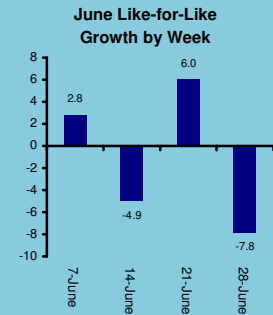


Overview

-0.9%

June 2008: +1.0%



Fashion

-1.1%

June 2008: -0.2%

Non-Fashion

+1.7%

June 2008: -0.3%

Homewares

-5.6%

June 2008: -9.2%

Rollercoaster ride in June

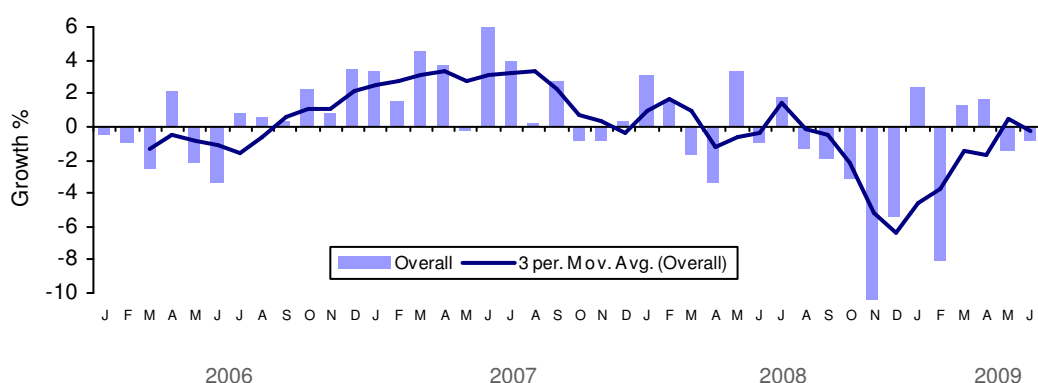
- There was a marginal improvement in trading conditions during June reflecting the start of the summer discounting season and more positive economic news concerning the economy.
- **Overall, like-for-like sales across mid-market retailers decreased by 0.9 per cent compared to last year**, which represents a small improvement on May.
- However, demand was volatile with sales fluctuating widely throughout the month. Trade in most areas was promotion-led, with stores that started summer discounting early generally outperforming those that waited until the last week of the month.
- At the halfway point in the year, trading levels (-0.8 per cent) are well ahead of where we thought they would be in January. However, unemployment is rising sharply and is starting to negatively influence consumer behaviour.
- Rupert Eastell BDO Stoy Hayward Head of Retail and Wholesale said “unemployment concerns and general background noise about the strength of the recovery both mean that consumers continue to be wary. Although there is a sense of stabilisation in these numbers, it is far from clear that we have reached the bottom of the downturn”.
- **Fashion retailers saw takings marginally fall during June, with like-for-like sales down 1.1 per cent.**
- Spending was focused on seasonal summer ranges, with shoppers shying away from making expensive discretionary purchases such as lingerie and footwear.
- **Non-fashion like-for-like sales rose by 1.7 per cent.** Demand was pretty subdued in most categories with only luxury stores reporting consistent growth throughout the month.
- **Despite the weak comparisons, sales continued to retreat with like-for-like sales falling by 5.6 per cent.** Although there was a slight improvement in some areas, such as furniture and textiles, demand remained muted.

The High Street Sales Tracker outlines weekly like-for-like sales changes of some 70 mid-tier retailers with c10,000 individual stores across **Fashion**: accessories, clothing, footwear. **Non-fashion**: general household goods, gifts, health & beauty, leisure goods. **Homewares**: cookware, furniture & floorcoverings, lighting, linen & textiles.

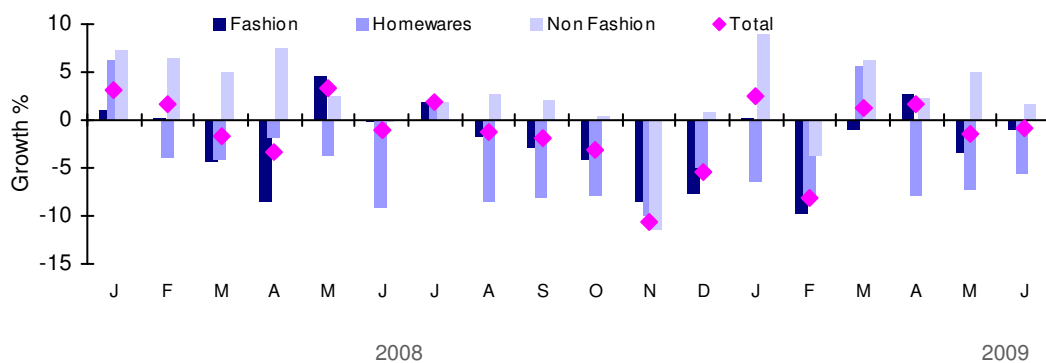
Weekly Like-for-Like Results June 2009

Like-for-like growth %	Wk 1 (w/e 7/6)	Wk 2 (w/e 14/6)	Wk 3 (w/e 21/6)	Wk 4 (w/e 28/6)	Total June
Fashion	4.2	-8.5	8.1	-9.3	-1.1
Non Fashion	2.7	-0.2	7.8	-3.6	1.7
Homewares	-7.9	4.5	-10.2	-8.3	-5.6
Overall	2.8	-4.9	6.0	-7.8	-0.9

Monthly Like-for-Like Results 2006-2009



Monthly Like-for-Like Results by Sector 2008-2009



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