

# Bulletin

February 2005 Retail Sales • Released April 21, 2005

## NO FEBRUARY BLAHS FOR RETAILERS

Given that February 2004 was a Leap Year, one would expect slower retail sales growth for February 2005. However, consumers did not disappoint. With rising consumer confidence peaking again towards the 125-point level, retail sales gained 5.5% compared to last year.

The West Coast and Prairies were basking in warm to hot temperatures, which spurred retail sales. Calgary's average high for the month was 3.2° C and Vancouver's average high for the month was 8.5° C.

The warm weather must have been a contributing factor for sales of hot fashion items. Clothing Stores gained 6.7% in February, which is on track with total year-to-date sales and continues the trend developed last year. Hotter and brighter colours are the focus for both men's and women's apparel items. Looking forward, this trend is going to continue into the Spring.

The hot streak continued to electrify the Furniture, Home Furnishings, and Electronics Stores sales. The category grew by 8.0% in February, which is above their year-to-date growth of 7.6%. Both the furniture and home furnishings category and the electronics and appliance category performed well. Relatively robust housing starts and home sales continued to make an impact helping to fuel sales growth.

In addition, the Building and Outdoor Home Supplies Stores had the strongest growth for February. These stores gained 10.6%, which builds on similar growth rates witnessed last year. Without strong indications for major shifts in the interest rate, especially with the higher Canadian dollar, the growth rates for these categories remains relatively positive in the near future.

The Automotive Group performed well in February with surprising brisk automotive sales combined with higher sales at the pumps (7.5%). Food and Beverage sales (5.5%) were buoyed by spirited demand at wine, liquor, and beer stores (8.7%).

Surprisingly, Department Stores took a hit in February, falling 0.5% compared to last February. However, one category continued to show negative growth. Shoes, Clothing Accessories, and Jewellery dropped 8.8% in February, which brought their year-to-date growth to almost -10.0%. Other proprietary data from J.C. Williams Group and Moneris Solutions illustrates that both

the Shoes and Clothing Accessories categories have been struggling and will continue to face some major hurdles in the future. Alternatively, the Jewellery category has been showing some modest gains.

Regionally, the Prairies and Quebec continued to perform well. For the month, P.E.I. and Nova Scotia had the strongest sales growth for February. While Ontario continues to be the laggard in the nation, there is momentum building as business gets back on track and adjusts to the new realities of a higher dollar.

**RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN**  
May 20, 2005

### 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.

## Retail Sales by Store Category

Sales for the Month of: February	2005	2004	2005/2004
<b>All Stores</b>	<b>24,348.5</b>	<b>23,071.3</b>	<b>5.5%</b>
Automotive	8,449.0	7,857.6	7.5%
<b>All Stores Less Automotive</b>	<b>15,899.5</b>	<b>15,213.6</b>	<b>4.5%</b>
Food and Beverage Stores	6,202.3	5,879.9	5.5%
Pharmacies and Personal Care Stores	1,802.4	1,738.6	3.7%
<b>All Stores Less Automotive, Food, Pharmacies</b>	<b>7,894.8</b>	<b>7,595.2</b>	<b>3.9%</b>
<b>General Merchandise Stores</b>	<b>2,585.0</b>	<b>2,554.3</b>	<b>1.2%</b>
Department Stores	1,336.0	1,342.8	-0.5%
Other General Merchandise Stores	1,249.0	1,211.5	3.1%
<b>Furniture, Home Furnishings and Electronics Stores</b>	<b>1,696.4</b>	<b>1,571.2</b>	<b>8.0%</b>
Furniture and Home Furnishings Stores	905.6	853.8	6.1%
Computer, Software, Home Electronics, and Appliance Stores	790.9	717.4	10.2%
<b>Clothing and Accessories Stores</b>	<b>1,188.6</b>	<b>1,158.4</b>	<b>2.6%</b>
Clothing Stores	907.4	850.1	6.7%
Shoes, Clothing Accessories, and Jewellery Stores	281.2	308.3	-8.8%
<b>Sporting Goods, Hobby, Music, and Book Stores</b>	<b>559.3</b>	<b>543.6</b>	<b>2.9%</b>
<b>Building and Outdoor Home Supplies Stores</b>	<b>1,207.3</b>	<b>1,091.4</b>	<b>10.6%</b>
<b>Miscellaneous Store Retailers</b>	<b>658.2</b>	<b>676.3</b>	<b>-2.7%</b>

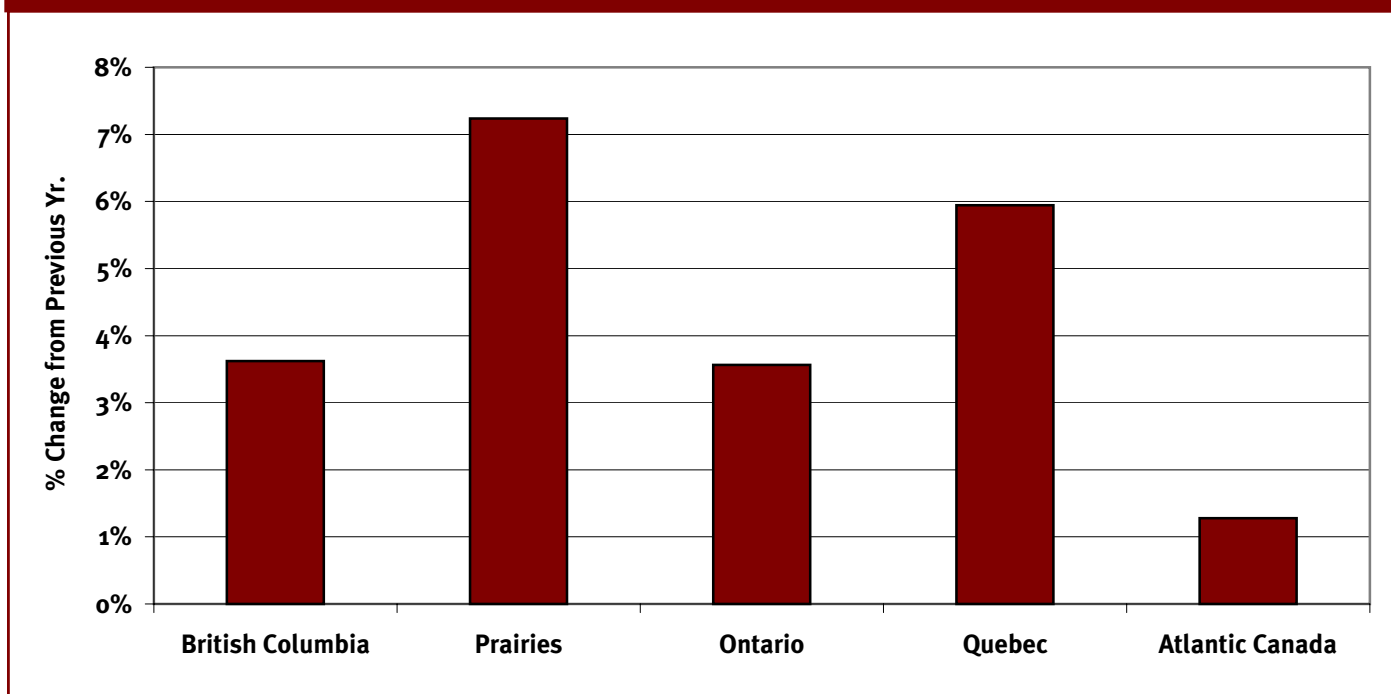
Year-to-date Sales	2005	2004	2005/2004
<b>All Stores</b>	<b>49,073.2</b>	<b>46,899.4</b>	<b>4.6%</b>
Automotive	16,310.6	15,234.8	7.1%
<b>All Stores Less Automotive</b>	<b>32,762.6</b>	<b>31,664.6</b>	<b>3.5%</b>
Food and Beverage Stores	12,766.5	12,431.1	2.7%
Pharmacies and Personal Care Stores	3,682.6	3,562.4	3.4%
<b>All Stores Less Automotive, Food, Pharmacies</b>	<b>19,996.2</b>	<b>19,233.5</b>	<b>4.0%</b>
<b>General Merchandise Stores</b>	<b>5,390.4</b>	<b>5,234.9</b>	<b>3.0%</b>
Department Stores	2,710.9	2,649.9	2.3%
Other General Merchandise Stores	2,679.5	2,585.1	7.1%
<b>Furniture, Home Furnishings and Electronics Stores</b>	<b>3,511.1</b>	<b>3,262.2</b>	<b>7.6%</b>
Furniture and Home Furnishings Stores	1,859.3	1,736.0	7.1%
Computer, Software, Home Electronics, and Appliance Stores	1,651.8	1,526.3	8.2%
<b>Clothing and Accessories Stores</b>	<b>2,450.7</b>	<b>2,401.2</b>	<b>2.1%</b>
Clothing Stores	1,897.8	1,787.5	6.2%
Shoes, Clothing Accessories, and Jewellery Stores	552.9	613.7	-9.9%
<b>Sporting Goods, Hobby, Music, and Book Stores</b>	<b>1,231.5</b>	<b>1,203.8</b>	<b>2.3%</b>
<b>Building and Outdoor Home Supplies Stores</b>	<b>2,417.5</b>	<b>2,220.9</b>	<b>8.9%</b>
<b>Miscellaneous Store Retailers</b>	<b>1,312.4</b>	<b>1,348.1</b>	<b>-2.6%</b>

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

## Retail Trade, Canada, All Stores, by Region

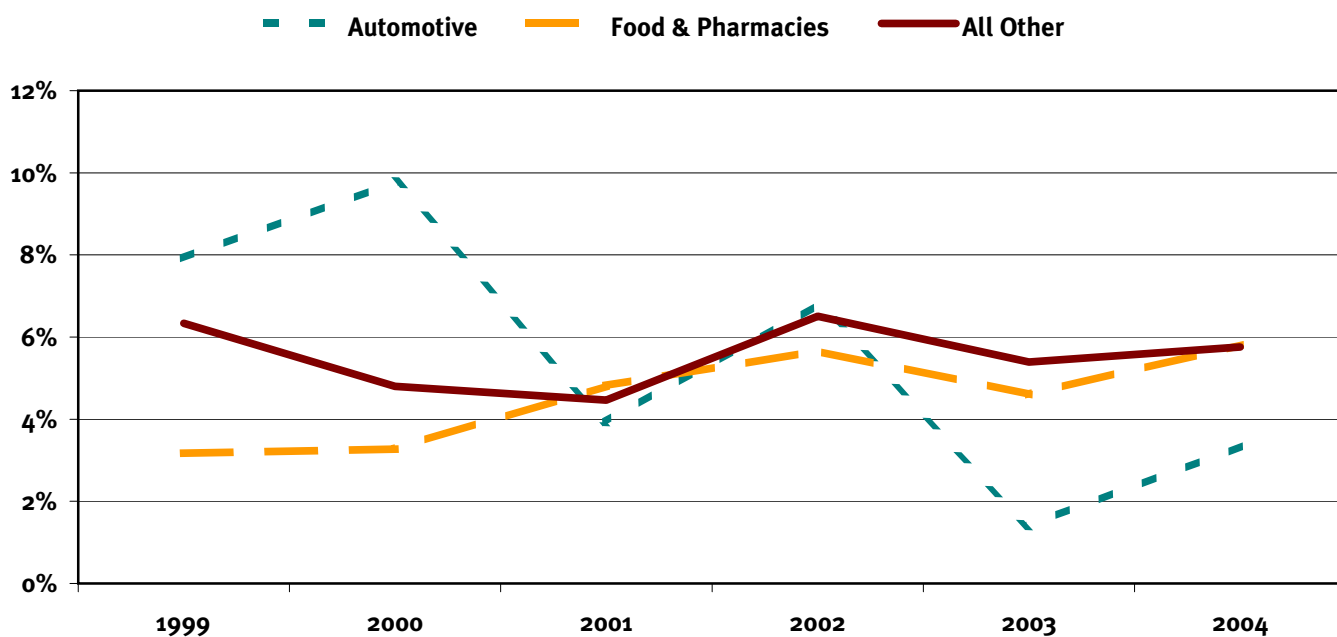
	Year-to-date 2005	Same Period 2004	Change 2005/2004
British Columbia	6,858.0	6,618.3	3.6%
Prairies	9,461.2	8,822.8	7.2%
Ontario	18,236.1	17,608.7	3.6%
Quebec	10,950.1	10,335.7	5.9%
Atlantic Canada	3,393.3	3,350.5	1.3%

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

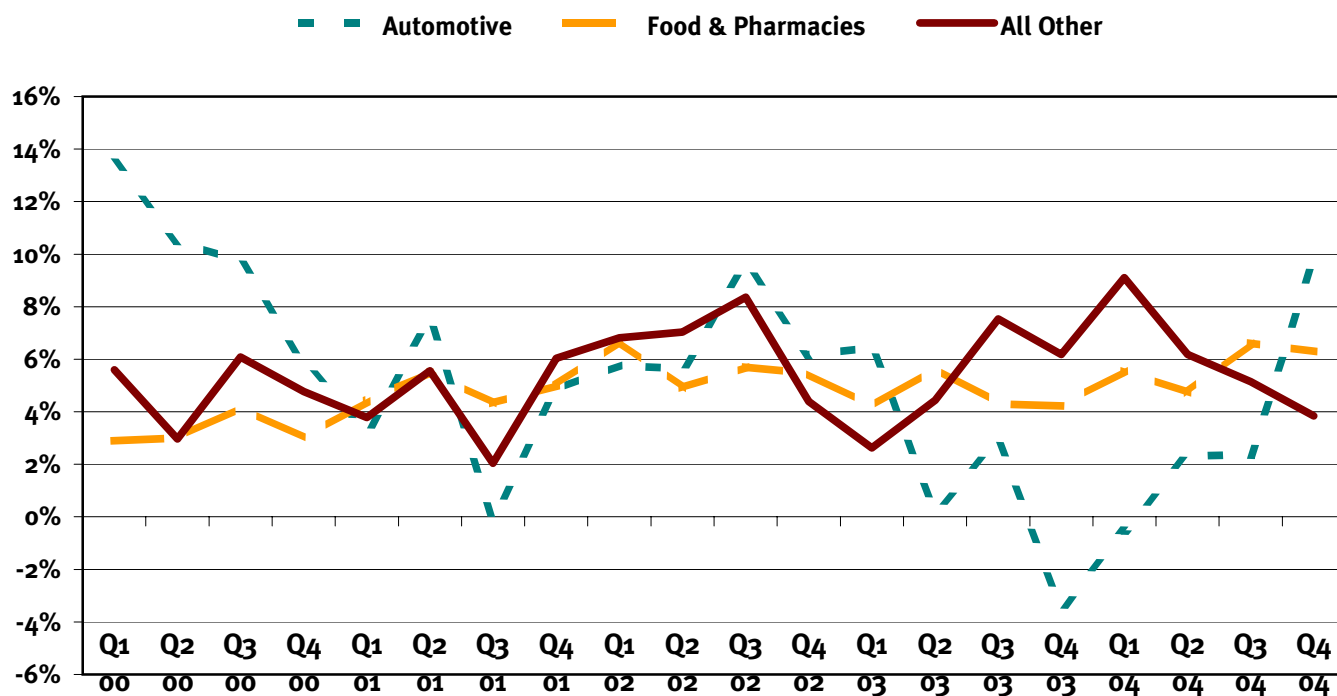


**For more detailed information on retail sales, please contact J.C. Williams Group**

Canadian Retail Sales by Major Product Category, Year Over Year (1999–2004)



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



Consumer Price Index

February 2005

vs.

February 2004

2.1%

Canadian Consumer Confidence Index 1999–2005



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1999–2004

