

# Bulletin

U.S. Data

Advance June 2005 Retail Sales • Released July 14, 2005

## JUNE SIZZLES

June's retail sales sizzled. Consumer spending was at a fever pitch in June with cross-sector gains. Extra-ordinarily warm weather throughout most of the country turned main streets and malls into fashion runways. All Stores soared to 10.4% compared to last June. This brings the first half of the year to 7.2% growth.

As stated, there was across-the-board growth for all categories but Motor Vehicles and Parts Dealers drove most of the growth. Extremely attractive sales incentives propelled sales to 15.7% over last June. However, discounting for automotive, food and beverage, and health care stores, sales grew by an impressive 8.5%.

The hot weather drove sales of fun fashion items to the benefit of General Merchandise Stores and Clothing and Accessories Stores. The full-price items at these retailers flew off the racks as consumers increased their spending by 9.8% at General Merchandise Stores and 9.3% at Clothing and Accessories Stores. This was well above their year-to-date growth of 6.0% and 5.4%, respectfully.

Department Store retailers who turned in an exceptional sales month include:

- Kohl's Corporation – 25.6% growth and 14.4% same store sales growth
- May Department Stores – 20.6% growth and 0.6% same store sales growth

- Target Corporation – 16.0% growth and 9.0% same stores sales growth
- Wal-Mart Stores – 16.0% growth and 4.5% same stores sales growth
- Nordstrom – 9.3% growth and 8.1% same stores sales growth
- Neiman Marcus Group – 8.3% growth and 9.2% same stores sales growth
- JCPenney Stores – 8.1% growth and 7.4% same stores sales growth

Overall, discount and luxury department stores performed well.

Apparel and Accessory Stores that experienced a phenomenal June include:

- Abercrombie and Fitch Co. – 51.7% growth and 38.0% same stores sales growth
- American Eagle Outfitters – 37.3% growth and 28.0% same store sales growth
- Chico's FAS – 40.0% growth and 18.8% same store sales growth
- Gymboree – 22.1% growth and 17.0% same store sales growth

While the teen retailers are doing well, unfortunately, The Gap's same store sales growth held even. In addition, it is important to watch these fickle, teen consumers who will easily switch from apparel spending to electronics spending rather quickly.

Food and Beverage and Food Services and Drinking Places witnessed healthy increases in sales as the hot weather pushed restaurant patio, backyard, and cottage eating and drinking sales.

Looking forward to July, the low inventory levels will affect some retailers bringing sales into reasonable growth ranges. However, the release of Harry Potter will cause sales of Book Stores and Nonstore Retailers such as Amazon.com to jump.

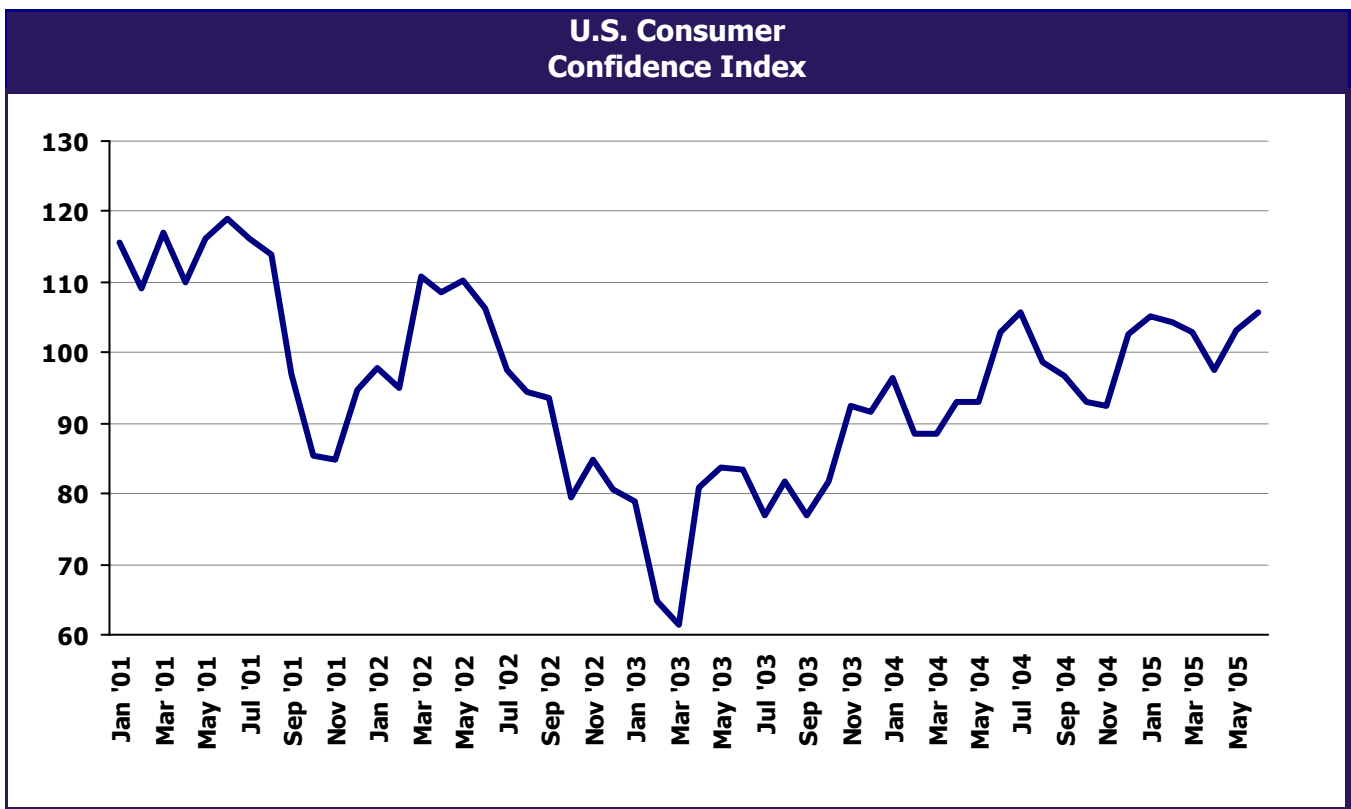
**RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN:**  
August 11, 2005

### Please note:

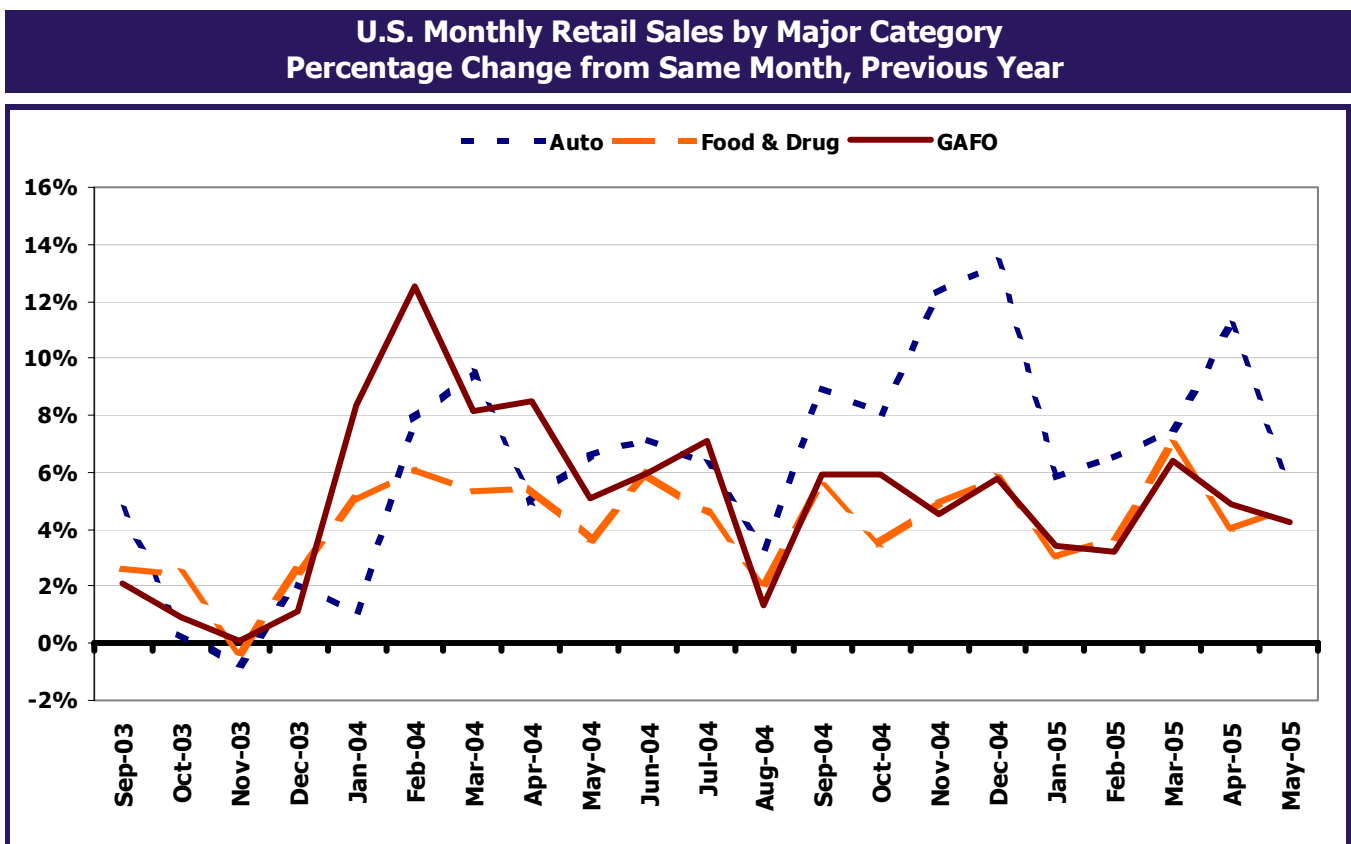
The J.C. Williams Group National Retail Bulletin compares the latest monthly release of "raw" (i.e., unadjusted for seasonality, holiday, and trading day) retail sales figures to those in the *same calendar month of the previous year*. The U.S. Census Bureau also reports seasonally adjusted sales that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

<b>Advance Sales for the Month of June</b>	<b>2005</b>	<b>2004</b>	<b>% Change</b>
All Stores	359,471	325,584	10.4%
Motor Vehicle and Parts Dealers	88,650	76,647	15.7%
Gasoline Stations	32,555	27,963	16.4%
Food and Beverage Stores	43,613	41,110	6.1%
Grocery Stores	39,032	36,933	5.7%
Health and Personal Care Stores	17,860	16,913	5.6%
Building Material and Garden Equipment Stores	31,969	29,296	9.1%
General Merchandise Stores	43,259	39,393	9.8%
Department Stores (excluding leased departments)	17,045	16,286	4.7%
Clothing and Accessories Stores	15,529	14,214	9.3%
Furniture, Home Furnishings, Electronics and Appliance Stores	16,591	15,882	4.5%
Furniture and Home Furnishing Stores	8,803	8,463	4.0%
Electronics and Appliance Stores	7,788	7,419	5.0%
Sporting Goods, Hobby, Book and Music Stores	6,295	6,060	3.9%
Miscellaneous Store Retailers	9,443	8,835	6.9%
Nonstore Retailers	19,260	17,329	11.1%
Food Services and Drinking Places	34,448	31,942	7.8%
<b>Year-to-Date Sales Ending June</b>	<b>2005</b>	<b>2004</b>	<b>% Change</b>
All Stores	2,002,633	1,868,393	7.2%
Motor Vehicle and Parts Dealers	464,746	437,365	6.3%
Gasoline Stations	176,670	151,963	16.3%
Food and Beverage Stores	252,838	242,167	4.4%
Grocery Stores	227,732	218,803	4.1%
Health and Personal Care Stores	106,957	101,262	5.6%
Building Material and Garden Equipment Stores	163,050	149,068	9.4%
General Merchandise Stores	243,735	229,880	6.0%
Department Stores (excluding leased departments)	96,236	96,207	0.0%
Clothing and Accessories Stores	89,027	84,437	5.4%
Furniture, Home Furnishings, Electronics and Appliance Stores	95,535	91,388	4.5%
Furniture and Home Furnishing Stores	50,312	48,559	3.6%
Electronics and Appliance Stores	45,223	42,829	5.6%
Sporting Goods, Hobby, Book and Music Stores	35,876	35,175	2.0%
Miscellaneous Store Retailers	54,035	51,239	5.5%
Nonstore Retailers	122,172	109,102	12.0%
Food Services and Drinking Places	197,993	185,347	6.8%

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