



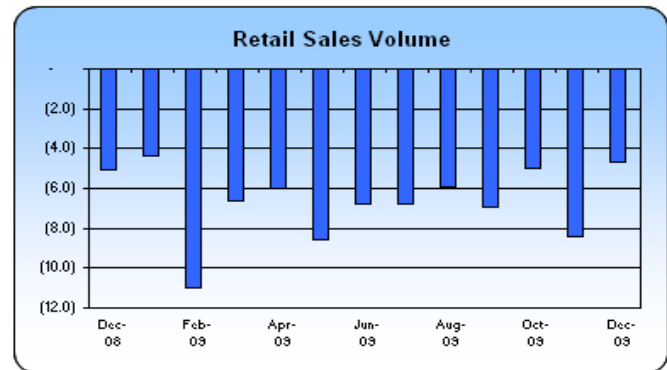
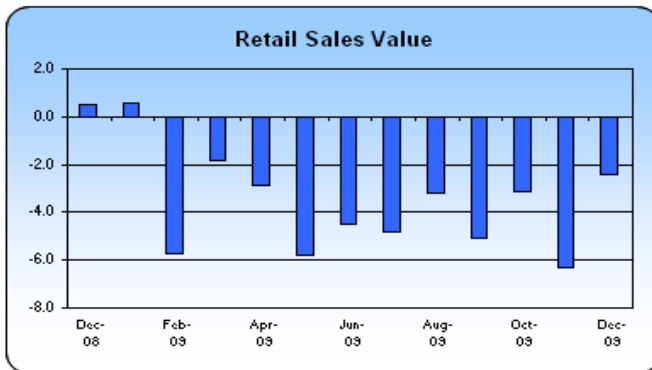
RETAIL SALES DOWN BY TWO PER CENT

Total retail sales for December 2009 fell 2 per cent. Gross turnover was measured at \$110 million, \$3 million below the \$113 million recorded for the same period last year. The retail sales index stood at 122.9 index points. Holiday shopping did not booster sales as retailers experienced their eleventh consecutive month of negative sales growth.

The motor vehicle, building materials, apparel sectors and all all other store type experienced sales declines, while all other sectors reported sales growth.

After adjusting for the annual retail sales rate of inflation, measured at 2.6 per cent in December 2009, the volume of retail sales fell by 5 per cent.

There were 25 shopping days during the month, the same as in December 2008.



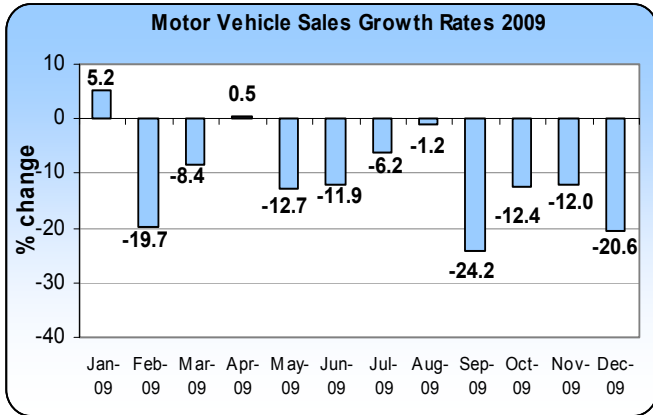
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

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
2008								
Nov	103.5	+0.4	-5.0	92.6	8.4	-5.4	101.1	-0.1
Dec ^R	125.9	+0.2	-5.3	112.7	7.4	-5.0	120.1	-0.2
2009								
Jan	94.3	+0.6	-4.4	84.4	5.5	-5.2	89.9	+0.3
Feb	85.8	-5.7	-11.0	76.8	4.1	-4.7	81.0	-5.7
Mar	98.8	-1.8	-6.6	88.5	4.4	-13.7	92.9	-2.4
Apr	103.1	-2.9	-6.0	92.3	6.9	+9.5	99.2	-2.2
May	100.1	-5.8	-8.6	89.6	7.3	+8.0	96.9	-4.8
Jun	106.5	-4.5	-6.8	95.4	5.0	-2.5	100.4	-4.4
Jul	111.9	-4.8	-6.8	100.2	5.0	-2.5	105.2	-4.7
Aug	104.5	-2.9	-5.7	93.4	8.1	-3.6	101.6	-2.9
Sep	97.1	-5.1	-6.9	86.9	6.2	+12.3	93.1	-4.1
Oct	102.4	-3.1	-5.0	91.7	5.1	-2.5	96.8	-3.1
Nov	97.0	-6.3	-8.4	86.8	7.7	-8.6	94.5	-6.4
Dec	122.9	-2.4	-4.7	110.0	7.9	+6.8	117.9	-1.8

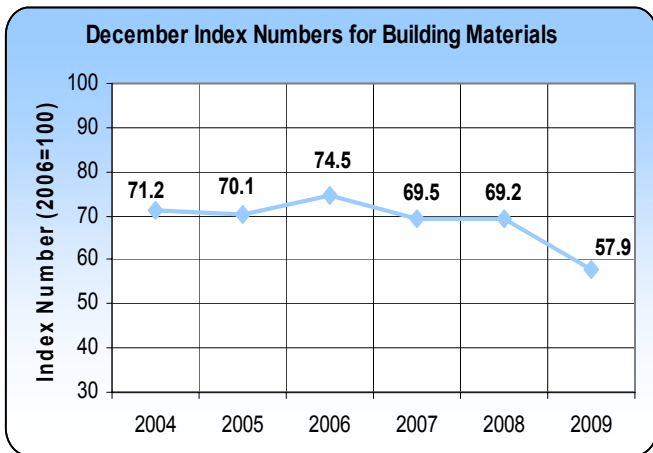
Motor Vehicles

The motor vehicle sector experienced its second largest monthly decline since September 2009. Weighed down by a weak demand for current vehicles in stock, retailers collected 21 per cent less revenue from vehicle sales this month.



Building Materials

Sales of building materials and supplies contracted in December for the fifth consecutive month, reflecting lower levels of construction activity. Building material sales declined 16 per cent year-over-year.



All Other Store Types

Combined sales of all other store types, which include retailers of furniture, appliances, electronics and pharmaceuticals, fell 4 per cent

year over year. This sales performance level reflected lower revenue from furniture sales, and drug stores retail sales, which fell by 26 per cent and 2 per cent, respectively. In contrast, marine supplies sales advanced 4 per cent.

Apparel sales

Local apparel sales continued to wane as retailers experienced a 1 per cent decline in sales.

Service Stations

Fuel pump sales rose 7 per cent in December as a direct result of a 14 per cent increase in fuel prices. This increase brings to an end 11 consecutive months of declining revenue for the sector.

Food and Liquor stores

Food store sales increased by 3 per cent compared to the same period of 2008. Stronger sales were partly attributed to the 2 per cent rise in the price of food items during the month.

Additionally, liquor sales advanced 2 per cent in December 2009. Rising sales were attributed to the 5 per cent increase in alcohol prices compared with the same period of 2008.

Retail sales for 2009

For the entire year, local retail sales were estimated at \$1.10 billion, down 4 per cent from the \$1.14 billion reported in 2008. Combined local and overseas retail sales decreased by 3 per cent in 2009 to \$1.17 billion from \$1.21 billion in 2008.

BERMUDA RETAIL SALES INDEX

**Average Monthly Sales (I)
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	
2005	96.2	+8.2	94.2	+10.0	96.6	+8.2	101.6	+22.0	89.5	+14.6	93.5	+12.6	109.9	-7.8	93.0	+6.5
2006	100.0	+3.9	100.0	+6.1	100.0	+3.6	100.0	-1.6	100.0	+11.7	100.0	+7.0	100.0	-9.0	100.0	+7.6
2007	104.3	+4.3	106.5	+6.5	104.4	+4.4	95.1	-5.0	106.0	+6.0	96.4	-3.6	109.3	+9.3	106.2	+6.1
2008	106.0	+1.7	114.2	+7.2	115.9	+11.0	90.7	-4.6	116.9	+10.3	93.0	-3.5	104.3	-4.6	106.8	+0.6
*2009	102.0	-3.8	120.0	-0.4	115.5	-3.3	81.4	-10.2	103.3	-11.7	86.7	-6.8	90.6	-13.2	100.7	-5.7
2007																
Oct	106.2	+7.3	110.7	+10.3	84.0	+7.3	107.4	-0.6	111.8	+7.4	105.2	+9.5	98.3	+4.2	105.0	+8.5
Nov	103.1	+1.9	102.2	+4.7	100.2	+4.2	87.1	-16.6	102.4	+6.8	99.1	-0.8	112.3	+12.0	109.4	+2.7
Dec	125.7	+2.5	119.5	+7.6	142.3	+2.1	70.0	-14.2	103.1	+5.8	69.5	-6.7	214.6	+2.1	144.2	+2.0
2008																
Jan	93.7	+0.0	105.2	+6.8	75.8	-0.5	85.6	-22.9	100.4	+8.7	93.2	-10.1	75.9	+6.1	91.3	+4.5
Feb	91.0	+7.5	99.5	+5.7	82.8	+4.0	89.2	-0.9	97.0	+11.7	84.6	+9.3	70.1	+11.0	92.2	+11.5
Mar	100.7	-1.6	107.9	+2.0	98.8	+6.1	96.7	-6.6	111.6	+10.7	95.0	-18.7	91.5	-3.8	98.0	+1.2
Apr	106.3	+9.1	111.5	+8.2	93.7	-3.9	99.3	+17.3	120.4	+10.5	107.7	+7.6	100.0	+7.8	103.1	+8.9
May	106.3	-2.4	117.1	+9.4	116.3	+5.8	85.1	-27.0	125.5	+9.2	100.8	+6.8	116.4	+1.1	108.5	-0.3
Jun	111.5	+1.4	114.4	+3.4	112.4	-4.3	92.3	+9.8	127.1	+12.7	99.1	-3.2	131.3	+2.1	109.6	-4.4
Jul	117.5	+3.7	128.4	+13.9	151.0	+6.7	104.8	-1.6	140.7	+15.4	90.6	-14.4	100.4	-8.2	120.4	+2.6
Aug	107.6	+3.2	119.3	+12.0	110.5	-1.8	85.7	-7.1	130.9	+22.3	93.7	-3.0	102.7	-3.4	105.7	-1.7
Sep	102.3	+0.2	110.0	+2.2	98.6	-0.3	94.3	+7.8	121.3	+10.6	94.9	+10.0	94.4	-10.0	99.1	-6.1
Oct	105.7	-0.5	121.6	+9.8	84.9	+1.0	94.0	-12.5	121.7	+8.9	92.7	-11.9	89.4	-9.0	103.0	-1.9
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 ^R	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
2009																
Jan	94.3	+0.6	116.3	+10.5	80.7	+6.5	90.0	+5.2	88.1	-12.2	76.6	-17.9	64.8	-14.7	92.1	+0.8
Feb	85.8	-5.7	107.7	+8.3	79.3	-4.3	71.6	-19.7	81.2	-16.3	75.2	-11.1	55.2	-21.2	84.9	-8.0
Mar	98.8	-1.8	113.6	+5.2	83.9	-15.1	88.6	-8.4	94.3	-15.5	105.1	+10.6	72.7	-20.5	97.2	-0.8
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	100.1	-5.8	121.2	+3.5	112.5	-3.3	74.3	-12.7	104.9	-16.4	92.2	-8.5	96.8	-16.8	101.2	-6.7
Jun	106.5	-4.5	121.5	+6.2	110.7	-1.5	81.3	-11.9	105.1	-17.4	90.6	-8.5	105.0	-20.0	107.0	-2.3
Jul	111.9	-4.8	136.4	+6.2	145.4	-3.7	98.3	-6.2	117.2	-16.7	91.9	+1.5	82.5	-17.8	106.0	-11.9
Aug	104.5	-2.9	123.6	+3.7	115.3	+4.4	84.7	-1.2	116.4	-11.1	92.7	-1.1	82.5	-19.7	101.6	-3.9
Sep	97.1	-5.1	116.2	+5.7	98.9	+0.3	71.5	-24.2	108.2	-10.8	90.9	-4.2	85.4	-9.6	90.7	-8.5
Oct	102.4	-3.1	124.7	+2.6	86.8	+2.3	82.3	-12.4	112.6	-7.5	81.8	-11.8	87.1	-2.6	99.6	-3.3
Nov	97.0	-6.3	113.5	-0.3	93.7	-8.0	66.9	-12.0	106.0	-0.2	82.4	-13.1	91.3	-7.6	97.1	-10.3
Dec	122.9	-2.4	133.9	+3.2	139.4	+2.3	67.9	-20.6	107.2	+6.8	57.9	-16.4	179.9	-0.6	136.6	-4.2

(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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