



RETAIL SALES INDEX

May 2016

RETAIL SALES FELL 1.4 PER CENT

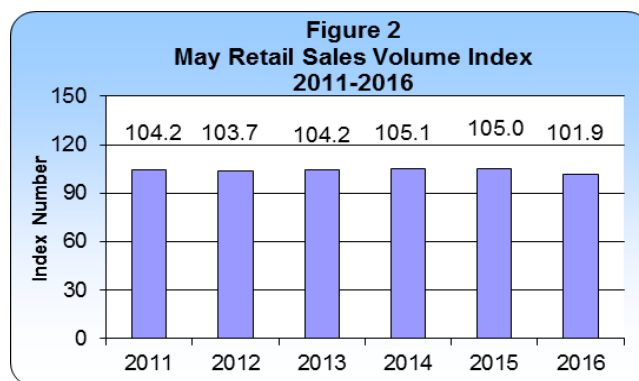
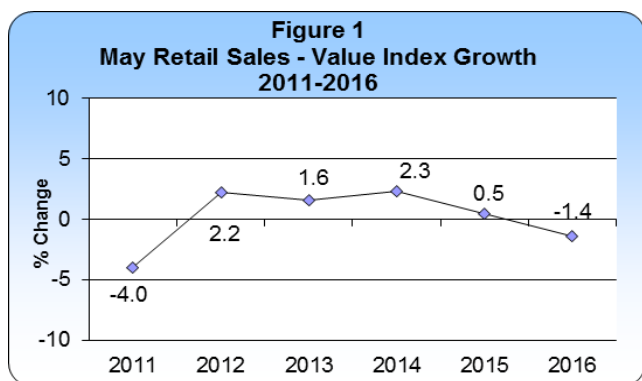
Retail sales in May 2016 decreased 1.4 per cent below the \$97.9 million recorded in May 2015. Four of the seven sectors experienced decreases in sales revenue. Apparel stores registered the largest loss in sales receipts of 7.3 per cent. Motor vehicle stores recorded the largest increase in sales of 13.0 per cent.

Returning residents declared overseas purchases

valued at \$5.4 million, which was 3.6 per cent lower than May 2015. This contributed to a combined local and overseas spending of \$101.9 million.

After adjusting for the annual retail sales rate of inflation, measured at 1.4 per cent in May, the volume of retail sales decreased 3.0 per cent.

Excluding Sundays, there were 25 shopping days during the month, the same as May 2015.



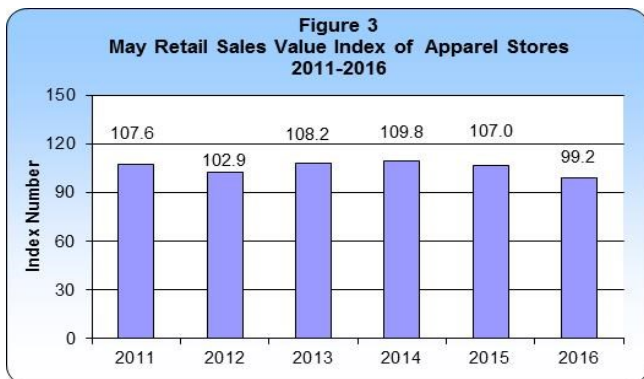
The Retail Sales Index (RSI) is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales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

SUMMARY STATISTICS

Period	Total Retail Sales Value 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
2015								
May ^R	104.9	+0.5	-0.1	97.9	5.6	+12.0	103.5	+2.3
Jun	107.9	+7.8	+6.6	100.7	4.3	0.0	105.0	+7.4
Jul	108.8	+2.4	+1.4	101.5	4.6	+2.2	106.1	+2.3
Aug	98.4	+6.6	+6.3	91.8	6.7	+1.5	98.5	+6.2
Sep	97.0	+5.4	+5.5	90.5	4.6	+4.5	95.1	+5.4
Oct	102.7	+7.0	+6.9	95.8	4.2	-2.3	100.0	+6.6
Nov	98.3	+2.1	+1.8	91.7	6.5	+8.3	98.2	+2.5
Dec	119.1	+3.0	+0.7	111.1	6.8	-9.3	117.9	+2.2
2016								
Jan	91.3	+4.5	+2.3	85.2	4.4	0.0	89.6	+4.2
Feb	88.1	+6.8	+5.3	82.2	3.2	+6.7	85.4	+6.8
Mar	98.6	+4.9	+3.6	92.0	3.4	-8.1	95.4	+4.4
Apr	98.9	+2.3	+0.4	92.2	4.7	-6.0	96.9	+1.9
May	103.4	-1.4	-3.0	96.5	5.4	-3.6	101.9	-1.5

Apparel Stores

Sales revenue for apparel stores contracted 7.3 per cent in value terms and 6.1 per cent in volume terms. The decline reflected lower demand for current inventory as well as lower tourist demand.



All Other Store Types

Sales receipts for the all other store types sector fell 6.1 per cent year-over-year. Gross receipts for marine and boat suppliers decreased 36.6 per cent due to less inventory available for sale and fewer sales of large-ticket items. Lower tourist demand was reported at tourist-related stores which experienced a 3.5 per cent decline in sales. Receipts for the sale of furniture, appliances and electronics dropped 3.3 per cent. Pharmacies reported a 1.4 per cent drop in gross receipts. After factoring for inflation, the sales volume of the all other store types category fell 7.8 per cent.

Food and Liquor Stores

Receipts from food sales weakened 1.5 per cent while sales revenue for liquor stores decreased 1.2 per cent year-over-year. The sales volume of food stores and liquor stores decreased 3.8 and 5.6 per cent respectively.

Service Stations

The value of fuel sales for service stations rose 3.3 per cent while volume sales increased 2.3 per cent. The rise in revenue was due partly to the

0.6 per cent increase in the cost of fuel.

Building Material Stores

Receipts from the sale of building materials increased 4.2 per cent year-over-year. The rise in sales was linked to increased demand for construction supplies related to ongoing projects as well as the availability of more inventory for sale. When adjusted for inflation, the sales volume decreased 1.9 per cent.

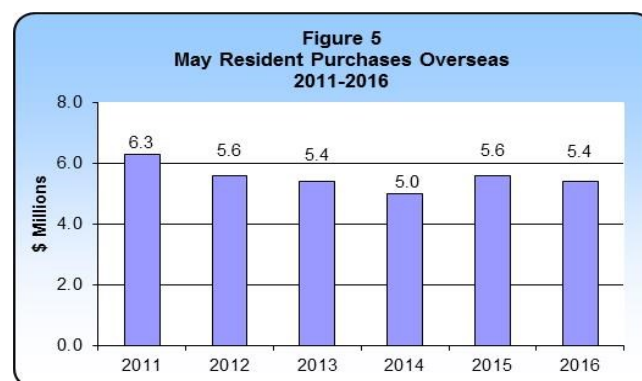
Motor Vehicle Stores

Retail sales of motor vehicles were 13.0 per cent higher than the level reached in May 2015. The number of vehicles sold increased 14.5 per cent. This increase reflected higher sales demand for cars while cycle sales decreased.



Resident Purchases Overseas

Residents declared \$5.4 million in overseas purchases during the month compared to \$5.6 million in declarations during May 2015.



BERMUDA RETAIL SALES INDEX — MAY 2016

**Table 1
Average Monthly Sales Value (1)
2015=100**

Period	Total		Food		Liquor		Motor		Service		Building		Apparel		All Other	
	Retail	Stores	Stores	(2)	Stores	(3)	Stores	Stores	Stations	Stations	Stores	Stores	Stores	Stores	Store	Types
2015																
May ^R	104.9	+0.5	105.1	+4.6	112.3	-3.0	88.7	-4.9	103.6	-5.9	112.1	+2.6	107.0	-2.6	107.4	+0.5
Jun	107.9	+7.8	101.8	+5.2	108.6	+1.8	106.9	+33.1	113.4	-1.0	99.6	+21.9	125.7	+6.2	110.6	+9.1
Jul	108.8	+2.4	107.9	+3.1	128.9	-0.6	114.4	+33.3	124.4	-3.3	76.6	-7.5	94.9	-4.1	109.6	-0.1
Aug	98.4	+6.6	98.8	+4.9	104.8	+0.1	89.9	+31.4	110.9	+4.5	80.7	+10.7	97.4	+6.6	98.0	+5.0
Sep	97.0	+5.4	98.8	+7.0	95.6	+3.0	91.3	+6.5	100.4	-4.5	90.4	-7.1	94.6	+4.6	96.8	+10.9
Oct	102.7	+7.0	103.6	+2.9	104.0	+0.3	108.2	+28.7	110.1	-2.7	97.8	-3.1	99.9	+43.1	97.8	+5.8
Nov	98.3	+2.1	96.0	-0.3	91.7	-1.5	93.4	+15.7	93.5	+0.9	99.0	+2.7	116.3	-1.4	99.9	+4.3
Dec	119.1	+3.0	108.4	+4.2	125.5	-0.4	109.8	+28.9	96.4	+7.1	88.9	-9.7	184.2	-2.9	130.3	-0.4
2016																
Jan	91.3	+4.5	99.4	+3.4	74.3	-1.3	110.4	+26.3	87.3	+6.2	91.3	-10.9	62.0	-3.1	86.4	+3.8
Feb	88.1	+6.8	93.2	+5.7	79.4	+4.4	111.5	+23.4	85.0	+10.5	94.9	-3.9	57.5	+1.4	84.6	+4.8
Mar	98.6	+4.9	103.5	+5.6	93.0	+6.9	104.8	+6.8	92.5	+0.8	118.1	+13.3	78.6	-4.3	96.0	+6.2
Apr	98.9	+2.3	100.6	+4.7	97.2	+7.0	115.2	-3.8	96.4	+4.4	113.4	+15.1	82.6	-3.7	95.5	-0.7
May	103.4	-1.4	103.5	-1.5	110.9	-1.2	100.2	+13.0	107.0	+3.3	116.8	+4.2	99.2	-7.3	100.9	-6.1

**Table 2
Average Monthly Sales Volume (1)
2015=100**

Period	Total		Food		Liquor		Motor		Service		Building		Apparel		All Other	
	Retail	Stores	Stores	(2)	Stores	(3)	Stores	Stores	Stations	Stations	Stores	Stores	Stores	Stores	Store	Types
2015																
May ^R	105.0	-0.1	105.5	+1.2	112.3	-3.9	88.5	-4.2	102.5	+2.7	117.5	+1.2	106.1	-3.5	107.6	+0.2
Jun	107.0	+6.6	101.7	+1.2	108.7	+0.9	107.1	+35.6	105.1	+2.6	102.3	+20.3	125.7	+5.1	110.6	+9.0
Jul	107.7	+1.4	107.7	0.0	129.1	-1.3	114.0	+35.1	116.5	+0.8	78.7	-8.7	94.9	-4.8	109.5	-0.2
Aug	98.0	+6.3	98.2	+1.9	104.9	-0.7	90.1	+33.9	110.2	+13.0	82.0	+8.1	97.4	+5.8	97.9	+4.8
Sep	96.6	+5.5	98.3	+4.4	95.4	+1.9	91.4	+8.4	99.7	+3.3	91.8	-9.2	94.6	+3.8	96.8	+10.9
Oct	102.2	+6.9	102.8	+0.3	103.7	-0.9	108.4	+31.1	109.4	+2.1	99.4	-5.3	99.9	+42.9	97.8	+6.1
Nov	98.2	+1.8	95.9	-2.1	91.5	-2.5	94.4	+17.6	92.9	+1.2	100.6	+0.3	116.3	-1.5	99.8	+4.6
Dec	118.6	+0.7	108.7	+1.6	124.6	-1.8	111.1	+31.0	94.3	-3.4	90.3	-11.7	184.2	-3.1	129.9	-0.2
2016																
Jan	90.5	+2.3	97.7	+0.6	73.4	-2.9	111.9	+28.9	85.1	-4.7	90.4	-15.2	61.9	-3.3	86.1	+4.0
Feb	88.0	+5.3	91.4	+2.8	78.0	+2.2	112.8	+25.5	92.6	+11.2	94.0	-8.2	57.4	+1.3	84.3	+4.1
Mar	98.4	+3.6	101.6	+3.4	91.5	+4.9	106.1	+8.2	100.8	+3.8	117.0	+8.3	78.5	-4.3	95.3	+5.2
Apr	97.5	+0.4	98.2	+1.9	93.8	+3.2	116.4	-2.3	94.5	-0.4	112.3	+12.8	83.0	-3.3	94.8	-1.7
May	101.9	-3.0	101.5	-3.8	106.0	-5.6	101.3	+14.5	104.9	+2.3	115.3	-1.9	99.6	-6.1	99.2	-7.8

(1) Index numbers are subject to revisions

(R) represents revised

(2) Includes household supplies but excludes alcoholic beverages

*The yearly series reflect annual changes.

(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 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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