BRC – KPMG RETAIL SALES MONITOR

MAY 2024

COVERING FOUR WEEKS 28TH APRIL – 25TH MAY 2024

MILD SALES GROWTH IN MAY

% CHANGE year-on-year		TOTAL	LIKE-FOR-LIKE
UK Retail Sales	▲	+0.7%	+0.4%
Food *(3-mth)*	▼	+3.6%	+2.9%
Non-Food *(3-mth)*	▲	-2.4%	-3.3%
Non-Food – Store *(3-mth)*	▼	-2.7%	-4.1%
Non-Food – Online	▲	+1.5%	n/a

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

Helen Dickinson OBE, Chief Executive | British Retail Consortium

"Despite a strong bank holiday weekend for retailers, minimal improvement to weather across most of May meant only a modest rebound in retail sales last month. Although non-food sales fell over the course of the month, the long weekend did see increased purchases of DIY and gardening equipment, as well as strong clothing sales. Growth in computing sales reached their highest levels since the pandemic, with many consumers continuing to upgrade tech bought during that period. Retailers remain optimistic that major events such as the Euros and the Olympics will bolster consumer confidence this summer.

"With an election only four weeks away, retailers stand ready to collaborate with the next government to unlock economic potential, benefiting customers, colleagues, and communities alike. Cross government co-ordination and outcome driven policy making must no longer be an afterthought in government decision making. Retail really is the "everywhere economy", and with the right policy environment can use its scale and reach to support public policy goals."

Linda Ellett, UK Head of Consumer, Retail & Leisure | KPMG

"Whilst May's figures show barely positive increases in retail sales, with less than one percent growth year-on-year, the impact of falling CPI - which means volumes are not declining as quickly, may help to soften the blow for hard-working retailers.

"With the early bank holiday and some better weather, there was a big step up in the number of categories that saw positive high street sales growth which was close to 3-in-4. Health, personal care, beauty, and computing continued to sell well, whilst women's and children's clothing also saw small increases in sales. After nearly three years, things may have turned a corner for online retailers, with year-on-year sales growth across most categories, including toys and baby equipment and house textiles.

"Whilst sales growth was minimal, it could point to some signs of recovery for the sector, and retailers will be eager for that trend to continue as they carefully maintain their pricing, stock and cost base. Over the coming weeks retailers will be hoping that warmer weather, purchases related to summer holiday demand and Euro 2024 provide a stimulus to get consumers buying again. The economy may be improving, but the health of the sector remains fragile, with major investment held back by many until there are clear signs that consumer confidence has turned into spending.

"With the General Election date fixed, retailers will be keen to hear positive measures to help boost the economy and, in particular, signs that long awaited changes to the business rates regime are finally on their way."

Food & Drink sector performance | Sarah Bradbury, CEO | IGD

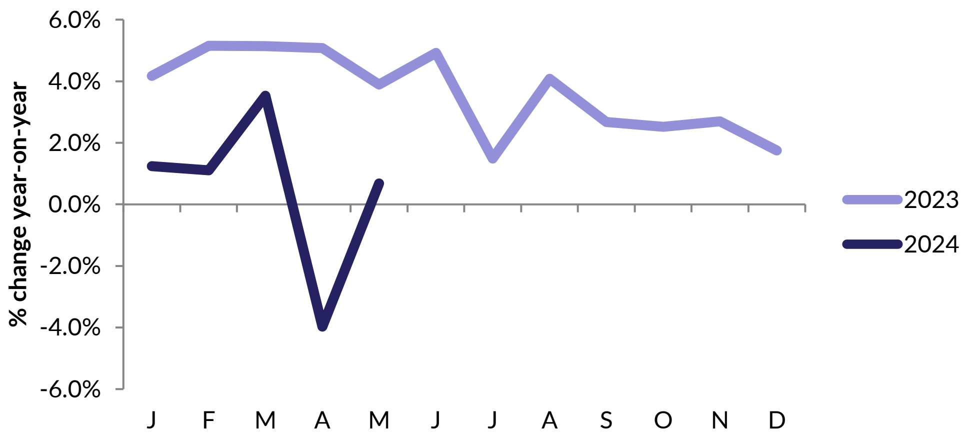
"Shopper confidence remained relatively stable this month as shoppers continue to be divided in their spending habits. Glimpses of the warmer weather and confirmation that the UK is no longer in a recession, combined with inflation falling to its lowest level in three years may have contributed to the 3-point up-tick in shopper confidence compared to April last year. We can see that shopper confidence, overall, is continuing with a marginally positive outlook.

"Grocery sales in May bounced back into growth following April's decline, although it must be remembered with Easter falling in March this year, comparisons for April were always going to struggle. Although, sales in May were back into year-on-year growth, the rate of growth is beginning to slow down as inflation continues its path back to normality. Further encouraging signs for the grocery sector include an increase in volumes during May; an improvement from last year.

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

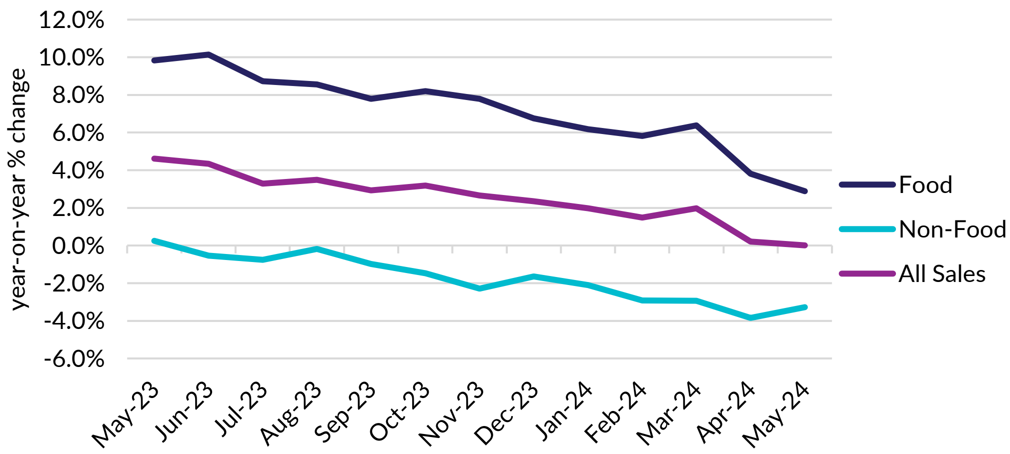
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
May 2024	0.4%	0.7%
May 2023	3.7%	3.9%
Apr 2024	-4.4%	-4.0%
3m average	0.0%	0.3%
12m average	1.9%	2.0%

Source: BRC-KPMG RETAIL SALES MONITOR (Includes Food data from IGD)

LIKE-FOR-LIKE SALES:
3-MONTH AVERAGE % CHANGE YEAR-ON-YEAR



3-MONTH AVERAGE	LFL	TOTAL
Food	2.9%	3.6%
Non-food	-3.3%	-2.4%
All Sales	0.0%	0.3%

Source: BRC-KPMG RETAIL SALES MONITOR (Includes additional Food data from IGD)

Covering the four weeks 28 April – 25 May 2024

OVERVIEW

May 2024 saw a modest increase in Total UK retail sales of 0.7%, which is lower compared to the growth seen in May of last year. However, it's important to consider that the previous month, April 2024, experienced a significant drop of 4.0%, so the slight rebound in May could be seen as a positive sign of recovery. Overall, while May 2024 didn't exhibit the typical robust growth seen in previous years, it still marks a turnaround from the decline experienced in April. However, it's worth noting that an early Easter this year may have impacted April's retail sales growth.

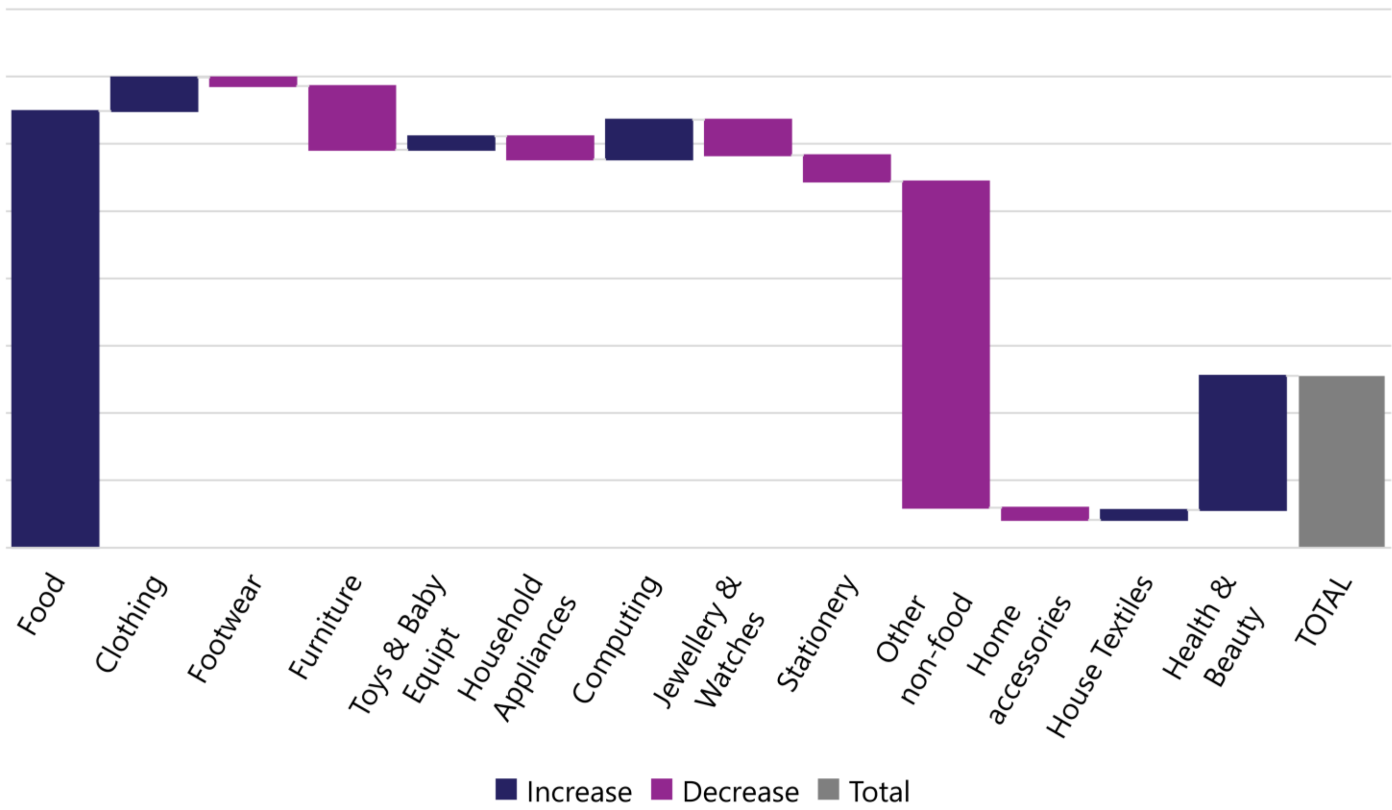
In May 2024, food sales showed a return to growth after experiencing a decline in April. This marks a notable recovery compared to the previous month's dip, suggesting a stabilizing trend. Additionally, the grocery sector experienced a rise in volumes, indicating improved performance over the same period last year. This rebound in May points to a more favourable outlook for the grocery market, despite the earlier slowdown.

Non-food sales in May decreased year-on-year over the three months leading up to May and were lower compared to the same period last year. However, there was an improvement compared to the three-month average sales in April. May's lacklustre weather may have had a dampening effect on consumer spending, illustrating how external factors can impact retail trends. The increase in DIY and gardening equipment sales during the long weekend highlights how brief periods of good weather or extended leisure time can temporarily boost specific sectors. Moreover, the continued interest in upgrading technology underscores the lasting impact of the pandemic on consumer habits, perhaps suggesting a shift towards prioritising home-based activities and remote work capabilities. Looking ahead, the anticipation surrounding major sporting events may serve as a crucial driver for retail recovery, offering opportunities for retailers to capitalise on the heightened consumer engagement these events typically generate.

Online sales improved compared to May last year and saw the first monthly year-on-year growth since July 2021. Most online categories saw an improvement compared to sales last year with household appliances and furniture being an exception. Consumers may be prioritizing other categories or experiences over large, high-cost items like appliances and furniture as the economy stabilizes and other spending opportunities arise.

Covering the four weeks 28 April – 25 May 2024

MAY: CONTRIBUTION TO TOTAL SALES GROWTH BY CATEGORY



Source: BRC-KMG RETAIL SALES MONITOR (Includes Food data from IGD); in this chart, purple blocks represent negative contributions

Detailed weekly data by category is available only to retailers that contribute sales data to the Retail Sales Benchmark. Further information is available here: https://brc.org.uk/insight/benchmarks/

If you would like to participate in the Retail Sales Benchmark, please contact:

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BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

MONTHLY RETAIL SALES:
% CHANGE YEAR-ON-YEAR

MONTH	2022		2023		2024	
	LFL	TOTAL	LFL	TOTAL	LFL	TOTAL
January	8.1	11.9	3.9	4.2	1.4	1.2
February	2.7	6.7	4.9	5.2	1.0	1.1
March	-0.4	3.1	4.9	5.1	3.2	3.5
April	-1.7	-0.3	5.2	5.1	-4.4	-4.0
May	-1.5	-1.1	3.7	3.9	0.4	0.7
June	-1.3	-1.0	4.2	4.9		
July	1.6	2.3	1.8	1.5		
August	0.5	1.0	4.3	4.1		
September	1.8	2.2	2.8	2.7		
October	1.2	1.6	2.6	2.5		
November	4.1	4.2	2.6	2.7		
December	6.5	6.9	1.9	1.7		
Jan-May average	2.0	5.2	4.7	4.9	0.5	0.7
Jan-Dec average	1.8	3.1	3.6	3.6	n/a	n/a

Source: BRC-KPMG RETAIL SALES MONITOR (Includes Food data from IGD)

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

FOOD/NON-FOOD QUARTERLY ANALYSIS: 3-MONTH AVERAGE % CHANGE YEAR-ON-YEAR

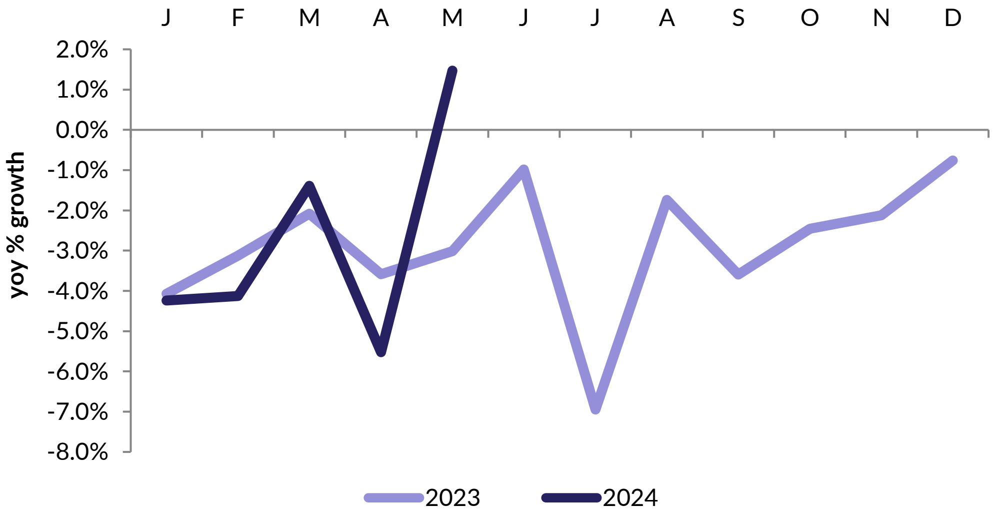
3-MONTH AVERAGE	LIKE-FOR-LIKE			TOTAL		
	Food	Non-Food	All Sales	Food	Non-Food	All Sales
Mar – May 23	9.8	0.2	4.6	9.6	0.5	4.7
Apr - Jun	10.1	-0.5	4.3	9.8	0.3	4.6
May – Jul	8.7	-0.8	3.3	8.4	-0.5	3.5
Jun – Aug	8.6	-0.2	3.5	8.2	-0.2	3.6
Jul - Sep	7.8	-1.0	2.9	7.4	-1.2	2.7
Aug – Oct	8.2	-1.5	3.2	7.9	-1.0	3.1
Sep – Nov	7.8	-2.3	2.7	7.6	-1.6	2.6
Oct – Dec 23	6.8	-1.7	2.4	6.8	-1.5	2.3
Nov 23 – Jan 24	6.2	-2.1	2.0	6.3	-1.8	1.9
Dec 23 – Feb 24	5.8	-2.9	1.5	6.0	-2.5	1.4
Jan – Mar	6.4	-2.9	2.0	6.8	-1.9	2.1
Feb – Apr	3.8	-3.8	0.2	4.4	-2.8	0.5
Mar - May	2.9	-3.3	0.0	3.6	-2.4	0.3

Source: BRC-KPMG RETAIL SALES MONITOR (Includes Food data from IGD)

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

ONLINE SALES GROWTH (NON-FOOD):
% CHANGE YEAR-ON-YEAR

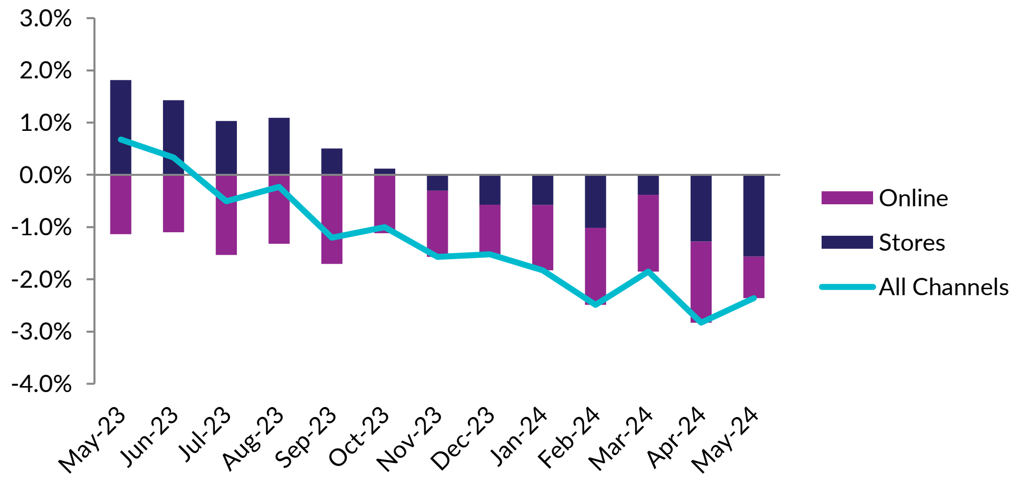


Source: BRC-KPMG RETAIL SALES MONITOR: **Online**: online sales of non-food goods (including mail and phone orders)

NON-FOOD GROWTH	ONLINE*	UK TOTAL
May 2024	+1.5%	n/d
May 2023	-3.0%	n/d
Apr 2024	-5.5%	n/d
3m avg	-1.8%	-2.4%
12m avg	-2.6%	-1.7%

n/d: cannot be disclosed

3-MONTH AVERAGE: CONTRIBUTION TO NON-FOOD SALES GROWTH BY CHANNEL
% CHANGE YEAR-ON-YEAR

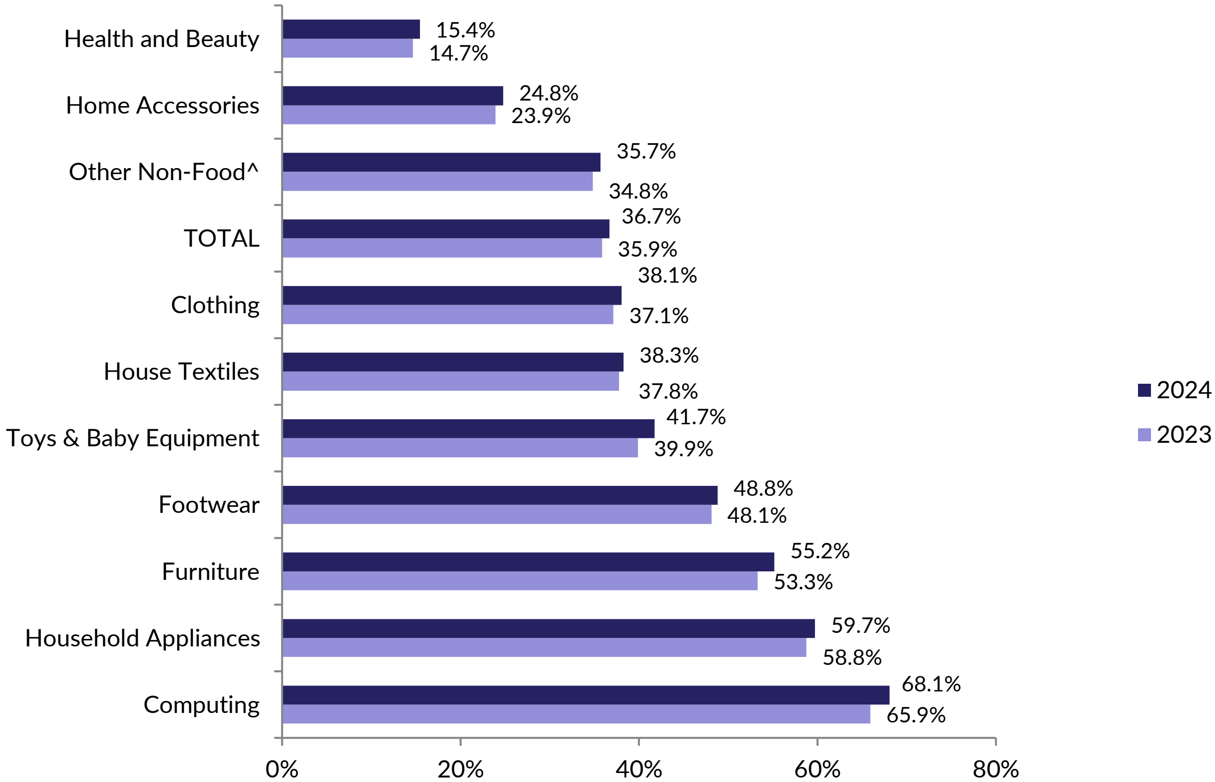


NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Mar 24 - May 24	-4.1%	-2.7%
Mar 23 - May 23	2.2%	2.9%
Feb 24 - Apr 24	-4.0%	-2.4%
12m avg	-1.9%	-1.1%

Source: BRC-KPMG RETAIL SALES MONITOR

Covering the four weeks 28 April – 25 May 2024

MAY: ONLINE PENETRATION RANKINGS BY CATEGORY

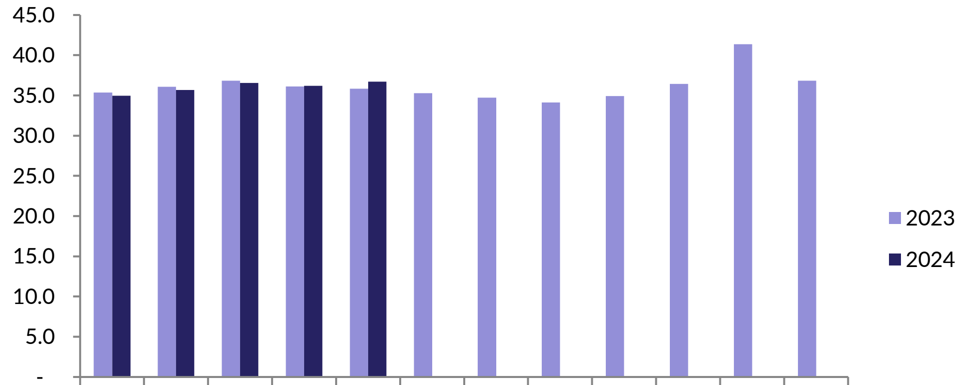


Source: BRC-KPMG RETAIL SALES MONITOR
Note: Online sales in the Monitor include all distance sales, notably mail and phone orders

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

TOTAL NON-FOOD SALES:
WEIGHTED ONLINE PENETRATION



	J	F	M	A	M	J	J	A	S	O	N	D
2023	35.4	36.1	36.8	36.1	35.9	35.3	34.7	34.1	34.9	36.5	41.4	36.8
2024	35.0	35.7	36.6	36.2	36.7							

NON-FOOD ONLINE PENETRATION RATE ONLINE AS % OF TOTAL	
May 2024	36.7%
May 2023	35.9%
Apr 2024	36.2%
3m average	36.5%
12m average	36.1%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

NON-FOOD ONLINE RETAIL SALES

MONTH	TOTAL GROWTH % CHANGE YOY		ONLINE PENETRATION AS % OF TOTAL SALES		CONTRIBUTION TO TOTAL NON-FOOD GROWTH (PERCENTAGE POINT)	
	MONTHLY*	3M AVERAGE*	MONTHLY	3M AVERAGE	MONTHLY	3M AVERAGE
May 2023	-3.0	-2.8	36.3	36.4	0.0	-0.7
Jun	-1.0	-2.4	35.3	35.9	-0.6	-1.1
Jul	-6.9	-3.4	34.7	35.4	-2.9	-1.5
Aug	-1.7	-3.1	34.1	34.7	-0.7	-1.3
Sep	-3.6	-4.1	34.9	34.6	-1.6	-1.7
Oct	-2.5	-2.7	36.5	35.1	-0.9	-1.1
Nov	-2.1	-2.8	41.4	37.4	-1.1	-1.3
Dec	-0.8	-1.7	36.8	38.1	-0.8	-0.9
Jan 2024	-4.2	-2.3	35.0	37.6	-1.9	-1.2
Feb	-4.1	-2.9	35.7	35.9	-1.9	-1.5
Mar	-1.4	-3.1	36.6	35.8	-0.8	-1.5
Apr	-5.5	-3.5	36.2	36.2	-2.2	-1.6
May	1.5	-1.8	36.7	36.5	0.6	-0.8

Source: BRC-KPMG Retail Sales Monitor.

Covering the four weeks 28 April – 25 May 2024

NON-FOOD STORE THREE-MONTH AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE

THREE MONTHS ENDING	TOTAL % CHANGE YOY	LFL % CHANGE YOY
May 2023	2.7%	2.2%
Jun	2.0%	0.6%
Jul	1.2%	0.8%
Aug	1.3%	1.4%
Sep	0.3%	0.7%
Oct	-0.1%	-0.8%
Nov	-0.8%	-2.0%
Dec	-1.3%	-1.6%
Jan 2024	-1.5%	-2.0%
Feb	-2.3%	-2.9%
Mar	-1.1%	-2.8%
Apr	-2.4%	-4.0%
May	-2.7%	-4.1%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

SECTOR PERFORMANCE: ONLINE SALES GROWTH

CATEGORY	SALES UP / DOWN MAY 2024	GROWTH RANKINGS				
		MAY 2024	APR 2024	MAY 2023	3M AVG	12M AVG
Health & Beauty	▲	1	2	1	1	1
Computing	▲	2	1	8	2	4
Toys & Baby Equipment	▲	3	6	5	5	3
House Textiles	▲	4	3	9	4	2
Clothing	▲	5	5	7	6	7
Home Accessories	▲	6	4	10	3	5
Footwear	▲	7	10	4	8	10
Furniture	▼	8	7	3	7	6
Household Appliances	▼	9	8	2	9	9
Other Non-Food	▼	10	9	6	10	8

Source: BRC-KPMG RETAIL SALES MONITOR

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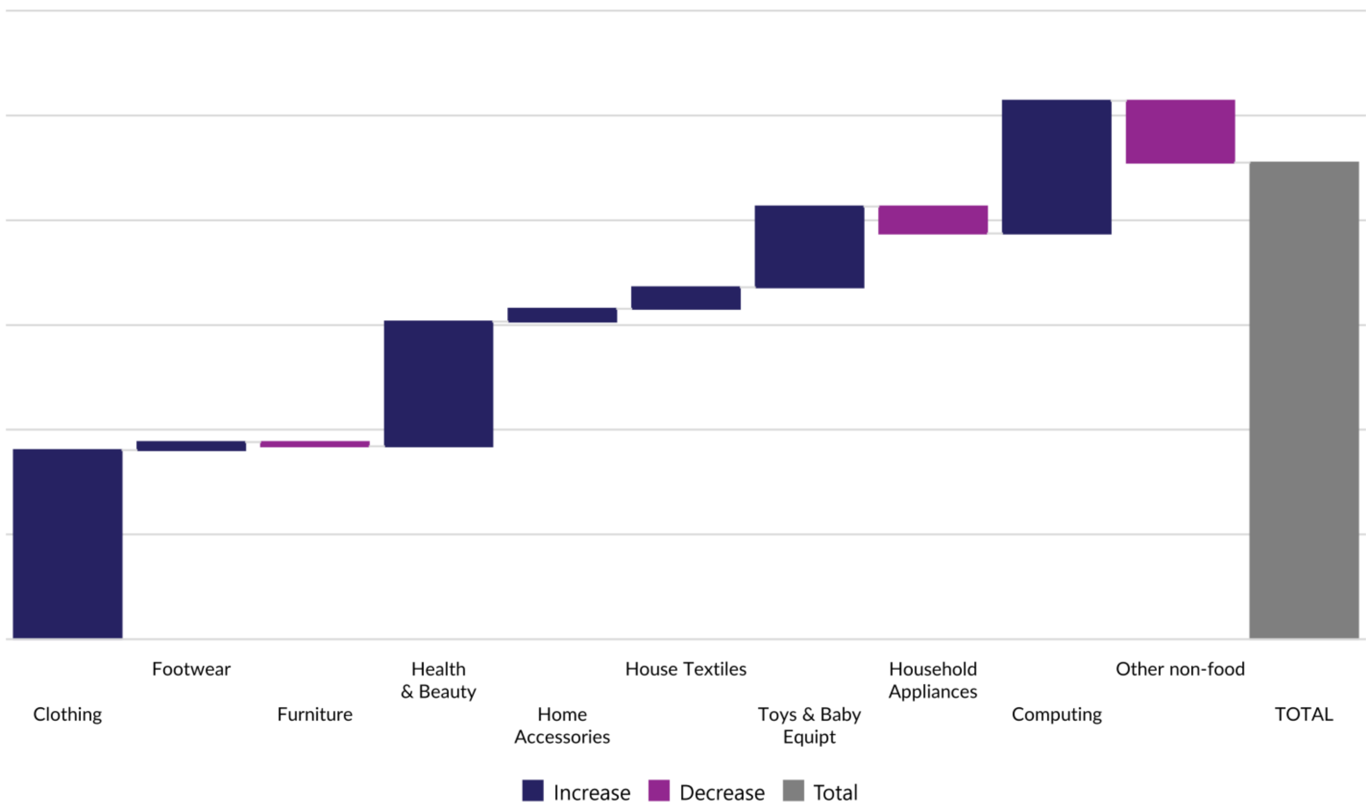
MAY: CONTRIBUTION TO NON-FOOD ONLINE SALES GROWTH BY CATEGORY



Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

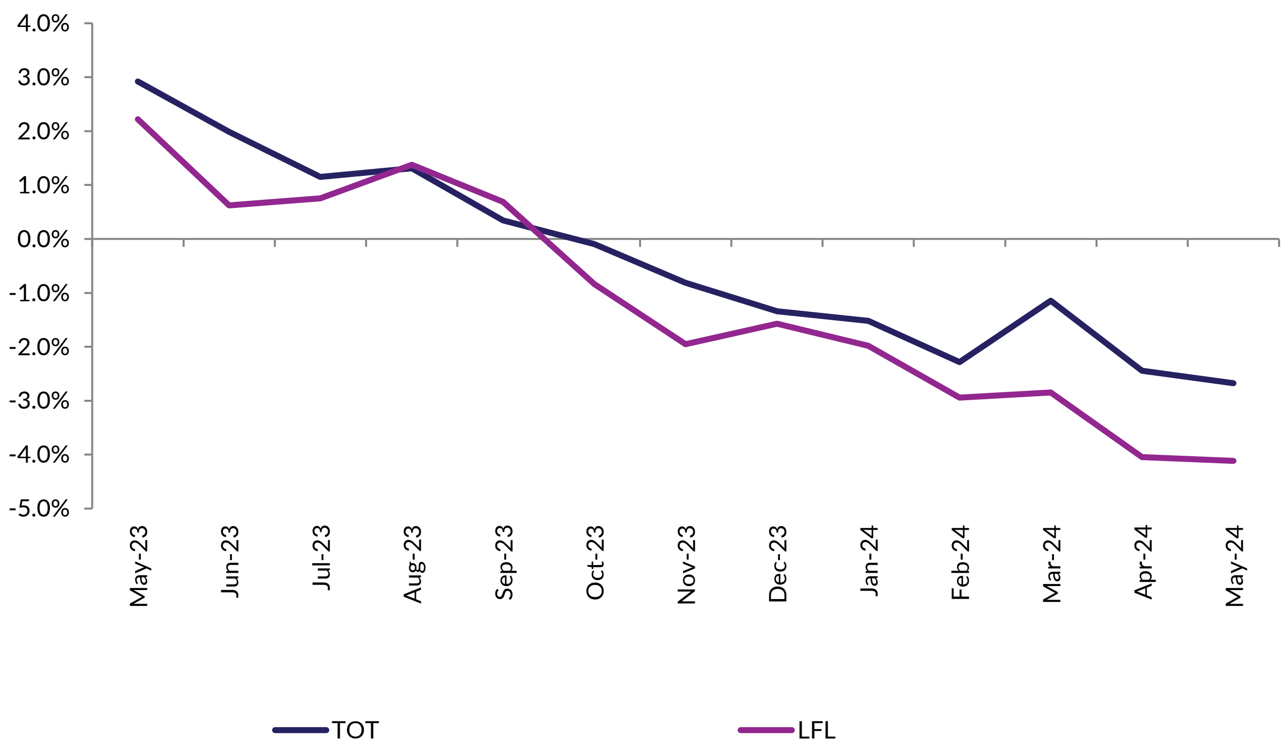
CATEGORY	SALES UP / DOWN MAY 2024	GROWTH RANKINGS				
		MAY 2024	APR 2024	MAY 2023	3M AVG	12M AVG
Health & Beauty	▲	1	1	1	1	1
House Textiles	▲	2	3	10	2	6
Computing	▲	3	2	7	3	9
Clothing	▼	4	4	4	5	3
Toys & Baby Equipment	▼	5	8	9	6	7
Footwear	▼	6	7	3	7	2
Home Accessories	▼	7	6	8	4	4
Household Appliances	▼	8	9	2	9	5
Other Non-Food	▼	9	10	5	10	10
Furniture	▼	10	5	6	8	8

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR MAY 2024

Covering the four weeks 28 April – 25 May 2024

NON-FOOD STORE THREE-MONTH AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE (%)



Source: BRC-KPMG RETAIL SALES MONITOR

Covering the four weeks 28 April – 25 May 2024

METHODOLOGY

The BRC-KPMG Retail Sales Monitor measures changes in the actual value (including VAT) of retail sales, excluding automotive fuel. The Monitor measures the value of spending and hence does not adjust for price or VAT changes. If prices are rising, sales volumes will increase by less than sales values. In times of price deflation, sales volumes will increase by more than sales values.

Retailers report the value of their sales for the current period and the equivalent period a year ago. These figures are reported both in total and on a 'like-for-like' basis. Total sales growth is the percentage change in the value of all sales compared to the same period a year earlier. The total sales measure is used to assess market level trends in retail sales. It is a guide to the growth of the whole retail industry, or how much consumers in total are spending in retail – retail spending represents approximately one-third of consumer spending. It is this measure that is often used by economists. Many retailers include distance sales as a component of total sales.

'Like-for-like' sales growth (LFL) is the percentage change in the value of comparable sales compared to the same period a year earlier. It excludes any spending in stores that opened or closed in the intervening year, thus stripping out the effect on sales of changes in floorspace. Many retailers include distance sales as a component of like-for-like comparable sales. The like-for-like measure is often used by retailers, the city and analysts to assess the performance of individual companies, retail sectors and the industry overall, without the distorting effect of changes in floorspace.

From April 2020, the LFL guidance was to exclude stores that were forced to close temporarily due to **COVID-19** measures from both the current period and the equivalent period a year ago. Online was considered open all the time. The majority of retailers could comply but some couldn't exclude temporarily closed stores from their LFL figures.

Online (including mail order and phone) sales of non-food are transactions which take place over the internet, or via mail order or phone. Online sales growth is the percentage change in the value of online sales compared to those in the same period a year earlier. It is a guide to the growth of sales made by these non-store channels. It should be noted that online sales are still a small proportion of total UK retail sales.

Penetration is the proportion of sales attributed to the online channel (including mail order and phone). Penetrations are calculated category by category as online sales submitted by participating retailers relative to total sales those retailers submit to the BRC-KPMG Retail Sales Monitor. Participants who do not sell online (or through non-store channels) are included but participants who do sell online but do not submit their online sales are excluded.

The responses provided by retailers within each sales category are weighted (based on weightings derived from the ONS Family Spending survey) to reflect the contribution of each category to total retail sales, thus making it representative of UK retail sales as a whole. Category weightings for Online and In-Store growth and contribution to growth are derived from the UK weightings. The methodology used for weightings is revised from time to time. Because the figures compare sales each month with the comparable period last year, a seasonal adjustment is not made. However, changes in the timing of Bank Holidays and Easter can create distortions, which should be considered in the interpretation of the data.

As well as receiving sales value direct from the retailers in the scheme the BRC-KPMG Retail Sales Monitor also receives food and drink sales value data from the IGD's Market Track Scheme.

In its role as sponsor of the BRC-KPMG Retail Sales Monitor, KPMG is responsible for the aggregation of the retail sales data provided by the retailers on a weekly basis. This data consists of the relevant current week's sales data and comparative sales figures for the same period in the prior year. The aggregation has been performed by KPMG on data for periods following 2 April 2000 and equivalent prior periods. The accuracy of the data is entirely the responsibility of the retailers providing it. The sponsorship role has been performed by KPMG since 10 April 2000 and the same for the aggregation of comparative sales figures for the period from 2 April 2000 it is not responsible for the aggregation of any data included in this Monitor relating to any period prior to 2 April 2000.

The commentary from KPMG is intended to be of general interest to readers but is not advice or a recommendation and should not be relied upon without first taking professional advice. Anyone choosing to rely on it does so at his or her own risk. To the fullest extent permitted by law, KPMG will accept no responsibility or liability in connection with its sponsorship of the Monitor and its aggregation work to any party other than the BRC.

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The June 2024 Monitor, covering the five weeks 26 May – 29 June 2024, will be released at 00.01am on Tuesday 9 July 2024. The data is collected and collated for the BRC by KPMG.

The British Retail Consortium (BRC) is the UK's leading retail trade association. It represents the full range of retailers, large and small, multiples and independents, food and non-food, online and store based.

SPONSORED AND ADMINISTERED BY

KPMG LLP, a UK limited liability partnership, operates from 22 offices across the UK with approximately 16,300 partners and staff. The UK firm recorded a revenue of £2.338 billion in the year ended 30 September 2018. KPMG is a global network of professional firms providing Audit, Tax, and Advisory services. It operates in 154 countries and has 200,000 professionals working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.

FOOD DATA SUPPLIED BY

IGD is an education and training charity for the food and grocery industry that undertakes research for the benefit of the public. Our in-depth understanding of shoppers, retailing and supply chains is supported by our knowledge of broader topics affecting the industry – health, nutrition, sustainability and economics among them. This gives us unparalleled insight that can help identify opportunities to improve performance and tackle business challenges. Our reach is global, with experts based in the UK, Singapore and North America. We invest the net income we make from selling our expertise back into our charitable activities.

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Detailed weekly data by category
is available to retailers who contribute to the monitor:

If you would like to participate in the Retail Sales Monitor, please contact:
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