

EXPORT-IMPORT PRICE INDEX

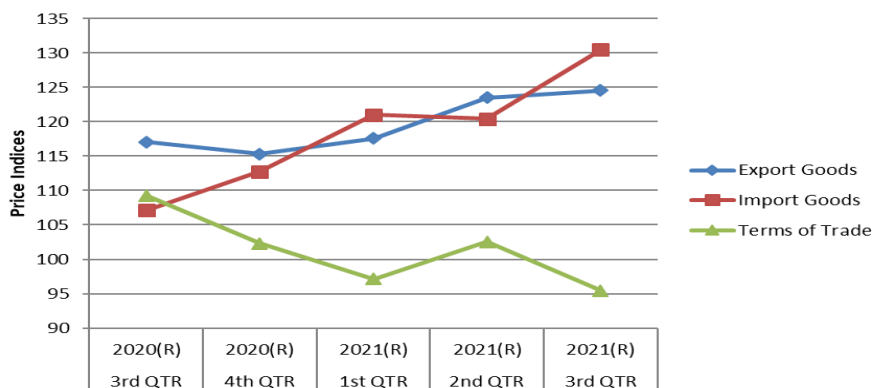
JULY-SEPTEMBER 2021

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 third quarter of 2021.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 8.4 percent for the period July to September 2021 and increased by 21.8 percent for the 12-month period ending September 2021.
- ❖ Export commodity prices increased by 0.8 percent for the period July to September 2021 and by 6.4 percent for the 12-month period ending September 2021.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, decreased by 6.9 percent in the quarter and by 12.7 percent for the 12 months since September 2020.

Terms of Trade as at September 2021



In this bulletin:

Analysis of:-

- Import Prices on Goods 1
- Export Prices on Goods 2
- Export Prices on Services 3

Appendix of Tables:

- Export Goods Price Index 4
- Export Services Price Index 5
- Import Goods Price Index 6

TERMS OF TRADE TABLE

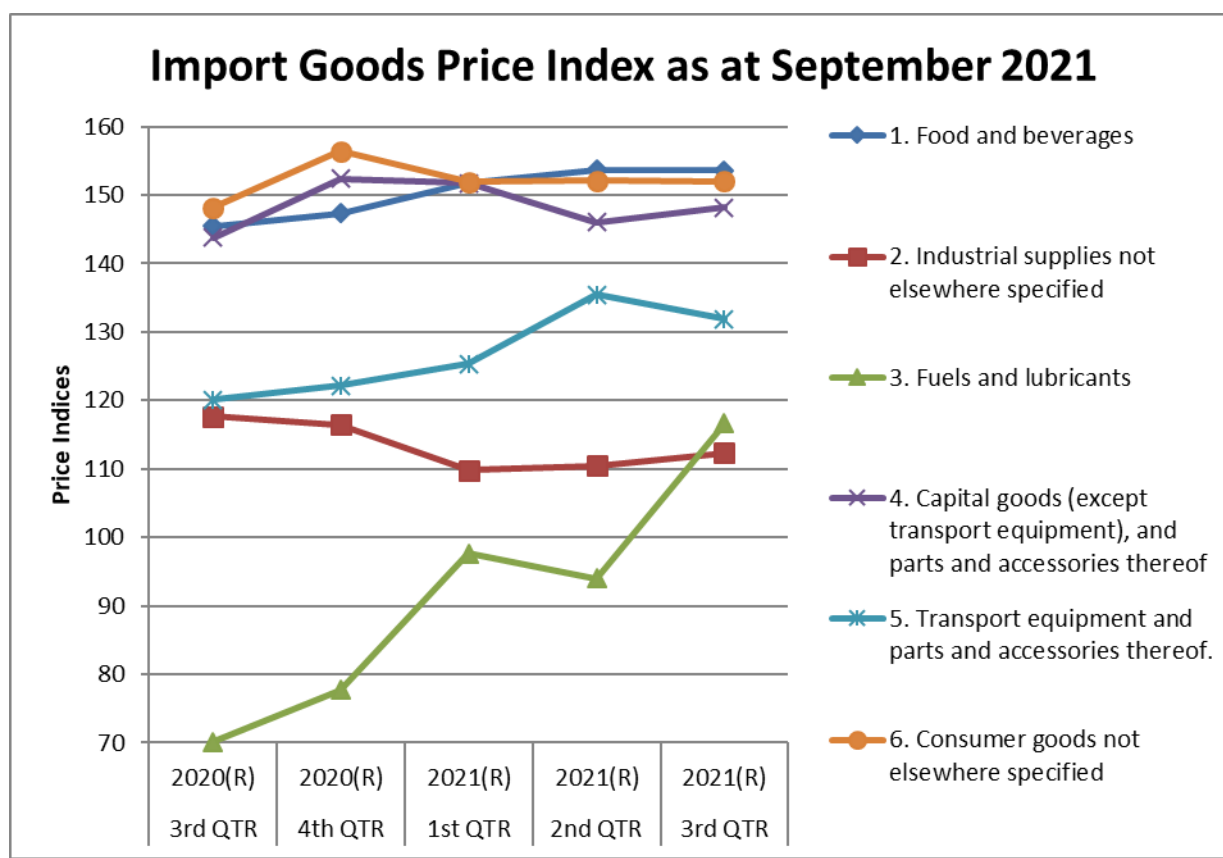
4th QTR 2007=100	3rd QTR 2020	4th QTR 2020	1st QTR 2021	2nd QTR 2021	3rd QTR 2021	2020	3rd QTR % Change	12 Month % Change
Export Goods	117.05	115.32	117.58	123.50	124.55	116.44	0.8	6.4
Import Goods	107.11	112.75	121.03	120.43	130.50	107.47	8.4	21.8
Terms of Trade	109.27	102.29	97.15	102.55	95.44	108.34	-6.9	-12.7

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the third quarter of 2021, Food and Beverage Prices showed a decline by 0.1 percent. Similarly, Consumer Goods and Transport Equipment both posted declines of 0.1 and 2.7 percent respectively. On another note, Industrial Supplies increased by 1.8 percent. Fuels and Lubricants along with Capital Goods all had increases of 24.0 percent and 1.5 percent respectively.

However, for the 12-month period ending September 2021, Industrial Supplies decreased by 4.6 percent. Food and Beverages increased by 5.6 percent. Similarly, Fuels and Lubricants along with Capital Goods both posted price increases of 66.2 percent and 3.0 percent respectively. Along the same line, Transport Equipment increased by 9.8 percent. There was also a price increase for Consumer goods of 2.6 percent.



Export Price Index for Goods

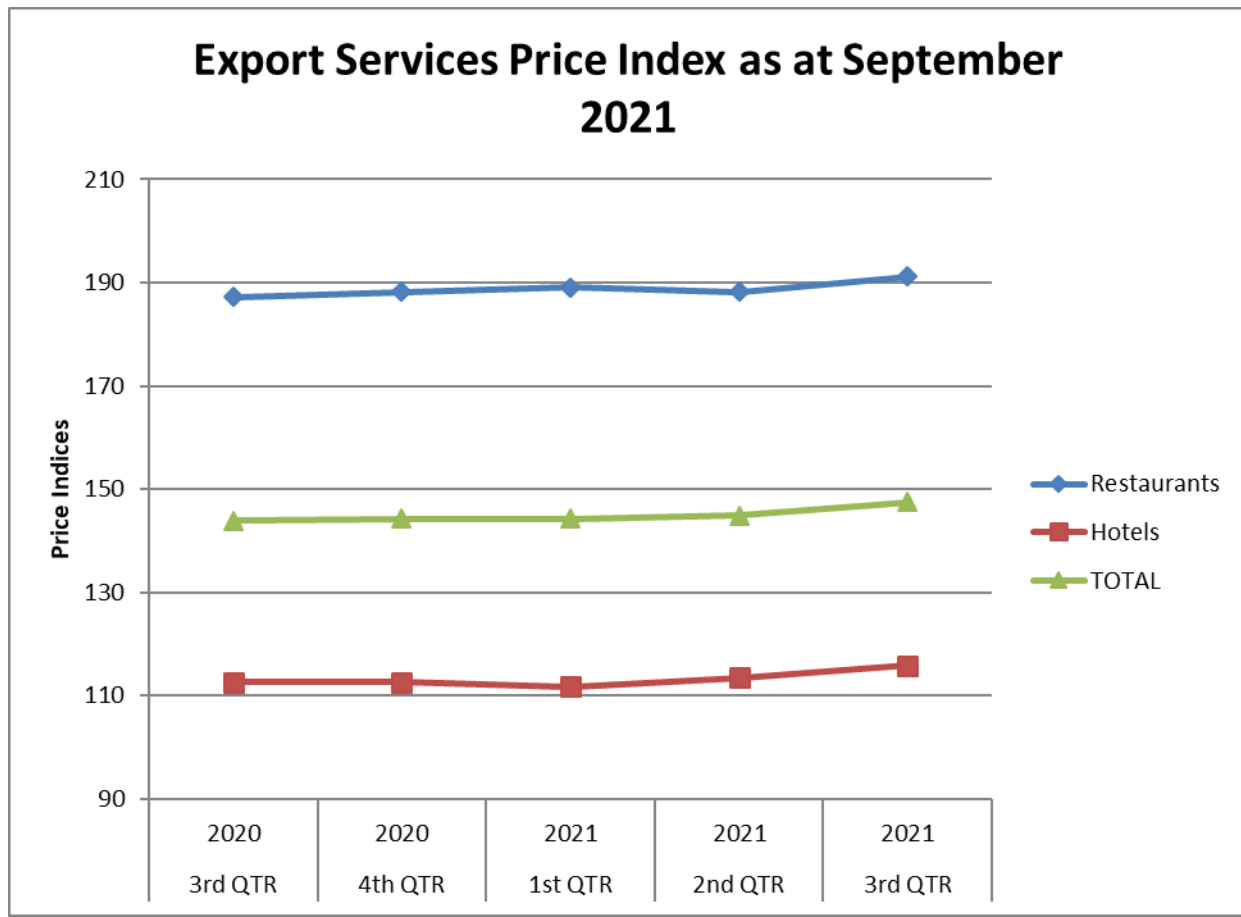
During the third quarter of 2021, Food and Beverages decreased by 4.9 percent while Capital Goods also decreased by 3.8 percent. Consumer Goods also posted a price decline of 2.5 percent. Differently, Industrial Supplies along with Fuels and Lubricants both increased by 1.9 percent and 9.6 percent respectively.

However, for the 12-month period ending September 2021, Food and Beverages showed price increases by 2.2 percent. Fuels and Lubricants also increased prices by 65.9 percent. In contrast, Industrial Supplies decreased by 8.8 percent. Capital Goods and Consumer Goods declined by 16.7 and 14.0 percent respectively.



Export Price Index for Services

Export travel services increased by 1.8 percent for the quarter as restaurant and hotel prices both increased by 1.6 and 2.2 percent respectively. During the 12-month period ending September 2021, restaurant and hotel prices increased by 2.1 percent and 2.9 percent respectively reflecting the COVID pandemic's impact on the economy.



APPENDIX

EXPORT GOODS PRICE INDEX

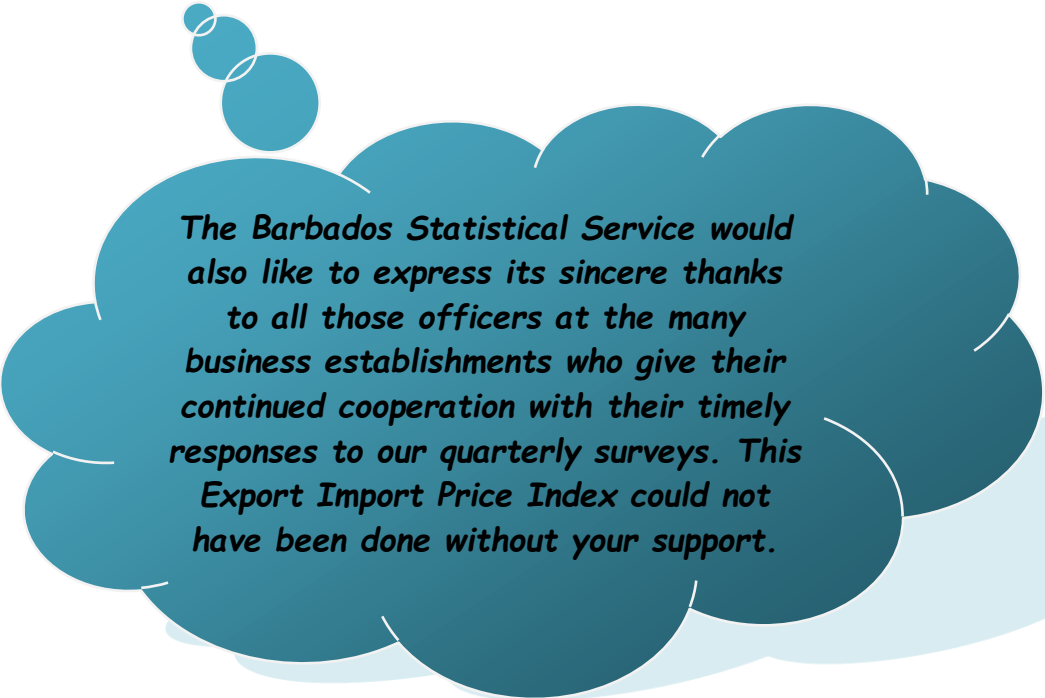
B.E.C. Exports 4th QTR 2007=100	3rd QTR 2020	4th QTR 2020	1st QTR 2021	2nd QTR 2021	3rd QTR 2021	2020	3rd QTR % Change	12 Month % Change
1. Food and beverages	121.69	121.18	121.78	130.79	124.38	121.47	-4.9	2.2
2. Industrial supplies not elsewhere specified	151.27	147.71	136.81	135.28	137.91	146.68	1.9	-8.8
3. Fuels and lubricants	55.26	55.84	73.66	83.64	91.70	57.84	9.6	65.9
4. Capital goods (except transport equipment), and parts and accessories thereof	124.96	113.76	119.37	108.25	104.15	124.71	-3.8	-16.7
5. Transport equipment, parts, and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	227.75	222.02	199.96	201.01	195.94	222.23	-2.5	-14.0
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	117.05	115.32	117.58	123.50	124.55	116.44	0.8	6.4

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	3rd QTR 2020	4th QTR 2020	1st QTR 2021	2nd QTR 2021	3rd QTR 2021	2020	3rd QTR % Change	12 Month % Change
Restaurants	187.25	188.15	189.01	188.17	191.15	188.92	1.6	2.1
Hotels	112.58	112.58	111.74	113.43	115.89	124.48	2.2	2.9
TOTAL	143.94	144.32	144.20	144.82	147.50	151.54	1.8	2.5

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	3rd QTR 2020	4th QTR 2020	1st QTR 2021	2nd QTR 2021	3rd QTR 2021	2020	3rd QTR % Change	12 Month % Change
1. Food and beverages	145.47	147.34	151.75	153.74	153.61	149.32	-0.1	5.6
2. Industrial supplies not elsewhere specified	117.72	116.46	109.84	110.42	112.36	110.93	1.8	-4.6
3. Fuels and lubricants	70.18	77.75	97.63	94.03	116.63	71.47	24.0	66.2
4. Capital goods (except transport equipment), and parts and accessories thereof	143.80	152.41	151.77	145.98	148.15	151.42	1.5	3.0
5. Transport equipment, parts, and accessories thereof.	120.13	122.20	125.34	135.50	131.88	124.55	-2.7	9.8
6. Consumer goods not elsewhere specified	148.21	156.45	151.89	152.12	152.04	143.60	-0.1	2.6
7. Goods not elsewhere specified	--	--	--	--	--		--	--
TOTAL	107.11	112.75	121.03	120.43	130.50	107.47	8.4	21.8



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.