

HKRMA Monthly Retail Sales Statistics Press Information

Month of April 2009

1) April 2009 Total Retail Sales

a. Total value growth vs last year	-4.4%*
b. Total volume growth vs last year	-5.5%*

2) YTD (Jan-Apr) Total Retail Sales growth vs LY -4%* (sales value) -5.4%* (volume)

3) Trend of Retail Sales Growth in HK\$

2008	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
(Value)	23.2%	9.5%	20.0%	18.6%	13.0%	11.7%	13.7%	10.2%	7.0%	0.3%	1.2%	1.1%
(Volume)	17.6%	4.4%	11.0%	13.0%	11.5%	5.6%	4.1%	6.6%	1.9%	-4.3%	-2.7%	-0.5%
2009	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
(Value)	7.4%	-12.7%	-7.7%	-4.4%*								
(Volume)	5.4%	-13.9%	-9.2%	-5.5%*								

* provisional figure

4) Commentary on April retail sales

- a. Generally members considered April performance is dissatisfactory even though year-on-year negative growth narrowed vs March.
- b. At airport April sales were badly affected even though total # of visitors to HK (per HKTB) grew by 0.8% in April, however this figure is mainly driven by Mainland tourists (+11.5%) who could have arrived via land. Also noted is TWN visitor is down 10.5% due to direct cross-strait links.
- c. Towards end of April the H1N1 has some impact on traffic particularly from mainland tourists therefore related retail saw the sales pressure.
- d. Easter and Ching Ming holidays so close is not good for local retail as people might go for short vacation.

- e. Some fashion retailers launched "mid season sale" in April i.e. discounting earlier in the season.
- f. **High drop:** motor vehicles & parts (-35.1%); fuel (-19%); Chinese drugs & herbs (-9.7%); optical (-9.5%); clothes (-7.6%).
Growth: Medicines & cosmetics (+11.6%), supermarket (+2.9%);
Department store (-0.9%) showed an improvement vs March (-6.3%).

5) **May and May Golden Week sales early indication**

- a. Cosmetics; dept store did not have a great Golden Week as it is only a short 3-day holiday.
- b. Early indications from members for May sales are not optimistic due to (1) heavy rain (2) increased impact on H1N1.

6) **Comments on H1N1 Flu**

- a. Slower traffic is seen across all retail from dept store to fast food.

7) **Other Comments**

- a. The Association has recently launched a rental survey and it indicates that out of 311 stores surveyed half of them had experienced rental increase.
- b. In case of rental increase more than half indicated that the increase is over 20%.
- c. 24% of these stores indicated rental decrease during recent lease renewal.