

Jersey Retail Sales Q1 2011

Statistics Unit: www.gov.je/statistics

Summary

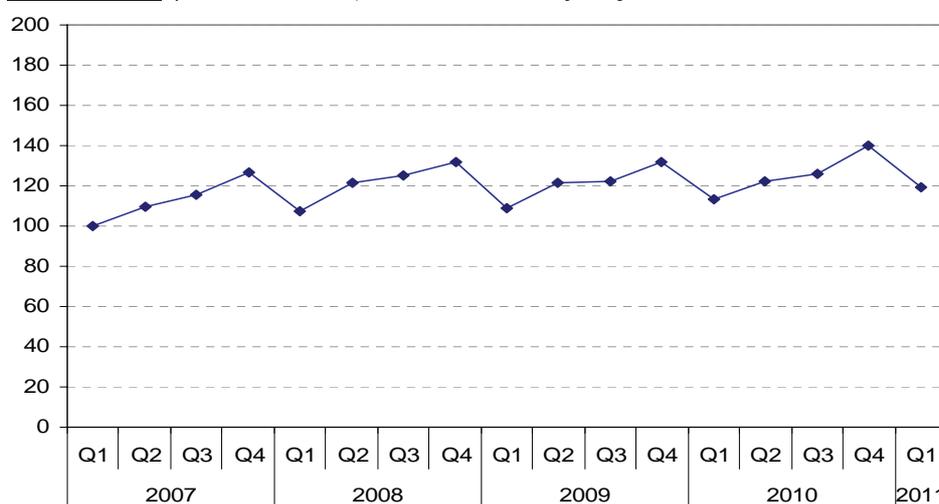
- The seasonally adjusted **volume** of retail sales in Q1 2011 was **5% higher than the same quarter a year previously**;
- this represents the third consecutive quarter in which an increase in the volume of retail sales has been recorded on an annual basis; on a quarterly basis, total volume has increased for each of the last three quarters;
- the total volume in the latest quarter, Q1 2011, was similar to that of almost three years earlier, having declined over the 18-month period from mid-2008 to the end of 2009;
- in Q1 2011 the volume of retail sales:
 - in predominantly **food stores** was **1% higher** than a year earlier;
 - in predominantly **non-food stores** was **7% higher** than a year earlier.

All retailers

Value of retail sales, all retailers

Figure 1 shows the total value of retail sales for the period from 2007 to Q1 2011. The clear seasonality is apparent, with retail turnover tending to be largest in the fourth quarter of each calendar year.

Figure 1 – Total value (Q1 2007 = 100); non-seasonally adjusted

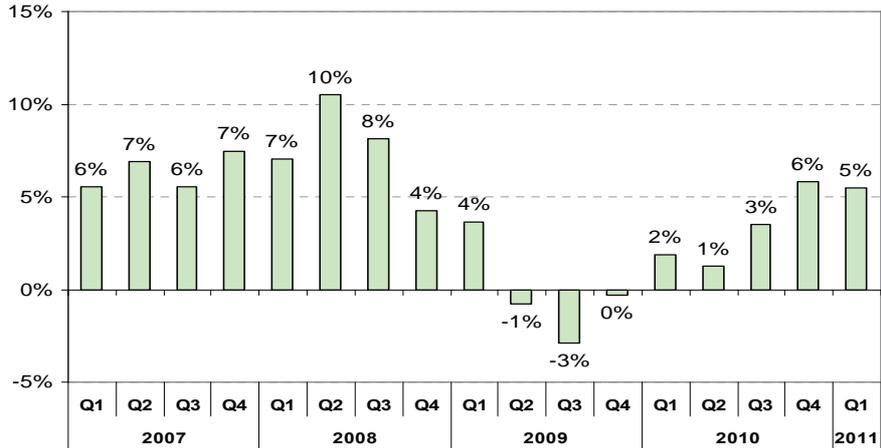


Comparing the same quarter in a given year with that of a year earlier, the period from the start of 2007 to mid-2008 saw growth rates in the total value of retail sales of generally around 6% to 7% (see Figure 2)¹. In contrast, the last three quarters of 2009 saw total value decline on an annual basis.

Since the start of 2010, each quarter has seen an increase in total value on an annual basis, with the most recent quarter, Q1 2011, recording an increase of 5%.

¹ The introduction of a Goods and Services Tax (GST) in Jersey in May 2008, at the rate of 3%, was a factor in the greater increase seen in Q2 2008 and also somewhat masked the underlying lower rates of increase in the last six months of 2008.

Figure 2 – Total Value: annual percentage change ²; *seasonally adjusted*

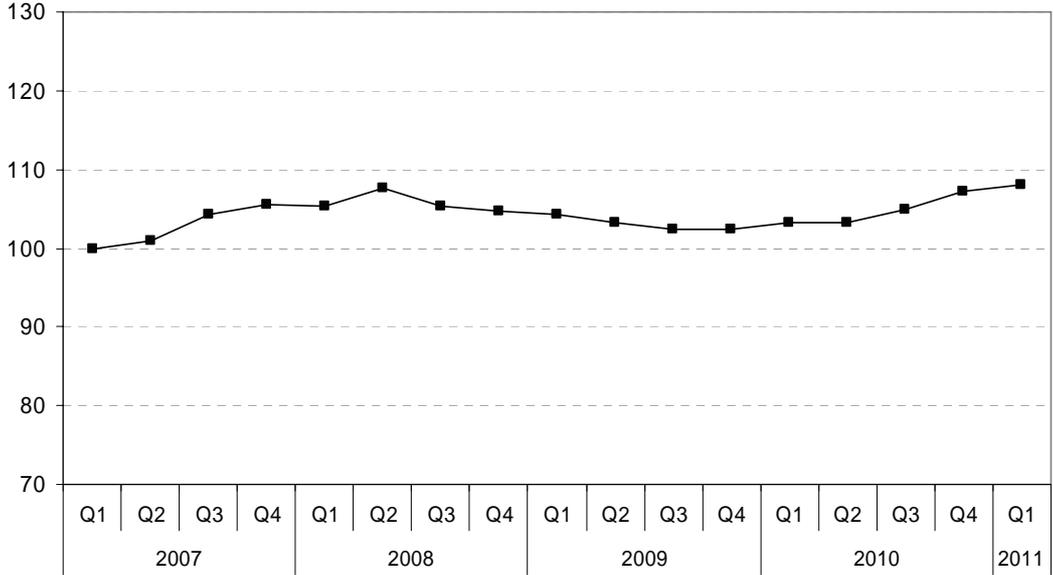


The total value of retail sales in Jersey in 2010, excluding the motor trades (see Notes), was approximately £720 million.

Volume of retail sales, all retailers

The volume index series³ is derived from the value series by use of deflators⁴ which removes the effect of price changes. The seasonally adjusted total volume index, from which seasonal and calendar effects are also removed, is shown in Figure 3a.

Figure 3a – Total Volume; (Q1 2007 = 100); *seasonally adjusted*

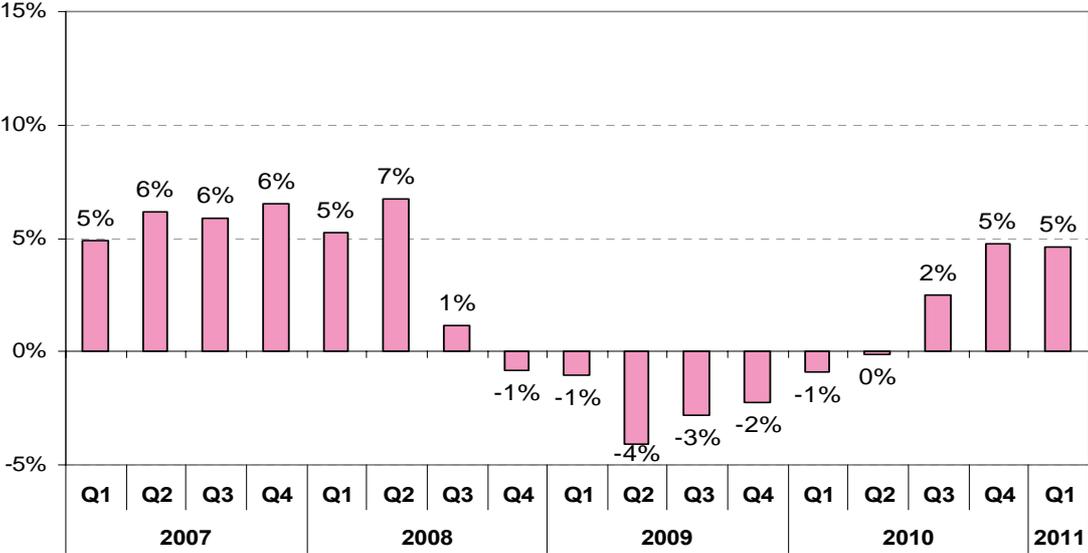


On a quarterly basis, the total volume of retail sales has increased in each of the last three quarters, since Q3 2010 (for index values see Annex Table A1). However, the total volume in the latest quarter, Q1 2011, was similar to that of almost three years earlier, having seen a decline in each quarter over the eighteen month period from mid-2008 to the end of 2009.

² Annual percentage changes shown as labels in figures are rounded to the nearest integer.
³ A volume index is an average of the proportionate changes in the quantities of a specified set of goods between two periods of time.
⁴ The deflators used are a weighted combination of the relevant section level indices of the Retail Prices Index (RPI). Following the recent methodological changes incorporated in the Retail Sales publication produced by the UK Office for National Statistics, the price deflators applied are harmonic means of the corresponding RPI section indices.

Comparing the same quarter with that of a year earlier, the period from early 2007 to mid-2008 saw annual growth rates in the volume of retail sales of around 6% (see Figure 3b).

Figure 3b – Total Volume: annual percentage change; *seasonally adjusted*



For more than a year and a half, from Q4 2008 to Q2 2010, the total volume of retail sales then decreased on an annual basis. The largest such decrease (of -4%) was recorded in Q2 2009, with subsequent quarters over the next twelve months seeing progressively smaller annual falls.

The total volume of retail sales in each of the last three quarters has been higher than the corresponding quarter of a year earlier. The total volume in the latest quarter, Q1 2011, was 5% higher than in Q1 2010.

Sector summaries

The “Predominantly food” sector is comprised of supermarkets, convenience stores and other small food stores. The “Predominantly non-food” sector is comprised of three sub-categories: Household goods; Textiles, clothing and footwear; and Non-food specialised stores. The survey returns within each sub-category were analysed separately and then aggregated to produce value and volume estimates for each sector.

Value of retail sales (seasonally adjusted)

The value of retail sales in predominantly **food** stores has increased throughout the period 2007 to Q1 2011 (see Figure 4a).

Predominantly **non-food stores** recorded strong growth in the value of retail sales throughout 2007 and up to Q3 2008 (Figure 4b). A lower rate of increase was recorded in Q4 2008 and Q1 2009. From Q2 2009 to Q2 2010, however, each quarter recorded a decrease on an annual basis, although the rate of decline slowed from -7% in mid-2009 to -2% in Q2 2010. The last two quarters of 2010 then saw small increases in total value on an annual basis while Q1 2011 saw a larger annual increase of 5%.

Figure 4 – Value of retail sales in predominantly food and non-food stores; annual percentage change; *seasonally adjusted*

Figure 4a - Predominantly food: Annual % change in Value (s.a.)

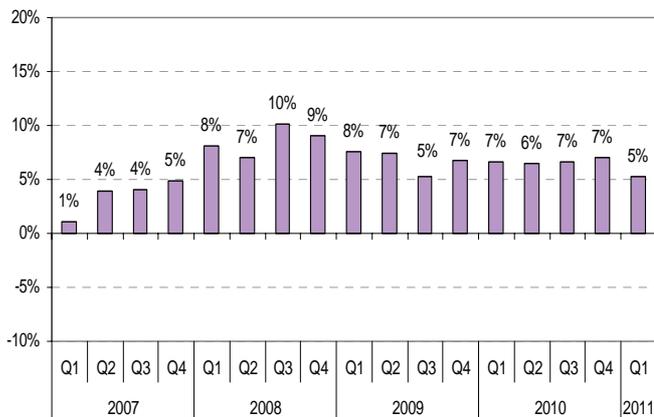
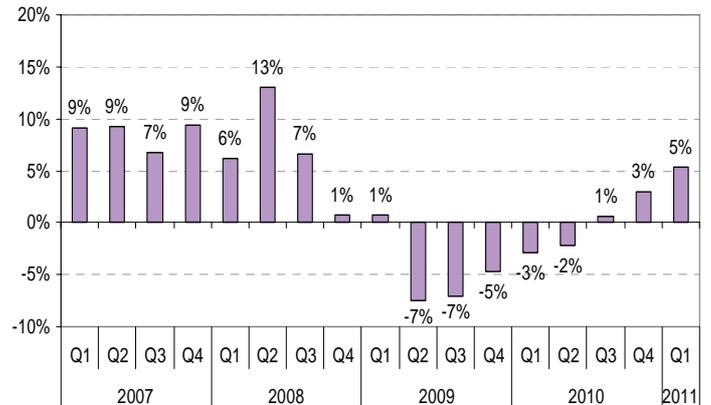


Figure 4b - Predominantly non-food: Annual % change in Value (s.a.)



s.a. = *seasonally adjusted*

Volume of retail sales (seasonally adjusted)

For predominantly **food stores**, the total volume of retail sales in the latest quarter, Q1 2011, was similar to the quarterly average seen throughout 2010 (see Figure 5a and Annex Table A1). On an annual basis, predominantly food stores had seen increases of around 5% in 2010 compared with the corresponding quarters of 2009 (Figure 6a); the latest quarter recorded a smaller increase, of 1%, on an annual basis.

For predominantly **non-food stores**, the two-year period from mid-2008 to mid-2010 saw the volume of retail sales decline by about 11% in total, with almost every quarter in this period recording a decrease on the previous quarter (Figure 5b). Since mid-2010, such stores have seen an increase in volume for three consecutive quarters.

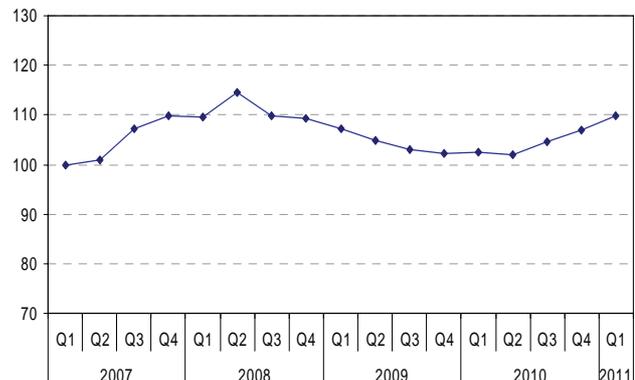
On an annual basis, predominantly non-food stores saw growth of around 10% in 2007 and early 2008 (Figure 6b). Every quarter over the subsequent eighteen months then recorded a decrease in volume on an annual basis. In the latest three quarters, from Q3 2010 to Q1 2011, the volume of retail sales in predominantly non-food stores has increased compared with the corresponding quarter of a year earlier, with Q1 2011 being up by 7%.

Figure 5 –Volume indices of retail sales in predominantly food and non-food stores; *seasonally adjusted*

Figure 5a - Predominantly food: Volume (s.a.; Q1 2007 = 100)



Figure 5b - Predominantly non-food: Volume (s.a.; Q1 2007 = 100)



**Figure 6 – Volume of retail sales in predominantly food and non-food stores;
annual percentage change; *seasonally adjusted***

Figure 6a - Predominantly food: Annual % change in Volume (s.a.)

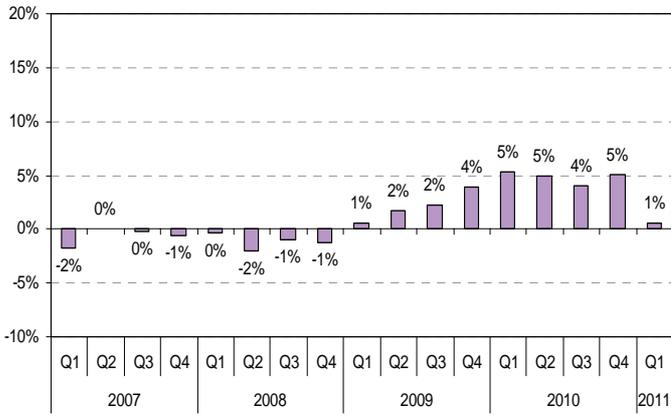
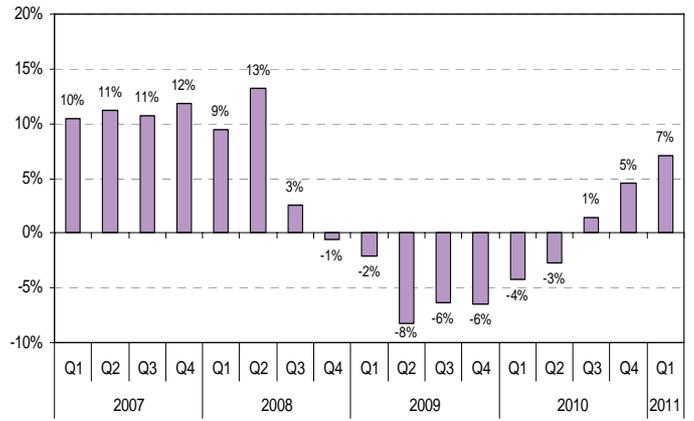


Figure 6b - Predominantly non-food: Annual % change in Volume (s.a.)



s.a. = seasonally adjusted

Statistics Unit
8 June 2011

Appendix

Table A1: Value: Non-seasonally adjusted and seasonally adjusted (Q1 2007 = 100)

Volume: Seasonally adjusted (Q1 2007 = 100)

	Value Non-Seasonally Adjusted			Value Seasonally Adjusted			Volume Seasonally Adjusted		
	All Retail	Predominantly Food	Predominantly Non-Food	All Retail	Predominantly Food	Predominantly Non-Food	All Retail	Predominantly Food	Predominantly Non-Food
Q1 2005	87.6	92.1	84.2	88.0	93.0	84.2	90.1	100.2	82.6
Q2 2005	98.6	102.7	95.6	90.5	95.7	86.7	92.1	101.0	85.5
Q3 2005	101.6	105.1	99.0	90.8	97.3	86.0	91.9	101.3	84.8
Q4 2005	110.0	104.2	114.4	92.8	98.3	88.8	93.3	101.3	87.4
Q1 2006	94.5	98.3	91.6	94.7	98.9	91.6	95.3	101.8	90.5
Q2 2006	102.8	105.4	100.9	94.4	98.5	91.4	95.1	100.7	90.9
Q3 2006	109.8	106.5	112.2	98.2	99.1	97.5	98.4	100.4	96.9
Q4 2006	117.9	105.8	127.0	99.1	99.8	98.5	99.2	100.3	98.3
Q1 2007	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Q2 2007	109.8	109.3	110.2	100.9	102.4	99.9	100.9	100.8	101.0
Q3 2007	115.8	110.4	119.8	103.6	103.0	104.1	104.2	100.2	107.2
Q4 2007	127.0	111.1	138.8	106.4	104.7	107.8	105.6	99.7	109.9
Q1 2008	107.3	108.7	106.2	107.1	108.1	106.3	105.3	99.7	109.5
Q2 2008	121.1	116.4	124.6	111.5	109.6	112.9	107.7	98.8	114.4
Q3 2008	124.9	121.2	127.7	112.0	113.5	111.0	105.4	99.2	110.0
Q4 2008	131.9	120.3	140.5	111.0	114.2	108.6	104.7	98.5	109.3
Q1 2009	109.2	118.6	102.3	111.0	116.3	107.0	104.2	100.3	107.1
Q2 2009	121.3	124.1	119.2	110.7	117.7	104.5	103.3	100.5	105.0
Q3 2009	122.1	128.1	117.6	108.8	119.5	103.2	102.4	101.3	103.0
Q4 2009	132.2	128.2	135.1	110.6	121.9	103.5	102.3	102.4	102.3
Q1 2010	113.0	127.1	102.6	113.0	124.0	103.9	103.3	105.6	102.6
Q2 2010	122.5	132.6	115.0	112.1	125.3	102.2	103.2	105.5	102.1
Q3 2010	125.6	134.4	119.1	112.6	127.3	103.7	104.9	105.5	104.5
Q4 2010(r)	139.7	139.7	139.7	117.0	130.4	106.6	107.2	107.6	107.0
Q1 2011	119.2	132.6	109.3	119.2	130.5	109.5	108.1	106.2	109.8

(r) revised: some estimates for Q4 2010 shown in Table A1 have been revised compared to the previous publication due to the provision of more recent manpower data.

Notes

1. Overview: Sampled businesses for Jersey Retail Sales Survey report total **retail turnover** on a quarterly basis. The main results of the survey are **total value** and **total volume** estimates in **seasonally adjusted** form:

- **value** estimates reflect the total turnover that businesses have recorded in a given quarter.
- **volume** estimates adjust the value estimates to remove the effect of price changes.

2. Retail: "Retail" is defined as the sales of goods to the general public for personal or household consumption, excluding motor trades.

3. Sample: A representative sample of retail businesses are sampled each quarter, stratified by size. The sample is reviewed twice yearly so that new or expanding businesses can be introduced; in this way, the sample remains representative of the retail trade sub-sector in Jersey.

4. Response rate: the response of businesses to the survey in Q1 2011 was 82% and represented coverage, in terms of employment, of almost half (46%) of Jersey's retail sub-sector.

5. Turnover: is defined as the net value of sales for all outlets under the business name within Jersey. Turnover includes all discounted, credit and deferred payments allowed to customers but not allowances for goods taken in part-exchange.

Total turnover includes:

- Turnover from services (e.g. repairs) as well as those from sales
- All charges for credit given as well as cash prices of credit sales
- Retail sales from outlets to all customers off-Island
- Retail sales via the internet
- Sales of mobile phones but excluding rental and mobile phone cards
- Sales against gift tokens, when token is redeemed not the face value of tokens sold
- Sales against money-off promotion coupons.

Total turnover excludes:

- Sales or commission on lottery tickets
- Receipts from credit card sales not made in the specified quarter
- Any health exemption receipts
- Sales of motor vehicles, parts, accessories and petrol
- Sales from catering facilities to customers
- Sales from other businesses trading on premises and any commission received on such sales
- Any non retail activity (e.g. manufacturing).

6. Classification:

a) Predominantly Food – Supermarkets, convenience stores and other stores which sell mainly food, beverages or tobacco;

b) Household goods – furniture, electrical appliances, DIY, gardening tools, floor covering, lighting equipment, haberdashery, crockery

c) Textile, Clothing and Footwear – clothes, shoes, accessories

d) Non-Food Specialised goods – e.g. sports goods, jewellery, craft goods, photographic, music, books, newspapers, office supplies, children's toys, second-hand goods, chemists, health goods, flowers, seeds, fertilizer, pets, medical goods, audio visual/home computing equipment, mobile phones, optical and precision equipment.

7. Methodology:

- Retail turnover for each sub-sector is calculated from the respondent businesses. A ratio estimator approach is applied to estimate the total retail turnover separately for each sub-sector, using the appropriate full-time equivalent (FTE) employment data compiled by the Jersey Manpower Survey;
- Volume data for each sub-sector are derived from value data using price deflators which are base-weighted harmonic means of the corresponding section level indices of the Retail Prices Index;
- Seasonal adjustment is conducted using the Eurostat Demetra software package.
- The revision of seasonally adjusted series is based on that of the UK Office of National Statistics revision policy for the Retail Sales Index.