

BDO HIGH STREET SALES TRACKER

FLAT IN-STORE SALES PAINT UNCERTAIN PICTURE

JULY MONTHLY REVIEW
THE FOUR WEEKS TO 28 JULY 2019



STORE

+0.1%

JULY 2018: -1.1%



NON-STORE

+20.5%

JULY 2018: +14.7%



TOTAL

+3.2%

JULY 2018: +1.8%

- ▶ Total like-for-like (LFL) sales increased by +3.2% in July from a base of +1.8% for the same month last year. Total in-store LFLs were ostensibly flat at +0.1%, but from a negative base of -1.1% for July 2018. Total non-store LFLs increased by +20.5% this month from a middle-of-the-road base of +14.7% last year. Non-store LFL sales, boosted by a strong performance in the penultimate week of July when a brief heatwave helped release some pent-up demand, posted its best result since December 2017. On the other hand, in-store LFLs flattened out for the month as the final two weeks almost negated a positive start to the month. With that said, total in-store LFLs were positive for (only) the second time this year.
- ▶ July began with total LFLs increasing by +6.10% from a base of +3.90% for the equivalent week last year. The middle of the month saw total LFLs increase by +3.02% and +2.03%, respectively, from slim bases (+0.31% and +0.82%) for the same weeks last year. In the final week of July, total LFLs recorded a lift of +3.04%, but from a slightly negative base of -0.12% last year.
- ▶ Overall footfall was down for every week of July as compared to the same weeks in 2018. The month began with footfall recording a small decline of -0.7% and concluded with the largest decline of -2.6%. Shopping centres experienced the worst result of the month with footfall dropping by -4.9% in the last week. Both shopping centres and the high street saw negative results throughout the month. This was contrasted by retail parks where footfall increased in every week of July.
- ▶ The latest ONS figures show wages continuing their upward trajectory and inflation holding steady. Reports also indicate that consumer confidence saw minor improvement in July, despite remaining on negative footing, and yet there remains a sense of ambiguity as businesses and consumers mark time. While the new Prime Minister settles into 10 Downing Street, the clock on agreeing a final Brexit deal continues to count down towards an October cut-off. The anticipation has led many businesses to put capital spending plans on hold as they await clarity on key issues. Moreover, resounding concern about the country's economic outlook will not have been assuaged by the Bank of England's revised growth forecasts. There is, more than ever, the need for transparency and clear guidance on how retailers can navigate any potential transitional situation.



LIFESTYLE

+2.2%

JULY 2018: +0.9%



FASHION

+3.5%

JULY 2018: +4.6%



HOMEWARES

+9.8%

JULY 2018: -11.1%

- ▶ Lifestyle total LFLs increased by +2.2% this month from a base of +0.9% for July last year. The category has now been positive for the last four months. Total LFLs for lifestyle were also positive in each week of the month recording the largest increase in the first week (+4.22%). In contrast, in-store LFLs for lifestyle fell by -3.0% in July from an already poor base of -2.6% last year. The result extends the poor run for in-store LFLs for lifestyle with eighteen consecutive months of no growth.
- ▶ Fashion total LFLs increased by +3.5% this month, from a good base of +4.6% for the same month last year. Total LFLs for fashion have now recorded positive results for thirteen straight months going back to July 2018. In-store LFLs for fashion saw an increase of +1.2% from a base of +1.3% for July last year. The result puts in-store LFLs for fashion back on positive ground for the third time this year ending a three month run of no growth for the category.
- ▶ Homeware total LFLs increased by +9.8% in July, but did not offset a negative base of -11.1% for the same month last year. Total LFLs for homeware have recorded positive results for nine consecutive months. In-store LFLs for homeware increased by +5.8% this month, but from a dismal base of -11.8% last year. Nonetheless, the category has recorded nine straight 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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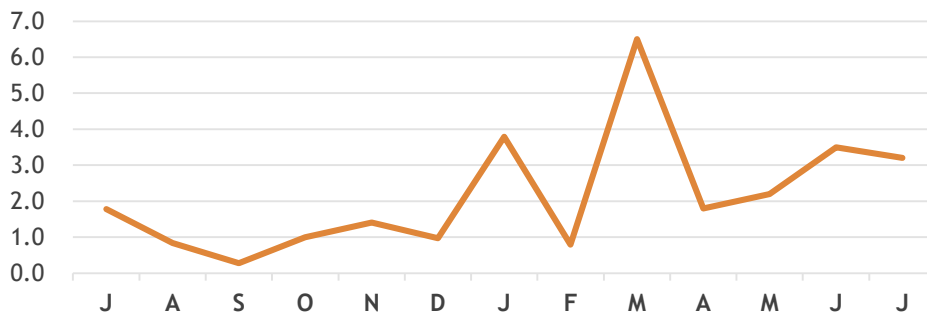
The High Street Sales Tracker outlines weekly like-for-like sales changes of some c85 retailers with c10,000 individual stores across Fashion: accessories, clothing, footwear. Lifestyle: general household goods, gifts, health and beauty, leisure goods. Homewares: cookware, furniture and floor coverings, 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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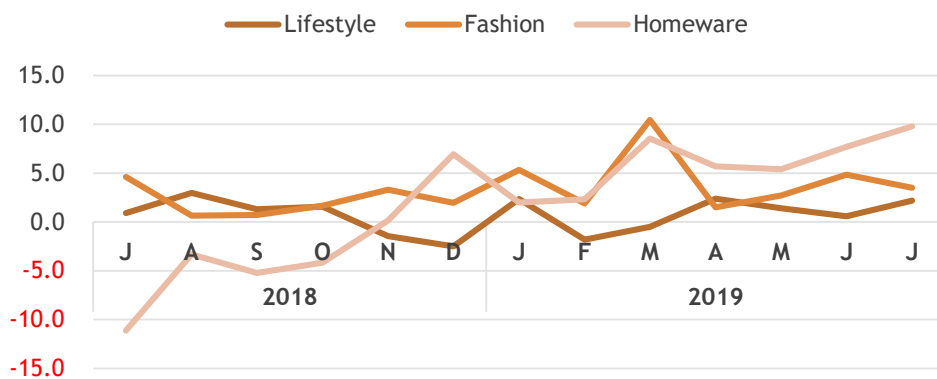
TOTAL LIKE-FOR-LIKE RESULTS FROM 2018-2019

LFL Growth %	Week 1 (we 07/07)	Week 2 (we 14/07)	Week 3 (we 21/07)	Week 4 (we 28/07)	Total July
Lifestyle	4.22	0.82	3.45	0.45	2.2
Fashion	5.94	2.65	1.08	4.42	3.5
Homeware	15.60	15.75	6.70	0.25	9.8
STORE	2.01	0.57	-0.15	-2.17	0.1
NON-STORE	18.67	15.28	30.82	17.78	20.5
TOTAL	6.10	3.02	2.03	3.04	3.2

MONTHLY LIKE-FOR-LIKE RESULTS 2018-2019



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



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