



DECLINE IN RETAIL SALES

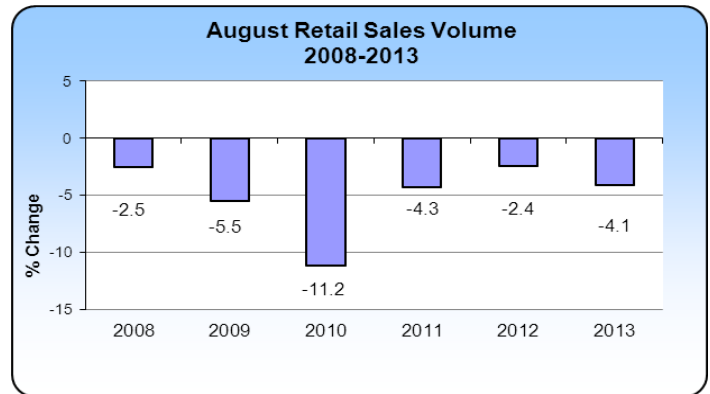
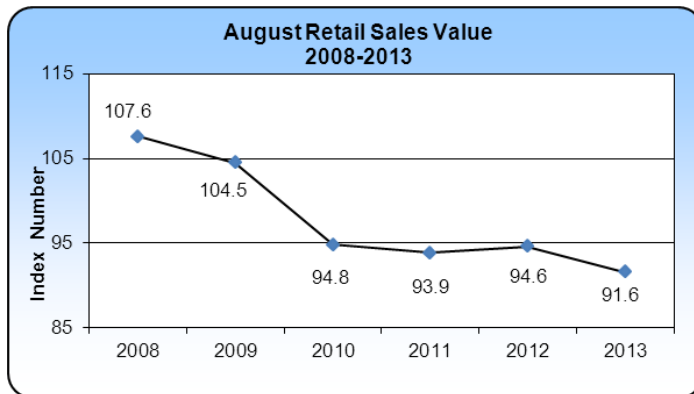
Total retail sales in August 2013 fell 3.2 per cent. Consumers spent an estimated \$82.0 million on retail goods during the month. All retail sectors registered declines in retail sales during August 2013. Retailers of building materials recorded the largest decline in sales of 17.5 per cent year-over-year.

Residents returning to the Island declared overseas purchases valued at \$6.5 million during

August 2013. This contributed to a combined local and overseas spending total of \$88.5 million.

After adjusting for the annual retail sales rate of inflation, measured at 1.0 per cent in August 2013, the volume of retail sales decreased by 4.1 per cent.

There were 25 shopping days during the month, the same as in August 2012.

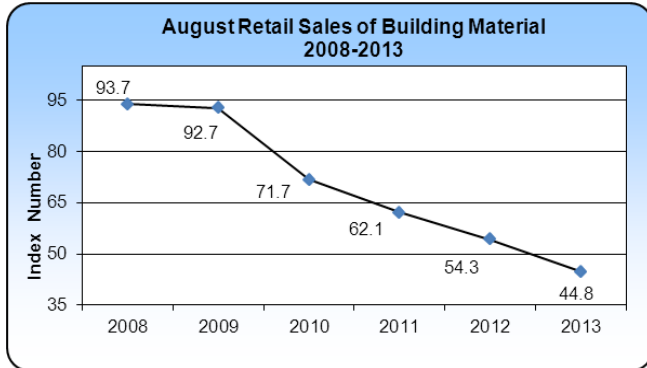


The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

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
2012								
Aug	94.6	+0.8	-2.4	84.7	7.1	-5.3	91.8	+0.3
Sep	92.2	+0.7	-1.8	82.5	5.4	-5.3	87.9	+0.3
Oct	91.4	+0.6	-1.6	81.8	5.3	-7.0	87.1	+0.1
Nov	91.5	+1.1	-0.4	81.9	6.7	+13.6	88.6	+2.0
Dec	116.0	-1.6	-3.5	103.8	7.4	+21.3	111.2	-0.4
2013								
Jan	82.9	+3.0	-0.9	74.2	4.4	-2.2	78.6	+2.7
Feb	78.4	-1.8	-4.2	70.2	3.4	+3.0	73.6	-1.6
Mar	94.7	-1.1	-2.9	84.7	3.7	+2.8	88.4	-0.9
Apr	91.4	-1.3	-3.0	81.8	5.4	-10.0	87.2	-1.9
May	95.7	+1.3	+0.4	85.6	5.4	-3.6	91.0	+1.0
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

Building Material Stores

Gross receipts earned by retailers of building materials fell 17.5 per cent during August 2013. The decrease in sales was due to lower demand for construction materials as a result of fewer building projects coming on line when compared to last year.

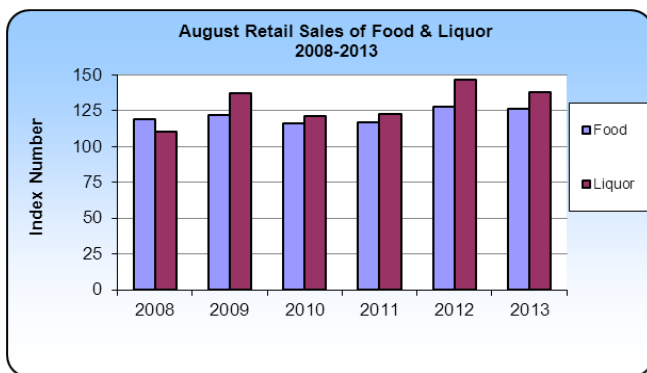


Service Stations

During August 2013, sales receipts for service stations fell 6.7 per cent. This decline was partly attributed to lower fuel sales and a 3.3 per cent decrease in fuel prices during the month.

Food and Liquor Stores

Gross receipts for food stores declined 1.3 per cent compared to August 2012. Liquor stores experienced a 5.9 per cent drop in gross receipts during the same period. Weakened sales were partly attributed to one less pre-Cupmatch Holiday shopping day this year.



Motor Vehicle Stores

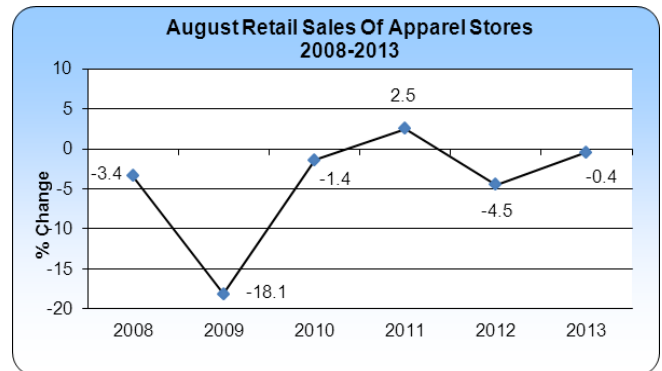
Retail sales of motor vehicles slipped 3.1 per cent in August 2013. The volume of cars sold during the month increased, however sales of motorcycles and trucks declined causing aggregate receipts to fall below the level reached in 2012.

All Other Store Types

The all other store types sector experienced a 2.8 per cent decline in sales receipts during August 2013. Sales receipts of furniture, appliances and electronics fell 6.4 per cent. Sales for boat and marine supplies slipped 5.5 per cent. Additionally, pharmaceutical sales fractionally declined 0.7 per cent. In contrast, gross receipts for tourist-related stores increased 1.1 per cent.

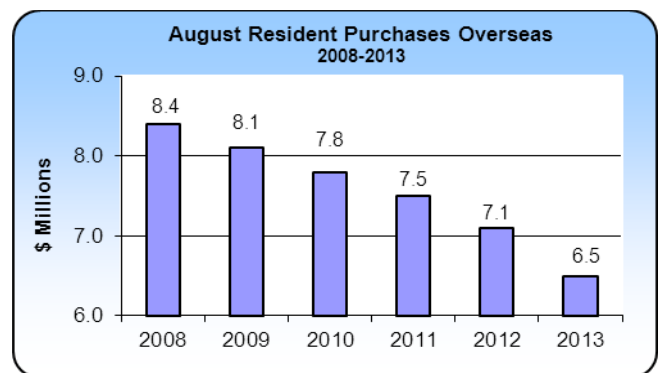
Apparel Stores

Sales revenue for apparel stores fractionally declined 0.4 per cent during August 2013. Retailers attributed this decline to the absence of an extra shopping day before the Cupmatch Holiday when compared to 2012.



Resident Purchases Overseas*

Residents declared \$6.5 million or 8.5 per cent less in overseas purchases. With the exception of a modest increase in expenditures on tools and parts, lower outlays were reported for all other major categories of goods. This led to an overall decline in the total value of declarations.



*Changes to overseas spending levels may have been partly due to the HM Customs Green/Red channel system for declaring goods at the airport introduced in November 2012.

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	127.5	+6.3	123.6	+9.1	45.3	-7.3	114.9	-1.1	57.2	-9.4	85.0	-4.4	90.7	-1.9
2011																
Aug	93.9	-1.0	116.8	+0.4	122.8	+1.5	50.2	-14.2	123.6	+7.0	62.1	-13.4	85.0	+2.5	93.2	+0.3
Sep	91.5	-1.0	116.3	-3.2	116.6	-4.3	42.1	-25.3	117.6	+7.1	68.2	+11.2	83.8	+13.1	88.6	-0.8
Oct	90.8	-3.4	123.5	-0.7	96.1	-2.8	38.1	-47.9	112.3	+0.3	71.3	+25.3	78.7	+3.2	84.4	-2.1
Nov	90.5	-3.3	114.0	+3.4	110.6	-0.5	32.9	-47.4	108.8	+2.8	66.7	+10.0	86.9	-7.1	93.4	-3.1
Dec	117.9	-1.0	137.1	+3.2	170.0	+4.7	30.9	-41.9	110.9	+1.6	55.5	+26.9	185.2	+2.7	126.7	-3.3
2012																
Jan	80.5	-3.6	114.1	+1.8	89.6	+4.5	35.1	-38.7	105.2	+1.7	61.9	+10.7	55.7	-2.2	74.1	-6.8
Feb	79.8	+1.9	111.1	+6.0	97.8	+8.3	43.8	-26.2	101.7	+2.8	55.3	+9.9	50.7	-2.9	75.1	+3.0
Mar	95.7	+1.9	126.3	+8.5	117.9	+15.4	49.9	-28.6	116.8	0.0	66.1	+4.5	65.4	+1.0	90.7	+1.3
Apr	92.7 ^R	-3.7	123.6	-0.9	124.6	+2.1	46.9	-9.7	113.7 ^R	-6.1	67.6	+0.7	78.3	-5.6	85.0	-7.0
May	94.4 ^R	+2.2	124.0	+7.6	98.0	+8.1	47.0	-25.6	118.8 ^R	-4.9	69.7	+5.0	88.9	-4.4	97.3	+6.1
Jun	101.7 ^R	+0.4	133.8	+8.7	122.2	+9.5	42.3	-18.7	118.3 ^R	-7.0	53.7	-16.8	104.3	-6.7	102.5	+1.5
Jul	106.4 ^R	+6.0	142.2	+5.0	145.1	+2.4	62.8	+64.2	118.9 ^R	-7.7	69.3	+6.1	87.6	+1.3	101.5 ^R	+4.2
Aug	94.6 ^R	+0.8	127.8	+9.4	146.9	+19.6	41.4	-17.5	125.3 ^R	+1.4	54.3 ^R	-12.6	81.2 ^R	-4.5	89.2 ^R	-4.3
Sep	92.2	+0.7	129.0	+10.9	146.3	+25.5	40.9	-2.8	117.9	+0.2	49.6	-27.3	76.8	-8.3	84.8	-4.4
Oct	91.4	+0.6	131.1	+6.2	103.3	+7.5	54.6	+43.3	113.3	+0.9	53.9	-24.4	72.3	-8.1	79.2	-6.2
Nov	91.5	+1.1	122.4	+7.4	121.8	+10.1	36.1	+9.6	116.5	+7.0	47.6	-28.7	87.9	+1.1	90.7	-2.9
Dec	116.0	-1.6	145.2	+5.9	170.2	+0.1	42.6	+37.9	112.9	+1.8	36.9	-33.5	171.3	-7.5	118.3	-6.6
2013																
Jan	82.9	+3.0	122.3	+7.2	91.7	+2.4	46.2	+31.6	106.7	+1.4	43.2	-30.2	59.2	+6.1	73.7	-0.5
Feb	78.4	-1.8	115.4	+3.9	95.2	-2.7	36.9	-15.6	96.9	-4.7	44.7	-19.2	49.9	-1.7	73.6	-1.9
Mar	94.7	-1.1	135.1	+7.0	123.4	+4.7	41.0	-18.0	118.1	+1.1	59.7	-9.8	61.8	-5.4	84.1	-7.3
Apr	91.4 ^R	-1.3	126.6	+2.5	112.4	-9.8	49.0	+4.4	109.0 ^R	-4.2	53.7	-20.6	76.1	-2.8	84.1	-1.0
May	95.7 ^R	+1.3	133.6	+7.8	102.6	+4.7	46.0	-2.1	119.5 ^R	+0.6	55.3	-20.7	93.5	+5.2	93.9	-3.5
Jun	100.9 ^R	-0.9	136.6	+2.1	119.6	-2.2	38.8	-8.2	124.2 ^R	+4.4	46.9	-12.7	104.8	+0.5	99.0	-3.4
Jul	110.7 ^R	+4.1	155.5	+9.4	166.1	+14.5	59.1 ^R	-5.9	123.8 ^R	+4.1	61.3 ^R	-11.5	83.8	-4.4	106.1 ^R	+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

(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

* Revisions are also reflected in the Summary Statistics on Page 1

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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