


**H&M (STO: HM-B) Monthly Sales Update: Sequential Sales Improvement in January**

- H&M reported total sales rose by 8% year over year in local currencies in January 2017. This compares to sales growth of 6% in December. January sales were negatively impacted by 2% due to a calendar impact.
- The total number of stores grew by 10.7% year over year to 4,380, as of January 31.
- Sales growth lagged store growth by 266 basis points in January, contracting from the 466-bps difference in December.

Each month, H&M reports sales growth in local currencies, including VAT, as well as monthly store numbers. The company offered no commentary. Sales growth lagged store growth by 266 bps in January, a contraction from a 466-bps difference in December.

H&M will publish February sales and its 1Q17 trading report for the period of December 1, 2016 to February 28, 2017 on March 15, 2017.

**Figure 1. H&M Sales and Stores: YoY % Change, Six-Month View**

	August	September	October	November	December	January
Sales (%)	7	1	10	9	6	8
Stores (%)	12.5	12.6	12.1	10.9	10.7	10.7
Difference (bps)	(552)	(1162)	(214)	(188)	(466)	(266)

Source: Company reports/Fung Global Retail & Technology

**Note on Sales Growth Versus Store Growth**

Changes in the difference between sales growth and store growth suggest changes in the underlying sales growth rates; however, the measure should not be taken as indicative of comparable sales growth in absolute terms. The figures are calculated from rounded sales growth data and unrounded store growth data.



FLASH REPORT

---

**Deborah Weinswig, CPA**

Managing Director  
Fung Global Retail & Technology  
New York: 917.655.6790  
Hong Kong: 852.6119.1779  
China: 86.186.1420.3016  
deborahweinswig@fung1937.com

**Eva K.**  
Senior Research Associate

---

**Hong Kong:**  
8th Floor, LiFung Tower  
888 Cheung Sha Wan Road, Kowloon  
Hong Kong  
Tel: 852 2300 4406

**London:**  
242-246 Marylebone Road  
London, NW1 6JQ  
United Kingdom  
Tel: 44 (0)20 7616 8988

**New York:**  
1359 Broadway, 9th Floor  
New York, NY 10018  
Tel: 646 839 7017

**[FungGlobalRetailTech.com](http://FungGlobalRetailTech.com)**