



BDO HIGH STREET SALES TRACKER

MARCH MONTHLY REVIEW - the four weeks to 26 March 2017

07 April 2017

TOTAL (excl non-store)

0.0%

March 2016: -1.0%

LIFESTYLE

+1.4%

March 2016: +2.4%

FASHION

-0.8%

March 2016: -2.5%

HOMEWARES

+1.8%

March 2016: +1.1%

NON-STORE

+28.1%

March 2016: +17.2%

Flat March Heralds Fourth Month of No Growth

- Total like-for-like sales were flat in March at 0.0% off of an already negative base of -1.0% seen for the same month last year.
- The flat result means that the high street has not seen monthly in-store growth since November 2016.
- The month of March also saw negative total LFL growth in the two preceding years, so flat growth in March this year represents a continuing lacklustre performance on the high street.
- Total LFLs started well down in the first week of March (-4.38%) as the same week last year had seen strong sales by culminating in Mother's Day. However, total sales in weeks two and three rebounded to +3.85% and +1.88% respectively, off of negative weeks last year. Week four last year had culminated in a negative week that concluded with the Easter weekend. However, despite the negative base, week four this year ended in Mother's Day, and despite strong footfall and sunshine, the week ended down by -1.77%, as retailers struggled to translate footfall into in-store sales of fashion and homeware goods.
- Overall footfall performed well in March as warmer spring weather moved in, and Mother's Day brought consumers out in the last week of the month. The only negative week was week one, where overall footfall fell by -1.8%, a week that last year included an early Mother's Day. Thereafter, the last three weeks of March this year saw an increase in footfall, with the high of +5.2% coming in week four. Footfall on the high street, at retail parks and at shopping centres was also only down in week one, with footfall declining by -1.4%, -0.8% and -3.3% respectively in that week. The month high for all three retail centres came in week four, when footfall on the high street was up by +3.7%, at retail parks by +7.8% and at shopping centres by +5.9%.
- The buoyant footfall combined with a lack of in-store spend on fashion and homeware items in week four, is perhaps indicative of a continuing trend for consumer spend targeting "experiences" over "things". As inflation continues to bite and wage growth falters, bricks-and-mortar fashion is certainly feeling the pinch, while homeware sales, if still growing, are starting to evidence something of a slowdown in the rate of that growth. However, the performance of lifestyle over the last few months, combined with strong overall non-store sales perhaps points to continued access to credit, a weaker pound remaining attractive to international shoppers, and the wider strength of the UK economy.
- Lifestyle LFLs were up by +1.4% in March off of an already positive base of +2.4% for the same month last year. The result marked its best monthly performance this year so far, and its fourth month of positive growth in succession. Lifestyle sales were only down in week one (-8.19%) comparing to a very strong Mother's Day week the previous year. However, lifestyle posted positive results in the last three weeks of March, with the high of +6.14% of week four showing that the Mother's Day effect for gift retailers outshone the Easter effect in week four of the previous year.
- Fashion LFLs were down by -0.8% in March off of a negative base of -2.5% in the equivalent month last year, marking its fourth negative monthly result in a row. Sales were down by -3.47% in week one against a positive Mother's Day week the previous year. However, sales were up by +3.51% and +1.19% in weeks two and three respectively, off of negative weeks last year. Despite the mid-month bounce, week four ended the month with a drop in sales of -4.62% as Mother's Day week this year failed to offset an already negative week last year that culminated in Easter weekend, when sales were down by -4.80%.
- Homeware was the star performer in March, with LFLs up by +1.8% off of a positive base of +1.1% for March last year. However, despite the growth, it was the second lowest result for homeware in nine months. Positive in three of the four weeks of the month, the high of +9.40% came in week two. However, the prospect of Mother's Day in week four did little for sales of homeware items and LFLs fell to -3.75%.
- Non-store LFLs were the success story of the month, up by +28.1% off of a fairly mediocre base of +17.2% in the same month last year. The result was the highest seen since January 2015 (+37.8), and the second and third highest non-store results of the year-to-date were seen in March this year. The high of +38.67% came in week four when Mother's Day trumped a very weak performance in the same week ending in Easter weekend last year, when non-store LFLs slumped to +2.10%, highlighting the volatility of the season.

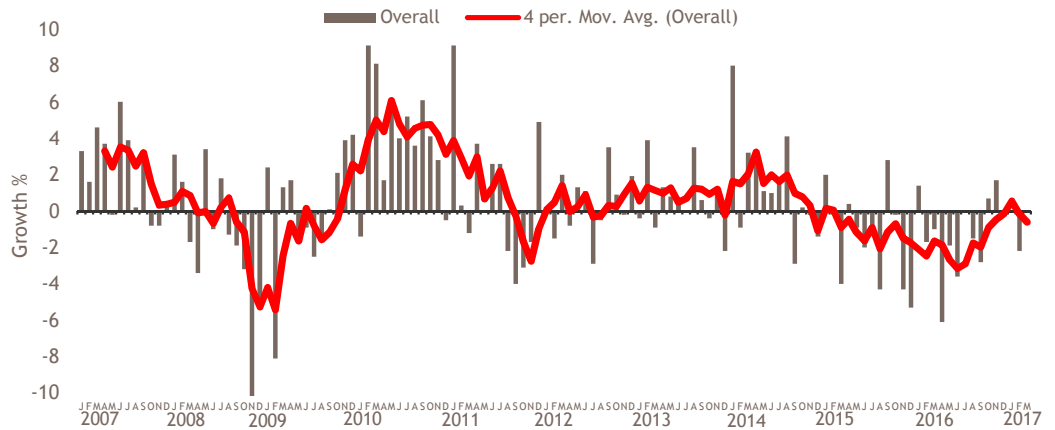
The High Street Sales Tracker outlines weekly like-for-like sales changes of c85 mid-tier retailers with c10,000 individual stores across Fashion: accessories, clothing, footwear. Lifestyle: general household goods, gifts, health and beauty, leisure goods. Homewares: cookware, furniture and floorcoverings, lighting, linen and textiles. Non-store: mail order, online and other non-store channels.



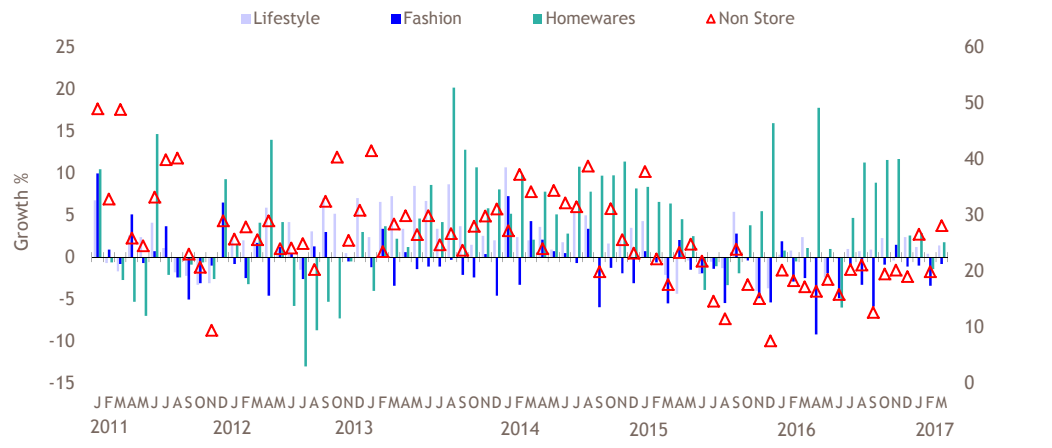
MONTHLY LIKE-FOR-LIKE RESULTS 2017

LFL Growth %	Week 1 (we 05/03)	Week 2 (we 12/03)	Week 3 (we 19/03)	Week 4 (we 26/03)	Total March
Lifestyle	-8.19	3.56	3.16	6.14	1.4
Fashion	-3.47	3.51	1.19	-4.62	-0.8
Homewares	0.35	9.40	3.25	-3.75	1.8
Non-store	16.21	37.00	18.85	38.67	28.1
Total (excl non-store)	-4.38	3.85	1.88	-1.77	0.0

MONTHLY LIKE-FOR-LIKE RESULTS 2007-2017



MONTHLY LIKE-FOR-LIKE RESULTS BY SECTOR 2011-2017



Further Information: HighStreetSalesTracker@bdo.co.uk

This publication has been carefully prepared, but should be seen as general guidance only. You should not act upon the information contained in this publication without obtaining specific professional advice. Please contact BDO LLP to discuss these matters in the context of your particular circumstances. BDO accepts no responsibility for any loss incurred as a result of acting on information in this publication.

BDO LLP operates across the UK with some 3,000 partners and staff. BDO LLP is a UK limited liability partnership and a UK Member Firm of BDO International. BDO - Belfast, a separate partnership, operates under a licence agreement. BDO International is a world-wide network of public accounting firms, called BDO Member Firms. Each BDO Member Firm is an independent legal entity world-wide and no BDO Member Firm is responsible for the acts and omissions of another member. The network is coordinated by BDO Global Coordination B.V., incorporated in the Netherlands with its statutory seat in Eindhoven (trade register registration number 33205251) and with an office at Boulevard de la Woluwe 60, 1200 Brussels, Belgium, where the International Executive Office is located.

BDO LLP and BDO - Belfast are both separately authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name for the BDO International network and for each of the BDO Member Firms.

BDO LLP and BDO - Belfast are the Data Controllers for any personal data that they hold about you. We may disclose your information, under a confidentiality agreement, to a Data Processor (Shamrock Marketing Ltd). To correct your personal details or if you do not wish us to provide you with information that we believe may be of interest to you, please telephone (Great Britain - 0870 567 5678 or Belfast - 028 9043 9009).

Copyright © April 17 BDO LLP. All rights reserved.

Website: www.bdo.co.uk