



RETAIL SALES ROSE 2.1 PER CENT

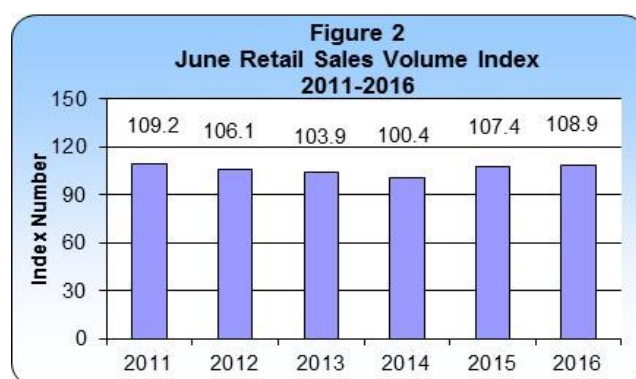
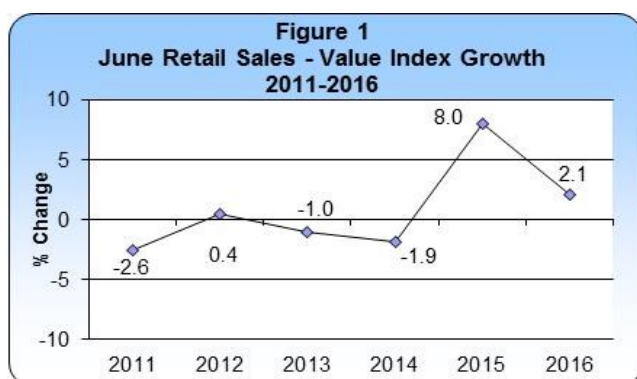
Retail sales in June 2016 increased 2.1 per cent above the \$100.9 million recorded in June 2015. Five of the seven sectors experienced increases in sales revenue. Liquor stores registered the largest rise in sales receipts of 9.1 per cent. Building material stores recorded the largest loss in sales of 9.1 per cent.

Returning residents declared overseas purchases

valued at \$4.1 million, which was 4.9 per cent lower than June 2015. This contributed to a combined local and overseas spending of \$107.1 million.

After adjusting for the annual retail sales rate of inflation, measured at 0.5 per cent in June, the volume of retail sales increased 1.4 per cent.

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



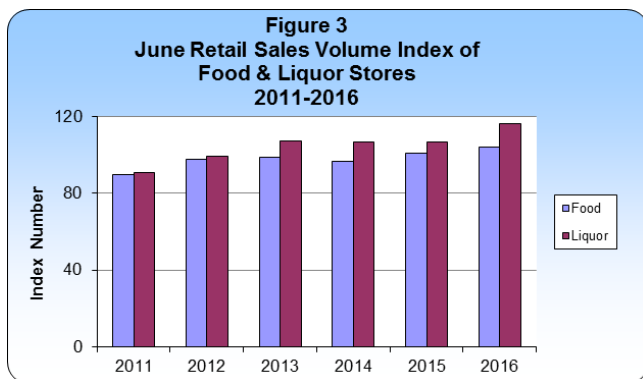
The Retail Sales Index (RSI) is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales 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 | | | | | | | | |
| Jun ^R | 108.1 | +8.0 | +6.9 | 100.9 | 4.3 | 0.0 | 105.2 | +7.6 |
| 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 | 97.0 ^R | +1.9 |
| May | 103.4 | -1.4 | -3.0 | 96.5 | 5.4 | -3.6 | 101.9 | -1.5 |
| Jun | 110.4 | +2.1 | +1.4 | 103.0 | 4.1 | -4.9 | 107.1 | +1.8 |

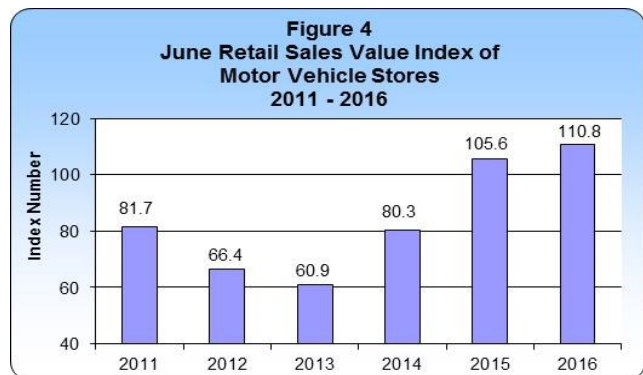
Food and Liquor Stores

Receipts from liquor sales strengthened 9.1 per cent while sales revenue for food stores increased 2.8 per cent year-over-year. The sales volume of liquor stores and food stores increased 2.9 and 1.1 per cent, respectively.



Motor Vehicle Stores

Retail sales of motor vehicles were 4.9 per cent higher than the level reached in June 2015. The number of vehicles sold increased 5.6 per cent. This increase reflected higher demand for new vehicle models coupled with sales promotions during the month.



All Other Store Types

Sales receipts for the all other store types sector rose 3.3 per cent year-over-year. Gross receipts for marine and boat suppliers increased 42.5 per cent due to greater sales of large-ticket items. Pharmacies reported a 4.1 per cent increase in gross receipts. Receipts for the sale of furniture, appliances and electronics dropped 2.4 per cent.

Lower tourist demand was reported at tourist-related stores which experienced a 8.0 per cent decline in sales. After factoring for inflation, the sales volume of the all other store types category rose 2.2 per cent.

Service Stations

The value of fuel sales for service stations rose 1.3 per cent. The rise in revenue was due to a 5.5 per cent increase in the volume of fuel sold as a result of a 1.8 per cent decrease in the cost of fuel as well as sales promotions during the month.

Apparel Stores

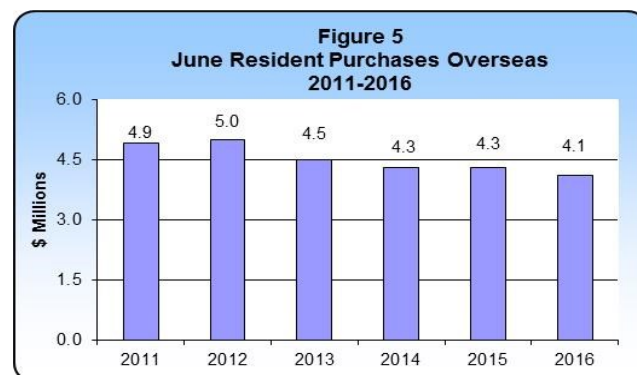
Sales revenue for apparel stores contracted 1.8 per cent in value terms and 0.7 per cent in volume terms. The decline reflected lower demand for current inventory as well as less customer traffic when compared to June 2015.

Building Material Stores

Receipts from the sale of building materials decreased 9.1 per cent year-over-year. The drop in sales was linked to decreased demand for construction supplies. When adjusted for inflation, the sales volume decreased 13.4 per cent.

Resident Purchases Overseas

Residents declared \$4.1 million in overseas purchases during the month compared to \$4.3 million in declarations during June 2015.



BERMUDA RETAIL SALES INDEX — JUNE 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) | | Vehicle Stores | | Stations | | Material Stores | | Stores | | Store Types | |
| 2015 | | | | | | | | | | | | | | | | |
| Jun ^R | 108.1 | +8.0 | 101.2 | +4.5 | 106.9 | +0.2 | 105.6 | +31.5 | 114.2 | -0.3 | 113.9 | +39.4 | 124.5 | +5.2 | 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 |
| Jun | 110.4 | +2.1 | 104.0 | +2.8 | 116.6 | +9.1 | 110.8 | +4.9 | 115.7 | +1.3 | 103.5 | -9.1 | 122.2 | -1.8 | 114.2 | +3.3 |

**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) | | Vehicle Stores | | Stations | | Material Stores | | Stores | | Store Types | |
| 2015 | | | | | | | | | | | | | | | | |
| Jun ^R | 107.4 | +7.0 | 101.2 | +0.6 | 107.1 | -0.6 | 106.0 | +33.9 | 105.9 | +3.4 | 117.9 | +37.6 | 123.6 | +4.1 | 110.5 | +8.9 |
| 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 |
| Jun | 108.9 | +1.4 | 102.3 | +1.1 | 110.1 | +2.9 | 112.0 | +5.6 | 111.6 | +5.5 | 102.2 | -13.4 | 122.8 | -0.7 | 112.9 | +2.2 |

(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.

Published by the Government of Bermuda
August 2016

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