

# Bulletin

May 2000 Retail Sales • Released July 21, 2000

## Canadians Buying Cars and Furniture But Less of Everything Else

Retail sales for the month of May rose an impressive 8.3% over last May to help year-to-date sales increase to 6.8% over 1999.

However, upon closer examination, the sales growth is largely due to unrelenting growth in the Furniture, Appliance, and Furnishings Stores (12.4%) and the rebounding growth in the Automotive Group (16.7%).

All Stores Less Auto Food and Drug grew by 3.3%. However, half of this increase is directly attributable to Furniture, Appliance, and Furnishings Stores.

The Clothing and Shoe Stores continue to suffer from bad weather as sales for the month of May were relatively flat (0.6%) compared to May 1999.

Department Stores experienced negative growth for the first time June 1998. Department Store sales were 1.1% lower compared to last year at this time. Although there are fewer stores since

Eaton's closed last fall, this is the first time since then that the group has experienced negative growth.

It appears as though the entire apparel category recorded soft sales growth for May.

## Hotter Central Canada

While no region in Canada has witnessed negative or slow growth for the first five months of 2000, Ontario and the Prairies continue to perform well posting sales gains of over 8%. Atlantic Canada is also posting good sales growth for the year at 6.1% compared to last year.

## Canadian Consumer Confidence Index

The Canadian Consumer Confidence Index has been updated for summer 2000. The index rose by one point compared to summer 1999 to 117.0. Consumer confidence has continued to remain at relatively high levels for most of 1999 and 2000, which is a good sign for the upcoming months.

Other indicators of a still healthy economy include relatively low inflation in the clothing and furniture sectors, and the unemployment rate is the lowest it has been since 1976.

### 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.

J.C. WILLIAMS GROUP

<b>Retail Sales by Store Category</b>			
<b>Sales for the Month of: May</b>	<b>2000</b>	<b>1999</b>	<b>2000 / 1999</b>
<b>All Stores</b>	<b>24,549.3</b>	<b>22,659.2</b>	<b>8.3%</b>
Automotive Group	10,894.0	9,336.0	16.7%
All Stores Less Automotive	13,655.3	13,323.2	2.5%
Food and Drug Group	6,204.7	6,109.0	1.6%
<b>All Stores Less Auto, Food and Drug</b>	<b>7,450.6</b>	<b>7,214.2</b>	<b>3.3%</b>
<b>General Merchandise Stores</b>	<b>2,525.4</b>	<b>2,456.9</b>	<b>2.8%</b>
Department Stores (incl concessions)	1,444.5	1,459.9	-1.1%
<b>Furniture, Appliance, Furnishings Stores</b>	<b>1,164.3</b>	<b>1,035.7</b>	<b>12.4%</b>
<b>All Clothing and Shoe Stores</b>	<b>1,238.2</b>	<b>1,230.3</b>	<b>0.6%</b>
Women's Clothing Stores	405.0	404.4	0.1%
Men's Clothing Stores	127.2	125.7	1.2%
Shoe Stores	154.4	164.8	-6.3%
<b>All Other Retail (except auto, food, drug)</b>	<b>2,522.7</b>	<b>2,491.3</b>	<b>1.3%</b>
<b>Year-to-date Sales</b>	<b>2000</b>	<b>1999</b>	<b>2000 / 1999</b>
<b>All Stores</b>	<b>105,768.3</b>	<b>99,042.1</b>	<b>6.8%</b>
Automotive Group	44,291.4	40,000.1	10.7%
All Stores Less Automotive	61,476.9	59,042.0	4.1%
Food and Drug Group	29,652.5	28,933.7	2.5%
<b>All Stores Less Auto, Food and Drug</b>	<b>31,824.4</b>	<b>30,108.3</b>	<b>5.7%</b>
<b>General Merchandise Stores</b>	<b>10,925.2</b>	<b>10,407.5</b>	<b>5.0%</b>
Department Stores (incl concessions)	6,133.5	5,994.1	2.3%
<b>Furniture, Appliance, Furnishings Stores</b>	<b>5,378.0</b>	<b>4,730.8</b>	<b>13.7%</b>
<b>All Clothing and Shoe Stores</b>	<b>5,161.9</b>	<b>4,970.7</b>	<b>3.8%</b>
Women's Clothing Stores	1,632.9	1,603.5	1.8%
Men's Clothing Stores	522.7	514.5	1.6%
Shoe Stores	589.6	604.9	-2.5%
<b>All Other Retail (except auto, food, drug)</b>	<b>10,359.3</b>	<b>9,999.3</b>	<b>3.6%</b>

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

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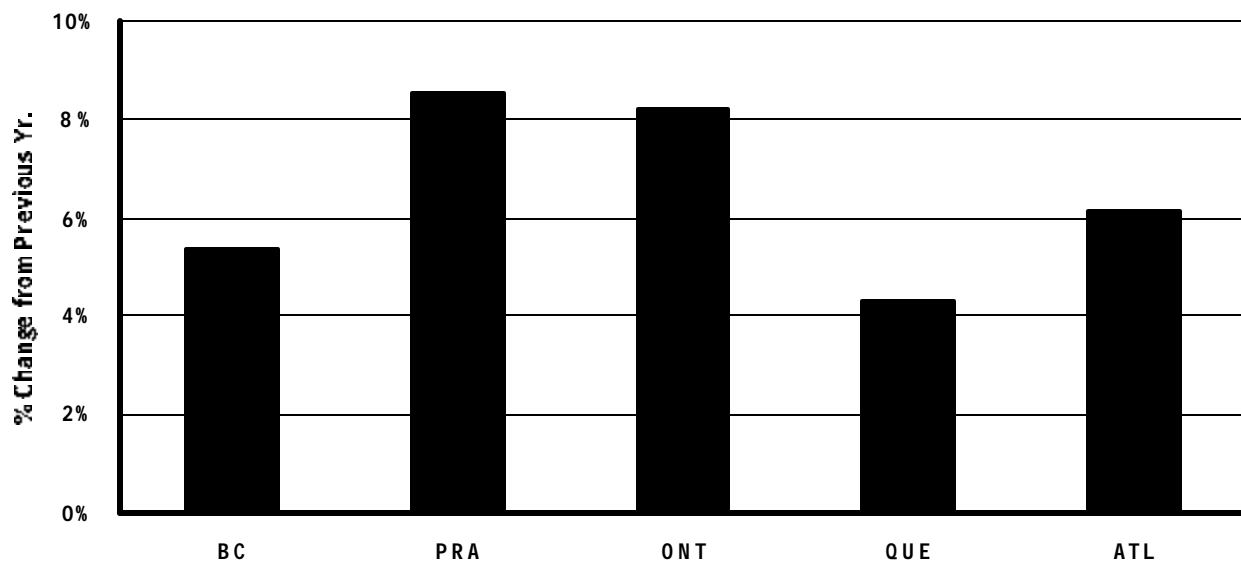
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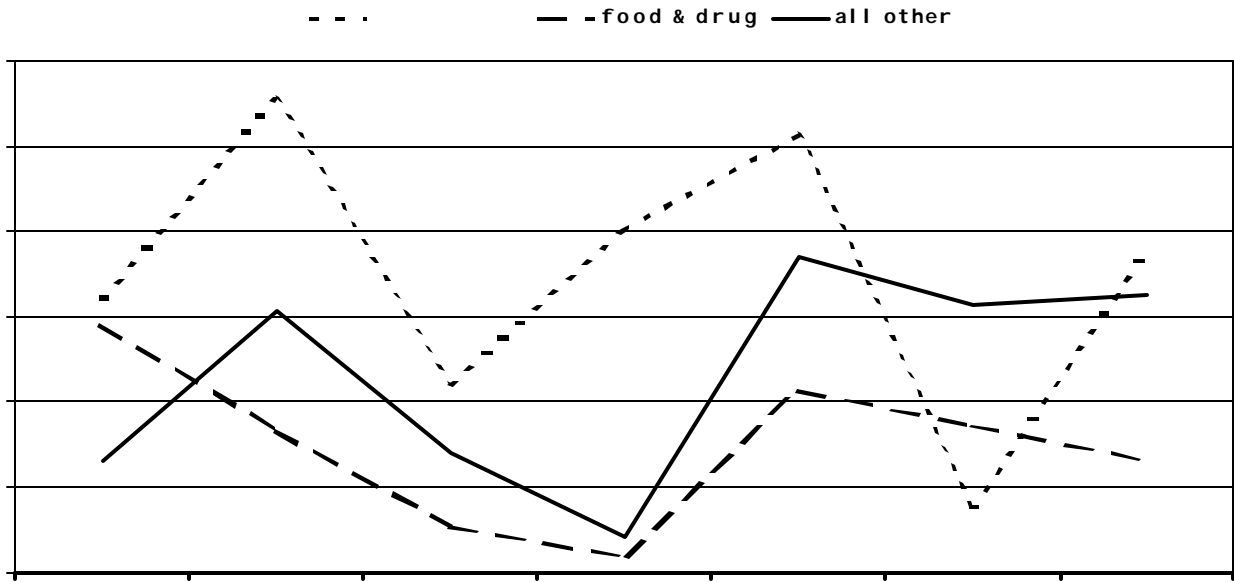
RETAIL TRADE, CANADA, ALL STORES, BY MAJOR REGION

	Year-to-Date 2000	Same Period 1999	Change 2000 / 1999
British Columbia	13,677.3	12,981.2	5.4%
Prairies	18,909.3	17,421.8	8.5%
Ontario	40,156.7	37,117.4	8.2%
Quebec	24,705.4	23,687.0	4.3%
Atlantic Canada	7,963.8	7,502.5	6.1%

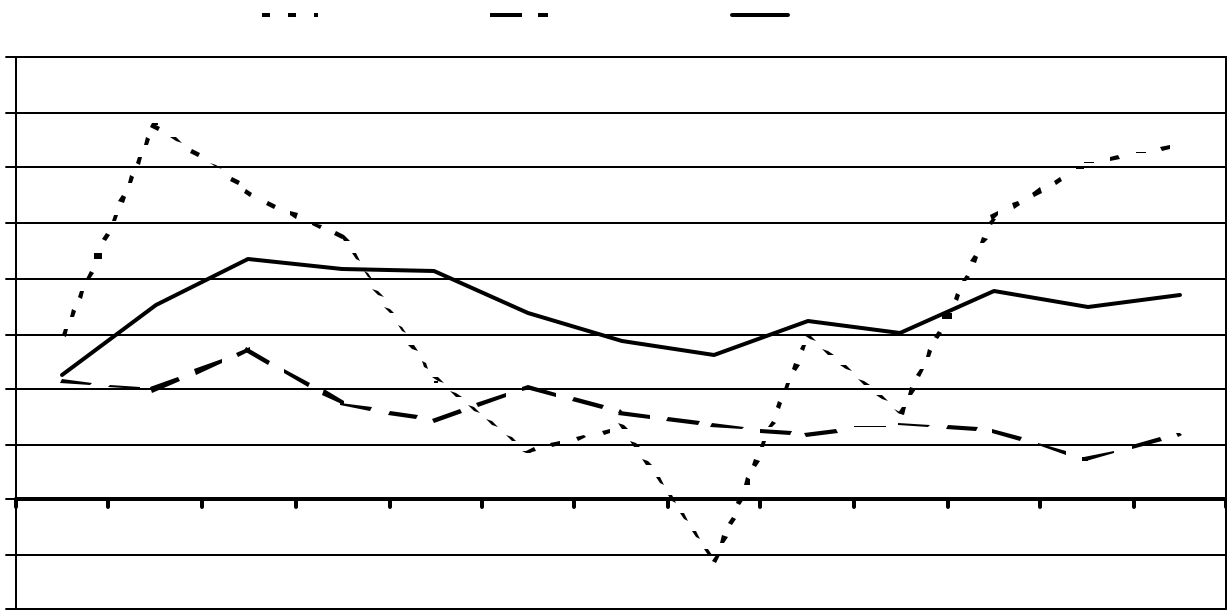
**Percentage Change in Retail Trade, All Stores, by Region  
Year-to-Date Compared to Same Period Last Year**



Canadian Retail Sales by Major Product Categories Year Over Year (1993 -1999)



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



**Consumer Price Index**

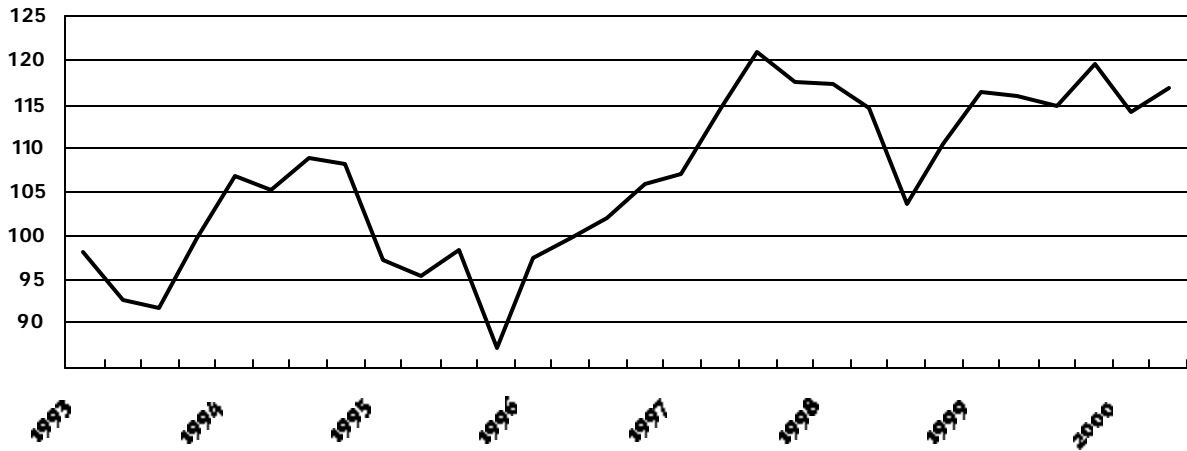
June 2000

vs.

June 1999

2.9%

**Canadian Consumer Confidence Index 1993-2000**



**Canadian Consumer Expenditures Index 1992 - 2000**

