

EXPORT-IMPORT PRICE INDEX

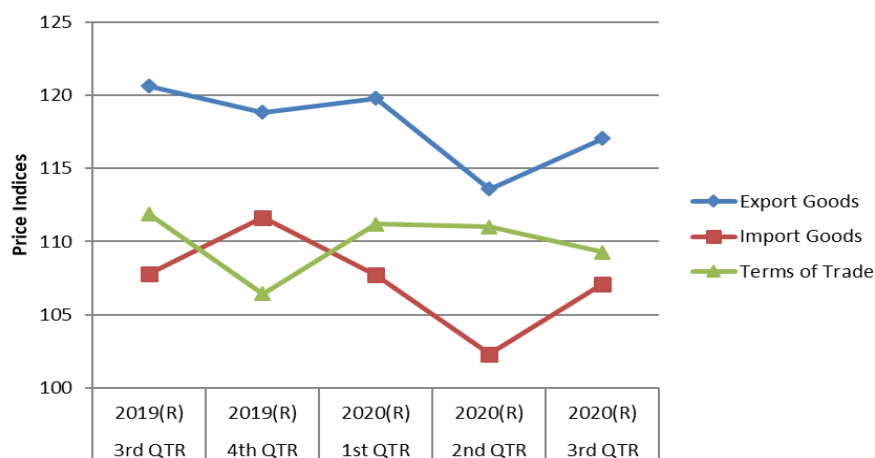
JULY-SEPTEMBER 2020 (REVISED)

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 2020.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 4.7 percent for the period July to September 2020 but declined by 0.7 percent for the 12 month period ending September 2020.
- ❖ Export commodity prices increased by 3.1 percent for the period July to September 2020 but declined by 3.0 percent for the 12 month period ending September 2020.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, decreased by 1.6 percent in the quarter and by 2.3 percent for the 12 months since September 2019.

Terms of Trade as at September 2020



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TERMS OF TRADE TABLE

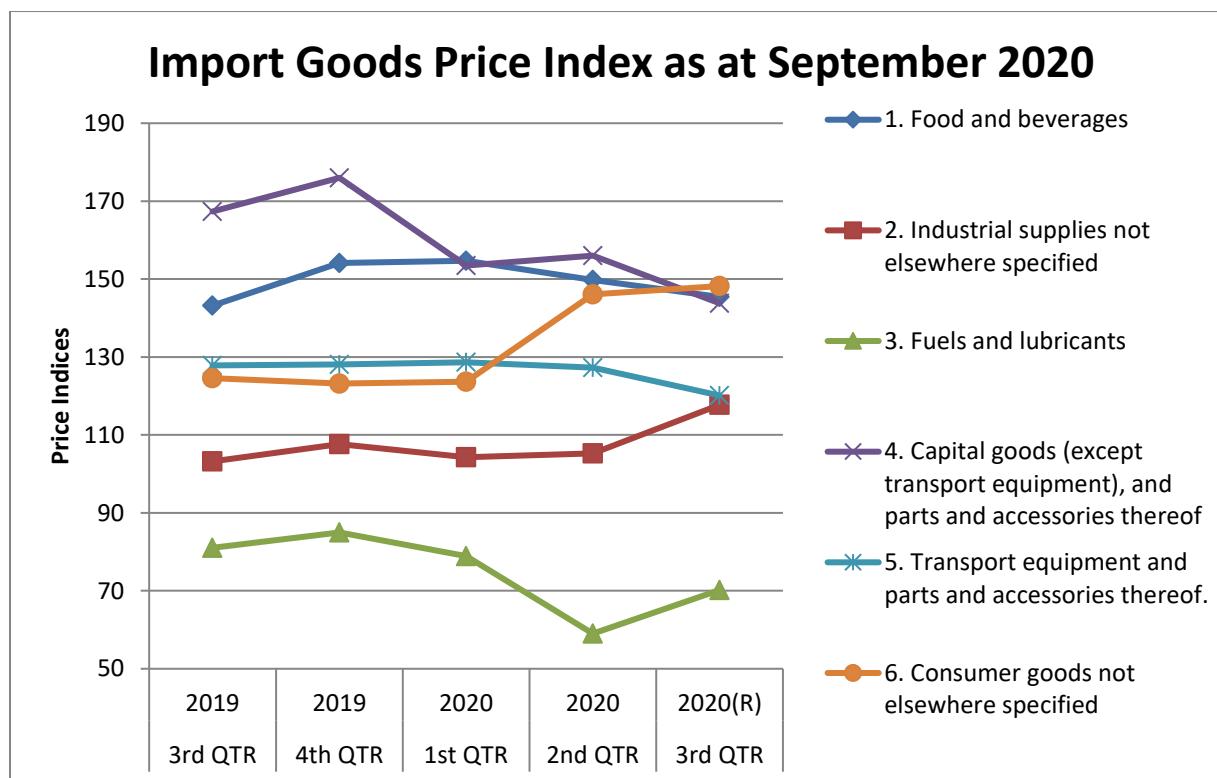
4th QTR 2007=100	3rd QTR 2019(R)	4th QTR 2019(R)	1st QTR 2020(R)	2nd QTR 2020(R)	3rd QTR 2020(R)	2019	3rd QTR % Change	12 Month % Change
Export Goods	120.62	118.82	119.79	113.58	117.05	120.04	3.1	-3.0
Import Goods	107.82	111.63	107.72	102.31	107.11	112.12	4.7	-0.7
Terms of Trade	111.88	106.44	111.21	111.02	107.27	107.07	-1.6	-2.3

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the third quarter of 2020, Fuels and Lubricants and Industrial Supplies prices both increased by 18.9 percent and 11.8 percent respectively. Consumer Goods increased by 1.5 percent while Food and Beverages prices recorded a decline of 2.9 percent. Similarly, Capital Goods and Transport Equipment prices both posted declines of 7.8 percent and 5.6 percent respectively.

However, for the 12 month period ending September 2020, Fuels and Lubricants and Transport Equipment both recorded declines of 13.4 percent and 6.0 percent respectively. In contrast, Consumer Goods and Food and Beverages both recorded increases of 19.0 percent and 1.6 percent respectively. In contrast, Capital Goods prices declined by 14.1 percent while Industrial Supplies prices increased by 14.0 percent.

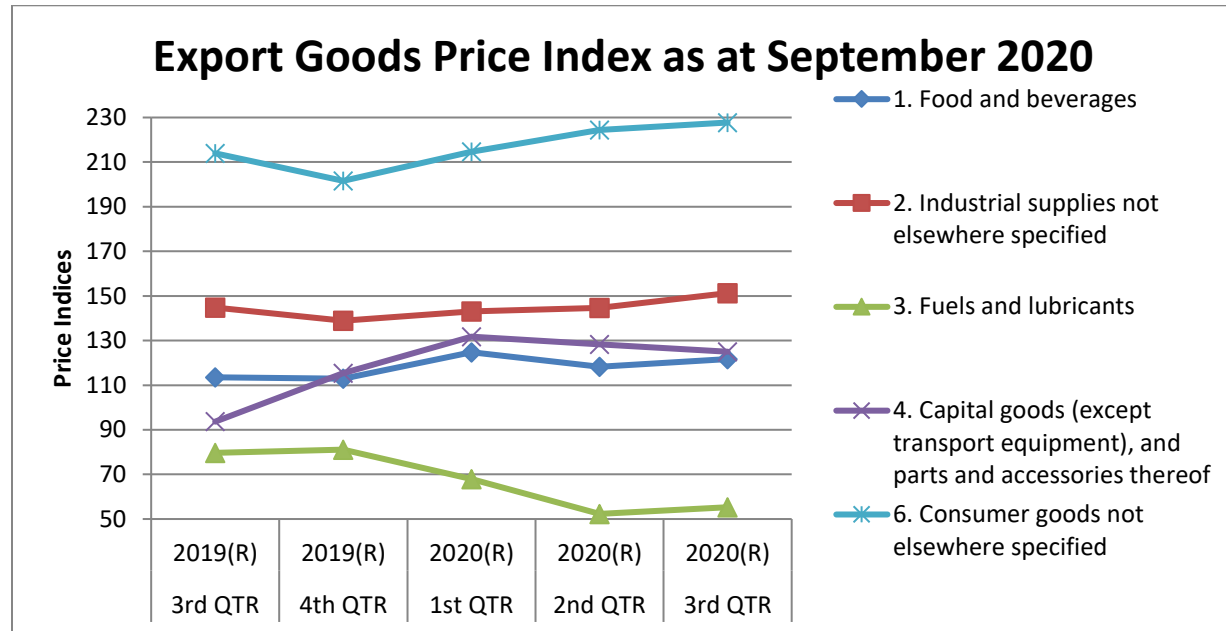


Export Price Index for Goods

During the third quarter of 2020, Fuels and Lubricants prices increased by 5.7 percent while Consumer Goods also increased by 1.5 percent. Industrial Supplies and Food and Beverages prices increased by 4.5 percent and 2.9 percent respectively while there was a decline recorded in Capital Goods of 2.6 percent.

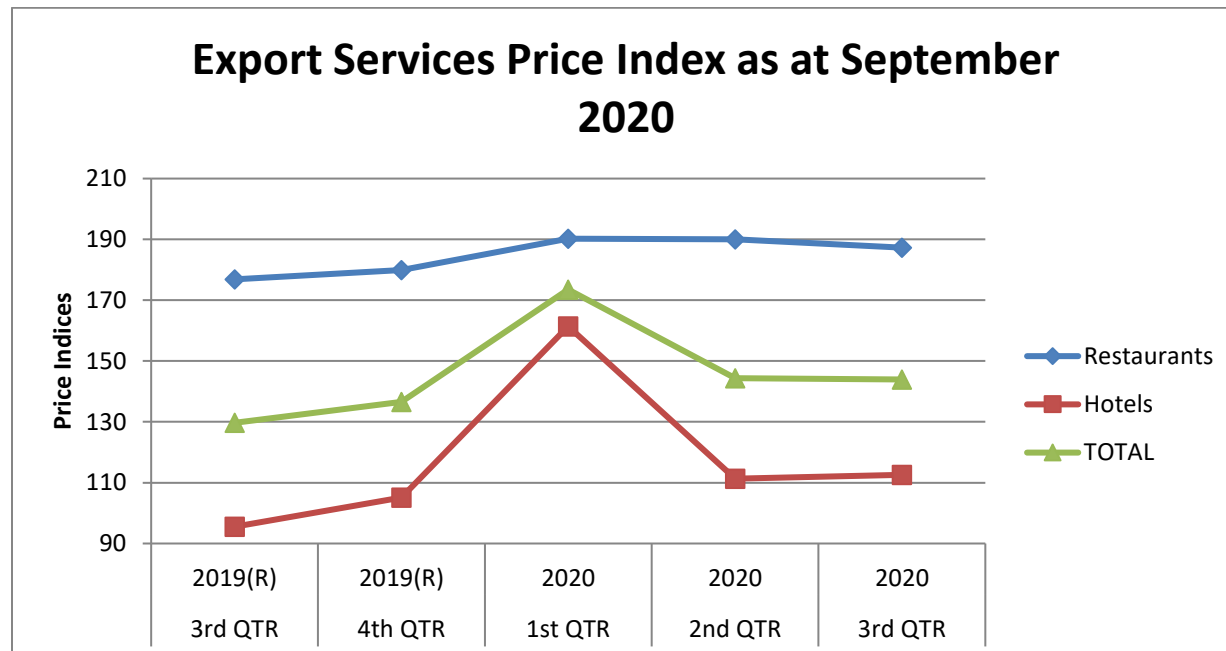
However, for the 12 month period ending September 2020, Fuels and Lubricants prices declined by 30.6 percent while Consumer Goods increased by 6.4 percent. Similarly, Industrial Supplies,

Capital Goods and Food and Beverages prices recorded increases of 4.5 percent, 33.4 percent and 7.2 percent respectively.



Export Price Index for Services

Export travel services declined by 0.3 percent for the quarter as restaurant prices declined by 1.5 percent while hotel prices increased by 1.1 percent. However, during the 12 month period ending September 2020, restaurant and hotel prices increased by 5.9 percent and 17.9 percent respectively reflecting the COVID pandemic's impact on the economy.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	3rd QTR 2019(R)	4th QTR 2019(R)	1st QTR 2020(R)	2nd QTR 2020(R)	3rd QTR 2020(R)	2019	3rd QTR % Change	12 Month % Change
1. Food and beverages	113.48	112.91	124.76	118.23	121.69	114.42	2.9	7.2
2. Industrial supplies not elsewhere specified	144.81	138.90	143.02	144.71	151.27	141.40	4.5	4.5
3. Fuels and lubricants	79.61	81.10	67.97	52.30	55.26	78.28	5.7	-30.6
4. Capital goods (except transport equipment), and parts and accessories thereof	93.66	115.39	131.75	128.35	124.96	106.71	-2.6	33.4
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	213.98	201.60	214.72	224.41	227.75	212.83	1.5	6.4
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	120.62	118.82	119.79	113.58	117.05	120.04	3.1	-3.0

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	3rd QTR 2019(R)	4th QTR 2019(R)	1st QTR 2020	2nd QTR 2020	3rd QTR 2020	2019	3rd QTR % Change	12 Month % Change
Restaurants	176.87	179.93	190.23	190.06	187.25	179.83	-1.5	5.9
Hotels	95.52	105.13	161.41	111.33	112.58	113.20	1.1	17.9
TOTAL	129.69	136.54	173.52	144.39	143.94	141.19	-0.3	11.0

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	3rd QTR 2019	4th QTR 2019	1st QTR 2020	2nd QTR 2020	3rd QTR 2020(R)	2019	3rd QTR % Change	12 Month % Change
1. Food and beverages	143.20	154.12	154.71	149.76	145.47	149.56	-2.9	1.6
2. Industrial supplies not elsewhere specified	103.23	107.66	104.27	105.25	117.72	107.04	11.8	14.0
3. Fuels and lubricants	81.08	84.98	78.93	59.01	70.18	85.01	18.9	-13.4
4. Capital goods (except transport equipment), and parts and accessories thereof	167.35	175.99	153.46	156.00	143.80	176.93	-7.8	-14.1
5. Transport equipment and parts and accessories thereof.	127.82	128.14	128.65	127.24	120.13	133.85	-5.6	-6.0
6. Consumer goods not elsewhere specified	124.59	123.20	123.67	146.07	148.21	126.33	1.5	19.0
7. Goods not elsewhere specified	--	--	--	--	--		--	--
TOTAL	107.82	111.63	107.72	102.31	107.11	112.12	4.7	-0.7

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.