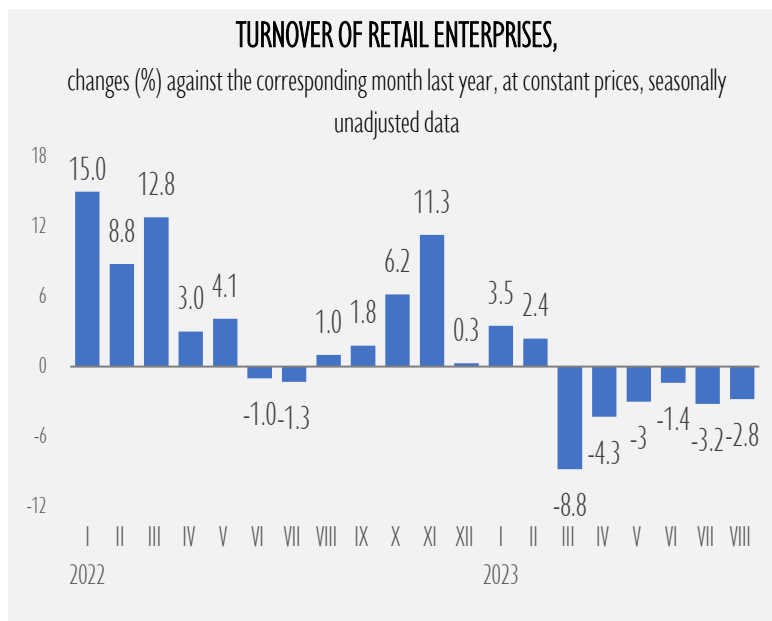


On Retail Trade Turnover in August 2023

In August 2023, the decline in retail trade continued

In August of 2023, the retail turnover sustained its decline, primarily attributed to the persistently high price levels. The aggregate turnover of retail enterprises in actual prices witnessed a 0.5% year-on-year decrease, yet, when factoring in the impact of prices, it exhibited a more pronounced 2.8% decline at constant prices (according to unadjusted data). This downturn in retail sales is also evident on a monthly basis, with a 0.4% decrease observed in August compared to July, according to seasonally adjusted data.

On an annual basis, both the retail turnover of food and non-food goods experienced declines due to elevated prices. Conversely, the turnover of retail sales of fuel remained relatively stable, practically maintaining the level of the previous year.



In August, the turnover of **non-food** retail sales recorded a 3.9% year-on-year decrease. This reduction was observed across major non-food product groups, except for the growth in clothing, footwear, and leather goods trade (up 12.3%), information and communication technology equipment trade (up 5%), and pharmaceutical medical supplies trade (up 0.2%). The most significant drop in turnover was in the trade of books, newspapers, stationery, audio and video recordings (down by 12.2%). Notable declines were also registered in the retail sale of watches, jewelry, and miscellaneous goods (down by 8.9%), retail sale of sports goods and games (down by 8.6%), stores specializing in the retail sale of household electrical appliances (down by 6.9%), metal products, tools, building materials, and plumbing (down by 6.9%), and the trade of flowers, plants, seeds, fertilizers, pets, and their feed (down by 6.1%). A more moderate decrease was observed in the trade of textiles, carpets, floor coverings, wallpaper, furniture, lighting devices, and other types of household goods (down by 1.2%), and in the trade of cosmetics and toiletries (down by 0.9%).

Regarding trading places, there was a notable increase in turnover in retail trade at stalls and markets (up by 7.5%), while other forms of retail trade outside shops, stalls, and markets experienced a sharp decline (down by 10.6%). On the other hand, there was a slight decrease of 1.7% in retail sales conducted through mail or online platforms.

The annual turnover of **food** retail sales in August witnessed its eleventh consecutive month of decline, albeit with a more moderate decrease of 3.1% compared to the previous five months. The prevailing high price levels for food items continue to impact the turnover of food products.

The retail turnover of **fuel** at gas stations remained virtually unchanged in August, with a slight increase of 0.3% compared to August 2022. This stability can be attributed to the surge in retail sales of fuel in August of the previous year when fuel prices decreased following a sharp rise in the first half of that year.

Overall, in the first eight months of this year, retail turnover was 2.4% lower than in January-August 2022. This decline was predominantly driven by a 5.1% drop in food retail turnover due to higher food prices. Non-food retail sales also decreased by 2.6%, influenced by a high base in early 2022 when all trade restrictions were gradually lifted, leading to a significant increase in retail turnover. On the other hand, fuel trade turnover increased by 3.5% in January-August this year, influenced by lower retail sales volumes in April-July of the previous year due to high fuel prices.

Retail sales volumes are expected to continue being impacted by high prices, as consumers have adapted to making more budget-conscious and smaller purchases. However, as the prices of food and energy resources stabilize, their negative impact on retail turnover is anticipated to gradually decrease.