

EXPORT-IMPORT PRICE INDEX

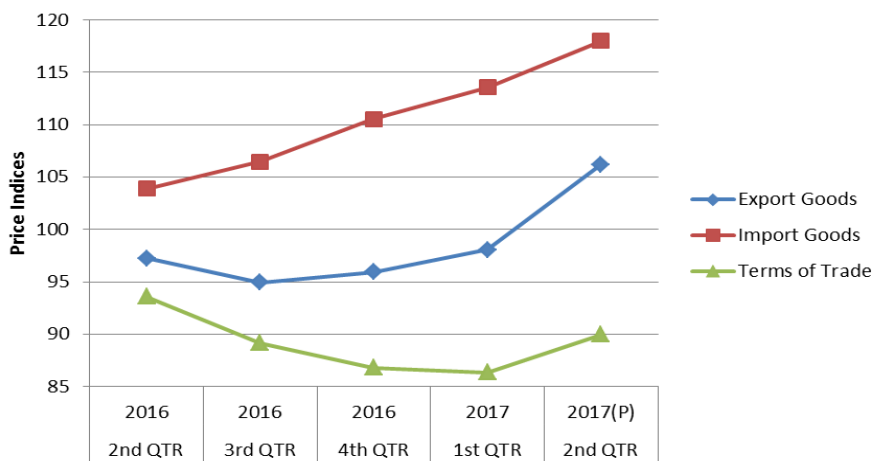
APRIL-JUNE 2017

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 2017.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 3.9 percent for the period April to June 2017 and by 13.6 percent for the 12 month period ending June 2017.
- ❖ Export commodity prices increased by 8.3 percent for the quarter and by 9.2 percent for the 12 month period ending June 2017.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 4.2 percent in the quarter but declined by 3.9 percent for the 12 months since June 2016.

Terms of Trade as at June 2017



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TERMS OF TRADE TABLE

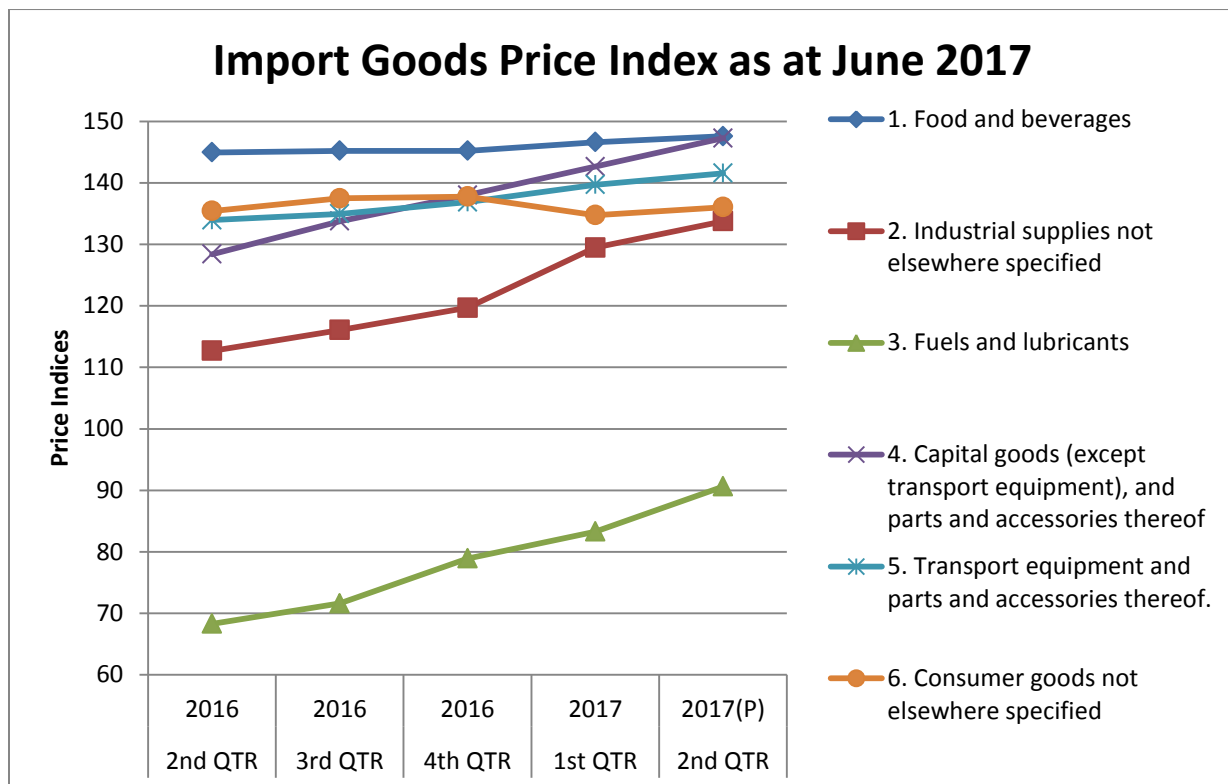
4th QTR 2007=100	2nd QTR 2016	3rd QTR 2016	4th QTR 2016	1st QTR 2017	2nd QTR 2017(P)	2016	2nd QTR % Change	12 Month % Change
Export Goods	97.25	94.94	95.94	98.09	106.19	96.52	8.3	9.2
Import Goods	103.90	106.47	110.53	113.56	118.01	104.85	3.9	13.6
Terms of Trade	93.60	89.17	86.81	86.37	89.99	92.05	4.2	-3.9

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the second quarter of 2017, Fuels and Lubricants and Capital Goods both increased by 8.8 percent and 3.3 percent respectively. Food and Beverages increased by 0.6 percent while Consumer Goods also increased by 1.0 percent. Similarly, Transport equipment and Industrial Supplies both recorded increases of 1.3 percent and 3.3 percent respectively.

However, for the 12 month period ending June 2017, Fuels and Lubricants prices increased by 32.7 percent while Capital Goods also increased by 14.7 percent. Industrial Supplies and Food and Beverages prices both recorded increases of 18.7 percent and 1.8 percent respectively. Similarly, Transport equipment and Consumer Goods also posted increases of 5.7 percent and 0.5 percent respectively.

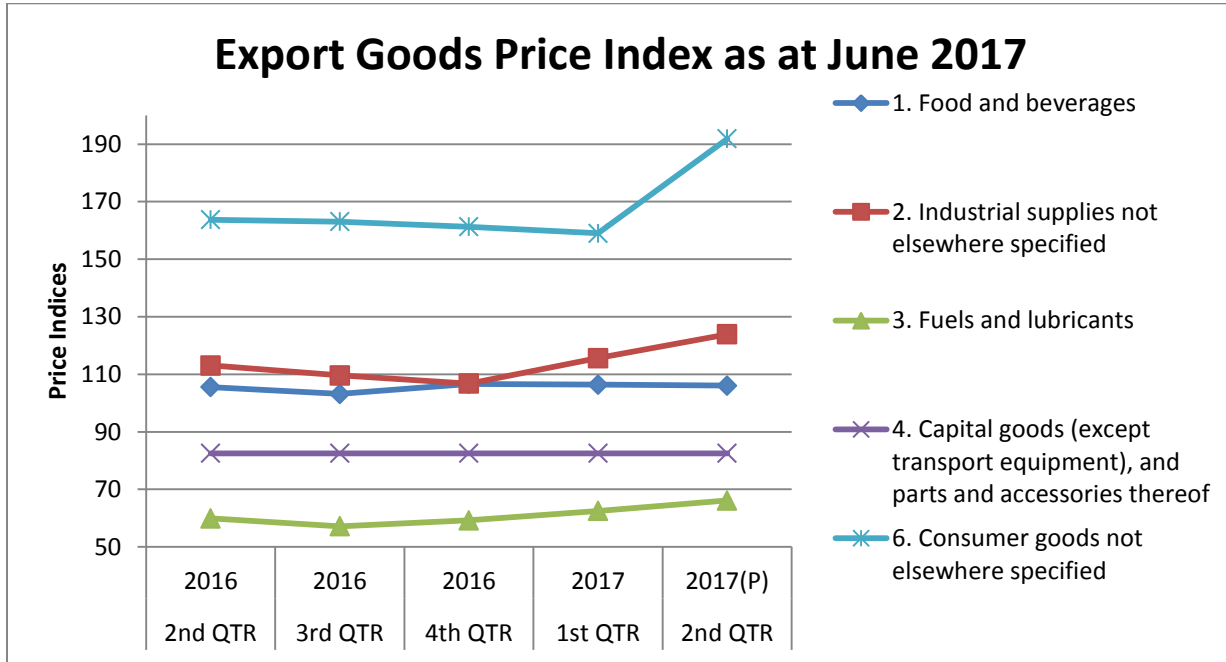


Export Price Index for Goods

During the second quarter of 2017, Fuels and Lubricants and Consumer Goods prices both increased by 5.3 percent and 20.7 percent respectively. Industrial Supplies increased by 7.2 percent while Food and Beverages prices declined by 0.3 percent. Capital Goods prices remained constant.

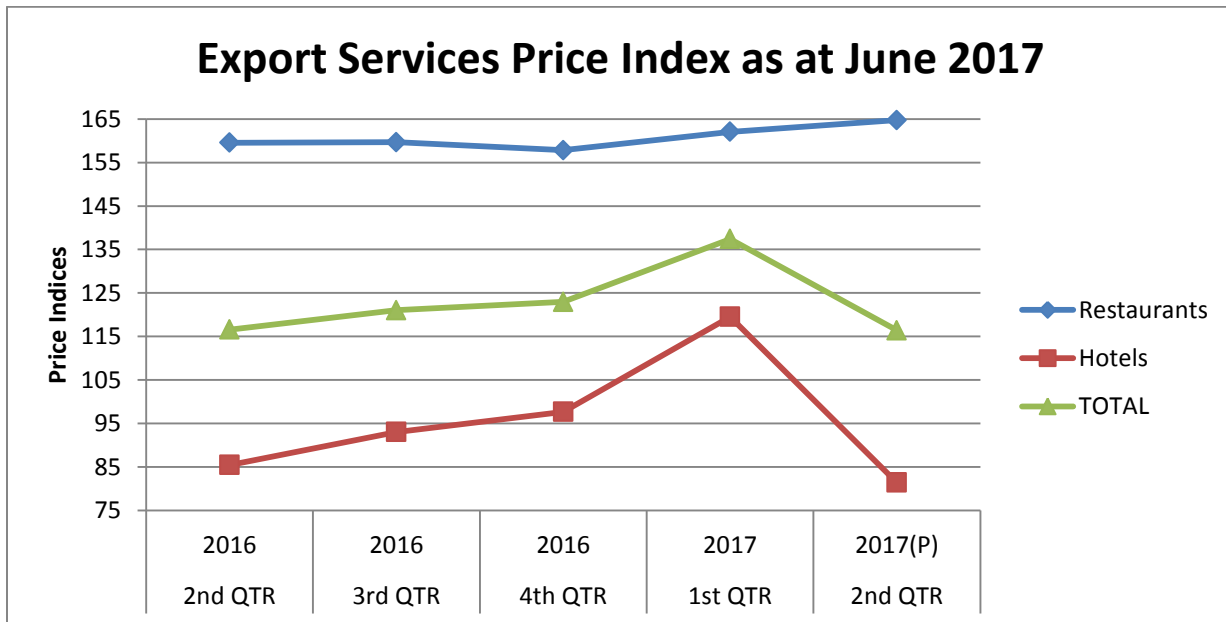
However, for the 12 month period ending June 2017, Fuels and Lubricants and Consumer Goods prices increased by 10.3 percent and 17.2 percent respectively. Capital Goods prices remained

constant while Industrial Supplies and Foods and Beverages recorded increases of 9.6 percent and 0.5 percent respectively.



Export Price Index for Services

Export travel services decreased by 15.3 percent for the quarter as restaurant prices increased by 1.7 percent while hotel prices declined by 31.9 percent. However, during the 12 month period ending June 2017, hotel prices declined by 4.7 percent reflecting the usual seasonal pattern for this time of year.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	2nd QTR 2016	3rd QTR 2016	4th QTR 2016	1st QTR 2017	2nd QTR 2017(P)	2016	2nd QTR % Change	12 Month % Change
1. Food and beverages	105.57	103.18	106.69	106.37	106.06	105.34	-0.3	0.5
2. Industrial supplies not elsewhere specified	113.07	109.62	106.77	115.61	123.90	111.68	7.2	9.6
3. Fuels and lubricants	59.90	57.17	59.22	62.53	66.09	58.91	5.7	10.3
4. Capital goods (except transport equipment), and parts and accessories thereof	82.50	82.50	82.50	82.50	82.50	82.50	0.0	0.0
5. Transport equipment and parts and accessories thereof.	--	--	--	--	--	--	--	--
6. Consumer goods not elsewhere specified	163.70	163.08	161.28	159.01	191.87	163.29	20.7	17.2
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	97.25	94.94	95.94	98.09	106.19	96.52	8.3	9.2

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	2nd QTR 2016	3rd QTR 2016	4th QTR 2016	1st QTR 2017	2nd QTR 2017(P)	2016	2nd QTR % Change	12 Month % Change
Restaurants	159.55	159.67	157.81	162.04	164.73	158.49	1.7	3.2
Hotels	85.48	93.06	97.69	119.55	81.42	94.11	-31.9	-4.7
TOTAL	116.59	121.04	122.94	137.39	116.41	121.15	-15.3	-0.1

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	2nd QTR 2016	3rd QTR 2016	4th QTR 2016	1st QTR 2017	2nd QTR 2017(P)	2016	2nd QTR % Change	12 Month % Change
1. Food and beverages	144.94	145.20	145.21	146.62	147.58	145.04	0.6	1.8
2. Industrial supplies not elsewhere specified	112.68	116.07	119.68	129.46	133.76	114.41	3.3	18.7
3. Fuels and lubricants	68.30	71.62	78.91	83.30	90.61	70.12	8.8	32.7
4. Capital goods (except transport equipment), and parts and accessories thereof	128.41	133.76	138.00	142.62	147.27	131.99	3.3	14.7
5. Transport equipment and parts and accessories thereof.	133.94	134.95	136.84	139.70	141.58	134.73	1.3	5.7
6. Consumer goods not elsewhere specified	135.42	137.47	137.77	134.74	136.04	133.87	1.0	0.5
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	103.90	106.47	110.53	113.56	118.01	104.85	3.9	13.6

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.