

On Retail Trade Turnover in May 2022

In May 2022, retail sales continued to increase

For the sixth consecutive month, retail sales continue to increase. In May 2022, compared to May 2021, it rose by 4.9% (unadjusted data at comparable prices). The growth is driven by the abatement of the Covid-19 pandemic. Since April 1, 2022 residents can shop freely at all sales points, while service providers can introduce additional security requirements themselves.

In May 2022, the turnover of **non-food** retail sales increased by 8.7% year-on-year, providing the largest contribution to the total retail sales growth. Trade turnover increased in almost all product categories. Similar to previous months, sales of clothes and shoes grew the most rapidly (by 66%). After the contraction in the previous months, retail sales of flowers, plants, seeds, fertilizers, pets and their feed increased (by 21%). Also, retail sales of books, newspapers, stationery, audio, and video recordings increased by 17%. An increase in retail sales of pharmaceuticals and medical supplies was observed. Retail sales of textiles, carpets, floor coverings, wallpapers, furniture, lighting devices, and other types of household accessories decreased (by 5%). Furthermore, retail sales of household electrical appliances in specialized stores decreased slightly (by 1%).

In the breakdown by sales outlets (excluding stores), an increase was observed only in the retail sale of second-hand goods (by 5.6%). Other retail sales outside shops, stalls, and markets decreased rapidly (by 39%). Retail sales in stalls and markets (by 16%) and retail sales outside shops, stalls, and markets (by 11.5%) also declined. Shopping by mail or on the Internet continued to decrease for the fourth consecutive month (by 7.6%). Although various shopping platforms are becoming increasingly popular, residents prefer to shop in person.

In May 2022, compared to the corresponding period last year, the retail turnover of **food products** increased by 2.8%.

In May 2022, compared to May 2021, the retail turnover of **fuel** at gas stations decreased by 0.7%. This was largely due to the rapid rise in fuel prices.

Overall, in January-May 2022, retail turnover was 9.1% higher, compared to the corresponding period last year. This was determined by the low base at the beginning of 2021, when the state of emergency was in force until April 6 and stores were closed. Consequently, retail turnover fell significantly.

The purchasing power of the population is negatively affected by the rising price level. This is also reflected in consumer confidence (sentiment) indicators, which continue to shrink. Entrepreneurs, on the other hand, are less sceptical in their assessments and evaluate future prospects rather positively. The assessment of retail companies is increasing both regarding the future activity and changes in the sales prices of goods in the following months. Nevertheless, expected employment trends are assessed more cautiously.

