

Summary

On an annual basis:

- the **seasonally adjusted total volume** of retail sales in Jersey in Q4 2013 was **2% lower** than in the corresponding quarter of 2012;
- the predominantly **food** sector recorded a decrease in volume of retail sales of 3% on an annual basis;
- the predominantly **non-food** sector recorded a volume of retail sales that was at essentially the same level as in the corresponding quarter of 2012, but was about a sixth (16%) lower than the peak recorded in early 2008.

On a quarterly basis:

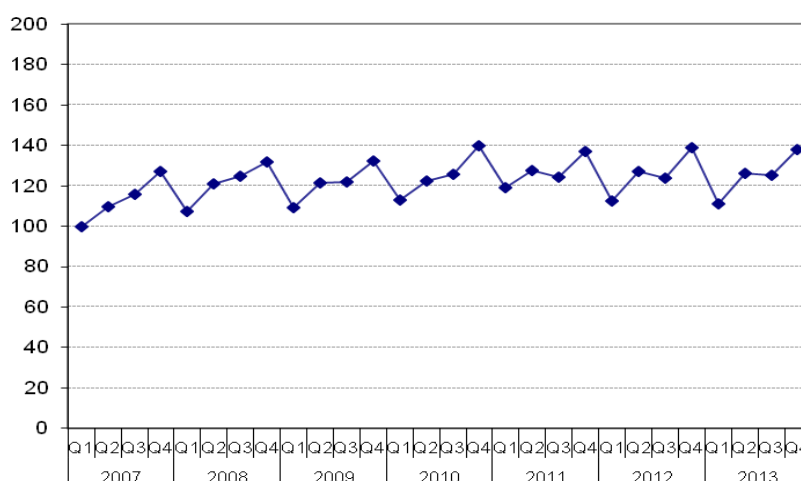
- the seasonally adjusted **total volume** of retail sales in Q4 2013 was 1% lower than in the previous quarter (Q3 2013);
- the volumes of retail sales in both the predominantly **food** and **non-food** sectors were 1% lower than in the previous quarter.

All retailers

Value of retail sales, all retailers

Figure 1 shows the total value of retail sales for the period from 2007 to 2013. The clear seasonality is apparent, with retail turnover tending to be largest in the fourth quarter of each calendar year.

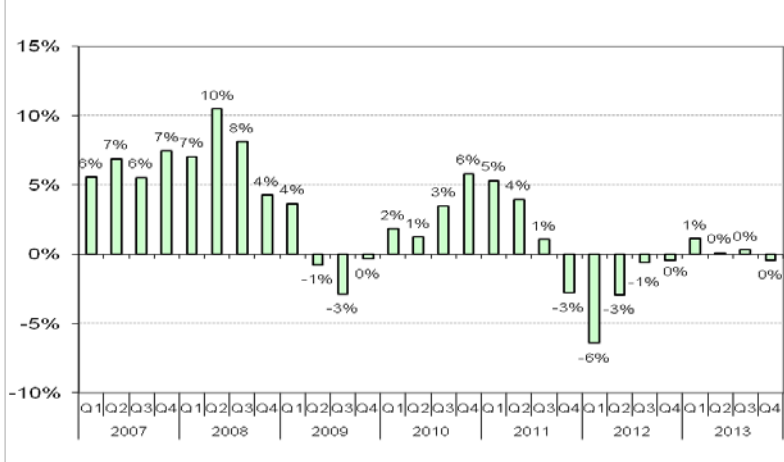
Figure 1 – Total value (Q1 2007 = 100); *non-seasonally adjusted*



Comparing the same quarter in a given year with that of a year earlier (Figure 2) shows that each of the last six quarters (since Q3 2012) has seen the total value of retail sales being essentially flat on an annual basis, with annual percentage changes of between $\pm 1\%$.

The total value of retail sales in Jersey in calendar year 2013 (excluding the motor trades - see Notes) was approximately £710 million.

Figure 2 – Total Value: annual percentage change ¹; *seasonally adjusted*

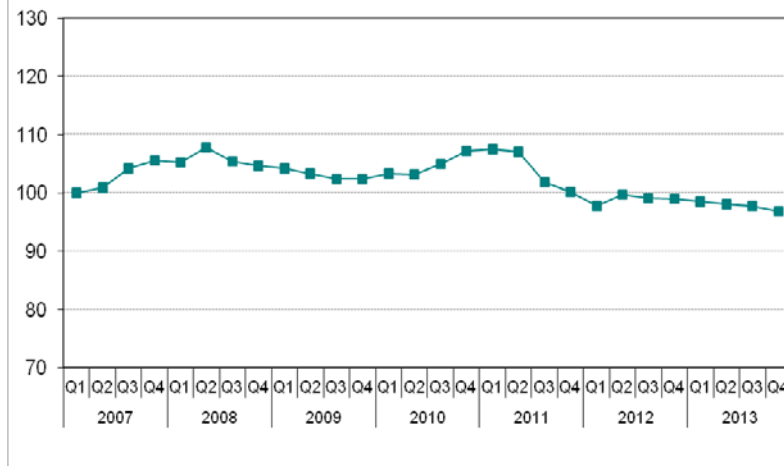


On a quarterly basis, the seasonally adjusted total value of retail sales has been essentially flat (to within $\pm 1\%$) for the last eighteen months, since Q2 2012 (see Annex Table A1).

Volume of retail sales, all retailers

The volume index series² is derived from the value series by use of deflators³ which remove 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*

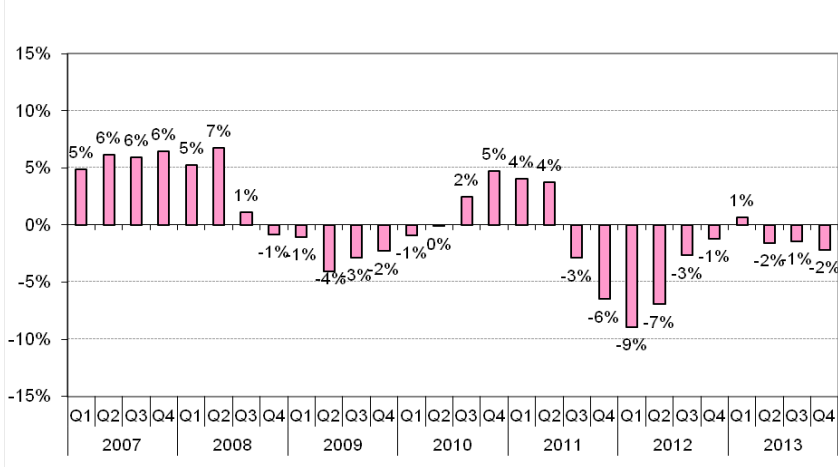


On a quarterly basis, the seasonally adjusted total volume of retail sales has seen a marginally downward trend during the last eighteen months, since Q2 2012 (see Figure 3a). The total volume of retail sales in the latest quarter (Q4 2013) was 1% lower than in the previous quarter (Q3 2013).

¹ Annual percentage changes shown as labels in figures are rounded to the nearest integer.
² A volume index is an average of the proportionate changes in the quantities of a specified set of goods between two periods of time.
³ 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.

On an annual basis, the total volume of retail sales in the latest quarter, Q4 2013, was 2% lower than in the corresponding quarter of 2012 (see Figure 3b).

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



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 are analysed separately and then aggregated to produce value and volume estimates for each sector.

Value of retail sales (seasonally adjusted)

The total value of retail sales in predominantly **food** stores saw annual rates of increase of between 3% and 10% during the four-year period from mid-2007 to mid-2011; since then, the annual rates of increase have been smaller (see Figure 4a). The most recent quarter, Q4 2013, saw the total value of retail sales in predominantly food stores at essentially the same level as a year earlier, Q4 2012.

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.)

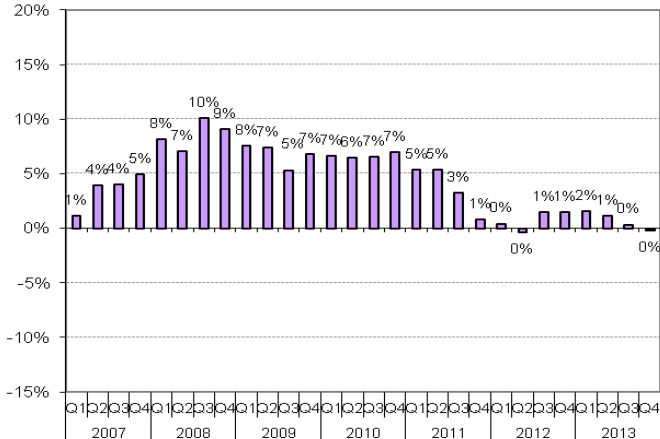
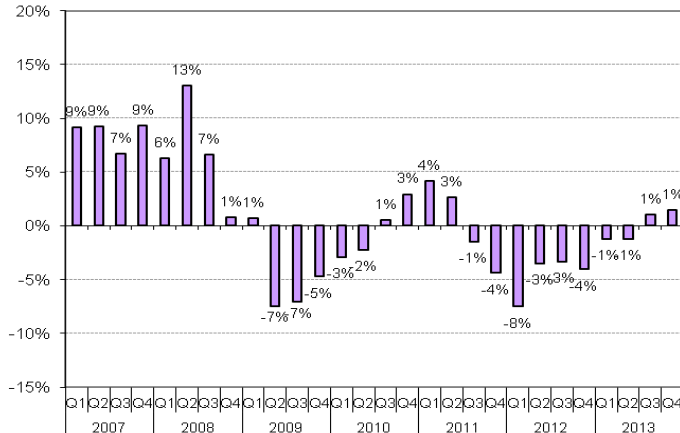


Figure 4b - Predominantly non-food: Annual % change in Value (s.a.)



s.a. = seasonally adjusted

After declining on an annual basis from mid-2011 to mid-2013, the predominantly **non-food** sector saw small increases in total value on an annual basis in each of the last two quarters of 2013 (see Figure 4b).

Volume of retail sales (seasonally adjusted)

On a quarterly basis, the total volume of retail sales in predominantly **food** stores in Q4 2013 was 1% lower than in the previous quarter, Q3 2013 - see Figure 5a and Appendix Table A1.

On an annual basis, the total volume of retail sales in predominantly **food** stores was 3% lower than in the corresponding quarter of 2012 (see Figure 6a).

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)

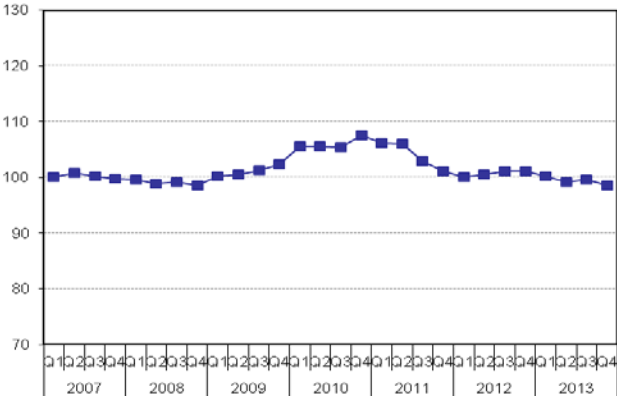
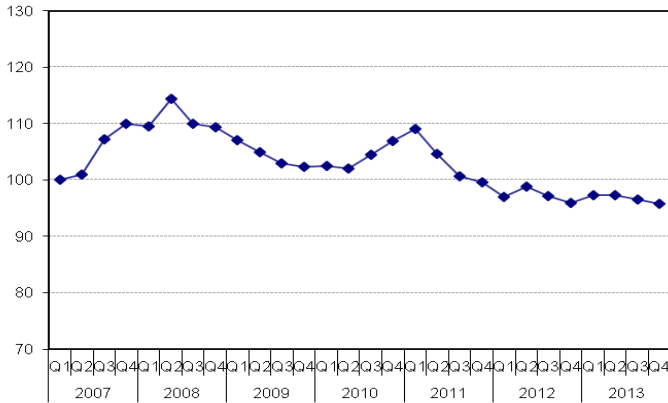


Figure 5b - Predominantly non-food: Volume (s.a.; Q1 2007 = 100)



On a quarterly basis, the total volume of retail sales in predominantly **non-food** stores in Q4 2013 was 1% lower than in Q3 2013 (see Figure 5b).

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.)

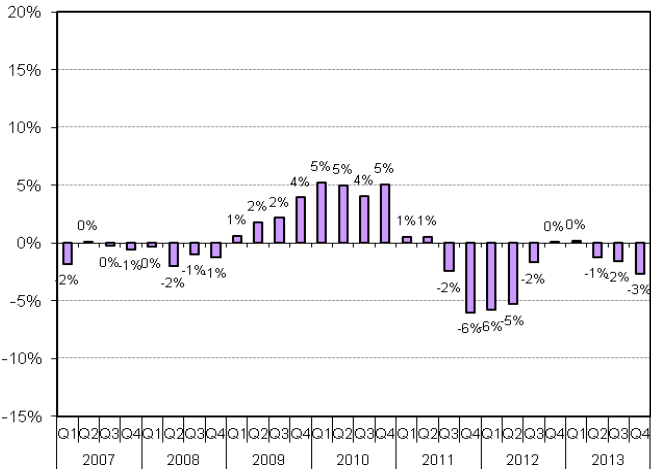
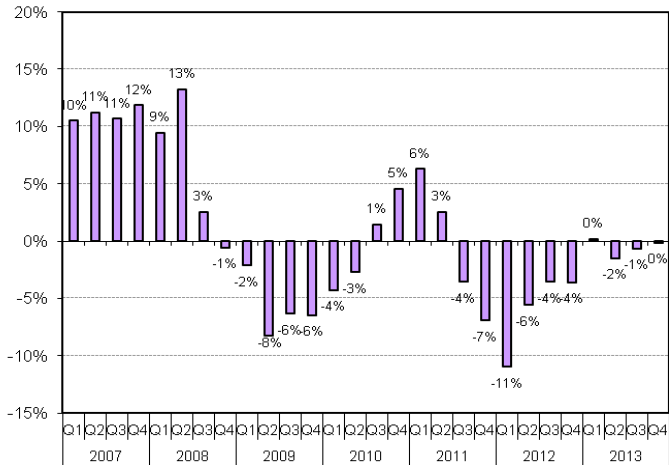


Figure 6b - Predominantly non-food: Annual % change in Volume (s.a.)



s.a. = seasonally adjusted

On an annual basis, the total volume of retail sales in predominantly **non-food** stores in Q4 2013 was at essentially the same level as a year earlier, in Q4 2012 (see Figure 6b), but was about a sixth (16%) lower than the peak recorded in Q2 2008 (see Figure 5b).

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	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	119.0	130.7	108.2	107.4	106.1	109.0
Q2 2011	127.7	141.2	117.7	116.5	132.0	104.8	107.1	106.1	104.7
Q3 2011	124.1	137.5	114.1	113.8	131.4	102.2	101.9	102.9	100.7
Q4 2011	137.3	140.9	134.6	113.8	131.5	101.9	100.2	101.1	99.5
Q1 2012	112.7	129.0	100.6	111.4	131.2	100.1	97.8	100.0	97.0
Q2 2012	127.0	141.0	116.6	113.1	131.6	101.2	99.7	100.5	98.8
Q3 2012	124.1	138.8	113.1	113.1	133.4	98.8	99.2	101.2	97.1
Q4 2012	138.8	148.8	131.4	113.3	133.4	97.8	99.0	101.2	95.9
Q1 2013	111.2	129.8	97.4	112.7	133.3	98.9	98.5	100.2	97.2
Q2 2013	126.4	139.0	117.0	113.2	133.0	100.0	98.1	99.2	97.3
Q3 2013(r)	125.1	139.8	114.1	113.5	133.8	99.8	97.8	99.6	96.5
Q4 2013	138.0	147.5	130.9	112.8	133.1	99.2	96.9	98.5	95.8

(r) revised: some estimates for Q3 2013 shown in Table A1 have been revised compared with the previous publication due to the provision of more recent manpower data and a modified method of seasonal adjustment;

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 2013 was 87% and represented coverage, in terms of employment, of 50% 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
- 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.

*Statistics Unit
5 March 2014*