

GHS Consumer Strategy: February 2010 Comparable Store Sales: *Warming Up to Three Blizzards, Good Earnings, and Social Networking*



- **Better merchandising and pent-up demand collided nicely in February.** The industry continued to improve its merchandising and average unit retail price level to fit with current trends in shopper demand and especially the timing of demand. The blizzards during February resulted in spectacular declines in traffic on the specific storm dates but subsequent weekends generated solid activity (pages 11-13). Social networking is beginning to make an impact, too, in our view. Three names as examples of the impact of virtual commerce activity:
 1. **ANF:** Abercrombie & Fitch (ANF) generated solid topline and comp sales trends in February as cold weather matched their overall lifestyle themes. More importantly, ANF, in our view, seemed to take advantage of direct-to-consumer marketing, noting that their direct business increased 28%, generating \$17.7 million in sales in the month. ANF's Facebook fan count stood at a massive 860,000 as of today's date.
 2. **JWN:** Nordstrom (JWN) reported a very strong 50.3% increase in direct-to-consumer sales in February, helping overall sales increase by 14.5% for the month. Nordstrom appears to be active in social networking, based on our view of their activity on Twitter. Their Facebook fan count stood at about 53,500 as of today.
 3. **M:** Macy's continued to post better results in February. M said its macys.com business increased 38.0% in February, helping overall comparable store sales and topline growth rates for the month.
- **The S&P Retail Index (RLX) is poised to retrace back to 2007 levels.** Based on February's

results, and especially the foundations behind these results, we would expect the retail index (RLX) to continue to test the 430 level which would take us back to late 2007. This makes this sector one of the better performing sectors for earnings quality, in our view. Consumer discretionary remains strong due partly to the buying power of a big proportion of working consumers, and due to the very strong financial management and tech investments at many leading companies, in our opinion (see pages 14-17).

Summary of February's Data – 2001 to 2010

	<i>Feb-01</i>	<i>Feb-02</i>	<i>Feb-03</i>	<i>Feb-04</i>	<i>Feb-05</i>	<i>Feb-06</i>	<i>Feb-07</i>	<i>Feb-08</i>	<i>Feb-09</i>	<i>Feb-10</i>
February simple average	1.60%	2.55%	-2.39%	9.79%	6.82%	2.24%	0.58%	-1.47%	-6.55%	3.73%
February arithmetic sum of values	60.8%	104.6%	-98.1%	401.2%	293.4%	98.6%	25.6%	-64.7%	-229.2%	111.9%
February median	-0.10%	1.50%	-3.00%	8.00%	6.00%	1.95%	1.20%	-2.55%	-6.60%	4.85%
February standard deviation	0.088	0.090	0.084	0.095	0.092	0.094	0.068	0.069	0.125	0.058

(Image: December 2009 blizzard, <http://www.flickr.com/people/wwwworks>, original source: Wikipedia)

Broadlines, Wholesale and Discount

		Comp sales change			Total sales change		
Ticker	(sorted by category and by comp +/-)	Feb. +/- %	FYTD +/- %	spread	Feb. % +/-	FYTD % +/-	spread
BJ	BJ's Wholesale Club - consolidated with fuel	7.5%	7.5%	0.0	12.8%	12.8%	0.0
COST	Costco Wholesale Corp. (FYE 08/31, US comps) - unadjusted for fuel price	5.0%	3.0%	2.0	11.0%	8.0%	3.0
BJ	BJ's Wholesale Club - excl. Fuel sales	3.9%	NA	NA	NA	NA	NA
TGT	Target Corporation	2.4%	2.4%	0.0	6.0%	6.0%	0.0
COST	Costco Wholesale Corp. (FYE 08/31, US comps) - adj. for fuel & forex	2.0%	NA	NA	NA	NA	NA
FRED	Freds Inc. (total company - continuing op's only)	1.8%	1.8%	0.0	3.0%	3.0%	0.0
DUCK	Duckwall-ALCO	-2.9%	-2.9%	0.0	-2.4%	-2.4%	0.0

Fashion Department Stores and Off-price Fashion Stores

		comp sales change			total sales change		
Ticker	(sorted by category and by comp +/-)	Feb. +/- %	FYTD +/- %	spread	Feb. % +/-	FYTD % +/-	spread
ROST	Ross Stores Inc.	11.0%	11.0%	0.0	16.0%	16.0%	0.0
TJX	TJX Companies (constant currency basis)	10.0%	10.0%	0.0	16.0%	16.0%	0.0
JWN	Nordstrom, Inc.	9.3%	9.3%	0.0	14.5%	14.5%	0.0
Private equity	Neiman Marcus/Bergdorf's (Specialty Retail Segment, FYE 7/31)	5.1%	NA	NA	7.7%	NA	NA
KSS	Kohl's Corporation	3.7%	3.7%	0.0	7.8%	7.8%	0.0
M	Macy's, Inc.	3.7%	3.7%	0.0	4.0%	4.0%	0.0
DDS	Dillards Inc.	2.0%	2.0%	0.0	0.0%	0.0%	0.0
SKS	Saks Fifth Avenue (Saks Inc.)	2.0%	2.0%	0.0	3.1%	3.1%	0.0
JCP	J.C. Penney Co. Inc.	1.2%	1.2%	0.0	1.5%	1.5%	0.0
BONT	Bon-Ton Stores, Inc. (consolidated)	0.5%	0.5%	0.0	-0.1%	-0.1%	0.0
SSI	Stage Stores, Inc. (consolidated)	-3.9%	-3.9%	0.0	-2.1%	-2.1%	0.0
SMRT	Stein Mart, Inc.	-9.3%	-9.3%	0.0	-11.4%	-11.4%	0.0

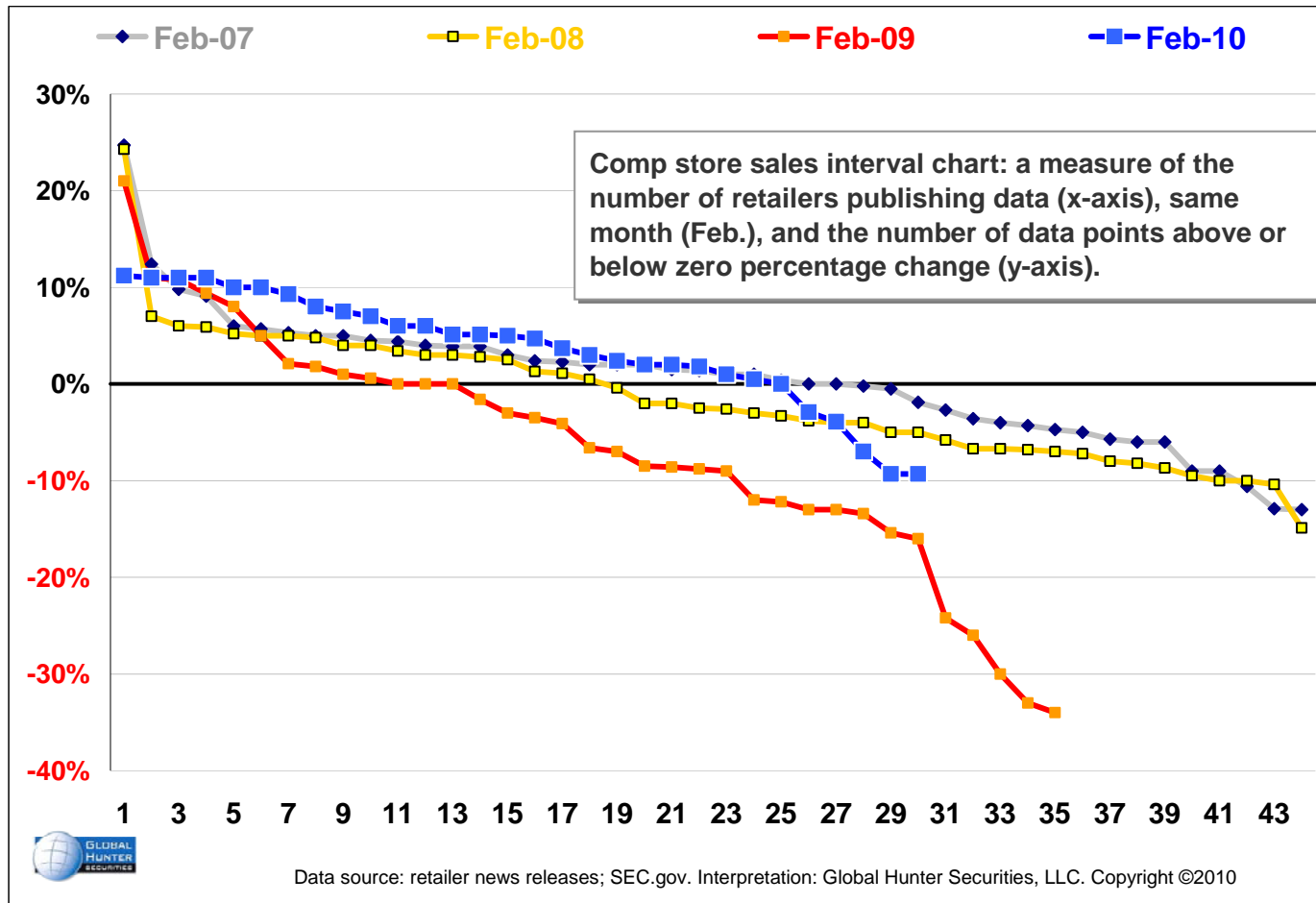
Specialty Apparel and Accessories

		comp sales change			total sales change		
Ticker	(sorted by category and by comp +/-)	Feb. +/- %	FYTD +/- %	spread	Feb. % +/-	FYTD % +/-	spread
WTSLA	Arden B. (div. Wet Seal, Inc.)	12.4%	NA	NA	NA	NA	NA
ZUMZ	Zumiez, Inc.	11.2%	NA	NA	19.6%	NA	NA
ANF	abercrombie kids (div. ANF)	11.0%	NA	NA	NA	NA	NA
LTD	Bath & Body Works (div. Limited Brands)	11.0%	NA	NA	NA	NA	NA
LTD	Victoria's Secret Stores (div. Limited Brands)	10.0%	NA	NA	NA	NA	NA
LTD	Limited Brands, Inc. (consolidated)	10.0%	10.0%	0.0	9.5%	9.5%	0.0
HOTT	Torrid (div. Hot Topic)	8.5%	8.5%	0.0	10.4%	10.4%	0.0
ANF	Abercrombie & Fitch (div. ANF)	8.0%	NA	NA	NA	NA	NA
ARO	Aeropostale	7.0%	7.0%	0.0	15.0%	15.0%	0.0
AEO	American Eagle Outfitters (consolidated)	6.0%	6.0%	0.0	6.0%	6.0%	0.0
GPS	Banana Republic (division Gap, Inc.)	6.0%	NA	NA	NA	NA	NA
BKE	Buckle, The	5.1%	5.1%	0.0	9.7%	9.7%	0.0
ANF	Abercrombie & Fitch (consolidated)	5.0%	5.0%	0.0	16.0%	16.0%	0.0
GPS	Old Navy (division Gap, Inc.)	5.0%	NA	NA	NA	NA	NA
WTSLA	Wet Seal, Inc. (consolidated)	4.7%	4.7%	NA	7.4%	7.4%	NA
WTSLA	Wet Seal (div. Wet Seal, Inc.	3.4%	NA	NA	NA	NA	NA
CATO	Cato Corporation	3.0%	3.0%	0.0	7.0%	7.0%	0.0
GPS	Gap, Inc. (consolidated)	3.0%	3.0%	0.0	5.0%	5.0%	0.0
ANF	Hollister (div. ANF)	1.0%	NA	NA	NA	NA	NA
LTD	La Senza (div. Limited Brands)	1.0%	NA	NA	NA	NA	NA
GPS	Gap (North America)	0.0%	NA	NA	NA	NA	NA
HOTT	Hot Topic, Inc. (consolidated)	-7.0%	-7.0%	0.0	-5.3%	-5.3%	0.0
DEST	Destination Maternity (FYE 9/30)	-9.3%	-9.3%	NA	-1.4%	-1.4%	NA
HOTT	Hot Topic (div. Hot Topic, Inc.)	-11.2%	-11.2%	0.0	-10.2%	-10.2%	0.0

February 4-years Sequential Interval Analysis: Retracing back to 2007 Levels, Growth Resumes in the Sector

February 2010's data set continued to shrink, this time due to the absence of data from Children's Place (PLCE), which no longer publishes monthly sales data, and due to the absence of data from smaller contributors such as Baker's Footwear (BKRS) and American Apparel (APP), which also discontinued monthly sales releases. Looking at the available data, we note that February's data was the best overall since at least 2007, building on the momentum that started moderately in October 2009 and which has continued to gain steam through February 2010. The outlook for the core group of larger regional and national chains remains favorable, in our view.

	Feb-07	Feb-08	Feb-09	Feb-10
Sum of positive comp values	122.7%	88.8%	70.7%	144.3%
Sum of negative comp values	-99.1%	-157.5%	-302.9%	-32.4%



Selected February Comp Store Sales, 10-years excluding most consolidations (sorted by ticker symbol)

Ticker	Retailer	Feb-01	Feb-02	Feb-03	Feb-04	Feb-05	Feb-06	Feb-07	Feb-08	Feb-09	Feb-10
AEO	American Eagle Outfitters	-4.5%	-1.2%	-7.0%	15.0%	32.4%	6.0%	6.0%	-4.0%	-7.0%	6.0%
ANF	Abercrombie & Fitch (div. ANF) ¹	6.0%	-9.0%	-4.0%	1.0%	19.0%	5.0%	-6.0%	-2.0%	-30.0%	8.0%
ANF	abercrombie (div. ANF)	NA	NA	NA	NA	35.0%	31.0%	-4.0%	-7.0%	-34.0%	11.0%
ANF	Hollister (div. ANF)	NA	NA	NA	NA	26.0%	15.0%	-9.0%	-4.0%	-33.0%	1.0%
ANN	AnnTaylor (div. ANN)	-9.9%	-0.5%	-8.0%	12.7%	-11.5%	9.8%	2.4%	-8.7%	NA	NA
ANN	AnnTaylor Loft (div. ANN)	12.2%	-2.1%	-9.4%	20.8%	1.2%	4.2%	-10.6%	2.8%	NA	NA
ARO	Aeropostale	NA	18.8%	-3.1%	26.4%	13.4%	-5.4%	2.3%	7.0%	11.0%	7.0%
BJ	BJ's Wholesale Club	6.0%	2.9%	6.7%	7.9%	6.7%	1.6%	3.0%	5.9%	0.6%	7.5%
BKE	Buckle, The	-8.5%	0.0%	0.5%	10.8%	6.4%	-0.4%	4.5%	24.3%	21.0%	5.1%
BONT	Bon-Ton Stores Inc., The	-4.3%	0.9%	-3.8%	0.4%	-2.5%	-1.6%	9.8%	-7.2%	-8.5%	0.5%
CACH	Cache, Inc.	10.0%	-2.0%	-3.0%	18.0%	3.0%	-3.0%	1.0%	4.0%	NA	NA
CATO	Cato Corporation	3.0%	1.0%	-6.0%	-2.0%	7.0%	-7.0%	0.0%	3.0%	8.0%	3.0%
CBK	Christopher & Banks	23.0%	2.0%	-10.0%	-7.0%	5.0%	-6.0%	-13.0%	-5.0%	NA	NA
CHS	Chico's FAS	27.9%	10.7%	5.0%	28.0%	9.2%	5.7%	-4.3%	-14.9%	NA	NA
COST	Costco Wholesale Corp.	5.0%	8.0%	6.0%	11.0%	7.0%	8.0%	4.0%	5.0%	0.0%	NA
DDS	Dillard's Inc.	-2.0%	-5.0%	3.0%	2.0%	5.0%	-2.0%	-9.0%	-2.0%	-13.0%	2.0%
DEST	Destination Maternity	-3.4%	5.0%	-5.0%	7.8%	-2.3%	-2.2%	-4.7%	4.8%	-3.5%	-9.3%
DUCK	Duckwall-ALCO consolidated	-0.2%	8.5%	0.6%	-0.4%	-0.3%	5.2%	1.5%	-6.8%	9.4%	-2.9%
FDO	Family Dollar Stores	5.0%	7.7%	2.8%	4.3%	4.9%	4.4%	-0.5%	1.3%	NA	NA
FRED	Freds Inc.	12.0%	16.3%	6.2%	2.1%	4.1%	0.3%	3.9%	1.1%	1.8%	1.8%
GOTTQ.PK	Gottschalks Inc. (liquidated)	7.5%	1.5%	-1.6%	2.3%	-0.6%	2.7%	-3.6%	-9.5%	NA	NA
GPS	Banana Republic (div. GPS)	-10.0%	-10.0%	-3.0%	30.0%	-6.0%	-11.0%	0.0%	-5.0%	-16.0%	6.0%
GPS	Gap North America (div. GPS)	-5.0%	-24.0%	10.0%	6.0%	-2.0%	-7.0%	-5.0%	-3.0%	-12.0%	0.0%
GPS	Old Navy (div. GPS)	-17.0%	-12.0%	8.0%	16.0%	-1.0%	-14.0%	-6.0%	-8.0%	-13.0%	5.0%
HOTT	Hot Topic, Inc. (consolidated)	10.0%	-1.4%	4.0%	7.6%	0.2%	-8.4%	-2.7%	-3.3%	10.8%	-7.0%

¹ – ANF comparable store sales values for Abercrombie & Fitch prior to 2006 were applied using the consolidated sales results for ANF. ANF did not provide divisional breakout data until after 2006.

This table continued on next page

Selected January Comp Store Sales, 10-years excluding most consolidations (sorted by ticker symbol)

Ticker	Retailer	Feb-01	Feb-02	Feb-03	Feb-04	Feb-05	Feb-06	Feb-07	Feb-08	Feb-09	Feb-10
HVT	Haverty Furniture	-6.5%	8.2%	-9.3%	4.4%	6.1%	-1.1%	-12.9%	-0.4%	NA	NA
JCP	JCPenney	-2.1%	12.5%	-2.1%	12.1%	6.1%	2.3%	-0.2%	-6.7%	-8.8%	
JWN	Nordstrom	-4.0%	-4.1%	-2.3%	14.1%	7.0%	4.9%	9.1%	-5.8%	-15.4%	9.3%
KSS	Kohl's Corporation	7.3%	14.4%	-4.6%	6.6%	6.1%	3.4%	4.4%	-3.8%	-1.6%	3.7%
LTD	Bath & Body Works (div. LTD)	-3.0%	-8.0%	-3.0%	8.0%	3.0%	4.0%	2.0%	-10.0%	-3.0%	11.0%
LTD	Victoria's Secret (div. LTD)	-6.0%	7.0%	5.0%	12.0%	1.0%	5.0%	2.0%	-10.0%	-9.0%	10.0%
PLCE	Children's Place Retail Stores	-5.0%	-8.0%	-24.0%	25.0%	24.0%	1.0%	5.0%	5.0%	0.0%	NA
Private equity	Neiman Marcus/Bergdorf's	0.0%	-1.0%	2.5%	24.4%	7.7%	3.0%	5.3%	-6.7%	-24.2%	5.1%
PSUN	Pacific Sunwear	-1.1%	-1.0%	14.8%	14.1%	10.5%	-3.1%	-5.7%	6.0%	NA	NA
ROST	Ross Stores Inc.	-4.0%	13.0%	-3.0%	0.0%	6.0%	6.0%	1.0%	4.0%	1.0%	11.0%
SKS	Saks Fifth Avenue	4.6%	-3.4%	-11.4%	25.2%	7.1%	-6.7%	24.7%	3.4%	-26.0%	2.0%
SMRT	Stein Mart	NA	-2.7%	-10.0%	7.6%	6.2%	-8.5%	-1.9%	-10.4%	-12.2%	-9.3%
SSI	Stage Stores	NA	6.2%	-7.6%	8.0%	3.7%	-0.9%	1.4%	-2.5%	-8.6%	-3.9%
TGT	Target Corporation	2.9%	10.0%	-0.5%	8.0%	9.0%	3.6%	5.7%	0.5%	-4.1%	2.4%
TJX	TJX Companies	-1.0%	7.0%	-5.0%	10.0%	6.0%	1.0%	2.0%	3.0%	0.0%	10.0%
WMT	SAM's Club (Div. WMT)	5.6%	6.9%	2.4%	7.5%	4.1%	4.6%	3.9%	5.2%	2.1%	NA
WMT	Wal-Mart Stores U.S. (discount/supercenters)	4.0%	11.0%	2.6%	6.0%	4.1%	2.9%	0.4%	2.5%	5.0%	NA
WTSLA	Wet Seal Inc. consolidated	6.3%	20.5%	-31.5%	-12.5%	16.4%	29.3%	5.0%	-8.2%	-6.6%	4.7%
ZUMZ	Zumiez, Inc.	NA	NA	NA	NA	NA	28.0%	12.4%	-2.6%	-13.4%	11.2%

February Chain Store Sales – Sorted by **Comparable Store Sales % Change**

Ticker	(sorted by category and by comp +/-)	Comp sales change			Total sales change		
		Feb. +/- %	FYTD +/- %	spread	Feb. % +/-	FYTD % +/-	spread
WTSLA	Arden B. (div. WTSLA)	12.4%	NA	NA	NA	NA	NA
ZUMZ	Zumiez, Inc.	11.2%	NA	NA	19.6%	NA	NA
ROST	Ross Stores Inc.	11.0%	11.0%	0.0	16.0%	16.0%	0.0
ANF	abercrombie kids (div. ANF)	11.0%	NA	NA	NA	NA	NA
LTD	Bath & Body Works (div. LTD)	11.0%	NA	NA	NA	NA	NA
TJX	TJX Companies	10.0%	10.0%	0.0	16.0%	16.0%	0.0
LTD	Victoria's Secret Stores (div. LTD)	10.0%	NA	NA	NA	NA	NA
LTD	Limited Brands, Inc. (consolidated)	10.0%	10.0%	0.0	9.5%	9.5%	0.0
JWN	Nordstrom, Inc.	9.3%	9.3%	0.0	14.5%	14.5%	0.0
HOTT	Torrid (div. HOTT)	8.5%	8.5%	0.0	10.4%	10.4%	0.0
ANF	Abercrombie & Fitch (div. ANF)	8.0%	NA	NA	NA	NA	NA
BJ	BJ's Wholesale Club - consolidated with fuel	7.5%	7.5%	0.0	12.8%	12.8%	0.0
ARO	Aeropostale	7.0%	7.0%	0.0	15.0%	15.0%	0.0
AEO	American Eagle Outfitters	6.0%	6.0%	0.0	6.0%	6.0%	0.0
GPS	Banana Republic (div. GPS)	6.0%	NA	NA	NA	NA	NA
Private equity	Neiman Marcus/Bergdorf's (Specialty Retail Segment, FYE 7/31)	5.1%	NA	NA	7.7%	NA	NA
BKE	Buckle, The	5.1%	5.1%	0.0	9.7%	9.7%	0.0
COST	Costco Wholesale Corp. (FYE 08/31, US comps) - unadjusted for fuel price	5.0%	3.0%	2.0	11.0%	8.0%	3.0
ANF	Abercrombie & Fitch (consolidated)	5.0%	5.0%	0.0	16.0%	16.0%	0.0
GPS	Old Navy (div. GPS)	5.0%	NA	NA	NA	NA	NA
WTSLA	Wet Seal (div. WTSLA)	3.4%	NA	NA	NA	NA	NA
CATO	Cato Corporation	3.0%	3.0%	0.0	7.0%	7.0%	0.0

This table continued on next page

February Chain Store Sales – Sorted by Comparable Store Sales % Change *(continued)*

		Comp sales change			Total sales change		
Ticker	(sorted by category and by comp +/-)	Feb. +/- %	FYTD +/- %	spread	Feb. % +/-	FYTD % +/-	spread
GPS	Gap, Inc. (consolidated)	3.0%	3.0%	0.0	5.0%	5.0%	0.0
TGT	Target Corporation	2.4%	2.4%	0.0	6.0%	6.0%	0.0
COST	Costco Wholesale Corp. (FYE 08/31, US comps) - adj. for fuel & forex	2.0%	NA	NA	NA	NA	NA
DDS	Dillard's Inc.	2.0%	2.0%	0.0	0.0%	0.0%	0.0
SKS	Saks Fifth Avenue (Saks Inc.)	2.0%	2.0%	0.0	3.1%	3.1%	0.0
FRED	Freds Inc. (total company - continuing op's only)	1.8%	1.8%	0.0	3.0%	3.0%	0.0
JCP	J.C. Penney Co. Inc.	1.2%	1.2%	0.0	1.5%	1.5%	0.0
ANF	Hollister (div. ANF)	1.0%	NA	NA	NA	NA	NA
LTD	La Senza (div. LTD)	1.0%	NA	NA	NA	NA	NA
BONT	Bon-Ton Stores, Inc. (consolidated)	0.5%	0.5%	0.0	-0.1%	-0.1%	0.0
GPS	Gap North America (div. GPS)	0.0%	NA	NA	NA	NA	NA
DUCK	Duckwall-ALCO	-2.9%	-2.9%	0.0	-2.4%	-2.4%	0.0
SSI	Stage Stores, Inc. (consolidated)	-3.9%	-3.9%	0.0	-2.1%	-2.1%	0.0
HOTT	Hot Topic, Inc. (consolidated)	-7.0%	-7.0%	0.0	-5.3%	-5.3%	0.0
SMRT	Stein Mart, Inc.	-9.3%	-9.3%	0.0	-11.4%	-11.4%	0.0
DEST	Destination Maternity (FYE 9/30)	-9.3%	-9.3%	NA	-1.4%	-1.4%	NA
HOTT	Hot Topic (div. HOTT)	-11.2%	-11.2%	0.0	-10.2%	-10.2%	0.0

February Chain Store Sales – Sorted by Total Store Sales % Change (based upon available data)

Ticker	(sorted by category and by comp +/-)	Comp sales change			Total sales change		
		Feb. +/- %	FYTD +/- %	spread	Feb. % +/-	FYTD % +/-	spread
ZUMZ	Zumiez, Inc.	11.2%	NA	NA	19.6%	NA	NA
ROST	Ross Stores Inc.	11.0%	11.0%	0.0	16.0%	16.0%	0.0
TJX	TJX Companies (constant currency basis)	10.0%	10.0%	0.0	16.0%	16.0%	0.0
ANF	Abercrombie & Fitch (consolidated)	5.0%	5.0%	0.0	16.0%	16.0%	0.0
ARO	Aeropostale	7.0%	7.0%	0.0	15.0%	15.0%	0.0
JWN	Nordstrom, Inc.	9.3%	9.3%	0.0	14.5%	14.5%	0.0
BJ	BJ's Wholesale Club - consolidated with fuel	7.5%	7.5%	0.0	12.8%	12.8%	0.0
COST	Costco Wholesale Corp. (FYE 08/31, US comps) - unadjusted for fuel price	5.0%	3.0%	2.0	11.0%	8.0%	3.0
HOTT	Torrid (div. Hot Topic)	8.5%	8.5%	0.0	10.4%	10.4%	0.0
BKE	Buckle, The	5.1%	5.1%	0.0	9.7%	9.7%	0.0
LTD	Limited Brands, Inc. (consolidated)	10.0%	10.0%	0.0	9.5%	9.5%	0.0
KSS	Kohl's Corporation	3.7%	3.7%	0.0	7.8%	7.8%	0.0
Private equity	Neiman Marcus/Bergdorf's (Specialty Retail Segment, FYE 7/31)	5.1%	NA	NA	7.7%	NA	NA
WTSLA	Wet Seal, Inc. (consolidated)	4.7%	4.7%	NA	7.4%	7.4%	NA
CATO	Cato Corporation	3.0%	3.0%	0.0	7.0%	7.0%	0.0
TGT	Target Corporation	2.4%	2.4%	0.0	6.0%	6.0%	0.0
AEO	American Eagle Outfitters (consolidated)	6.0%	6.0%	0.0	6.0%	6.0%	0.0
GPS	Gap, Inc. (consolidated)	3.0%	3.0%	0.0	5.0%	5.0%	0.0
M	Macy's, Inc.	3.7%	3.7%	0.0	4.0%	4.0%	0.0
SKS	Saks Fifth Avenue (Saks Inc.)	2.0%	2.0%	0.0	3.1%	3.1%	0.0
FRED	Freds Inc. (total company - continuing op's only)	1.8%	1.8%	0.0	3.0%	3.0%	0.0
JCP	J.C. Penney Co. Inc.	1.2%	1.2%	0.0	1.5%	1.5%	0.0
DDS	Dillards Inc.	2.0%	2.0%	0.0	0.0%	0.0%	0.0

This table continued on next page

February Chain Store Sales – Sorted by Total Store Sales % Change (based upon available data)

Ticker	(sorted by category and by comp +/-)	Comp sales change			Total sales change		
		Feb. +/- %	FYTD +/- %	spread	Feb. % +/-	FYTD % +/-	spread
BONT	Bon-Ton Stores, Inc. (consolidated)	0.5%	0.5%	0.0	-0.1%	-0.1%	0.0
DEST	Destination Maternity (FYE 9/30)	-9.3%	-9.3%	NA	-1.4%	-1.4%	NA
SSI	Stage Stores, Inc. (consolidated)	-3.9%	-3.9%	0.0	-2.1%	-2.1%	0.0
DUCK	Duckwall-ALCO	-2.9%	-2.9%	0.0	-2.4%	-2.4%	0.0
HOTT	Hot Topic, Inc. (consolidated)	-7.0%	-7.0%	0.0	-5.3%	-5.3%	0.0
HOTT	Hot Topic (div. Hot Topic, Inc.)	-11.2%	-11.2%	0.0	-10.2%	-10.2%	0.0
SMRT	Stein Mart, Inc.	-9.3%	-9.3%	0.0	-11.4%	-11.4%	0.0



Looking Back at February’s Unique (Three Blizzards) Traffic Trends

Analyzing Apparel/Accessories/Footwear and Broader Traffic Categories

Blizzard #1: February 5-6-7 (Friday, Saturday, Sunday)

US	MW	NE	S	W
Single Day - Friday – Feb. 5, 2010 Year over Year % Change				
Apparel/Accessories/Footwear				
-11.0%	-24.2%	--11.0%	-9.3%	-3.6%
Broad – Traffic				
--9.4%	-16.5%	-9.7%	-8.8%	--4.0%
Single Day - Saturday – Feb. 6, 2010 Year over Year % Change				
Apparel/Accessories/Footwear				
-17.8%	-20.7%	-37.7%	-6.7%	-5.9%
Broad – Traffic				
-17.1%	-18.8%	-31.3%	-14.0%	-6.0%
Single Day - Sunday – Feb. 7, 2010 Year over Year % Change				
Apparel/Accessories/Footwear				
-23.0%	-25.4%	-28.7%	-15.3%	-22.8%
Broad – Traffic				
-20.6%	-22.0%	-23.9%	-15.3%	-22.4%

Continued on next page



**Blizzard #2: February 9-10 (Tuesday, Wednesday)
– Subsequent Weekend Traffic's Pent-up demand**

US	MW	NE	S	W
Single Day - Tuesday – Feb. 9, 2010 Year over Year % Change				
Apparel/Accessories/Footwear				
-7.1%	-43.7%	-1.5%	6.7%	-5.4%
Broad – Traffic				
--8.0%	-29.5%	-5.0%	1.2%	-5.3%
Single Day - Wednesday – Feb. 10, 2010 Year over Year % Change				
Apparel/Accessories/Footwear				
-22.6%	5.6%	-71.9%	1.3%	-1.7%
Broad – Traffic				
-21.5%	-7.0%	-61.2%	-12.1%	-4.1%
Single Day – Saturday – Feb. 13, 2010 Year over Year % Change				
Apparel/Accessories/Footwear				
2.8%	8.8%	-2.8%	9.1%	-3.0%
Broad – Traffic				
1.9%	5.1%	-1.3%	5.8%	-3.1%
Single Day - Sunday – Feb. 14, 2010 Week over Week % Change				
Apparel/Accessories/Footwear				
0.2%	-0.2%	-7.8%	8.3%	1.3%
Broad – Traffic				
7.2%	8.3%	0.4%	13.7%	5.2%

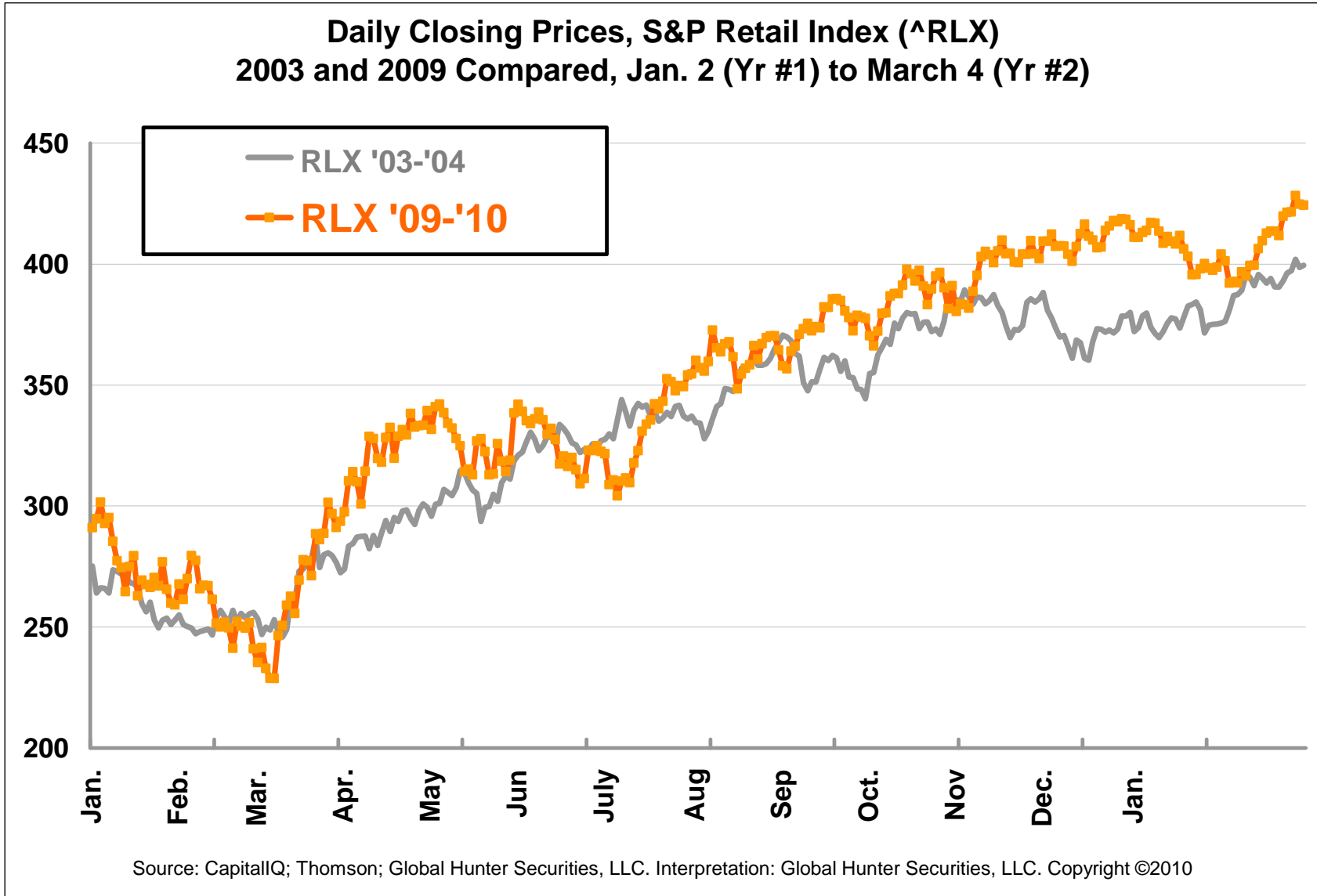
Continued on next page



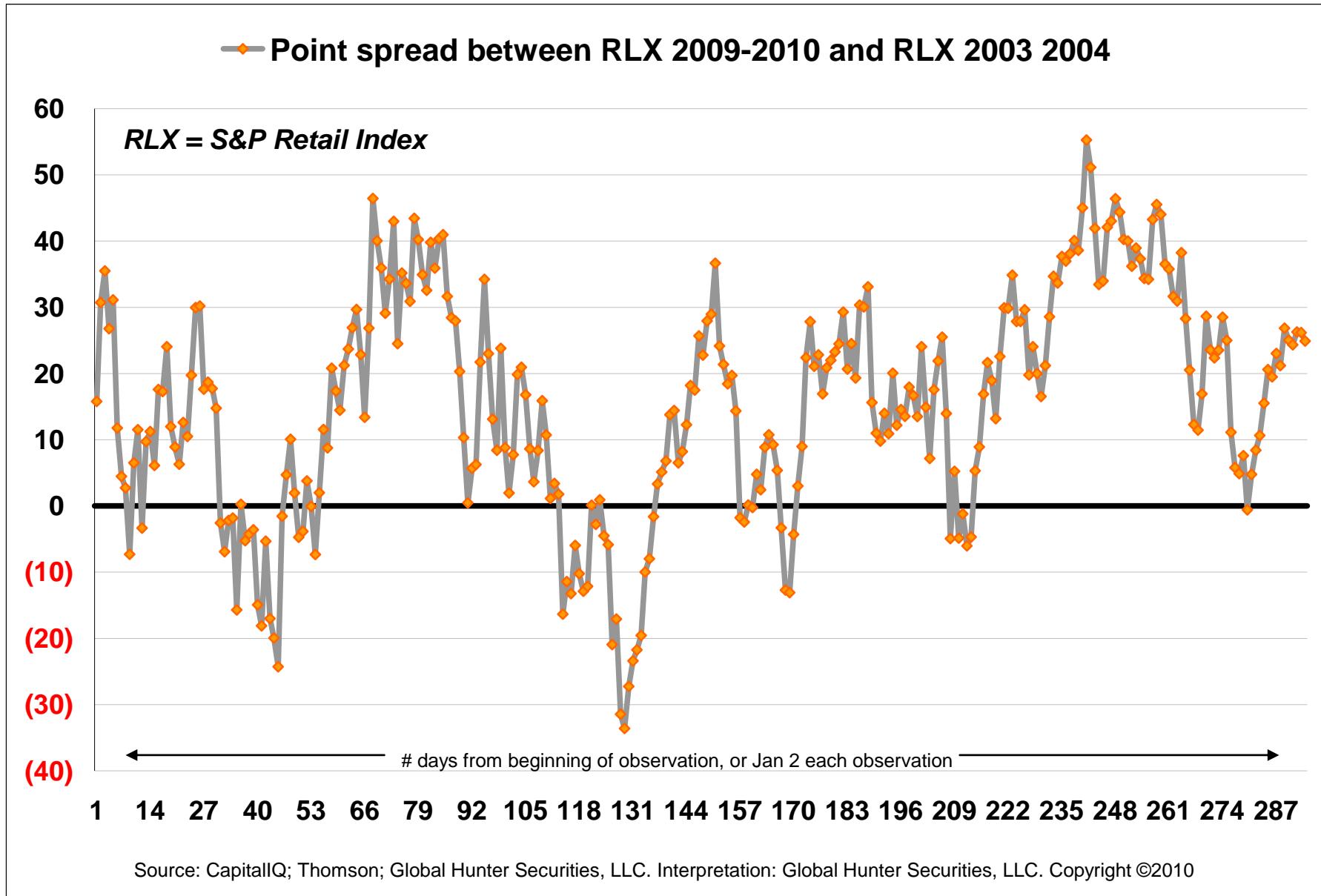
Blizzard #3: February 25-27 (Thursday, Friday, Saturday)

US	MW	NE	S	W
Single Day - Thursday – Feb. 25, 2010 Year over Year % Change				
Apparel/Accessories/Footwear				
-9.1%	13.1%	-36.1%	4.4%	-2.9%
Broad – Traffic				
-7.9%	4.0%	-31.2%	0.7%	-3.8%
Single Day - Friday – Feb. 26, 2010 Year over Year % Change				
Enclosed Malls				
-10.7%	-0.1%	-33.3%	1.9%	-6.1%
Total Retail Stores				
-10.1%	-5.8%	-30.3%	-1.0%	-6.0%
Single Day – Saturday – Feb. 27, 2010 Year over Year % Change				
Enclosed Malls				
1.8%	8.2%	-10.8%	11.4%	-0.3%
Total Retail Stores				
-0.1%	0.4%	-10.6%	8.3%	-1.0%

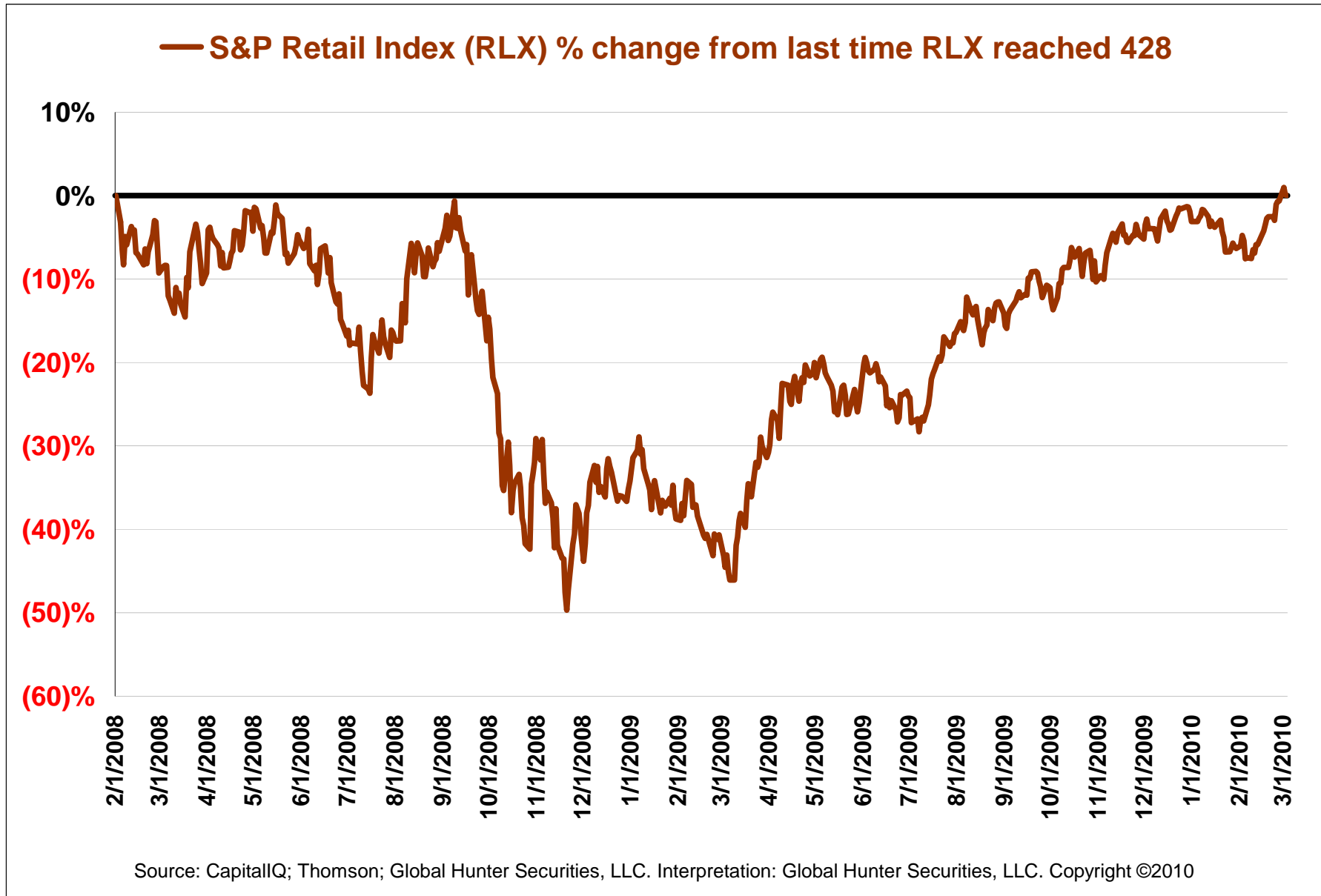
The S&P Retail Index (RLX) 2009-2010 vs. 2003-2004



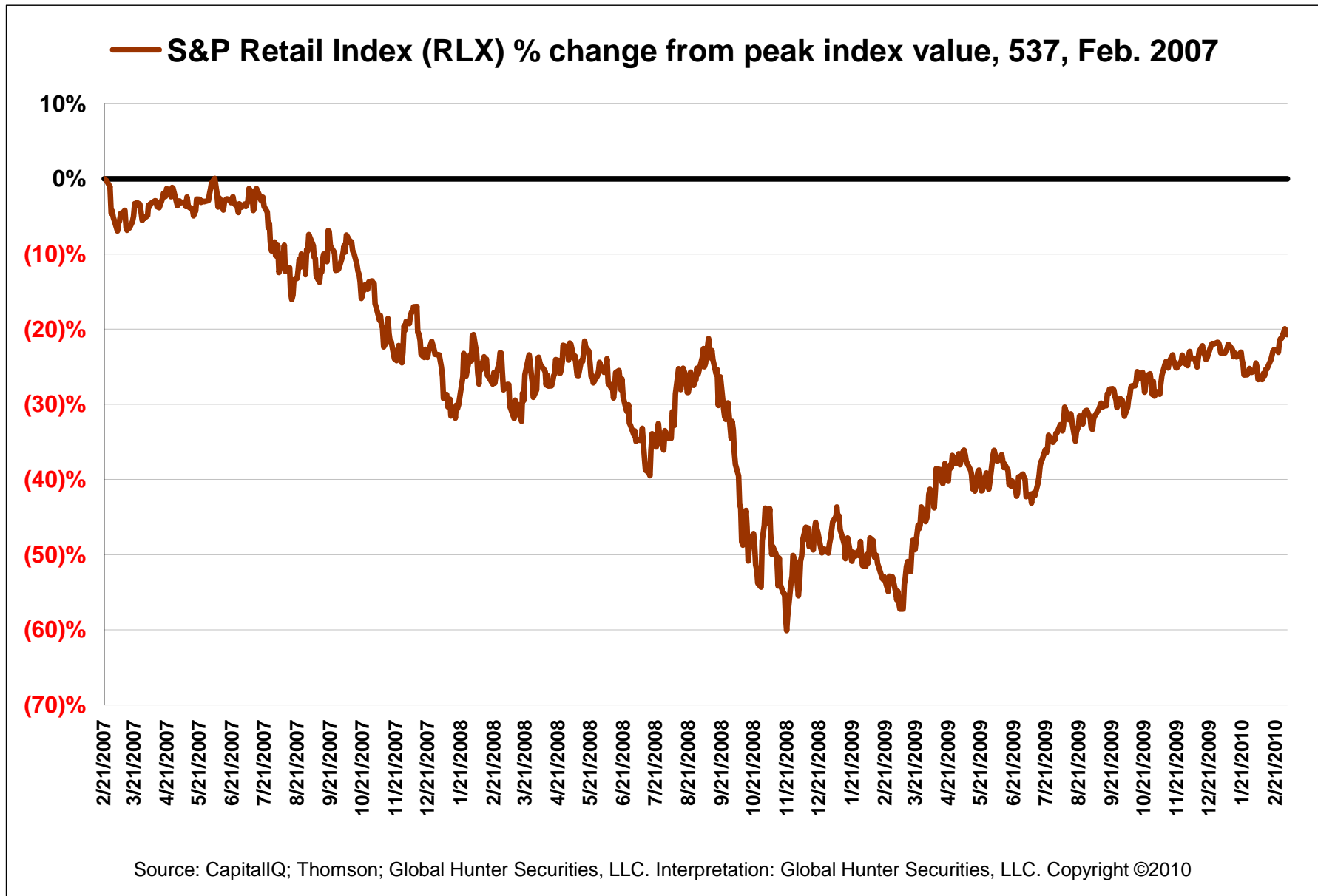
Continued on next page



Continued on next page



Continued on next page



Disclaimer & Disclosures

This is not a solicitation or an offer to sell securities. This report should not be used as a complete analysis of the company, industry or security discussed in the report. Additional information is available upon request. The price, price target, market cap, estimates, opinions and other information in this report are subject to change without notice.

This material has been prepared by Global Hunter Securities, LLC ("Global Hunter") a registered broker-dealer, employing appropriate expertise, and in the belief that it is fair and not misleading. Information, opinions or recommendations contained in the reports and updates are submitted solely for advisory and information purposes. The information upon which this material is based was obtained from sources believed to be reliable, but has not been independently verified. Therefore except for any obligations under law, we do not guarantee its accuracy. Additional and supporting information is available upon request. This is not an offer or solicitation of an offer to buy or sell any security or investment. Any opinion or estimates constitute our best judgment as of this date, and is subject to change without notice. Global Hunter and our affiliates and their respective directors, officers and employees may buy or sell securities mentioned herein as agent or principal for their own account. Not all products and services are available outside of the US or in all US states. Copyright 2010.