



LOCAL RETAIL SALES

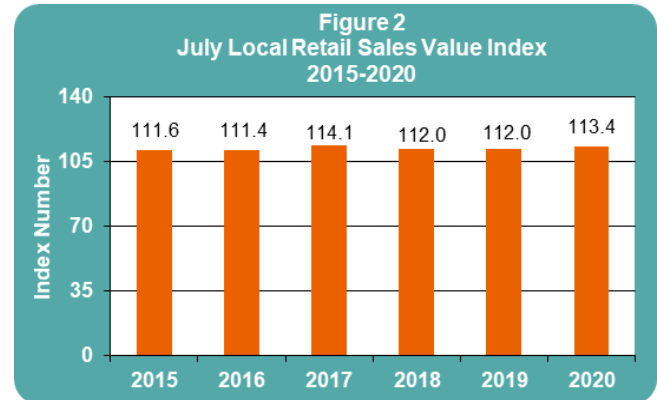
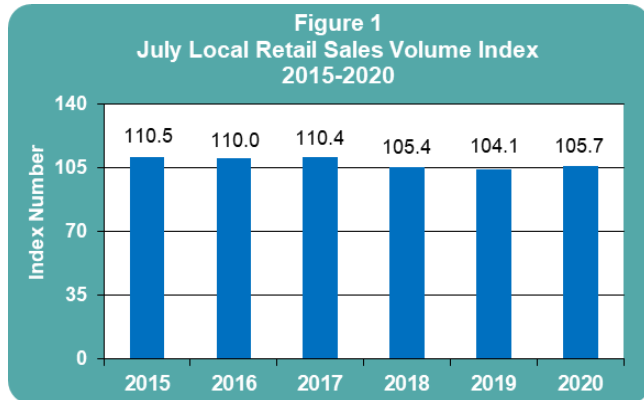
Sales Volume Increased 1.5 Per Cent

After adjusting for the retail sales rate of inflation, measured at negative 0.2 per cent in July, the overall volume of retail sales increased 1.5 per cent when compared to July 2019. In value terms, retail sales rose 1.3 per cent to an estimated \$105.8

million.

Four of the seven retail sectors recorded higher sales volumes with Building Material Stores recording the largest volume increase of 13.0 per cent.

Excluding Sundays, there were 25 shopping days, two less than July 2019.



SUMMARY STATISTICS

Period	Local Retail Sales						Selected Overseas Declarations (See Note)					
	Index		Annual % Change		Sales Estimate (\$M)		Value (\$M)					Annual % Change
	Volume	Value	Volume	Value	Volume	Value	Via Courier (a)	By Residents Via Airport (b)	By Households Via Sea (c)	Via Bermuda Post Office (d)	Total (a+b+c+d)	
2019												
Jul	104.1 ^R	112.0 ^R	+1.2 ^R	0.0 ^R	97.2 ^R	104.5 ^R	14.5	4.3	2.2	0.4	21.4	+26.3
Aug	91.3	97.5	-7.6	-7.0	85.2	90.9	10.4	6.6	1.6	0.3	18.9	0.0
Sep	89.8	95.9	-4.4	-3.8	83.9	89.5	8.8	4.5	2.2	0.3	15.8	-0.6
Oct	91.7	98.0	-3.6	-3.2	85.6	91.5	11.4	5.1	1.5	0.5	18.5	-1.1
Nov	92.8	99.3	-3.2	-2.1	86.7	92.7	12.9	5.8	1.9	0.5	21.1	+9.3
Dec	104.4	111.7	-4.2	-3.3	97.5	104.2	13.8	7.7	2.1	0.7	24.3	+19.1
2020												
Jan	84.2	90.4	-3.1	-2.4	78.7	84.4	10.7	4.8	1.8	0.5	17.8	+14.1
Feb	81.9	87.9	+1.4	+2.2	76.5	82.0	11.3	3.4	1.3	0.4	16.4	+3.1
Mar	96.4	103.4	+3.5	+4.3	90.0	96.5	13.5	1.9	1.4	0.2	17.0	+3.0
Apr	64.1	68.9	-30.6	-30.1	59.8	64.3	11.2	0.0*	0.9	0.0*	12.1	-34.9
May	85.8	92.6	-15.0	-13.9	80.1	86.4	12.7	0.0*	1.3	0.1	14.1	-28.8
Jun	93.7	101.3	-6.0	-4.8	87.5	94.5	12.9	0.1	2.0	0.0*	15.0	-11.8
Jul	105.7	113.4	+1.5	+1.3	98.8	105.8	15.6	0.6	3.3	0.0*	19.6	-8.4

The Retail Sales Index (RSI) is based on a matched sample of reporting local retail stores. The sales data are collected from these stores via a monthly mail survey.

NOTE: Data on selected overseas declarations have been expanded as of December 2018 to show categories that represent a combination of goods purchased directly from overseas, online shopping, gifts, etc. In August 2019, the total selected overseas declarations and annual percentage change were added.

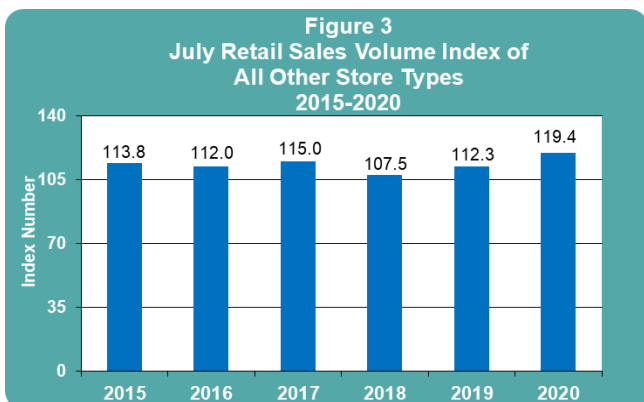
*See page 2 - Analysis of Selected Overseas Declarations

Building Material Stores

The volume of sales for Building Material Stores increased 13.0 per cent as a result of higher demand for construction supplies for residential projects that could not be carried out during the Coronavirus 2019 (COVID-19) shelter-in-place restrictions. In value terms, sales revenue for Building Material Stores was 13.9 per cent higher.

All Other Store Types

During July 2020, the sales volume for the All Other Stores Types rose 6.3 per cent. In value terms, sales for this sector increased 6.9 per cent. The value of sales for marine and boat suppliers was 59.7 per cent higher as a result of more boat sales. The sales value of furniture, appliances and electronics increased 27.0 per cent. In contrast, the sales value for pharmacies slipped 2.8 per cent while gross receipts of miscellaneous goods dropped 42.2 per cent which reflected fewer sales in tourist-related stores.



Food and Liquor Stores

Year-over-year, the sales volume of Food Stores and Liquor Stores increased 2.2 per cent and 11.1 per cent, respectively. In value terms, the sales value for Food Stores rose 5.7 per cent higher while Liquor Stores was 15.1 per cent higher. The higher sales value was attributed partly to the

increase in prices for food and alcohol of 2.2 per cent and 3.5 per cent, respectively. Retailers attributed the rise in sales to more on-island spending by residents due to limited overseas travel.

Motor Vehicle Stores

The Motor Vehicle Stores sales volume declined marginally by 0.8 per cent reflecting mostly fewer sales of heavy vehicles. The value of sales receipts decreased 3.5 per cent in comparison to July 2019.

Service Stations

After adjusting for inflation, the volume of sales for Service Stations fell 8.7 per cent. The value of sales for Service Stations declined 18.9 per cent which also reflected a drop of 11.3 per cent in the price of fuel during July 2020.

Apparel Stores

The sales volume for Apparel Stores declined 22.6 per cent in July 2020. In value terms, sales revenue for Apparel Stores decreased 21.7 per cent.

SELECTED OVERSEAS DECLARATIONS (VALUE)*

Year-over-year, imports via courier increased \$1.1 million to \$15.6 million due to more imports of medicaments and clothing. Imports by households via sea rose \$1.1 million to \$3.3 million as a result of higher imports of clothing and electrical machinery. Limited commercial flights during July 2020 resulted in declarations by returning residents falling \$3.7 million to \$0.6 million. Imports via the Bermuda Post Office declined \$0.4 million to \$58,000.

RETAIL SALES INDEX — JULY 2020

Table 1 Local Retail Sales Index and Per Cent Changes
Average Monthly Sales Volume ^{1,4,5}
 2015=100

Period	Total Retail Stores		Food Stores ²		Liquor Stores ³		Motor Vehicle Stores		Service Stations		Building Material		Apparel Stores		All Other Store Types	
	Index	%	Index	%	Index	%	Index	%	Index	%	Index	%	Index	%	Index	%
2019																
Jul	104.1 ^R	+1.2 ^R	107.3	+2.8	110.4	0.0	100.2 ^R	+4.3 ^R	123.4	+4.1 ^R	87.6 ^R	-25.4 ^R	77.0 ^R	-8.0 ^R	112.3 ^R	+4.5 ^R
Aug	91.3	-7.6	94.1	-7.8	91.6	-11.7	65.3	-20.5	105.9	-1.5	100.4	-15.0	72.3	-11.4	92.0	-3.9
Sep	89.8	-4.4	97.1	-2.3	86.4	-2.7	61.2	-26.9	99.9	+3.2	113.9	-19.2	64.5	-16.6	85.7	+1.5
Oct	91.7	-3.6	98.6	+0.9	81.0	-5.2	78.3	-21.4	96.4	+1.0	102.2	-14.3	60.6	-14.0	91.5	-2.8
Nov	92.8	-3.2	95.6	+0.6	81.3	-3.4	69.6	-18.6	90.2	-4.4	104.6	-10.7	86.0	-16.1	95.3	-0.3
Dec	104.4	-4.2	101.3	-1.4	102.4	-6.2	72.1	-14.1	89.0	-2.7	82.5	-7.6	127.3	-16.4	118.2	-2.0
2020																
Jan	84.2	-3.1	92.1	-2.0	64.4	+0.3	85.7	-4.6	82.9	-2.1	93.1	-14.9	47.3	-12.9	82.0	-2.5
Feb	81.9	+1.4	91.1	+5.6	66.3	-3.1	75.1	+4.9	81.7	+1.2	93.9	-14.2	39.8	-16.2	80.9	-0.4
Mar	96.4	+3.5	123.5	+24.2	92.1	+12.6	48.5	-36.7	79.8	-11.7	164.0	+15.3	24.0	-62.6	84.9	-5.4
Apr	64.1	-30.6	110.2	+17.5	108.9	+39.1	0.8	-99.0	36.8	-59.2	17.8	-82.3	2.1	-97.1	39.6	-59.9
May	85.8	-15.0	107.0	+4.8	115.3	+19.6	60.4	-30.7	72.9	-29.2	81.5	-18.7	19.3	-76.5	79.5	-26.2
Jun	93.7	-6.0	104.6	+0.4	105.9	+4.4	64.2	-18.1	89.4	-23.6	106.6	+7.5	74.6	-44.2	106.6	+1.7
Jul	105.7	+1.5	109.7	+2.2	122.7	+11.1	99.4	-0.8	112.7	-8.7	99.0	+13.0	59.6	-22.6	119.4	+6.3

Table 2 Local Retail Sales Index and Per Cent Changes
Average Monthly Sales Value ^{1,4,5}
 2015=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	
	Index	%	Index	%	Index	%	Index	%	Index	%	Index	%	Index	%	Index	%
2019																
Jul	112.0 ^R	0.0 ^R	118.5	+6.1	132.7	+4.1	99.5 ^R	+4.0 ^R	142.8	+4.4	88.8 ^R	-25.4 ^R	81.2 ^R	-7.9 ^R	118.0 ^R	+4.7 ^R
Aug	97.5	-7.0	103.8	-4.5	110.4	-7.7	64.9	-20.7	115.7	-6.0	102.5	-14.4	76.3	-11.3	96.2	-4.4
Sep	95.9	-3.8	107.3	+0.8	105.8	+3.0	60.8	-27.0	109.8	-0.7	116.3	-18.6	68.0	-16.5	89.6	+1.1
Oct	98.0	-3.2	108.8	+3.2	98.7	+0.1	77.8	-21.0	107.0	-3.1	104.3	-13.7	64.2	-13.5	96.0	-2.2
Nov	99.3	-2.1	106.3	+4.0	98.1	+0.9	69.2	-18.2	98.4	-5.0	106.7	-10.1	91.1	-15.6	100.4	+0.3
Dec	111.7	-3.3	112.6	+1.4	123.8	-1.9	71.6	-13.7	96.7	-3.7	84.3	-6.9	134.9	-15.8	124.6	-1.4
2020																
Jan	90.4	-2.4	103.8	+0.1	77.4	+3.9	85.1	-4.5	90.6	-2.5	95.0	-14.3	50.2	-12.1	86.7	-1.5
Feb	87.9	+2.2	102.6	+8.3	80.2	+0.9	75.2	+5.9	87.5	-1.2	95.8	-15.1	42.2	-15.6	85.6	+0.4
Mar	103.4	+4.3	139.0	+27.8	113.0	+18.0	48.6	-36.1	85.5	-16.0	167.4	+14.0	25.4	-62.4	90.0	-4.1
Apr	68.9	-30.1	125.1	+22.2	135.1	+46.5	0.8	-99.0	39.4	-62.2	18.2	-82.5	2.3	-97.0	41.7	-59.6
May	92.6	-13.9	122.8	+9.7	142.7	+23.4	60.5	-30.1	78.1	-32.7	83.2	-18.8	20.6	-76.1	83.9	-25.4
Jun	101.3	-4.8	119.4	+4.1	131.4	+6.6	64.6	-17.2	95.8	-25.6	108.8	+8.3	79.7	-43.3	112.6	+2.6
Jul	113.4	+1.3	125.3	+5.7	152.7	+15.1	96.0	-3.5	115.8	-18.9	101.1	+13.9	63.6	-21.7	126.1	+6.9

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

⁴ Adjustments are not made for a 4/4/5 calendar month

⁵ The yearly series reflect annual changes.

^R Represents revised

TECHNICAL NOTE

Readers should note that the calculation of the retail sales volume uses price indices from the Consumer Price index (CPI) to deflate the sales values collected by retailers. While the COVID-19 pandemic did not directly affect the collection of data for the Retail Sales survey, it did impact some of the price data used to produce the CPI due to issues with collection. Specifically, two of the nine sectors in the July 2020 CPI had missing prices which were imputed: Food and Transport & Foreign Travel.

Please refer to the technical note in the July 2020 CPI publication at <https://www.gov.bm/bermuda-business-statistics> for further details on price imputation.

EXPLANATORY NOTES

The RSI was first developed in 1982. It is a key economic indicator used to assess the current performance of sales activity in the local 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

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.

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.

Gross Sales

Gross sales (volume and value) are sales for which no deductions have been made for the return of merchandise, allowances and discounts.

Retail Establishment

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.

Selected Overseas Declarations

Overseas declarations reflect the value of goods declared, whether for personal or business use, by returning residents via the airport, imports via couriers, imports via the Bermuda Post Office and the value of non-commercial imports by households via sea.

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.

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.

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