

Bulletin

U.S. Data

Advance October 2005 Retail Sales • Released October 16, 2005

BETTER THAN EXPECTED

As Americans coped with the aftermath of Hurricane Katrina and Rita, soaring fuel prices, and unseasonably warm weather, retail sales grew a solid 5.6% in October. It just goes to show the resilience of consumer spending despite all the environmental factors that played out in October.

Gasoline stations across the country charged record prices for fuel, so it is not surprising that sales rose 26.7% in October. On the other hand, the Motor Vehicle and Parts Dealers Stores, dropped 8.7% in sales. The automotive industry is struggling to find ways to avoid these fluctuations month to month.

Building Material and Garden Equipment Store sales grew a robust 14.1% surpassing its year-to-date growth of 9.6%. Its surge can be attributed to the warmer weather allowing for further outdoor construction, and the expense of the hurricane relief effort.

General Merchandise Stores rose to 6.9%, slightly above its year-to-date growth; however, Department Store sales slightly declined 0.2%. Wal-Mart reported its smallest quarterly profit in four years due to higher fuel prices and temporary store closures in areas affected by the hurricanes. An

aggressive marketing campaign should result in strong sales for Wal-Mart during the upcoming holiday season.

Consumers were also in the buying mood for clothing and accessories, this category rose 7.2%. Furniture, Home Furnishings, Electronics and Appliances continued to flourish at 7.6%.

Nonstore Retailers gained 10.6% as more consumers preferred to shop online, which also saves them from gassing up their automobiles and venturing to the local mall.

Discretionary spending has continued to shift away from Sporting Goods, Hobby, Book and Music Stores; this category declined 1.0% in October. Year-to-date this category has only risen 1.4%.

Consumer Confidence was significantly down from the previous quarter, illustrating the uncertainty plaguing Americans.

Consumers demonstrated their willingness to spend even though they endured natural disasters and higher expenses in fuel costs. This is a good indication of fruitful holiday spending in the coming months.

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN:

December 13, 2005

Please note:

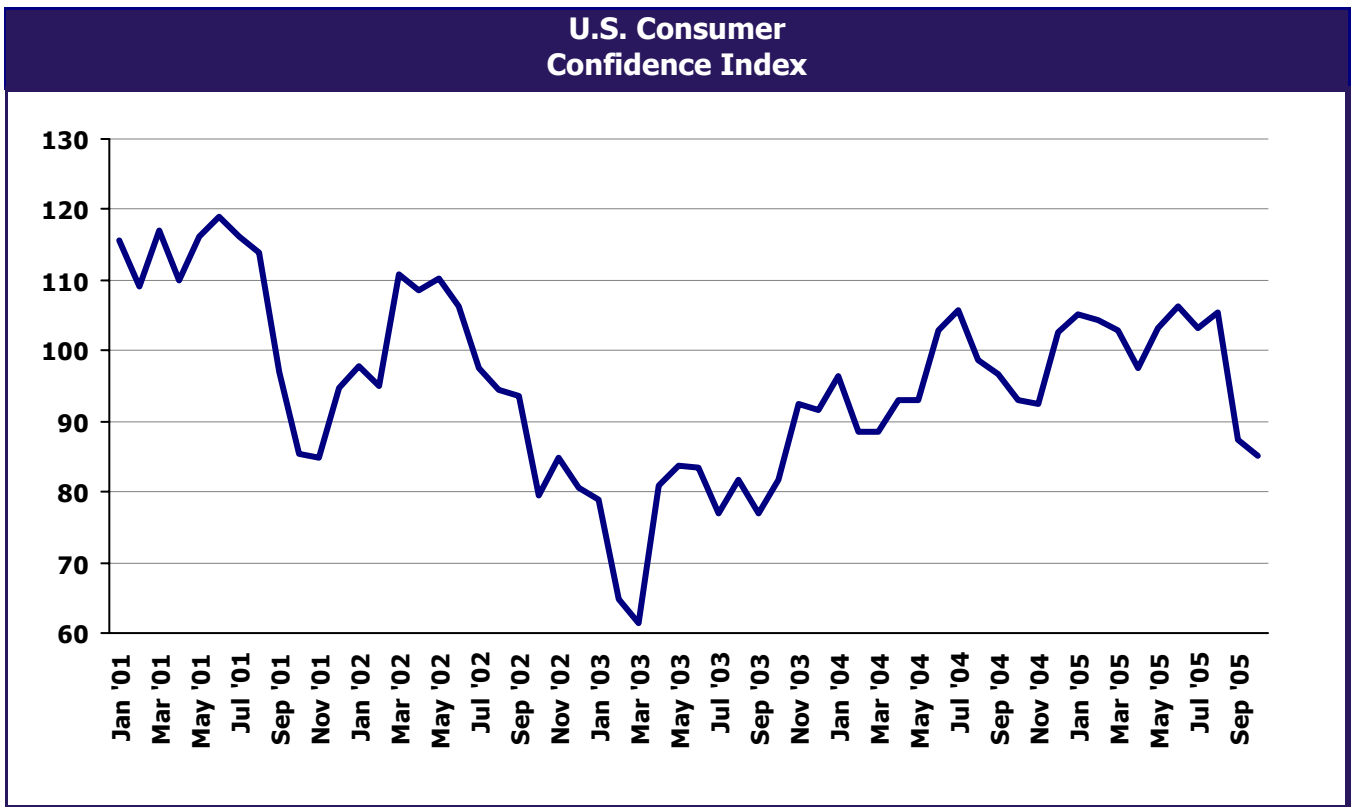
The J.C. Williams Group National Retail Bulletin compares the latest monthly release of “raw” (i.e., unadjusted for seasonality, holiday, and trading day) retail sales figures to those in the *same calendar month of the previous year*. The U.S. Census Bureau also reports seasonally adjusted sales that 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. Definitions can be found on the U.S. Census Website: www.census.gov.

Advance Sales for the Month of October	2005	2004	% Change
All Stores	343,963	325,699	5.6%
Motor Vehicle and Parts Dealers	64,160	70,287	-8.7%
Gasoline Stations	37,163	29,329	26.7%
Food and Beverage Stores	44,006	41,835	5.2%
Grocery Stores	39,358	37,657	4.5%
Health and Personal Care Stores	18,258	17,016	7.3%
Building Material and Garden Equipment Stores	29,408	25,775	14.1%
General Merchandise Stores	44,578	41,707	6.9%
Department Stores (excluding leased departments)	17,407	17,447	-0.2%
Clothing and Accessories Stores	16,673	15,558	7.2%
Furniture, Home Furnishings, Electronics and Appliance Stores	17,156	15,949	7.6%
Furniture and Home Furnishing Stores	9,438	8,699	8.5%
Electronics and Appliance Stores	7,718	7,250	6.5%
Sporting Goods, Hobby, Book and Music Stores	5,921	5,978	-1.0%
Miscellaneous Store Retailers	9,267	8,997	3.0%
Nonstore Retailers	22,476	20,319	10.6%
Food Services and Drinking Places	34,897	32,949	5.9%
Year-to-Date Sales Ending October	2005	2004	% Change
All Stores	3,414,156	3,178,000	7.4%
Motor Vehicle and Parts Dealers	773,827	741,095	4.4%
Gasoline Stations	323,284	265,602	21.7%
Food and Beverage Stores	429,375	409,591	4.8%
Grocery Stores	385,682	369,465	4.4%
Health and Personal Care Stores	179,083	168,596	6.2%
Building Material and Garden Equipment Stores	278,866	254,390	9.6%
General Merchandise Stores	415,198	390,499	6.3%
Department Stores (excluding leased departments)	162,600	163,303	-0.4%
Clothing and Accessories Stores	152,788	144,396	5.8%
Furniture, Home Furnishings, Electronics and Appliance Stores	164,641	156,022	5.5%
Furniture and Home Furnishing Stores	87,757	83,399	5.2%
Electronics and Appliance Stores	76,884	72,623	5.9%
Sporting Goods, Hobby, Book and Music Stores	61,591	60,757	1.4%
Miscellaneous Store Retailers	91,963	86,888	5.8%
Nonstore Retailers	205,798	184,051	11.8%
Food Services and Drinking Places	337,742	316,113	6.8%

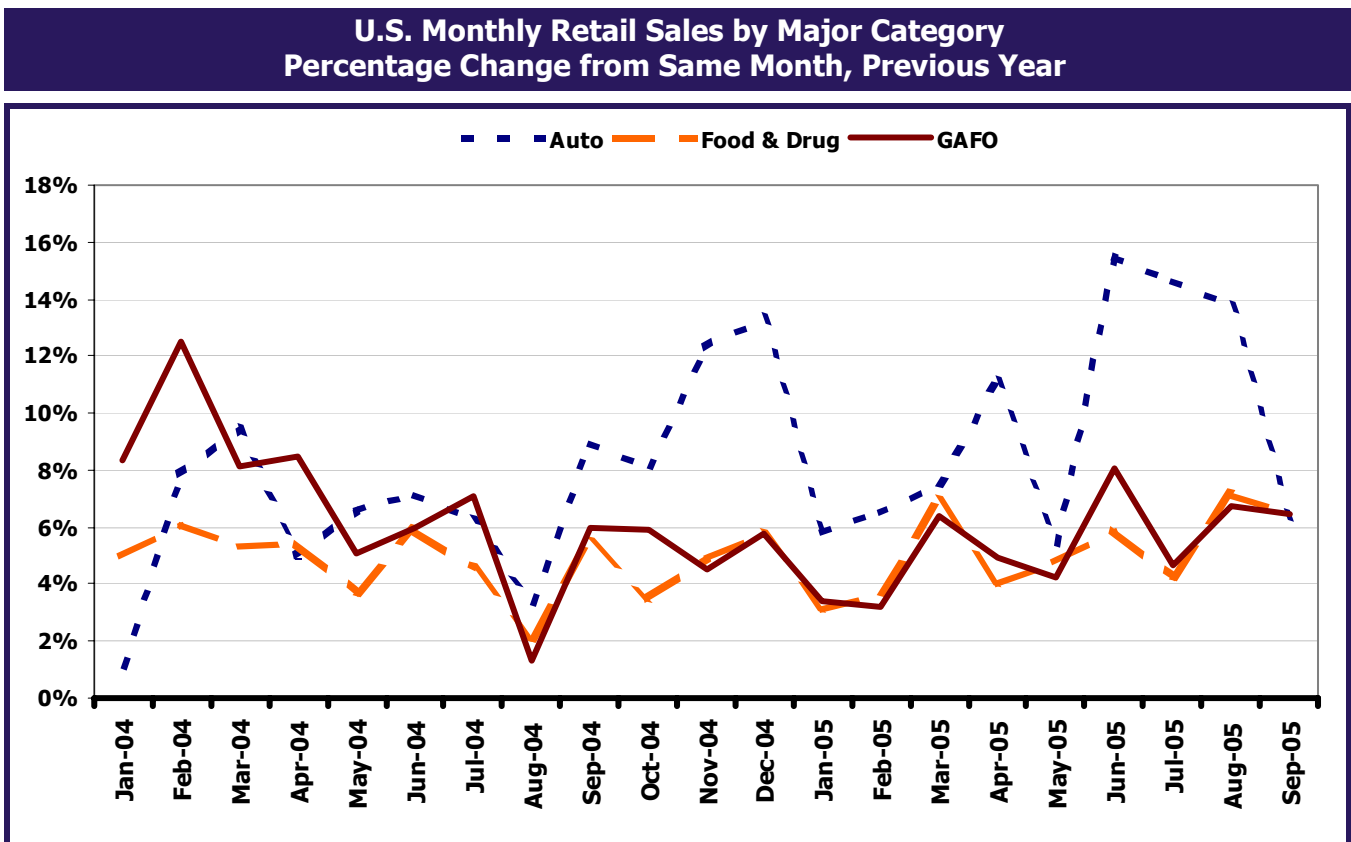
Source: US Census Bureau. All values are expressed in millions of US dollars and are not seasonally adjusted.

Revised Year-to-Date Sales Ending September	2005	2004	% Change
All Stores	3,070,193	2,852,301	7.6%
Motor Vehicle and Parts Dealers	709,667	670,808	5.8%
Gasoline Stations	286,121	236,273	21.1%
Food and Beverage Stores	385,369	367,756	4.8%
Grocery Stores	346,324	331,808	4.4%
Beer, Wine and Liquor Stores	24,053	22,701	6.0%
Health and Personal Care Stores	160,825	151,580	6.1%
Pharmacies and Drug Stores	137,344	129,576	6.0%
Building Material and Garden Equipment Stores	249,458	228,615	9.1%
Building Material and Supplies Stores	219,399	200,620	9.4%
Hardware Stores	14,832	14,191	4.5%
GAFO (general merchandise, apparel, furniture, and other)	737,794	700,069	5.4%
General Merchandise Stores	370,620	348,792	6.3%
Department Stores (excluding leased departments)	145,193	145,856	-0.5%
<i>Discount Department Stores (excluding leased departments)</i>	87,728	87,475	0.3%
<i>Conventional and National Dept. Stores (ex. leased depts.)</i>	57,465	58,381	-1.6%
Warehouse Clubs and Superstores	196,902	175,512	12.2%
All Other General Merchandise Stores	28,525	27,424	4.0%
Clothing and Accessories Stores	136,115	128,838	5.6%
Men's Clothing Stores	6,759	6,328	6.8%
Women's Clothing Stores	25,975	24,624	5.5%
Family Clothing Stores	50,823	47,317	7.4%
Shoe Stores	17,551	17,290	1.5%
Jewelry Stores	17,071	16,763	1.8%
Furniture, Home Furnishings, Electronics and Appliance Stores	147,485	140,073	5.3%
Furniture Stores	43,273	41,536	4.2%
Home Furnishing Stores	35,046	33,164	5.7%
Household Appliance Stores	12,536	11,453	9.5%
Radio, TV and Other Electronics Stores	40,544	38,022	6.6%
Computer and Software Stores	13,515	13,363	1.1%
Sporting Goods, Hobby, Book and Music Stores	55,670	54,779	1.6%
Sporting Goods Stores	22,660	21,240	6.7%
Book Stores	11,780	12,059	-2.3%
Miscellaneous Store Retailers	82,696	77,891	6.2%
Nonstore Retailers	183,322	163,732	12.0%
Electronic Shopping and Mail-Order Houses	114,442	104,213	9.8%
Fuel Dealers	28,551	23,245	22.8%
Food Services and Drinking Places	302,845	283,164	7.0%

Source: US Census Bureau. All values are expressed in millions of US dollars and are not seasonally adjusted.



Source: U.S. Conference Board



Source: U.S. Census Bureau