113.27	113.48	112.91	124.76	118.23	114.42	-5.2	4.4
2. Industrial supplies not elsewhere specified	140.38	144.81	138.90	143.02	144.71	141.40	1.2	3.1
3. Fuels and lubricants	78.31	82.02	83.71	74.95	69.43	79.66	-7.4	-11.3
4. Capital goods (except transport equipment), and parts and accessories thereof	100.59	93.66	115.39	131.75	128.35	106.71	-2.6	27.6
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	217.53	213.98	201.60	214.72	224.41	212.83	4.5	3.2
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
<b>TOTAL</b>	<b>120.23</b>	<b>121.60</b>	<b>119.88</b>	<b>122.63</b>	<b>120.52</b>	<b>120.60</b>	<b>-1.7</b>	<b>0.2</b>

### EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	2nd QTR 2019(R)	3rd QTR 2019(R)	4th QTR 2019(R)	1st QTR 2020	2nd QTR 2020	2019	2nd QTR % Change	12 Month % Change
Restaurants	180.50	176.87	179.93	190.23	190.06	179.83	-0.1	5.3
Hotels	110.50	95.52	105.13	161.41	111.33	113.20	-31.0	0.8
<b>TOTAL</b>	<b>139.90</b>	<b>129.69</b>	<b>136.54</b>	<b>173.52</b>	<b>144.39</b>	<b>141.19</b>	<b>-16.8</b>	<b>3.2</b>

### IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	2nd QTR 2019(R)	3rd QTR 2019(R)	4th QTR 2019(R)	1st QTR 2020	2nd QTR 2020	2019	2nd QTR % Change	12 Month % Change
1. Food and beverages	148.70	143.20	154.12	154.71	149.76	149.56	-3.2	0.7
2. Industrial supplies not elsewhere specified	105.13	103.23	107.66	104.27	105.25	107.04	0.9	0.1
3. Fuels and lubricants	89.10	81.08	84.98	78.93	59.01	85.01	-25.2	-33.8
4. Capital goods (except transport equipment), and parts and accessories thereof	180.11	167.35	175.99	153.46	156.00	176.93	1.7	-13.4
5. Transport equipment and parts and accessories thereof.	138.86	127.82	128.14	128.65	127.24	133.85	-1.1	-8.4
6. Consumer goods not elsewhere specified	128.80	124.59	123.20	123.67	146.07	126.33	18.1	13.4
7. Goods not elsewhere specified	--	--	--	--	--		--	--
<b>TOTAL</b>	<b>114.72</b>	<b>107.82</b>	<b>111.63</b>	<b>107.72</b>	<b>102.31</b>	<b>112.12</b>	<b>-5.0</b>	<b>-10.8</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.*