

EXPORT-IMPORT PRICE INDEX

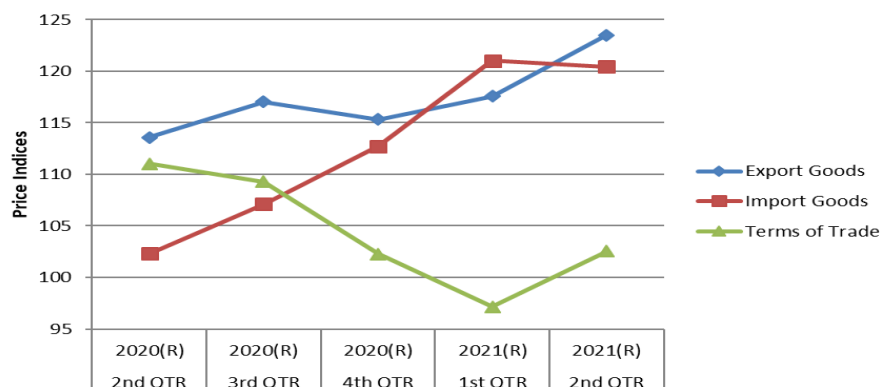
APRIL-JUNE 2021

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 2021.

PERFORMANCE OF INDEX

- ❖ Import commodity prices decreased by 0.5 percent for the period April to June 2021 but increased by 17.7 percent for the 12-month period ending June 2021.
- ❖ Export commodity prices increased by 5.0 percent for the quarter and by 8.7 percent for the 12-month period ending June 2021.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 5.6 percent in the quarter but decreased by 7.6 percent for the 12 months since June 2020.

Terms of Trade as at June 2021



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TERMS OF TRADE TABLE

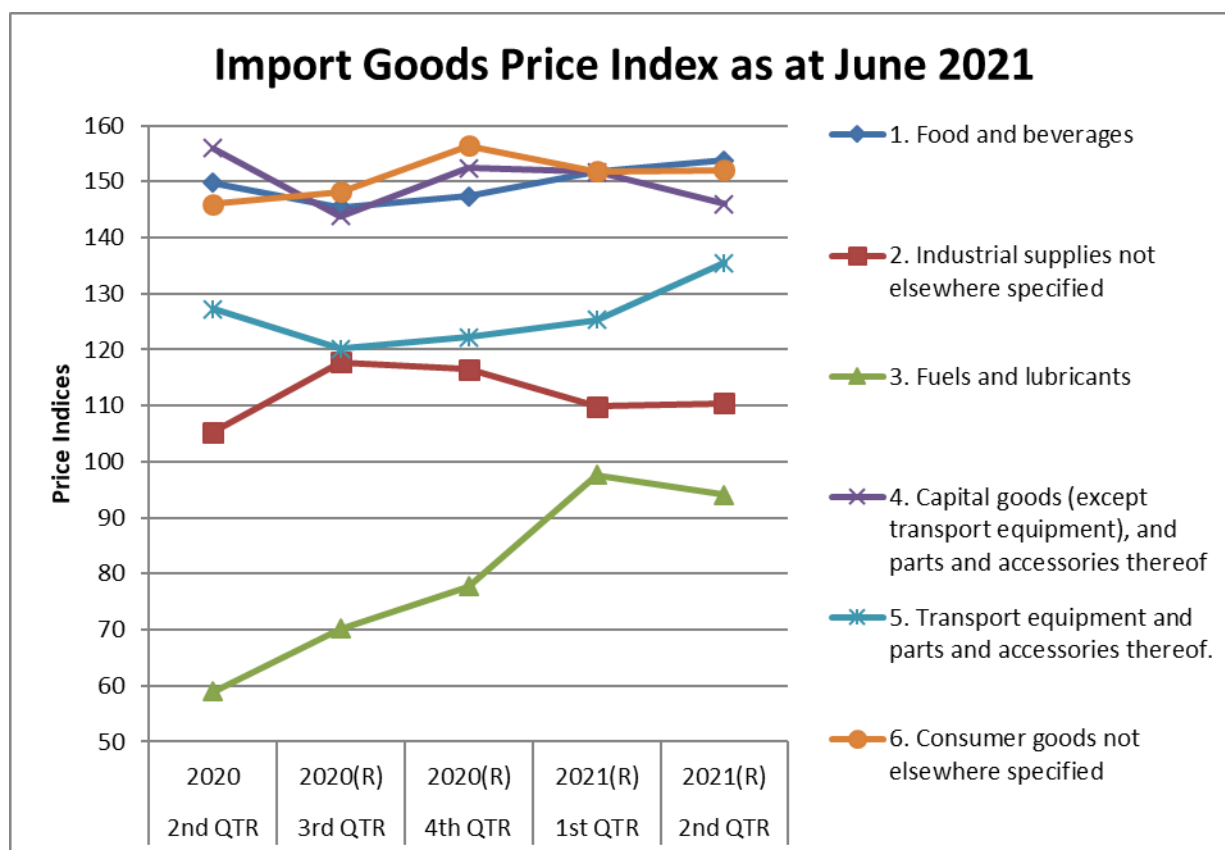
4th QTR 2007=100	2nd QTR 2020	3rd QTR 2020	4th QTR 2020	1st QTR 2021	2nd QTR 2021	2020	2nd QTR % Change	12 Month % Change
Export Goods	113.58	117.05	115.32	117.58	123.50	116.44	5.0	8.7
Import Goods	102.31	107.11	112.75	121.03	120.43	107.47	-0.5	17.7
Terms of Trade	111.02	109.27	102.29	97.15	102.55	108.34	5.6	-7.6

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the second quarter of 2021, Fuels and Lubricants prices declined by 3.7 percent while Consumer Goods and Industrial Supplies increased by 0.2 percent and 0.5 percent respectively. Food and Beverages, and Transport Equipment prices both increased by 1.3 percent and 8.1 percent respectively. In contrast, Capital Goods decreased by 3.8 percent.

However, for the 12-month period ending June 2021, Fuels and Lubricants prices increased by 59.3 percent while Capital Goods decreased by 6.4 percent. Industrial Supplies and Food and Beverages prices both recorded increases of 4.9 percent and 2.7 percent respectively. Transport Equipment and Consumer Goods prices also recorded increases of 6.5 and 4.1 percent respectively.



Export Price Index for Goods

During the second quarter of 2021, Food and Beverages along with Consumer Goods both reported increases of 7.4 and 0.5 percent respectively. Similarly, Fuels and Lubricants also posted increases of 13.5 percent. On the other hand, Industrial Supplies and Capital Goods reported declines in prices by 1.1 percent and 9.3 percent respectively.

However, for the 12 month period ending June 2021, Food and Beverages along with Fuels and Lubricants increased by 10.6 percent and 59.9 percent respectively. Industrial Supplies decreased by 6.5 percent. Capital Goods also declined by 15.7 percent. Similarly, we saw a decrease of 10.4 percent in Consumer Goods.



Export Price Index for Services

Export travel services increased by 0.4 percent for the quarter as restaurant prices declined by 0.4 percent while hotel prices increased by 1.5 percent. However, during the 12 month period ending June 2021, hotel prices increased by 1.9 percent while restaurant prices decreased by 1.0 percent reflecting the start of the COVID pandemic's impact on the economy.



APPENDIX

EXPORT GOODS PRICE INDEX

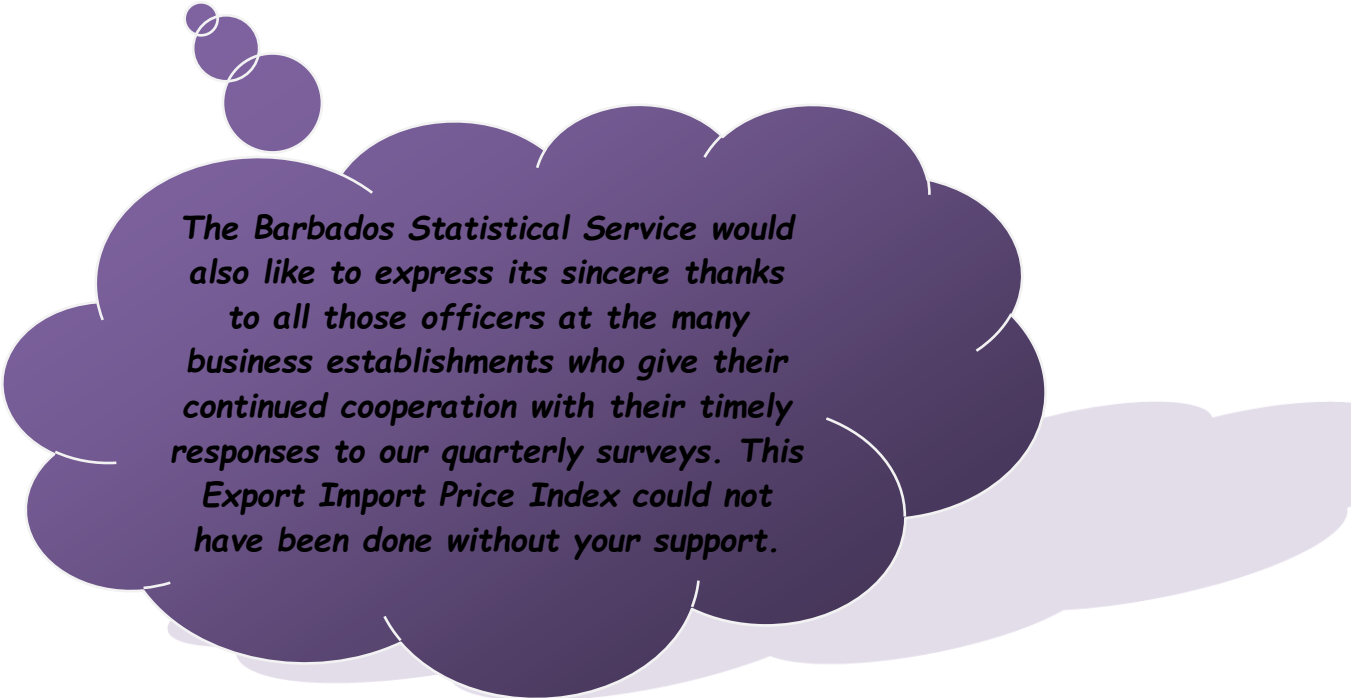
B.E.C. Exports 4th QTR 2007=100	2nd QTR 2020	3rd QTR 2020	4th QTR 2020	1st QTR 2021	2nd QTR 2021		2nd QTR % Change	12 Month % Change
1. Food and beverages	118.23	121.69	121.18	121.78	130.79	121.47	7.4	10.6
2. Industrial supplies not elsewhere specified	144.71	151.27	147.71	136.81	135.28	146.68	-1.1	-6.5
3. Fuels and lubricants	52.30	55.26	55.84	73.66	83.64	57.84	13.5	59.9
4. Capital goods (except transport equipment), and parts and accessories thereof	128.35	124.96	113.76	119.37	108.25	124.71	-9.3	-15.7
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	224.41	227.75	222.02	199.96	201.01	222.23	0.5	-10.4
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	113.58	117.05	115.32	117.58	123.50	116.44	5.0	8.7

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	2nd QTR 2020	3rd QTR 2020	4th QTR 2020	1st QTR 2021	2nd QTR 2021	2020	2nd QTR % Change	12 Month % Change
Restaurants	190.06	187.25	188.15	189.01	188.17	188.92	-0.4	-1.0
Hotels	111.33	112.58	112.58	111.74	113.43	124.48	1.5	1.9
TOTAL	144.39	143.94	144.32	144.20	144.82	151.54	0.4	0.3

IMPORT GOODS PRICE INDEX

B.E.C.	2nd QTR	3rd QTR	4th QTR	1st QTR	2nd QTR		2nd QTR %	12 Month %
Imports	2020	2020	2020	2021	2021	2020	Change	Change
4th QTR 2007=100								
1. Food and beverages	149.76	145.47	147.34	151.75	153.74	149.32	1.3	2.7
2. Industrial supplies not elsewhere specified	105.25	117.72	116.46	109.84	110.42	110.93	0.5	4.9
3. Fuels and lubricants	59.01	70.18	77.75	97.63	94.03	71.47	-3.7	59.3
4. Capital goods (except transport equipment), and parts and accessories thereof	156.00	143.80	152.41	151.77	145.98	151.42	-3.8	-6.4
5. Transport equipment and parts and accessories thereof.	127.24	120.13	122.20	125.34	135.50	124.55	8.1	6.5
6. Consumer goods not elsewhere specified	146.07	148.21	156.45	151.89	152.12	143.60	0.2	4.1
7. Goods not elsewhere specified	--	--	--	--	--		--	--
TOTAL	102.31	107.11	112.75	121.03	120.43	107.47	-0.5	17.7



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.