



RETAIL SALES SUMMARY

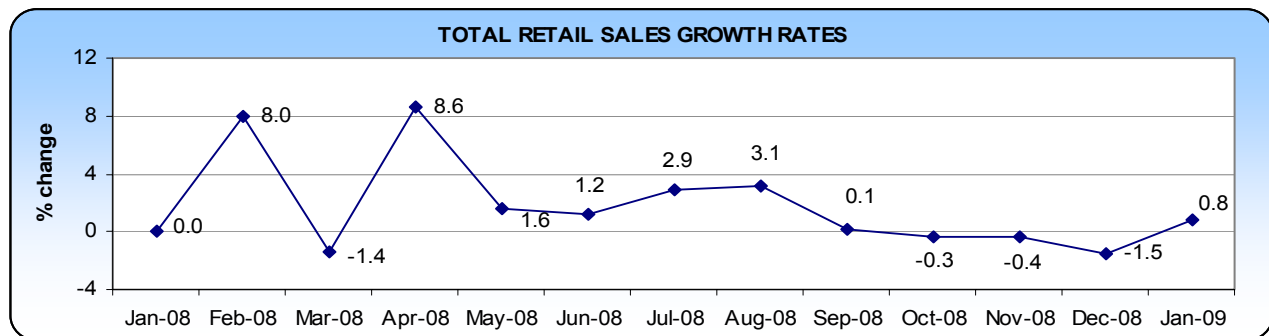
January 2009 marked the first month of positive sales gains following three consecutive months of declines in the total value of retail sales. Consumers spent an estimated \$84.5 million on retail sales in January 2009. This represented a fractional increase of less than 1% or roughly, \$0.6 million dollars above the \$83.9 million in retail sales recorded during the same period last year.

The January 2009 index for total retail sales stood at 94.4 index points.

The combined increased sales activity within *Food Stores, Liquor Stores and Motor Vehicle Stores* helped to push the index above the 93.7 index points reached in January 2008.

After adjusting for the **annual retail sales rate of inflation**, measured at 5.3% in January 2009, the volume of retail sales fell by 4.3%.

There were 26 shopping days during the month, the same as January 2008.



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
2007								
Dec	125.7	+2.5	+0.7	112.5	7.8	+1.7	120.3	+2.4
2008								
Jan ^r	93.7	+0.0	-2.7	83.9	5.8	+16.0	89.7	+0.9
Feb	91.4	+8.0	+5.6	81.8	4.3	+7.5	86.1	+7.9
Mar	100.9	-1.4	-3.9	90.3	5.1	+54.5	95.4	+0.6
Apr	105.8	+8.6	+4.3	94.7	6.3	+0.0	101.0	+8.0
May	110.6	+1.6	-3.3	99.0	6.8	+7.3	105.7	+1.9
Jun	111.3	+1.2	-4.0	99.6	5.1	+11.5	104.7	+1.6
Jul	116.6	+2.9	-2.3	104.3	5.1	+0.6	109.5	+2.8
Aug	107.4	+3.1	-2.6	96.1	8.4	+13.5	104.5	+3.9
Sep	102.3	+0.1	-5.3	91.5	5.5	-6.4	97.0	-0.3
Oct	105.9	-0.3	-6.3	94.8	5.2	+6.7	100.0	+0.1
Nov	102.7	-0.4	-5.8	91.9	8.4	-5.4	100.3	-0.9
Dec	123.8	-1.5	-6.9	110.8	7.4	-5.0	118.2	-1.7
Jan	94.4	+0.8	-4.3	84.5	5.5	-5.2	90.0	+0.4

Food Stores

Food stores were the largest contributor to the retail sales index for the month of January 2009. Gross receipts rose 10.5% year-over-year. However, most of this was due to the cost of food items increasing by 7.7% during the same period.

Motor Vehicle Stores

Retailers of motor vehicles experienced a second consecutive month of positive sales gains in January 2009 of 5.2%. This increase followed the strong boost in sales reported in December 2008. The higher sales figures were partially attributed to a 9.1% rise in the price of motor vehicles during the month, coupled with higher inventory levels.

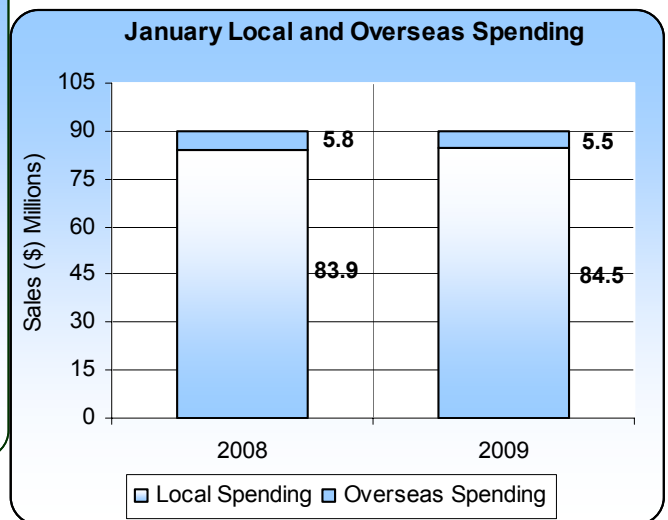
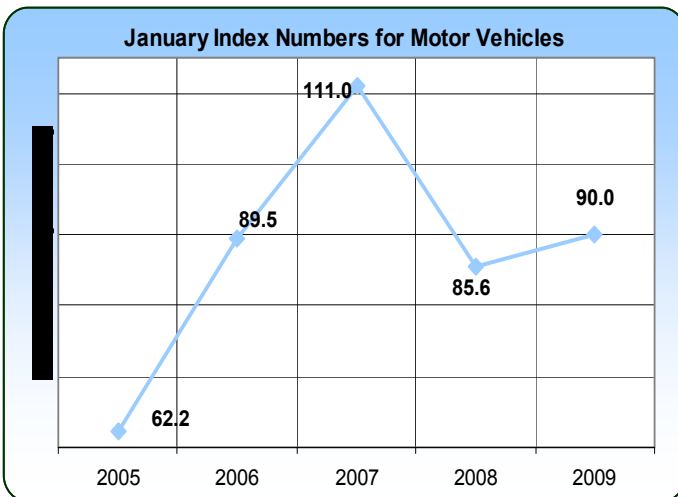
appliances and electronics, which fell 20.3% and 4.5%, respectively.

Building Materials

Building material retailers reported a decline in sales of 16.9% in January 2009. This decline marked the fourth consecutive month of lower sales activity and reflects weaker demand for construction materials purchased locally.

Apparel Stores

Conservative consumer spending continued to have a negative impact on apparel sales leading into the New Year. Gross turnover for this sector fell 14.7% in January 2009, a significant turnaround from the 6.1% increase experienced in January 2008



Service Stations

Service stations reported a 12.2% decline in sales revenue, mostly due to the 8.3% drop in the cost of fuel. This marks the third consecutive month of weakened sales activity at service stations following thirteen months of positive performances.

All Other Store Types

The all other type stores sector, which includes retailers of furniture, appliances, electronics and pharmaceuticals, registered a 1.0% growth in January. This performance reflected strong sales activity of 9.9% reported by pharmacies. However, these gains were offset by lower consumer spending on boat and marine supplies, and furniture,

Overseas spending

Residents returning to the Island from business and vacation trips declared overseas purchases of roughly \$5.5 million during the month of January 2009. This level of spending fell 5.2% below the \$5.8 million spent in January of 2008.

Combined local and overseas retail sales totaled \$90.0 million in January 2009, marking a fractional increase of 0.4% year-over-year.

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	
2005	96.2	+8.2	94.2	+10.0	96.6	+8.2	101.6	+22.0	89.5	+14.6	93.5	+12.6	109.9	-7.8	93.0	+6.5
2006	100.0	+3.9	100.0	+6.1	100.0	+3.6	100.0	-1.6	100.0	+11.7	100.0	+7.0	100.0	-9.0	100.0	+7.6
2007	104.3	+4.3	106.5	+6.5	104.4	+4.4	95.1	-5.0	106.0	+6.0	96.4	-3.6	109.3	+9.3	106.2	+6.1
2008^f	106.0	+1.7	114.5	+7.5	106.0	+1.5	90.4	-4.9	115.1	+8.5	93.2	-3.4	104.2	-4.7	107.2	+1.0
2006																
Sep	101.6	+6.8	104.4	+8.8	108.0	+18.8	98.9	+4.7	110.9	+22.9	112.5	+0.3	94.9	+13.7	95.7	+1.4
Oct	99.0	+1.3	100.4	+1.1	78.3	-16.5	108.1	-2.4	104.1	+9.1	96.0	-15.5	94.4	+19.8	96.8	+4.5
Nov	101.2	+5.5	97.6	+2.9	96.2	+7.8	104.4	-3.3	95.9	+9.8	99.9	-6.1	100.3	+12.9	106.4	+14.1
Dec	122.7	+6.4	111.1	+6.7	139.5	+6.7	81.6	-16.5	97.5	+12.7	74.5	+6.4	210.2	+15.4	141.4	+8.1
2007																
Jan	93.7	+12.2	98.5	+8.9	76.2	+6.4	111.0	+24.0	92.3	+5.5	103.7	-0.1	71.5	+28.8	87.4	+14.2
Feb	84.6	-0.4	94.1	+8.7	79.7	+2.3	90.0	-21.8	86.9	+5.1	77.4	-5.9	63.2	+20.5	82.7	-3.1
Mar	102.3	+9.9	105.8	+8.9	93.1	+6.4	103.6	+4.5	100.8	+5.8	116.8	+6.9	95.2	+20.7	96.8	+13.2
Apr	97.4	+2.0	103.1	+1.6	97.5	-1.8	84.7	-11.2	108.9	+12.9	100.1	-3.7	92.8	+4.4	94.6	+7.8
May	108.8	+0.6	107.0	+5.7	109.9	+2.8	116.6	+4.8	114.9	+7.3	94.3	-30.4	115.2	+8.4	108.8	+3.1
Jun	110.0	+2.6	110.6	+8.0	117.4	+8.2	84.1	-17.5	112.8	+4.7	102.4	+12.1	128.6	+4.0	114.6	+1.6
Jul	113.3	+9.8	112.8	+4.8	141.5	+19.9	106.5	+14.6	121.9	+10.5	105.8	+11.9	109.4	+9.7	117.3	+12.0
Aug	104.2	+4.0	106.5	+6.8	112.5	+3.4	92.2	-9.7	107.1	+1.9	96.6	+0.0	106.3	+11.8	107.6	+5.6
Sep	102.1	+0.5	107.6	+3.1	98.8	-8.5	87.5	-11.5	109.7	-1.1	86.3	-23.3	105.0	+10.6	105.5	+10.2
Oct	106.2	+7.3	110.7	+10.3	84.0	+7.3	107.4	-0.6	111.8	+7.4	105.2	+9.5	98.3	+4.2	105.0	+8.5
Nov	103.1	+1.9	102.2	+4.7	100.2	+4.2	87.1	-16.6	102.4	+6.8	99.1	-0.8	112.3	+12.0	109.4	+2.7
Dec	125.7	+2.5	119.5	+7.6	142.3	+2.1	70.0	-14.2	103.1	+5.8	69.5	-6.7	214.6	+2.1	144.2	+2.0
2008																
Jan ^f	93.7	+0.0	105.2	+6.8	75.8	-0.5	85.6	-22.9	100.4	+8.7	93.2	-10.1	75.9	+6.1	91.3	+4.5
Feb	91.4	+8.0	101.9	+8.2	84.6	+6.2	86.1	-4.3	99.3	+14.3	86.2	+11.4	69.3	+9.8	91.2	+10.2
Mar	100.9	-1.4	110.4	+4.3	98.9	+6.2	96.7	-6.7	111.7	+10.8	94.1	-19.4	90.8	-4.6	96.8	-0.1
Apr	105.8	+8.6	112.5	+9.1	95.3	-2.2	96.7	+14.2	120.4	+10.5	109.0	+8.9	97.6	+5.3	101.6	+7.4
May	110.6	+1.6	117.1	+9.4	116.3	+5.8	88.3	-24.3	125.5	+9.2	102.2	+8.3	116.2	+0.9	109.7	+0.8
Jun	111.3	+1.2	112.8	+2.0	112.4	-4.3	92.3	+9.8	126.6	+12.2	96.4	-5.9	129.0	+0.3	112.6	-1.7
Jul	116.6	+2.9	124.7	+10.6	156.4	+10.5	106.8	+0.3	140.9	+15.6	96.3	-9.0	103.9	-5.1	117.0	-0.2
Aug	107.4	+3.1	118.4	+11.2	110.5	-1.8	82.7	-10.3	127.9	+19.4	96.0	-0.6	101.3	-4.6	107.8	+0.3
Sep	102.3	+0.1	113.1	+5.1	98.6	-0.3	94.3	+7.8	119.0	+8.5	86.4	+0.1	93.6	-10.8	99.5	-5.7
Oct	105.9	-0.3	121.5	+9.8	84.9	+1.1	93.9	-12.5	118.3	+5.8	94.6	-10.1	91.9	-6.5	102.9	-2.0
Nov	102.7	-0.4	110.9	+8.6	101.9	+1.6	76.0	-12.7	100.3	-2.1	94.8	-4.3	102.2	-9.0	108.5	-0.8
Dec	123.8	-1.5	125.4	+5.0	136.2	-4.3	85.5	+22.2	91.0	-11.7	69.1	-0.6	178.6	-16.8	147.5	+2.2
Jan	94.4	+0.8	116.3	+10.5	80.7	+6.5	90.0	+5.2	88.1	-12.2	77.5	-16.9	64.8	-14.7	92.3	+1.0

(1) Includes household supplies but excludes alcoholic beverages.

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

(3) Index numbers are subject to revisions

* The yearly series reflect annual changes

* Numbers may not add due to rounding

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 eight 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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