

Bulletin

U.S. Data

Advance March 2006 Retail Sales • Released April 13, 2006

A SPRING IN RETAIL'S STEP

As the first quarter comes to an end, 2006 continues to shine with year-to-date results showing strong 8.2% growth. Contrary to earlier estimates, March demonstrated great resilience as sales grew by 7.6% over last year. This pleasant surprise stems from a strong performance across non-mall categories.

Nonstore retailers continued to enjoy exceptional growth in March (13.7%) as consumers are heading online for more of their shopping needs. Gasoline Stations were also another star performer (14.4%), thanks to increasing oil prices, but saw March lag behind their astonishing year-to-date growth of 17.5%.

The arrival of spring across the nation incited consumers to maintain the rapid growth seen in Building Material and Garden Equipment Stores (17.4%). As construction continues across the country, this category will likely show impressive gains with the approach of summer.

While January saw Clothing and Accessory Stores enjoy a boost in spring fashion sales, colder weather had March lag behind year-to-date growth (4.9%) at only 3.3%. This category also suffered relative to 2005 since Easter falls in April this year. Grocery Stores were another group of retailers whose March growth remained sluggish (2.8%) thanks to the later holiday.

General Merchandise Stores grew 5.4% as March fell short of year-to-date growth (6.2%). The month saw Wal-Mart open a new high-end concept in Plano, Texas. The store's innovative approach, which includes fine jewelry and \$500 wine, may provide the momentum necessary to rejuvenate Wal-Mart's slow same-

store sales. Department Stores continued to decline as March's 0.1% growth precariously avoided the negative trend seen in the year-to-date sales (-0.6%).

As warmer weather approaches retailers can enter April with a spring in their step thanks to Consumer Confidence soaring to 107.2 in March. This is practically a four-year high as it reaches levels unseen since May 2002 and promises a bright summer for retailers across the nation.

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN:
May 11, 2006

Please note:

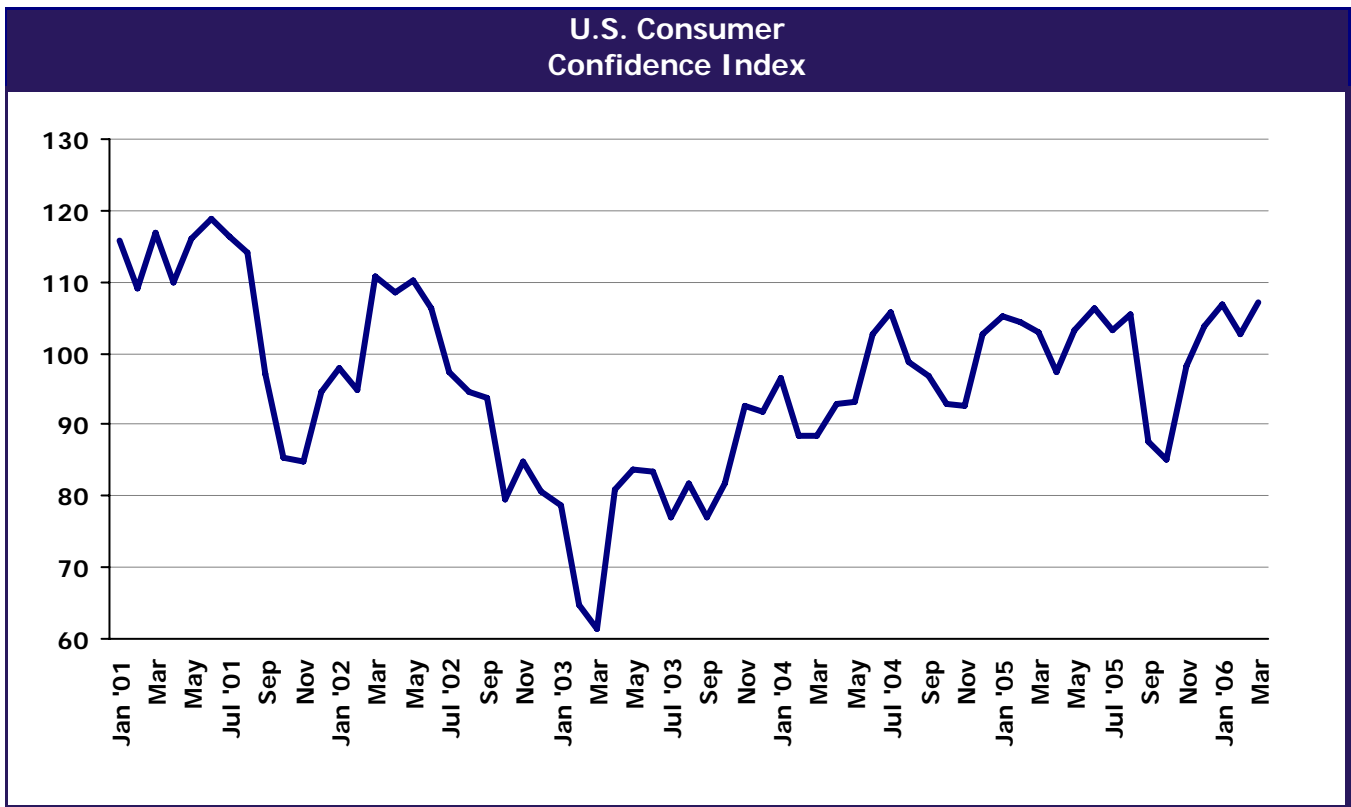
The J.C. Williams Group National Retail Bulletin compares the latest monthly release of "raw" (i.e., unadjusted for seasonality, holiday, and trading day) retail sales figures to those in the *same calendar month of the previous year*. The U.S. Census Bureau also reports seasonally adjusted sales that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

Retail Sales by Store Category

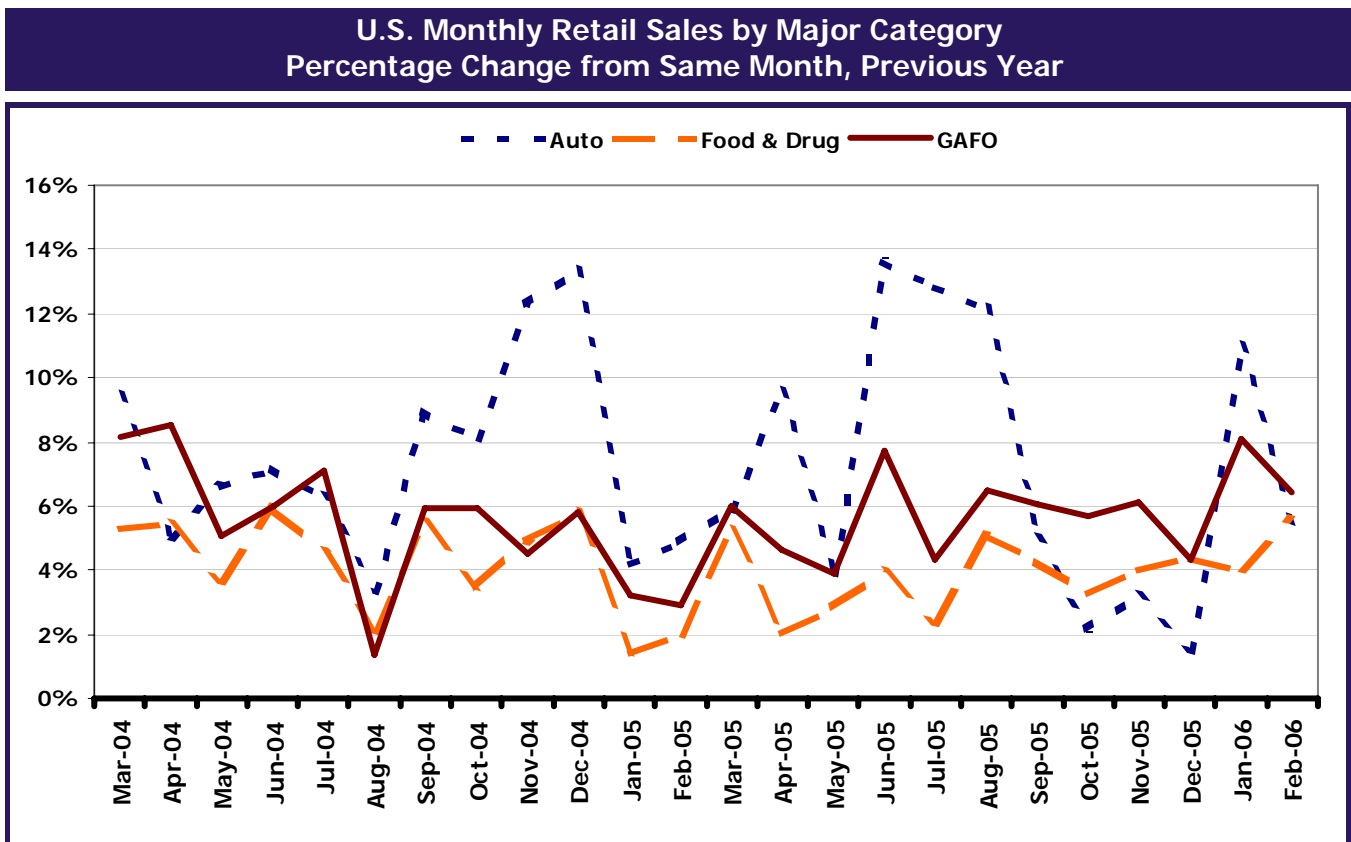
Sales for the Month of: March	2006	2005	2006/2005
All Stores	366,445	340,568	7.6%
Motor Vehicle and Parts Dealers	84,161	81,155	3.7%
Gasoline Stations	34,273	29,949	14.4%
Food and Beverage Stores	44,404	42,860	3.6%
Grocery Stores	39,688	38,620	2.8%
Health and Personal Care Stores	18,935	17,876	5.9%
Building Material and Garden Equipment Stores	30,914	26,326	17.4%
General Merchandise Stores	43,249	41,027	5.4%
Department Stores (excluding leased departments)	16,575	16,561	0.1%
Clothing and Accessories Stores	16,288	15,763	3.3%
Furniture, Home Furnishings, Electronics and Appliance Stores	18,042	16,737	7.8%
Furniture and Home Furnishing Stores	9,870	8,910	10.8%
Electronics and Appliance Stores	8,172	7,827	4.4%
Sporting Goods, Hobby, Book and Music Stores	6,615	6,130	7.9%
Miscellaneous Store Retailers	9,649	8,754	10.2%
Nonstore Retailers	24,274	21,350	13.7%
Food Services and Drinking Places	35,641	32,641	9.2%

Year-to-date Sales	2006	2005	2006/2005
All Stores	1,006,937	931,049	8.2%
Motor Vehicle and Parts Dealers	218,366	210,492	3.7%
Gasoline Stations	95,383	81,184	17.5%
Food and Beverage Stores	127,258	122,423	3.9%
Grocery Stores	114,053	110,782	3.0%
Health and Personal Care Stores	54,035	50,879	6.2%
Building Material and Garden Equipment Stores	79,304	66,875	18.6%
General Merchandise Stores	121,220	114,109	6.2%
Department Stores (excluding leased departments)	45,358	45,646	-0.6%
Clothing and Accessories Stores	43,791	41,747	4.9%
Furniture, Home Furnishings, Electronics and Appliance Stores	52,084	47,884	8.8%
Furniture and Home Furnishing Stores	27,643	25,007	10.5%
Electronics and Appliance Stores	24,441	22,877	6.8%
Sporting Goods, Hobby, Book and Music Stores	19,247	17,835	7.9%
Miscellaneous Store Retailers	27,638	25,058	10.3%
Nonstore Retailers	68,443	60,626	12.9%
Food Services and Drinking Places	100,168	91,937	9.0%

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