5 July 2019

BDO HIGH STREET SALES TRACKER

UNCERTAINTY LINGERS ON THIRD ANNIVERSARY OF BREXIT REFERENDUM

JUNE MONTHLY REVIEW
THE FIVE WEEKS TO 30 JUNE 2019

STORE	NON-STORE	TOTAL
-0.8%	**+16.5%**	**+3.5%**
JUNE 2018: -1.7%	JUNE 2018: +10.9%	JUNE 2018: +0.4%

- Total like-for-like (LFL) sales increased by +3.5% in June from a marginal base of +0.4% for the same month last year. Total in-store LFLs, however, fell slightly by –0.8% this month from an already negative base of -1.7% for June 2018. Total non-store LFLs increased by +16.5% this month from a lacklustre base of +10.9% last year. This month’s results will be mixed news for retailers as total LFLs have remained steadily positive over the past year. On the other hand, June saw another decline for in-store LFL sales meaning that the category has now gone sixteen out of the last seventeen months without any growth. While non-store LFLs continue to provide an avenue for growth, June’s result was the second lowest this year.

- June began with total LFLs increasing by +3.79%, but from a poor base of -4.78% for the same week last year, with both weeks including the Spring bank holiday. The next couple of weeks saw total LFLs increase by +4.88% and +6.24% from good bases of +4.84% and +2.47% for the same weeks last year. Total LFL sales improved by +1.92% in the penultimate week of June, offsetting a low base of -1.82% last year. June concluded with LFL sales increasing by +2.13% from an already strong base (+4.88%) last year.

- Overall footfall was down for every week of June as compared to the equivalent weeks in 2018. The month began with footfall falling slightly by -0.3%. Subsequent weeks saw footfall post larger declines with week three posting the largest drop of -4.9%. The high street recorded the worst result of the month (also in week three) with footfall plummeting by -7.1%. Both high streets and shopping centres recorded negative footfall in each week of the month. Only retail parks saw positive footfall this month, experiencing improved footfall for the majority of weeks and a high of 1.5% in week one.

- One of the wettest Junes on record will have done little to improve already dampened spirits on the high street. The Tory Leadership contest consumed the political agenda this month, but produced little in the way of clarity for retailers. With Brexit displacing most issues it remains somewhat unclear what future economic policy might look like. In the meantime, the threat of slower wage growth and a weakened pound could put a further squeeze on consumption, with the high street potentially falling victim. As Q2 GDP growth is expected to be flat, and with reports that retail sales volumes have fallen in the year to June, the time for providing reassurance is now limited. It is imperative that the future Prime Minister demonstrates a sense of pragmatism and takes the first opportunity to deliver a plan that places the high street at the centre of growth.

LIFESTYLE
+0.6%
JUNE 2018: +2.9%

- Lifestyle total LFLs saw a slight increase of +0.6% this month from a positive base of +2.9% for June last year. Total LFLs for lifestyle have now been positive for three consecutive months. The monthly result was reflected in the weekly figures with the category only recording an increase above 1% in the final week of the month (+1.58%). In-store LFLs for lifestyle, on the other hand, fell by –3.5% in June from a slightly negative base of -0.3% last year. The result continues the run of no growth for in-store lifestyle LFLs to seventeen consecutive months.

FASHION
+4.8%
JUNE 2018: -0.5%

- Fashion total LFLs increased by +4.8% this month, from a base of -0.5% for June last year. Total LFLs for fashion were positive throughout June, recording the largest increase in the third week (+8.81%). The category has now posted positive results for twelve consecutive months. In-store LFLs for fashion were flat (-0.0%) this month, but from a poor base of -2.3% for June 2018. June’s result means that in-store LFLs for fashion have failed to grow for three consecutive months and four out of six months this year.

HOMEWARES
+7.7%
JUNE 2018: -0.9%

- Homeware total LFLs increased by +7.7% in June, from a base of -0.9% for the same month last year. Total LFLs for homeware have recorded positive results for eight straight months. In-store LFLs for homeware increased by +5.6% this month, but from a negative base of -2.4% last year. The category has also posted positive results for each month this year, and has seven consecutive months of positive LFL sales.

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

FOR MORE INFORMATION

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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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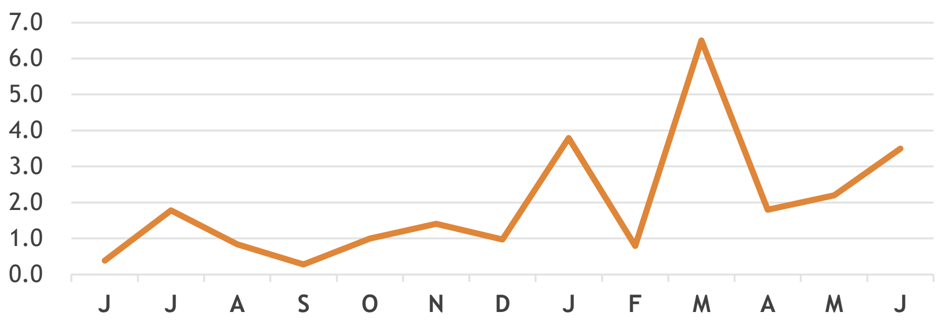
TOTAL LIKE-FOR-LIKE RESULTS FROM 2018-2019

LFL Growth %	Week 1 (we 02/06)	Week 2 (we 09/06)	Week 3 (we 16/06)	Week 4 (we 23/06)	Week 5 (we 30/06)	Total June
Lifestyle	-0.53	0.78	0.47	0.76	1.58	0.6
Fashion	5.51	5.71	8.81	2.06	1.63	4.8
Homeware	5.30	13.23	6.40	5.05	8.55	7.7
STORE	**-1.15**	**1.83**	**-1.71**	**-0.59**	**-2.74**	**-0.8**
NON-STORE	**16.89**	**15.48**	**21.02**	**10.59**	**18.11**	**16.5**
TOTAL	**3.79**	**4.88**	**6.24**	**1.92**	**2.13**	**3.5**

MONTHLY LIKE-FOR-LIKE RESULTS 2018-2019



MONTHLY LIKE-FOR-LIKE RESULTS BY SECTOR 2018-2019