



January 2013

## RETAIL SALES JUMP 3.1 PER CENT

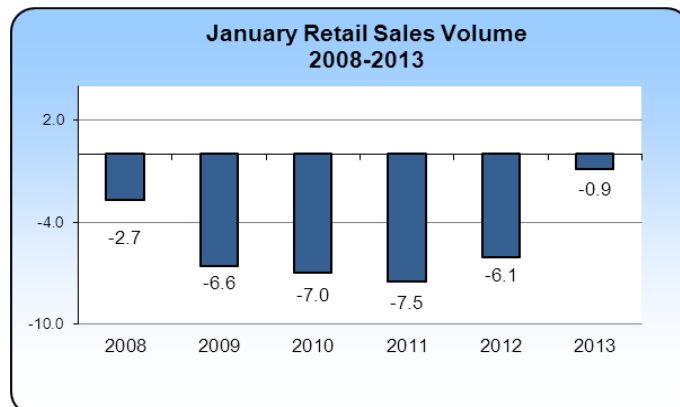
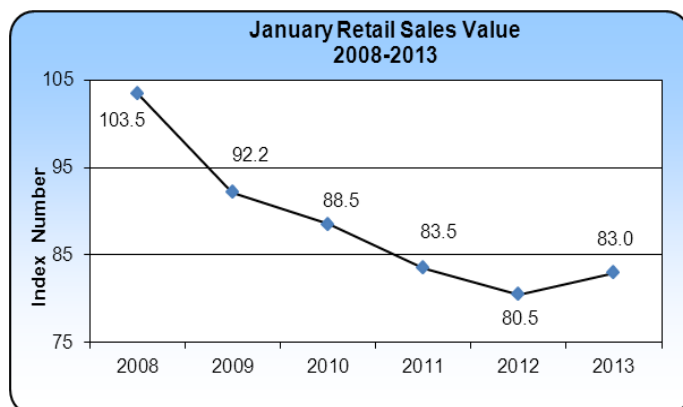
Retail sales increased 3.1 per cent or by \$2.3 million during January 2013. Sales activity increased in five of the seven retail sectors. Motor vehicle stores registered the largest gain in sales of 31.6 per cent. In contrast, retailers of building materials reported the largest decline in sales of 30.2 per cent.

Residents returning to the Island declared overseas purchases valued at \$4.4 million during

January 2013. This was 2.2 per cent or \$0.1 million less than the \$4.5 million declared in January 2012. Combined local and overseas spending totalled \$78.7 million.

After adjusting for the annual retail sales rate of inflation, measured at 4.0 per cent in January 2013, the volume of retail sales fell by 0.9 per cent.

There were 26 shopping days during the month, one more than in January 2012.



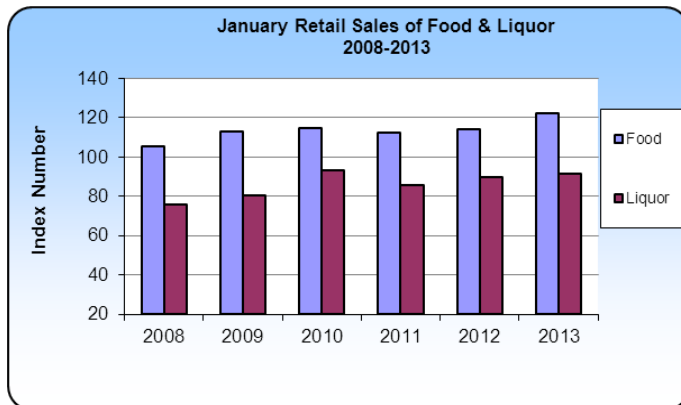
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

### 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>2012</b>								
Jan	80.5 <sup>R</sup>	-3.6 <sup>R</sup>	-6.1 <sup>R</sup>	72.0 <sup>R</sup>	4.5	-11.8	76.5 <sup>R</sup>	-4.1 <sup>R</sup>
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
Jul	106.5	+6.2	+4.3	95.3	5.2	-1.9	100.5	+5.7
Aug	94.3	+0.5	-2.5	84.4	7.1	-5.3	91.5	0.0
Sep	92.2	+0.8	-1.1	82.5	5.4	-5.3	87.9	+0.4
Oct	91.5	+0.7	-1.0	81.9	5.3	-7.0	87.2	+0.2
Nov	91.7	+1.3	-1.8	82.1	6.7	+13.6	88.8	+2.1
Dec	116.1 <sup>R</sup>	-1.6 <sup>R</sup>	-4.2 <sup>R</sup>	103.9 <sup>R</sup>	7.4	+21.3	111.3 <sup>R</sup>	-0.3 <sup>R</sup>
<b>2013</b>								
Jan	83.0	+3.1	-0.9	74.3	4.4	-2.2	78.7	+2.9

## Food and Liquor Stores

Receipts from food sales rose 7.2 per cent compared to January 2012. Liquor stores reported a 2.4 per cent increase in gross receipts during the same period.

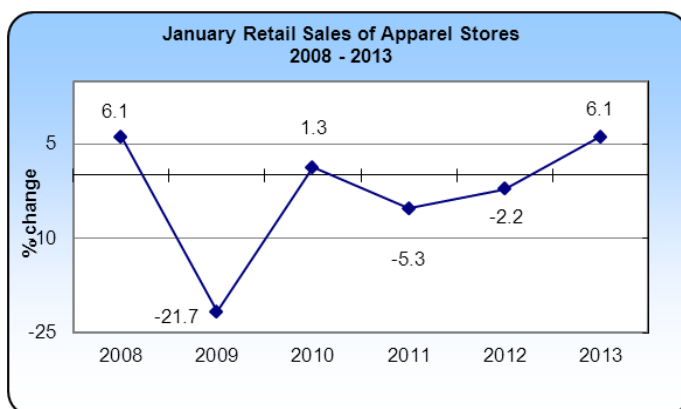


## Building Material Stores

Sales of building materials declined 30.2 per cent during January 2013. The reduction in sales was attributed to the near completion of major commercial construction projects such as the redevelopment of the King Edward Memorial Hospital, and a contraction in residential construction.

## Apparel Stores

Aggregate sales for apparel stores increased 6.1 per cent during January 2013. Retailers attributed the rise in sales performance to improved customer service and marketing strategies, as well as increased demand for a wider selection of merchandise made available to consumers.



## All Other Store Types

The all other store types sector experienced a decline in sales receipts of 0.5 per cent during January 2013. Gross sales revenue from tourist-related stores suffered the largest decline of 5.4 per cent. Receipts for big-ticket items such as furniture, appliances and electronics fell by 2.9 per cent. In contrast, sales receipts from marine supplies grew 10.6 per cent while the sale of pharmaceutical products rose 2.3 per cent year-over-year.

## Motor Vehicle Stores

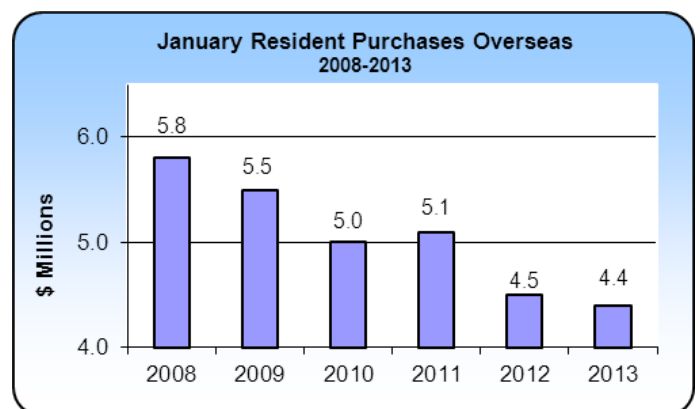
Retail sales of motor vehicles jumped 31.6 per cent in January 2013. Contributing to the strong increase in aggregate receipts was the sale of 27 additional cars and 2 additional motorcycles compared to January 2012.

## Service Stations

Sales receipts for service stations increased 2.0 per cent. The growth in sales for this sector was attributed to the increased price of fuel as the overall volume of fuel sold within the sector decreased.

## Resident Purchases Overseas

Residents declared 2.2 per cent or \$0.1 million less in overseas purchases than the \$4.5 million recorded for January 2012. Decreased expenditure outlays on clothing and footwear as well as toys and sporting goods contributed to the drop in the total value of declarations in January 2013. This outcome may be partly due to the new HM Customs Green/Red channel system for declaring goods at the airport introduced in November 2012.



# 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	126.8	+5.7	123.0	+8.5	45.4	-7.1	115.6	-0.5	57.2	-9.3	85.1	-4.4	90.3	-2.3
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	91.3	-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	-26.4	127.2	+7.1	64.5	-0.4	111.8	+4.2	101.0	-2.8
Jul	100.3	-5.1	135.4	-1.7	141.6	-5.7	38.3	-44.7	128.9	+9.4	65.3	-1.6	86.5	+5.8	97.4	-6.6
Aug	93.9	-1.0	116.8	+0.4	122.8	+1.5	50.2	-14.2	123.6	+7.0	62.1	-13.4	85.0	+2.5	93.2	+0.3
Sep	91.5	-1.0	116.3	-3.2	116.6	-4.3	42.1	-25.3	117.6	+7.1	68.2	+11.2	83.8	+13.1	88.6	-0.8
Oct	90.8	-3.4	123.5	-0.7	96.1	-2.8	38.1	-47.9	112.3	+0.3	71.3	+25.3	78.7	+3.2	84.4	-2.1
Nov	90.5	-3.3	114.0	+3.4	110.6	-0.5	32.9	-47.4	108.8	+2.8	66.7	+10.0	86.9	-7.1	93.4	-3.1
Dec	117.9	-1.0	137.1	+3.2	170.0	+4.7	30.9	-41.9	110.9	+1.6	55.5	+26.9	185.2	+2.7	126.7	-3.3
2012																
Jan <sup>R</sup>	80.5 <sup>R</sup>	-3.6	114.1 <sup>R</sup>	+1.8	89.6	+4.5	35.1 <sup>R</sup>	-38.7	105.2 <sup>R</sup>	+1.7	61.9	+10.7	55.7 <sup>R</sup>	-2.2	74.1 <sup>R</sup>	-6.8
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	+0.8
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
Aug	94.3	+0.5	127.8	+9.4	146.9	+19.6	41.4	-17.5	120.8	-2.2	54.2	-12.7	82.2	-3.3	88.7	-4.8
Sep	92.2	+0.8	129.0	+10.9	146.3	+25.5	40.9	-2.8	118.7	+0.9	49.6	-27.3	76.8	-8.3	84.8	-4.4
Oct	91.5	+0.7	131.1	+6.2	103.3	+7.5	54.6	+43.3	114.1	+1.6	53.9	-24.4	72.3	-8.1	79.2	-6.2
Nov	91.7	+1.3	122.4	+7.4	121.8	+10.1	36.1	+9.6	117.2	+7.7	47.6	-28.7	87.9	+1.1	90.7	-2.9
Dec <sup>R</sup>	116.1 <sup>R</sup>	-1.6	145.2	+5.9	170.2	+0.1	42.6	+37.9	113.7	+2.5	36.9	-33.5	171.3	-7.5	118.3 <sup>R</sup>	-6.6
2013																
Jan	83.0	+3.1	122.3	+7.2	91.7	+2.4	46.2	+31.6	107.3	+2.0	43.2	-30.2	59.2	+6.1	73.7	-0.5

(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.

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The Cabinet Office  
Department of Statistics  
Cedar Park Centre,  
48 Cedar Avenue, Hamilton HM 11  
P.O. Box HM 3015  
Hamilton HM MX, Bermuda  
Tel: (441) 297-7761, Fax: (441) 295-8390  
E-mail: statistics@gov.bm  
Website: www.statistics.gov.bm