

Week Com'	Electrical				Total
	Fashion	& Tech'	Home	Food (W'rose)	
Value Growth % on Prior Year					
03-Jan	41.0	23.4	27.5	8.8	18.9
10-Jan	4.8	-5.6	-1.2	21.8	12.1
17-Jan	19.0	2.2	15.4	16.6	14.5
24-Jan	21.3	1.1	26.9	15.2	15.4
31-Jan	16.6	14.4	15.7	15.7	15.6
07-Feb	41.8	18.6	34.6	9.0	16.2
14-Feb	17.2	2.9	16.5	9.5	10.5
21-Feb	20.8	3.9	19.4	13.7	14.2
28-Feb	20.0	2.7	20.0	11.7	12.8
07-Mar	20.7	4.8	20.5	12.2	13.5
14-Mar	24.2	8.1	20.2	15.7	16.5
21-Mar	14.7	16.8	19.1	10.1	12.1

	Value			Volume		
	Food	Non Food	All	Food	Non Food	All
Growth % on Prior Year						
Jan	4.8	-1.4	1.6	-1.8	4.0	1.7
Feb	5.5	-8.3	-1.6	-1.9	-3.9	-2.7
Mar	6.8	-3.7	1.4	-0.4	0.1	0.3
Apr	7.2	-2.3	2.3	1.5	1.7	1.9
May	4.0	-7.7	-2.1	-1.2	-4.2	-2.5
June	7.1	-2.1	2.3	3.1	1.8	2.6
July	5.2	-1.0	2.3	2.1	3.6	3.5
Aug	5.4	-2.4	1.4	3.1	0.9	2.5
Sep	4.3	-0.8	2.0	2.6	2.2	3.0
Oct	3.2	2.7	3.2	1.0	5.6	4.0
Nov	2.8	2.8	3.0	1.3	5.4	4.0
Dec	5.2	1.8	3.7	2.8	1.5	2.8
Jan	3.4	1.0	2.6	1.2	0.5	1.3
Feb	1.0	8.2	4.7	-0.5	8.4	5.4

Retail Sales (seasonally adjusted)
 Retail sales to the end of February grew by 4.7% on 2008 values and 5.4% in volume.

- Food Sector growth was 1.0% in value, but volume fell by -0.5%
- Non food grew by a surprising 8.2% in value and 8.4% volume

Whilst surprising, non food growth was most lightly driven by;

- January snow creating a back log of sales into Feb
- Retailers extending "January Sale" promotions into February
- A very poor Feb 2009; non food values fell by 8.3% on the prior year. Hence a soft comparison

At category level the breakdown is;

By value;

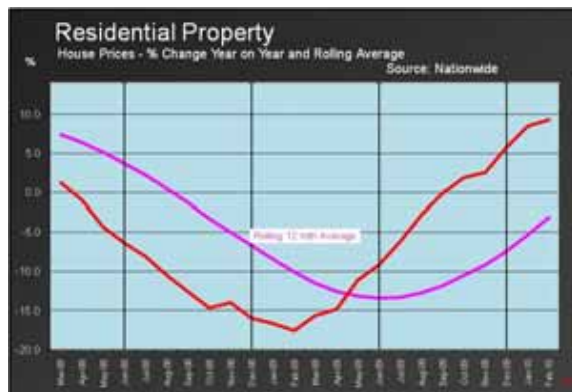
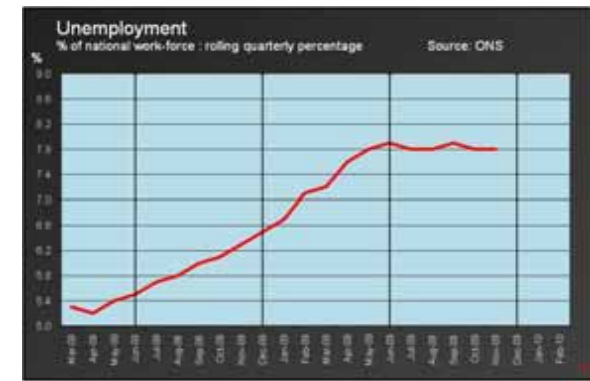
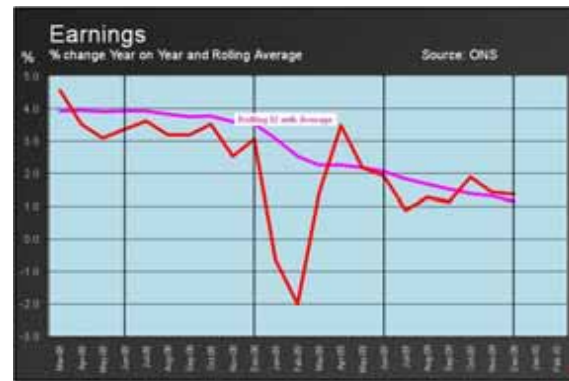
- Other Stores rose by 11.1% (electronics etc)
- Non-specialised stores increased by 9.1% (department store / Argos)
- Textile, clothing & footwear stores rose by 6.5%
- Household goods stores increased by 5.4%

By volume;

- Other Stores rose by 9.7%.
- Non-specialised stores increased by 9.7%.
- Textile, clothing & footwear stores rose by 9.5%
- Household goods stores increased by 4.4%

Source ONS

Footfall
 UK Footfall for February was up 2.9% compared to the same month in 2009. This reversed a twelve month negative trend. This however should be seen in light of February 2009 being down by -2.7% on the prior year, so a soft base to compare with and January 2010 being 7.9% down lower than prior year due to the impact of nationwide snow, so to some extent pent up demand.

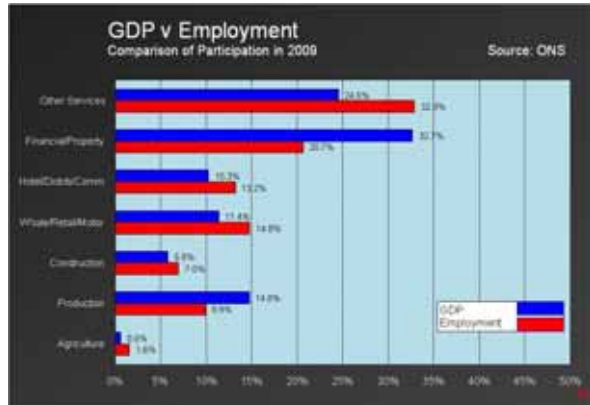
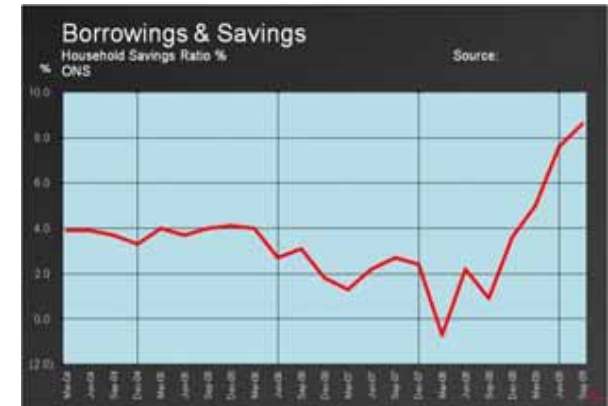
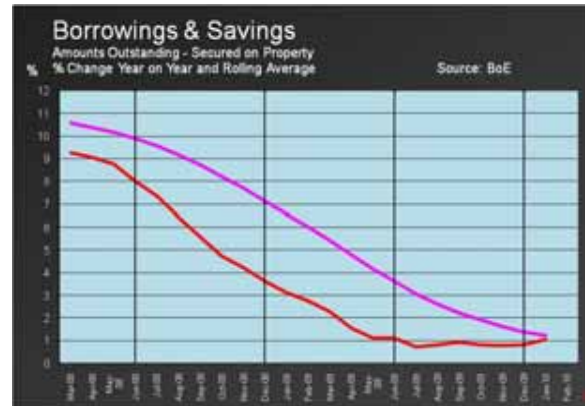
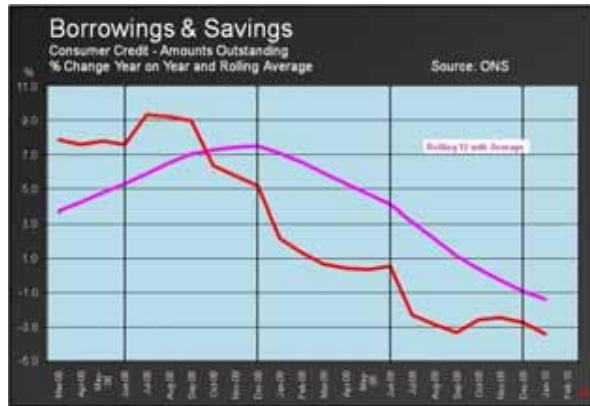


Retail prices
 Annual Retail Price Inflation was 3.7% higher in February, exactly the same as January. Increases are in part due to the mortgage rate falling a year ago when base interest rates fell to 0.5%. There were few marked changes at category level; a slight upward movement in Clothing and Footwear offset by downward trends in Recreation. Source ONS.

Earnings
 December showed a year on year increase of 1.4% the same as in November. The quarter to December was 1.6% higher than same quarter in 2008. The overall increase masks the fact that the rate of increase for the Public Sector is over 3% against less than 0.5% for those in the Private Sector. The index includes all forms of earnings. Source ONS.

Unemployment
 The UK unemployment rate remains at 7.8% of the employable workforce, 2.446m people. This has fallen from a peak of 2.491m. It will inevitably rise when the post Christmas staff reductions enter the numbers. It is worth reflecting that this has increased from January 2005 when the total was 1.444m and 4.8%. Additional there is a rising trend of part time employment at the expense of full time which is falling. Source ONS

Residential Property
 Following the extended period of falling prices (18 months consistently; April 2008 to September 2009) house prices have now risen for five months in a row to February 2010 where they were 9.3% up on prior year. Comparing the average house price to peak level in September 2007 they remain 12.7% lower.

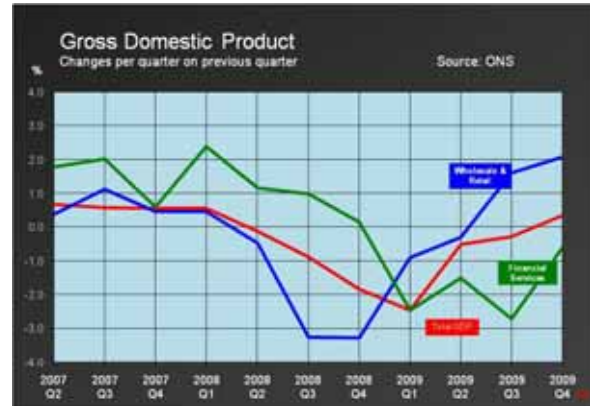


Consumer Credit (non property)
 The amount outstanding in Consumer Credit (unsecured loans and credit cards) continues to fall, for what is now the seventh consecutive month. The total now stands at just under £225bn, having peaked at £237b in September 2008. In the month consumers reduced debt by £3.4b. It is interesting to note the marked change in the trend seen in January 2010 compared to January in prior years;

- January 2008 increase of £6.9bn
- January 2009 increase of £2.2bn
- January 2010 reduction of £3.4bn

Borrowings (secured on property)
 Now totalling £1,237bn, the rate of increase of property secured borrowing continues to slow. Just £1bn higher in January 2010 than a year earlier. The reduction in the rate of increase can be seen clearly by comparing in the last three January increments; 2008 £9.9bn, 2009 £3.1bn, 2010 £1.0bn.

Household Savings
 Historically UK household income exceeds expenditure producing a surplus; the "Household Savings Ratio" which usually tracks at around 4%. This is measured quarterly and after falling from 2006 to 2008 to unusually low levels of 2% and even negative -0.8% in Q1 2008, the ratio has steadily climbed in the last four quarters; 3.6% to 5.0% to 7.6% and 8.6% most recently. A sure sign of a cautionary consumer.



UK GDP
 ONS estimates for 2009 show that the UK economy contracted by -4.7% in the year compared to 2008 and Wholesale/Retail fell within this by -3.4% in the same period. Taking Q4 2009 in isolation the UK total has grown by 0.3% compared to Wholesale/Retail 2.1%.
 As a benchmark this compares to the Financial Sector annual fall of -4.1% and Q4 still negative at -0.6%