

Bulletin

U.S. Data

Advance March 2008 Retail Sales • Released April 14, 2008

EARLY EASTER FAILS TO SWEETEN RETAIL SALES

Consumer confidence continued to plunge to a five-year low as it hit 64.5, down 11.9 points from February. All Stores sales reflected this somber shopping climate as it rose only 0.1%. Big ticket items suffered a severe blow as Motor Vehicle and Parts Dealers fell -6.8%. This is in stark contrast to their -2.5% drop seen year-to-date.

Staple categories were among the few which managed to muster sales growth during March. Health and Personal Care Stores advanced a modest 2.8%. Grocery Store sales grew 4.5% as rising food prices put further pressure on consumers' purchases in other categories. Family Dollar responded to the rising prices of such items by expanding their food assortment at 2,700 stores in an attempt to attract increasingly price sensitive consumers. Rising fuel prices also applied pressure to shoppers' purse strings as Gasoline Stations saw sales jump 17.1% in March.

The housing sector's continued slowdown perpetuated the downward push on Building Material and Garden Equipment Stores sales, which fell -9.6%. Furniture and Home Furnishings Stores faced an even

grimmer fate as their sales stumbled -10.2% in March, bringing the category's year-to-date drop to -5.9%.

Despite Clothing and Accessories Stores seeing a -2.0% drop in sales during March, several apparel retailers reported robust same-store sales. Aeropostale outpaced all others with a 15.9% increase while Abercrombie rose 7.0% and Gap grew 6.0%.

Sporting Goods, Hobby, Book and Music Stores managed to make positive gains as their sales rose 1.5%. Food Services and Drinking Places also enjoyed a 2.2% increase as Easter's early arrival likely bolstered sales despite stagnant spending in other categories.

General Merchandise Stores' 0.7% sales growth was weighed down by the -2.6% drop in Department Stores' figures. Target led the pack with 12.0% same-store growth while

Costco followed with 6.0% and Wal-Mart beat expectations thanks to a 4.0% bump in sales. The supercenter and warehouse club formats will likely continue to gain momentum as the slowing economy prompts consumers to become increasingly value conscious.

Few expect April to offer much relief for retailers struggling to adapt to the evolving marketplace. Many will have to wait for the arrival of tax refund checks in May before they can expect a spring in their sales. Until then, look towards next month's bulletin for a complete review of retail sales for the first quarter of 2008.

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN:
May 15, 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.

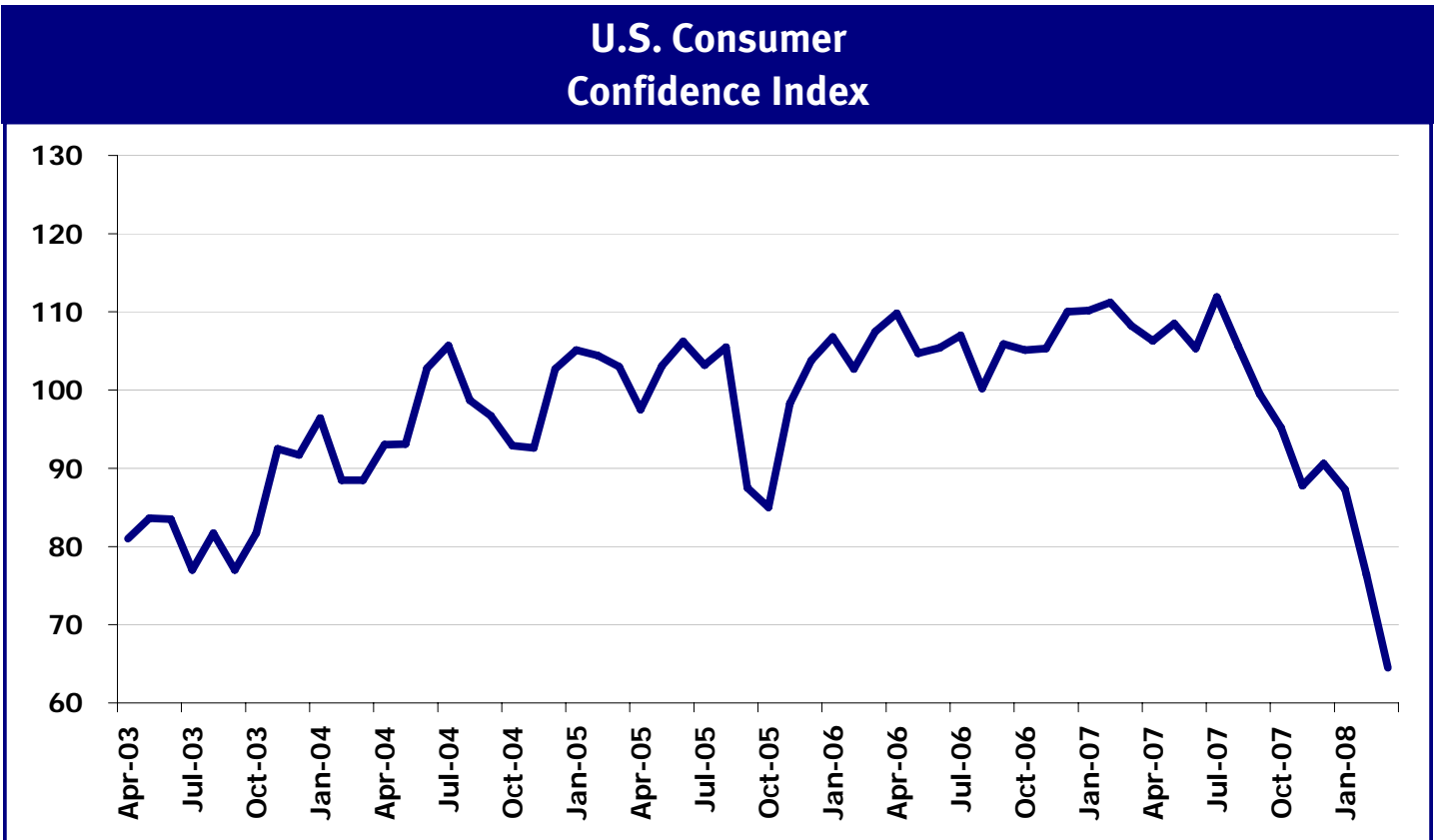
Retail Sales by Store Category

Sales for the Month of March	2008	2007	2008/2007
All Stores	380,177	379,742	0.1%
Motor Vehicle and Parts Dealers	79,058	84,864	-6.8%
Gasoline Stations	39,612	33,817	17.1%
Food and Beverage Stores	49,200	47,224	4.2%
Grocery Stores	44,207	42,286	4.5%
Health and Personal Care Stores	20,811	20,254	2.8%
Building Material and Garden Equipment Stores	27,070	29,956	-9.6%
General Merchandise Stores	46,544	46,243	0.7%
Department Stores (excluding leased departments)	16,063	16,493	-2.6%
Clothing and Accessories Stores	17,883	18,250	-2.0%
Furniture, Home Furnishings, Electronics and Appliance Stores	17,913	19,053	-6.0%
Furniture and Home Furnishing Stores	9,309	10,362	-10.2%
Electronics and Appliance Stores	8,604	8,691	-1.0%
Sporting Goods, Hobby, Book and Music Stores	6,971	6,868	1.5%
Miscellaneous Store Retailers	9,482	9,866	-3.9%
Nonstore Retailers	26,337	24,882	5.8%
Food Services and Drinking Places	39,296	38,465	2.2%

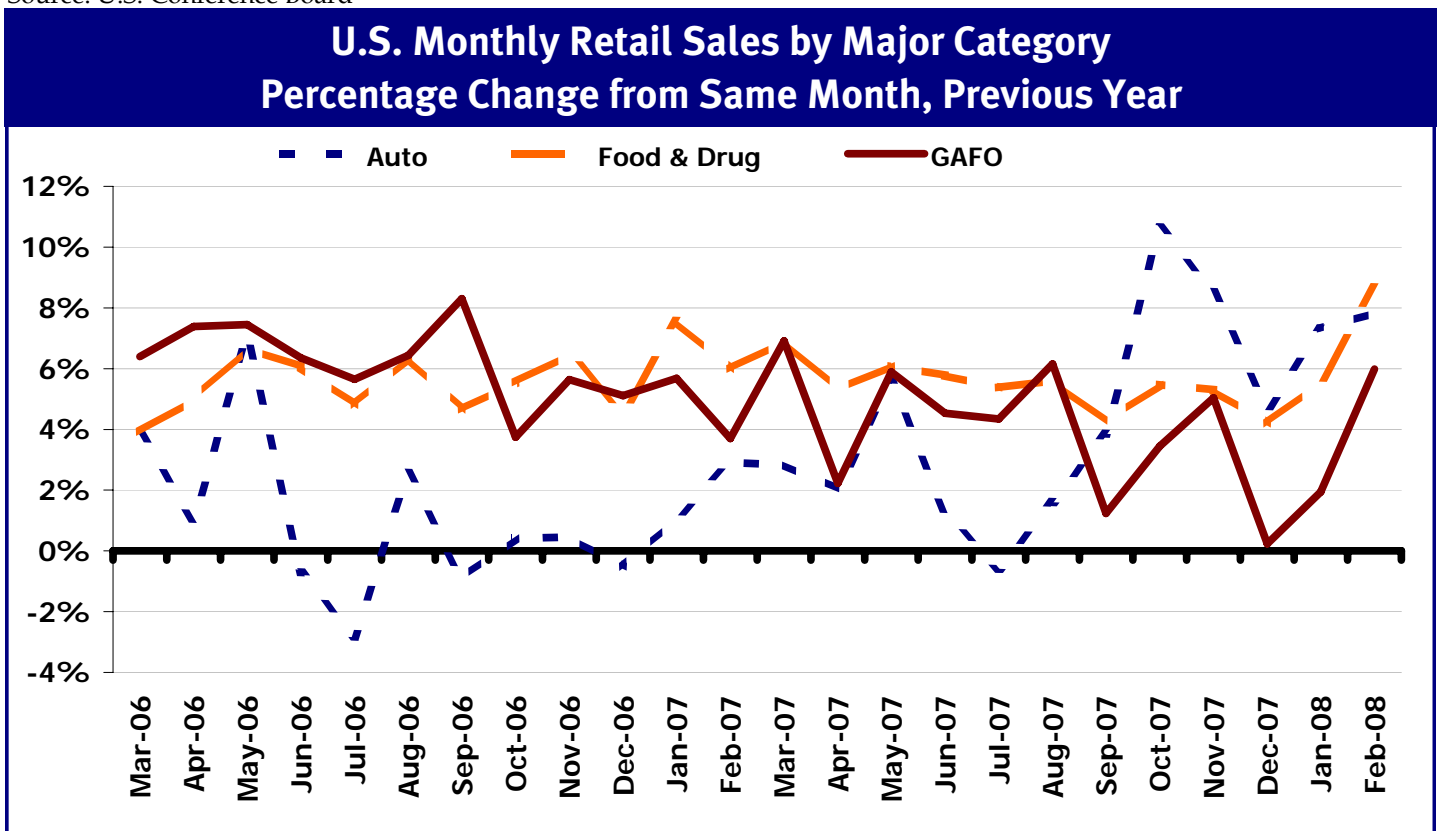
Year to Date Sales Ending March	2008	2007	2008/2007
All Stores	1,080,037	1,040,163	3.8%
Motor Vehicle and Parts Dealers	216,778	222,328	-2.5%
Gasoline Stations	111,837	91,511	22.2%
Food and Beverage Stores	143,225	134,769	6.3%
Grocery Stores	129,242	121,223	6.6%
Health and Personal Care Stores	61,222	58,251	5.1%
Building Material and Garden Equipment Stores	72,966	76,668	-4.8%
General Merchandise Stores	132,888	127,887	3.9%
Department Stores (excluding leased departments)	43,874	44,997	-2.5%
Clothing and Accessories Stores	48,356	47,668	1.4%
Furniture, Home Furnishings, Electronics and Appliance Stores	53,935	55,223	-2.3%
Furniture and Home Furnishing Stores	27,522	29,250	-5.9%
Electronics and Appliance Stores	26,413	25,973	1.7%
Sporting Goods, Hobby, Book and Music Stores	20,365	19,346	5.3%
Miscellaneous Store Retailers	28,415	27,832	2.1%
Nonstore Retailers	78,718	73,136	7.6%
Food Services and Drinking Places	111,332	105,544	5.5%

Source: US Census Bureau. All Values are expressed in millions of US dollars and are not seasonally adjusted

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Source: U.S. Conference Board



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