

Brazil's Supermarket Sales Fall 10%. Worst Results Since November 2003.

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Brazilian supermarket sales were down 10.1% in March in comparison with March, 2005, according to the Brazilian Supermarket Association's (ABRAS) National Sales Index, which was published April 26.

This result represents the sector's worst performance since November, 2003. According to the ABRAS, the drop had a big impact on the sector's overall performance in the first quarter. Sales, which had been down 1.5% through February, ended the quarter with a -4.83% result.

In comparison with February, sales in March were up 6.25%, in consequence of the greater number of days in the month.

According to the ABRAS, the poor performance in March may reflect the fact that, in 2006, Easter fell in the month of April, whereas last year the holiday occurred in March. This contributed to what is considered an above-average performance in March, 2005.

In compensation, the association expects the sector to recover in April, due precisely to Easter sales and the one-month anticipation of the hike in the minimum wage.

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