



## RETAIL SALES DIP BY NEARLY TWO PER CENT

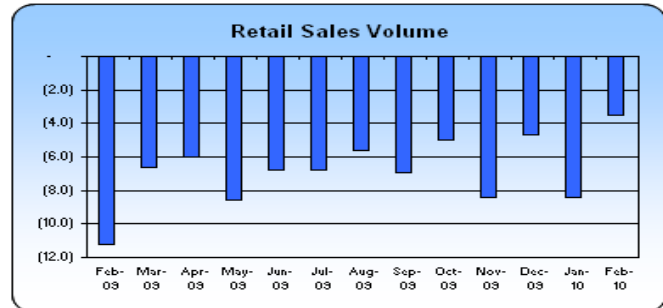
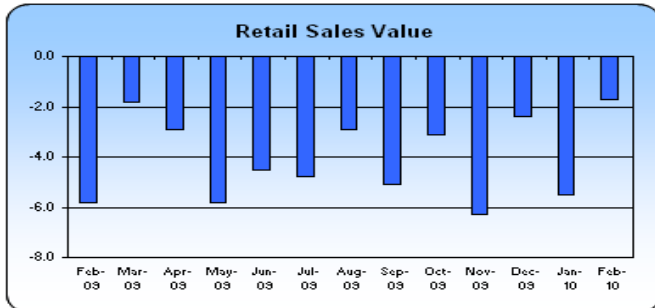
Consumers spent an estimated \$75.5 million on retail sales in February 2010. This level of spending fell close to 2 per cent or \$1.2 million below the \$76.7 million in retail sales recorded in February 2009. The February 2010 index stood at 84.3 index points.

The dip in retail sales in February continued the steady downward trend in retail sales activity. Retail sales weakened for apparel stores, building material or hardware stores, and all other store types.

Residents returning to the Island from business and vacation trips declared overseas purchases of goods valued at \$3.8 million during the month. This was slightly less than the \$4.1 million declared in February 2009. Combined local and overseas spending totalled \$79.3 million, the lowest level since February 2005.

After adjusting for the annual retail sales rate of inflation, measured at 2 per cent in February, the volume of retail sales contracted 3.5 per cent.

There were 24 shopping days during the month, the same as in February 2009.



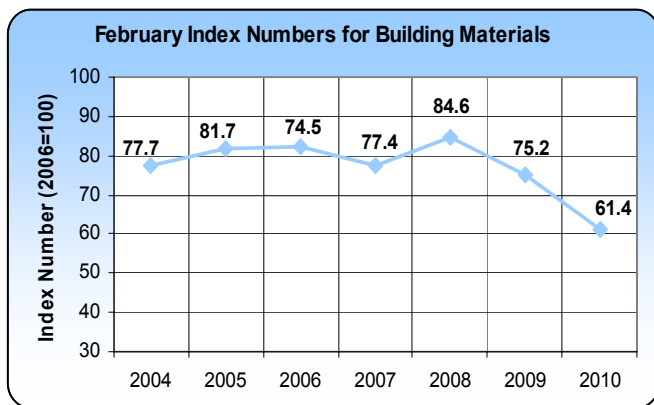
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

### 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>2009</b>								
Feb <sup>R</sup>	85.7	-5.8	-11.2	76.7	4.1	-4.7	80.8	-5.8
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	-5.6	93.5	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	+6.6	117.9	-1.8
<b>2010</b>								
Jan	87.2	-5.4	-8.4	78.0	5.0	-9.1	83.0	-5.7
<b>Feb</b>	<b>84.3</b>	<b>-1.6</b>	<b>-3.5</b>	<b>75.5</b>	<b>3.8</b>	<b>-7.3</b>	<b>79.3</b>	<b>-1.9</b>

## Building Materials

Purchases of building materials and supplies declined substantially in February, as sales fell 18 per cent during the month. The weak sales were primarily associated with a lower demand for construction materials due to the completion of major projects and a drop in building workloads across the construction industry. With the exception of sales in March and July 2009, sales for this sector have been lower for each of the past 12 months.



## All Other Store Types

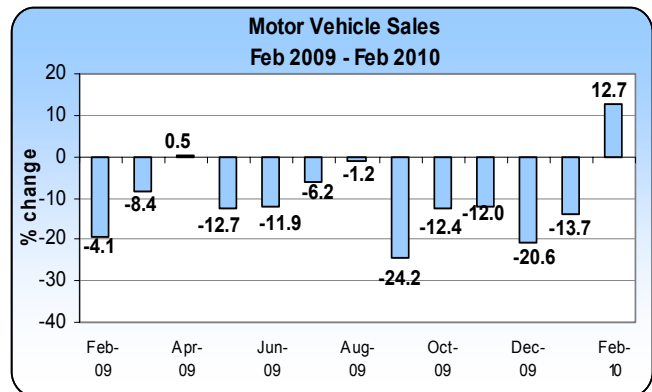
The all other store types sector reported a drop in sales revenue of roughly 8 per cent. Retailers of furniture outlets and tourist related stores reported the largest declines in this sector decreasing 40 per cent and 39 per cent, respectively. Sales of pharmaceutical products and marine supplies also fell during the same period.

## Apparel Stores

Retailers in the apparel sector reported 6.5 per cent less in sales revenue for the month of February. Sales reverted to the negative growth experienced during each month in 2009 prior to the marginal gain of 1 per cent this sector experienced in January 2010.

## Motor Vehicle Stores

Sales at motor vehicle stores rebounded after nine consecutive months of declining sales activity. Gross sales revenue in this sector grew by close to 13 per cent in February. The higher vehicle sales were attributed to the additional 35 units of cars sold compared to the same period of 2009.



## Service Stations

Service stations registered a 10 per cent sales gain over February 2009. The increase in sales revenue was due primarily to an 11 per cent rise in the price of fuel.

## Food and Liquor stores

Gross receipts for food stores increased 2 per cent in February 2010, when compared to the same month in 2009. Higher sales receipts were attributed mainly to the 2 per cent rise in the price of food. In contrast, liquor store sales decreased 2 per cent compared to February 2009, despite a 3 per cent rise in alcohol prices during the period.

# 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>2005</b>	<b>96.2</b>	+8.2	<b>94.2</b>	+10.0	<b>96.6</b>	+8.2	<b>101.6</b>	+22.0	<b>89.5</b>	+14.6	<b>93.5</b>	+12.6	<b>109.9</b>	-7.8	<b>93.0</b>	+6.5
<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>102.0</b>	-3.8	<b>120.2</b>	+4.7	<b>103.9</b>	-1.3	<b>80.8</b>	-10.9	<b>104.3</b>	-10.8	<b>86.2</b>	-7.4	<b>90.2</b>	-13.6	<b>101.1</b>	-5.4
<b>2008</b>																
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	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 <sup>R</sup>	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	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
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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
<b>2010</b>																
Jan	87.2	-5.4	112.0	-0.9	76.2	-5.7	70.8	-13.7	102.1	+10.5	63.6	-9.8	59.9	+0.7	83.7	-12.3
<b>Feb</b>	<b>84.3</b>	<b>-1.6</b>	<b>107.5</b>	<b>+2.2</b>	<b>77.8</b>	<b>-1.9</b>	<b>81.0</b>	<b>+12.7</b>	<b>97.7</b>	<b>+9.9</b>	<b>61.4</b>	<b>-18.4</b>	<b>51.6</b>	<b>-6.5</b>	<b>78.9</b>	<b>-7.7</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.

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