

Bulletin

Canadian Data

March 2004 Retail Sales • Released May 25, 2004

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“MY MOMMA TOLD ME, YA BETTER SHOP AROUND”

As the lyrics of the old song go, consumers are heeding that advice, not only shopping but spending around too. Across the board gains in every category boosted Total Sales by 6.1% compared to last March. This brings year-to-date sales to 4.0%. The difference compared to previous months is the stronger Automotive Group (5.7%).

While Furniture, Appliance, Furnishings Stores commanded the largest gains (12.4%), it was the All Clothing and Shoe Stores that continued to amaze us. The category gained 7.2% in March led by Women's Clothing Stores (11.1%). In addition, our hats are tipped to Men's Clothing Stores, which have stepped ahead 4.4%. The colourful assortment and fair pricing have struck an in-tune chord with consumers for desirable spring and summer wardrobes.

THE SCIENCE OF RETAIL

Moving forward in 2004, it is evident that retailers are using better tools to determine pricing and inventory levels. The high/low pricing schedules and discounting cycles, that were common practise among many retailers, appears to have diminished. Retailers have moved away from its traditional scratch and save schedule to a model of fair prices throughout the year. In its wake, retailers are using better models to price their merchandise as well creating better inventory and assortment levels.

ONTARIO LAGS

Ontario is failing to keep up with the pact. For the first quarter, Total Sales have only gained by 2.0% compared to 6.0% in Quebec and 5.8% in the Prairies. At this time last year, retail sales were already slipping due to the affect of SARS so one would expect Ontario's growth to appear stronger.

WHAT'S IN STORE FOR 2004

Higher gas prices and interest rate hikes will dampen retail sales growth in the future, particularly big-ticket items.

STAY TUNED

A reminder once again that next month the format of the National Retail Bulletin will change. New categories will be added and some stores will be re-aligned into different store categories. We look forward to this positive change and providing you with a more comprehensive picture of the Canadian retail economy. If you have any questions,

please contact us. Those changes will be on July 26, 2004.

Retail On Demand

What is this new strategy? Learn how it can help you deliver a superior customer experience, operate stores more efficiently, and increase speed to market. Click here to receive an executive brochure.

[Retail On Demand](#)

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN

July 26, 2004

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	2004	2003	2004 / 2003
All Stores	26,097.4	24,591.3	6.1%
Automotive Group	11,018.4	10,423.7	5.7%
All Stores Less Automotive	15,079.0	14,167.6	6.4%
Food and Drug Group	7,220.0	6,903.1	4.6%
All Stores Less Auto, Food and Drug	7,859.0	7,264.5	8.2%
General Merchandise Stores	2,628.9	2,452.6	7.2%
Department Stores (incl concessions)	1,580.8	1,493.3	5.9%
Furniture, Appliance, Furnishings Stores (incl. Electronics)	1,576.2	1,402.5	12.4%
All Clothing and Shoe Stores	1,219.8	1,138.2	7.2%
Women's Clothing Stores	372.1	334.9	11.1%
Men's Clothing Stores	85.4	81.8	4.4%
Other Clothing Stores	638.9	603.7	5.8%
Shoe Stores	123.3	117.8	4.7%
All Other Retail (except auto, food, drug)	2,434.2	2,271.2	7.2%

Year-to-date Sales	2004	2003	2004 / 2003
All Stores	71,126.1	68,374.3	4.0%
Automotive Group	27,825.6	27,920.8	-0.3%
All Stores Less Automotive	43,300.5	40,453.5	7.0%
Food and Drug Group	21,411.7	20,158.5	6.2%
All Stores Less Auto, Food and Drug	21,888.8	20,295.0	7.9%
General Merchandise Stores	7,306.2	6,766.1	8.0%
Department Stores (incl concessions)	4,368.5	4,023.7	8.6%
Furniture, Appliance, Furnishings Stores (incl. Electronics)	4,371.7	3,943.3	10.9%
All Clothing and Shoe Stores	3,265.1	3,076.0	6.1%
Women's Clothing Stores	963.1	885.1	8.8%
Men's Clothing Stores	252.9	246.3	2.7%
Other Clothing Stores	1,705.2	1,613.9	5.7%
Shoe Stores	343.9	330.7	4.0%
All Other Retail (except auto, food, drug)	6,945.8	6,509.6	6.7%

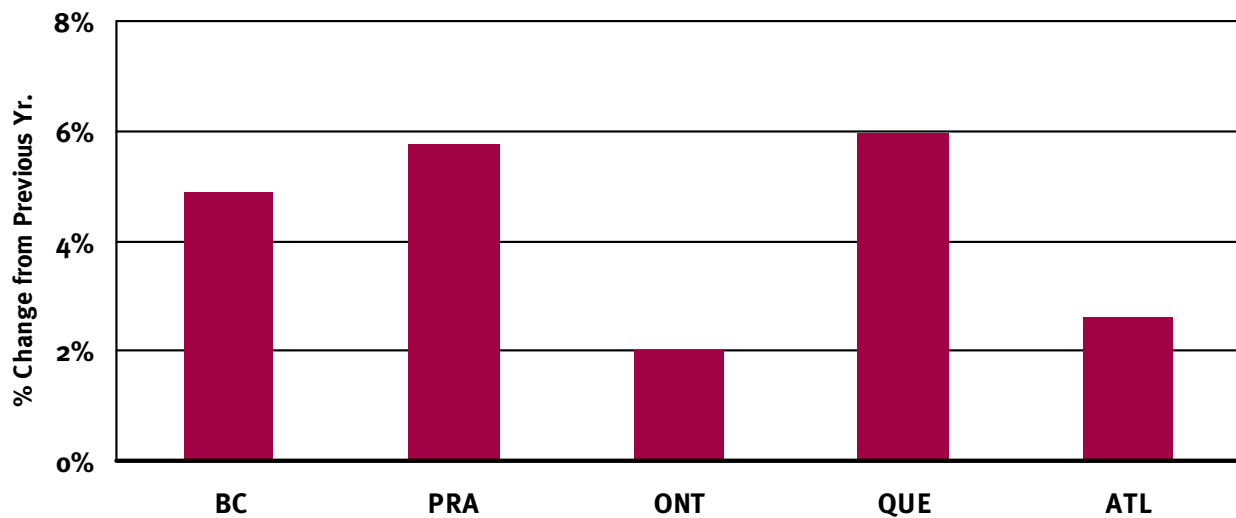
ALL DOLLAR VALUES EXPRESSED IN MILLIONS OF CANADIAN DOLLARS; UNADJUSTED FIGURES; SOURCE: STATISTICS CANADA

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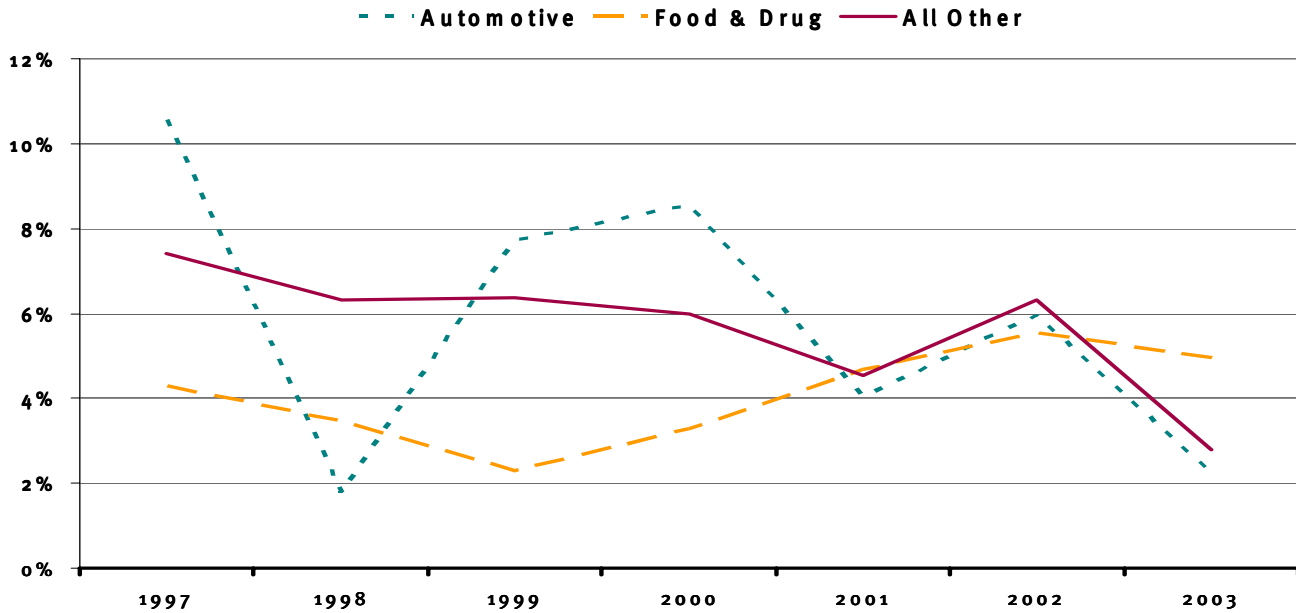
Retail Trade, Canada, All Stores, By Major Region

	Year-to-Date 2004	Same Period 2003	Change 2004 / 2003
British Columbia	9,632.3	9,183.5	4.9%
Prairies	13,647.3	12,903.5	5.8%
Ontario	26,153.0	25,637.6	2.0%
Quebec	16,445.0	15,518.5	6.0%
Atlantic Canada	4,993.7	4,867.2	2.6%

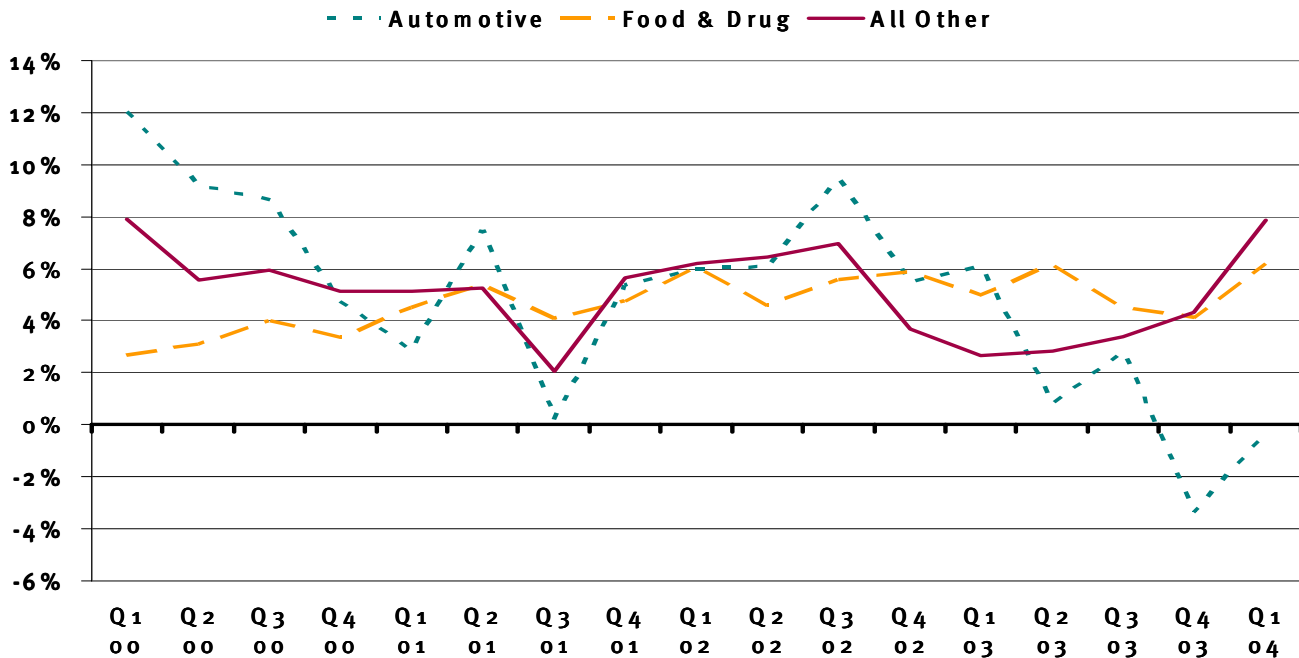
**Percentage Change in Retail Trade, All Stores, by Region
Year-to-Date Compared to Same Period Last Year**



Canadian Retail Sales by Major Product Categories Year Over Year (1997 -2003)



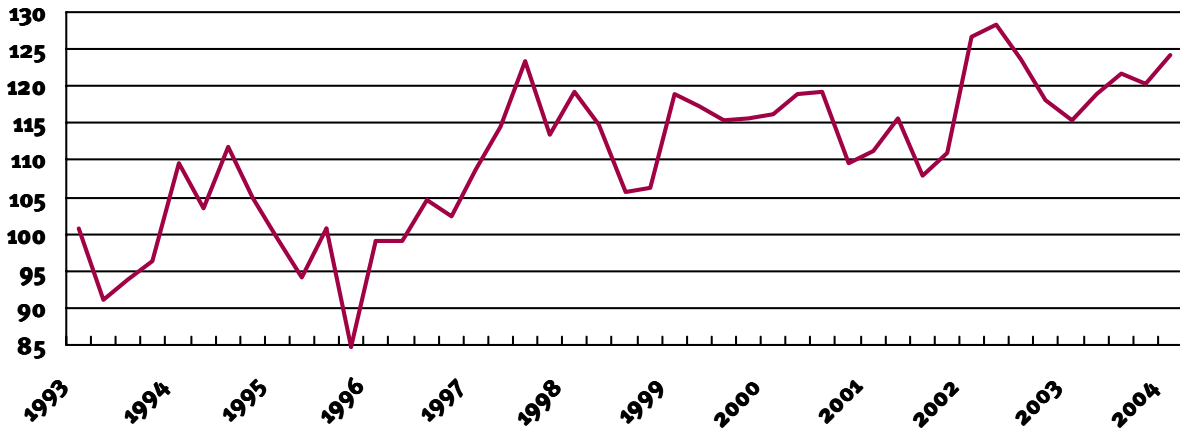
Canadian Retail Sales by Major Product Categories From the Same Quarter A Year Earlier



Consumer Price Index

April 2004 vs. April 2003 1.6%

Canadian Consumer Confidence Index 1993-2004



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1992 - 2003

