



# RETAIL SALES INDEX

January 2011

## RETAIL SALES FELL BY 5.9 PER CENT

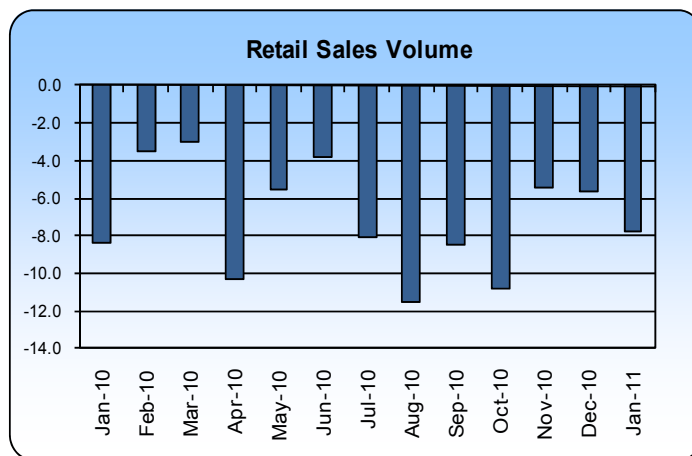
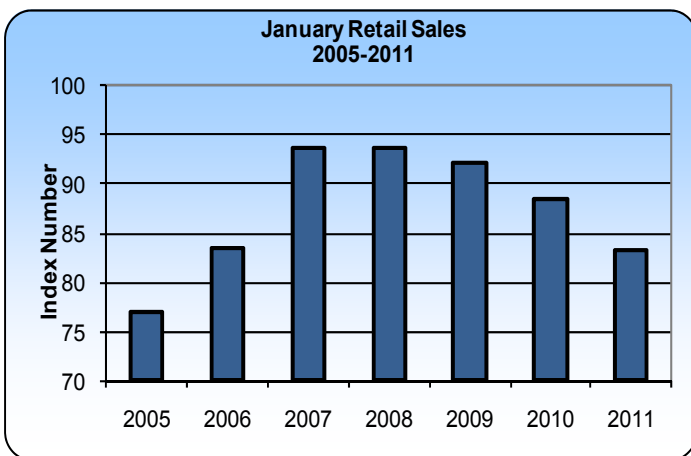
During January 2011, local retail sales fell by 5.9 per cent to an estimated \$74.6 million. This total marked the lowest sales level recorded for the retail industry since February 2005. All sectors experienced year-over-year declines with the exception of service stations, which reported a marginal gain.

Overseas purchases declared by travelling residents increased by 2 per cent to \$5.1 million.

Combined local and overseas spending totalled \$79.7 million, a decrease of 5.3 per cent compared to the level recorded in 2010.

After adjusting for the annual retail sales rate of inflation, measured at 2 per cent in January 2011, the volume of retail sales contracted by 7.8 per cent.

There were 24 shopping days in January 2011, one less than in 2010.



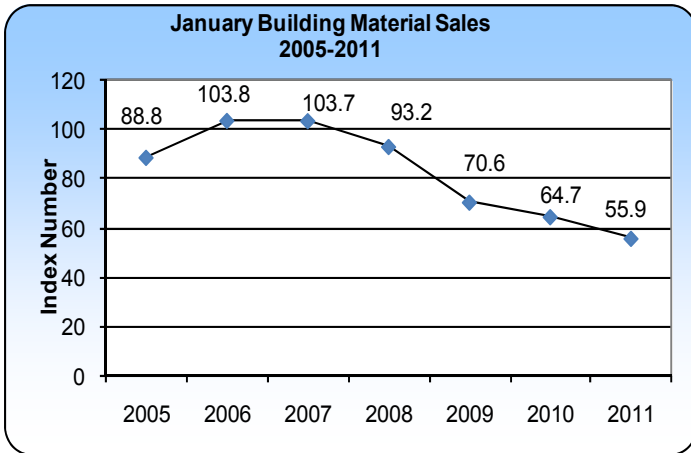
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

### 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>2010</b>								
Jan <sup>R</sup>	88.5	-4.0	-7.0	79.2	5.0	-9.1	84.2	-5.4
Feb	84.3	-1.6	-3.5	75.5	3.8	-7.3	79.3	-1.9
Mar	99.9	-0.8	-3.0	89.4	4.6	+4.5	94.0	-0.5
Apr	95.7	-7.8	-10.3	85.7	6.1	-11.6	91.8	-8.0
May	99.9	-3.8	-5.5	89.4	6.4	-12.3	95.8	-4.4
Jun	104.0	-2.4	-4.4	93.1	5.7	+14.0	98.8	-1.5
Jul	105.8	-6.0	-8.1	94.7	5.4	+8.0	100.1	-5.3
Aug	94.6	-9.5	-11.5	84.7	7.8	-3.7	92.5	-9.0
Sep	92.4	-5.9	-8.5	82.7	5.4	-12.9	88.1	-6.4
Oct	94.0	-8.3	-10.8	84.1	5.6	+9.8	89.7	-7.3
Nov	93.4	-2.8	-5.4	83.6	7.9	+2.6	91.5	-2.4
Dec	119.1	-3.2	-5.6	106.6	8.0	+1.3	114.6	-2.9
<b>2011</b>								
Jan	<b>83.3</b>	<b>-5.9</b>	<b>-7.8</b>	<b>74.6</b>	<b>5.1</b>	<b>+2.0</b>	<b>79.7</b>	<b>-5.3</b>

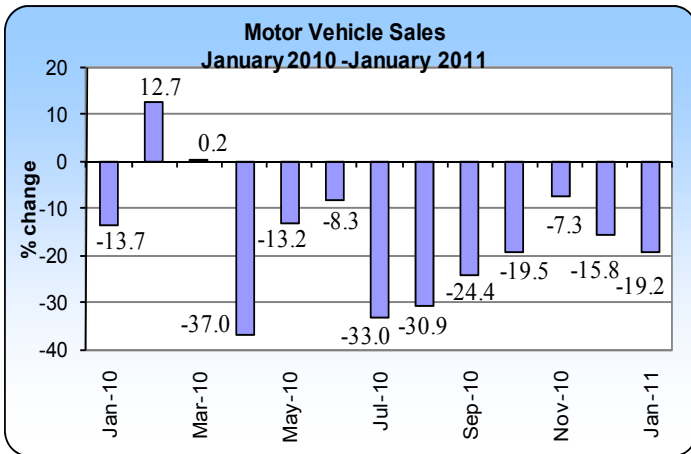
### Building Materials

The continuing slump in construction activity led to another month of dismal sales for retailers of building materials. Sales revenue fell by 13.6 per cent during January 2011. The January sales index for this sector measured year-over-year declines in sales since 2006.



### Motor Vehicle Stores

The sales index for motor vehicle stores fell 19.2 per cent to 57.2 index points. This reflected a decrease in the sales volume of both motorcycles and cars.



### All Other Store Types

Sales revenue for retailers within the all other store types sector declined 6.3 per cent compared to levels recorded in January 2010. Retailers of boat and marine supplies reported a 16.5 per cent drop in sales during the month, the largest decline within the sector. Gross sales from furniture, appliance & electronics stores

decreased 10.4 per cent. Similarly, sales of pharmaceutical products were lower, falling by 3.6 per cent. In contrast, gross receipts for tourist-related stores climbed 10.4 per cent.

### Food and Liquor Stores

Food sales dipped 2.2 per cent during the month, while the price of food increased 1.2 per cent over the same period. Sales at liquor stores declined 7.7 per cent compared to January 2010.

### Apparel Stores

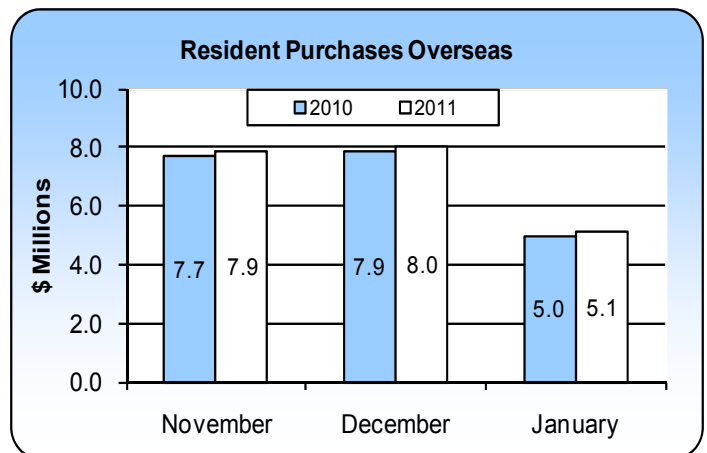
After two months of positive sales growth, sales revenue earned by apparel outlets fell 5.3 per cent in January 2011.

### Service Stations

Gross sales receipts reported by service stations increased 1.6 per cent during January 2011. However, this increase was directly attributed to a 4.6 per cent rise in the price of gasoline.

### Resident Purchases Overseas

Residents returning from business and vacation trips declared overseas purchases of \$5.1 million in January 2011. This represented an increase of 2 per cent above the value of goods purchased abroad in January 2010.



# 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	
<b>2006</b>	<b>100.0</b>	+4.0	<b>100.0</b>	+6.1	<b>100.0</b>	+3.6	<b>100.0</b>	-1.5	<b>100.0</b>	+11.7	<b>100.0</b>	+7.0	<b>100.0</b>	-9.0	<b>100.0</b>	+7.6
<b>2007</b>	<b>104.3</b>	+4.2	<b>106.5</b>	+6.5	<b>104.4</b>	+4.4	<b>95.1</b>	-5.1	<b>106.0</b>	+6.0	<b>96.4</b>	-3.6	<b>109.3</b>	+9.3	<b>106.2</b>	+6.1
<b>2008</b>	<b>106.0</b>	+1.6	<b>114.9</b>	+7.8	<b>105.2</b>	+0.8	<b>90.7</b>	-4.6	<b>116.9</b>	+10.3	<b>93.0</b>	-3.5	<b>104.3</b>	-4.6	<b>106.8</b>	+0.6
<b>2009</b>	<b>102.5</b>	-3.3	<b>119.9</b>	+4.4	<b>111.7</b>	+6.1	<b>84.2</b>	-7.2	<b>105.1</b>	-10.1	<b>87.0</b>	-6.5	<b>89.2</b>	-14.5	<b>99.8</b>	-6.5
<b>*2010</b>	<b>97.6</b>	-4.7	<b>120.4</b>	+0.4	<b>110.9</b>	-0.7	<b>69.9</b>	-16.9	<b>110.0</b>	+4.7	<b>65.1</b>	-25.1	<b>87.2</b>	-2.3	<b>95.6</b>	-4.3
<b>2008</b>																
Nov	103.5	+0.4	113.8	+11.4	101.9	+1.6	76.0	-12.7	106.2	+3.7	94.8	-4.3	98.8	-12.0	108.2	-1.0
Dec	125.9	+0.2	129.8	+8.6	136.2	-4.3	85.5	+22.2	100.4	-2.6	69.2	-0.5	181.1	-15.6	142.6	-1.1
<b>2009</b>																
Jan	92.2	-1.6	113.0	+7.4	80.7	+6.5	82.1	-4.1	92.4	-8.0	70.6	-24.3	59.4	-21.7	95.4	+4.4
Feb	85.7	-5.8	105.2	+5.8	79.3	-4.3	71.9	-19.4	88.9	-8.3	75.2	-11.1	55.2	-21.3	85.5	-7.2
Mar	100.7	0.0	113.6	+5.2	83.9	-15.1	88.6	-8.4	100.2	-10.2	105.1	+10.6	72.7	-20.5	94.8	-3.2
Apr	103.1	-2.9	120.1	+7.7	99.6	+6.3	99.8	+0.5	98.1	-18.6	102.6	-4.7	84.0	-16.0	94.8	-8.1
May	103.8	-2.4	121.0	+3.3	99.5	-14.4	100.3	+17.9	100.8	-19.6	102.6	+1.8	83.8	-28.0	95.3	-12.1
Jun	106.5	-4.5	121.5	+6.2	110.7	-1.5	77.0	-16.6	115.8	-8.9	90.6	-8.5	105.0	-20.0	106.5	-2.8
Jul	112.5	-4.3	136.4	+6.2	145.4	-3.7	103.3	-1.4	115.9	17.6	91.9	+1.4	82.5	-17.8	106.1	-11.9
Aug	104.5	-2.9	121.6	+2.0	136.9	+23.9	84.8	-1.0	116.4	-11.1	92.7	-1.1	84.1	-18.1	101.5	-4.0
Sep	98.2	-4.0	117.5	+6.9	119.2	+20.9	74.5	-21.0	108.4	-10.6	90.8	-4.3	85.4	-9.6	90.6	-8.6
Oct	102.5	-3.0	125.5	+3.2	104.5	+23.1	89.9	-4.3	110.0	-9.6	81.1	-12.5	87.1	-2.6	94.9	-7.8
Nov	96.1	-7.1	110.6	-2.8	112.8	+10.7	67.0	-11.8	105.4	-0.8	82.4	-13.1	91.3	-7.6	95.9	-11.4
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
<b>2010</b>																
Jan <sup>R</sup>	88.5	-4.0	114.6	+1.4	93.0	+15.2	70.8	-13.8	102.0	+10.4	64.7	-8.4	60.2	+1.3	83.9	-12.1
Feb	84.3	-1.6	107.5	+2.2	77.8	-1.9	81.0	+12.7	97.7	+9.9	61.4	-18.4	51.6	-6.5	78.9	-7.7
Mar	99.9	-0.8	120.0	+5.7	88.1	+5.0	88.8	+0.2	114.4	+14.2	75.2	-28.5	75.4	+3.6	90.8	-4.3
Apr	95.7	-7.8	115.7	-4.4	95.4	-4.1	63.3	-37.0	115.8	+14.8	73.9	-28.0	78.3	-6.6	97.3	+2.1
May	99.9	-3.8	121.5	+0.4	98.5	-1.0	87.1	-13.2	106.0	+5.1	80.6	-21.4	84.3	+0.6	90.8	-4.7
Jun	104.0	-2.4	124.0	+2.1	113.0	+2.1	70.6	-8.3	118.7	+2.5	64.8	-28.5	107.2	+2.1	105.0	-1.4
Jul	105.8	-6.0	137.8	+1.0	150.2	+3.3	69.2	-33.0	117.8	+1.6	66.4	-27.7	81.7	-1.0	104.8	-1.2
Aug	94.6	-9.5	116.4	-4.3	120.9	-11.7	58.6	-30.9	113.9	-2.1	71.7	-22.7	82.9	-1.4	92.5	-8.9
Sep	92.4	-5.9	120.2	+2.3	121.8	+2.2	56.3	-24.4	108.3	-0.1	61.4	-32.4	74.6	-12.6	89.4	-1.3
Oct	94.0	-8.3	124.4	-0.9	98.9	-5.4	72.4	-19.5	111.1	+1.0	56.9	-29.8	76.2	-12.5	86.4	-9.0
Nov	93.4	-2.8	110.2	-0.4	111.1	-1.5	62.1	-7.3	105.9	+0.5	60.7	-26.3	93.5	+2.4	95.8	-0.1
Dec	119.1	-3.2	132.8	+0.6	162.4	-3.0	59.2	-15.8	109.0	+2.3	43.7	-24.4	180.3	+0.2	131.2	-3.7
<b>2011</b>																
<b>Jan</b>	<b>83.3</b>	<b>-5.9</b>	<b>112.1</b>	<b>-2.2</b>	<b>85.8</b>	<b>-7.7</b>	<b>57.2</b>	<b>-19.2</b>	<b>103.6</b>	<b>+1.6</b>	<b>55.9</b>	<b>-13.6</b>	<b>57.0</b>	<b>-5.3</b>	<b>78.6</b>	<b>-6.3</b>

(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.

Published by the Government of Bermuda  
March 2011

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