

Summary

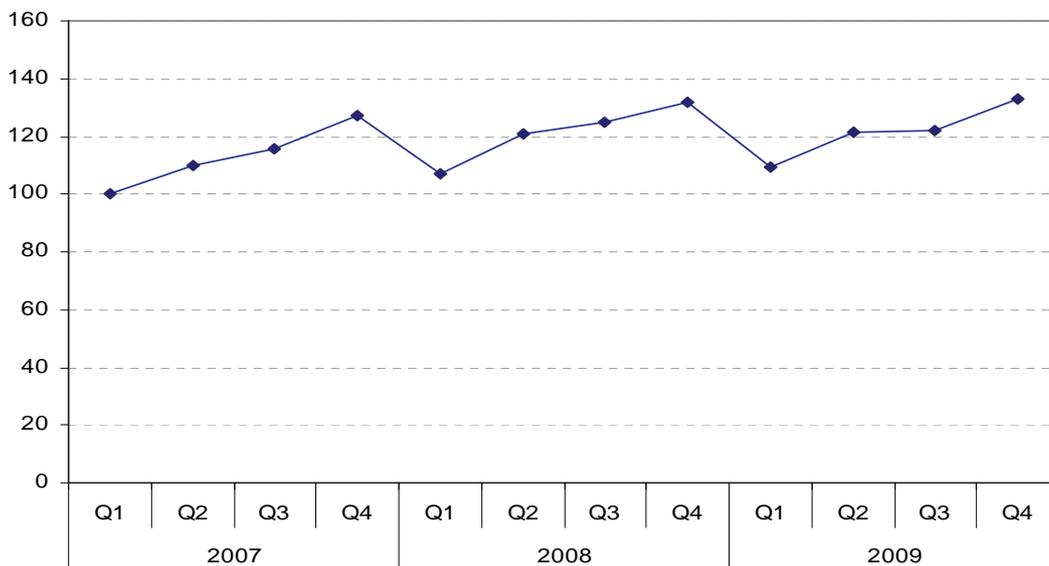
- The seasonally adjusted **volume of retail sales in Q4 2009 was 2% lower** than in the same quarter of 2008;
- Q4 2009 represents the fifth successive quarter that the total volume of retail sales has fallen on an annual basis;
- The volume of retail sales in predominantly **non-food stores** in Q4 2009 was **6% lower** than in the corresponding quarter of 2008;
- On a quarterly basis, the volume of retail sales in non-food stores has declined for six successive quarters;
- The volume of retail sales in predominantly **food stores** in Q4 2009 was **3% higher** than in the corresponding quarter of 2008.

All retailers

Value of retail sales, all retailers

Figure 1 shows the total value of retail sales for the period from 2007 to Q4 2009. The marked 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*

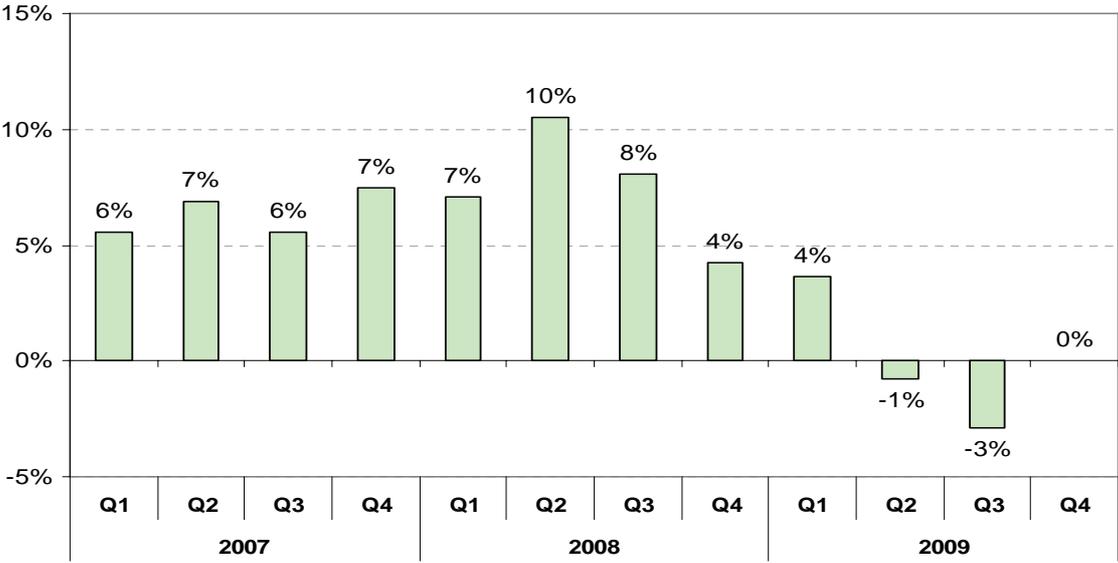


Comparing the same quarter in a given year with that of a year earlier, the period from the start of 2007 to mid-2008 saw growth rates in the total value of retail sales of generally around 6% to 7% (see Figure 2) ¹. The second quarter of 2009 saw total value decline on an annual basis (by -1%) whilst the third quarter of 2009 saw a still larger decline of -3%.

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.

The total value of retail sales in the latest quarter, Q4 2009, was essentially the same as that recorded a year earlier.

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

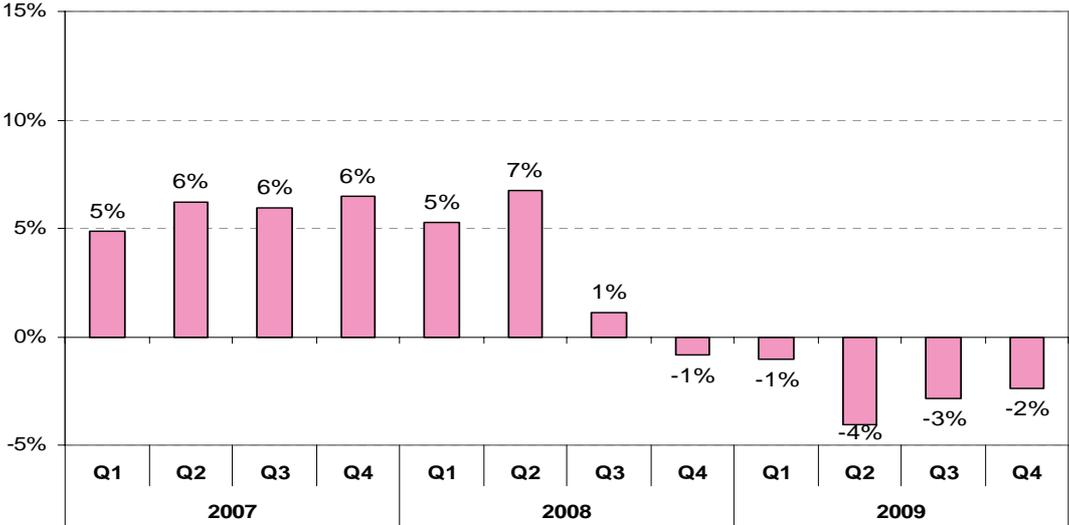


The total value of retail sales in Jersey in calendar year 2009, excluding the motor trades (see Notes), was approximately £700 million.

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. 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 3).

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



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.

The third quarter of 2008 represented a turning point in the rate of growth of volume, recording an annual increase of only 1%. Subsequent quarters have seen decreases on an annual basis, with the total volume for the latest quarter being 2% lower than that of a year earlier.

On a calendar year basis, the total volume of retail sales in 2009 was 3% lower than that in 2008.

On a quarterly basis (see index series in Appendix Table A2), the total volume of retail sales in Q4 2009 was 0.2% lower than in Q3 2009, representing the smallest quarterly decrease since mid-2008.

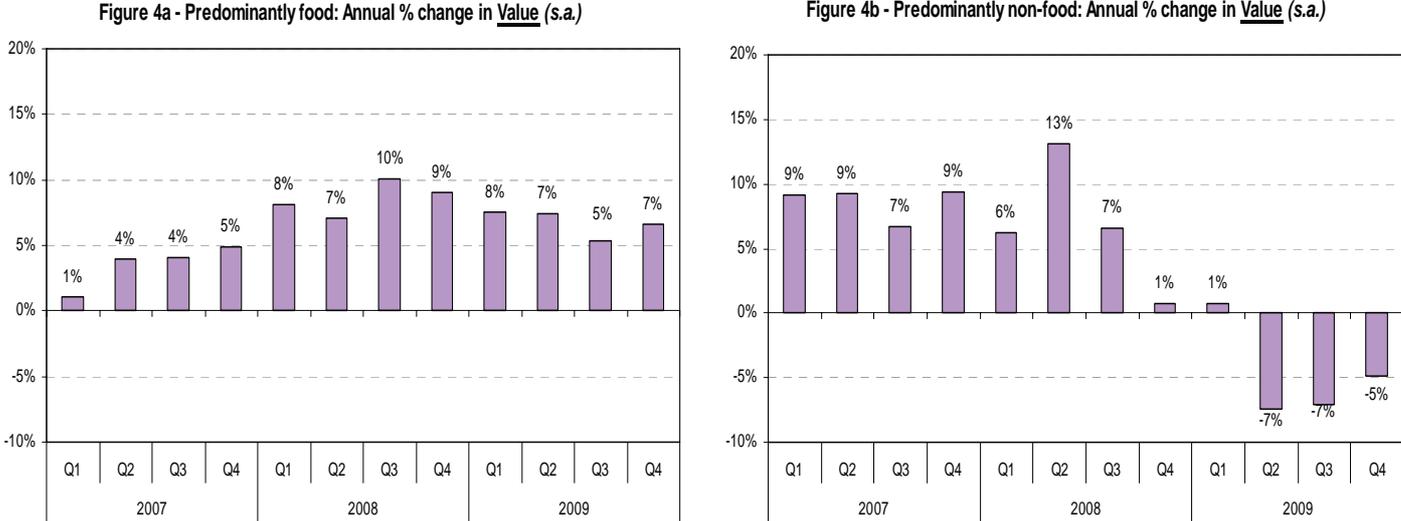
Sector summaries

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** increased throughout the period 2007 to 2009; the value recorded in Q4 2009 was 7% higher than in Q4 2008 (see Figure 4a).

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



s.a. = seasonally adjusted

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 (both up by 1% on an annual basis). Since Q2 2009, however, each quarter has recorded a decrease on an annual basis, with the latest down by 5%.

Volume of retail sales (seasonally adjusted)

For predominantly **food stores**, the total volume of retail sales saw small declines on an annual basis over the two-year period 2007 to 2008 (Figure 6a). In contrast, every quarter of 2009 has seen an increase in volume, with the last quarter being 3% higher than the same quarter a year previously. The total volume of retail sales in predominantly food stores in 2009 was 2% higher than in 2008.

For predominantly **non-food stores**, the period from early 2007 to mid-2008 saw annual growth in the volume of retail sales of around 10% (Figure 6b). The third quarter of 2008 represented a turning point in the retail sales volume of such stores, with Q3 2008 seeing a lower annual rate of increase (3%). The last five quarters (Q4 2008 to Q4 2009) have recorded decreases in volume, both on an annual and a quarterly basis, Q4 2009 being 6% down on an annual basis and 1% down on Q3 2009. Over calendar year 2009, the volume of retail sales in predominantly non-food stores was 6% lower than in 2008.

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)

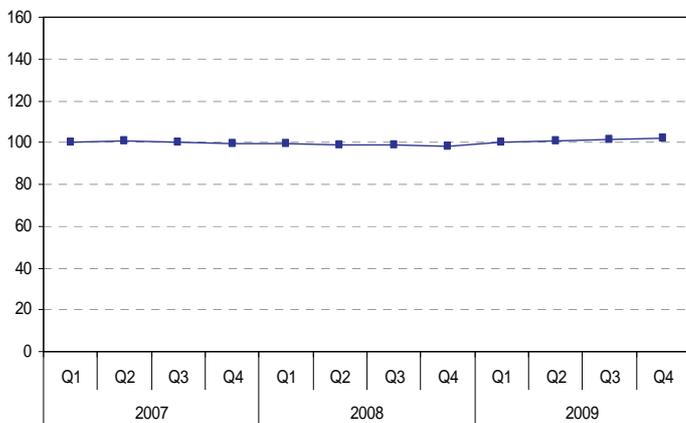


Figure 5b - Predominantly non-food: Volume (s.a.; Q1 2007 = 100)

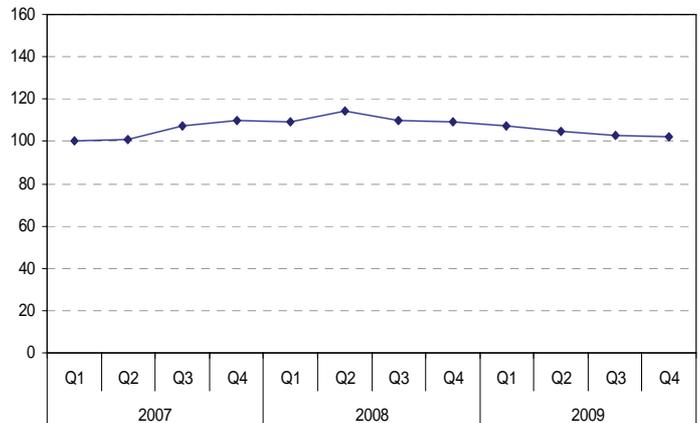


Figure 6 – Volume of retail sales in predominantly food and non-food stores; annual percentage change; *seasonally adjusted*

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

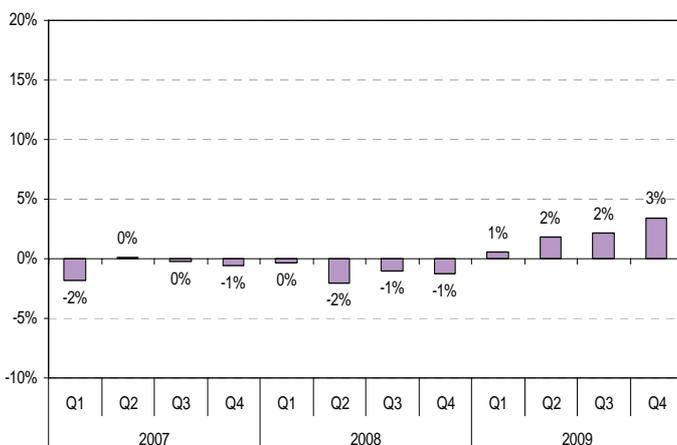
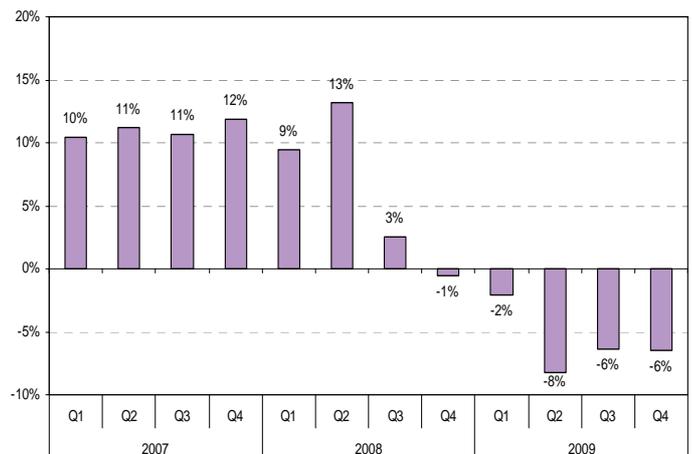


Figure 6b - Predominantly non-food: Annual %change in Volume (s.a.)



s.a. = *seasonally adjusted*

Appendix

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

	Non-Seasonally Adjusted			Seasonally Adjusted		
	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
Q2 2005	98.6	102.7	95.6	90.5	95.7	86.7
Q3 2005	101.6	105.1	99.0	90.8	97.3	86.0
Q4 2007	110.0	104.2	114.4	92.8	98.3	88.8
Q1 2006	94.5	98.3	91.6	94.7	98.9	91.6
Q2 2006	102.8	105.4	100.9	94.4	98.5	91.4
Q3 2006	109.8	106.5	112.2	98.2	99.1	97.5
Q4 2006	117.9	105.8	127.0	99.1	99.8	98.5
Q1 2007	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
Q3 2007	115.8	110.4	119.8	103.6	103.0	104.1
Q4 2007	127.0	111.1	138.8	106.4	104.7	107.8
Q1 2008	107.3	108.7	106.2	107.1	108.1	106.3
Q2 2008	121.1	116.4	124.6	111.5	109.6	112.9
Q3 2008	124.9	121.2	127.7	112.0	113.5	111.0
Q4 2008	131.9	120.3	140.5	111.0	114.2	108.6
Q1 2009	109.2	118.6	102.3	111.0	116.3	107.0
Q2 2009	121.3	124.1	119.2	110.7	117.7	104.5
Q3 2009 (r)	122.1	128.1	117.6	108.8	119.5	103.2
Q4 2009	133.1	128.1	136.8	111.0	121.7	103.3

Table A2: Volume: Seasonally Adjusted (Q1 2007 = 100)

	All Retail	Predominantly Food	Predominantly Non-Food
Q1 2005	90.1	100.2	82.6
Q2 2005	92.1	101.0	85.5
Q3 2005	91.9	101.3	84.8
Q4 2007	93.3	101.3	87.4
Q1 2006	95.3	101.8	90.5
Q2 2006	95.1	100.7	90.9
Q3 2006	98.4	100.4	96.9
Q4 2006	99.2	100.3	98.3
Q1 2007	100.0	100.0	100.0
Q2 2007	100.9	100.8	101.0
Q3 2007	104.2	100.2	107.2
Q4 2007	105.6	99.7	109.9
Q1 2008	105.3	99.7	109.5
Q2 2008	107.7	98.8	114.4
Q3 2008	105.4	99.2	110.0
Q4 2008	104.7	98.5	109.3
Q1 2009	104.2	100.3	107.1
Q2 2009	103.3	100.5	105.0
Q3 2009 (r)	102.4	101.3	103.0
Q4 2009	102.2	101.8	102.3

(r) revised: some estimates for Q3 2009 shown in Tables A1 and A2 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 Q4 2009 was 72% and represented coverage, in terms of employment, of almost half (51%) 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.