



RETAIL SALES INDEX

December 2014

RETAIL SALES ROSE 6.3 PER CENT

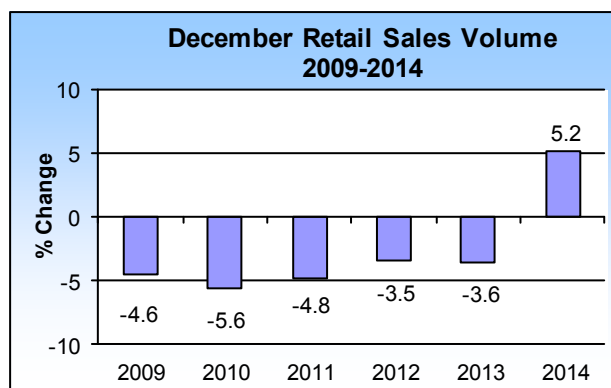
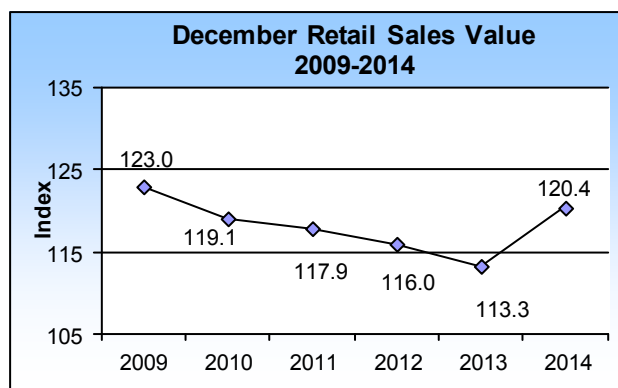
The total retail sales index was 6.3 per cent higher than the level reached in December 2013. All retail sectors registered increases with the exception of service stations which recorded a decrease of 6.0 per cent. Motor vehicle retailers recorded the largest increase in sales, jumping 59.2 per cent.

Returning residents declared overseas purchases valued at \$7.5 million, the same as in December

2013. This contributed to a combined local and overseas spending total of \$115.2 million.

After adjusting for the annual retail sales rate of inflation, measured at 1.0 per cent in December, the volume of retail sales increased by 5.2 per cent.

There were 25 shopping days during the month, one more than in December 2013.



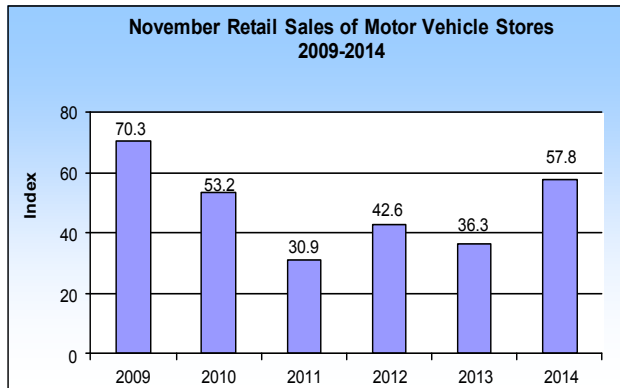
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

SUMMARY STATISTICS

Period	Total Retail Sales Index*	Annual % Change in Retail Sales		Total Retail Sales Estimate (\$M)	Overseas Purchases Declared by Returning Residents		Combined Retail Sales (Local + Overseas)	
		Value	Volume		Value (\$M)	% Change	Value (\$M)	% Change
2013								
Dec ^R	113.3	-2.4	-3.6	101.4	7.5	+1.4	108.9	-2.1
2014								
Jan	84.1	+1.1	+0.3	75.3	4.2	-4.5	79.5	+0.8
Feb	79.6	+1.4	+0.3	71.2	3.0	-11.8	74.2	+0.8
Mar	92.3	-2.3	-4.1	82.6	3.5	-5.4	86.1	-2.4
Apr	96.3	+5.2	+3.5	86.2	4.9	-9.3	91.1	+4.3
May	97.7	+1.8	+0.2	87.4	5.0	-7.4	92.4	+1.3
Jun	99.0	-1.7	-3.3	88.6	4.3	-4.4	92.9	-1.8
Jul	108.5	-2.0	-3.7	97.1	4.5	0.0	101.6	-1.9
Aug	91.8	+0.2	-1.6	82.2	6.6	+1.5	88.8	+0.3
Sep	91.7	+4.2	+2.8	82.1	4.4	-10.2	86.5	+3.4
Oct ^R	95.9	+4.5	+2.2	85.9	4.3	+4.9	90.2	+4.5
Nov ^R	97.2	+1.3	-0.9	87.0	6.0	-1.6	93.0	+1.1
Dec	120.4	+6.3	+5.2	107.7	7.5	0.0	115.2	+5.8

Motor Vehicle Stores

Retailers of motor vehicles recorded a 59.2 per cent jump in retail sales when compared to December 2013. The strong growth in sales was due to a higher volume of cars and motorcycles sold during the month.



Building Material Stores

Gross receipts earned by retailers of building materials climbed 15.1 per cent, marking the largest increase in sales for 2014. The higher sales level was attributed to the continuation of purchases for hurricane repairs.

Food and Liquor Stores

Receipts from food sales rose 4.2 per cent while sales revenue for liquor stores increased 6.8 per cent during the month. The increase in sales was linked to two additional discount shopping days during December 2014.

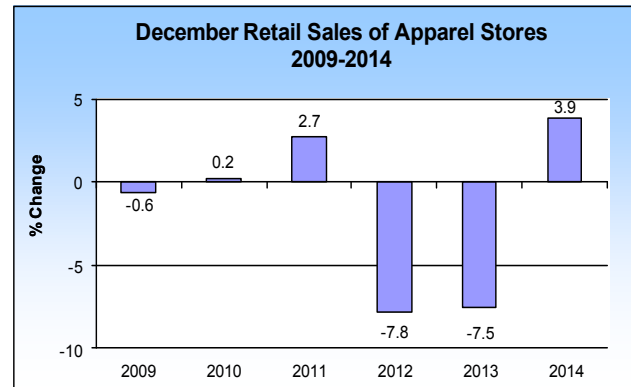
All Other Store Types

Sales receipts for the all other store types sector increased 4.6 per cent. Gross receipts earned by boat and marine suppliers almost tripled during December 2014. Sales for pharmaceuticals rose 5.1 per cent while sales of furniture, appliances and electronics increased 2.9 per cent year-over-year. In contrast, gross receipts of tourist-related

stores fractionally declined 0.4 per cent when compared to December 2013.

Apparel Stores

Sales revenue for apparel stores rose 3.9 per cent. The increase in sales was due partly to increased promotional advertising during the month.

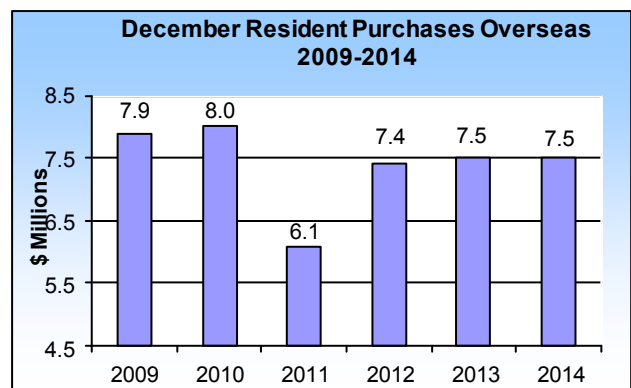


Service Stations

Sales receipts for service stations contracted 6.0 per cent during December 2014. The drop in sales was due to a 12.8 per cent decrease in the price of fuel.

Resident Purchases Overseas

Returning residents declared overseas purchases of goods valued at \$7.5 million in December 2014. The same level of spending was estimated in December 2013.



BERMUDA RETAIL SALES INDEX

Average Monthly Sales (1)

2006=100

Period	Total Retail Stores		Food Stores (2)		Liquor Stores (3)		Motor Vehicle Stores		Service Stations		Building Material Stores		Apparel Stores		All Other Store Types	
2006	100.0	+4.0	100.0	+6.1	100.0	+3.6	100.0	-1.5	100.0	+11.7	100.0	+7.0	100.0	-9.0	100.0	+7.6
2007	104.3	+4.2	106.5	+6.5	104.4	+4.4	95.1	-5.1	106.0	+6.0	96.4	-3.6	109.3	+9.3	106.2	+6.1
2008	106.0	+1.6	114.9	+7.8	105.2	+0.8	90.7	-4.6	116.9	+10.3	93.0	-3.5	104.3	-4.6	106.8	+0.6
2009	102.1	-3.6	119.9	+4.4	112.7	+7.1	82.0	-9.6	106.0	-9.3	86.1	-7.4	89.7	-14.0	100.3	-6.1
2010	97.3	-4.7	120.5	+0.5	115.6	+2.5	67.7	-17.5	111.5	+5.2	64.3	-25.3	87.6	-2.4	95.7	-4.6
2011	94.2	-3.1	119.9	-0.4	113.4	-1.9	48.8	-27.8	116.2	+4.2	63.1	-1.9	89.0	+1.6	92.5	-3.3
2012	94.7	+0.5	127.6	+6.4	123.7	+9.1	45.3	-7.3	114.9	-1.1	57.2	-9.4	85.0	-4.5	90.6	-2.0
2013	94.6	-0.1	131.1	+2.8	128.0	+3.5	45.6	+0.7	113.3	-1.4	48.6	-15.1	84.7	-0.3	89.5	-1.2
*2014	96.2	+1.7	133.3	+1.7	136.3	+6.5	54.8	+20.2	111.7	-1.4	45.6	-6.2	84.1	-0.7	89.6	+0.1
2013																
Jan	83.2	+3.4	122.1	+7.0	97.5	+8.8	46.2	+31.6	106.7	+1.4	43.2	-30.2	59.2	+6.3	74.6	+0.7
Feb	78.5	-1.7	114.9	+3.4	101.5	+3.8	36.9	-15.6	97.1	-4.5	44.8	-19.0	49.9	-1.7	74.0	-1.4
Mar	94.5	-1.3	133.9	+6.0	129.1	+9.5	41.0	-18.0	118.0	+1.0	59.7	-9.8	61.8	-5.4	84.2	-7.2
Apr	91.5	-1.3	126.6	+2.5	112.3	-9.8	49.0	+4.4	109.0	-4.2	53.6	-20.6	76.1	-2.8	84.4	-0.7
May	95.9	+1.6	133.1	+7.3	114.7	+17.0	46.0	-2.0	119.5	+0.6	55.3	-20.7	93.5	+5.2	94.1	-3.3
Jun	100.7	-1.0	135.4	+1.2	132.3	+8.2	38.8	-8.2	123.0	+4.0	46.7	-13.0	104.7	+0.4	98.6	-3.8
Jul	110.7	+4.1	155.5	+9.4	166.1	+14.5	59.1	-5.9	123.8	+4.1	61.3	-11.5	83.8	-4.3	106.1	+4.5
Aug	91.6	-3.2	125.1	-2.1	151.4	+3.1	40.1	-3.2	117.0	-6.6	44.8	-17.5	80.9	-0.4	86.7	-2.8
Sep	88.0	-4.5	124.1	-3.8	128.5	-12.2	48.3	+18.1	109.7	-7.0	41.0	-17.3	76.9	+0.1	78.4	-7.2
Oct	91.8	+0.4	131.7	+0.5	108.5	+5.0	59.7	+9.4	111.5	-1.6	46.8	-13.3	74.6	+3.7	79.5	-0.2
Nov	95.9	+4.8	127.1	+3.2	134.0	+9.8	46.1	+27.6	108.3	-7.0	47.7	+0.2	97.1	+10.4	93.9	+4.9
Dec ^R	113.3 ^R	-2.4	143.9	-0.9	160.5	-5.7	36.3 ^R	-14.8	107.5	-4.8	37.8	+2.4	158.0	-7.5	119.4 ^R	+1.0
2014																
Jan	84.1	+1.1	123.8	+1.4	107.6	+10.4	55.7	+20.6	104.5	-2.1	40.0	-7.4	54.6	-7.8	74.1	-0.7
Feb	79.6	+1.4	115.0	+0.1	109.8	+8.2	52.5	+42.3	97.1	0.0	44.9	+0.2	47.4	-5.0	71.4	-3.5
Mar	92.3	-2.3	129.8	-3.0	128.6	-0.4	54.6	+33.3	112.6	-4.6	48.2	-19.2	59.8	-3.3	81.7	-3.0
Apr	96.3	+5.2	133.3	+5.3	141.9	+26.4	58.1	+18.6	111.2	+2.0	49.3	-8.0	83.0	+9.1	86.0	+1.9
May	97.7	+1.8	134.2	+0.8	120.7	+5.2	60.4	+31.1	119.9	+0.3	45.9	-17.0	95.2	+1.8	95.2	+1.2
Jun	99.0	-1.7	132.0	-2.5	134.7	+1.8	51.2	+32.0	118.8	-3.4	41.8	-10.5	102.1	-2.5	94.5	-4.2
Jul	108.5	-2.0	152.8	-1.7	165.1	-0.6	57.6	-2.5	119.7	-9.9	56.0	-8.6	85.3	+1.8	104.1	-1.9
Aug	91.8	+0.2	129.6	+3.6	152.2	+0.5	45.0	+12.2	113.4	-3.1	40.3	-10.0	78.5	-3.0	83.7	-3.5
Sep	91.7	+4.2	126.4	+1.9	139.6	+8.6	57.6	+19.3	112.9	+2.9	43.3	+5.6	77.8	+1.2	82.4	+5.1
Oct ^R	95.9 ^R	+4.5	142.5	+8.2	126.2	+16.3	55.8	-6.5	122.9 ^R	+10.2	47.8	+2.1	60.0	-19.6	85.6	+7.7
Nov ^R	97.2 ^R	+1.3	130.3	+2.5	138.6	+3.4	51.3	+11.3	106.8 ^R	-1.4	46.3	-2.9	100.9	+3.9	91.3	-2.8
Dec	120.4	+6.3	149.9	+4.2	171.4	+6.8	57.8	+59.2	101.1	-6.0	43.5	+15.1	164.2	+3.9	124.9	+4.6

(1) Index numbers are subject to revisions

*The yearly series reflect annual changes

(2) Includes household supplies but excludes alcoholic beverages

* Revisions are also reflected in the Summary Statistics on Page 1

(3) Does not include sales to bars, clubs, hotels and restaurants

EXPLANATORY NOTES

The **Retail Sales Index (RSI)** was first developed in 1982. It is a key economic indicator used to assess the current performance of sales activity in the retail sector of the economy.

The RSI is a self-weighting index. This means that stores reporting a large value of sales have a greater impact on the movement of the index than stores reporting a low level of sales activity.

The RSI serves to:

- 1) measure monthly and annual movements of retail sales
- 2) provide an estimated gross turnover of sales in the local retail sector
- 3) act as a barometer of change in the level of demand for both the domestic and tourist markets

The index is structured into seven broad sectors:

- Food Stores
- Liquor Stores
- Motor Vehicle Dealers
- Service Stations
- Building Materials
- Apparel Stores
- All Other Store Types

Total retail stores across the seven sectors represent roughly 70% of all retail activity on the Island. The base period 2006 recorded a gross turnover in retail sales of \$1.1 billion.

Retail outlets that participate in the retail sales survey and trade in similar types of goods are grouped into these seven sectors. It is important to note that sector classifications are not interchangeable with commodity classifications. This is because most retail outlets sell several kinds of commodities. The sector classification generally reflects the individual commodity or the commodity group, which is the primary source of the establishment's receipts, or some mixture of commodities, which characterizes the establishment's business.

CONCEPTS AND DEFINITIONS

Retail Trade

Retail trade is the sector of the economy that includes establishments that are engaged in the sale of mer-

chandise for personal or household consumption and in the rendering of services that are incidental to the sale of the merchandise.

Retail Establishment

A retail establishment is one that operates at a fixed place of business and is engaged in sales activities to attract the general public to buy merchandise.

Value Sales

The dollar value of a quantity of goods and services sold for cash or credit. Sales include the amounts received from customers for: immediate and layaway purchases; rentals; installations; maintenance; repairs and alterations.

Gross Sales

Gross sales are sales for which no deductions have been made for the return of merchandise, allowances and discounts.

Volume Sales

The dollar value of a quantity of goods and services sold at current retail market prices adjusted to eliminate the effect of price change.

Estimated Gross Turnover

Estimated gross turnover is the total value of retail sales generated in the retail sector. It is calculated by applying the all-items index number for the current month to the average monthly sales figure determined in the base year.

Base Period

This is the time period used as a reference point for measuring the shift in the value of retail sales. The base period for the Bermuda RSI is 2006.

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