



RETAIL SALES INDEX

May 2014

RETAIL SALES RISE 1.8 PER CENT

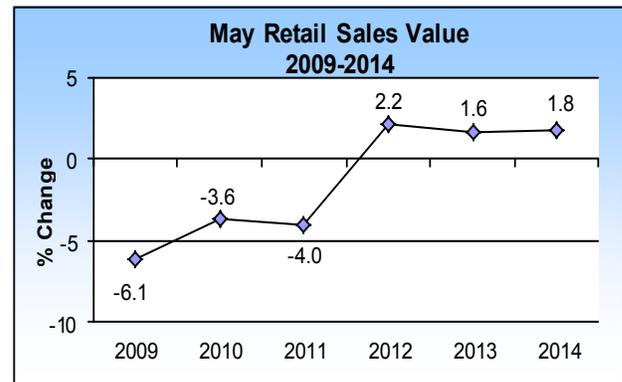
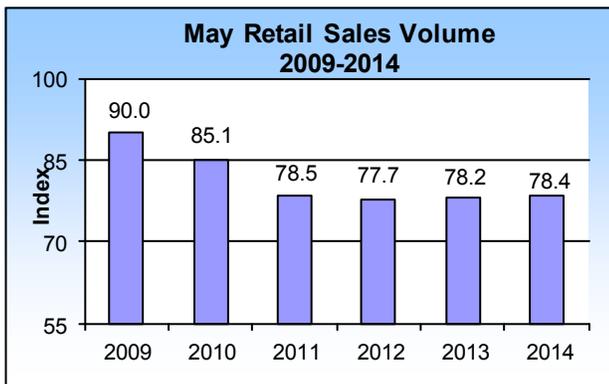
Retail sales in May 2014 increased \$1.5 million above the \$85.9 million recorded in May 2013. All retail sectors experienced increases with the exception of building material stores and service stations. Motor vehicle retailers registered the largest increase in sales of 31.3 per cent while building material stores recorded the strongest decline of 17.0 per cent.

Residents returning to the Island declared

overseas purchases valued at \$5.0 million during May 2014. This contributed to a combined local and overseas spending total of \$92.4 million.

After adjusting for the annual retail sales rate of inflation, measured at 1.5 per cent in May, the volume of retail sales increased by 0.2 per cent.

There were 26 shopping days during the month, the same as in May 2013.



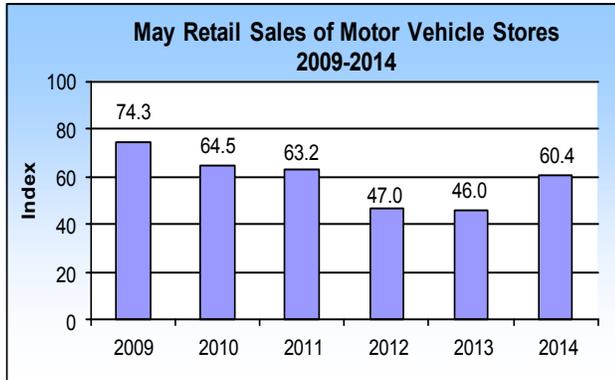
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

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
2013								
May ^R	95.9	+1.6	+0.7	85.9	5.4	-3.6	91.2	+1.3
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
2014								
Jan	84.1	+1.1	+0.3	75.3	4.2	-4.5	79.5	+0.8
Feb	79.6	+1.4	+0.3	71.2	3.0	-11.8	74.2	+0.8
Mar	92.3	-2.3	-4.1	82.6	3.5	-5.4	86.1	-2.4
Apr ^R	96.3	+5.2	+3.5	86.2	4.9	-9.3	91.1	+4.3
May	97.6	+1.8	+0.2	87.4	5.0	-7.4	92.4	+1.3

Motor Vehicle Stores

Sales of motor vehicles were 31.3 per cent higher than the levels reached in 2013. Steady declines in the cost of motor vehicles attributed to the fifth consecutive month of double-digit increases in sales. During the month, the volume of cars sold increased while the volume of motorcycles sold decreased.



Food and Liquor Stores

Receipts from food sales marginally increased 0.8 per cent when compared to May 2013. In addition, sales revenue for liquor stores was 5.2 per cent higher during the month. The increase in sales was partly attributed to the rise in food and liquor prices of 2.8 per cent and 2.1 per cent, respectively.

Apparel Stores

Sales revenue for apparel stores were 1.8 per cent higher year-over-year. The rise in sales partly reflected a 1.9 per cent increase in the price of clothing items.

All Other Store Types

Sales receipts for the all other store types sector increased 1.2 per cent. Sales for boat and marine retailers jumped 20.8 per cent. Gross receipts for tourist-related stores were 5.2 per cent higher than 2013. Sales of furniture, appliances and

electronics increased 1.3 per cent during the month. In contrast, sales for pharmaceutical stores contracted 1.9 per cent.

Building Material Stores

Sales of building materials slipped 17.0 per cent compared to the same period last year. The decline in sales was due to decreased demand for building materials associated with the slowdown in commercial and residential construction activity.

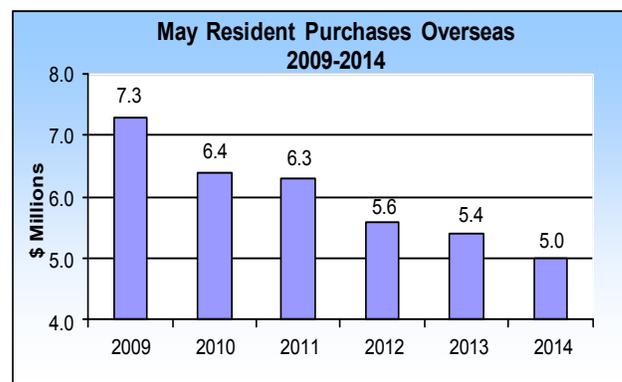


Service Stations

Sales receipts for service stations remained relatively unchanged, edging down 0.1 per cent when compared to May 2013.

Resident Purchases Overseas

Residents declared \$5.0 million in overseas purchases, representing a 7.4 per cent decline. Lower outlays on clothing, footwear, electronic and computer hardware contributed 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	131.4	+3.0	124.1	+0.4	45.8	+1.1	112.7	-2.0	48.6	-15.0	84.7	-0.3	89.5	-1.2
2012																
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	+3.4	101.5	+3.8	36.9	-15.6	97.1	-4.5	44.8	-19.0	49.9	-1.7	74.0	-1.4
Mar	94.5	-1.3	133.9	+6.0	129.1	+9.5	41.0	-18.0	118.0	+1.0	59.7	-9.8	61.8	-5.4	84.2	-7.2
Apr	91.5	-1.3	126.6	+2.5	112.3	-9.8	49.0	+4.4	109.0	-4.2	53.6	-20.6	76.1	-2.8	84.4	-0.7
May ^R	95.9 ^R	+1.6	133.1 ^R	+7.3	114.7 ^R	+17.0	46.0	-2.0	119.5	+0.6	55.3	-20.7	93.5	+5.2	94.1 ^R	-3.3
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
Mar	92.3	-2.3	129.8	-3.0	128.6	-0.4	54.6	+33.3	112.6	-4.6	48.2	-19.2	59.8	-3.3	81.7	-3.0
Apr ^R	96.3 ^R	+5.2	133.3	+5.3	141.9	+26.4	58.1 ^R	+18.6	111.2 ^R	+2.0	49.3	-8.0	83.0	+9.1	86.0 ^R	+1.9
May	97.6	+1.8	134.2	+0.8	120.7	+5.2	60.4	+31.3	119.4	-0.1	45.9	-17.0	95.2	+1.8	95.2	+1.2

(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.

Published by the Government of Bermuda
July 2014

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