



## RETAIL SALES ROSE 6.2 PER CENT

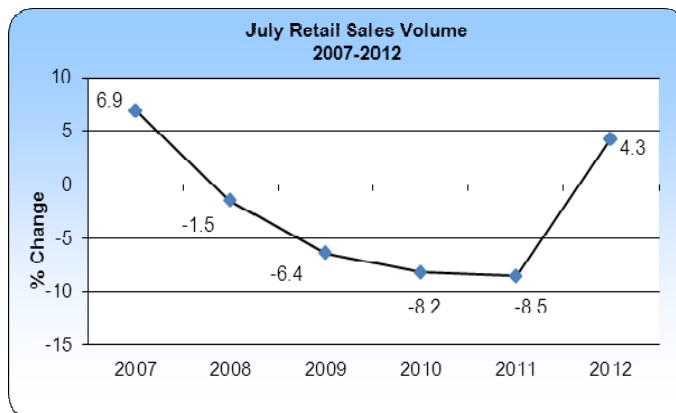
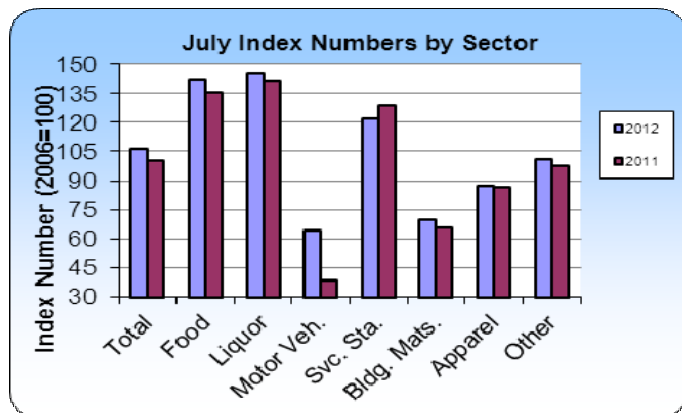
Retail sales in July 2012 rose 6.2 per cent or \$5.5 million above the \$89.8 million recorded in July 2011. Consumer demand strengthened in all retail sectors with the exception of Service Stations. Motor vehicle retailers experienced the largest increase, registering a 64.2 per cent jump in sales receipts. In contrast, retailers of service stations recorded a decline in sales of 5.6 per cent.

Residents returning to the Island declared overseas purchases of goods valued at \$5.2 million during

July 2012. This was 1.9 per cent or \$100,000 less than the \$5.3 million declared in July 2011. Combined local and overseas spending totalled \$100.5 million.

After adjusting for the annual retail sales rate of inflation, measured at 2.7 per cent in July 2012, the volume of retail sales increased by 4.3 per cent.

There were 26 shopping days in July 2012, two days less than in July 2011.



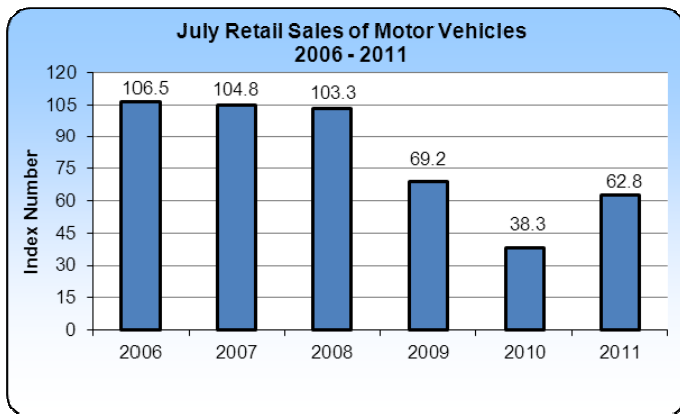
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

### 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
<b>2011</b>								
Jul	100.3 <sup>R</sup>	-5.1 <sup>R</sup>	-8.5	89.8 <sup>R</sup>	5.3	-1.9	95.1 <sup>R</sup>	-4.9 <sup>R</sup>
Aug	94.8	0.0	-2.3	85.0	7.5	-3.8	92.3	-0.4
Sep	92.3	-0.1	-3.2	82.6	5.7	+5.6	88.3	+0.2
Oct	91.2	-3.0	-6.5	81.7	5.7	+1.8	87.4	-2.7
Nov	91.1	-2.7	-5.4	81.5	5.9	-25.3	87.4	-4.6
Dec	118.2	-0.7	-3.8	105.8	6.1	-23.8	111.9	-2.3
<b>2012</b>								
Jan	81.6	-2.3	-4.9	73.0	4.5	-11.8	77.5	-2.9
Feb	81.3	+3.7	+1.3	72.7	3.3	-5.7	76.0	+3.2
Mar	96.1	+2.4	+0.3	86.0	3.6	-16.3	89.6	+1.5
Apr	91.9	-4.5	-6.9	82.2	6.0	-1.6	88.2	-4.3
May	93.0	+0.7	-1.1	83.2	5.6	-11.1	88.8	-0.2
Jun	101.8	+0.5	-1.1	91.1	5.0	+2.0	96.1	+0.5
<b>Jul</b>	<b>106.5</b>	<b>+6.2</b>	<b>+4.3</b>	<b>95.3</b>	<b>5.2</b>	<b>-1.9</b>	<b>100.5</b>	<b>+5.7</b>

### Motor Vehicle Stores

Retail sales of motor vehicles jumped 64.2 per cent in July 2012. This marked the first increase since March 2010. Retailers benefitted from new inventory leading to a surge in unit sales of all vehicle types. However, this increase also reflects a weak sales performance that occurred in July 2011. The number of cars and motorcycles sold rose by 39 units and 58 units, respectively.



### Building Material Stores

Sales receipts for building material stores increased 7.0 per cent above the level reached in July 2011. Retailers attributed this increase to the higher demand associated with residential construction and renovation.

### Food and Liquor Stores

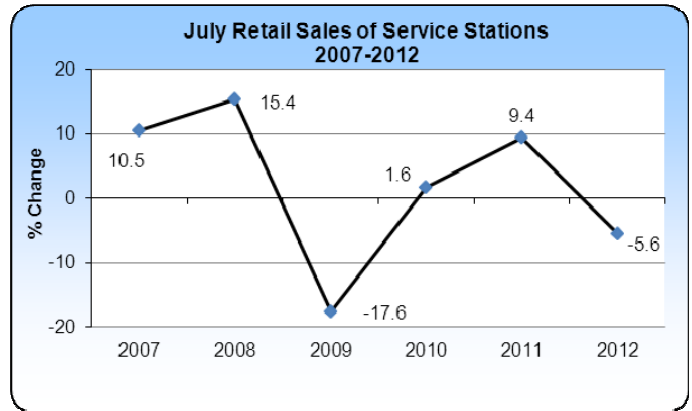
Gross receipts for food stores increased 5.0 per cent. Sales revenue for liquor stores edged up 2.4 per cent during the month. These increases were attributed partly to the 4.5 per cent and 2.1 per cent rise in the average cost of food and alcohol, respectively.

### All Other Store Types

The all other store types sector experienced a 3.8 per cent rise in sales receipts during July 2012. During the same period, retail sales of furniture, appliances and electronics rose by 7.6 per cent. Sales of pharmaceutical products increased by 4.6 per cent. Boat and marine retailers recorded a fractional rise of 0.6 per cent. In contrast, tourist-related stores saw their sales receipts drop by 5.8 per cent.

### Service Stations

During July 2012, sales receipts for service stations decreased 5.6 per cent. The lower sales activity reflected in part a shift in gasoline sales as the Cup Match Holiday occurred in August this year as opposed to July in 2011.

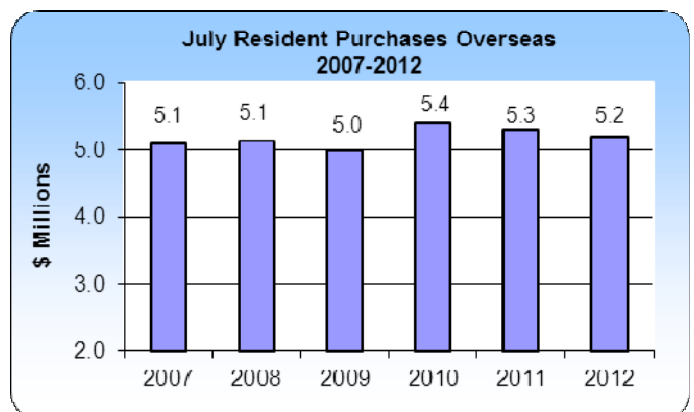


### Apparel Stores

Sales revenue for apparel stores increased 1.3 per cent during July 2012. Consumers took advantage of the many discount sales events during the month, which pushed aggregate sales for this sector above the previous year's level.

### Resident Purchases Overseas

Overseas purchases declared by travelling residents declined 1.9 per cent to \$5.2 million. Outlays on clothing and footwear represented the largest component of expenditure, accounting for 50 per cent of the total value of declarations in July.



**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	94.5	-2.9	119.9	-0.5	113.4	-1.9	51.2	-24.4	116.2	+4.2	63.4	-1.4	88.9	+1.5	92.3	-3.5
2010																
Jun	104.0	-2.4	125.1	+2.9	113.0	+2.1	70.7	-8.2	118.8	+2.6	64.8	-28.5	107.2	+2.1	103.9	-2.5
Jul	105.7	-6.1	137.8	+1.0	150.2	+3.3	69.2	-33.0	117.8	+1.6	66.4	-27.8	81.7	-1.0	104.3	-1.7
Aug	94.8	-9.3	116.4	-4.3	120.9	-11.7	58.6	-30.9	115.5	-0.8	71.7	-22.6	82.9	-1.4	93.0	-8.4
Sep	92.4	-5.9	120.2	+2.3	121.8	+2.2	56.3	-24.4	109.8	+1.3	61.4	-32.4	74.1	-13.3	89.4	-1.4
Oct	94.1	-8.2	124.4	-0.9	98.9	-5.4	73.2	-18.6	112.0	+1.8	56.9	-29.8	76.2	-12.5	86.3	-9.1
Nov	93.6	-2.6	110.2	-0.4	111.1	-1.5	62.6	-6.6	105.9	+0.5	60.7	-26.3	93.6	+2.5	96.4	+0.5
Dec	119.1	-3.2	132.8	+0.6	162.4	-3.0	59.2	-24.3	109.2	+2.4	43.7	-24.3	180.3	+0.2	131.0	-3.8
2011																
Jan	83.5	-5.6	112.1	-2.2	85.8	-7.7	57.2	-19.2	103.4	+1.4	55.9	-13.6	57.0	-5.3	79.6	-5.2
Feb	78.4	-5.9	104.8	-1.7	90.3	-4.4	59.3	-26.8	98.9	+1.2	50.4	-15.8	52.3	+1.3	72.9	-3.8
Mar	93.9	-4.9	116.3	-3.0	102.2	-4.7	69.9	-21.3	116.8	+2.0	63.3	-15.9	64.7	+1.6	89.5	-1.5
Apr	96.3	-0.8	124.7	+6.7	122.0	+5.4	51.9	-18.0	121.0	+4.6	67.1	-9.2	83.0	-0.2	91.0	-6.0
May	92.4	-4.0	115.2	-4.6	90.7	-7.4	63.2	-2.0	125.0	+4.6	66.4	-8.4	93.0	-3.5	91.8	-4.6
Jun	101.4	-2.6	123.0	-1.6	111.7	-1.2	52.0 <sup>R</sup>	-26.4	127.2	+7.1	64.5	-0.4	111.8	+4.2	101.0	-2.8
Jul	100.3 <sup>R</sup>	-5.1	135.4 <sup>R</sup>	-1.7	141.6 <sup>R</sup>	-5.7	38.3	-44.7	128.9 <sup>R</sup>	+9.4	65.3 <sup>R</sup>	-1.6	86.5	+5.8	97.4	-6.6
Aug	94.8	0.0	116.8	+0.4	122.8	+1.5	55.7	-4.9	123.6	+7.0	64.4	-10.2	85.0	+2.5	93.3	+0.3
Sep	92.3	-0.1	116.3	-3.2	116.6	-4.3	48.4	-14.1	116.9	+6.5	70.2	+14.4	83.8	+13.1	88.2	-1.3
Oct	91.2	-3.0	123.5	-0.7	96.0	-2.9	43.4	-40.6	112.7	+0.6	71.3	+25.3	78.7	+3.3	83.5	-3.2
Nov	91.1	-2.7	114.0	+3.4	110.7	-0.4	38.3	-38.8	108.8	+2.7	66.8	+10.0	86.9	-7.1	93.2	-3.3
Dec	118.2	-0.7	136.4	+2.7	170.0	+4.7	36.4	-31.6	110.9	+1.6	55.4	+26.7	184.5	+2.4	126.5	-3.4
2012																
Jan	81.6	-2.3	114.0	+1.7	89.6	+4.5	40.5	-29.3	104.3	+0.8	61.9	+10.7	55.7	-2.4	75.8	-4.7
Feb	81.3	+3.7	113.8	+8.6	98.9	+9.5	48.9	-17.5	102.3	+3.4	55.3	+9.9	50.3	-3.7	74.9	+2.8
Mar	96.1	+2.4	126.3	+8.5	117.9	+15.4	54.7	-21.7	116.6	-0.2	66.1	+4.5	65.3	+0.9	90.3	+0.9
Apr	91.9	-4.5	123.3	-1.1	115.8	-5.1	46.9	-9.7	115.6	-4.5	67.6	+0.7	78.1	-5.8	82.9	-9.3
May	93.0	+0.7	112.9	-2.0	97.5	+7.6	38.0	-39.8	121.2	-3.0	69.6	+4.8	88.9	-4.4	96.5	+5.2
Jun	101.8	+0.5	133.8	+8.7	122.2	+9.5	42.3	-18.7	120.5	-5.2	53.7	-16.8	104.3	-6.7	102.3	+1.4
Jul	106.5	+6.2	142.2	+5.0	145.1	+2.4	62.8	+64.2	121.6	-5.6	69.9	+7.0	87.6	+1.3	101.1	+3.8

(1) Index numbers are subject to revisions

(2) Includes household supplies but excludes alcoholic beverages

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

\*The yearly series reflect annual changes

## 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 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 2006.

### Overseas Purchases

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

Published by the Government of Bermuda  
September 2012

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