BRC – KPMG RETAIL SALES MONITOR

JUNE 2024

COVERING FIVE WEEKS 26TH MAY – 29TH JUNE 2024

A COOLER JUNE REDUCES CONSUMER SPENDING

% CHANGE year-on-year		TOTAL	LIKE-FOR-LIKE
UK Retail Sales	▼	-0.2%	-0.5%
Food *(3-mth)*	▼	1.1%	0.4%
Non-Food *(3-mth)*	▼	-2.9%	-2.9%
Non-Food – Store *(3-mth)*	▼	-3.7%	-3.6%
Non-Food – Online	▲	-0.7%	n/a

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

Helen Dickinson OBE, Chief Executive | British Retail Consortium

"Retail sales performed poorly in June as the cooler weather during the first half of the month dulled consumer spending. The sales of weather sensitive categories such as clothing and footwear, and DIY and gardening were hit particularly hard, especially compared to the surge in spending during last June's heatwave. Electronics sales had a better month as fans cheering on the Three Lions upgraded their home entertainment systems and people replaced their pandemic purchases. Retailers remain hopeful that as the summer social season gets into full swing and the weather improves, sales will follow suit.

"The retail industry is looking forward to working with our newly elected Government. Retail is vital to the nation's economy: touching every corner of the country, shaping local communities and providing three million jobs. It is vital our new Government acknowledges the important role retail has to play in the economy and communities and helps to unlock untapped investment by addressing the major cost burdens, including the broken business rates and Apprenticeship Levy systems, that currently weigh down upon retailers."

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

"Summer may finally have arrived, but it did little to persuade consumers to hit the shops, with retail sales flatlining at 0.2% in June.

"Items for the home topped the best-selling categories, with homewares, cooking accessories and furniture all seeing positive growth in June as consumers made the most of the sunshine to enjoy time at home. Computing sales also continued to do well, achieving double digit growth both online and on the high street. Despite the warmer weather and the football providing opportunities for people to gather at home, food and drink sales were disappointing in June, recording just 1.16% growth, and clothing and footwear also saw a disappointing performance, with negative growth both on the high street and online.

"Despite pressure on household finances easing, with petrol and energy costs and shop price inflation all continuing to fall, consumers remain incredibly reluctant to take the brakes off of their spending. The stimulus of good weather, Wimbledon and Euro 24, which was hoped would drive consumer spending, has so far failed to materialise and financial concerns remain with many households.

"Retailers, who are running to stand still at the moment, having exhausted all of the levers they have at their disposal to cut costs and drive sales via promotions, will be looking to the new Government to boost the economy and confidence. The overall economic conditions may slowly be improving, but the health of the sector remains fragile, and action is needed now to help support this vital economic contributor – particularly around neglected areas such as business rate reform ".

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

“Despite unseasonable, cool weather throughout most of June, the grocery retail market has enjoyed both value and volume growth in the last month, compared to June 2023.

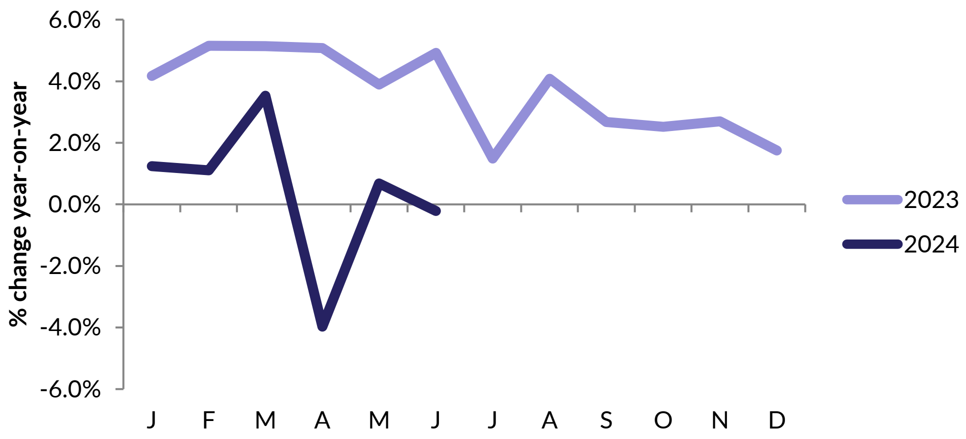
“Notably, value and volume performance improved in the final week of June, coinciding with the brief but intense heatwave felt across the UK. It is also worth keeping in mind that although value and volume growth is lower compared to last month’s performance, the market is annualising against significant growth that occurred in June 2023.

“On a different note, while the election campaign has not impacted shopper confidence during June, we might expect to see a boost following the election. We have seen a positive bump for shopper confidence immediately following the three previous general elections, therefore we should expect something similar as we move through July.”

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

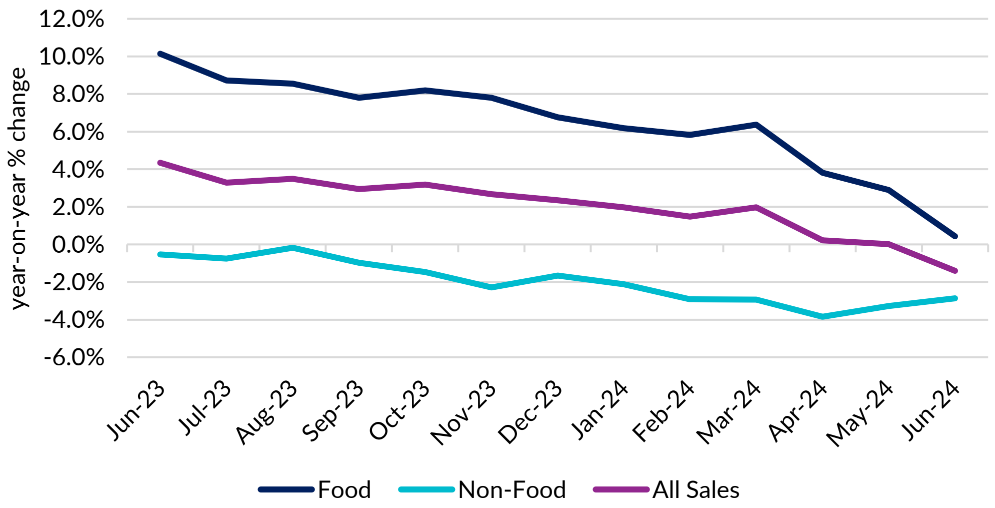
MONTHLY GROWTH OF TOTAL RETAIL SALES



	LFL	TOTAL
Jun 2024	-0.5%	-0.2%
Jun 2023	4.2%	4.9%
May 2024	0.4%	0.7%
3m average	-1.4%	-1.1%
12m average	1.5%	1.5%

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	0.4%	1.1%
Non-food	-2.9%	-2.9%
All Sales	-1.4%	-1.1%

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

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

OVERVIEW

In June 2024, Total UK retail sales experienced a slight decline of 0.2%, a contrast to the growth observed in June of the previous year. However, it is worth noting that June of last year was the hottest on record for the UK, and historically, warmer weather tends to boost sales. Overall, while June 2024 shows a slight year-on-year decline, it is not the lowest figure seen this year—April recorded a more significant drop in sales. Despite this, the retail sector remains cautious, closely monitoring economic indicators and consumer sentiment. With the recent change in government, the industry is hopeful for new policies and measures that will stimulate economic growth, enhance consumer confidence, and drive spending.

Food sales exhibited a significant rise in both value and volume during the three months leading up to June, signalling favourable performance compared to the corresponding period last year. Nevertheless, this increase was not as marked as the growth observed in the preceding three months leading up to May. This trend indicates a steady rather than rapid rebound in consumer spending behaviours within the food sector.

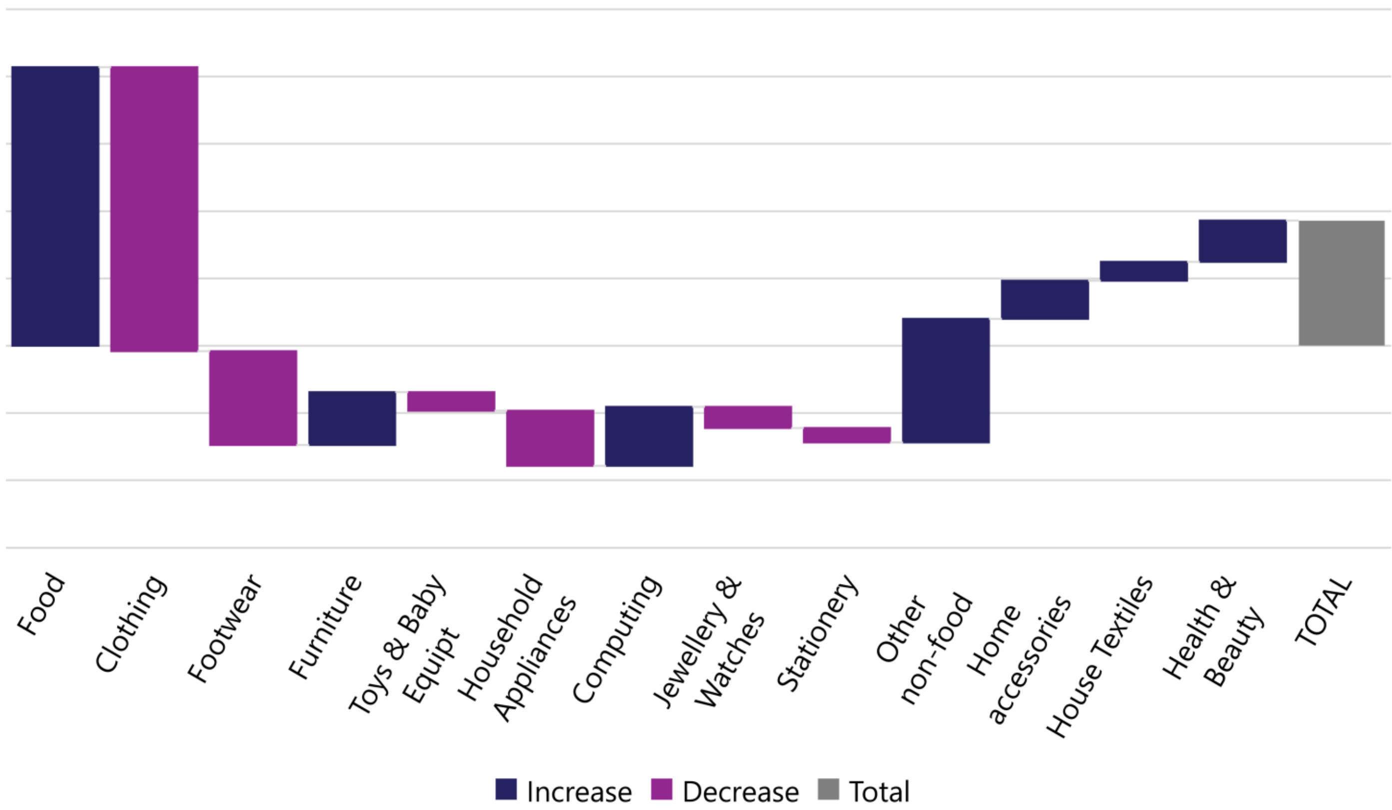
Non-food sales in June 2024 decreased year-on-year over the three months leading up to June and was lower compared to the same period last year. This was also lower compared to the three-month average sales in the previous month of May. Items for the home such as homewares, cooking accessories, and furniture saw strong growth as consumers looked to enhance their living spaces. Computing sales also flourished with significant double-digit growth. Additionally, beauty and health products registered an uptick in sales as people focused on personal care routines. Conversely, categories like clothing and footwear experienced declines, contrasting with the spending levels seen during the previous June's heatwave. Electronics sales performed well, driven by heightened demand from football fans upgrading their home entertainment setups and individuals replacing pandemic-era purchases with newer models. Overall, the retail landscape in June reflected varied consumer behaviours influenced by seasonal activities and evolving preferences amidst changing economic conditions.

Online sales in June declined compared to the previous year, showing a reduction from May's year-on-year growth but marking the smallest decline since August 2021. Categories such as clothing and footwear saw decreases, contrasting with spending levels from the same month last year. However, women's accessories saw increased sales, and the health and beauty sector also improved over last year. Online computing sales notably improved by double digits compared to the previous year, reflecting continued strong demand for tech products.

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

JUNE: 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 JUNE 2024

Covering the five weeks 26 May – 29 June 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	-0.5	-0.2
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-Jun average	0.8	3.1	4.5	4.7	0.3	0.5
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 JUNE 2024

Covering the five weeks 26 May – 29 June 2024

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

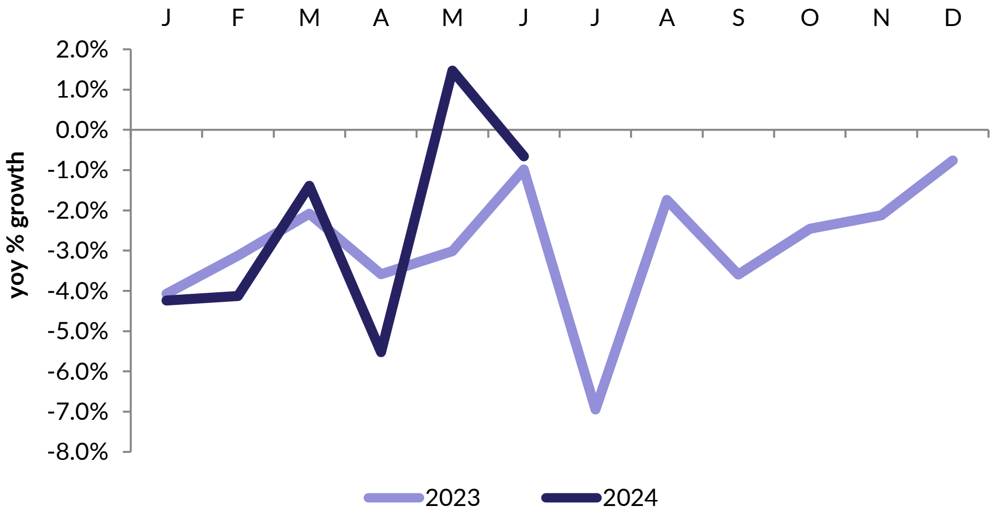
3-MONTH AVERAGE	LIKE-FOR-LIKE			TOTAL		
	Food	Non-Food	All Sales	Food	Non-Food	All Sales
2023 Apr - Jun	10.1	-0.5	4.3	9.8	0.3	4.6
May - Jul	8.7	-0.8	3.3	8.4	-0.5	3.5
Jun - Aug	8.6	-0.2	3.5	8.2	-0.2	3.6
Jul - Sep	7.8	-1.0	2.9	7.4	-1.2	2.7
Aug - Oct	8.2	-1.5	3.2	7.9	-1.0	3.1
Sep - Nov	7.8	-2.3	2.7	7.6	-1.6	2.6
Oct - Dec	6.8	-1.7	2.4	6.8	-1.5	2.3
Nov - Jan	6.2	-2.1	2.0	6.3	-1.8	1.9
Dec - Feb	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
2024 Apr - Jun	0.4	-2.9	-1.4	1.1	-2.9	-1.1

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

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

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

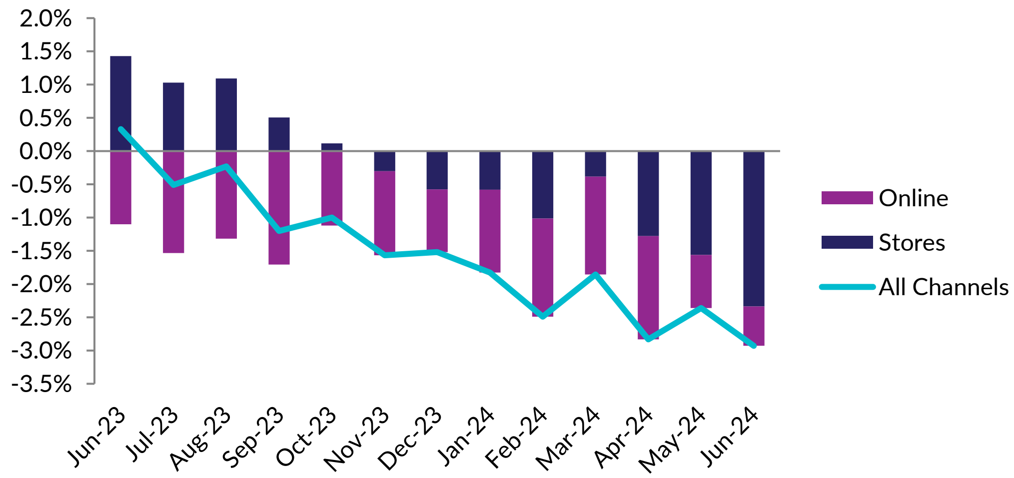


NON-FOOD GROWTH	ONLINE*	UK TOTAL
Jun 2024	-0.7%	n/d
Jun 2023	-1.0%	n/d
May 2024	1.5%	n/d
3m avg	-1.5%	-2.9%
12m avg	-2.6%	-1.9%

n/d: cannot be disclosed

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

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



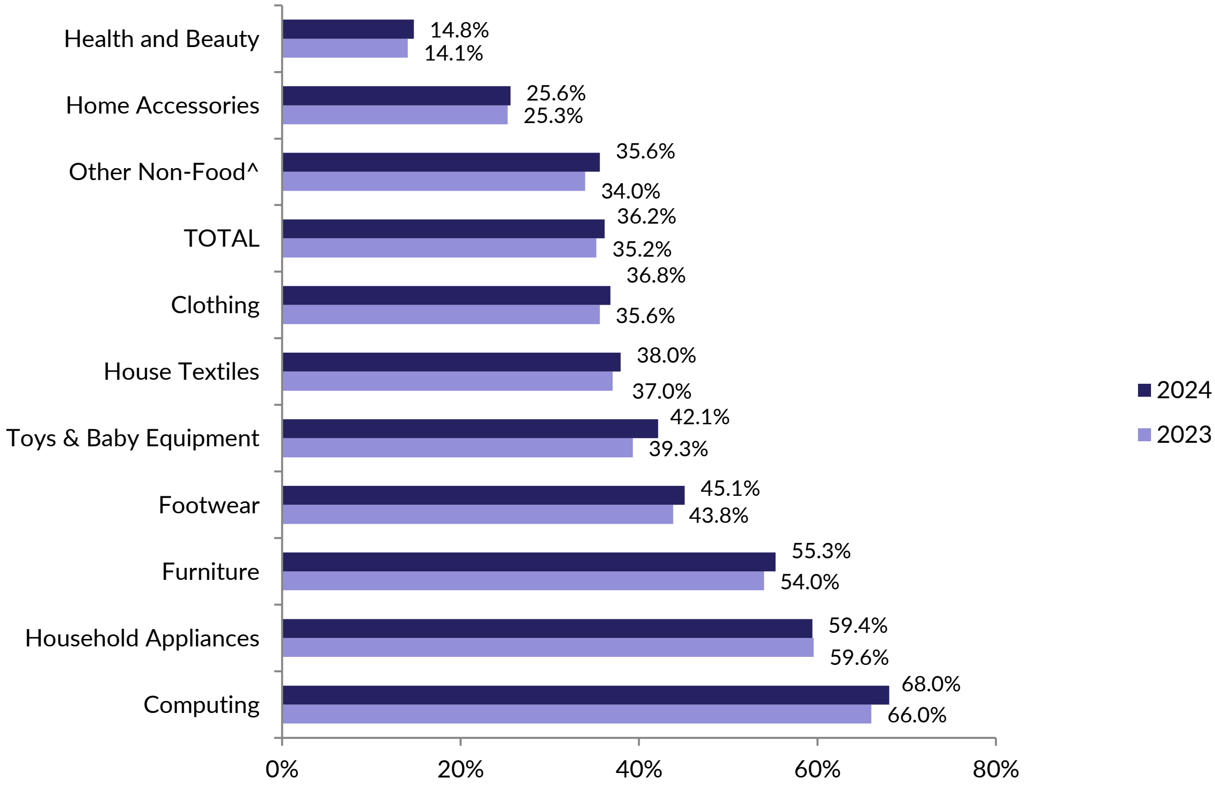
NON-FOOD IN-STORE % CHANGE YEAR-ON-YEAR		
	LFL	TOTAL
Apr 24 - Jun 24	-3.6%	-3.7%
Apr 23 - Jun 23	0.6%	2.0%
Mar 24 - May 24	-4.1%	-2.7%
12m avg	-1.8%	-1.5%

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

JUNE: ONLINE PENETRATION RANKINGS BY CATEGORY



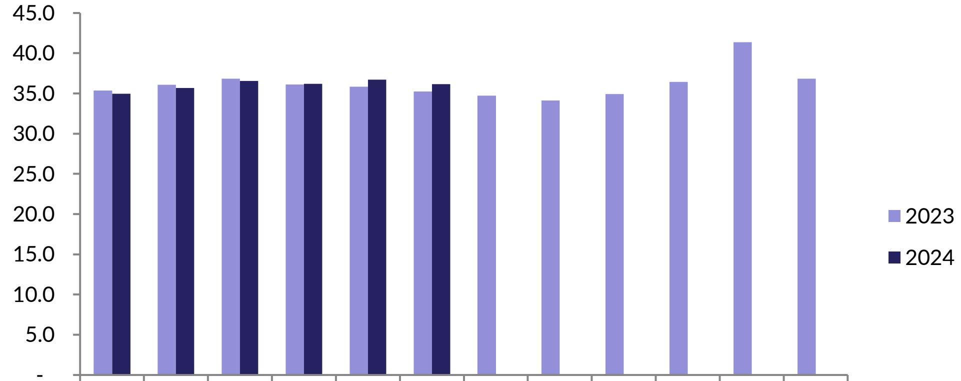
Source: BRC-KPMG RETAIL SALES MONITOR

Note: Online sales in the Monitor include all distance sales, notably mail and phone orders

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 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	35.2	34.7	34.1	34.9	36.5	41.4	36.8
2024	35.0	35.7	36.6	36.2	36.7	36.2						

NON-FOOD ONLINE PENETRATION RATE ONLINE AS % OF TOTAL	
Jun 2024	36.2%
Jun 2023	35.2%
May 2024	36.7%
3m average	36.3%
12m average	36.2%

Source: BRC-KPMG RETAIL SALES MONITOR

Covering the five weeks 26 May – 29 June 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
Jun 2023	-1.0	-2.4	35.2	35.7	-0.6	-1.1
Jul	-6.9	-3.4	34.7	35.3	-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
Jun	-0.7	-1.5	36.2	36.3	-0.2	-0.6

Source: BRC-KPMG Retail Sales Monitor.

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

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

THREE MONTHS ENDING	TOTAL % CHANGE YOY	LFL % CHANGE YOY
Jun 2023	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%
Jun	-3.7%	-3.6%

Source: BRC-KPMG Retail Sales Monitor

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

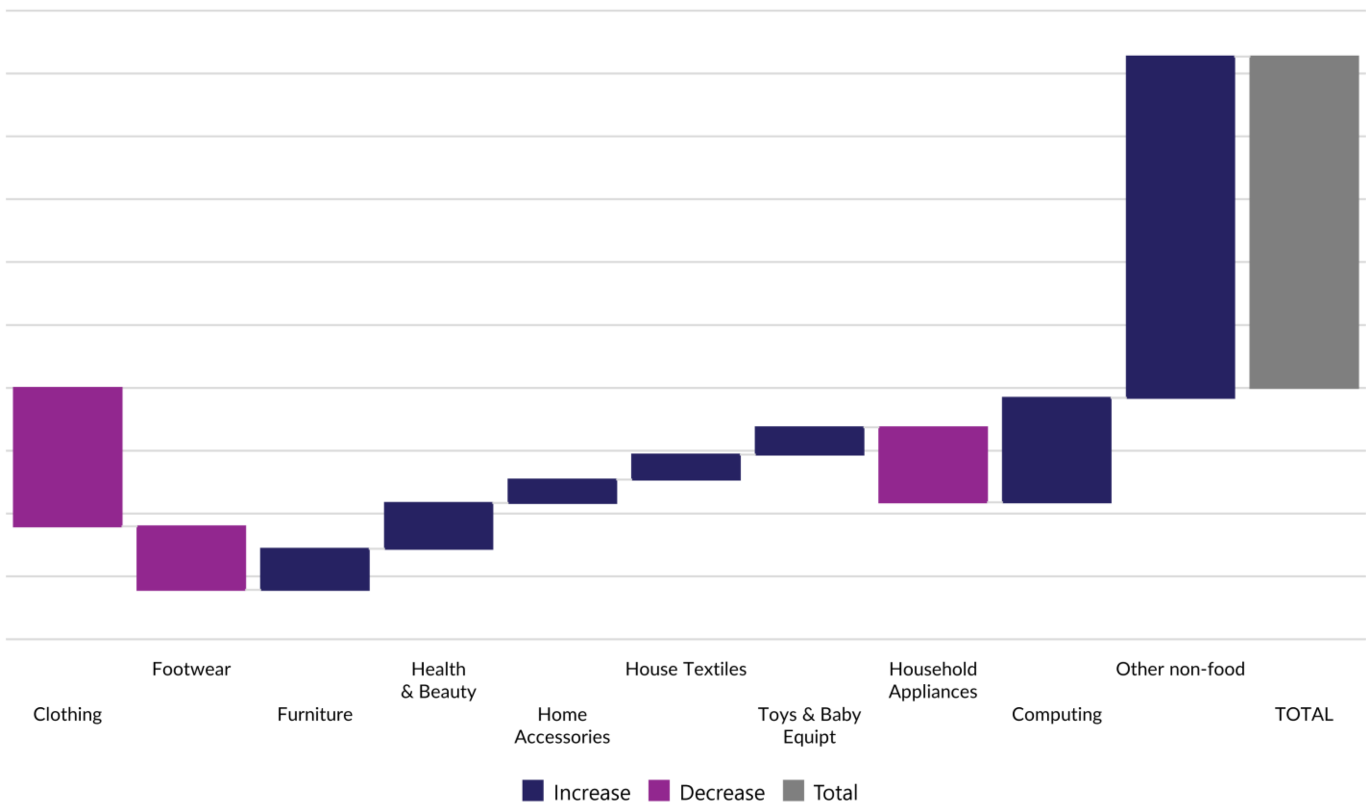
SECTOR PERFORMANCE: ONLINE SALES GROWTH

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

Source: BRC-KPMG RETAIL SALES MONITOR

Covering the five weeks 26 May – 29 June 2024

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



Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

Covering the five weeks 26 May – 29 June 2024

SECTOR PERFORMANCE: STORE TOTAL SALES GROWTH

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

Source: BRC-KPMG RETAIL SALES MONITOR

BRC – KPMG RETAIL SALES MONITOR JUNE 2024

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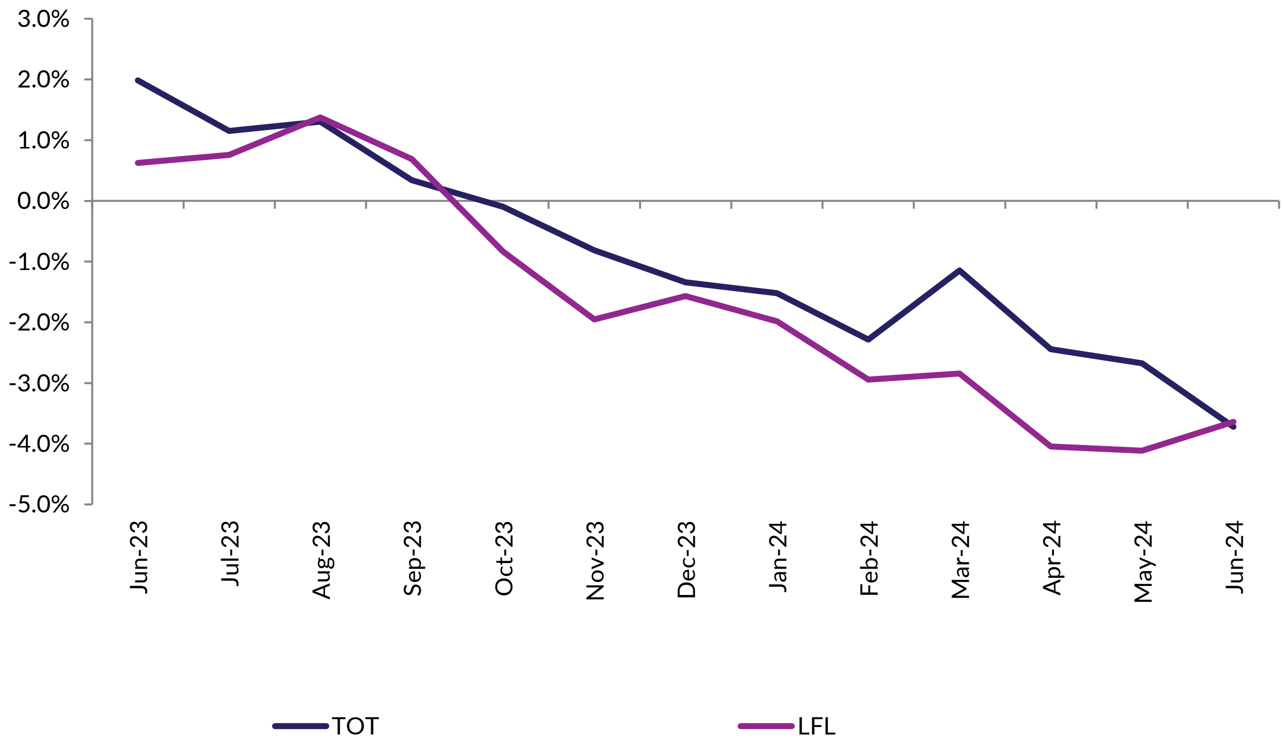
NON-FOOD STORE THREE-MONTH AVERAGE RETAIL SALES YEAR-ON-YEAR CHANGE (%)



Source: BRC-KPMG RETAIL SALES MONITOR

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 July 2024 Monitor, covering the four weeks 30 June – 27 July 2024, will be released at 00.01am on Tuesday 06 Aug 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:

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