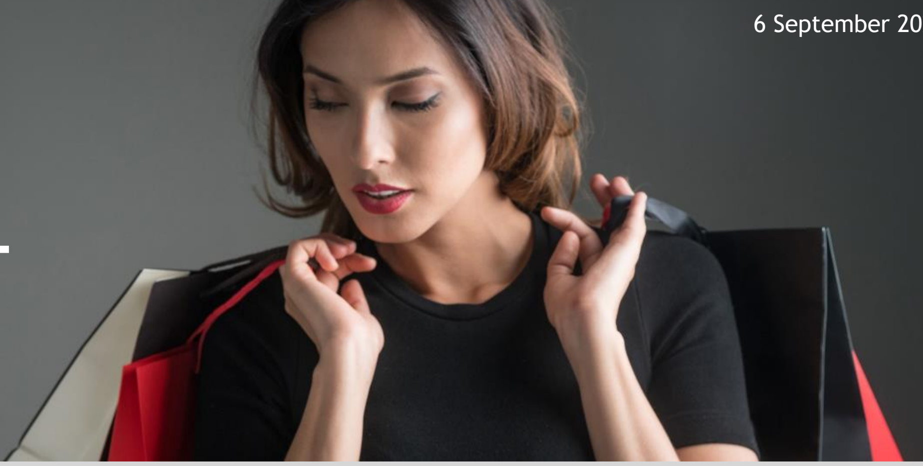
6 September 2024

BDO HIGH STREET TRACKER



August monthly review
Four weeks to 25 August 2024

STORE
-0.7%
August 2023 +9.4%

NON-STORE
+3.1%
August 2023 +2.8%

TOTAL
+0.7%
August 2023 +3.8%

Retail Sales Cool in Mixed British Summertime

- Total like-for-like (LFL) sales ticked up +0.7% in August, from a positive base of +3.8% for August last year. Store sales fell -0.7% from a base of +9.4% for the same month in 2023, while non-store sales were up +3.1% from a base of +2.8% for the same month last year.
- In the first week of August total LFL sales experienced a slight drop of -0.04% from a base of +2.75% for the same week last year, marking the first negative total LFL result outcome since the last week of May this year. In week two, which coincided with the closing week of the Paris Olympic Games, sales rose by +1.23% from a base of +4.72% for the same week last year. In week three, LFL sales were flat, ticking up just +0.31% from a base of +6.71% for the same week last year. In the last week of August, as preparations for children to return to school were well underway, LFL sales grew +1.76% from a base of +3.32% for the same last year.
- Footfall was mixed in August, ticking up in the first and third weeks and negative in the second and final weeks of the month. High street foot traffic was relatively strong in the first week, up +2.5% compared with the same week in 2023. In week three, year-on-year growth was largely driven by retail park footfall, which increased +5.1% year-on-year. Overall, August 2024 did not deliver the sustained summer weather many had hoped for, with the UK experiencing a typical mix of sun, rain, and cooler spells. The month started with some of the warmest temperatures seen all summer, particularly in the south, where temperatures reached up to 30°C. The month has been characterized by a mix of warm and sunny spells interspersed with cooler, wetter periods.
- August's overall result represents the fifth straight positive result this year, and the first since the UK general election.
- While the headline result is positive, the channel and category results betray the overall vulnerability of the UK's retail sector. Store sales fell into negative territory following three months of positive outcomes, pointing to a sector struggling to recover from the cost-of-living crisis whilst negotiating long term structural changes including high interest rates, evolving consumer behaviour, labour market pressures and increased competition.
- The first month of the Starmer premiership brought with it a mixture of welcome and unwelcome economic news. The latest monthly estimate of GDP showed that the UK exhibited no growth in June 2024. On a quarterly basis, however, the UK economy (led by stronger than expected service sector growth) grew by 0.6% in Q2, following growth of 0.7% in the three months to March. According to the ONS, prices (as measured by CPI) rose by 2.2% in the twelve months to July 2024, up from 2.0% in June, driven by electricity and gas price growth. Core inflation remains stubbornly higher than the headline rate, leading the Bank of England to maintain a cautious stance on interest rates, which are currently at 5%, meaning that the pressure of interest rates and prices may curb consumer spending power and appetite. More positively, however, easing food price inflation and discounting has contributed to UK shop prices falling for the first time since October 2021.
- The latest consumer confidence survey data is mixed and suggests consumers are less optimistic about the UK economic outlook overall but are confident of stronger personal financial fortunes in the year ahead.

TOTAL LIKE-FOR-LIKE RESULTS FROM 2023-2024

LFL Growth %	Week 1 (w/e 04/08)	Week 2 (w/e 11/08)	Week 3 (w/e 18/08)	Week 4 (w/e 25/08)	Total August
Lifestyle	-0.53	0.61	7.13	5.20	3.2
Fashion	1.61	2.05	-2.89	-1.55	-0.4
Homeware	-4.67	0.35	-4.23	7.18	-0.5
Store	0.79	-2.17	-0.39	-0.88	-0.7
Non-store	3.46	2.79	1.60	4.74	3.1
Total	-0.04	1.23	0.31	1.76	0.7

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

LIFESTYLE

+3.2%

August 2023: +4.4%

- Lifestyle total LFLs grew by +3.2% from a base of +4.4% for the same month last year.
- In-store LFLs grew by +2.6% from a base of +14.1% for August 2023, while non-store sales were up +3.2%, from a base of -0.9% for the same month last year.
- Driven by strong store sales, which were up +5.32% from a base of 12.76%, week three returned the highest total sales growth for the month, increasing +7.13% from a base of +3.39%.

FASHION

-0.4%

August 2023: +4.3%

- Fashion total LFLs fell by -0.4% from a base of +4.3% for the same month last year.
- In-store LFLs fell by -4.0% from a base of +2.8% for August 2023, while non-store sales were up +3.8%, from a base of +7.2% for the same month last year.
- Week one produced the month’s strongest store fashion sales. Store sales grew +2.40%, but from a base of -4.20%, while non-store sales grew +5.12% from a base of +8.76% for the same week last year.

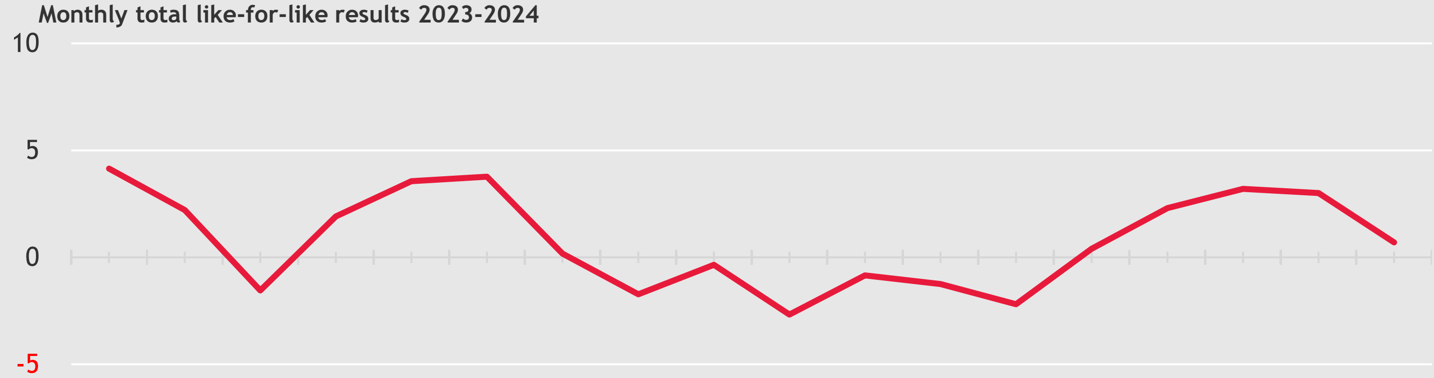
HOMEWARES

-0.5%

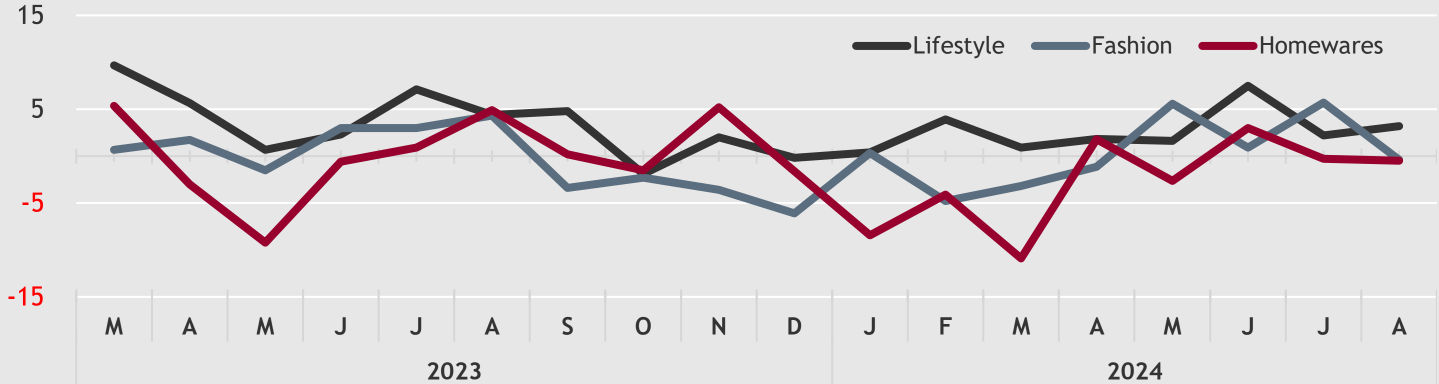
August 2023: +4.9%

- Homewares total LFLs fell by -0.5% from a base of +4.9% for the same month last year.
- In-store LFLs grew by +2.1% from a high base of +16.4% for August 2023, while non-store sales were down -5.4%, from a weak base of -11.1% for the same month last year.
- Week four produced the best homeware LFL sales growth since the penultimate week of June, thanks to strong store sales, which were up +16.20% from a base of +13.43% for the same week in 2024.

Monthly total like-for-like results 2023-2024



Monthly like-for-like results by sector 2022-2024



For more information please contact:

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The High Street Sales Tracker outlines weekly like-for-like sales changes of some 80 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 floor coverings, lighting, linen and textiles. **Non-store:** mail order, online and other non-store channels. Total like-for-likes include store and non-store sales. Any footfall figures quoted are provided by Springboard who are a leading provider of automated visitor counting and retail sales analysis.