

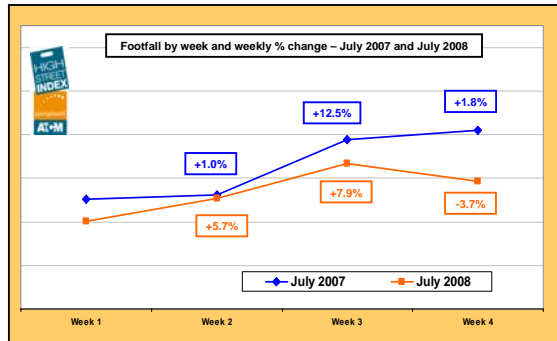
ATCM-Springboard High Street Index

July 2008 Commentary



The bright spot for high streets in June, when there was a positive year on year growth in footfall, seems to be just that – a short lived episode - which has been followed by a reality check in July with an annual decline in footfall of 2.4%.

Whilst this degree of decline is less than the 3.0% year on year decline in July 2007, its significance stems from the fact that July 2007 was typified by atrocious weather in most parts of the UK, far worse than in July this year. So despite the better weather, footfall in our high streets declined almost as much in this July as it did in July 2007. Figures released by the BRC for July – an annual decline in sales of 0.9% on a like for like basis - reinforce the downward trend in footfall in town centres.



Looking at the pattern of footfall throughout July provides an even greater understanding of the current trading vulnerability of our town centres. Whilst the month started positively with a greater increase in footfall than last year from the 1st to the 2nd week, performance in the latter half of the month was less favourable despite the better weather.

In fact, footfall actually declined between the 3rd and 4th weeks of July when, following the break up of schools for the summer holiday, footfall in town centres typically increases.

Our regional cities appear to be exhibiting an even greater vulnerability than all towns and cities nationally, with a year on year decline in footfall from July 2007 to July 2008 that is nearly 50% greater than that across the UK. And it seems that this vulnerability may not necessarily be short term – in the three months from May to July the average annual decline in footfall in regional cities reached 3% compared with just 0.4% across all towns and cities. So it seems that shoppers are veering away from making trips into city centres, possibly due to increased petrol costs or at least the perception of such.

All Towns and Cities

Annual Change:

Jul 07 to Jul 08	-2.4%
Jun 07 to Jun 08	1.3%
May 07 to May 08	-0.1%

Month on month change:

June to July 08	6.1%
June to July 07	8.7%
May to June 08	4.8%
May to June 07	4.4%
Apr to May 08	4.7%
Apr to May 07	-6.6%

Regional Cities

Annual Change:

Jul 07 to Jul 08	-3.4%
Jun 07 to Jun 08	-1.0%
May 07 to May 08	-4.4%

Month on month change:

June to July 08	5.8%
June to July 07	7.4%
May to June 08	4.0%
May to June 07	4.6%
Apr to May 08	0.5%
Apr to May 07	-3.0%