

Bulletin

October 2001 Retail Sales • Released December 20, 2001

RETAIL-IATION FOR THE NATION

Despite an uneasy economy, early discounting helped to arm consumers with enough willpower to return to back-to-normal spending levels. All Stores were 5.4% greater than last October, and All Stores Less Auto Food and Drug were just under 5.0% higher.

In addition, exceptionally low interest rates helped propel big-ticket items such as autos and furniture and appliances. The Automotive Group as a whole advanced 5.2% in October compared to last October, however, within the category Automotive Parts, Accessories, and Services (such as Canadian Tire) grew by 10.0% and Vehicle Dealers jumped 9.0%, but Gasoline Service Stations fell by 8.9% due to lower gas prices.

Furniture, Appliance, Furnishings Stores (including Electronics) grew by 8.2% over last year helped along by Pottery Barn and Williams-Sonoma, which only opened a few stores in October but proved very popular with consumers.

Within the Department Store category, growth was driven by the Wal-Mart juggernaut. Sales advanced 9.5% in October. The other interesting news comes from the Other Clothing Stores category, which returned to near double-digit growth (9.6%). This growth is powered by younger consumers who were not overly affected by the downturn in the economy. This follows the trend in the

United States where younger consumers were the first to return to the malls and retailers following the events on September 11th. In addition, new additions throughout the year, including Old Navy and American Eagle Outfitters, helped this category.

Another strong store category is the Food and Drug Group, which has maintained consistent growth throughout the year. Food and Drug Stores grew by 6.2% in October and 5.0% for the year-to-date. Growth within this category is partly due to these retailers' diversification plans and the blurring of categories. Not only can you buy your weekly groceries at the local supermarket, but you can purchase clothing, kitchenwares, home accessories, and more prepared foods/meals.

MILD WEATHER CAUSES RETAIL HAVOC IN ONTARIO

Ontario continues to be the weak player in the national retail economy. For the year-to-date, this province has maintained its lower than average growth rate of 2.6%. Unseasonably mild weather this season has hindered sales in winter apparel. In addition, Ontario seems to be harder hit by layoffs than other regions. However, the Food and Drug Group was able to post a modest gain of 2.4%, and the resilient Furniture, Appliance, and Furnishings Stores grew by 1.1% over last September.

RELEASE DATE OF THE NEXT NATIONAL RETAIL BULLETIN

January 21, 2002

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: October	2001	2000	2001 / 2000
All Stores	23,975.9	22,755.6	5.4%
Automotive Group	9,463.7	8,999.3	5.2%
All Stores Less Automotive	14,512.2	13,756.3	5.5%
Food and Drug Group	6,444.8	6,065.8	6.2%
All Stores Less Auto, Food and Drug	8,067.3	7,690.6	4.9%
General Merchandise Stores	2,791.5	2,694.8	3.6%
Department Stores (incl concessions)	1,731.1	1,580.9	9.5%
Furniture, Appliance, Furnishings Stores (incl. Electronics)	1,415.6	1,307.9	8.2%
All Clothing and Shoe Stores	1,411.1	1,342.8	5.1%
Women's Clothing Stores	411.6	404.2	1.8%
Men's Clothing Stores	121.5	126.6	-4.0%
Other Clothing Stores	713.9	651.3	9.6%
Shoe Stores	164.1	160.7	2.2%
All Other Retail (except auto, food, drug)	2,449.1	2,345.1	4.4%
Year-to-date Sales	2001	2000	2001/2000
All Stores	234,776.9	225,206.9	4.2%
Automotive Group	96,997.9	93,462.5	3.8%
All Stores Less Automotive	137,779.0	131,744.4	4.6%
Food and Drug Group	64,224.8	61,183.1	5.0%
All Stores Less Auto, Food and Drug	73,554.2	70,561.3	4.2%
General Merchandise Stores	24,612.3	23,723.9	3.7%
Department Stores (incl concessions)	14,629.9	13,517.3	8.2%
Furniture, Appliance, Furnishings Stores (incl. Electronics)	12,615.7	11,864.5	6.3%
All Clothing and Shoe Stores	12,128.0	11,699.7	3.7%
Women's Clothing Stores	3,711.7	3,582.9	3.6%
Men's Clothing Stores	1,074.0	1,138.1	-5.6%
Other Clothing Stores	5,942.9	5,564.1	6.8%
Shoe Stores	1,399.4	1,414.6	-1.1%
All Other Retail (except auto, food, drug)	24,198.2	23,273.3	4.0%

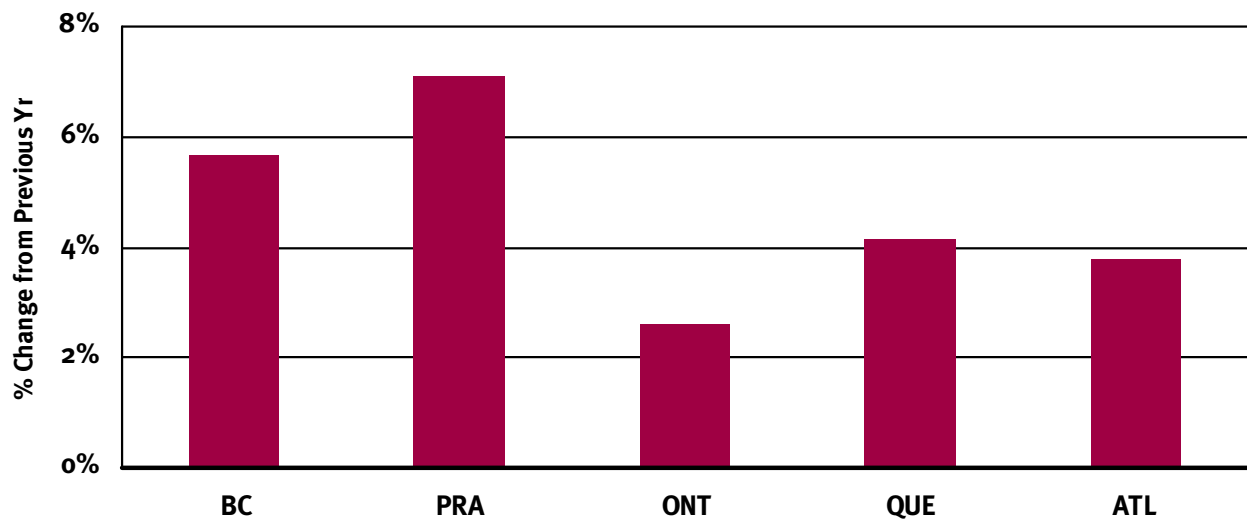
ALL DOLLAR VALUES EXPRESSED IN MILLIONS OF CANADIAN DOLLARS; UNADJUSTED FIGURES; SOURCE: STATISTICS CANADA

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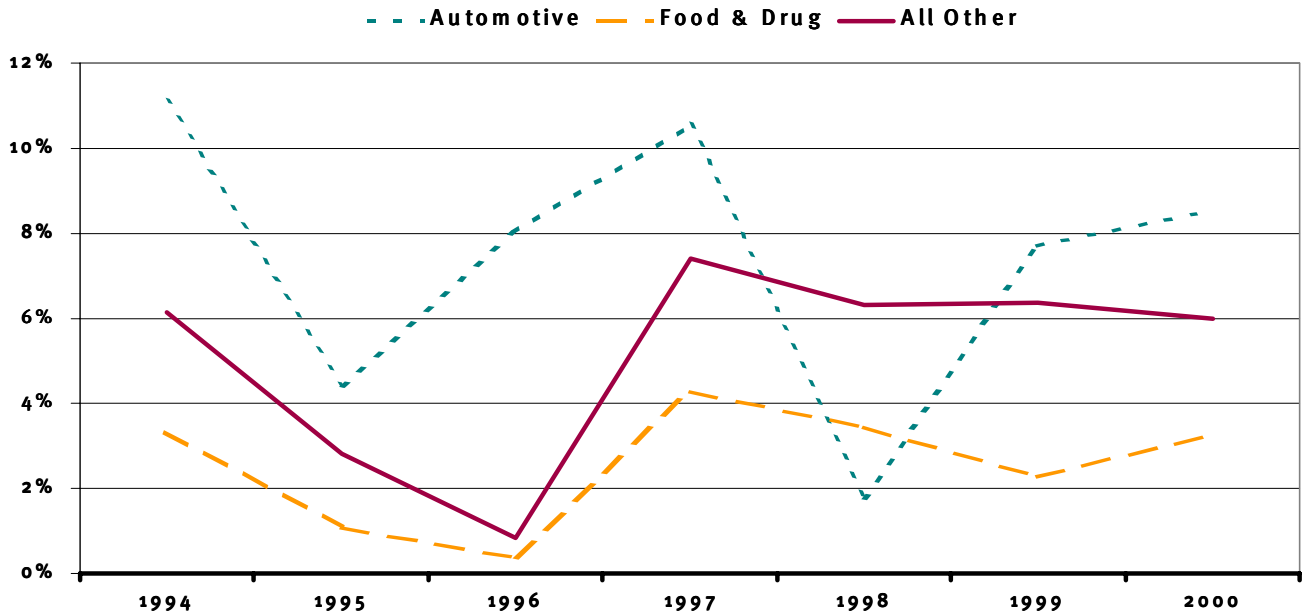
Retail Trade, Canada, All Stores, By Major Region

	Year-to-Date 2001	Same Period 2000	Change 2001 / 2000
British Columbia	30,731.4	29,077.4	5.7%
Prairies	42,725.5	39,895.8	7.1%
Ontario	88,397.1	86,154.5	2.6%
Quebec	54,305.7	52,157.0	4.1%
Atlantic Canada	17,812.2	17,165.0	3.8%

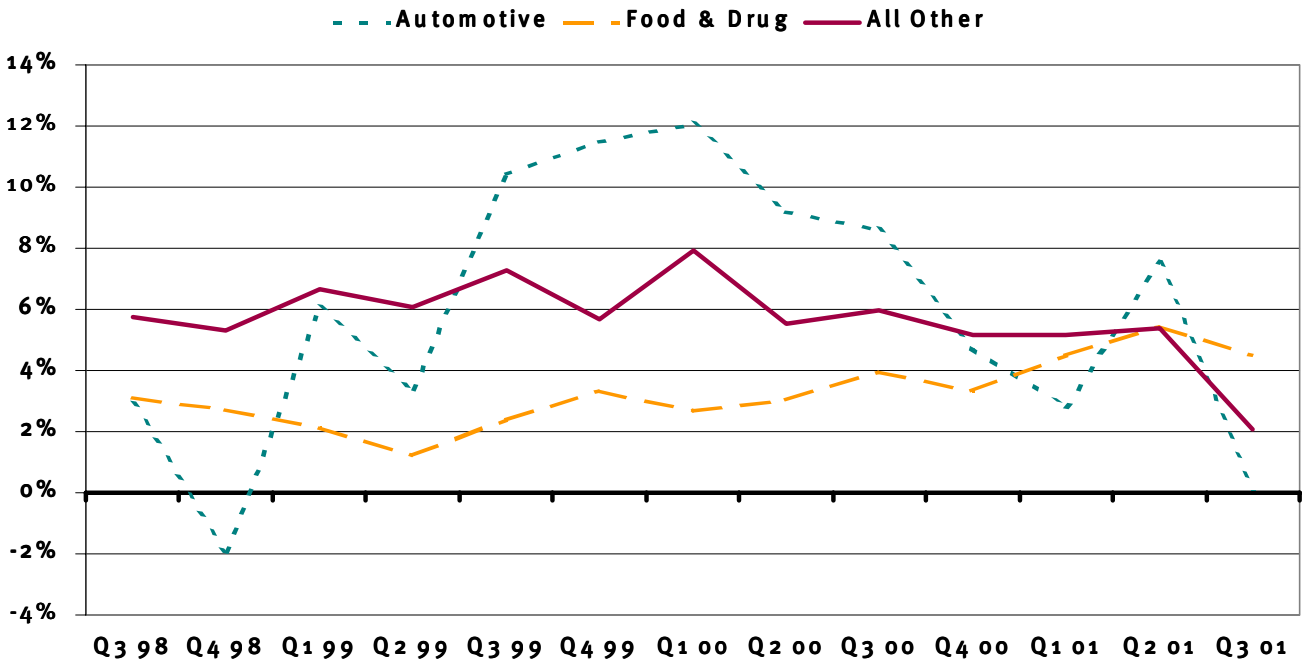
**Percentage Change in Retail Trade, All Stores, by Region
Year-to-Date Compared to Same Period Last Year**



Canadian Retail Sales by Major Product Categories Year Over Year (1994 -2000)



Canadian Retail Sales by Major Product Categories From the Same Quarter A Year Earlier



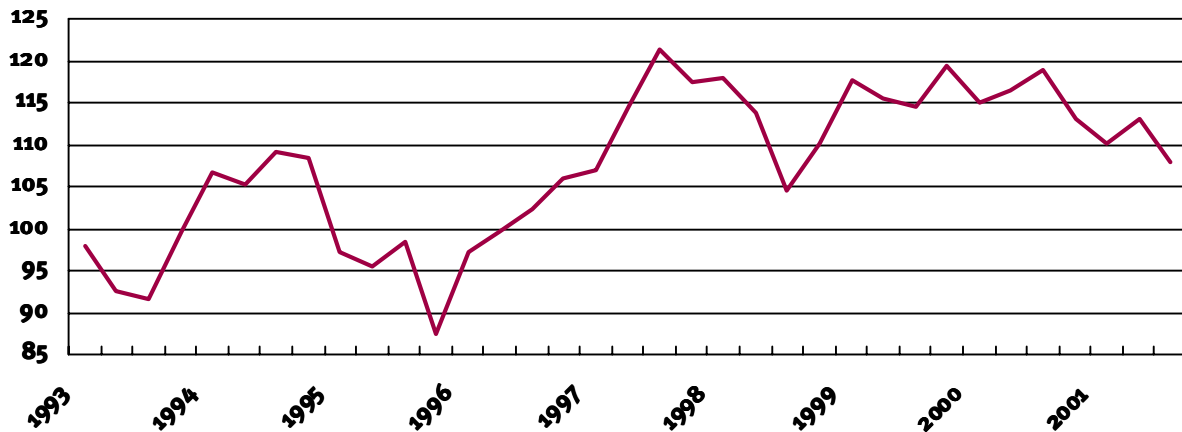
Consumer Price Index

November 2001

vs. November 2000

0.7%

Canadian Consumer Confidence Index 1993-2001



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1992 - 2001

