



## RISE IN RETAIL SALES

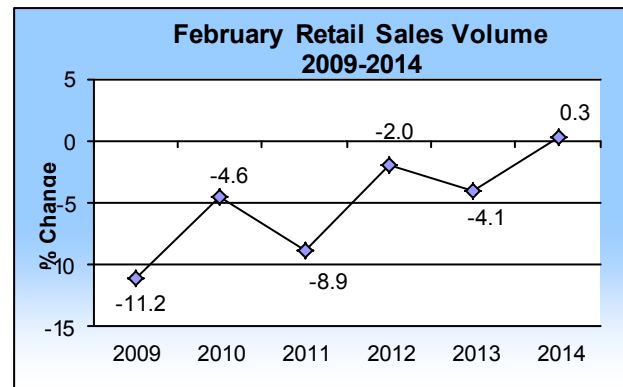
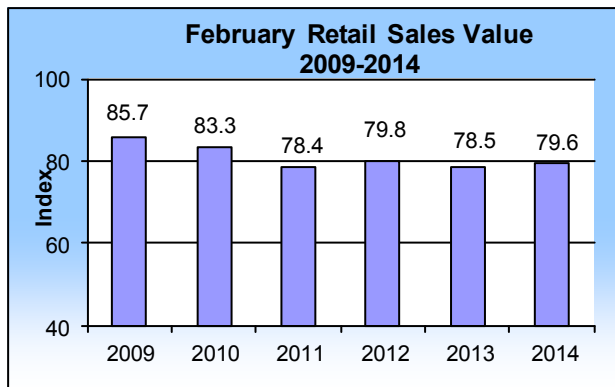
Total retail sales in February 2014 increased 1.4 per cent. Consumers spent an estimated \$71.2 million on retail goods during the month. Motor vehicle retailers registered the largest increase in sales of 42.3 per cent. In contrast, retailers of apparel stores reported the largest decrease in sales of 5 per cent.

Residents returning to the Island declared overseas purchases valued at \$3 million during

February 2014. This contributed to a combined local and overseas spending total of \$74.2 million.

After adjusting for the annual retail sales rate of inflation, measured at 1.0 per cent in February, the volume of retail sales increased by 0.3 per cent.

There were 24 shopping days during the month, the same as in February 2013.



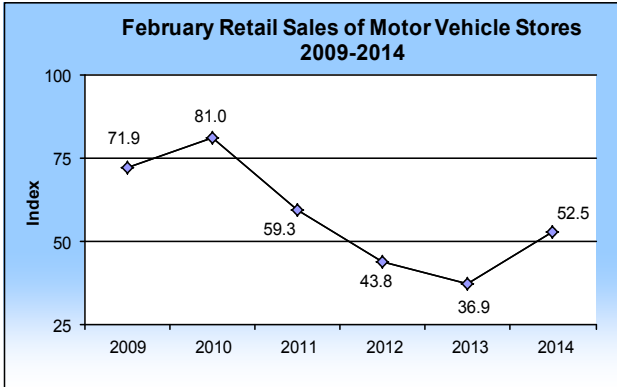
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

### 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    |
| <b>2013</b> |                           |                                 |             |                                   |  |              |  |             |
| Feb         | 78.5                      | -1.7                            | -4.1        | 70.3                              | 3.4  | +3.0         | 73.7                                     | -1.5        |
| Mar         | 94.7                      | -1.1                            | -2.9        | 84.7                              | 3.7  | +2.8         | 88.4                                     | -0.9        |
| Apr         | 91.4                      | -1.3                            | -3.0        | 81.8                              | 5.4  | -10.0        | 87.2                                     | -1.9        |
| May         | 95.7                      | +1.3                            | +0.4        | 85.6                              | 5.4  | -3.6         | 91.0                                     | +1.0        |
| Jun         | 100.9                     | -0.8                            | -2.2        | 90.3                              | 4.5  | -10.0        | 94.8                                     | -1.3        |
| Jul         | 110.7                     | +4.1                            | +2.2        | 99.1                              | 4.5  | -13.5        | 103.6                                    | +3.2        |
| Aug         | 91.6                      | -3.2                            | -4.1        | 82.0                              | 6.5  | -8.5         | 88.5                                     | -3.6        |
| Sep         | 88.0                      | -4.4                            | -6.3        | 78.8                              | 4.9  | -9.3         | 83.7                                     | -4.7        |
| Oct         | 91.6                      | +0.1                            | -0.9        | 81.9                              | 4.1  | -22.6        | 86.0                                     | -1.2        |
| Nov         | 95.8                      | +4.7                            | +3.7        | 85.7                              | 6.1  | -9.0         | 91.8                                     | +3.6        |
| Dec         | 113.4                     | -2.2                            | -3.4        | 101.5                             | 7.5  | +1.4         | 109.0                                    | -2.0        |
| <b>2014</b> |                           |                                 |             |                                   |  |              |  |             |
| Jan         | 84.1                      | +1.1                            | +0.3        | 75.3                              | 4.2  | -4.5         | 79.5                                     | +0.8        |
| <b>Feb</b>  | <b>79.6</b>               | <b>+1.4</b>                     | <b>+0.3</b> | <b>71.2</b>                       | <b>3.0</b>   | <b>-11.8</b> | <b>74.2</b>                              | <b>+0.8</b> |

### Motor Vehicle Stores

Sales of motor vehicles jumped 42.3 per cent recording the second consecutive month of double digit increases. The volume of both cars and motorcycles sold during the month increased.

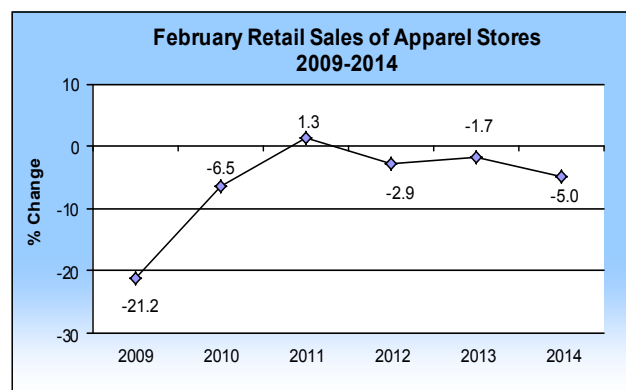


### Building Material Stores

Sales of building materials edged up 0.2 per cent compared to the same period last year. The growth in demand for sales of hardware supplies offset the decline in receipts resulting from a slow down in special projects and large residential contract sales.

### Apparel Stores

Sales revenue for apparel stores slipped 5 per cent year-over-year. Retailers attributed this decline to lower consumer demand during the month.



### Food and Liquor Stores

Receipts from food sales fractionally increased 0.1 per cent while liquor stores reported an 8.2 per cent rise in gross receipts during February 2014. The price of food and liquor increased 2.3 and 4.4 per cent, respectively during the month.

### All Other Store Types

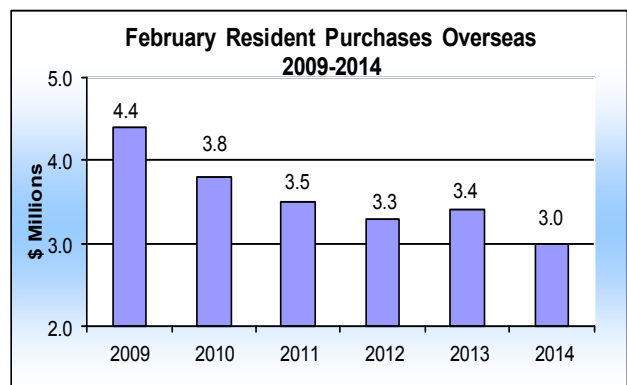
Sales receipts for the all other store types sector contracted 3.5 per cent. Gross receipts for tourist-related stores weakened 44.8 per cent, due partly to declines in jewellery sales. Sales for pharmaceutical stores declined 0.5 per cent. In contrast, sales of furniture, appliances and electronics increased 1.7 per cent, while sales for boat and marine supplies rose 12.1 per cent during the month.

### Service Stations

Sales receipts for service stations remained unchanged when compared to February 2013.

### Resident Purchases Overseas

Residents declared \$3.0 million or 11.8 per cent less in overseas purchases of goods year-over-year. Lower outlays on clothing and footwear contributed primarily to the overall decrease in the total value of declarations.



**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 | 131.5              | +3.1  | 122.1              | -0.8  | 45.8                 | +1.0  | 112.7             | -2.0  | 48.6                     | -15.0 | 84.7           | -0.3  | 89.4                  | -1.3 |
| 2012   |                     |      |                    |       |                    |       |                      |       |                   |       |                          |       |                |       |                       |      |
| Feb    | 79.8                | +1.9 | 111.1              | +6.0  | 97.8               | +8.3  | 43.8                 | -26.2 | 101.7             | +2.8  | 55.3                     | +9.9  | 50.7           | -2.9  | 75.1                  | +3.0 |
| Mar    | 95.7                | +1.9 | 126.3              | +8.5  | 117.9              | +15.4 | 49.9                 | -28.6 | 116.8             | 0.0   | 66.1                     | +4.5  | 65.4           | +1.0  | 90.7                  | +1.3 |
| Apr    | 92.7                | -3.7 | 123.6              | -0.9  | 124.6              | +2.1  | 46.9                 | -9.7  | 113.7             | -6.1  | 67.6                     | +0.7  | 78.3           | -5.6  | 85.0                  | -7.0 |
| May    | 94.4                | +2.2 | 124.0              | +7.6  | 98.0               | +8.1  | 47.0                 | -25.6 | 118.8             | -4.9  | 69.7                     | +5.0  | 88.9           | -4.4  | 97.3                  | +6.1 |
| Jun    | 101.7               | +0.4 | 133.8              | +8.7  | 122.2              | +9.5  | 42.3                 | -18.7 | 118.3             | -7.0  | 53.7                     | -16.8 | 104.3          | -6.7  | 102.5                 | +1.5 |
| Jul    | 106.4               | +6.0 | 142.2              | +5.0  | 145.1              | +2.4  | 62.8                 | +64.2 | 118.9             | -7.7  | 69.3                     | +6.1  | 87.6           | +1.3  | 101.5                 | +4.2 |
| Aug    | 94.6                | +0.8 | 127.8              | +9.4  | 146.9              | +19.6 | 41.4                 | -17.5 | 125.3             | +1.4  | 54.3                     | -12.6 | 81.2           | -4.5  | 89.2                  | -4.3 |
| Sep    | 92.1                | +0.6 | 129.0              | +10.9 | 146.3              | +25.5 | 40.9                 | -2.7  | 117.9             | +0.2  | 49.6                     | -27.3 | 76.8           | -8.3  | 84.5                  | -4.7 |
| Oct    | 91.5                | +0.7 | 131.1              | +6.2  | 103.3              | +7.5  | 54.6                 | +43.3 | 113.3             | +0.9  | 54.0                     | -24.2 | 71.9           | -8.6  | 79.6                  | -5.7 |
| Nov    | 91.5                | +1.1 | 123.1              | +8.0  | 121.9              | +10.3 | 36.1                 | +9.6  | 116.5             | +7.0  | 47.6                     | -28.7 | 87.9           | +1.1  | 89.5                  | -4.2 |
| Dec    | 116.0               | -1.6 | 145.2              | +5.9  | 170.2              | +0.1  | 42.6                 | +37.9 | 113.0             | +1.9  | 36.9                     | -33.5 | 170.7          | -7.8  | 118.2                 | -6.7 |
| 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 <sup>R</sup> | +3.4  | 101.5 <sup>R</sup> | +3.8  | 36.9                 | -15.6 | 97.1 <sup>R</sup> | -4.5  | 44.8 <sup>R</sup>        | -19.0 | 49.9           | -1.7  | 74.0 <sup>R</sup>     | -1.4 |
| Mar    | 94.7                | -1.1 | 135.1              | +7.0  | 123.4              | +4.7  | 41.0                 | -18.0 | 118.1             | +1.1  | 59.7                     | -9.8  | 61.8           | -5.4  | 84.1                  | -7.3 |
| Apr    | 91.4                | -1.3 | 126.6              | +2.5  | 112.4              | -9.8  | 49.0                 | +4.4  | 109.0             | -4.2  | 53.7                     | -20.6 | 76.1           | -2.8  | 84.1                  | -1.0 |
| May    | 95.7                | +1.3 | 133.6              | +7.8  | 102.6              | +4.7  | 46.0                 | -2.1  | 119.5             | +0.6  | 55.3                     | -20.7 | 93.5           | +5.2  | 93.9                  | -3.5 |
| Jun    | 100.9               | -0.9 | 136.6              | +2.1  | 119.6              | -2.2  | 38.8                 | -8.2  | 124.2             | +4.4  | 46.9                     | -12.7 | 104.8          | +0.5  | 99.0                  | -3.4 |
| 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           | -4.4  | 106.1                 | +4.6 |
| Aug    | 91.6                | -3.2 | 126.2              | -1.3  | 138.2              | -5.9  | 40.1                 | -3.1  | 116.9             | -6.7  | 44.8                     | -17.5 | 80.9           | -0.4  | 86.7                  | -2.8 |
| Sep    | 88.0                | -4.4 | 124.2              | -3.8  | 128.5              | -12.1 | 48.3                 | +18.0 | 109.7             | -7.0  | 41.0                     | -17.2 | 76.9           | +0.1  | 78.3                  | -7.3 |
| Oct    | 91.6                | +0.2 | 132.0              | +0.6  | 100.2              | -3.0  | 59.7                 | +9.3  | 111.5             | -1.6  | 46.8                     | -13.3 | 74.6           | +3.8  | 79.5                  | -0.1 |
| Nov    | 95.8                | +4.7 | 127.5              | +3.5  | 121.5              | -0.4  | 46.1                 | +27.6 | 108.2             | -7.1  | 47.7                     | +0.2  | 97.3           | +10.7 | 93.9                  | +4.9 |
| Dec    | 113.4               | -2.2 | 143.9              | -0.9  | 160.5              | -5.7  | 38.0                 | -10.8 | 107.5             | -4.8  | 37.8                     | +2.4  | 158.0          | -7.5  | 119.2                 | +0.9 |
| 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 |

(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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