

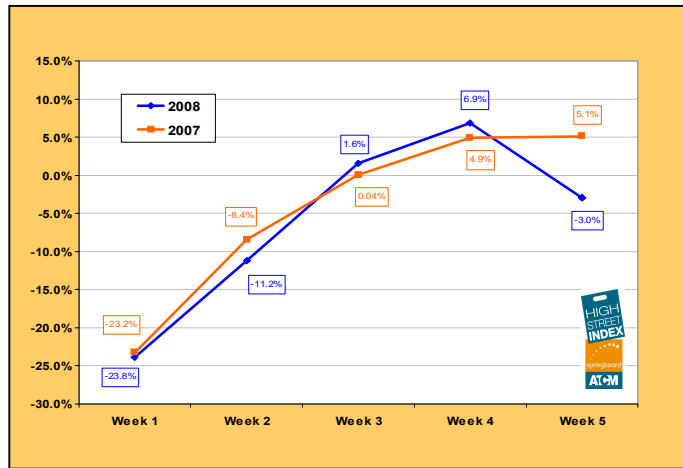
ATCM-Springboard High Street Index

January 2008 Commentary



It appears that the new year might be heralding a slow return of consumer confidence. The British Retail Consortium reported a modest year on year increase in UK retail sales of 2.6% in January, together with a significant improvement in the three month trend rate growth from 0.8% in December to 1.5% in January.

This slight improvement in the retailing environment seems to be flowing through to our high streets – whilst there was an annual decline in footfall in January of 3.9%, this decline is far smaller than the year on year decline witnessed in January 2007 of 7.8%.



Furthermore, the improvement in footfall in January this year compared with 2007 seems to have come about in weeks 3 and 4, which both saw higher weekly increases in footfall than last year.

The difference between the two sets of results – a positive annual change in retail sales contrasting with a negative annual change in footfall in our high streets – might well be related to the performance of particular retailing sectors. The BRC highlighted that whilst food sales were improving, there was a year on year decline in sales of clothing in January for the fourth month in a row, and other sectors such as homewares and health and beauty remained difficult, all of which are predominant in our high streets.

All Towns and Cities

Annual Change:

Jan 07 to Jan 08	-3.9%
Dec 06 to Dec 07	-8.6%
Nov 06 to Nov 07	-9.8%

Month on month change:

Dec to Jan 08	-34.9%
Dec to Jan 07	-37.6%
Nov to Dec 07	14.1%
Nov to Dec 06	14.0%
Oct to Nov 07	2.7%
Oct to Nov 06	6.1%

Regional Cities

Annual Change:

Jan 07 to Jan 08	-6.6%
Dec 06 to Dec 07	-9.1%
Nov 06 to Nov 07	-11.1%

Month on month change:

Dec to Jan 08	-36.7%
Dec to Jan 07	-38.3%
Nov to Dec 07	13.0%
Nov to Dec 06	11.5%
Oct to Nov 07	3.0%
Oct to Nov 06	8.5%