

Bulletin

March 2007 Retail Sales • Released May 18, 2007

POSITIVE PERFORMANCE BY ALL

Consumers ventured out despite the cool weather in March, likely anticipating that the Spring weather would be just around the corner.

All Stores Less Automotive posted a healthy 6.5% gain over the same period one year ago, with the Furniture, Home Furnishings and Electronics stores and Sporting Goods, Hobby, Music, and Book categories leading the way with increases of 9.4% and 8.6%, respectively.

Within the Furniture, Home Furnishings and Electronics stores category, the Computer Software, Home Electronics and Appliance stores segment registered a very healthy 9.8% increase.

Not to be outdone was the Clothing and Accessories category. Overall, the category grew just over 7.0% compared to last year despite the lacklustre 2.4% growth of the Shoes, Clothing and Accessories and Jewellery stores segment.

For the first quarter of 2007, the Clothing and Accessories category experienced an 8.1% increase in sales over last year, making it the category with the strongest growth.

General Merchandisers also enjoyed the largesse of consumers this month. In March, sales grew by 5.0%, and they closed out the quarter at 5.6% over last year.

The Building and Outdoor Home Supplies category continues to show growth but at a slower rate than 12 to 18 months ago. This growth is very different from the negative numbers we see in the U.S. In Canada March sales were up 4.0% relative to last year, and the category closed out the first three months of the year with a strong 7.1% increase over last year

The slower growth in the Building and Outdoor Home Supplies category seemingly did not negatively impact consumers desire to purchase items for the inside of their homes. The Furniture and Home Furnishings Stores segment grew by 7.7% in March, which was well ahead of their first quarter growth level at 6.8%.

Pharmacies and Personal Care Stores and Automotive stores experienced gains of 8.7% and 4.9%, respectively.

Regionally, the Prairies continues to be the engine for the retail sector with

double-digit growth of 10.9%. British Columbia and the Atlantic region posted gains in the 5.0%-6.0% range for the first quarter.

The woes in the automotive sector continue to dampen growth in Ontario, as both Quebec and Ontario recorded gains of about 4.0% for the first quarter of the year.

The relatively buoyant economic outlook and stable employment bodes well for continued growth. Whether these factors will be sufficient to sustain the performance of the first quarter throughout the remainder of the year, we will have to wait and see.

**RELEASE DATE OF THE NEXT
NATIONAL RETAIL BULLETIN**
June 21, 2007

Please note:

The J.C. Williams Group National Retail Bulletin compares the latest monthly release of "raw" (i.e., unadjusted for seasonality) retail sales figures to those in the *same calendar month of the previous year*. Statistics Canada also reports seasonally adjusted sales that are compared to the *previous month within the current calendar year* to measure change in Gross Domestic Product (GDP). Although other sources use seasonally adjusted figures, J.C. Williams Group believes that using raw figures and making comparisons to the previous year's performance more accurately reflects the seasonality of the retail industry and, therefore, are more useful in analysis.

Retail Sales by Store Category

Sales for the Month of: March	2007	2006	2007/2006
All Stores	32,778.7	30,946.4	5.9%
Automotive	11,968.1	11,405.5	4.9%
All Stores Less Automotive	20,810.5	19,541.0	6.5%
Food and Beverage Stores	7,569.0	7,125.5	6.2%
Pharmacies and Personal Care Stores	2,358.1	2,168.7	8.7%
All Stores Less Automotive, Food, Pharmacies	10,883.4	10,246.9	6.2%
General Merchandise Stores	3,513.6	3,347.7	5.0%
Furniture, Home Furnishings and Electronics Stores	2,316.9	2,132.4	8.6%
Furniture and Home Furnishings Stores	1,265.7	1,175.0	7.7%
Computer, Software, Home Electronics, and Appliance Stores	1,051.1	957.4	9.8%
Clothing and Accessories Stores	1,719.5	1,603.1	7.3%
Clothing Stores	1,350.8	1,243.0	8.7%
Shoes, Clothing Accessories, and Jewellery Stores	368.8	360.1	2.4%
Sporting Goods, Hobby, Music, and Book Stores	776.8	710.2	9.4%
Building and Outdoor Home Supplies Stores	1,768.5	1,700.9	4.0%
Miscellaneous Store Retailers	788.2	752.6	4.7%

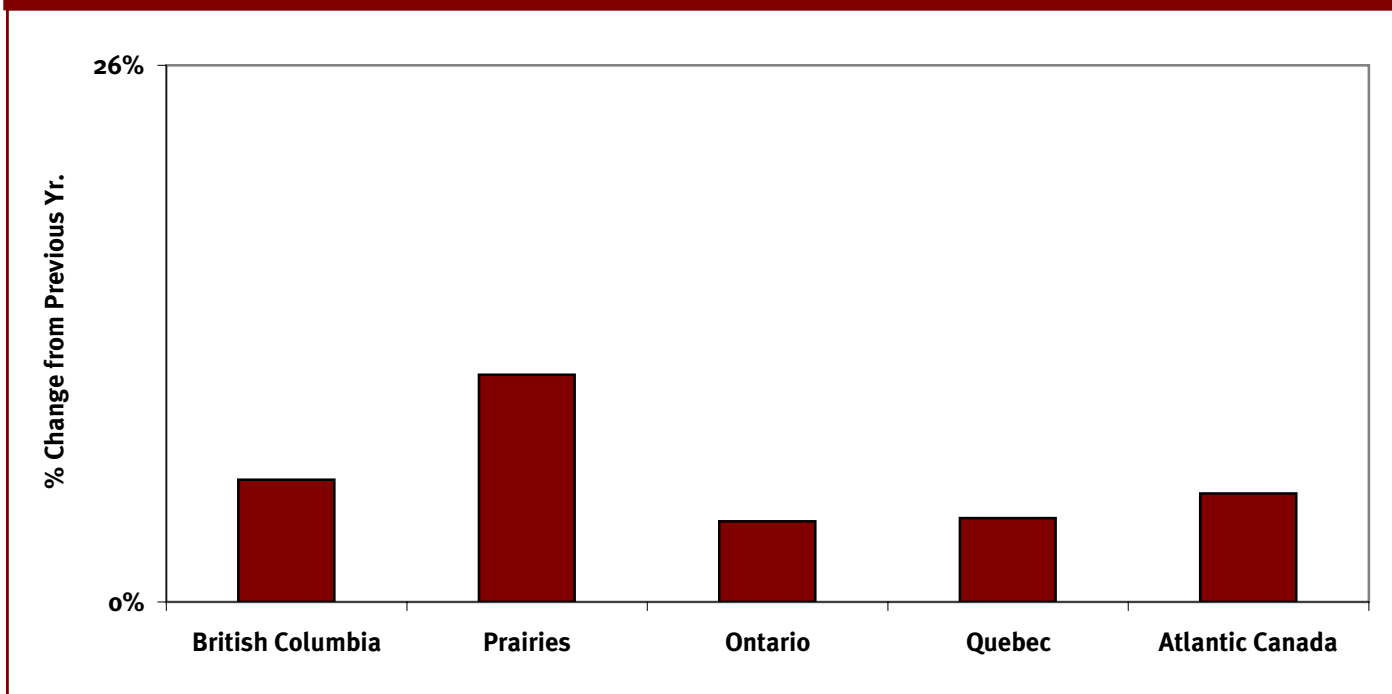
Year-to-date Sales	2007	2006	2007/2006
All Stores	87,170.3	82,458.3	5.7%
Automotive	30,185.6	28,802.6	4.8%
All Stores Less Automotive	56,984.7	53,655.7	6.2%
Food and Beverage Stores	20,618.8	19,752.9	4.4%
Pharmacies and Personal Care Stores	6,764.5	6,094.4	11.0%
All Stores Less Automotive, Food, Pharmacies	29,601.4	27,808.4	6.4%
General Merchandise Stores	9,603.3	9,096.4	5.6%
Furniture, Home Furnishings and Electronics Stores	6,397.4	5,958.4	7.4%
Furniture and Home Furnishings Stores	3,473.0	3,251.1	6.8%
Computer, Software, Home Electronics, and Appliance Stores	2,924.3	2,707.2	8.0%
Clothing and Accessories Stores	4,481.5	4,145.0	8.1%
Clothing Stores	3,463.0	3,176.5	9.0%
Shoes, Clothing Accessories, and Jewellery Stores	1,018.5	968.5	5.2%
Sporting Goods, Hobby, Music, and Book Stores	2,189.0	2,064.4	6.0%
Building and Outdoor Home Supplies Stores	4,745.8	4,430.4	7.1%
Miscellaneous Store Retailers	2,184.4	2,113.9	3.3%

ALL DOLLAR VALUES EXPRESSED IN MILLIONS OF CANADIAN DOLLARS; UNADJUSTED FIGURES; SOURCE: STATISTICS CANADA

Retail Trade, Canada, All Stores, by Region

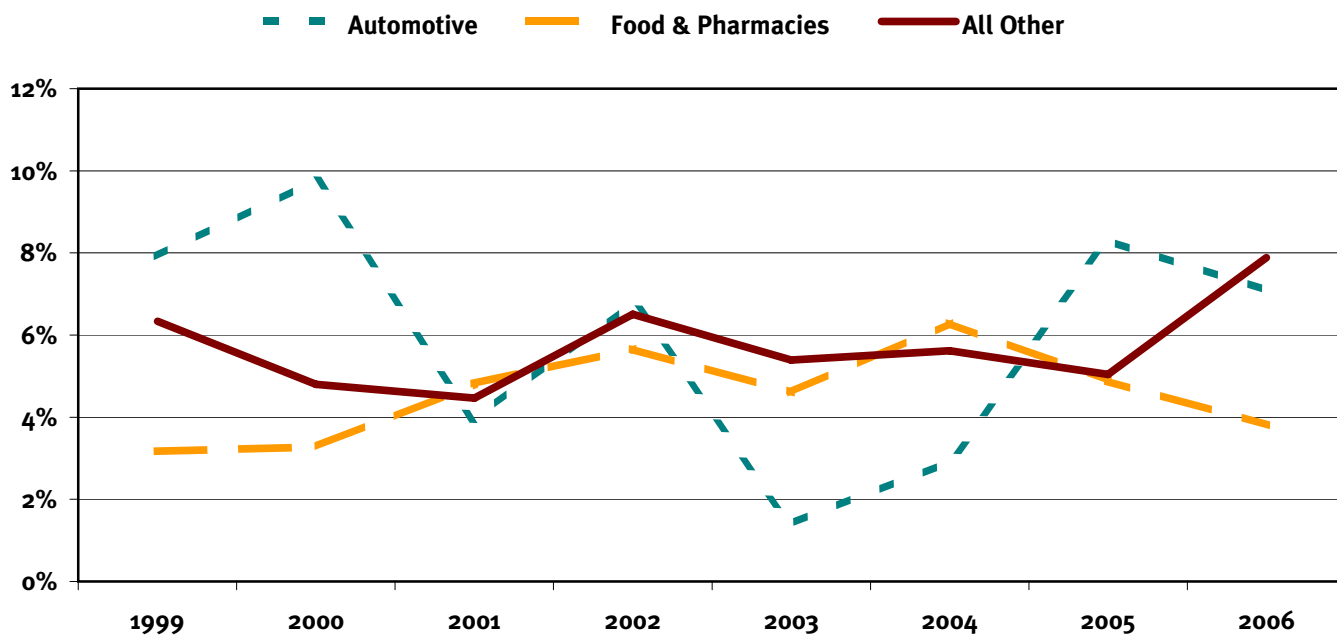
	Year-to-date 2007	Same Period 2006	Change 2007/2006
British Columbia	12,232.6	11,557.1	5.8%
Prairies	18,667.6	16,837.4	10.9%
Ontario	31,040.6	29,888.3	3.9%
Quebec	18,881.9	18,155.0	4.0%
Atlantic Canada	6,028.8	5,731.6	5.2%

Percentage Change in Retail Trade, All Stores, By Region Year-to-date Compared to Same Period Last Year

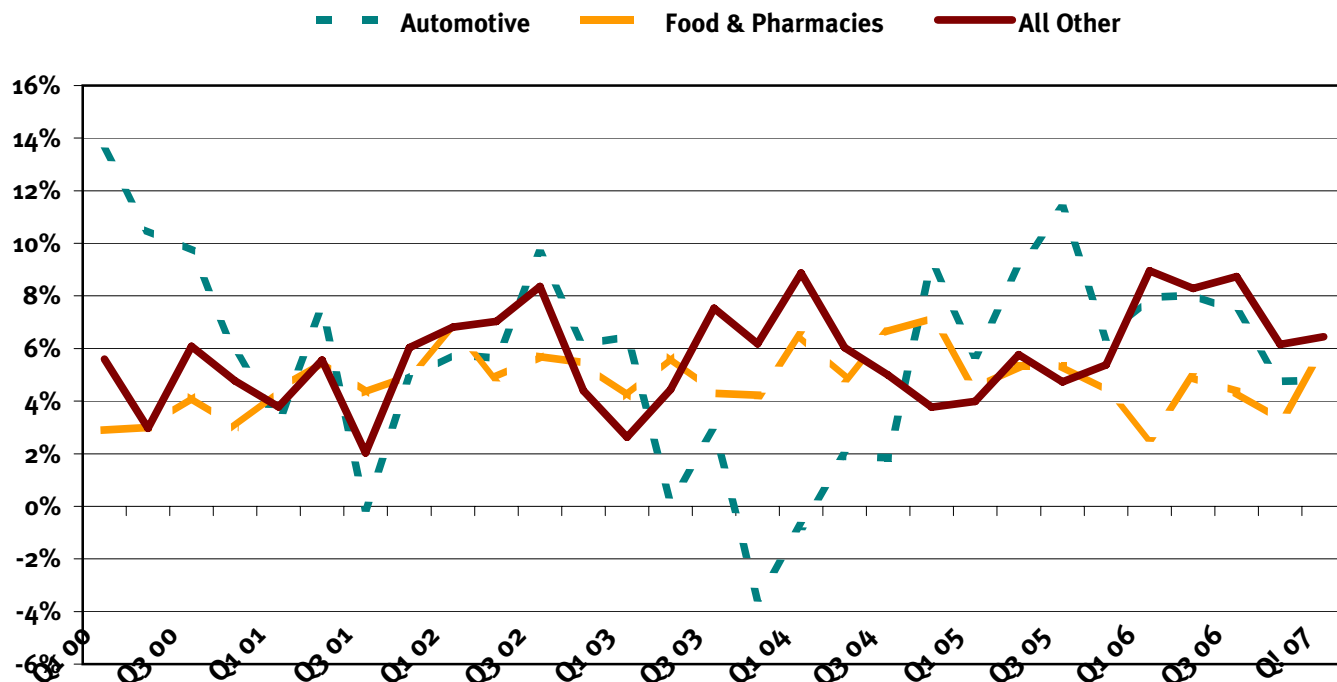


For more detailed information on retail sales, please contact J.C. Williams Group

Canadian Retail Sales by Major Product Category, Year Over Year (1999–2006)



Canadian Retail Sales by Major Product Category, From the Same Quarter a Year Earlier



Consumer Price Index

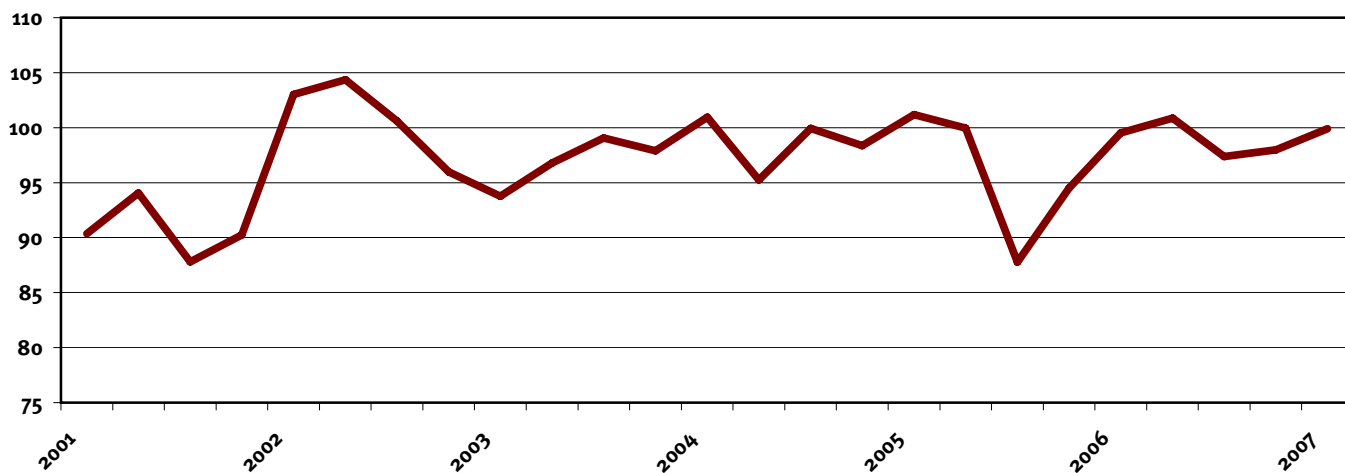
April 2007

vs.

April 2006

2.2%

Canadian Consumer Confidence Index 2001–2007



Source: Conference Board of Canada, 2002 = 100

Canadian Consumer Expenditures Index 1999–2006

