

H&M (STO: HM-B) Monthly Sales Update: Improving, But March Sales Still Soft



- H&M reported total sales rose by 6% year over year in local currencies in March 2017. This compares to year-over-year sales growth of 3% in February.
- The total number of stores grew by 10.7% year over year to 4,426, as of March 31.
- Sales growth lagged store growth by 473 basis points in March, contracting from the 766-bps difference in February.

Each month, H&M reports sales growth in local currencies, including VAT, as well as monthly store numbers. The company typically offers no commentary.

In March, sales growth lagged store growth by 473 bps, a contraction from the 766-bps difference in February.

H&M will publish sales figures for the month of April on May 8.

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

	October	November	December	January	February	March
Sales (%)	10	9	6	8	3	6
Stores (%)	12.1	10.9	10.7	10.7	10.7	10.7
Difference (bps)	(214)	(188)	(466)	(266)	(766)	(473)

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

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