

Bulletin

U.S. Data

Advance September 2009 Retail Sales • Released October 14, 2009

Consumer confidence setting a new norm

All Stores sales fell by -5.4% this month, bettering the 2009 year-to-date average of -8.8%. The Labor Day weekend, which came later in September this year, may have helped to maintain this trend.

Several categories, including those that fulfill the basic needs of consumers, saw single-digit growth in sales for September.

Unlike the previous month, Health and Personal Care Stores were not the only sector to see positive sales results in September; however, they did remain at the top of the list with a growth in sales of 3.3%.

Sporting Goods, Hobby, Book and Music Stores were also up, increasing its September sales by 2.9%.

General Merchandise Stores were finally back in positive territory with a sales increase of 2.5%. A few retailers, like Costco, beat this average with its U.S. same-store-sales up 3.0% for the month, compared to the same time last year.

Department Stores (excluding leased departments) were stronger this month, with a sales dip of -1.9%, compared to

a much bigger year-to-date average loss of -7.0%. Nordstrom saw a -2.4% decline in revenue for September while traditional retailers like JC Penney were flat with sales falling by -1.4%.

Compared with the GAFO categories (e.g., General Merchandise, Clothing, Furniture, etc.) whose sales growth started its sub-zero decline in September 2008, the food sector appears to experience relatively flat growth: Food and Beverage Stores saw retail sales grow by 1.2%; Grocery Stores also grew slightly by 0.8% in September.

Clothing and Accessories Stores also faced flat growth of 0.4%. Retailers providing value products however continued to see an increase in sales for September; TJX Companies grew its revenue by 7%.

Still in negative territory but trending upwards were the Furniture and Home Furnishings Stores; sales fell by -6.1% compared to the more than double year-to-date loss of -12.7%.

Electronics and Appliance Stores remained unchanged with sales still down by -9.9% this month.

Still struggling were the Building Material and Garden Equipment Stores, which saw sales fall by -13.4% this month.

Most retail growth has been trending upwards as consumer confidence waivers between 47 to 55 points for the last five months. While this month's confidence fell by a mere two points (53), a new norm around 50 may be in the works. Shoppers are definitely remaining cautious in their optimism and spending habits as they continue to seek out value products.

Join us next month to see whether retailers will be wise to consumer caution, or whether the chilly fall winds will erode retail sales.

Release Date of the Next National Retail Bulletin:
November 16, 2009

Please note:

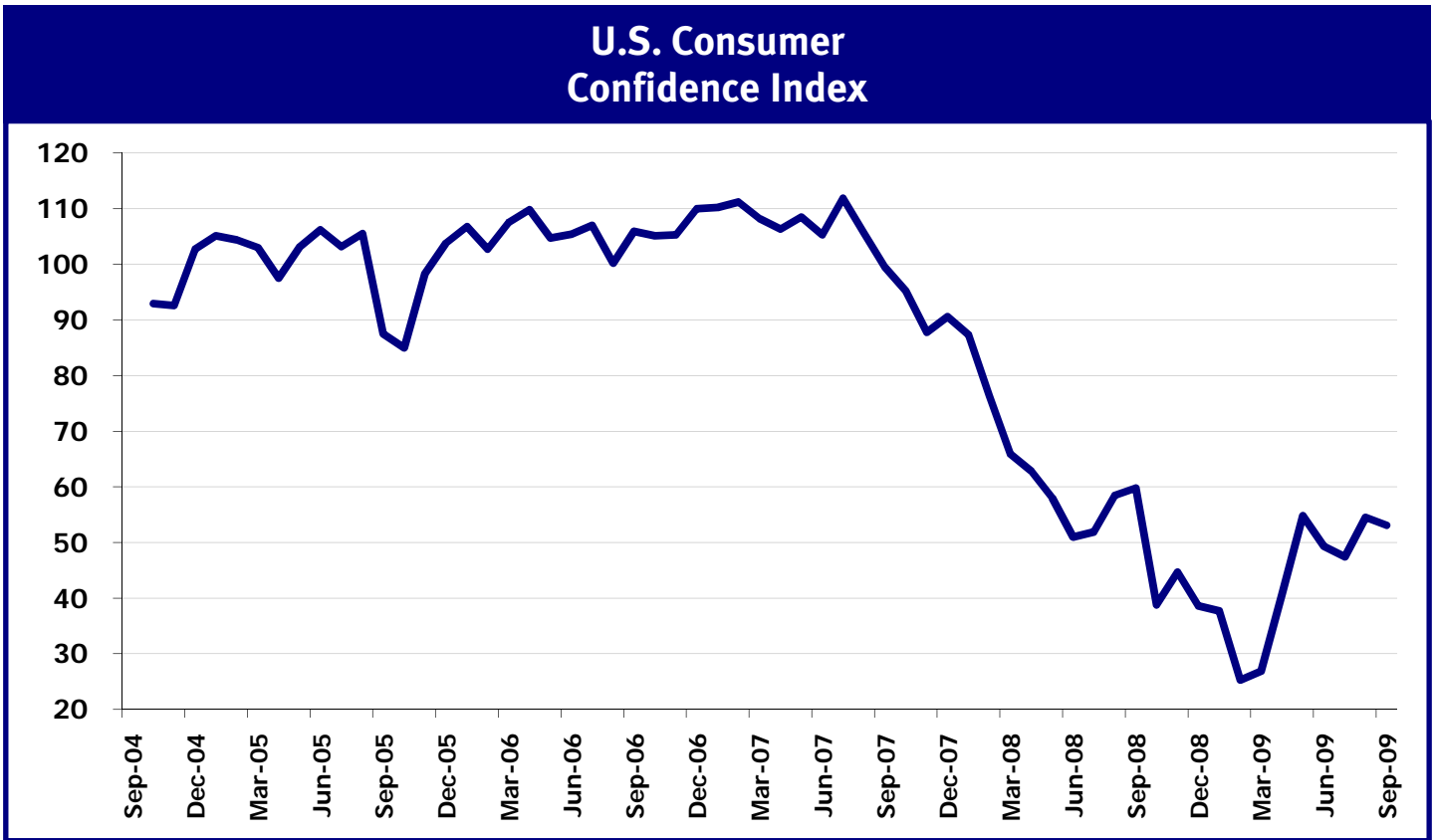
The J.C. Williams Group National Retail Bulletin compares the latest monthly release of "raw" (i.e., unadjusted for seasonality, holiday, and trading day) retail sales figures to those in the *same calendar month of the previous year*. The U.S. Census Bureau also reports seasonally adjusted sales that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

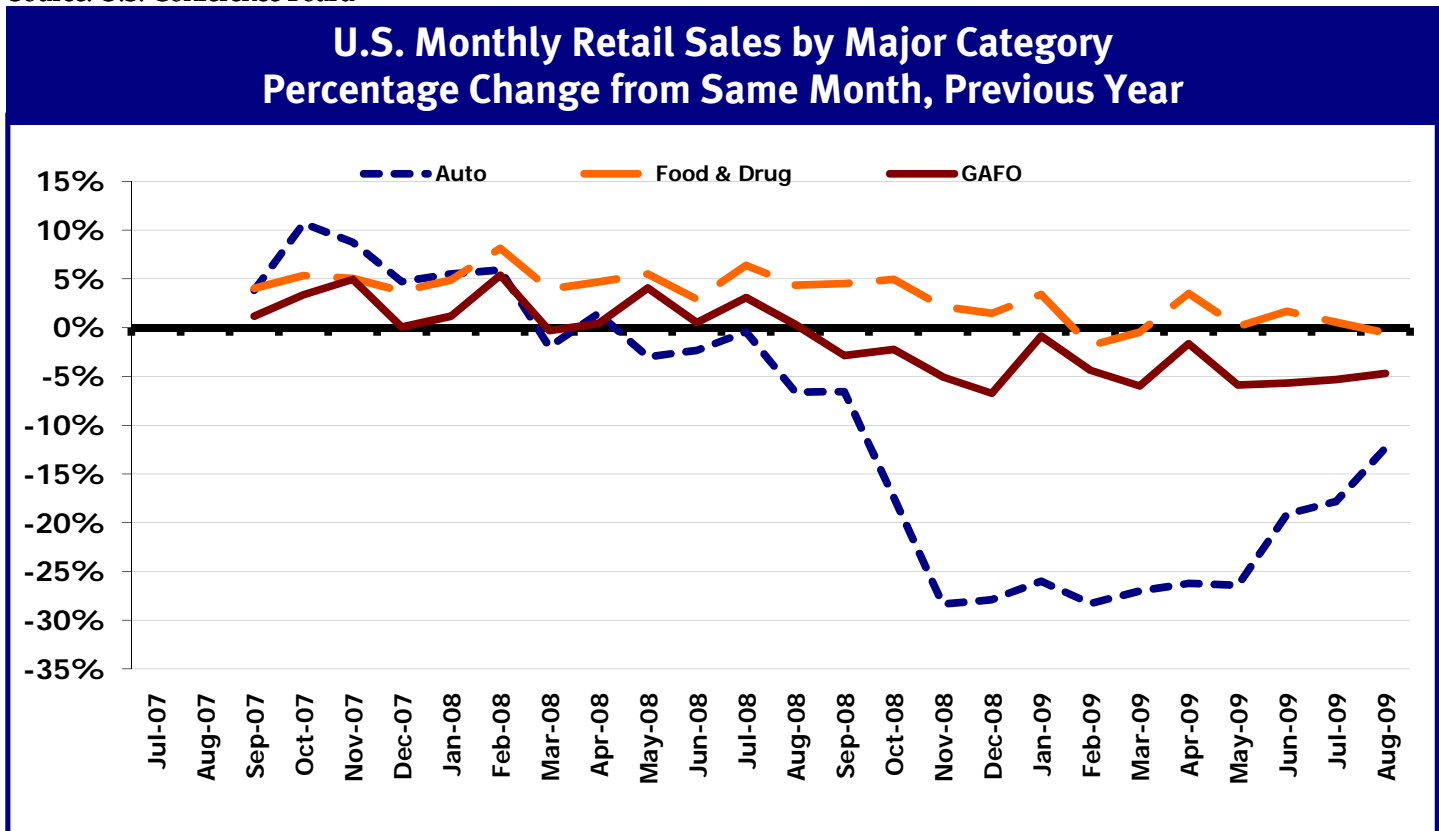
Sales for the Month of September	2009	2008	2009/2008
All Stores	333,360	352,554	-5.4%
Motor Vehicle and Parts Dealers	55,854	61,328	-8.9%
Gasoline Stations	31,905	42,785	-25.4%
Food and Beverage Stores	48,213	47,664	1.2%
Grocery Stores	43,081	42,741	0.8%
Health and Personal Care Stores	20,569	19,907	3.3%
Building Material and Garden Equipment Stores	23,281	26,895	-13.4%
General Merchandise Stores	45,303	44,179	2.5%
Department Stores (excluding leased departments)	13,691	13,958	-1.9%
Clothing and Accessories Stores	15,868	15,929	-0.4%
Furniture, Home Furnishings, Electronics and Appliance Stores	15,243	16,564	-8.0%
Furniture and Home Furnishing Stores	7,830	8,338	-6.1%
Electronics and Appliance Stores	7,413	8,226	-9.9%
Sporting Goods, Hobby, Book and Music Stores	6,904	6,710	2.9%
Miscellaneous Store Retailers	9,275	9,686	-4.2%
Nonstore Retailers	23,398	23,887	-2.0%
Food Services and Drinking Places	37,547	37,020	1.4%

Year to Date Sales Ending September	2009	2008	2009/2008
All Stores	3,041,924	3,333,655	-8.8%
Motor Vehicle and Parts Dealers	531,762	634,603	-16.2%
Gasoline Stations	265,172	387,970	-31.7%
Food and Beverage Stores	436,913	436,737	0.0%
Grocery Stores	391,385	392,866	-0.4%
Health and Personal Care Stores	187,432	182,035	3.0%
Building Material and Garden Equipment Stores	219,849	250,260	-12.2%
General Merchandise Stores	420,608	423,882	-0.8%
Department Stores (excluding leased departments)	127,871	137,529	-7.0%
Clothing and Accessories Stores	144,310	153,381	-5.9%
Furniture, Home Furnishings, Electronics and Appliance Stores	139,866	157,720	-11.3%
Furniture and Home Furnishing Stores	68,818	78,865	-12.7%
Electronics and Appliance Stores	71,048	78,855	-9.9%
Sporting Goods, Hobby, Book and Music Stores	60,960	62,121	-1.9%
Miscellaneous Store Retailers	83,248	87,526	-4.9%
Nonstore Retailers	207,397	216,791	-4.3%
Food Services and Drinking Places	344,407	340,629	1.1%

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