



## RETAIL SALES FELL BY 2.3 PER CENT

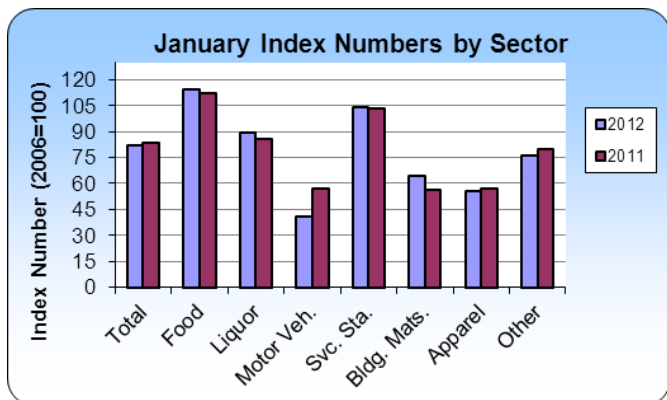
During January 2012, local retail sales fell by 2.3 per cent to \$73.0 million. Sales activity increased in four of the seven retail sectors. Retailers of building materials registered the largest gain in sales of 10.7 per cent. In contrast, motor vehicle dealers reported the strongest dip in sales of 29.3 per cent.

Residents returning to the Island declared overseas purchases of goods valued at \$4.5 million during January 2012. This was 11.8 per cent lower than

the \$5.1 million declared in January 2011. Combined local and overseas spending totalled \$77.5 million.

After adjusting for the annual retail sales rate of inflation, measured at 2.8 per cent in January 2012, the volume of retail sales fell by 4.9 per cent.

There were 25 shopping days during the month, one more than in January 2011.

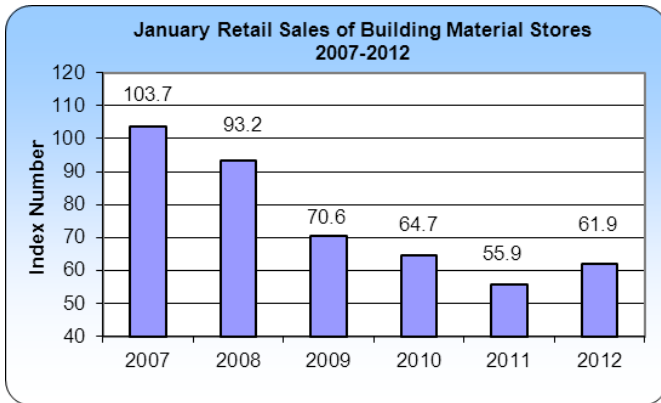


The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

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>2011</b>								
Jan <sup>R</sup>	83.5	-5.6	-7.5	74.7	5.1	+2.0	79.8	-5.2
Feb	78.5	-5.8	-8.8	70.3	3.5	-7.9	73.8	-5.9
Mar	93.3	-5.5	-8.6	83.5	4.3	-6.5	87.8	-5.5
Apr	96.1	-0.9	-3.6	86.0	6.1	0.0	92.1	-0.9
May	92.2	-4.1	-7.9	82.5	6.3	-1.6	88.8	-4.0
Jun	101.3	-2.7	-6.3	90.6	4.9	-14.0	95.5	-3.3
Jul	100.4	-5.0	-8.5	90.0	5.3	-1.9	95.2	-4.8
Aug	94.8	0.0	-2.3	85.0	7.5	-3.8	92.3	-0.4
Sep	92.3	-0.1	-3.2	82.6	5.7	+5.6	88.3	+0.2
Oct	91.2	-3.0	-6.5	81.7	5.7	+1.8	87.4	-2.7
Nov	91.1	-2.7	-5.4	81.5	5.9	-25.3	87.4	-4.6
Dec <sup>R</sup>	118.2	-0.7	-3.8	105.8	6.1	-23.8	111.9	-2.3
<b>2012</b>								
Jan	<b>81.6</b>	<b>-2.3</b>	<b>-4.9</b>	<b>73.0</b>	<b>4.5</b>	<b>-11.8</b>	<b>77.5</b>	<b>-2.9</b>

### Building Material Stores

Aggregate sales for building materials grew 10.7 per cent during January 2012, marking the fifth consecutive month of higher sales for this sector. The stronger level of sales was driven by continued demand for building supplies from on-going commercial construction projects, combined with promotional sales held during the month.



### Food and Liquor Stores

Food store retailers recorded a 1.7 per cent gain in gross receipts compared to the previous year. During the same period, liquor sales rose by 4.5 per cent. Retailers attribute these increases to one extra shopping day in January 2012 compared with last year.

### All Other Store Types

Sales revenue declined 4.7 per cent for retailers within the all other store types sector when compared to January 2011. Gross receipts for tourist-related stores fell 15.7 per cent. Sales of pharmaceutical products were 4.8 per cent lower than the previous year's level. Similarly, gross sales from furniture, appliance and electronics stores decreased 2.7 per cent. In contrast, retailers of boat and marine supplies reported an 8.9 per cent increase in sales during the month.

### Apparel Stores

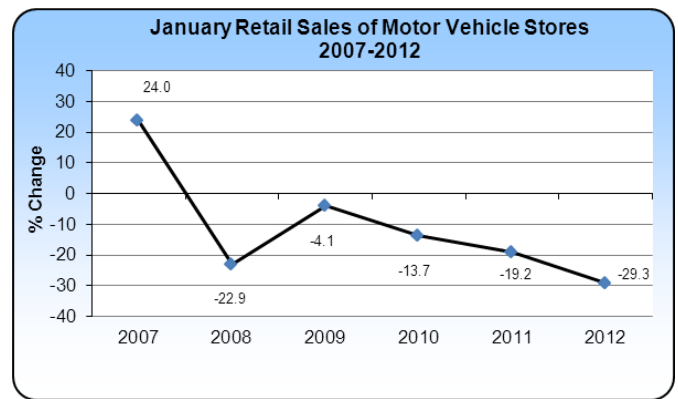
Sales revenue for apparel stores fell 2.4 per cent during the month, a moderate decline over the sales levels recorded in January 2011.

### Service Stations

Sales receipts within the service stations sector marginally increased by 0.8 per cent during the month of January 2012. Retailers attributed this increase to the 5.9 per cent rise in the cost of gasoline.

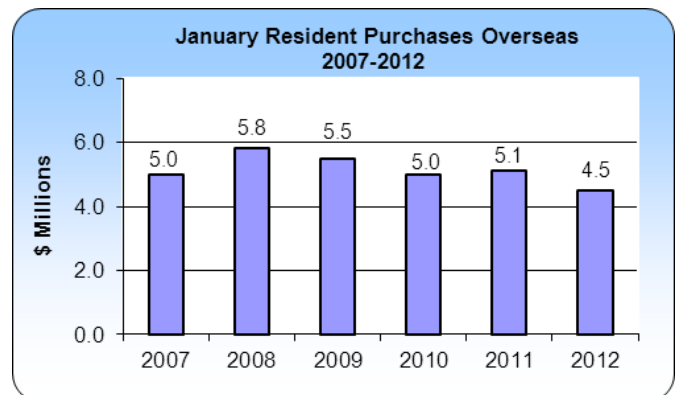
### Motor Vehicle Stores

Gross receipts of motor vehicle retailers fell 29.3 per cent. There were 38 fewer cars sold in January 2012 compared to the same month in 2011. In contrast, there were 24 more motorcycles sold in January 2012 that helped offset the dip in sales for this sector.



### Resident Purchases Overseas

Overseas purchases declared by travelling residents fell by 11.8 per cent to \$4.5 million. Spending on clothing and footwear decreased by \$0.4 million. Expenditure on electronics and photographic equipment contracted by \$0.2 million.



**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	94.4	-3.0	119.8	-0.6	113.6	-1.7	51.2	-24.3	116.0	+4.0	63.7	-1.0	88.7	+1.3	92.2	-3.6
2009																
Dec	123.0	-2.3	132.0	+1.7	167.5	+23.0	70.3	-17.8	106.6	+6.2	57.8	-16.4	180.0	-0.6	136.2	-4.5
2010																
Jan	88.5	-4.0	114.6	+1.4	93.0	+15.2	70.8	-13.7	102.0	+10.4	64.7	-8.4	60.2	+1.3	83.9	-12.1
Feb	83.3	-2.8	106.6	+1.3	94.5	+19.2	81.0	+12.7	97.7	+9.9	59.8	-20.5	51.6	-6.5	75.7	-11.5
Mar	98.7	-1.9	119.9	+5.6	107.2	+27.8	88.8	+0.2	114.5	+14.3	75.2	-28.4	63.7	-12.4	90.9	-4.2
Apr	97.0	-6.6	116.9	-3.4	115.7	+16.3	63.3	-36.9	115.8	+14.8	73.9	-28.0	83.1	-0.8	97.2	+2.0
May	96.2	-3.6	120.8	-0.4	97.9	-13.0	64.5	-13.2	119.5	+7.1	72.5	-21.5	96.4	+7.2	96.2	-4.9
Jun	104.0	-2.4	125.1	+2.9	113.0	+2.1	70.7	-8.2	118.8	+2.6	64.8	-28.5	107.2	+2.1	103.9	-2.5
Jul	105.7	-6.1	137.8	+1.0	150.2	+3.3	69.2	-33.0	117.8	+1.6	66.4	-27.8	81.7	-1.0	104.3	-1.7
Aug	94.8	-9.3	116.4	-4.3	120.9	-11.7	58.6	-30.9	115.5	-0.8	71.7	-22.6	82.9	-1.4	93.0	-8.4
Sep	92.4	-5.9	120.2	+2.3	121.8	+2.2	56.3	-24.4	109.8	+1.3	61.4	-32.4	74.1	-13.3	89.4	-1.4
Oct	94.1	-8.2	124.4	-0.9	98.9	-5.4	73.2	-18.6	112.0	+1.8	56.9	-29.8	76.2	-12.5	86.3	-9.1
Nov	93.6	-2.6	110.2	-0.4	111.1	-1.5	62.6	-6.6	105.9	+0.5	60.7	-26.3	93.6	+2.5	96.4	+0.5
Dec	119.1	-3.2	132.8	+0.6	162.4	-3.0	59.2	-24.3	109.2	+2.4	43.7	-24.3	180.3	+0.2	131.0	-3.8
2011																
Jan <sup>R</sup>	83.5	-5.6	112.1	-2.2	85.8	-7.7	57.2	-19.2	103.4	+1.4	55.9	-13.6	57.0	-5.3	79.5	-5.2
Feb	78.5	-5.8	104.8	-1.7	90.3	-4.4	59.3	-26.8	99.1	+1.4	51.0	-14.7	53.3	+3.3	72.5	-4.2
Mar	93.3	-5.5	115.3	-3.8	102.1	-4.8	69.9	-21.3	116.4	+1.7	64.1	-14.8	63.1	-0.9	89.1	-2.0
Apr	96.1	-0.9	124.7	+6.7	122.0	+5.4	51.6	-18.5	121.1	+4.6	67.1	-9.2	81.5	-1.9	91.4	-6.0
May	92.2	-4.1	115.2	-4.6	90.7	-7.4	63.1	-2.2	124.2	+3.9	66.7	-7.9	93.0	-3.5	91.2	-5.2
Jun	101.3	-2.7	123.0	-1.6	111.7	-1.2	53.1	-24.9	127.1	+7.0	64.5	-0.4	110.8	+3.3	100.5	-3.2
Jul	100.4	-5.0	135.2	-1.9	145.0	-3.4	38.3	-44.7	128.2	+8.8	66.7	+0.4	86.5	+5.8	97.4	-6.6
Aug	94.8	0.0	116.8	+0.4	122.8	+1.5	55.7	-4.9	123.6	+7.0	64.4	-10.2	85.0	+2.5	93.3	+0.3
Sep	92.3	-0.1	116.3	-3.2	116.6	-4.3	48.4	-14.1	116.9	+6.5	70.2	+14.4	83.8	+13.1	88.2	-1.3
Oct	91.2	-3.0	123.5	-0.7	96.0	-2.9	43.4	-40.6	112.7	+0.6	71.3	+25.3	78.7	+3.3	83.5	-3.2
Nov	91.1	-2.7	114.0	+3.4	110.7	-0.4	38.3	-38.8	108.8	+2.7	66.8	+10.0	86.9	-7.1	93.2	-3.3
Dec <sup>R</sup>	118.2	-0.7	136.4	+2.7	170.0	+4.7	36.4	-31.6	110.9	+1.6	55.4	+26.7	184.5	+2.4	126.5	-3.4
2012																
Jan	81.6	-2.3	114.0	+1.7	89.6	+4.5	40.5	-29.3	104.3	+0.8	61.9	+10.7	55.7	-2.4	75.8	-4.7

(1) Index numbers are subject to revisions

(2) Includes household supplies but excludes alcoholic beverages

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

\*The yearly series reflect annual changes

## 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 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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