

Terms of Trade Indices Report

March 2024

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Import and Export Indices

Import and export price indices are economic indicators that measure changes in the prices of goods traded between countries.

The indices provide insight into the competitiveness of a country's goods and trade balance.

This report presents export and import indices and terms of trade indices covering the period January 2019 to March 2024.

A basket of export and import products was selected and weighted according to their values.

The Laspeyres price index was used to compute the export and import price indices, using January 2019 as the base period.

Methodology

Export Price Index (EPI):

- Is a measure of the percentage change in the prices of goods that a country sells to other nations during a specific period.
- Useful tool to evaluate how competitive a country's exports are in the global market.

Import Price Index (IPI):

- Measures the percentage change in the prices of goods that a country buys from other nations during a specific period.
- **Used to evaluate the effects of changes in the cost of imports.**

Terms of Trade (TOT)

- The indicator is used to evaluate how much imports a country can buy for a unit of its exports.

Key components of Terms of Trade

Terms of Trade

- $$= \frac{\text{Price Index of Exports}}{\text{Price Index of Imports}} \times 100$$

Favourable Terms of Trade

- If a country's TOT is above 100, it has a favourable or positive terms of trade, implying that for the same amount of exports, it can purchase more imports.

Unfavourable Terms of Trade

- If a country's terms of trade (TOT) is below 100, it implies an unfavourable or negative balance of trade, meaning that for the same amount of exports, it can purchase fewer imports.

2. Export and Import Indices



Month on month Indices

Month	All Items Export Index	All Items Import Index	Terms of Trade
Feb-24	399.1	383.3	104.1
Mar-24	391.1	386.9	101.1
Month on Month Changes	-2.0	0.9	-2.9

The all items export index

dropped by 2.0% month on month from 399.1 in February to 391.1 in March 2024 whilst the all items import index increased marginally by 0.9 percent from 383.3 to 386.9 in the same period respectively.

Year on Year Changes in Export and Import Indices



Export and Import Indices

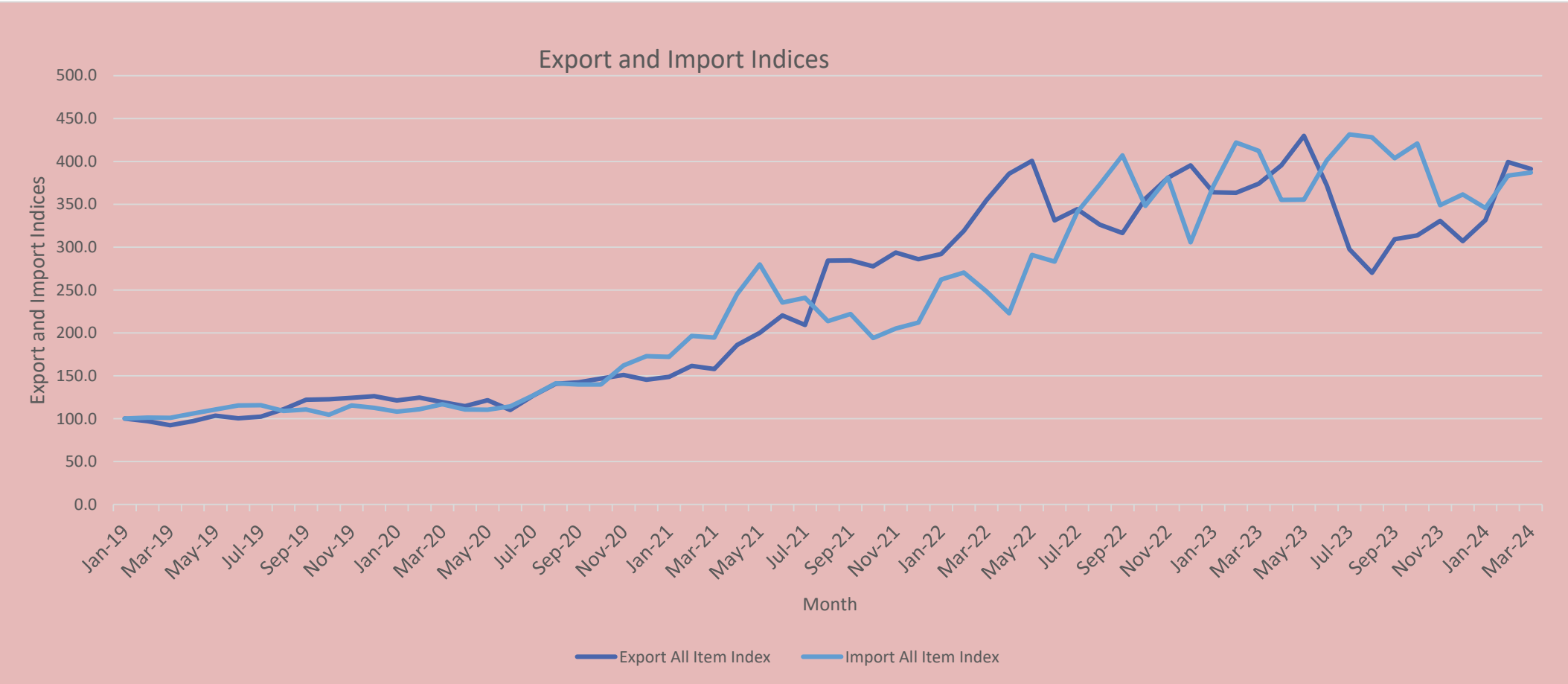
Year	All Items Export Index	All Items Import Index
Mar-23	374.0	412.3
Mar-24	391.1	386.9
Year on Year Changes	4.6	-6.2

The all items export index

increased by 4.6% from 374.0 in March 2023 to 391.1 in March 2024. However, the all items import index decreased year-on-year by 6.2 percent from 412.3 in March 2023 to 386.9 in March 2024.

Export and Import Indices January 2019 to February 2024

When export index is above import index the country experiences favourable terms of trade.



Month on Month Changes in Terms of Trade Index

Terms of Trade Index

Month	Terms of Trade
Feb 24	104.1
Mar 24	101.1
Month on Month Changes	-2.9

The Terms of Trade Index

Remained favourable in March 2024 although the all month-on-month all items terms of trade index dropped by 2.9 percent from 104.1 in February 2024 to 101.1 in March 2024.



Year on Year Changes in Terms of Trade Indices



Terms of Trade Index

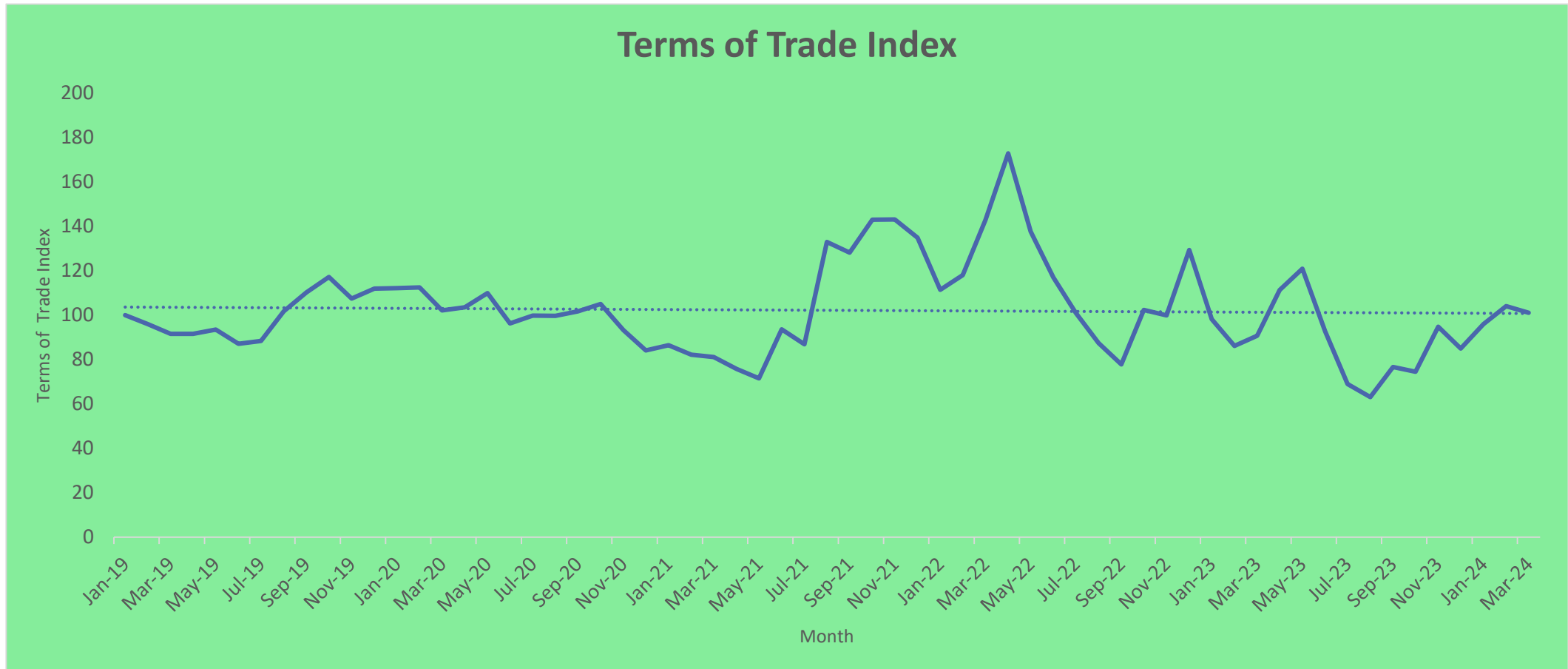
Year	Terms of Trade
Mar-23	90.7
Mar-24	101.1
Year on Year Changes	11.4

The Terms of Trade Index

The Terms of Trade year-on-year index increased by 11.4 percent from 90.7 in March 2023 to 101.1 in March 2024.

Monthly Terms of Trade Indices 2019 to 2024

When terms of trade index is above 100 the country experiences favourable terms of trade.



Quarterly Export and Import Indices

Quarterly Export and Import Indices

Quarter	Export Index	Import Index
Q4-23	317.2	377.0
Q1-24	373.9	371.9
Quarter on Quarter Changes in Indices	17.9	-1.4

Export and Import Indices

The average quarter to quarter export indices increased by 17.9 percent from 317.2 in the fourth quarter 2023 to 373.9 in the first quarter 2024 whilst import indices dropped by 1.4 percent from 377.0 to 371.9 in the same period respectively.

Year on Year Quarterly Export and Import Indices

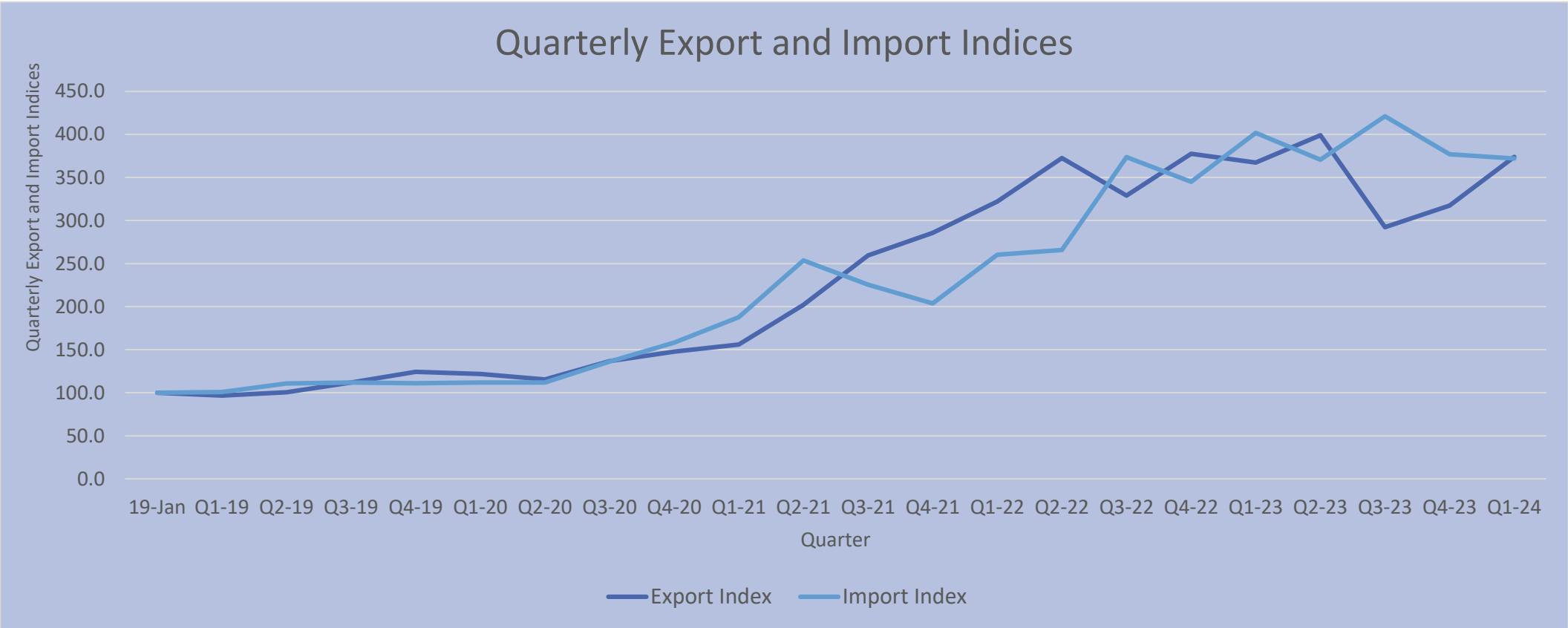
Quarterly Export and Import Indices

Quarter	Export Index	Import Index
Q1-23	367.2	401.7
Q1-24	373.9	371.9
Year on Year Changes in Indices	1.8	-7.4

Export and Import Indices

The average year on-year quarterly export indices increased by 1.8 percent from 367.2 in the first quarter 2023 to 373.9 in the first quarter 2024 whilst the year-on-year import indices dropped by 7.4 percent from 401.7 to 371.9 in the same period respectively.

Average Quarterly Export and Import Indices 2019 to 2024



Quarterly Terms of Trade Indices

Quarterly Terms of Trade Index

Quarter	Terms of Trade
Q4-2023	84.8
Q1-2024	100.4
Quarter on Quarter Changes in Indices	18.4

The Quarterly Terms of Trade Index

The quarterly terms of trade index increased by 18.4 percent from 84.8 in the fourth quarter 2023 to 100.4 in the first quarter 2024.



Year on Year Changes in Terms of Trade Indices

Terms of Trade Index

Year	Terms of Trade
Mar-23	91.7
Mar-24	101.1
Year on Year Changes	11.4

The Terms of Trade Index

The year-on year quarterly terms of trade index also increased by 9.5 percent from 91.7 in the first quarter 2023 to 100.4 in the first quarter 2024.



End

Thank you