

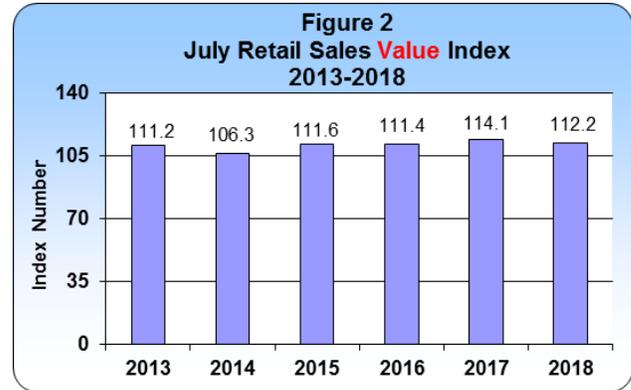


SALES VOLUME FELL 4.9 PER CENT

After adjusting for the retail sales rate of inflation, measured at 3.3 per cent in July, the overall volume of retail sales fell 4.9 per cent. Six of the seven retail sectors recorded declines in sales volume with motor vehicle stores recording the largest sales volume decrease of 20.8 per cent. In contrast, building material stores increased 11.7 per cent.

In value terms, retail sales declined 1.7 per cent to an estimated \$104.7 million. Returning residents declared overseas purchases valued at \$4.6 million, which was 35.3 per cent higher than July 2017. This contributed to a combined local and overseas spending of \$109.3 million.

Excluding Sundays, there were 26 shopping days during the month, the same as in July 2017.



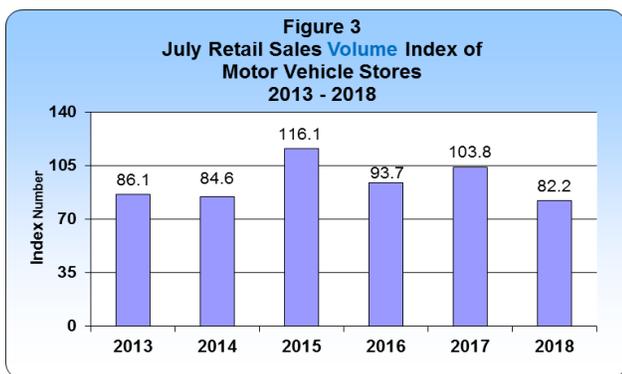
The Retail Sales Index (RSI) is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales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

SUMMARY STATISTICS

Period	Total Retail Sales Volume Index	Annual % Change in Retail Sales		Total Retail Sales Estimate Value (\$M)	Overseas Purchases Declared by Returning Residents		Combined Retail Sales (Local + Overseas)	
		Volume	Value		Value (\$M)	% Change	Value (\$M)	% Change
2017								
Jul	110.9 ^R	+0.8 ^R	+2.5 ^R	106.5 ^R	3.4	-22.7	109.9 ^R	+1.4 ^R
Aug	102.2	+2.5	+4.7	98.5	6.6	+3.1	105.1	+4.6
Sep	99.1	-0.8	+1.9	96.3	4.8	+4.3	101.1	+2.0
Oct	96.2	-0.2	+1.4	92.9	5.1	+21.4	98.0	+2.3
Nov	99.0	-3.1	-0.7	95.9	6.4	+3.3	102.3	-0.4
Dec	115.8	+0.3	+2.7	111.8	7.3	+17.2	119.1	+3.2
2018								
Jan	89.5	+1.0	+3.0	87.1	4.4	0.0	91.5	+2.8
Feb	83.8	+0.5	+2.7	81.8	3.3	+6.5	85.1	+2.9
Mar	95.3	-5.4	-3.2	93.0	3.4	-8.1	96.4	-3.4
Apr	91.7	-7.9	-5.4	90.0	5.2	+8.3	95.2	-4.8
May	105.4	-4.4	-1.9	104.0	5.3	+6.0	109.3	-1.5
Jun	105.0	-10.0	-7.2	104.0	4.2	+10.5	108.2	-6.6
Jul	105.5	-4.9	-1.7	104.7	4.6	+35.3	109.3	-0.5

Motor Vehicle Stores

Retailers of motor vehicles recorded a 20.8 per cent decline in sales volume as a result of fewer vehicles being sold during the month. In value terms, sales receipts were 7.2 per cent lower year-over-year.



Apparel Stores

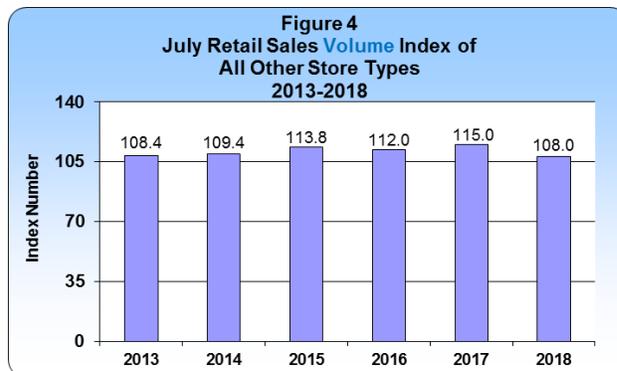
Retailers of apparel stores recorded a 16.3 per cent decline in sales volume. The decrease was attributed to the absence of America’s Cup merchandise sales compared to July 2017. In value terms, sales revenue for apparel stores decreased 13.5 per cent.

Service Stations

During July 2018, the volume of fuel sales for service stations fell 10.3 per cent. The value of fuel sales declined 1.6 per cent. Lower demand for fuel was mostly attributed to the 9.6 per cent increase in price.

All Other Store Types

The volume of sales for the all other stores sector contracted 6.1 per cent. In value terms, the sector recorded a decrease in sales of 2.8 per cent. Revenue for marine and boat suppliers dropped 42.7 per cent as a result of fewer boat sales. Sales of furniture, appliances and electronics declined 2.6 per cent. In contrast, retailers of miscellaneous goods increased 0.6 per cent while sales at pharmacies were 3.1 per cent higher.



Food and Liquor Stores

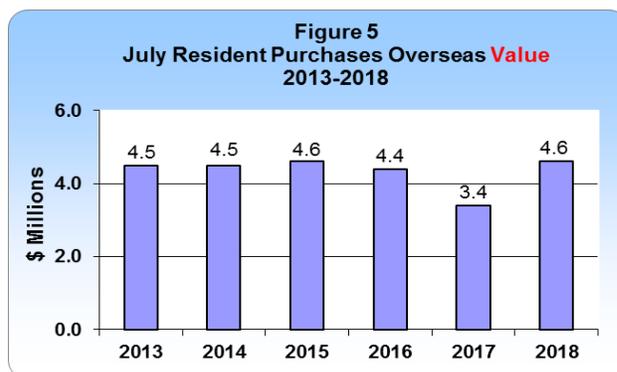
The volume of sales for food stores and liquor stores both contracted 0.7 per cent. In value terms, sales at food stores rose 0.6 stores while liquor sales increased 2.3 per cent.

Building Material Stores

The sale of building materials rose 11.7 per cent in volume terms. The rise in the sales volume reflected higher demand for construction supplies for commercial projects and increased contract sales. In value terms, sales receipts increased 11.8 per cent.

Resident Purchases Overseas (Value)

Residents declared \$4.6 million in overseas purchases during the month, rising 35.3 per cent over declarations in July 2017. The increase was due mostly to higher outlays for clothing & footwear and duty-free items.



BERMUDA RETAIL SALES INDEX — JULY 2018

Table 1
Average Monthly Sales Volume (1)
2015=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	
2017																
Jul	110.9 ^R	+0.8 ^R	105.2	-1.7	111.2 ^R	-16.7 ^R	103.8 ^R	+10.7 ^R	132.3 ^R	+2.2 ^R	105.5 ^R	-6.1 ^R	100.5 ^R	+0.4 ^R	115.0 ^R	+2.7 ^R
Aug	102.2	+2.5	98.1	-0.9	102.2	+4.6	118.3	+28.0	107.5	-0.7	124.7	+29.0	89.2	-4.5	98.7	-3.5
Sep	99.1	-0.8	100.7	+1.0	92.9	-4.0	102.8	-10.1	96.8	-3.3	117.4	+12.6	94.0	+2.3	93.0	-4.7
Oct	96.2	-0.2	97.3	-5.4	86.9	-13.6	101.6	+15.8	101.0	+1.6	110.2	+10.0	76.5	-1.9	93.7	+0.6
Nov	99.0	-3.1	96.5	-1.8	85.1	-3.1	94.6	-14.2	95.2	-2.2	116.0	-4.1	106.3	-7.2	98.7	-2.8
Dec	115.8	+0.3	105.2	-2.3	114.0	-3.5	88.8	+12.0	94.2	-0.3	106.6	+13.7	179.5	-3.8	126.9	+1.4
2018																
Jan	89.5	+1.0	94.1	-0.1	64.6	-5.3	92.3	-6.8	87.0	-3.1	109.8	+3.8	70.1	+16.4	85.7	+0.5
Feb	83.8	+0.5	88.1	-1.6	70.7	-4.8	84.8	-3.6	84.2	+1.1	115.6	+15.8	51.3	+2.4	83.6	+2.3
Mar	95.3	-5.4	103.9	+3.6	88.1	+2.8	70.7	-44.7	94.8	-4.0	113.9	-19.0	73.9	-3.7	93.6	-2.0
Apr	91.7	-7.9	90.9	-10.2	77.1	-19.4	95.9	+3.2	91.4	-6.4	124.0	+2.7	76.0	-10.6	91.8	-9.9
May	105.4	-4.4	102.5	-3.2	100.5	-5.2	88.2	-3.5	104.7	-5.8	122.9	-4.4	100.2	-10.6	113.4	-2.4
Jun	105.0	-10.0	103.6	-5.0	112.2	-8.3	80.8	-4.5	111.2	-12.2	109.8	-2.3	115.4	-28.6	105.6	-9.0
Jul	105.5	-4.9	104.5	-0.7	110.4	-0.7	82.2	-20.8	118.7	-10.3	117.8	+11.7	84.1	-16.3	108.0	-6.1

Table 2
Average Monthly Sales Value (1)
2015=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	
2017																
Jul	114.1 ^R	+2.5 ^R	111.0	+2.0	124.5 ^R	-11.8 ^R	103.1 ^R	+11.2 ^R	139.4 ^R	+6.2 ^R	106.8 ^R	-6.1 ^R	102.3 ^R	+2.6 ^R	116.5 ^R	+2.8 ^R
Aug	105.5	+4.7	103.7	+3.1	114.5	+10.7	117.6	+28.4	116.8	+7.0	126.3	+29.0	90.9	-2.3	99.9	-3.5
Sep	103.2	+1.9	106.3	+4.5	104.2	+1.7	102.0	-10.0	112.2	+9.8	118.9	+12.6	95.7	+4.5	94.3	-4.6
Oct	99.5	+1.4	102.9	-2.0	97.7	-8.3	101.3	+16.7	110.0	+5.8	111.6	+10.0	78.1	+1.6	94.9	+0.7
Nov	102.8	-0.7	102.3	+2.1	95.8	+2.9	94.3	-13.6	105.4	+7.0	117.5	-4.2	108.4	-5.5	101.5	-1.4
Dec	119.8	+2.7	110.2	+2.5	128.5	+3.1	88.4	+6.7	102.9	+4.2	108.0	+13.7	183.1	-1.9	130.7	+2.5
2018																
Jan	93.3	+3.0	100.5	+3.4	73.1	+0.7	91.9	-6.3	96.7	+2.5	111.2	+3.7	71.5	+16.8	88.1	+2.0
Feb	87.7	+2.7	92.9	+0.5	80.0	+1.3	85.3	-2.7	92.7	+5.8	117.2	+15.9	52.4	+2.9	86.4	+4.2
Mar	99.6	-3.2	110.1	+5.8	99.8	+9.3	71.0	-44.0	104.6	+1.4	112.1	-21.4	75.4	-3.2	96.9	+0.5
Apr	96.5	-5.4	96.8	-6.2	87.8	-14.8	95.9	+3.9	103.6	-3.1	125.7	+2.8	77.7	-10.1	95.9	-6.9
May	111.4	-1.9	109.8	-1.2	114.7	-2.2	88.1	-3.0	120.7	-1.5	124.5	-4.5	102.3	-10.2	118.4	+0.8
Jun	111.4	-7.2	110.8	-3.3	129.6	-4.4	80.9	-3.8	128.1	-4.8	111.3	-2.3	117.9	-28.2	110.7	-5.8
Jul	112.2	-1.7	111.7	+0.6	127.4	+2.3	95.7	-7.2	137.1	-1.6	119.4	+11.8	88.5	-13.5	113.2	-2.8

(1) Index numbers are subject to revisions

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

(2) Includes household supplies but excludes alcoholic beverages

(R) represents revised

EXPLANATORY NOTES

The **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 2015 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 reflects generally 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 merchandise 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 2015.

Overseas Purchases

Overseas purchases reflect the value of goods declared by residents through HM Customs while travelling on vacation or business trips.

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