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TEPAV RETAIL CONFIDENCE INDEX (TEPE)

PRESS RELEASE

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POSITIVE TREND IN TEPE CONTINUES DESPITE THE SLOWDOWN IN THE PACE OF THE RECOVERY

A. Even though TEPE that had met 2011 with an upward trend slowed down slightly, the index stood at 3.7 in March 2011. TEPE therefore increased by 0.8 points month-on-month and by 9.2 points year-on-year.

Figure-1. TEPE (March 2010 – March 2011)

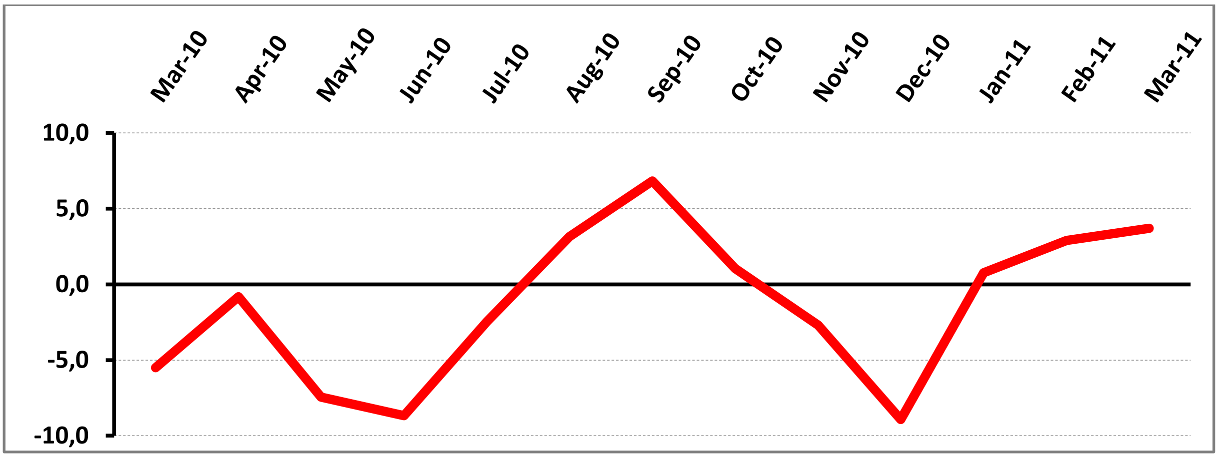


Table-1. TEPE

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-19.6	-23.8	-20.6	-7.8	-9.4	-20.7	-27.2	-30.8
2009	-29.5	-26.0	-17.1	-9.8	-10.1	-8.8	-6.8	-5.1	-4.9	-10.3	-9.9	-19.2
2010	-17.5	-10.4	-5.5	-0.8	-7.4	-8.7	-2.5	3.2	6.8	1.1	-2.7	-8.9
2011	0.8	2.9	3.7									

B. In March 2011, expectations for the next three months did not change considerably. 52.8 percent of the TEPE survey participants expected an improvement in business activities in the next three months whereas 22.2 percent expect a deterioration in business activities. This implies an improvement by 17.6 points compared to March 2010 and by 0.4 points compared to February 2011.

Figure-2. TEPE – Expectations for the next three months (%increase-%decrease)

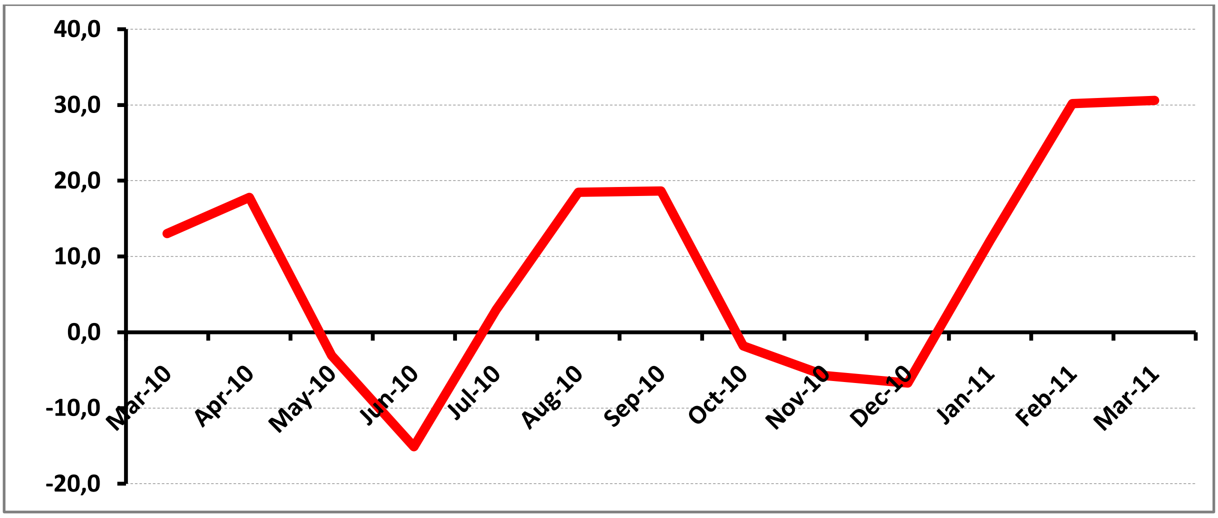


Table-2. TEPE – Expectations for the next three months (%increase-%decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-26.3	-39.0	-21.6	4.9	0.9	-31.5	-44.0	-53.2
2009	-40.1	-27.6	-24.0	-1.3	-11.9	-7.5	-3.2	5.7	15.1	-13.7	-14.9	-31.3
2010	-18.7	-4.5	13.0	17.8	-3.1	-15.1	3.0	18.5	18.6	-1.8	-5.7	-6.7
2011	12.1	30.2	30.6									

C. The difference between the participants who declared a year-on-year improvement in business activities and who declared a year-on-year deterioration in business activities increased by 24.6 points compared to March 2010 and decreased by 0.7 points compared to February 2011.

Figure-3. TEPE – Year-on-year change in business activities (%increase- %decrease)

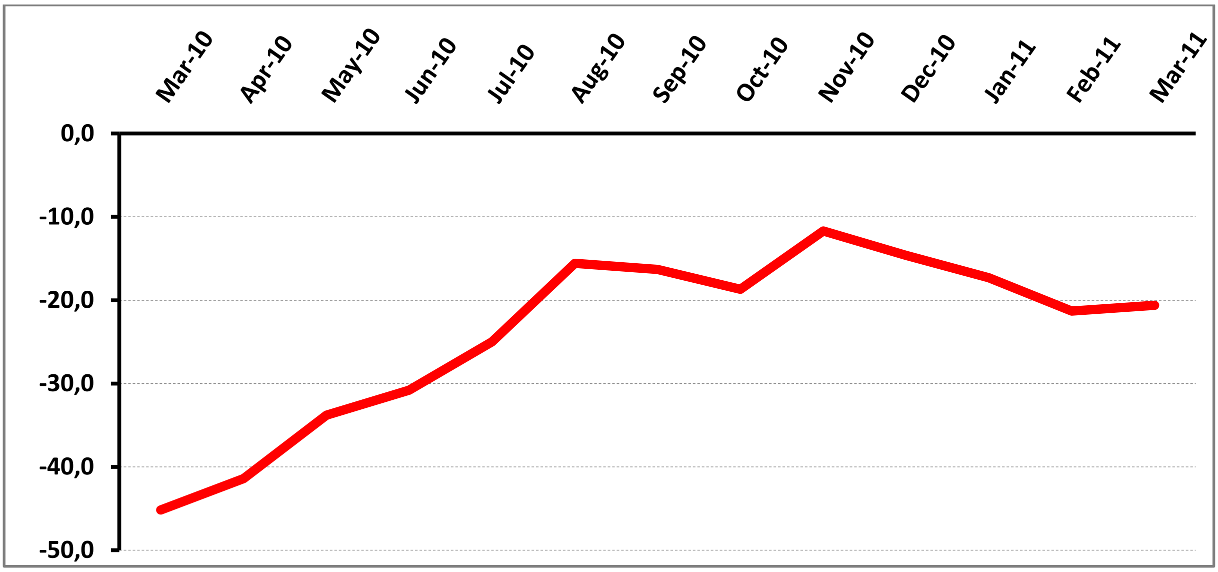


Table-3. TEPE – Year-on-year change in business activities (%increase- %decrease)

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-60.1	-60.7	-61.5	-47.6	-55.5	-57.1	-62.7	-68.1
2009	-73.4	-73.2	-64.6	-66.4	-56.8	-35.3	-39.6	-42.5	-60.1	-52.1	-43.6	-48.9
2010	-47.7	-53.1	-45.2	-41.4	-33.9	-30.8	-25.0	-15.6	-16.3	-18.7	-11.7	-14.6
2011	-17.3	-21.3	-20.6									

D. In March 2011, EU-27 Retail Index stood at -0.7 indicating a month-on-month increase at 0.9 points and a year-on-year increase at 3 points. As in January and February 2011, EU-27 Retail Index remained below the TEPE in March 2011.

Figure-4. Comparison of TEPE and EU-27 Retail Index AB-27 (March-2010, March-2011)

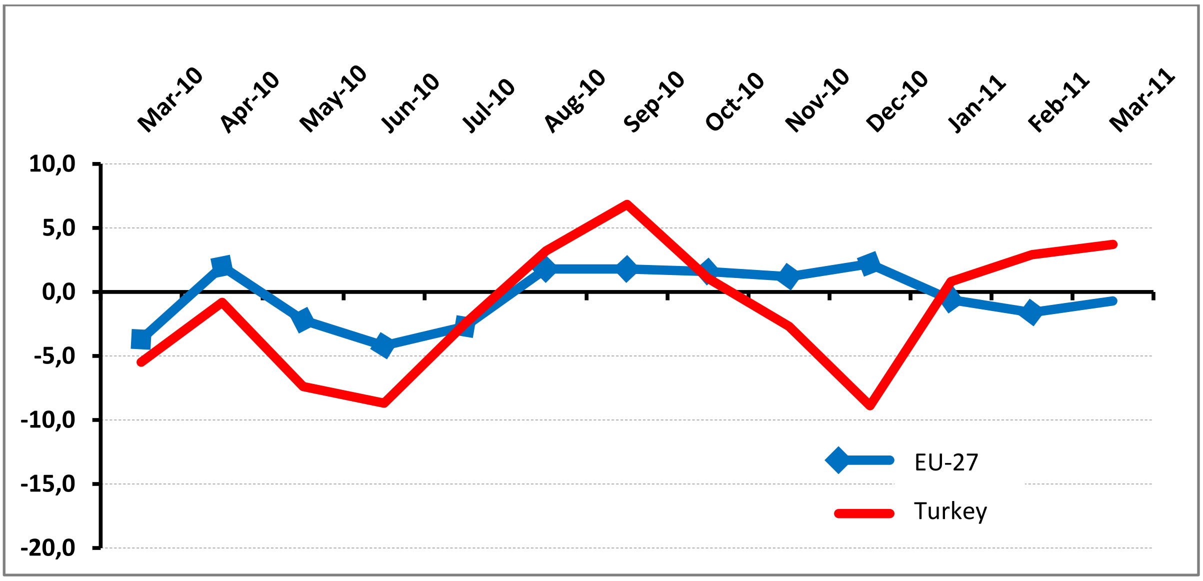
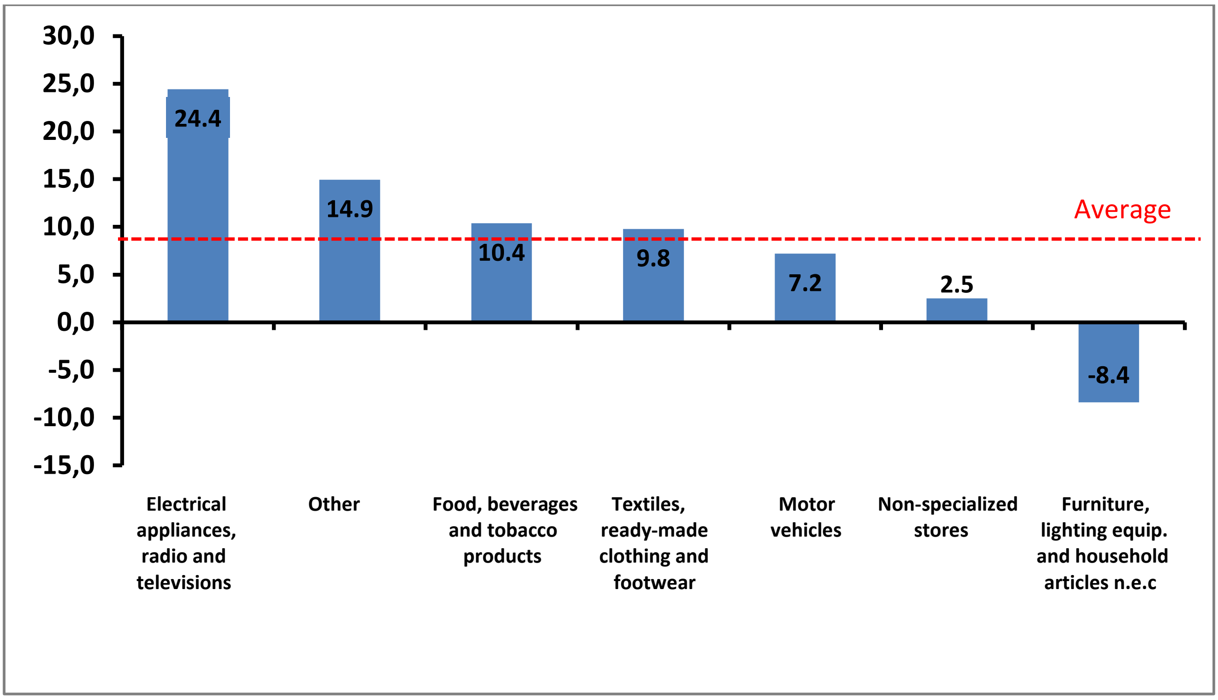


Table-4. EU-27

%	January	February	March	April	May	June	July	August	September	October	November	December
2008	---	---	---	---	-1.7	-4.8	-13.9	-13.2	-12.4	-16.3	-18.8	-29.0
2009	-25.9	-22.1	-18.8	-17.1	-11.9	-13.7	-14.1	-8.8	-8.0	-10.5	-5.2	-10.9
2010	-5.2	-4.7	-3.7	2.0	-2.2	-4.2	-2.7	1.8	1.8	1.6	1.2	2.2
2011	-0.6	-1.6	-0.7									

E. Analysis of the performance of sub-sectors reveals that in March 2011, electrical household articles, radio and televisions sector performed better than other sectors. Foods, beverages and tobacco products sector; textiles, ready-made clothing and footwear sector; and others sector performed better than the average while motor vehicles and non-specialized stores performed worse than the average. n.e.c. furniture and lighting equipments sector held the worst performance losing position compared to the year before.

Figure-5. Year-on-year change in TEPE, March 2011 (points)



F. Detailed results of the TEPE survey questions reveal a strong recovery in almost all indicators compared to the same period in the year before and a slight month-on-month change. Compared to March 2010, business activities in comparison with the year before and to three months ago recovered substantially. This is followed by the recovery in the expectations for sales, sales prices and orders placed with suppliers in the next three months. Employment expectations increased compared to March 2010 and decreased by 0.2 points compared to February 2011.

Table-5. Detailed results by TEPE questions (%)

Questions	Index 03/2010	Index 02/2011	Index 03/2011	Month-on-month change 03/2011	Year-on-year change 03/2011
How has your business activity developed over the past three months? It has...	-54,0	-36,9	**-33,3**	3,6	20,7
Do you consider the volume of inventories you currently hold to be...? [1]	24,5	15,5	**13,7**	-1,8	-10,8
How do you expect your orders placed with suppliers to change over the next 3 months? They will...	-3,4	17,6	**14,7**	-2,9	18,1
How do you expect your business activity (sales) to change over the next 3 months? It will...	13,0	30,2	**30,6**	0,4	17,6
How do you expect your firm's total employment to change over the next 3 months? It will...	1,5	12,7	**12,5**	-0,2	11,0
How do you expect the prices you charge to change over the next 3 months? They will…	-1,6	15,5	**15,8**	0,3	17,4
How has your business activity developed this year compared to the same period in the last year? It has...	-45,2	-21,3	**-20,6**	0,7	24,6
Do you expect an increase in the number of your stores next year?	3,4	6,5	**10,0**	3,5	6,6

[1] Positive inventory level indicates that current level of inventory stands below the normal.
The (-) values in Table-5 implies that negative expectations are more dominant than positive expectations.