

Manitoba's Wholesale and Retail Sales Improving

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Bottom Line

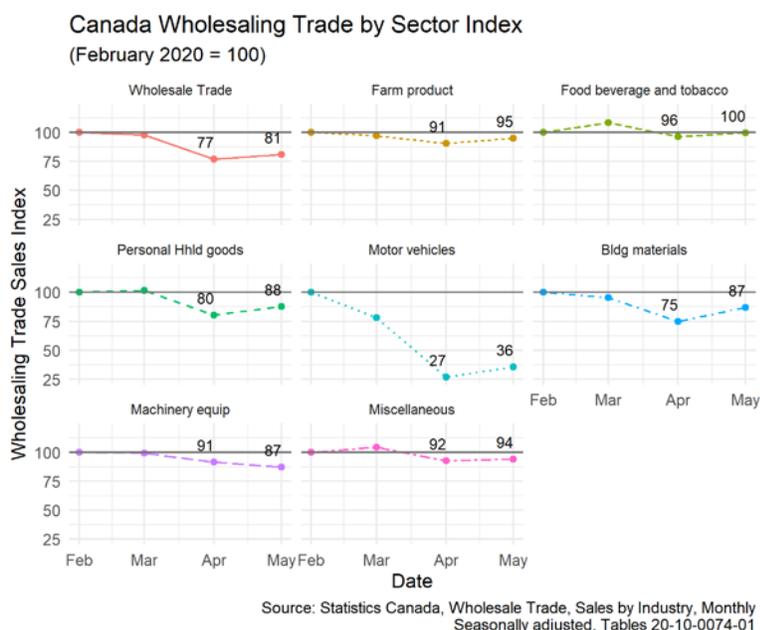
On July 17, 2020, Statistics Canada released its analysis of Canada's May 2020 wholesale sales. **Canada's total wholesale sales in May 2020 remain 19 per cent below its February level, while Manitoba's were only 2 per cent below the February numbers.**

Statistics Canada released its analysis of Canada's May 2020 retail sales on July 21, 2020. Retail sales in May began to recover from the April 2020 lockdown lows. **Manitoba's retail sales, on both a seasonally adjusted and unadjusted basis, were stronger than the Canadian average.** Looking forward, the easing of lockdown restrictions are expected to be supportive of June 2020 retail sales.

Wholesale Sales – May 2020

In May 2020, Canada's seasonally adjusted wholesale sales rose to 53 billion dollars, up from its April 2020 low of 50 billion dollars. It is expected that Canada's wholesale sales stats will continue to show recovery in June due to the easing of the COVID-19 lockdown rules in each province.

Figure 1: Canada Wholesale Trade by Sector Index (Feb 2020 = 100)



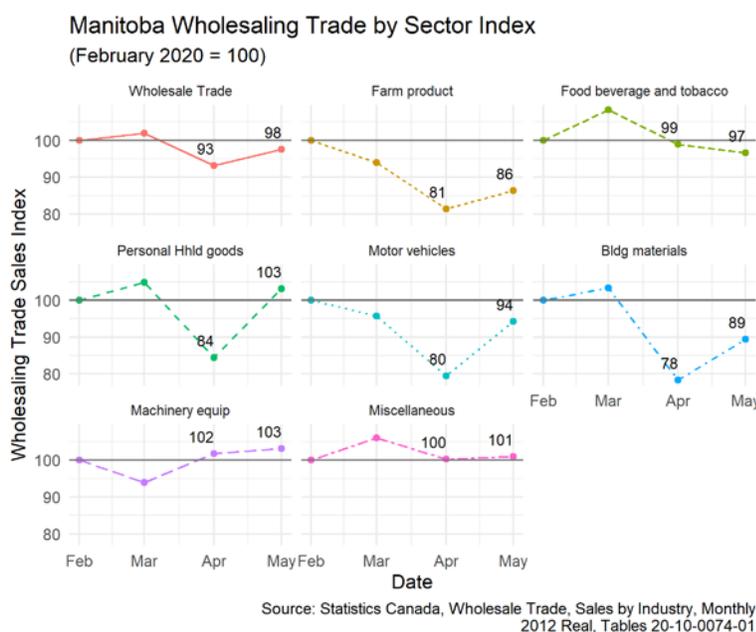
EDW indexed wholesale sales against the February 2020 level (February 2020 Index = 100). Canada's total wholesale sales in May rose to an index value of 81 (**Figure 1**). This is 19 per cent below the February 2020 level.

Canada's motor vehicle wholesale sales began rebounding in May. Still, with an **index value of 36 for May 2020, Canada's motor vehicle wholesale sales were 64 per cent below their February level.**

Only **machinery and equipment** saw a decline in May versus April, with the index falling to **87** for May 2020. The **Building Materials** index rose to **87**, and **Personal Household Goods**' index rose to **88**. The **Farm Product** index of 95, and **Food Beverage and Tobacco** index of 100 are hovering around the February 2020 level already.

In May 2020, Manitoba's seasonally adjusted wholesale sales rose to 1.51 billion dollars, up from its April 2020 low of 1.44 billion dollars.

Figure 2: Manitoba Wholesale Trade by Sector Index (Feb 2020 = 100)



Manitoba's total wholesale sales are now only 2 per cent below the February 2020 level. Only the food beverage and tobacco subsector fell slightly month over month (**Figure 2**).

In May 2020, the three Manitoba wholesale subsectors doing better than the total wholesale sector were:

- **Machinery & Equipment** with an index of 103,
- **Personal & Household Goods** with an index of 103, and,
- **Miscellaneous**, with an

index of 101.

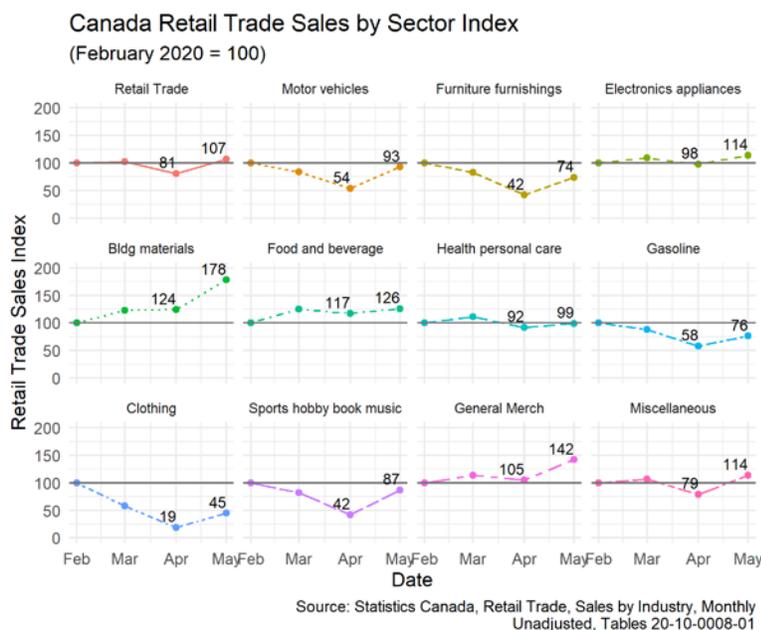
The total wholesale sales for Canada in May 2020 remain 19 per cent below the February level, while Manitoba wholesale sales were only 2 per cent below February 2020. Manitoba's wholesale activity was strong through the lockdown, and emerged strong in phase 1.

Retail Sales – May 2020

On a seasonally adjusted basis, the retail sales index for Canada in May was 20 per cent below the February 2020 level. Manitoba's retail sales index in May 2020 was down only 9 per cent versus February 2020 numbers.¹

¹ See Statistics Canada. Table [20-10-0008-01](#) Retail trade sales by province and territory (x 1,000). Seasonally adjusted.

Figure 3: Canada Retail Trade Sales by Sector (Unadjusted)



In order to analyze the retail subsectors, EDW reviewed unadjusted retail sales for Canada, Manitoba & the Winnipeg CMA (respectively **Figure 3, Figure 4, & Figure 5**).

On an unadjusted basis, the retail sales index (February 2020 =100) for May 2020 was:

- Canada all retail trade index 107,
- Manitoba all retail trade index 118, and
- Winnipeg CMA all retail trade index 109.

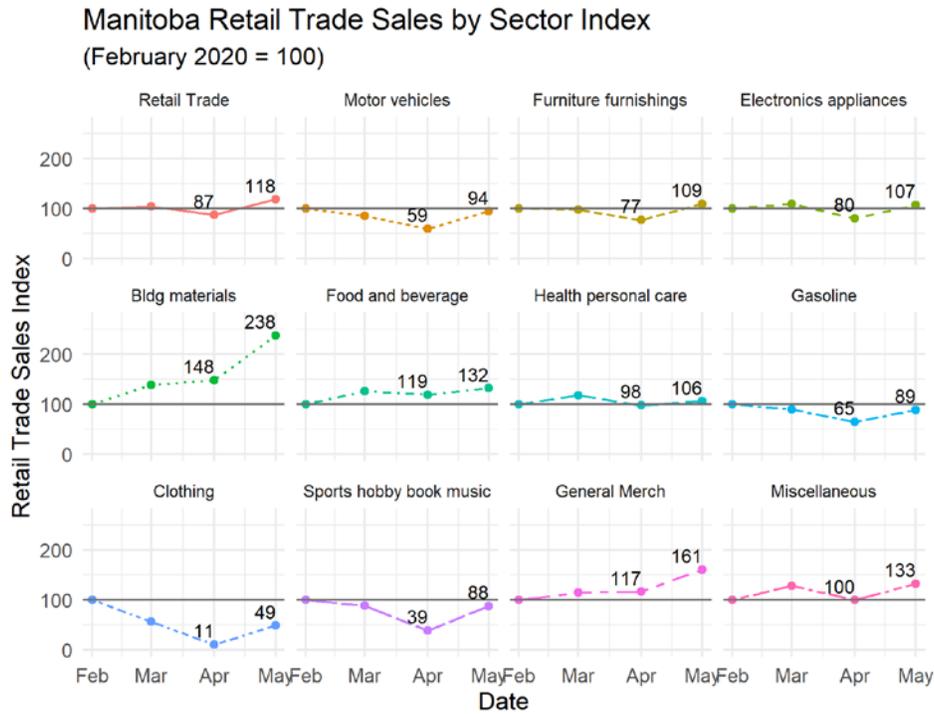
Due to seasonal effects, building materials (**Figure 6**), and general merchandise (**Figure 7**) retail sales in May 2020 were up sharply month-over-month. For **building materials** sales, both Manitoba’s index (238) and the Winnipeg CMA index (249) saw greater increases in their index than the Canadian average index (178). For **general merchandise** retail sales, all three saw seasonal increases, with the differences in index values being much closer: Canada (142), Manitoba (161), and the Winnipeg CMA (143).

The two subsectors with retail sales well below February levels are clothing and gasoline. For May 2020 **clothing** sales, the index values were Canada (45), Manitoba (49), and the Winnipeg CMA (45). For **gasoline**, May 2020 sales the index values were Canada (76), Manitoba (89), and the Winnipeg CMA (77).

Manitoba’s phase 1 easing of the lockdown restrictions, effective May 4, 2020, likely played a role in supporting retail sales. Manitoba’s Phase 2 (June 1) and phase 3 (June 21) came into play during June. This phase is expected to support Manitoba’s June 2020 retail sales when they are released, easing restrictions on retail sales activities, and contributing to greater confidence by Manitoba consumers to shop.²

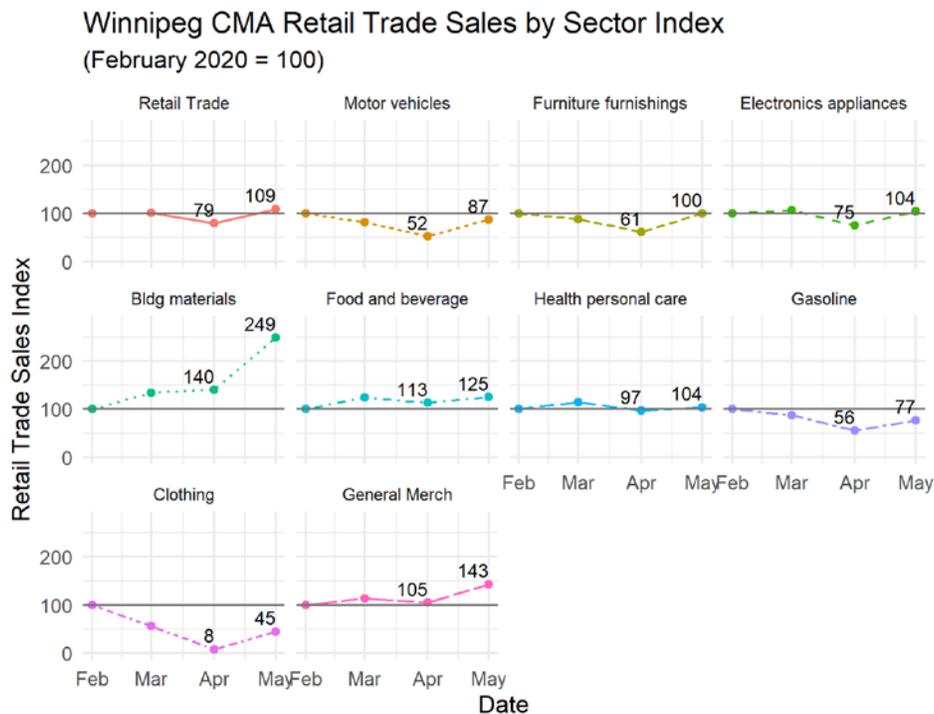
² See <https://www.gov.mb.ca/covid19/restoring/index.html> for descriptions of each phase.

Figure 4: Manitoba Retail Trade Sales by Sector (Unadjusted)



Source: Statistics Canada, Retail Trade, Sales by Industry, Monthly Unadjusted, Tables 20-10-0008-01

Figure 5: Winnipeg CMA Retail Trade Sales by Sector (unadjusted)



Source: Statistics Canada, Retail Trade, Sales by Industry, Monthly Unadjusted, Tables 20-10-0008-01

Figure 6: Manitoba Retail Trade - Building Material [NAICS 444]

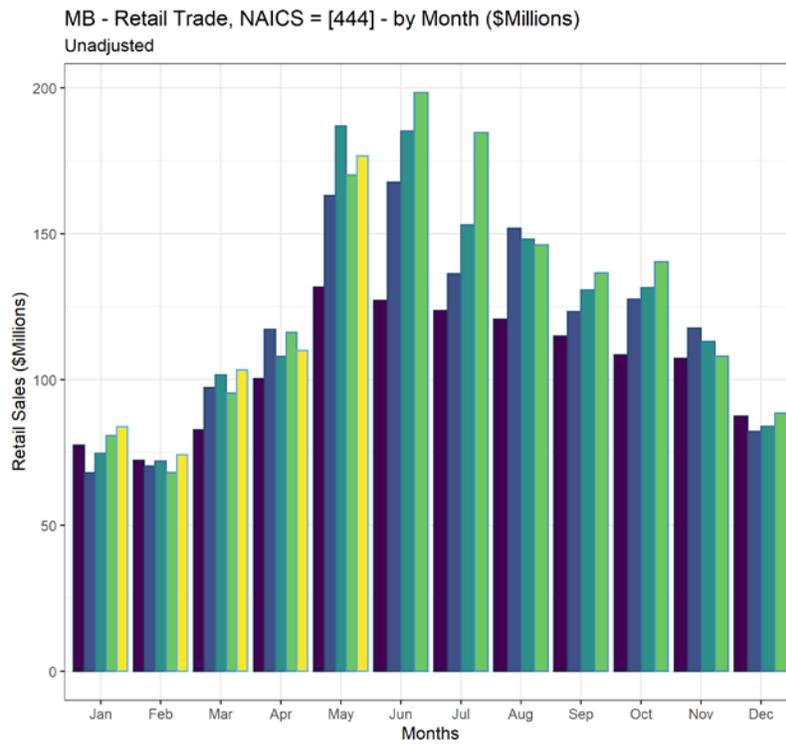


Figure 7: Manitoba Retail Sales, General Merchandise [NAICS 452]

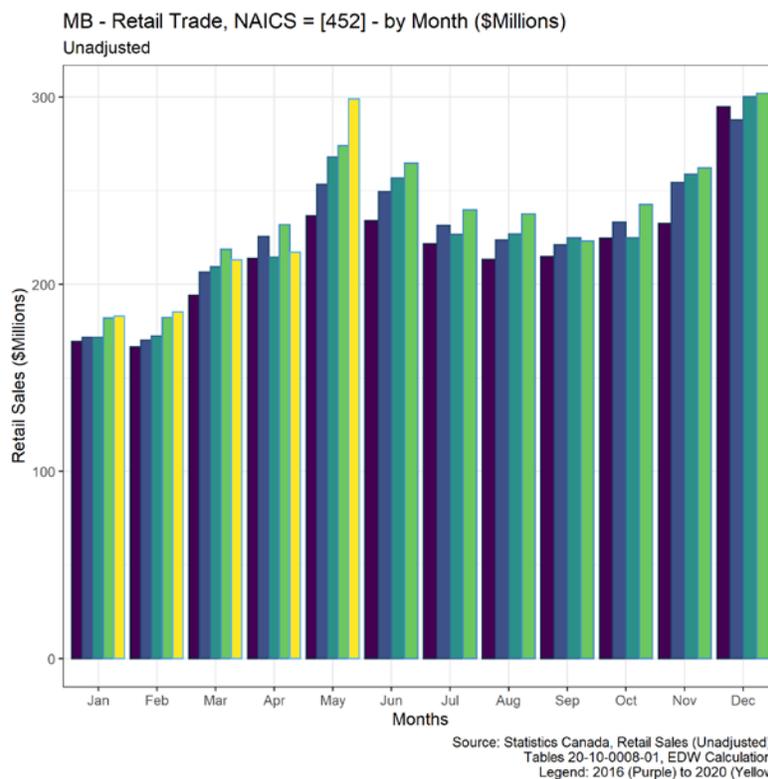


Figure 8: Canada's Retail E-commerce Sales Index (unadjusted)



Canada's retail e-commerce sales in May 2020 continued to climb, reaching 3.8 billion dollars, up from 3.6 billion in April. When compared to February 2020, the index value for May 2020 has now reached 240, or 140 per cent higher than February (**Figure 8**).

It seems likely that e-commerce sales will retain at least some of these gains now that a great proportion of consumers have experienced online shopping during the lockdowns.

EDW Contacts for Assistance or Inquiries:

- **For Winnipeg businesses looking for help accessing government programs, please reach out to our Yes! Winnipeg Team** through our [Help us help you form](#) if you are not sure who to contact on the Y!W team.
- For general inquires please email wpginfo@edwinnipeg.com.
- For Marketing & Communications Inquiries, please email marketingandbranding@edwinnipeg.com.