

Bulletin

June 2001 Retail Sales • Released August 21, 2001

CANADIAN CONSUMER CONFIDENCE CONTINUES TO CRUISE

For the first six months of 2001, Canadian consumers have continued to stamp out any concerns of an economic slowdown by racking up increased sales at the cash register. All Stores gained 5.2% and All Stores Less Auto Food and Drug jumped 5.2% for the first half of 2001 compared to 2000.

Overall, June's retail sales show little signs that the retail economy is in a tailspin. For the month of June, retail sales continued to climb 4.6% over last June for All Stores and 5.0% for All Stores Less Auto Food and Drug.

Strong performances were turned in by Department Stores (9.2%) and Furniture, Appliance, and Furnishings Stores (7.7%). In addition, the recent arrival of Old Navy and American Eagle Outfitters in June helped push up sales growth by 6.0% for the Other Clothing Stores category. With a strong early start to the summer and exceptionally good weather throughout July and August, J.C. Williams Group anticipates that

apparel sales growth will continue to be robust leading up to a better than anticipated back-to-school season for retailers.

Men's Clothing Stores, the perennial weak player in the retail economy, fell backwards 6.0% in June. However, it should be noted that Men's Clothing Stores performed exceptionally well in June 2000 growing by over 13% compared to June 1999. Many men's retailers are claiming that consumers have flirted with the casual scene for a few years now and are ready for a return to more serious fashion as suits are back in style. However, time will tell the story in the battle between khakis and dress pants.

ONTARIO SLIDES

B.C., the Prairies, and Quebec are growing at a faster rate than the national average. The Prairies continue to lead retail sales growth by growing at 7.7% for the first half of the year. Consumers in B.C. and Quebec are spending more than their counterparts in Ontario. Ontario has been tracking downward since the start of the year which could be a problem for some retailers that are heavily invested in the province.

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: June	2001	2000	2001 / 2000
All Stores	25,917.3	24,780.2	4.6%
Automotive Group	11,084.4	10,741.5	3.2%
All Stores Less Automotive	14,832.9	14,038.6	5.7%
Food and Drug Group	6,806.5	6,391.1	6.5%
All Stores Less Auto, Food and Drug	8,026.4	7,647.5	5.0%
General Merchandise Stores	2,683.7	2,539.8	5.7%
Department Stores (incl concessions)	1,610.4	1,474.4	9.2%
Furniture, Appliance, Furnishings Stores (incl. Electronics)	1,327.1	1,232.6	7.7%
All Clothing and Shoe Stores	1,291.1	1,244.6	3.7%
Women's Clothing Stores	403.1	385.7	4.5%
Men's Clothing Stores	130.8	139.1	-6.0%
Other Clothing Stores	596.6	562.8	6.0%
Shoe Stores	160.7	157.0	2.3%
All Other Retail (except auto, food, drug)	2,724.4	2,630.4	3.6%
Year-to-date Sales	2001	2000	2001/2000
All Stores	137,438.8	130,620.4	5.2%
Automotive Group	57,952.3	54,983.4	5.4%
All Stores Less Automotive	79,486.5	75,637.0	5.1%
Food and Drug Group	37,738.5	35,969.2	4.9%
All Stores Less Auto, Food and Drug	41,748.0	39,667.8	5.2%
General Merchandise Stores	14,126.7	13,475.9	4.8%
Department Stores (incl concessions)	8,263.2	7,607.8	8.6%
Furniture, Appliance, Furnishings Stores (incl. Electronics)	7,103.8	6,642.6	6.9%
All Clothing and Shoe Stores	6,838.0	6,475.7	5.6%
Women's Clothing Stores	2,157.3	2,020.7	6.8%
Men's Clothing Stores	636.0	656.5	-3.1%
Other Clothing Stores	3,253.5	3,001.3	8.4%
Shoe Stores	791.2	797.2	-0.8%
All Other Retail (except auto, food, drug)	13,679.5	13,073.6	4.6%

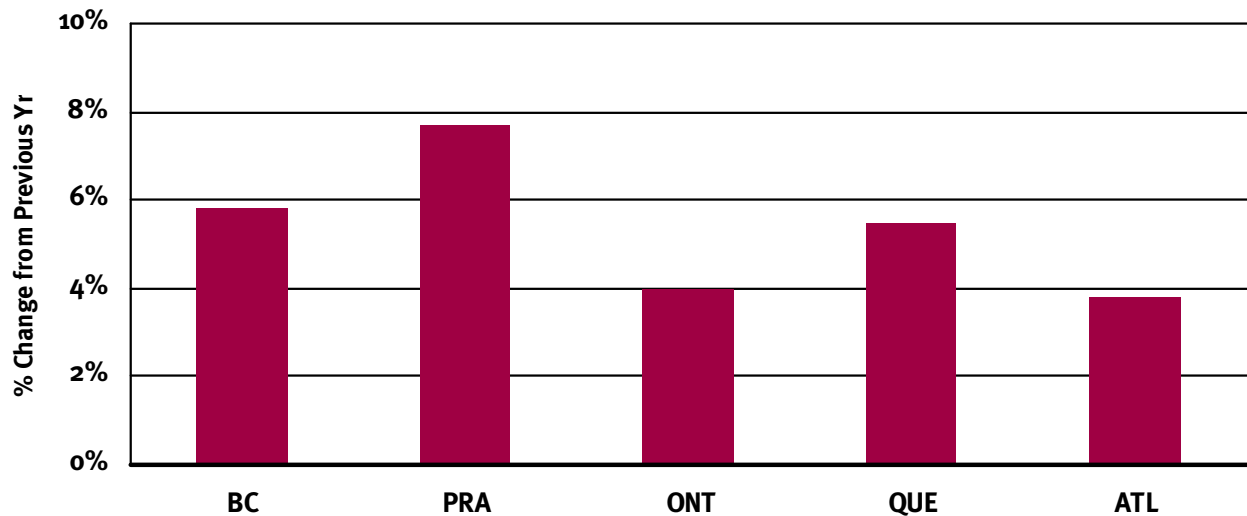
ALL DOLLAR VALUES EXPRESSED IN MILLIONS OF CANADIAN DOLLARS; UNADJUSTED FIGURES; SOURCE: STATISTICS CANADA

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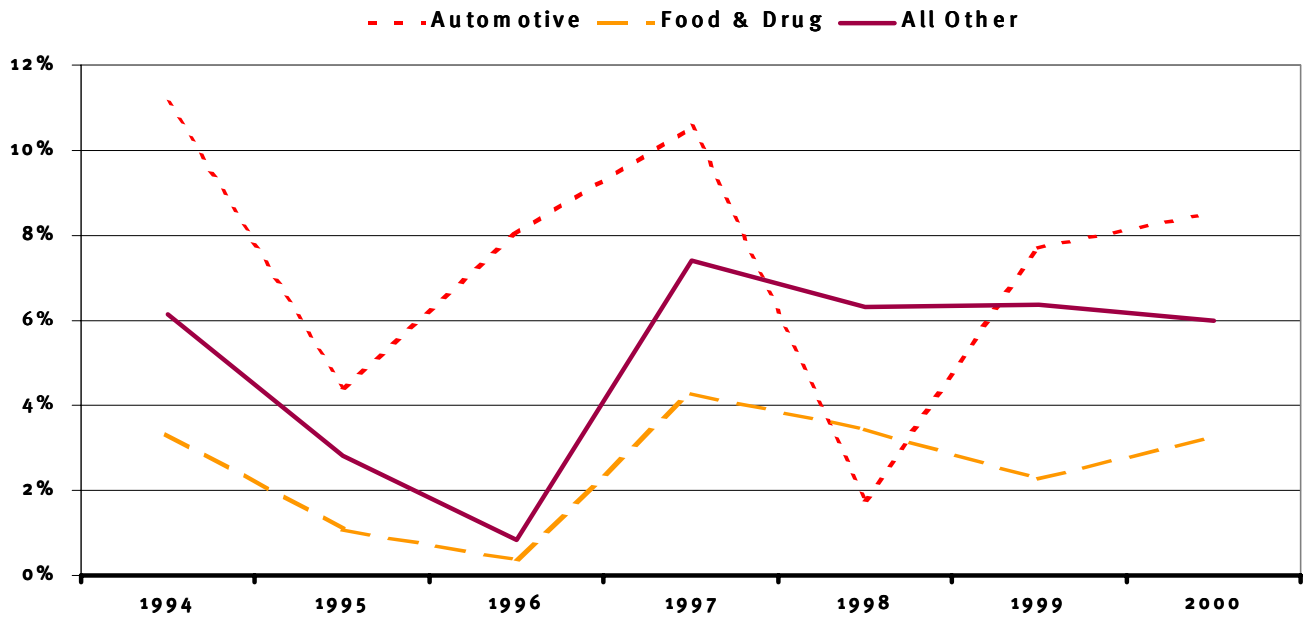
Retail Trade, Canada, All Stores, By Major Region

	Year-to-Date 2001	Same Period 2000	Change 2001 / 2000
British Columbia	17,861.5	16,882.6	5.8%
Prairies	24,863.6	23,087.8	7.7%
Ontario	51,935.1	49,937.6	4.0%
Quebec	32,032.1	30,370.7	5.5%
Atlantic Canada	10,276.5	9,902.6	3.8%

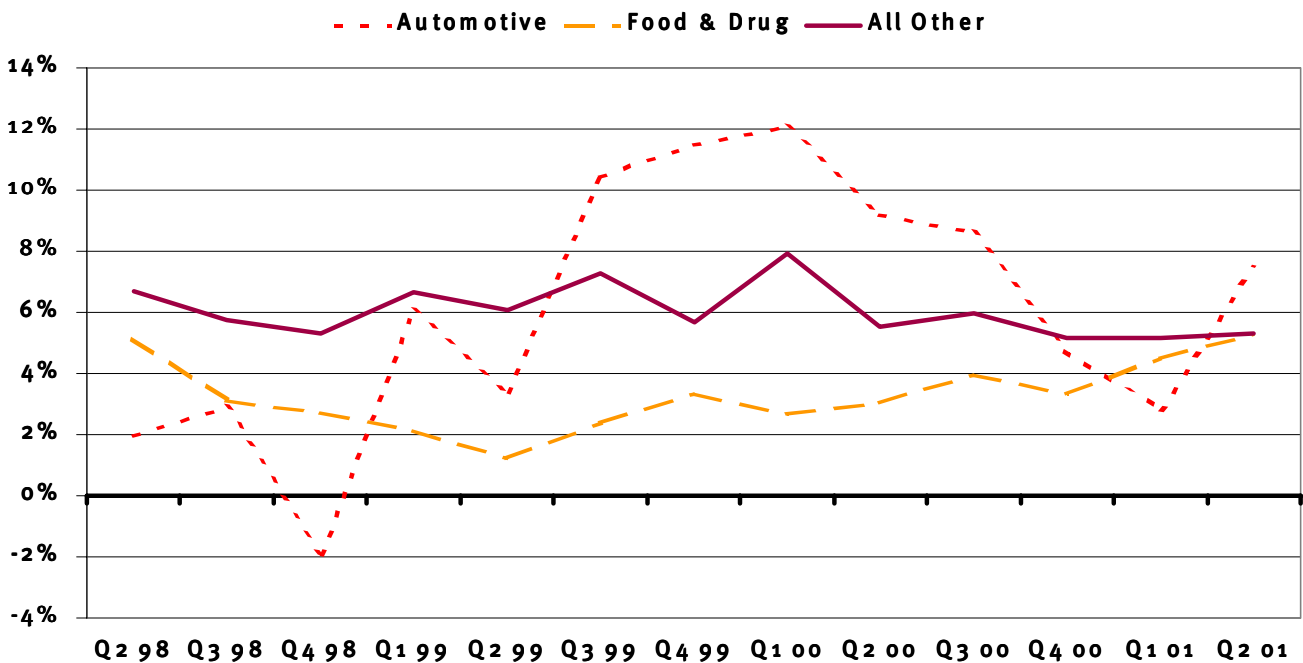
**Percentage Change in Retail Trade, All Stores, by Region
Year-to-Date Compared to Same Period Last Year**



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

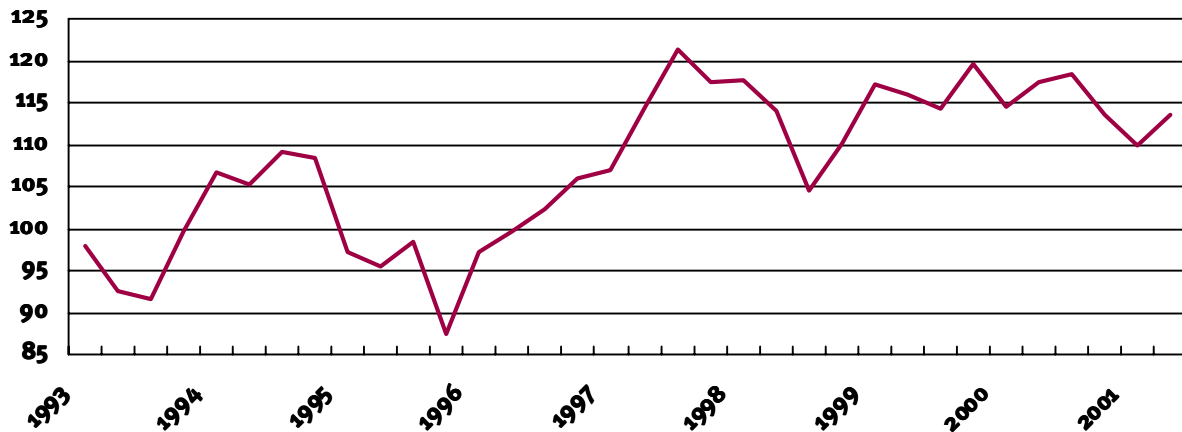
July 2001

vs.

July 2000

2.6%

Canadian Consumer Confidence Index 1993-2001



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1992 - 2001

