

Bulletin

April 2005 Retail Sales • Released June 21, 2005

SPRING FEVER

Consumers shed their winter apparel as spring fever hit hard. As the warmer weather hit, consumers strutted up and down main streets and malls on a buying frenzy.

The greater-than-expected growth reached an overall peak of 7.7% for All Stores bringing year-to-date growth to just shy of 6%.

The question leading up to this point was whether it would be a good spring for retailers. The results this month show very positive growth for many of the usually strong performers such as Building and Outdoor Home Supplies Stores (11.2%). However, Clothing and Accessories Stores and Furniture, Home Furnishings, and Electronics Stores performed exceptionally well. The strong results are partly due to Ontario's performance, which had been lagging the rest of the country. While Ontario is still behind the other provinces and regions, there is momentum building towards increased sales growth.

As stated, Clothing and Accessories Stores captured increasing sales growth and wooed consumers with a palette of soft pinks and vibrant colours. Overall, the category gained 8.6%, which is almost twice their year-to-date growth.

Clothing Stores gained an eye-popping 10.4% and Shoes, Clothing Accessories, and Jewellery Stores were on a positive footing as they marched ahead 10.4%.

Surprisingly, while Clothing Stores performed well, Department Stores and General Merchandise Stores were the only category to be off the mark. Sales gained 3.0%, which was slightly off their year-to-date growth of 3.8%.

Sporting Goods, Hobby, Music, and Book Stores shook off their sluggish growth of the past and stepped it up a notch or two. Sales for April were 8.2% greater than last April.

There was all-round growth for the Furniture, Home Furnishings, and Electronics Stores category. Total growth was 11.2%, which was above their year-to-date growth of 8.1%. Furniture Stores, Home Furnishings Stores, Computer and Software Stores, and Home Electronics and Appliance

Stores experienced sales growth ranging from 9.1% to 13.9%.

The early Easter in March is partly attributable to slower sales at Miscellaneous Stores. The category, which includes card stores and florists, was affected by a shift in sales taking place in March rather than April. Also, Food and Beverage Stores (5.6%) and Pharmacies and Personal Care Stores (5.3%), while sales were higher in April than year-to-date, they may have been affected by an early Easter.

Looking forward, the miserable May weather affected sales. From early accounts it appears that May's results are good but not as good as April's results. However, retailers should expect a good bounce back in June.

**RELEASE DATE OF THE NEXT
NATIONAL RETAIL BULLETIN**
July 22, 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.

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Retail Sales by Store Category

Sales for the Month of: April	2005	2004	2005/2004
All Stores	30,837.4	28,620.5	7.7%
Automotive	11,461.3	10,378.3	10.4%
All Stores Less Automotive	19,376.1	18,242.2	6.2%
Food and Beverage Stores	6,982.1	6,614.9	5.6%
Pharmacies and Personal Care Stores	1,932.9	1,836.2	5.3%
All Stores Less Automotive, Food, Pharmacies	10,461.1	9,791.1	6.8%
General Merchandise Stores	3,430.9	3,330.2	3.0%
Department Stores	1,729.7	1,688.1	2.5%
Other General Merchandise Stores	1,701.2	1,642.1	3.6%
Furniture, Home Furnishings and Electronics Stores	1,951.7	1,754.6	11.2%
Furniture and Home Furnishings Stores	1,096.3	1,000.6	9.6%
Computer, Software, Home Electronics, and Appliance Stores	855.4	754.1	13.4%
Clothing and Accessories Stores	1,708.2	1,572.9	8.6%
Clothing Stores	1,324.2	1,199.4	10.4%
Shoes, Clothing Accessories, and Jewellery Stores	384.1	373.4	2.8%
Sporting Goods, Hobby, Music, and Book Stores	716.3	662.1	8.2%
Building and Outdoor Home Supplies Stores	1,924.8	1,730.2	11.2%
Miscellaneous Store Retailers	729.1	741.1	-1.6%

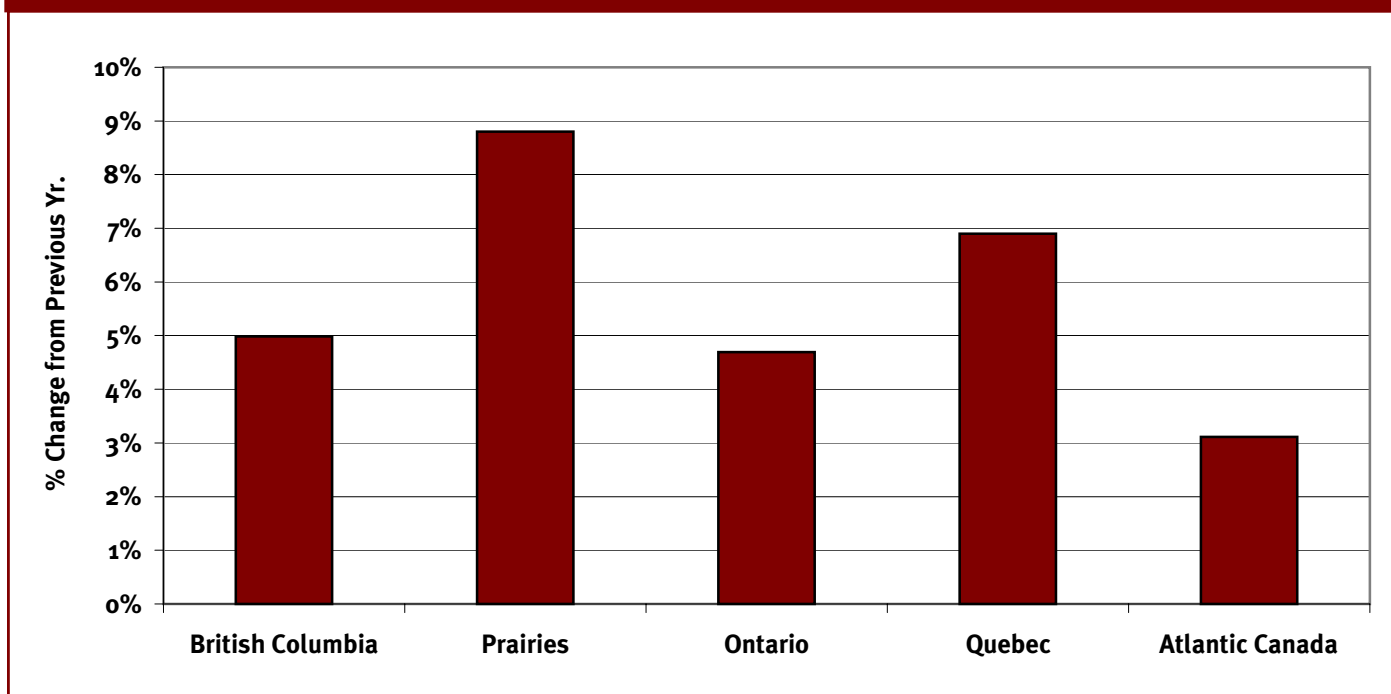
Year-to-date Sales	2005	2004	2005/2004
All Stores	108,570.5	102,511.2	5.9%
Automotive	38,262.9	35,615.6	7.4%
All Stores Less Automotive	70,307.6	66,895.6	5.1%
Food and Beverage Stores	26,638.4	25,313.9	5.2%
Pharmacies and Personal Care Stores	7,576.7	7,247.0	4.5%
All Stores Less Automotive, Food, Pharmacies	43,669.1	41,581.7	5.0%
General Merchandise Stores	11,931.9	11,492.4	3.8%
Department Stores	6,040.0	5,834.1	3.5%
Other General Merchandise Stores	5,891.9	5,658.3	7.0%
Furniture, Home Furnishings and Electronics Stores	7,365.6	6,810.6	8.1%
Furniture and Home Furnishings Stores	3,970.4	3,709.8	7.0%
Computer, Software, Home Electronics, and Appliance Stores	3,395.3	3,100.8	9.5%
Clothing and Accessories Stores	5,605.3	5,367.0	4.4%
Clothing Stores	4,354.8	4,057.0	7.3%
Shoes, Clothing Accessories, and Jewellery Stores	1,250.4	1,310.0	-4.5%
Sporting Goods, Hobby, Music, and Book Stores	2,607.8	2,474.3	5.4%
Building and Outdoor Home Supplies Stores	5,807.8	5,358.6	8.4%
Miscellaneous Store Retailers	2,774.1	2,831.8	-2.0%

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

Retail Trade, Canada, All Stores, by Region

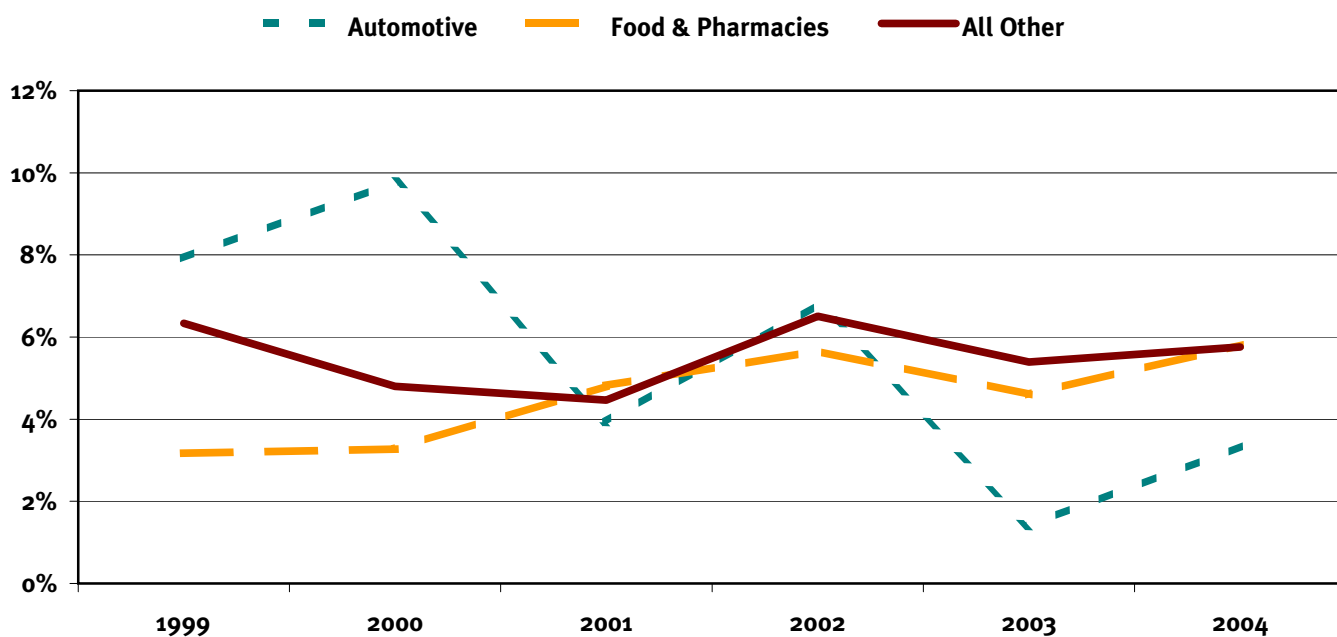
	Year-to-date 2005	Same Period 2004	Change 2005/2004
British Columbia	14,901.4	14,193.9	5.0%
Prairies	21,058.0	19,354.2	8.8%
Ontario	39,822.6	38,037.2	4.7%
Quebec	24,826.3	23,223.6	6.9%
Atlantic Canada	7,574.6	7,345.9	3.1%

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

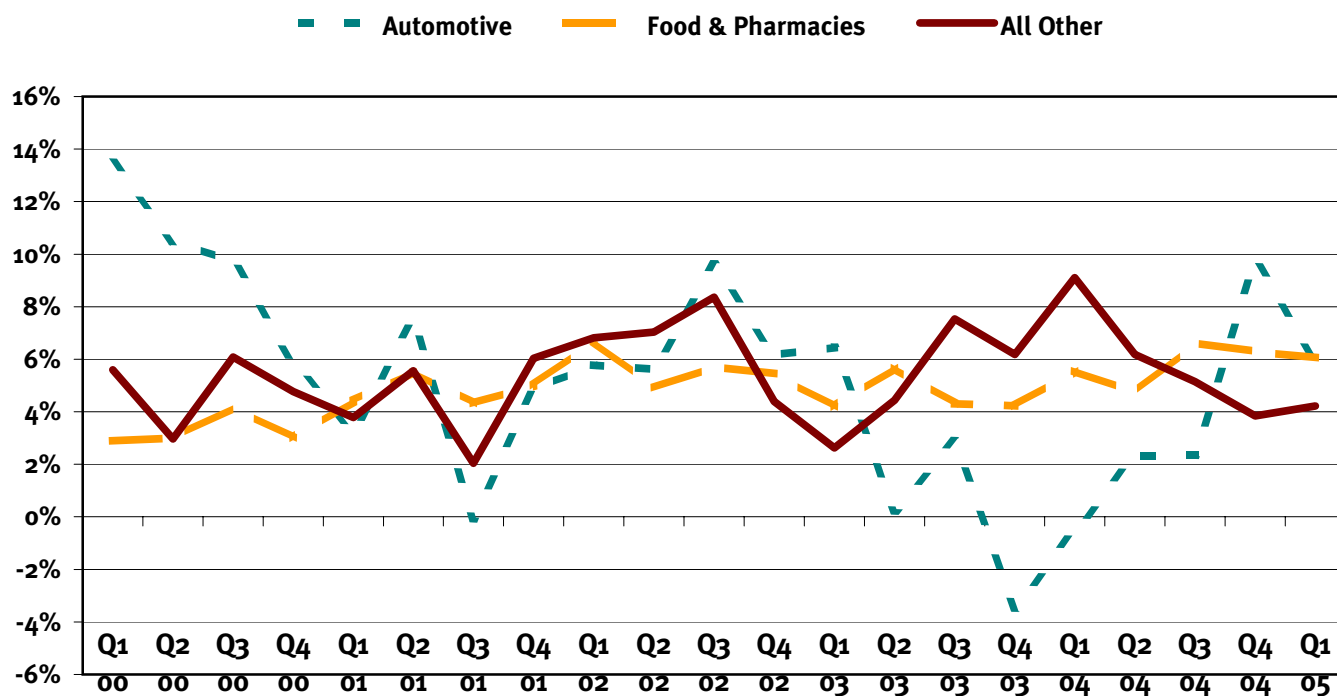


For more detailed information on retail sales, please contact J.C. Williams Group

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

April 2005

vs.

April 2004

2.4%

Canadian Consumer Confidence Index 1999–2005



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1999–2005

