

Bulletin

U.S. Data

Advance February 2006 Retail Sales • Released March 14, 2006

EXTREME RETAIL

Given the over-the-top sales in January, February's results paled in comparison. When one totals it all up, February was a good retail month but it depends on which business you are in. Sales overall shot up 6.5%, which was only a point and a half off the year-to-date growth of 8.0%.

The best way to characterize February's sales growth is to use the term extreme. Sales growth ranged from -2.6% for Department Stores to 20.6% for Building Material and Garden Equipment Stores.

The impressive growth of the Building Material and Garden Equipment Stores is attributable to continued construction throughout the country and in particular in areas affected by Katrina.

Department Stores and Clothing and Accessories Stores did not measure up in February. A shift in spending by consumers occurred in January rather than February. Early spring merchandise and discounted fashions were snatched up leaving less for consumers to shop for in February. Clothing and Accessories Stores gained less than one percent in February. However, this is a minor blip in the retail season spending and not a trend for apparel retailers.

Sporting Goods, Hobby, Book, and Music Stores enjoyed a relatively good February. Sales advanced 5.9% in February, which was just off their year-to-date growth of 7.0%. The Olympic spirit caught consumers' imaginations keeping the category in a competitive situation with the others.

Furniture and Home Furnishings Stores gained 6.9% in February. Although there was a small dip in Consumer Confidence, overall, increased housing activity and employment growth is fueling demand for bigger ticket items.

Electronics and Appliance Stores fared adequately in February. For the category, sales increased by 4.6% but it was off their year-to-date growth of 7.9%.

Health and Personal Care Stores experienced growth in February very closely aligned with their year-to-date growth. February's sales increased by 7.1% and year-to-date's sales increased by 7.6%. An assortment of Valentine's Day goodies kept this category relatively stable. Motor Vehicles and Parts Dealers have struggled throughout the beginning of 2006. Sales fell by 1.0% and sales for the year are only ahead by 2.6%. Fewer incentives in relation to last year may be the result of the weaker performance.

Still, sales are strong for the first two months on a year-to-date basis as a shift in spending is one of the major factors affecting sales growth.

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN:

April 13, 2006

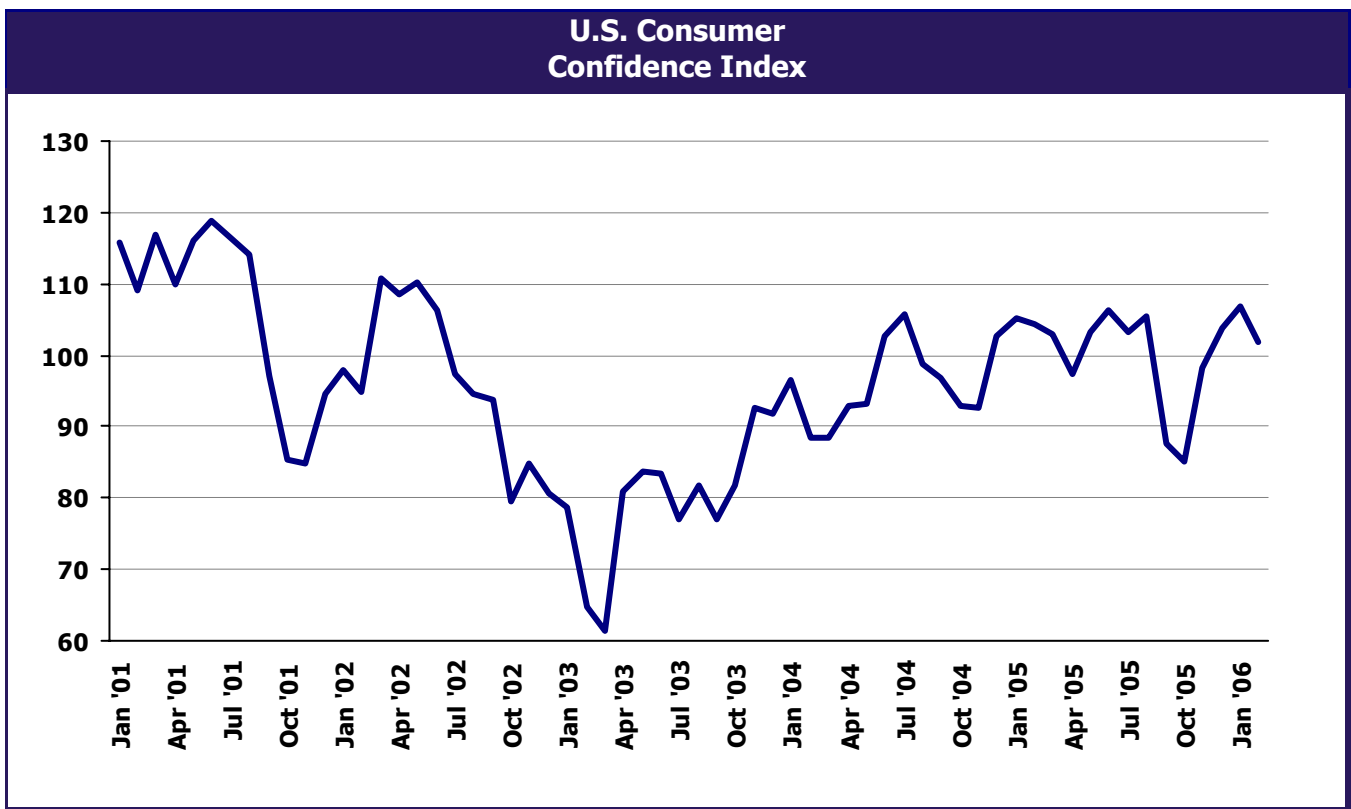
Please note:

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:

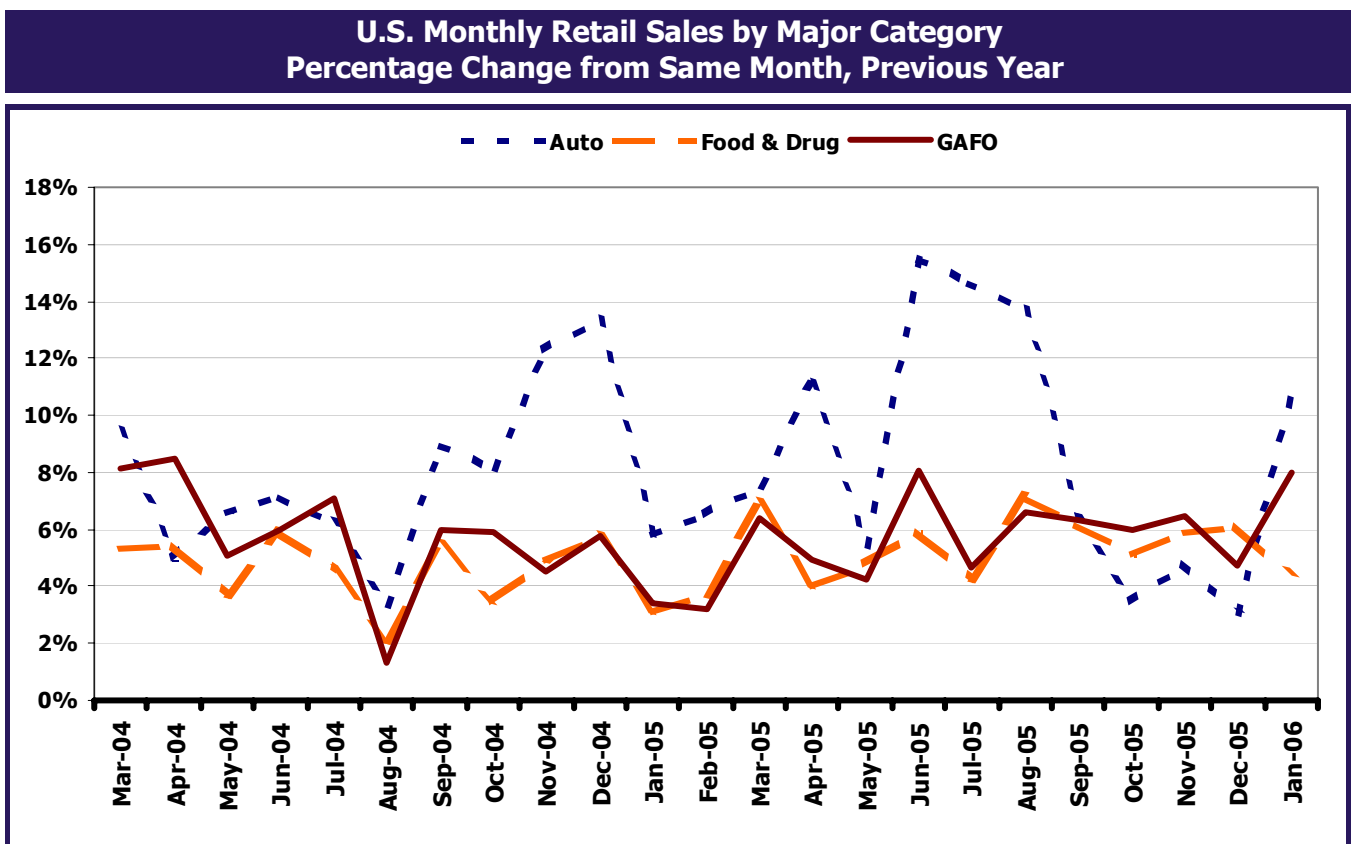
www.census.gov.

Advance Sales for the Month of February	2006	2005	% Change
All Stores	321,002	301,281	6.5%
Motor Vehicle and Parts Dealers	68,073	68,750	-1.0%
Gasoline Stations	29,743	25,355	17.3%
Food and Beverage Stores	40,809	38,659	5.6%
Grocery Stores	36,487	34,883	4.6%
Health and Personal Care Stores	18,177	16,965	7.1%
Building Material and Garden Equipment Stores	24,904	20,644	20.6%
General Merchandise Stores	39,688	37,515	5.8%
Department Stores (excluding leased departments)	14,524	14,915	-2.6%
Clothing and Accessories Stores	14,026	13,904	0.9%
Furniture, Home Furnishings, Electronics and Appliance Stores	16,247	15,357	5.8%
Furniture and Home Furnishing Stores	8,477	7,932	6.9%
Electronics and Appliance Stores	7,770	7,425	4.6%
Sporting Goods, Hobby, Book and Music Stores	5,657	5,340	5.9%
Miscellaneous Store Retailers	8,688	8,462	2.7%
Nonstore Retailers	22,497	19,921	12.9%
Food Services and Drinking Places	32,493	30,409	6.9%
Year-to-Date Sales Ending February	2006	2005	% Change
All Stores	648,432	600,295	8.0%
Motor Vehicle and Parts Dealers	135,718	132,278	2.6%
Gasoline Stations	61,084	51,148	19.4%
Food and Beverage Stores	83,368	80,075	4.1%
Grocery Stores	74,894	72,677	3.1%
Health and Personal Care Stores	36,994	34,391	7.6%
Building Material and Garden Equipment Stores	49,695	41,284	20.4%
General Merchandise Stores	78,763	74,138	6.2%
Department Stores (excluding leased departments)	28,515	29,084	-2.0%
Clothing and Accessories Stores	26,994	25,994	3.8%
Furniture, Home Furnishings, Electronics and Appliance Stores	33,371	30,761	8.5%
Furniture and Home Furnishing Stores	17,216	15,795	9.0%
Electronics and Appliance Stores	16,155	14,966	7.9%
Sporting Goods, Hobby, Book and Music Stores	12,366	11,554	7.0%
Miscellaneous Store Retailers	17,955	16,718	7.4%
Nonstore Retailers	46,202	41,091	12.4%
Food Services and Drinking Places	65,922	60,863	8.3%

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