

Bulletin

U.S. Data

Advance February 2008 Retail Sales • Released March 13, 2008

CRUMBLING CONSUMER CONFIDENCE HAS YET TO QUELL RETAIL SPENDING

Somber consumer confidence figures reached a five-year low while shoppers surprised industry onlookers by boosting All Store sales 6.8% in February. Although a 25.7% spike in Gasoline Station sales fuelled total growth, All Stores less Gasoline Stations and Motor Vehicle and Parts Dealers still surpassed 2007 by 6.7%.

Home related retailers were hit the hardest as momentum mounted in the continuing mortgage meltdown. Furniture and Home Furnishing Stores failed to entice shoppers to invest in their dwellings as sales dropped -0.3%. Building Material and Garden Equipment Stores gave way to a -0.6% decrease in sales as stagnant revenue stood in stark contrast to their unrivalled growth during recent years.

Staple categories, such as Health and Personal Care Stores and Grocery Stores, continued to outperform as sales jumped 9.0% and 8.5% respectively. This follows a softer start to the year. Food Services and Drinking Places also fared well in February as sales rose 8.9%.

Consumers' eagerness to increase their expenditure on incidental items proved curious at a time when confidence suffered such a notable

decrease. Sales at Sporting Goods, Hobby, Book and Music Stores climbed 11.5% while Miscellaneous Stores grew 7.9%. Shoppers showed that, save their waning interest in home related retail, pessimism about a perilous economy may prove premature.

Retail's giants managed to make the most of this momentum with General Merchandise Stores seeing a 7.9% bump in sales. Department Stores continued to decline (-0.7%) while discounters drove growth. Same store sales at Wal-Mart beat expectations, rising 2.6%, while Target grew 0.5% in February.

Warehouse clubs were the best performers among big box behemoths as Costco clocked up a 7.0% increase in same store sales and BJ's Wholesale boasted a 5.9% boost.

Clothing and Accessories Stores continued to be contradictory as 6.7% growth spurred on sales at select clothiers while leaving other underperformers lagging behind. Same store sales at Chico's were cut by -14.9% while Limited's sales slumped -9.0%. Ann Taylor stores suffered a -1.7% drop in same store sales as the Gap found their figures falling -6.0%. Still, many specialty clothiers thrived through the winter season as Aeropostale gained 7.0% and Pacific Sunwear of California surged forward 6.0%.

As consumers continue to send mixed messages by opening their wallets amidst waning confidence figures, few can afford to miss next month's bulletin for the latest in retail performance indicators.

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN:
April 14, 2008

Please note:

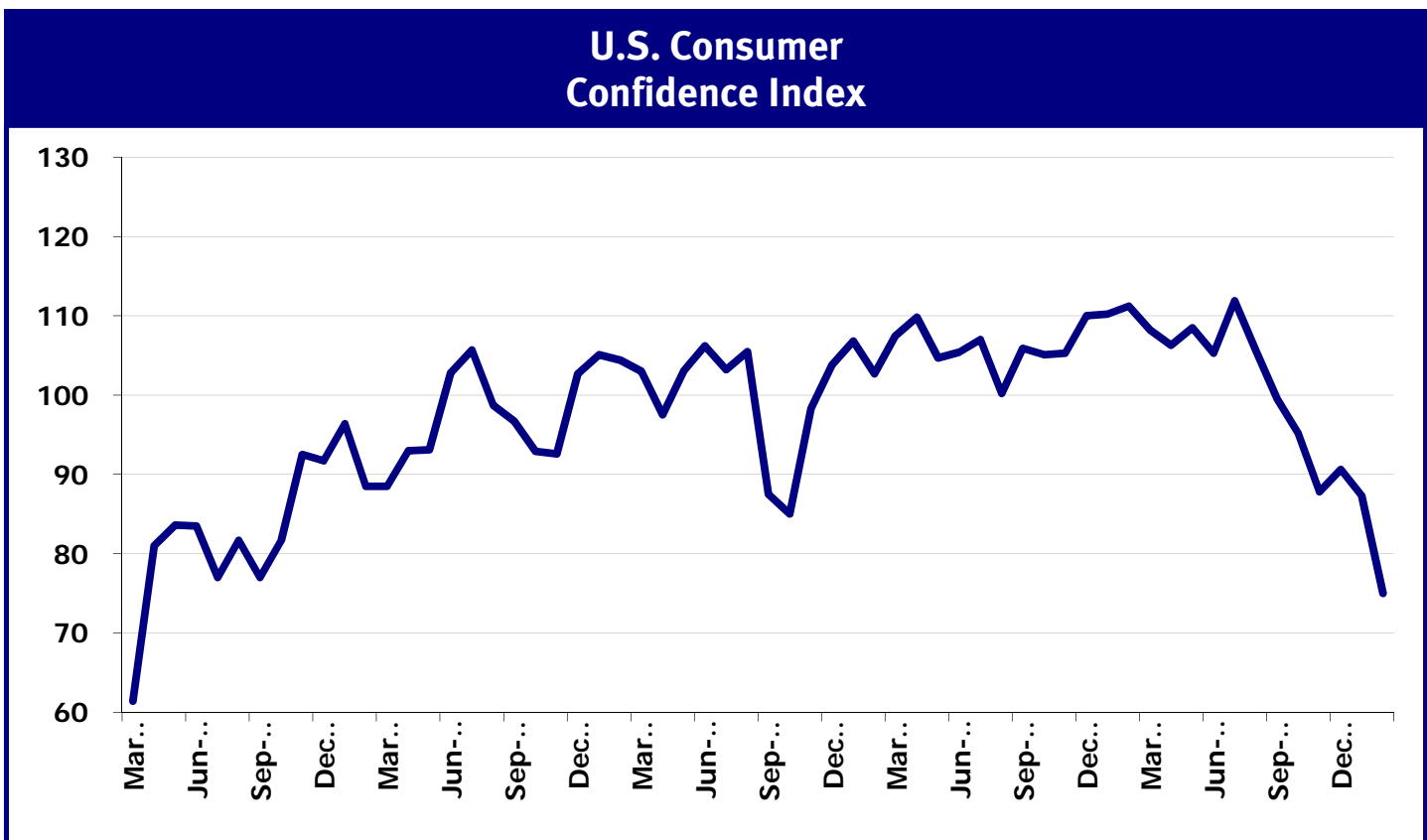
The J.C. Williams Group National Retail Bulletin compares the latest monthly release of "raw" (i.e., unadjusted for seasonality, holiday, and trading day) retail sales figures to those in the *same calendar month of the previous year*. The U.S. Census Bureau also reports seasonally adjusted sales that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

Retail Sales by Store Category

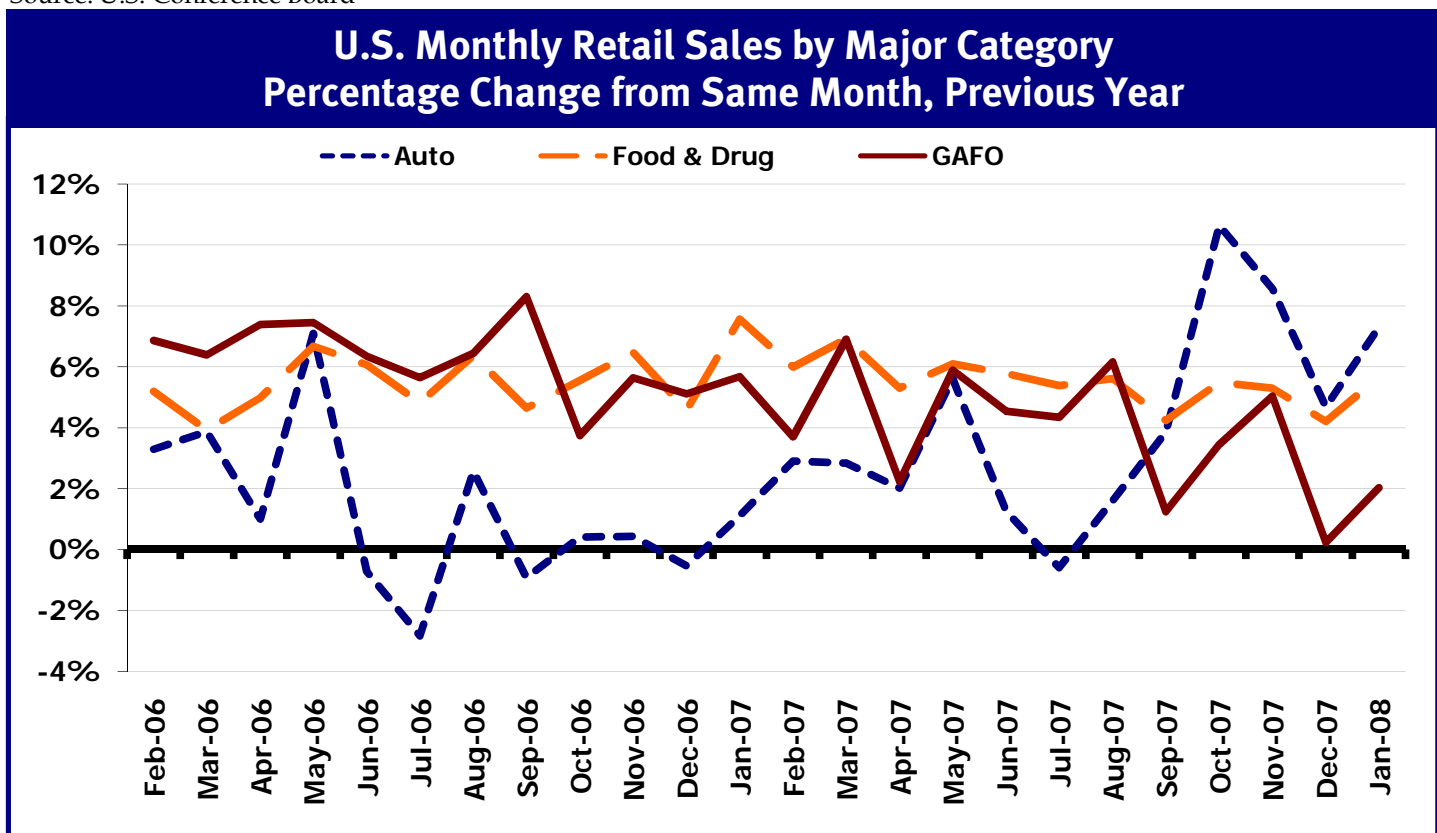
Sales for the Month of February	2008	2007	2008/2007
All Stores	349,746	327,624	6.8%
Motor Vehicle and Parts Dealers	69,697	70,197	-0.7%
Gasoline Stations	35,550	28,292	25.7%
Food and Beverage Stores	46,004	42,535	8.2%
Grocery Stores	41,422	38,194	8.5%
Health and Personal Care Stores	20,108	18,450	9.0%
Building Material and Garden Equipment Stores	22,624	22,771	-0.6%
General Merchandise Stores	44,070	40,844	7.9%
Department Stores (excluding leased departments)	14,320	14,426	-0.7%
Clothing and Accessories Stores	16,328	15,307	6.7%
Furniture, Home Furnishings, Electronics and Appliance Stores	18,049	17,698	2.0%
Furniture and Home Furnishing Stores	9,225	9,249	-0.3%
Electronics and Appliance Stores	8,824	8,449	4.4%
Sporting Goods, Hobby, Book and Music Stores	6,294	5,647	11.5%
Miscellaneous Store Retailers	9,548	8,849	7.9%
Nonstore Retailers	25,235	23,766	6.2%
Food Services and Drinking Places	36,239	33,268	8.9%

Year to Date Sales Ending February	2008	2007	2008/2007
All Stores	698,721	660,421	5.8%
Motor Vehicle and Parts Dealers	136,863	137,464	-0.4%
Gasoline Stations	72,124	57,694	25.0%
Food and Beverage Stores	93,924	87,545	7.3%
Grocery Stores	84,978	78,937	7.7%
Health and Personal Care Stores	40,399	37,997	6.3%
Building Material and Garden Equipment Stores	45,621	46,712	-2.3%
General Merchandise Stores	86,172	81,644	5.5%
Department Stores (excluding leased departments)	27,688	28,504	-2.9%
Clothing and Accessories Stores	30,753	29,418	4.5%
Furniture, Home Furnishings, Electronics and Appliance Stores	36,222	36,170	0.1%
Furniture and Home Furnishing Stores	18,506	18,888	-2.0%
Electronics and Appliance Stores	17,716	17,282	2.5%
Sporting Goods, Hobby, Book and Music Stores	13,503	12,478	8.2%
Miscellaneous Store Retailers	19,089	17,966	6.3%
Nonstore Retailers	52,179	48,254	8.1%
Food Services and Drinking Places	71,872	67,079	7.1%

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