9 NOVEMBER 2018

BDO HIGH STREET SALES TRACKER

Horror show on the high street in October

OCTOBER MONTHLY REVIEW
THE FOUR WEEKS TO 28 OCTOBER 2018

STORE	NON-STORE	TOTAL
-2.0%	+10.5%	+1.0%
OCTOBER 2017: -5.2%	OCTOBER 2017: +22.0%	OCTOBER 2017: -1.1%

- Total like-for-like (LFL) sales were up by +1.0% in October, but from a negative base of -1.1% for the equivalent month last year. Total in-store LFLs were down by -2.0% this month, dropping further from the worst October on record last year (-5.2%). The result for October this year marked the ninth consecutive negative month for in-store LFLs and the thirteenth month without growth above +1.0%. Total non-store LFLs were up by just +10.5% this month from a good base of +22.0% in the equivalent month last year. The result marks the third lowest monthly performance for non-store LFL growth since the High Street Sales Tracker (HSST) began recording sales for this channel in 2010.
- October began with total LFLs posting marginal growth of +0.36%, but from a negative base of -0.55% in the equivalent week last year. Week two saw sales performance tumble by -2.21% from a base of +0.87%. The final two weeks of the month did see total LFLs back in positive territory, but from negative bases for both weeks in the previous year. For example, week three saw total LFLs increase by +3.27% as temperatures cooled, but from a low base of -4.44%. In week four, the last full week prior to Halloween, total LFL sales increased by +2.88%, but from a base of -1.15% for the equivalent week in the previous year.
- Overall footfall was negative throughout the month with only week three breaking onto positive ground (+0.5%). The high street reported both the highest and lowest figures for the month at -4.8% in the final week, following a brief recovery of +1.4% in week three. Shopping centres were down in every week of October with a low of -4.3% in week four, ironically when many areas had half-term holidays. Retail parks were marginally better off with small increases in footfall in week two (+1.4%) and week three (+1.2%).
- The critical final quarter of 2018 got off to an ugly start with a very poor performance for bricks-and-mortar and relatively slack growth for non-store sales in the month of October. With recent indicators pointing towards consumer confidence decreasing further, marking concerns over personal finances and reluctance on the part of consumers to make major purchases, it will be difficult for retailers to recover in the final months of the year, potentially threatening upcoming promotional dates both in-store and online. Philip Hammond's recent Budget, though providing some welcome relief for smaller businesses, appears to be far too little too late, particularly for larger retailers.

LIFESTYLE
+1.6%
OCTOBER 2017: +3.3%

- Lifestyle total LFLs were up by +1.6% from an already positive base of +3.3% in the equivalent month last year. Overall sales for lifestyle ended the month strongly with an increase of +5.62%, perhaps with a boost from Halloween, and recorded the month's only negative result in week two (-1.91%). However, in-store sales for lifestyle presented a different picture, down by -2.9% in October from a base of -0.1% in the same month last year. In-store Lifestyle LFLs have been negative in each month of the year except for January.

FASHION
+1.7%
OCTOBER 2017: -3.6%

- Fashion total LFLs were up by +1.7% in October, but from a paltry base of -3.6% for the equivalent month last year. Back-to-back years with above-average temperatures for October have hurt sales of seasonal lines. Overall sales for fashion were up in three out of four weeks this month, but each off a negative base. The high of +5.90% came in week three, but failed to offset a base of -6.38% a year earlier. In-store fashion LFL sales were down by -1.3% in October, falling further from a horrific base of -7.9% for the same month last year. Bricks-and-mortar fashion sales have now been down in seven of the ten months of the year-to-date.

HOMEWARES
-4.2%
OCTOBER 2017: +6.6%

- Homeware total LFLs were down sharply by -4.2% this month, but off a strong base of +6.6% for the equivalent month last year. Total LFLs for homeware remained negative in each of the four weeks of the month. Week one saw the steepest decline (-6.77%), but from a strong base last year. Week four saw a significant drop of -5.26%, eliminating growth of +4.30% from the same week last year. In-store sales were down by -4.1% this month from a base of -0.5% for the same month last year.

As of September 2018, lifestyle, fashion and homewares figures represent combined in-store and non-store totals for that category.

FOR MORE INFORMATION

e: HighStreetSalesTracker@bdo.co.uk

The High Street Sales Tracker outlines weekly like-for-like sales changes of some c85 retailers with c10,000 individual stores across **Fashion:** accessories, clothing, footwear. **Lifestyle:** general household goods, gifts, health and beauty, leisure goods. **Homewares:** cookware, furniture and floor coverings, lighting, linen and textiles. **Non-store:** mail order, online and other non-store channels. Total like-for-likes exclude non-store sales. Any footfall figures quoted are provided by Springboard who are a leading provider of automated visitor counting and retail sales analysis.

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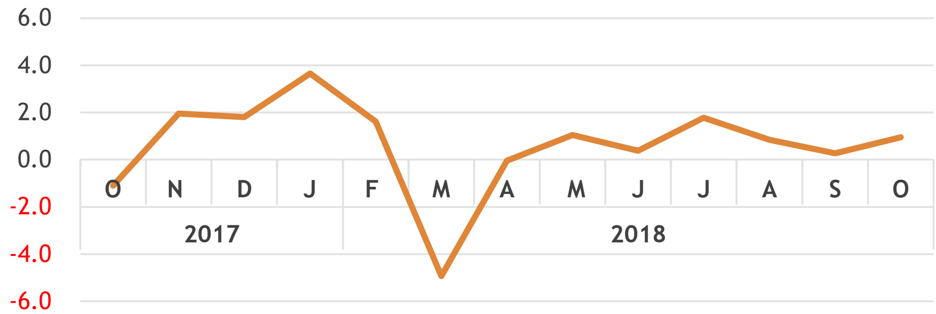
TOTAL LIKE-FOR-LIKE RESULTS FROM 2017-2018

LFL Growth %	Week 1 (we 07/10)	Week 2 (we 14/10)	Week 3 (we 21/10)	Week 4 (we 28/10)	Total October
Lifestyle	2.11	-1.91	0.43	5.62	1.6
Fashion	0.72	-2.60	5.90	3.10	1.7
Homeware	-6.77	-0.08	-3.23	-5.26	-4.2
STORE	**-3.72**	**-3.87**	**0.02**	**-0.30**	**-2.0**
NON-STORE	**12.86**	**5.36**	**15.55**	**8.06**	**10.5**
TOTAL	**0.36**	**-2.21**	**3.27**	**2.88**	**1.0**

MONTHLY LIKE-FOR-LIKE RESULTS 2017-2018



MONTHLY LIKE-FOR-LIKE RESULTS BY SECTOR 2017-2018