

# Bulletin

Canadian Data

July 2004 Retail Sales • Released September 21, 2004

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## HOLIDAY SEASON

July proved to be discernibly strong for retail sales. All Stores advanced 5.4% compared to year-to-date sales growth of 4.6%.

While there were winners and losers in the retail scene, new car sales in the Automotive Group were responsible for the biggest drag on sales. New Car sales were down 3.9% but higher gas prices at the pumps ramped up sales to 0.3% overall. Discounting the effect of the Automotive Group, All Stores Less Automotive propelled to 8.3%, 1.5 points above their year-to-date making July a very good month overall.

Coolish weather helped keep consumers away from the beach and into the malls as both Department Stores and Clothing Stores witnessed extraordinary gains. Department Stores pulled in one of their best performances gaining 9.6% and Clothing Stores broke the double-digit threshold to post a 10.5% gain. Added reasons for the gains include properly timed discounts and some pent up demand from a slower-than-average June.

Food and Beverage Stores ate up the competition gaining 11.0% compared to last July. The category includes Supermarkets, Convenience and Specialty Food Stores, and Beer, Wine, and Liquor Stores. Part of the increase can be explained by the Supermarket's switch to larger format stores and the inclusion of more non-food items such as prescription and non-prescription drugs, clothing, and home furnishings. In addition, retailers at Beer,

Wine, and Liquor Stores benefited from a double long weekend. Because July 1<sup>st</sup> fell on a Thursday, many consumers also took July 2<sup>nd</sup> off making it a four-day weekend. Consumers would have continued to purchase for the long weekend in July. Last year July 1<sup>st</sup> fell on a Tuesday; therefore, most sales would have occurred in June. Also, July 31<sup>st</sup> fell on a Friday leading up to the August long weekend.

Furniture and Home Furnishings Stores performed well in July (7.4%) albeit below their year-to-date growth of 10.0%. J.C. Williams Group anticipates that the continued hot housing market will sustain growth in this category for the near-term. The same can be said for the Building and Outdoor Home Supplies Stores. The category is off its year-to-date growth of 10.5% but 7.8% is reasonable growth given that it was a cool month. The DIY home improvement category will continue to be strong as Home Depot and Rona battle for market share.

It is no huge surprise to see Alberta and Western Canada on top of the retail growth

regions. This fact has not changed. What continues to be surprising is the fact that Ontario lags the other regions by such a wide margin.

## COMING SOON

New from J.C. Williams Group and Moneris Solutions is an exciting retail data release report that will be of critical importance for all Canadian retailers. The report will be based on Moneris Solutions transactions.

**Watch for it!**

### RETAIL SELLING OPTIMIZATION

Mass merchants have mastered the concept of the "everyday low price". How will you look beyond pricing to attract consumers? Click here to receive the executive brief "Retail Selling Optimization" from IBM.

[Retail Selling Optimization](#)

### RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN

October 21, 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.

## Retail Sales by Store Category

Sales for the Month of: July	2004	2003	2004/2003
<b>All Stores</b>	<b>31,024.9</b>	<b>29,435.3</b>	<b>5.4%</b>
Automotive	10,710.2	10,677.1	0.3%
<b>All Stores Less Automotive</b>	<b>20,314.8</b>	<b>18,758.3</b>	<b>8.3%</b>
Food and Beverage Stores	7,623.1	6,869.3	11.0%
Pharmacies and Personal Care Stores	1,864.1	1,764.4	5.7%
<b>All Stores Less Automotive, Food, Pharmacies</b>	<b>10,827.5</b>	<b>10,124.5</b>	<b>6.9%</b>
<b>General Merchandise Stores</b>	<b>3,608.9</b>	<b>3,370.9</b>	<b>7.1%</b>
Department Stores	1,762.7	1,608.2	9.6%
Other General Merchandise Stores	1,846.2	1,762.7	4.7%
<b>Furniture, Home Furnishings and Electronics Stores</b>	<b>1,995.1</b>	<b>1,889.8</b>	<b>5.6%</b>
Furniture and Home Furnishings Stores	1,135.2	1,057.1	7.4%
Computer, Software, Home Electronics, and Appliance Stores	859.9	832.7	3.3%
<b>Clothing and Accessories Stores</b>	<b>1,603.8</b>	<b>1,492.6</b>	<b>7.5%</b>
Clothing Stores	1,215.6	1,100.5	10.5%
Shoes, Clothing Accessories, and Jewellery Stores	388.2	392.1	-1.0%
<b>Sporting Goods, Hobby, Music, and Book Stores</b>	<b>706.7</b>	<b>684.3</b>	<b>3.3%</b>
<b>Building and Outdoor Home Supplies Stores</b>	<b>2,094.7</b>	<b>1,943.8</b>	<b>7.8%</b>
<b>Miscellaneous Store Retailers</b>	<b>818.4</b>	<b>743.2</b>	<b>10.1%</b>

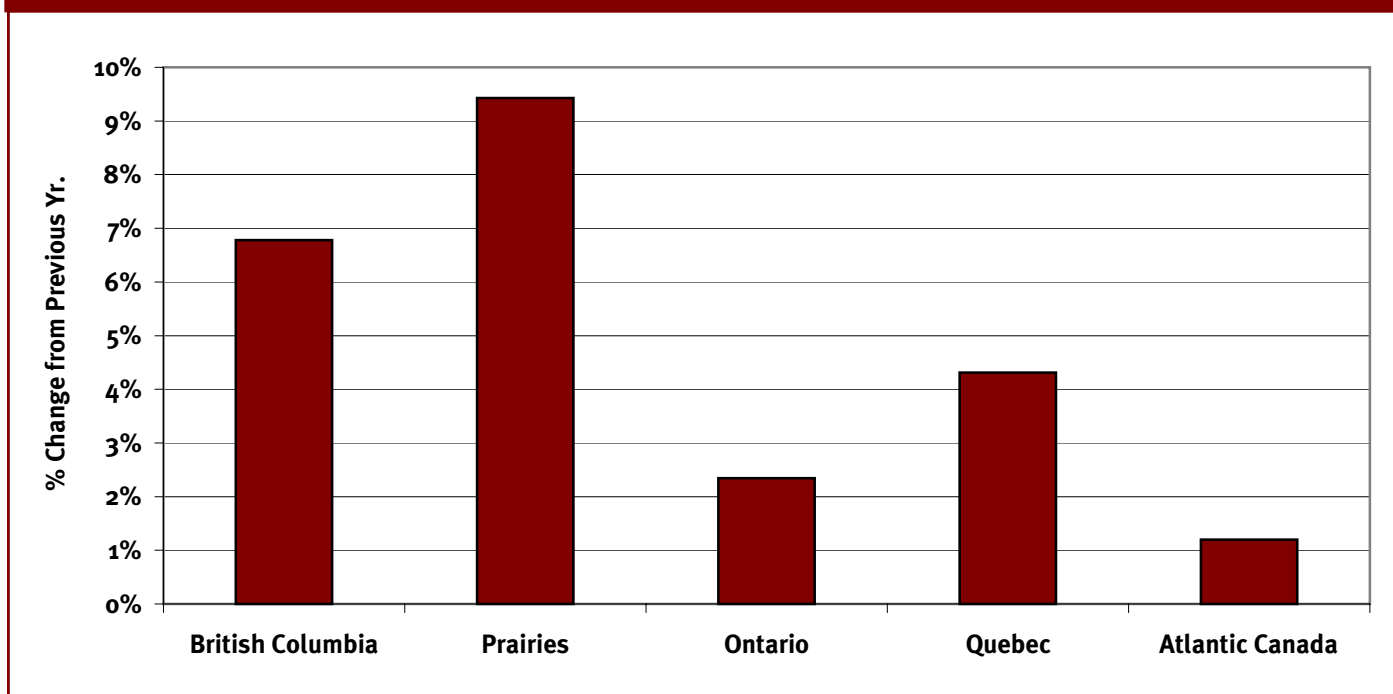
Year-to-date Sales	2004	2003	2004/2003
<b>All Stores</b>	<b>194,826.0</b>	<b>186,315.6</b>	<b>4.6%</b>
Automotive	68,525.1	67,887.1	0.9%
<b>All Stores Less Automotive</b>	<b>126,300.9</b>	<b>118,428.5</b>	<b>6.6%</b>
Food and Beverage Stores	46,433.6	44,114.6	5.3%
Pharmacies and Personal Care Stores	12,950.8	11,985.5	8.1%
<b>All Stores Less Automotive, Food, Pharmacies</b>	<b>79,867.4</b>	<b>74,313.8</b>	<b>7.5%</b>
<b>General Merchandise Stores</b>	<b>22,291.0</b>	<b>20,934.0</b>	<b>6.5%</b>
Department Stores	11,137.9	10,421.6	6.9%
Other General Merchandise Stores	11,153.1	10,512.4	10.0%
<b>Furniture, Home Furnishings and Electronics Stores</b>	<b>12,695.5</b>	<b>11,837.7</b>	<b>7.2%</b>
Furniture and Home Furnishings Stores	6,995.5	6,357.1	10.0%
Computer, Software, Home Electronics, and Appliance Stores	5,700.0	5,480.6	4.0%
<b>Clothing and Accessories Stores</b>	<b>10,287.2</b>	<b>9,887.0</b>	<b>4.0%</b>
Clothing Stores	7,773.1	7,374.5	5.4%
Shoes, Clothing Accessories, and Jewellery Stores	2,514.1	2,512.5	0.1%
<b>Sporting Goods, Hobby, Music, and Book Stores</b>	<b>4,522.5</b>	<b>4,425.1</b>	<b>2.2%</b>
<b>Building and Outdoor Home Supplies Stores</b>	<b>11,722.2</b>	<b>10,611.7</b>	<b>10.5%</b>
<b>Miscellaneous Store Retailers</b>	<b>5,398.0</b>	<b>4,632.8</b>	<b>16.5%</b>

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

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

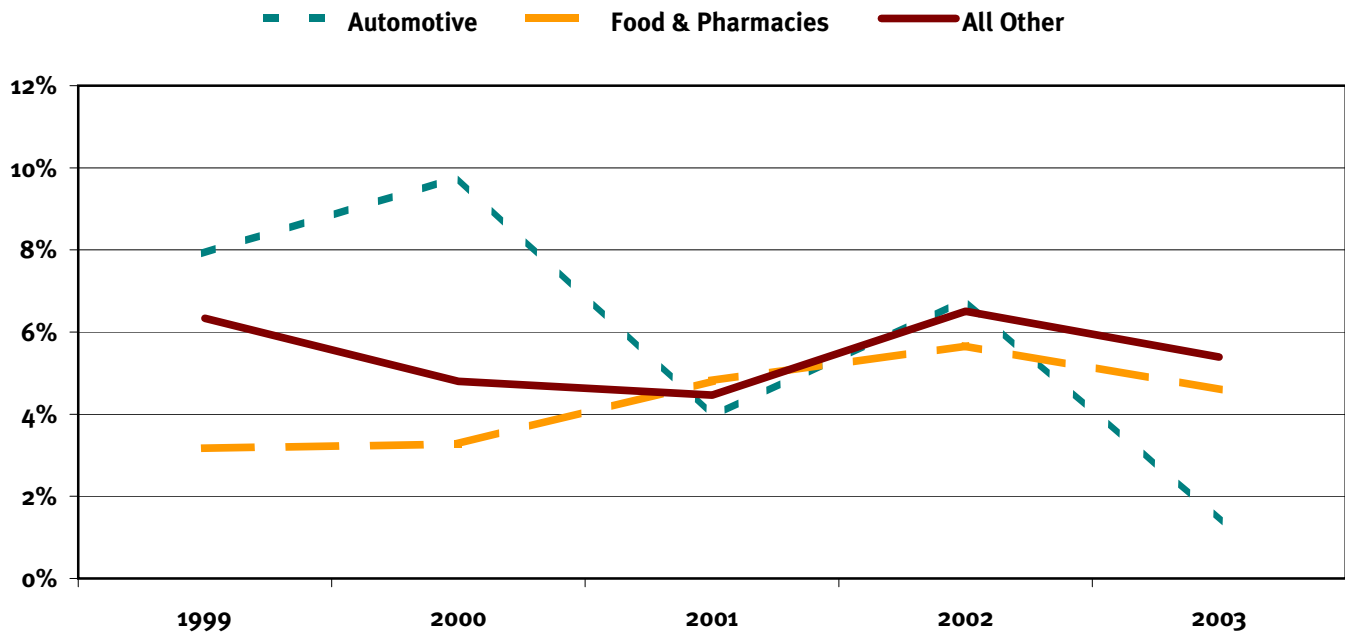
	Year-to-date 2004	Same Period 2003	Change 2004/2003
British Columbia	26,525.3	24,840.7	6.8%
Prairies	36,850.8	33,676.8	9.4%
Ontario	71,889.8	70,245.4	2.3%
Quebec	44,726.2	42,876.9	4.3%
Atlantic Canada	14,163.3	13,995.1	1.2%

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

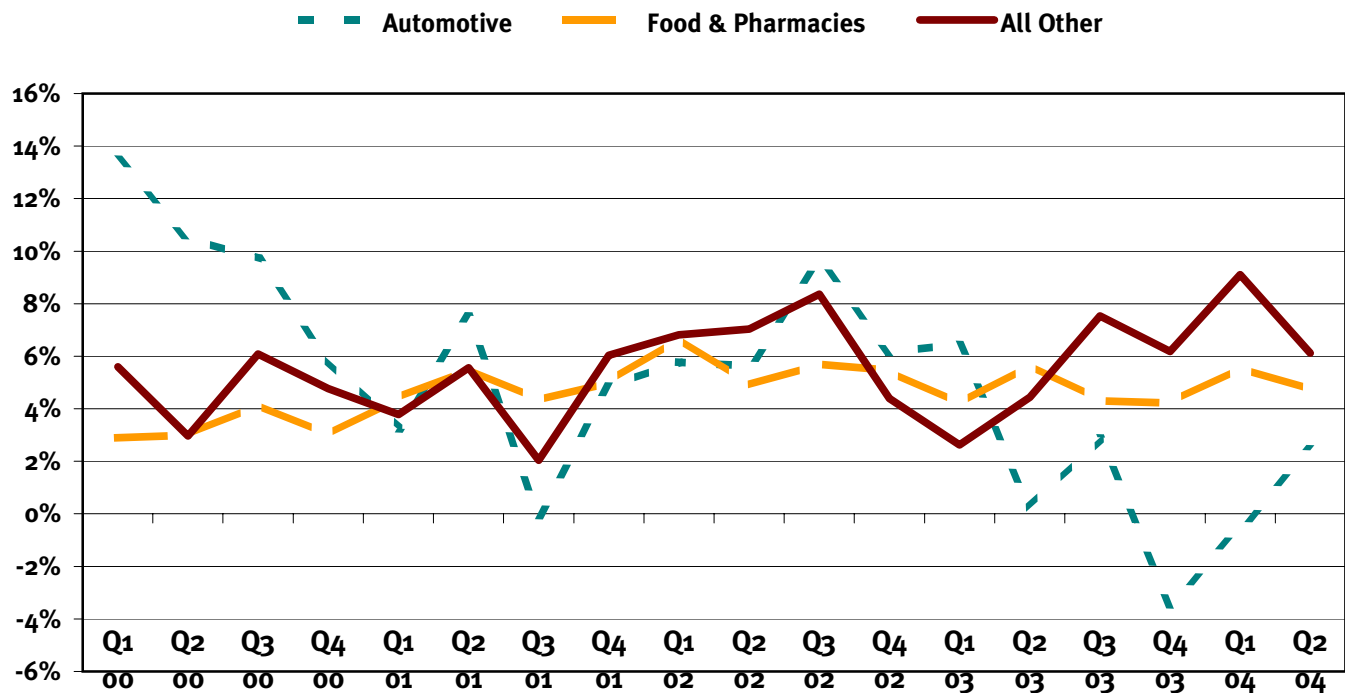


For more detailed information on retail sales, please contact J.C. Williams Group

Canadian Retail Sales by Major Product Category, Year Over Year (1999–2003)



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



Consumer Price Index

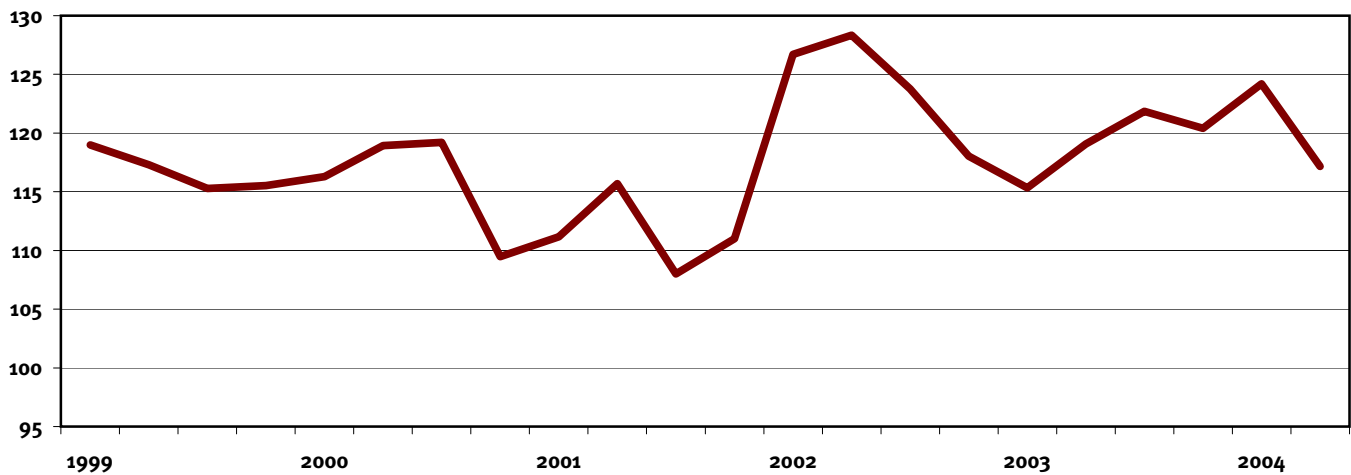
August 2004

vs.

August 2003

1.9%

Canadian Consumer Confidence Index 1999–2004



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1999–2004

