

Jersey Retail Sales Q1 2010

Statistics Unit: www.gov.je/statistics



Summary

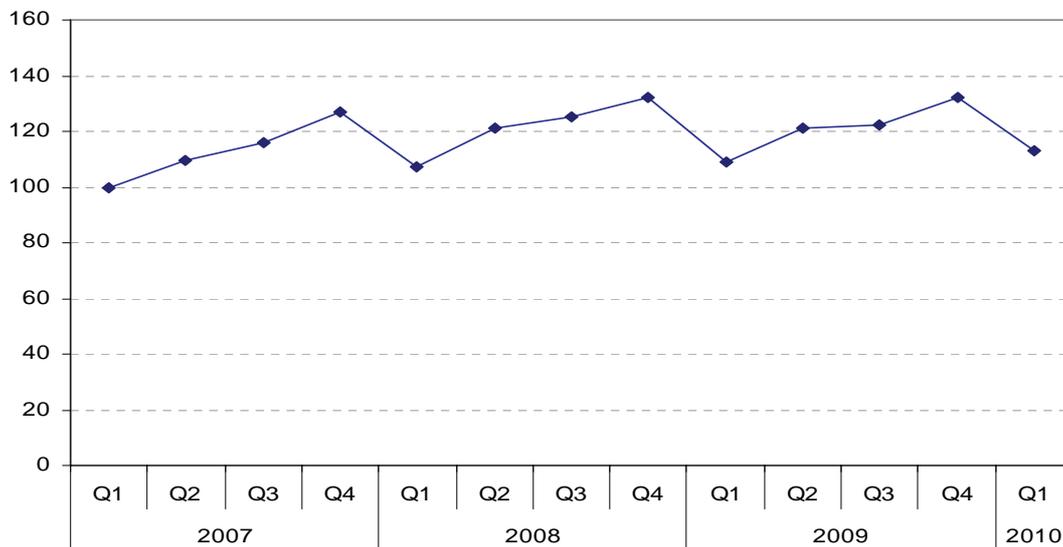
- The seasonally adjusted **volume of retail sales in Q1 2010 was 1% lower** than in the same quarter of 2009;
- Q1 2010 represents the sixth successive quarter that the total volume of retail sales has fallen on an annual basis;
- The volume of retail sales in predominantly **food stores** in Q1 2010:
 - was **3% higher** than in the corresponding quarter of 2009;
 - on a quarterly basis has increased for five consecutive quarters;
- The volume of retail sales in predominantly **non-food stores** in Q1 2010:
 - was **5% lower** than in Q1 2009, representing the smallest annual rate of decrease for four quarters;
 - on a quarterly basis saw the lowest decrease for almost two years.

All retailers

Value of retail sales, all retailers

Figure 1 shows the total value of retail sales for the period from 2007 to Q1 2010. 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*

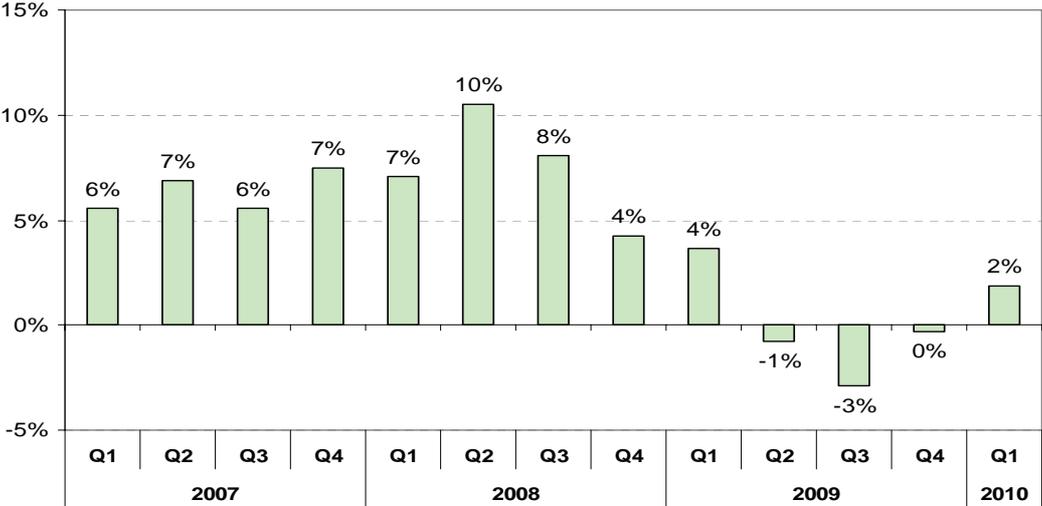


Comparing the same quarter in a given year with that of a year earlier, the period from the start of 2007 to mid-2008 saw growth rates in the total value of retail sales of generally around 6% to 7% (see Figure 2)¹. The last three quarters of 2009 saw total value decline on an annual basis, with the third quarter of 2009 seeing the largest decline at -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 first quarter of 2010 saw an annual increase in total value of 2%, the first annual increase since Q1 2009.

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

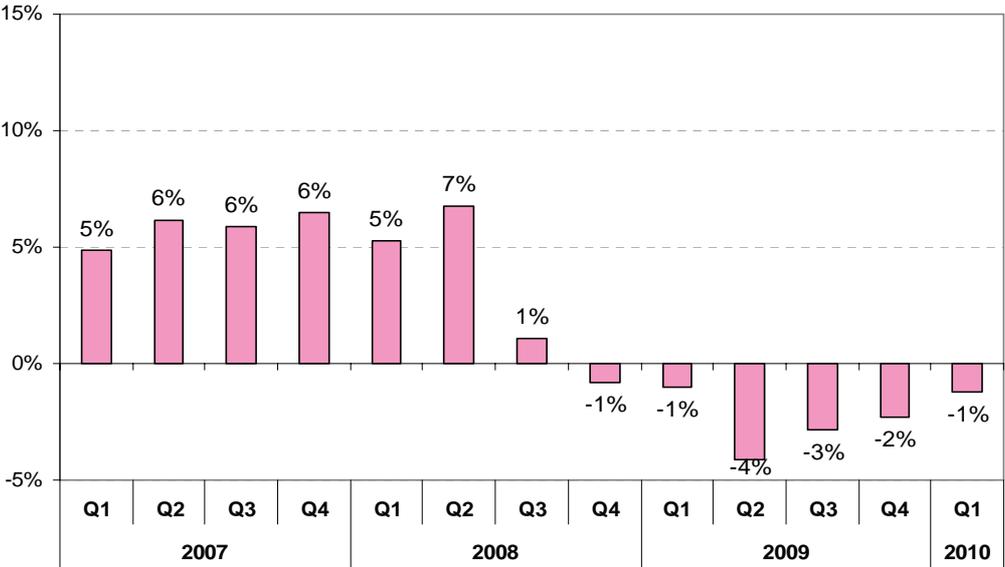


The total value of retail sales in Jersey in calendar year 2009, excluding the motor trades (see Notes), was approximately £700 million.

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.

Since the third quarter of 2008 the total volume has decreased on an annual basis with Q2 2009 recording the largest decrease of -4%. Subsequent quarters have seen annual decreases of smaller magnitudes, the total volume for the latest quarter being 1% lower than that of a year earlier.

On a quarterly basis (see index series in Appendix Table A2), the total volume of retail sales in Q1 2010 was 1% higher than in Q4 2009, representing the first quarterly increase since mid-2008.

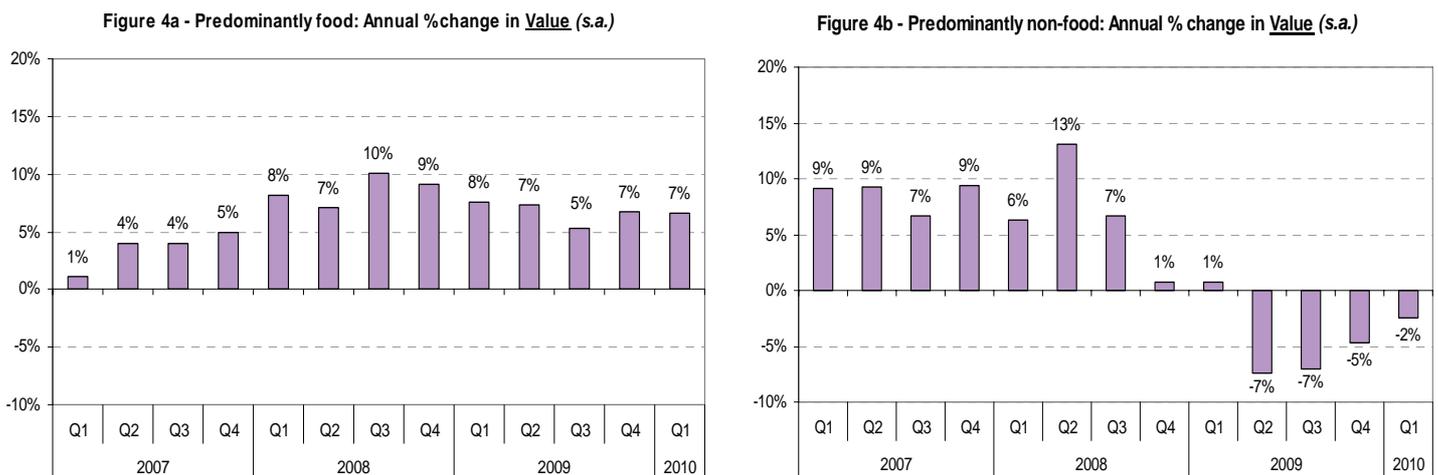
Sector summaries

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 2010; the value recorded in Q1 2010 was 7% higher than in Q1 2009 (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, each quarter has recorded a decrease on an annual basis. However, the rate of decline has slowed, from -7% in Q2 and Q3 2009 to -2% in Q1 2010.

Volume of retail sales (seasonally adjusted)

For predominantly **food stores**, the total volume of retail sales saw small increases on an annual basis throughout 2009 (Figure 6a). The latest quarter Q1 2010 is up 3% on an annual basis. On a quarterly basis, the total volume of retail sales in predominantly food stores has increased for five consecutive quarters.

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). Since then the last six quarters (from Q4 2008 to Q1 2010) have recorded decreases in volume, both on an annual and a quarterly basis. However, the rate of decline has slowed most recently, from an annual rate of -8% in Q2 2009 to -5% in Q1 2010, whilst the quarterly decrease recorded in Q1 2010 was the smallest such decrease for almost two years.

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)

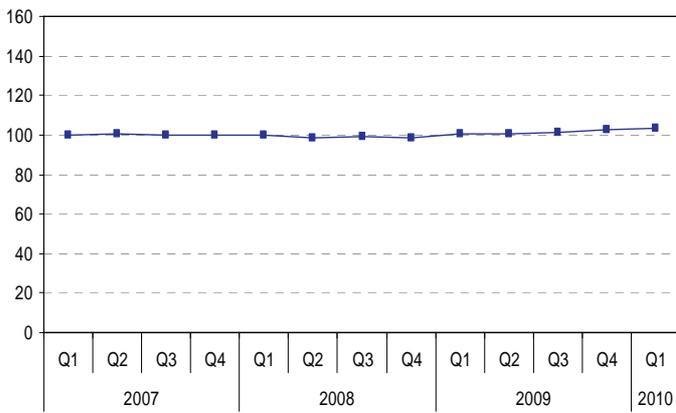


Figure 5b - Predominantly non-food: Volume (s.a.; Q1 2007 = 100)

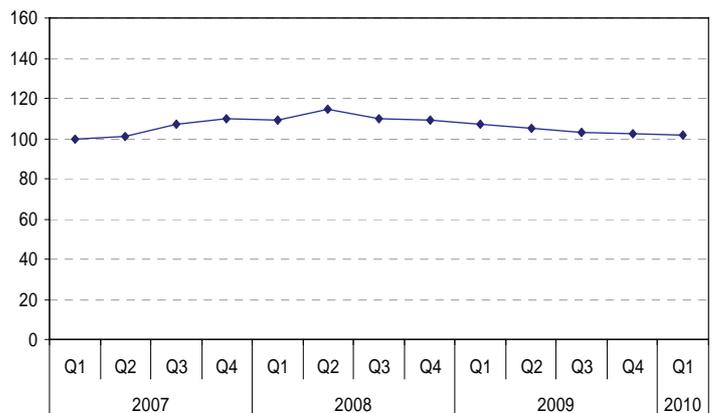


Figure 6 – Volume of retail sales in predominantly food and non-food stores; annual percentage change; seasonally adjusted

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

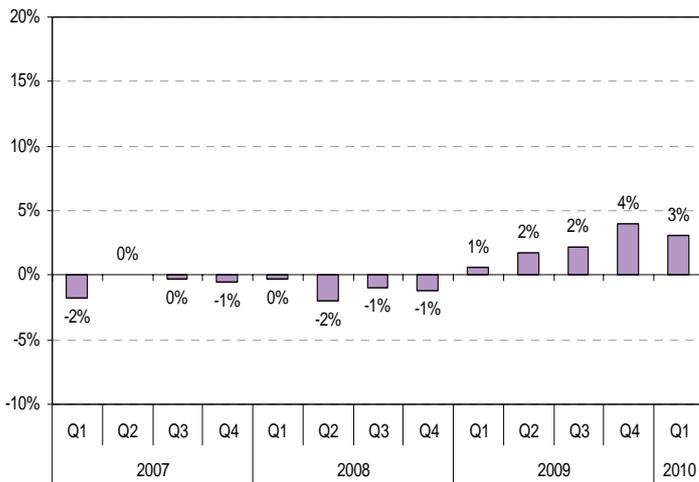
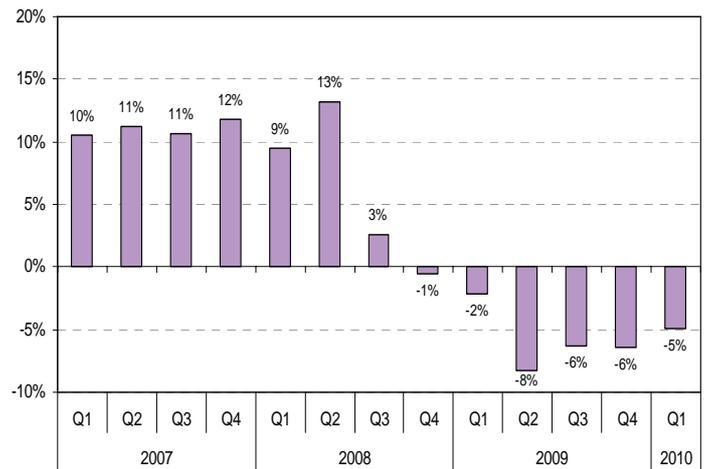


Figure 6b - Predominantly non-food: Annual % change in Volume (s.a.)



s.a. = seasonally adjusted

Statistics Unit
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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 2005	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	122.1	128.1	117.6	108.8	119.5	103.2
Q4 2009 (r)	132.2	128.2	135.1	110.6	121.9	103.5
Q1 2010	113.0	127.1	102.6	113.1	124.0	104.4

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 2005	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	102.4	101.3	103.0
Q4 2009 (r)	102.3	102.4	102.3
Q1 2010	102.9	103.4	101.8

(r) revised: some estimates for Q4 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 Q1 2010 was 67% and represented coverage, in terms of employment, of more than half (52%) 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.