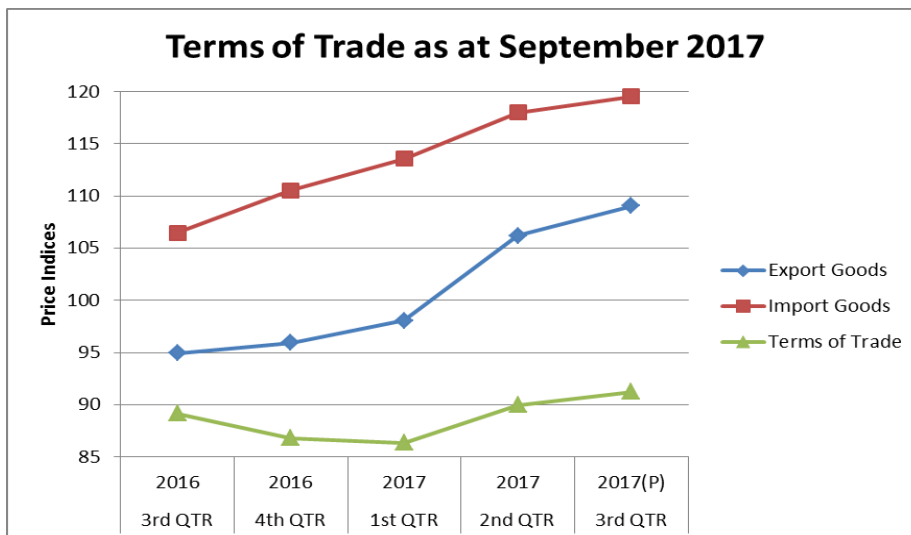


EXPORT-IMPORT PRICE INDEX JULY-SEPTEMBER 2017

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 third quarter of 2017.

PERFORMANCE OF INDEX

- ❖ Import commodity prices increased by 1.3 percent for the period July to September 2017 and by 12.3 percent for the 12 month period ending September 2017.
- ❖ Export commodity prices increased by 2.7 percent for the quarter and by 14.9 percent for the 12 month period ending September 2017.
- ❖ The terms of trade, as measured by the ratio of export prices to import prices, increased by 1.4 percent in the quarter and by 2.3 percent for the 12 months since September 2016.



In this bulletin:

Analysis of:-

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

Appendix of Tables:

- Export Goods Price Index 3
- Export Services Price Index 3
- Import Goods Price Index 4

TERMS OF TRADE TABLE

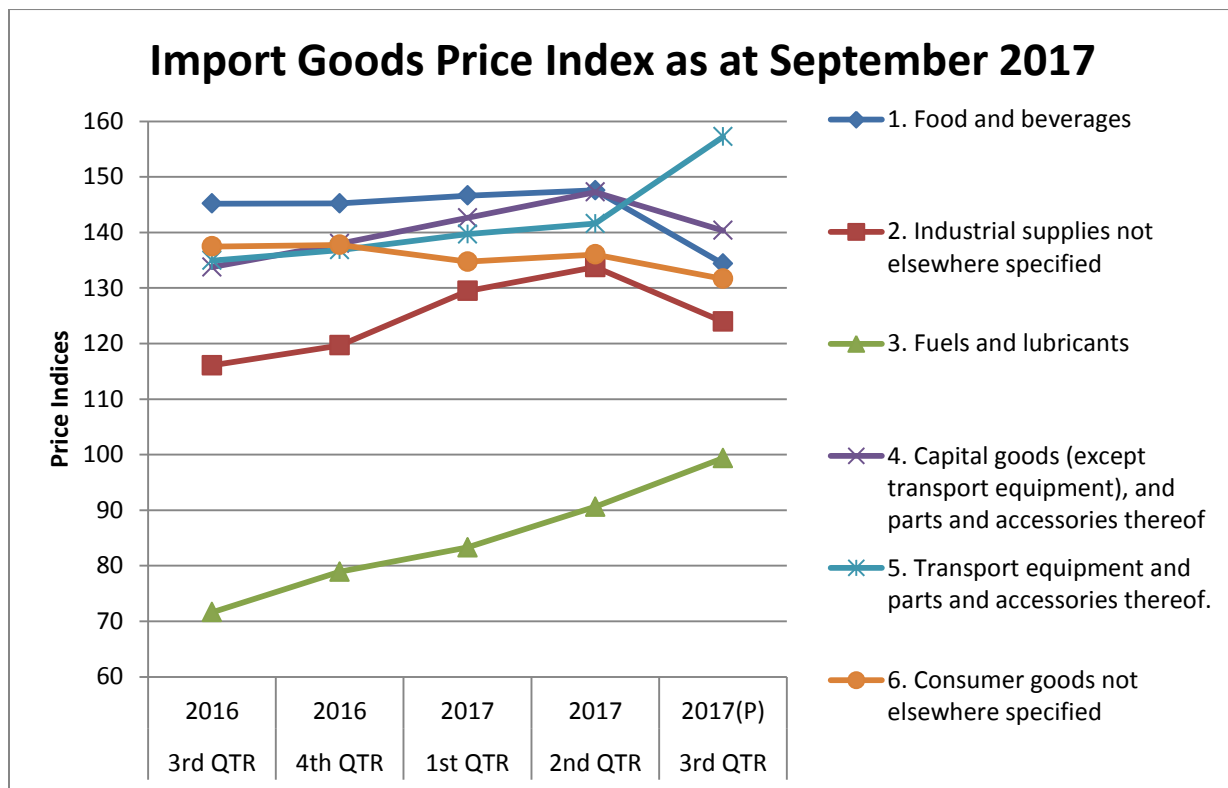
	3rd QTR	4th QTR	1st QTR	2nd QTR	3rd QTR		3rd QTR %	12 Month %
4th QTR 2007=100	2016	2016	2017	2017	2017(P)	2016	Change	Change
Export Goods	94.94	95.94	98.09	106.19	109.06	96.52	2.7	14.9
Import Goods	106.47	110.53	113.56	118.01	119.54	104.85	1.3	12.3
Terms of Trade	89.17	86.81	86.37	89.99	91.23	92.05	1.4	2.3

ANALYSIS OF EXPORT-IMPORT PRICE INDICES

Import Price Index for Goods

During the third quarter of 2017, Fuels and Lubricants prices increased by 9.7 percent while Capital Goods declined by 4.7 percent. Consumer Goods and Food and Beverages also recorded declines of 3.2 percent and 9.0 percent respectively. Industrial Supplies prices increased by 11.1 percent while Transport Equipment decreased by 7.3 percent.

However, for the 12 month period ending September 2017, Fuels and Lubricants and Capital Goods both increased by 38.8 percent and 4.9 percent respectively. Consumer Goods and Food and Beverages both recorded declines of 4.2 percent and 7.5 percent respectively. In contrast, Transport Equipment and Industrial Supplies both posted increases of 16.5 percent and 6.8 percent respectively.

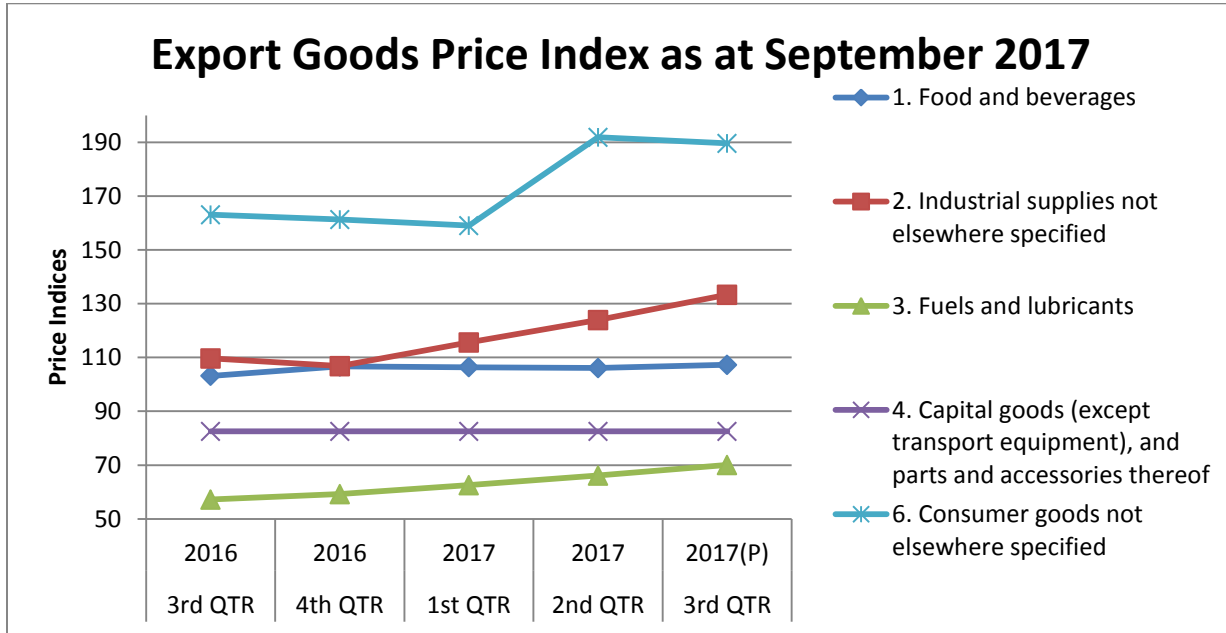


Export Price Index for Goods

During the third quarter of 2017, Fuels and Lubricants prices increased by 5.9 percent while Consumer Goods declined by 1.2 percent. Capital Goods remained constant while there were increases recorded in Industrial Supplies and Food and Beverages of 7.6 percent and 1.2 percent respectively.

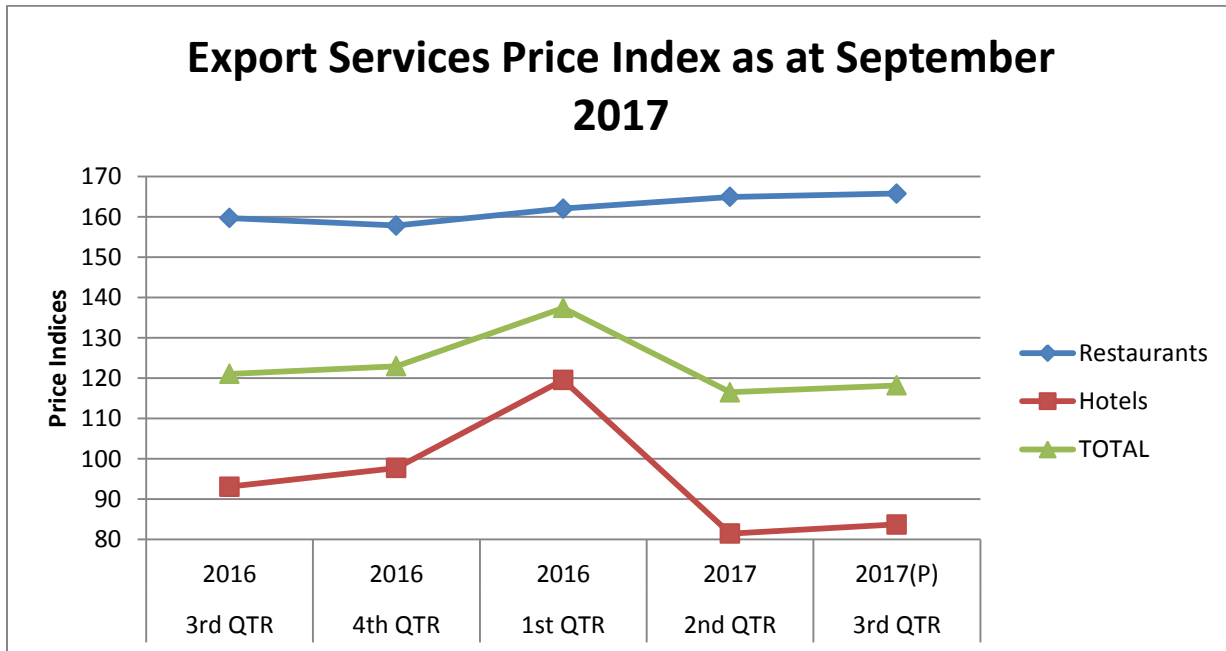
However, for the 12 month period ending September 2017, Fuels and Lubricants and Consumer Goods both increased by 22.5 percent and 16.3 percent respectively. Industrial Supplies also

increased by 21.6 percent while Food and Beverages increased by 4.0 percent. Capital Goods remained constant.



Export Price Index for Services

Export travel services increased by 1.4 percent for the quarter as restaurant and hotel prices increased by 0.5 percent and 2.8 percent respectively. However, during the 12 month period ending September 2017, hotel prices decreased by 10.0 percent reflecting the usual seasonal pattern for this time of year.



APPENDIX

EXPORT GOODS PRICE INDEX

B.E.C. Exports 4th QTR 2007=100	3rd QTR 2016	4th QTR 2016	1st QTR 2017	2nd QTR 2017	3rd QTR 2017(P)	2016	3rd QTR % Change	12 Month % Change
1. Food and beverages	103.18	106.69	106.37	106.06	107.28	105.34	1.2	4.0
2. Industrial supplies not elsewhere specified	109.62	106.77	115.61	123.90	133.33	111.68	7.6	21.6
3. Fuels and lubricants	57.17	59.22	62.53	66.09	70.02	58.91	5.9	22.5
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	163.08	161.28	159.01	191.87	189.61	163.29	-1.2	16.3
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	94.94	95.94	98.09	106.19	109.06	96.52	2.7	14.9

EXPORT SERVICES PRICE INDEX

Travel 4th QTR 2007=100	3rd QTR 2016	4th QTR 2016	1st QTR 2016	2nd QTR 2017	3rd QTR 2017(P)	2016	3rd QTR % Change	12 Month % Change
Restaurants	159.67	157.81	162.04	164.91	165.75	158.49	0.5	3.8
Hotels	93.06	97.69	119.55	81.42	83.71	94.11	2.8	-10.0
TOTAL	121.04	122.94	137.39	116.49	118.17	121.15	1.4	-2.4

IMPORT GOODS PRICE INDEX

B.E.C. Imports 4th QTR 2007=100	3rd QTR 2016	4th QTR 2016	1st QTR 2017	2nd QTR 2017	3rd QTR 2017(P)	2016	3rd QTR % Change	12 Month % Change
1. Food and beverages	145.20	145.21	146.62	147.58	134.37	145.04	-9.0	-7.5
2. Industrial supplies not elsewhere specified	116.07	119.68	129.46	133.76	123.93	114.41	-7.3	6.8
3. Fuels and lubricants	71.62	78.91	83.30	90.61	99.38	70.12	9.7	38.8
4. Capital goods (except transport equipment), and parts and accessories thereof	133.76	138.00	142.62	147.27	140.36	131.99	-4.7	4.9
5. Transport equipment and parts and accessories thereof.	134.95	136.84	139.70	141.58	157.23	134.73	11.1	16.5
6. Consumer goods not elsewhere specified	137.47	137.77	134.74	136.04	131.66	133.87	-3.2	-4.2
7. Goods not elsewhere specified	--	--	--	--	--	--	--	--
TOTAL	106.47	110.53	113.56	118.01	119.54	104.85	1.3	12.3

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.