

Bulletin

March 2006 Retail Sales • Released May 19, 2006

A MARCH THAT TURNED INTO A STAMPEDE

Consumers did not just “March” to stores this past month, they appeared to have stampeded there way in to a shopping bonanza. Judging by the exceptionally strong retail sales growth, cash registers across the country must have been humming in March.

All Stores gained 7.8% but the real story related to retailers included in the All Stores Less Automotive, Food, and Pharmacies categories. This group of retail stores gained 10.0% in March bringing year-to-date growth for the first quarter to 9.0%. This is impressive growth to round off the first three months of the year.

Big sales gains were recorded for the Building and Outdoor Home Supplies Stores. The warm weather helped these retailers to nail their competition with 16.3% sales growth, which was above their year-to-date growth of 15.0%.

Despite a cool down in housing starts, consumers continued to spend based on solid growth in housing completions. Furniture and Home Furnishings Stores

gained 14.9%. Within this category, it was the Home Furnishings category that gained 20.4% and really pushed sales growth overall.

Clothing and Accessories Stores enjoyed a particularly warm and breezy consumer reaction as sales jumped 9.6% for Clothing Stores and 13.8% for Shoes, Clothing Accessories, and Jewellery Stores. This was well above their year-to-date growth rates of 5.3% and 9.8%, respectively.

General Merchandise Stores including the Traditional and Discount Department Stores gained 7.2%, which was just slightly above year-to-date growth of 6.9%

Even the Automotive (8.8%) and Pharmacies and Personal Care

Stores (10.0%) witnessed very positive results.

Regionally, it continued to be Western Canada that drove the retail economy. However, Ontario did return stronger results in March than previous months.

Very positive job growth figures combined with warm weather and high consumer confidence led to a buoyed retail economy for March as well as the first quarter of 2006.

Whether the rest of 2006 will hold up to the first quarter’s benchmark performance is yet to be determined.

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN
June 2, 2006

Please note:

The J.C. Williams Group National Retail Bulletin compares the latest monthly release of “raw” (i.e., unadjusted for seasonality) retail sales figures to those in the *same calendar month of the previous year*. Statistics Canada also reports seasonally adjusted sales that are compared to the *previous month within the current calendar year* to measure change in Gross Domestic Product (GDP). Although other sources use seasonally adjusted figures, J.C. Williams Group believes that using raw figures and making comparisons to the previous year’s performance more accurately reflects the seasonality of the retail industry and, therefore, are more useful in analysis.

J.C. WILLIAMS GROUP

Retail Sales by Store Category

Sales for the Month of: March	2006	2005	2006/2005
All Stores	30,908.6	28,678.9	7.8%
Automotive	11,395.5	10,473.4	8.8%
All Stores Less Automotive	19,513.1	18,205.5	7.2%
Food and Beverage Stores	7,103.1	6,926.7	2.5%
Pharmacies and Personal Care Stores	2,152.7	1,957.0	10.0%
All Stores Less Automotive, Food, Pharmacies	10,257.3	9,321.8	10.0%
General Merchandise Stores	3,342.3	3,117.3	7.2%
Furniture, Home Furnishings and Electronics Stores	2,128.6	1,905.8	11.7%
Furniture and Home Furnishings Stores	1,172.6	1,020.2	14.9%
Computer, Software, Home Electronics, and Appliance Stores	956.0	885.5	8.0%
Clothing and Accessories Stores	1,601.6	1,449.1	10.5%
Clothing Stores	1,242.0	1,133.2	9.6%
Shoes, Clothing Accessories, and Jewellery Stores	359.5	315.9	13.8%
Sporting Goods, Hobby, Music, and Book Stores	713.9	661.2	8.0%
Building and Outdoor Home Supplies Stores	1,706.2	1,466.8	16.3%
Miscellaneous Store Retailers	764.6	721.6	6.0%

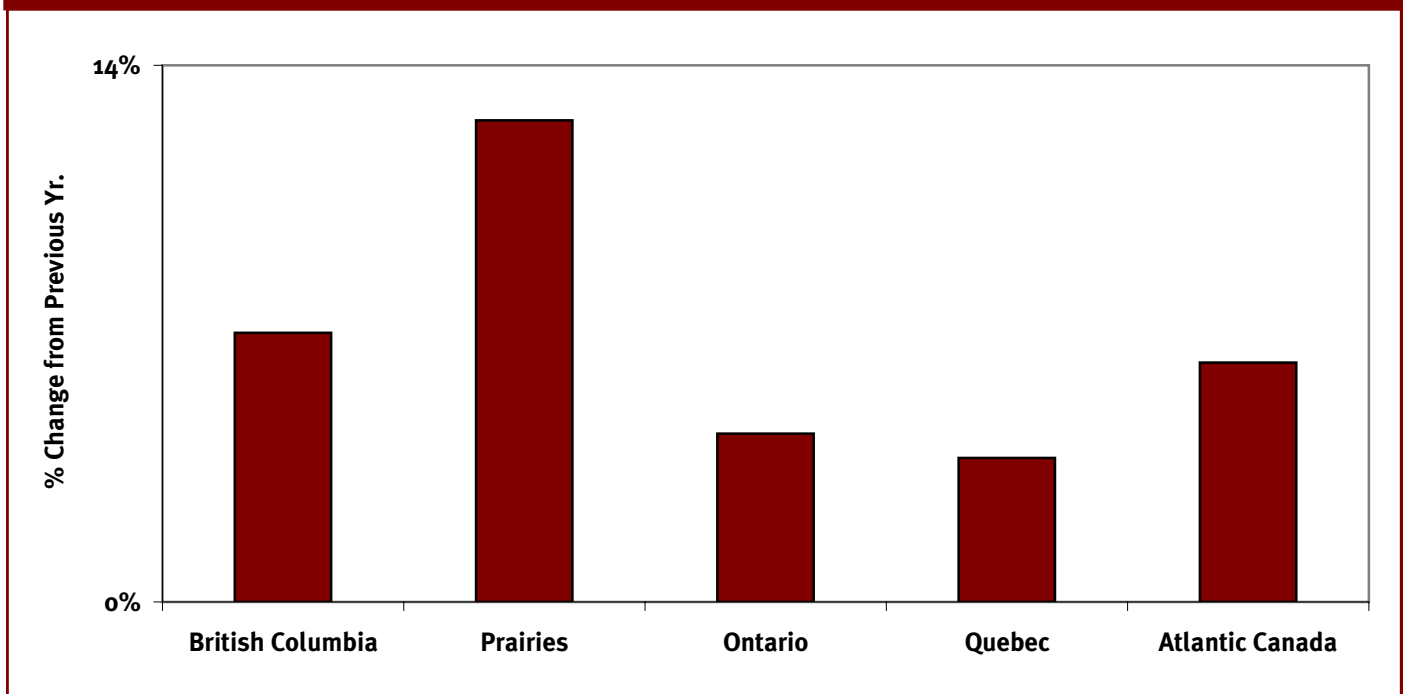
Year-to-date Sales	2006	2005	2006/2005
All Stores	82,420.5	77,398.3	6.5%
Automotive	28,792.7	26,686.7	7.9%
All Stores Less Automotive	53,627.9	50,711.6	5.8%
Food and Beverage Stores	19,730.6	19,585.9	0.7%
Pharmacies and Personal Care Stores	6,078.5	5,602.5	8.5%
All Stores Less Automotive, Food, Pharmacies	27,818.8	25,523.2	9.0%
General Merchandise Stores	9,091.0	8,502.8	6.9%
Furniture, Home Furnishings and Electronics Stores	5,954.5	5,339.1	11.5%
Furniture and Home Furnishings Stores	3,248.8	2,857.9	13.7%
Computer, Software, Home Electronics, and Appliance Stores	2,705.8	2,481.2	9.1%
Clothing and Accessories Stores	4,143.5	3,895.9	6.4%
Clothing Stores	3,175.5	3,014.4	5.3%
Shoes, Clothing Accessories, and Jewellery Stores	967.9	881.5	9.8%
Sporting Goods, Hobby, Music, and Book Stores	2,068.1	1,905.7	8.5%
Building and Outdoor Home Supplies Stores	4,435.7	3,855.5	15.0%
Miscellaneous Store Retailers	2,126.0	2,024.2	5.0%

ALL DOLLAR VALUES EXPRESSED IN MILLIONS OF CANADIAN DOLLARS; UNADJUSTED FIGURES; SOURCE: STATISTICS CANADA

Retail Trade, Canada, All Stores, by Region

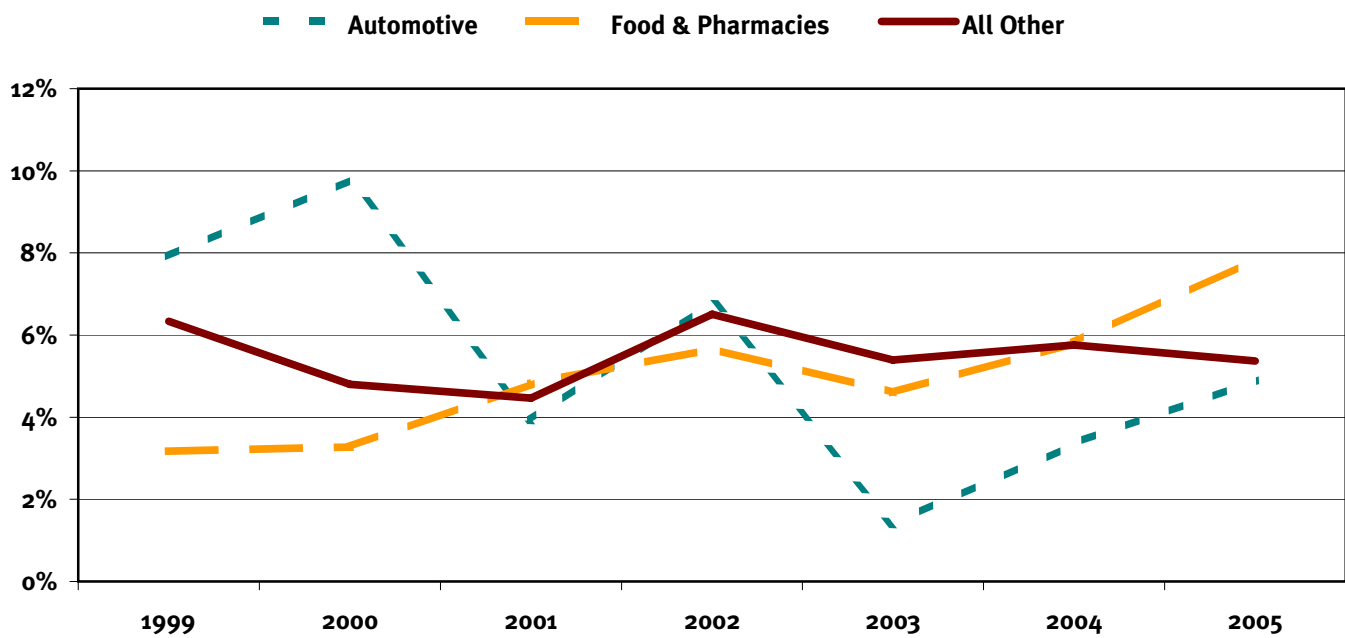
	Year-to-date 2006	Same Period 2005	Change 2006/2005
British Columbia	11,551.4	10,773.4	7.2%
Prairies	16,830.6	14,905.2	12.9%
Ontario	29,861.8	28,570.5	4.5%
Quebec	18,151.1	17,476.4	3.9%
Atlantic Canada	5,735.8	5,389.8	6.4%

Percentage Change in Retail Trade, All Stores, By Region Year-to-date Compared to Same Period Last Year

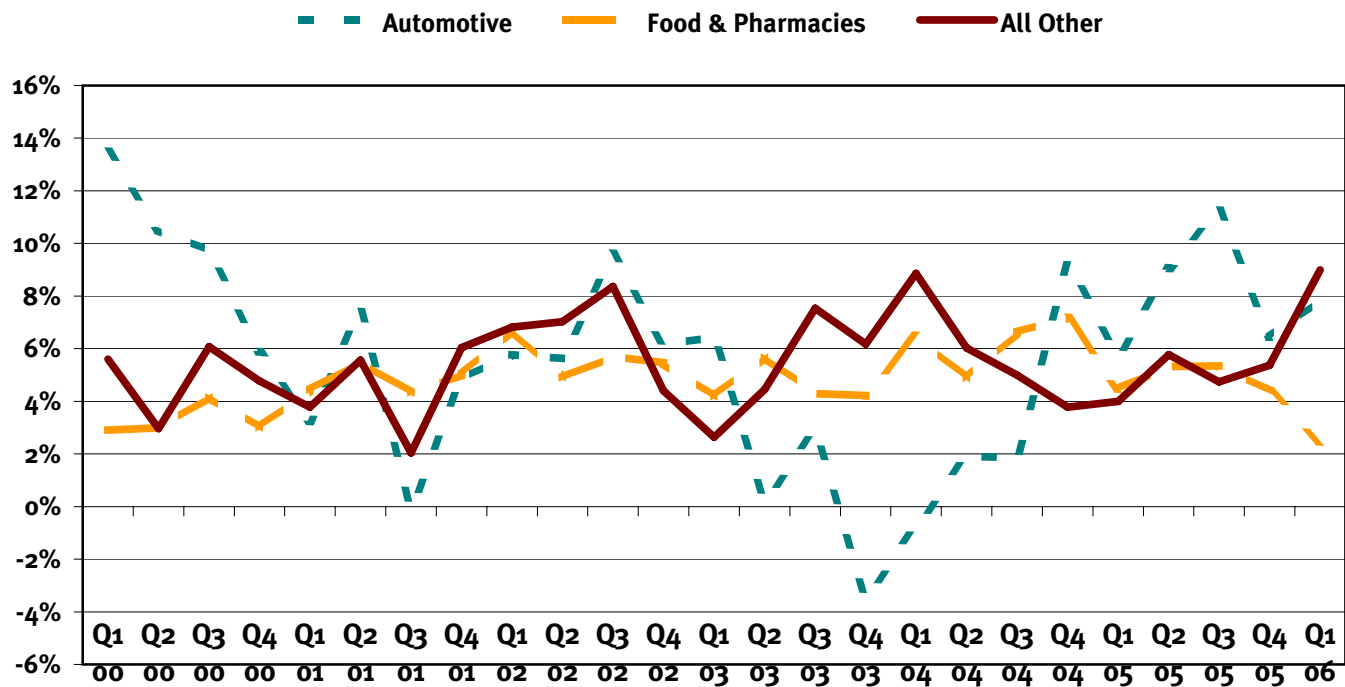


For more detailed information on retail sales, please contact J.C. Williams Group

Canadian Retail Sales by Major Product Category, Year Over Year (1999–2005)



Canadian Retail Sales by Major Product Category, From the Same Quarter a Year Earlier



Consumer Price Index

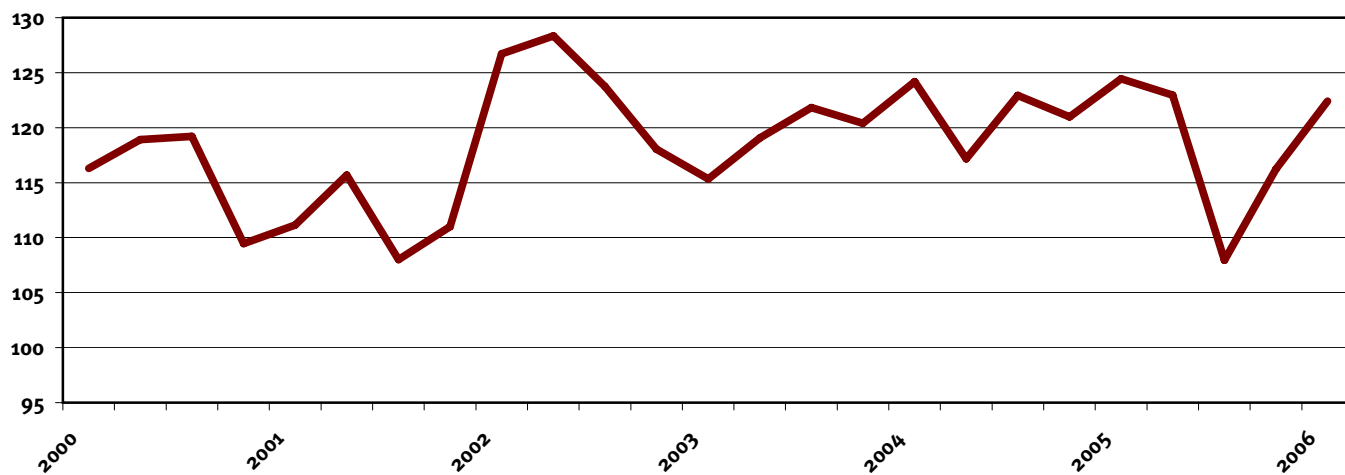
April 2006

vs.

April 2005

2.4%

Canadian Consumer Confidence Index 1999–2006



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1999–2006

