



RETAIL SALES INDEX

November 2010

RETAIL SALES FELL BY 2.8 PER CENT

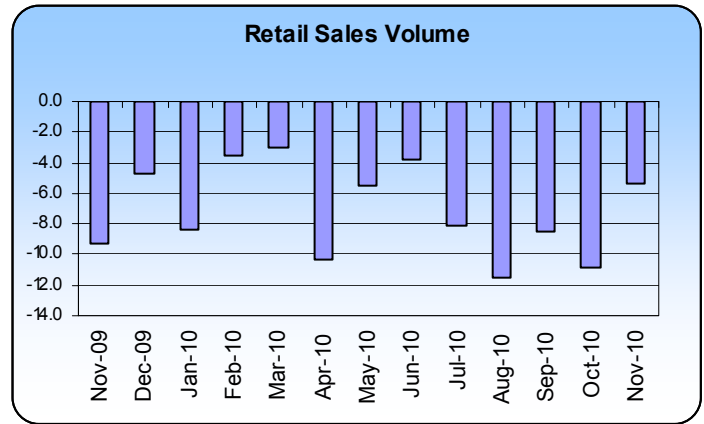
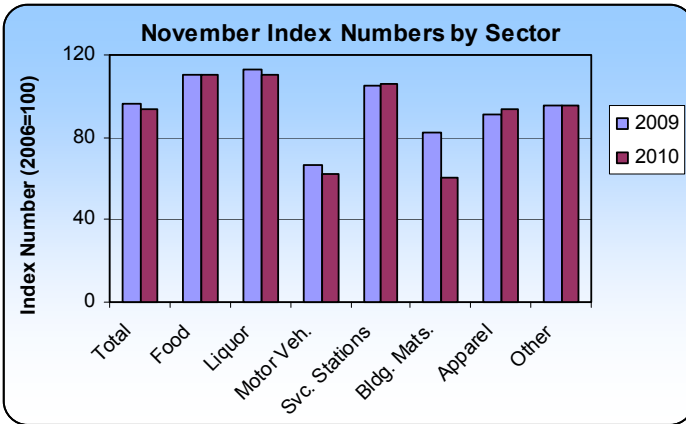
Consumers spent an estimated \$83.6 million in the retail industry during November 2010. This represented a decrease of 2.8 per cent or \$2.4 million less than in November 2009. All sectors experienced year-over-year declines in sales activity with the exception of apparel stores and service stations.

Residents returning to the Island from business and vacation trips declared overseas purchases of \$7.9 million, or 2.6 per cent more than in

November 2009. As a result, combined local and overseas spending totalled \$91.5 million during the month, a decrease of 2.4 per cent year-over-year.

After adjusting for the annual retail sales rate of inflation, measured at 2.8 per cent in November 2010, the volume of retail sales contracted by 5.4 per cent.

There were 25 shopping days in November 2010, one more than in 2009.



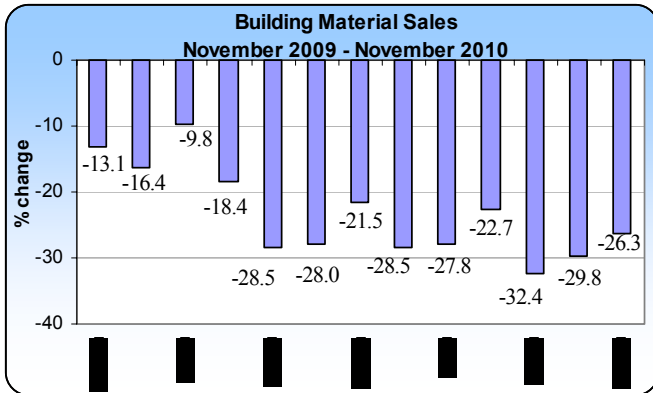
The RSI is currently based on a matched sample of reporting retail stores. The sales data are collected from these stores through a monthly mail survey. The Department of Statistics wishes to acknowledge the continuous support of the business community in supplying the required sales data.

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
2009								
Nov ^R	96.1	-7.1	-9.3	86.0	7.7	-8.6	93.7	-7.3
Dec	122.9	-2.4	-4.7	110.0	7.9	+6.6	117.9	-1.8
2010								
Jan	87.2	-5.4	-8.4	78.0	5.0	-9.1	83.0	-5.7
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

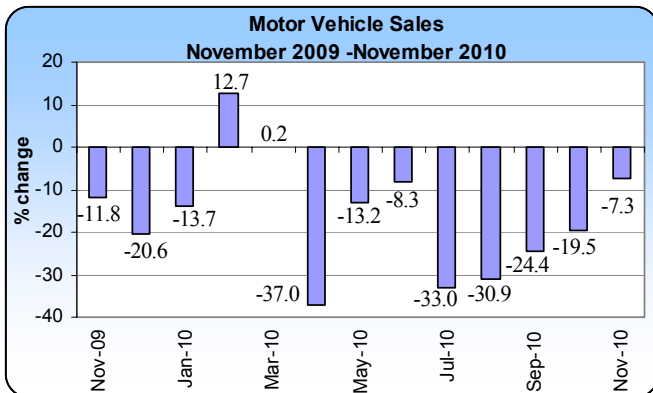
Building Materials

The current economic recession led to a general decline of building activity within the construction industry. As a result, the demand for construction materials weakened, causing another month of dismal sales within the sector. Sales receipts by building material retailers decreased 26.3 per cent during the month compared to November 2009.



Motor Vehicle Stores

Despite an increase in motorcycle sales, gross receipts of motor vehicle stores declined 7.3 per cent during the month. This decline was attributed to weak consumer demand for the type of car models currently in stock.



All Other Store Types

Retailers within the all other store types sector reported a marginal sales decrease of 0.1 per cent during November 2010. Retailers of boat and marine supplies reported a 15.3 per cent fall in sales. Declines were also reported by merchants of tourist-related stores and furniture,

appliance & electronic stores, whose sales receipts fell 1.3 and 1.5 per cent, respectively. In contrast, pharmaceutical retailers reported a 2 per cent rise in sales during the month.

Food and Liquor Stores

Although the price of food rose 3.4 per cent during the month, retail sales in the food sector remained relatively static. Sales declined fractionally by 0.4 per cent. During the same period, liquor sales slipped 1.5 per cent.

Apparel Stores

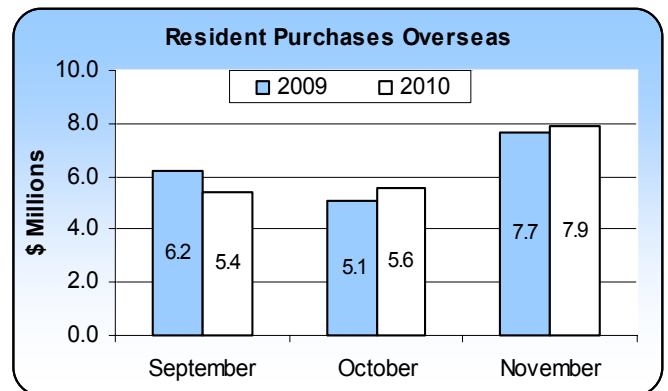
November marked the fifth month of positive sales activity for apparel stores during 2010. Sales rebounded 2.4 per cent above the previous year's level after four consecutive months of declines.

Service Stations

Gross sales revenue for service stations edged up 0.5 per cent over November 2009. However, this gain was due mainly to the 4.8 per cent rise in the price of gasoline, as sales volume fell during the period.

Resident Purchases Overseas

Overseas purchases declared by travelling residents totalled \$7.9 million. This represented an increase of \$0.2 million or 2.6 per cent above the total value declared in November 2009. Outlays on furniture, appliance & electronics related purchases contributed the strongest to this rise; the value of these declarations grew by 4.3 per cent.



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	
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	+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	102.4	-3.3	120.1	+4.5	109.3	+3.9	84.0	-7.4	105.2	-10.1	87.0	-6.5	89.2	-14.5	99.9	-6.5
2008																
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
2009																
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 ^R	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	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
2010																
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
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

(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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