

Jersey Retail Sales Q3 2011

Statistics Unit: www.gov.je/statistics

Summary

In the latest quarter, Q3 2011:

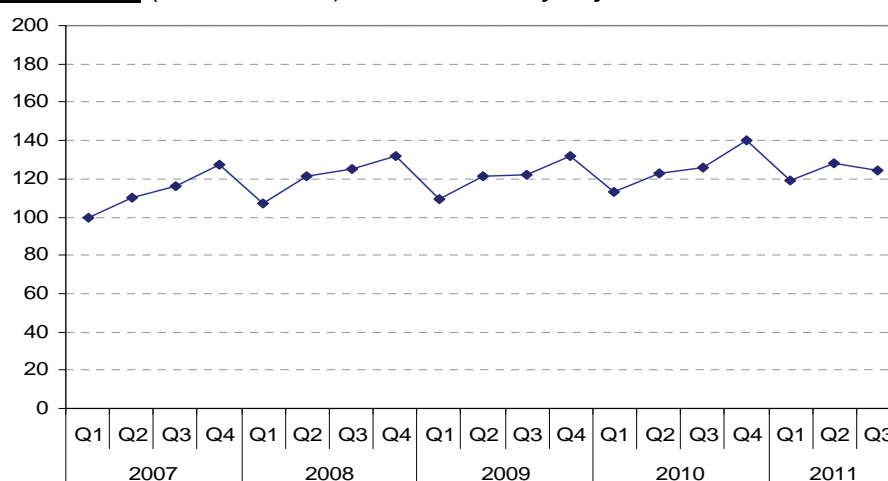
- the **seasonally adjusted total volume** of retail sales in Jersey was **5% lower than in the corresponding quarter of 2010**;
- the fall in total volume recorded in Q3 2011 represents the first decline on an annual basis for more than a year;
- the total volume of retail sales was at a similar level to that seen more than four years previously, in early 2007;
- predominantly **food** stores recorded the first fall in volume on an annual basis for almost three years;
- predominantly **non-food** stores recorded the first annual fall in volume for more than a year; the volume in such stores was at a level similar to that seen four years previously.

All retailers

Value of retail sales, all retailers

Figure 1 shows the total value of retail sales for the period from 2007 to Q3 2011. The clear seasonality is apparent, with retail turnover tending to be largest in the fourth quarter of each calendar year.

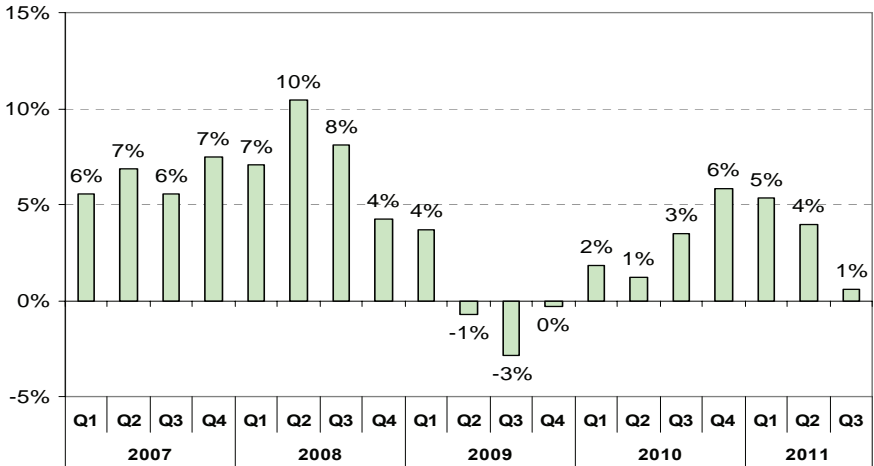
Figure 1 – Total value (Q1 2007 = 100); non-seasonally adjusted



Comparing the same quarter in a given year with that of a year earlier (Figure 2) indicates that every quarter since the start of 2010 has seen an increase in the total value of retail sales on an annual basis. However, the most recent quarter, Q3 2011, recorded a lower annual rate of increase (1%) than seen in each of the previous four quarters¹.

¹ The increase in the rate of the Good and Services Tax (GST) from 3% to 5% in June 2011 was a contributing factor to the annual increases in value recorded in the latest two quarters.

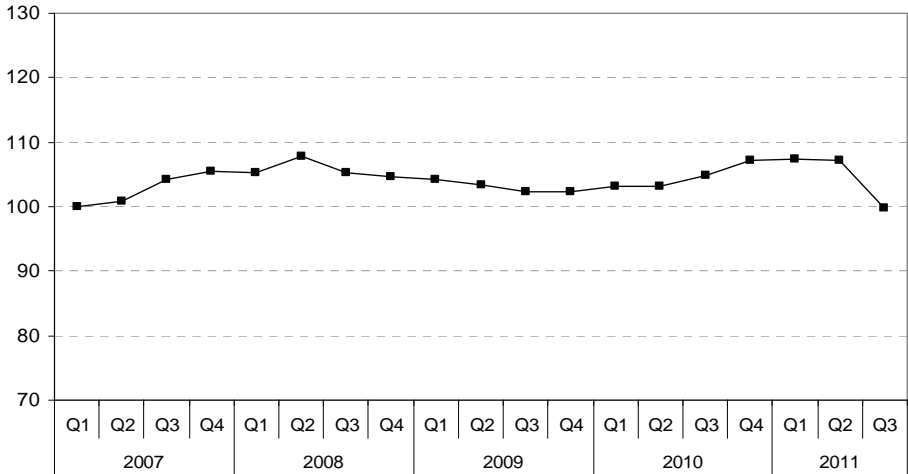
Figure 2 – Total Value: annual percentage change ²; *seasonally adjusted*



Volume of retail sales, all retailers

The volume index series³ is derived from the value series by use of deflators⁴ 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*



As is apparent from Figure 3a, the seasonally adjusted total volume of retail sales in Jersey had experienced an ongoing decline throughout the eighteen month period from mid-2008 to the end of 2009, before seeing some growth in 2010.

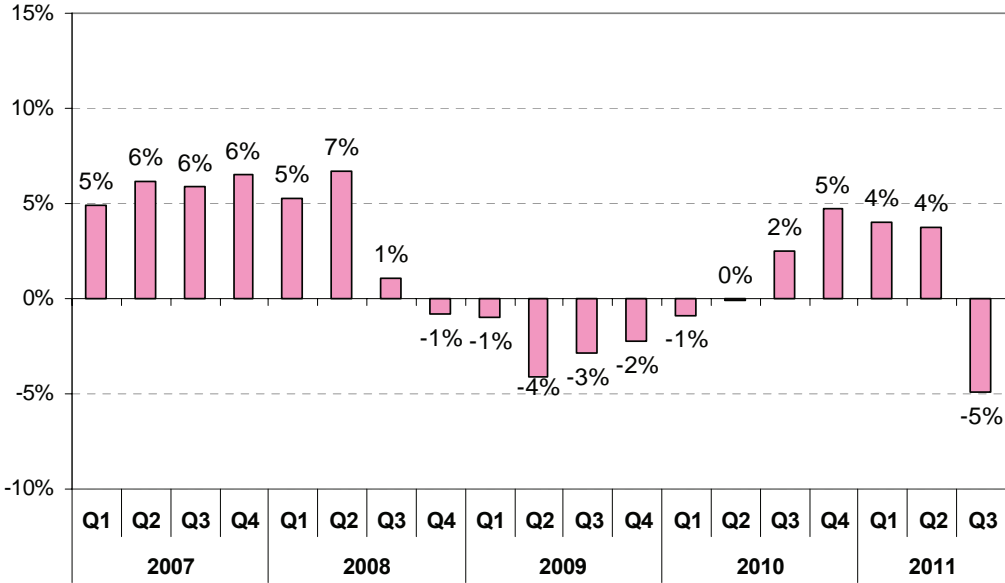
The first six months of 2011 were substantially flat in terms of the total volume of retail sales. However, the latest quarter saw total volume decline on both an annual and a quarterly basis.

Total volume in Q3 2011 was 5% lower than in the corresponding quarter of 2010 (Figure 3b) and 7% lower than in the previous quarter, Q2 2011.

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 total volume of retail sales in Q3 2011 was at a similar level to that recorded four years previously, in early 2007 – see indices in Appendix Table A1.

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 value of retail sales in predominantly **food** stores has increased on an annual basis throughout the period from 2007 to Q3 2011 (see Figure 4a).

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.)

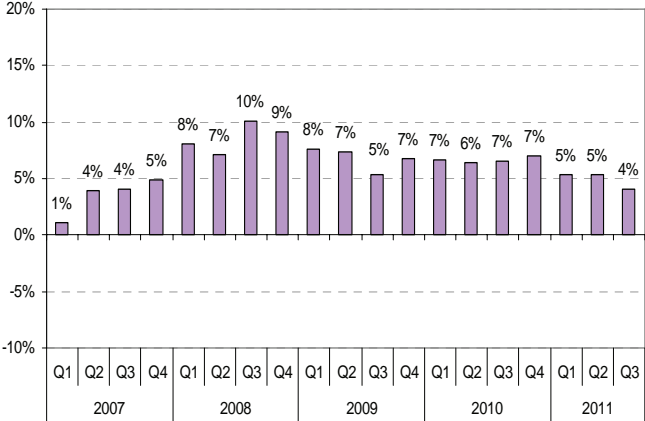
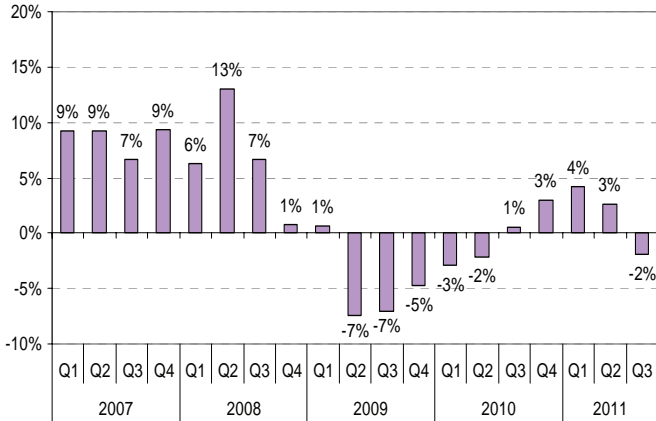


Figure 4b - Predominantly non-food: Annual % change in Value (s.a.)



s.a. = seasonally adjusted

Predominantly **non-food** stores recorded strong growth in the value of retail sales throughout 2007 and up to Q3 2008 (see Figure 4b). A lower rate of increase was then recorded around the end of 2008; each quarter of the subsequent period from Q2 2009 to Q2 2010 recorded a decrease on an annual basis. The sector then saw some growth in the total value of retail sales on an annual basis during the latter part of 2010 and the first two quarters of 2011.

The latest quarter, Q3 2011, recorded a decline in the total value of retail sales in non-food stores on both an annual and a quarterly basis, down by 2% and 3%, respectively.

Volume of retail sales (seasonally adjusted)

The total volume of retail sales in predominantly **food** stores in the latest quarter was down by 2% on both an annual and a quarterly basis (see Figures 5a and 6a and Appendix Table A1). This annual decrease represents the first fall in the total volume of retail sales in predominantly food stores for almost three years, since the latter part of 2008.

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 recording a decrease on the previous quarter (Figure 5b). Such stores then saw some growth on a quarterly basis during the latter part of 2010 and early 2011. However, the two latest quarters, Q2 and Q3 2011, have each seen the volume of retail sales fall by 4% on a quarterly basis.

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)

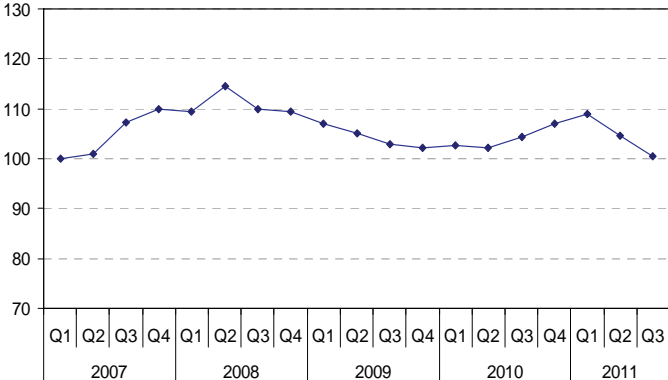
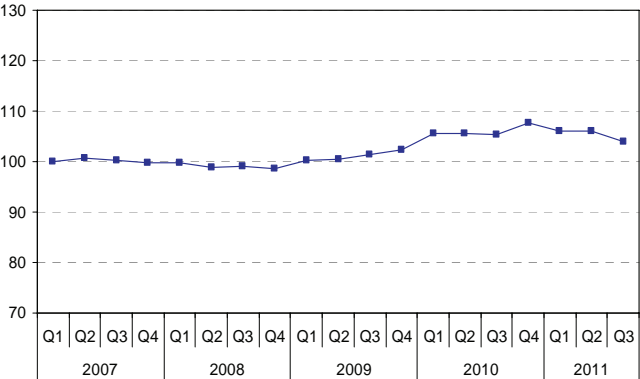
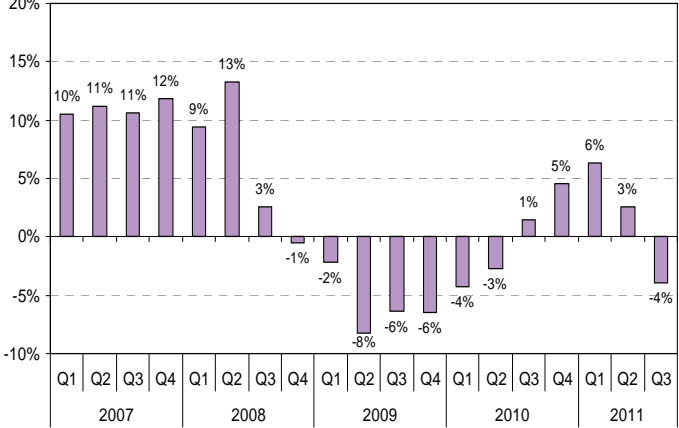
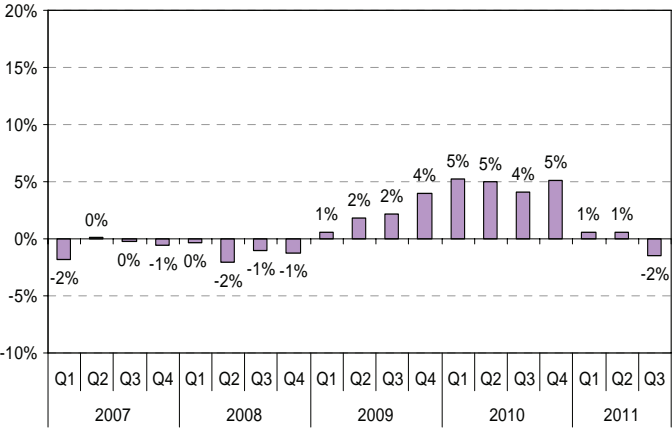


Figure 6 – Volume of retail sales in predominantly food and non-food stores; annual percentage change; seasonally adjusted

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

On an annual basis, predominantly non-food stores had seen the total volume of retail sales decline throughout the eighteen month period up to mid-2010 (Figure 6b). Such stores then saw some growth in volume on an annual basis from Q3 2010 to Q2 2011.

However, in the latest quarter non-food stores recorded a decrease in volume on an annual basis of 4%, representing the first annual decline for such stores for more than a year.

The total volume of retail sales in non-food stores in the latest quarter was at a similar level to that recorded more than four years previously, in early 2007.

*Statistics Unit
7 December 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	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 ^(r)	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	113.2	132.5	101.7	99.8	103.9	100.4

(r) revised: some estimates for Q2 2011 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 Q3 2011 was 82% and represented coverage, in terms of employment, of almost half (48%) 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.