

British retail sales rebound

LONDON - British retail sales jumped by 1.3 percent in April from a month earlier, official figures showed on Thursday, handing a boost to the economy following a string of weak data.



Sales by volume shot higher last month compared with a drop of 0.5 percent in March, the Office for National Statistics said in a statement. March's data was sharply revised higher after an initial estimate of minus 1.3 percent.

"Retail sales were appreciably better than expected in April, thereby providing some welcome relief from a recent stream of largely disappointing news on the UK economy," said Howard Archer, chief UK economist at research group IHS Global Insight.

"While it still looks highly probable that the economy will suffer a further slowdown in growth in the second quarter as heightened uncertainty ahead of June's referendum on EU membership fuels business caution in particular, April's retail sales data lifts hopes that the consumer will provide some support to growth," he added.

Britain votes on June 23 to decide on whether the country should remain part of the European Union. The Bank of England last week warned that uncertainty over the outcome of next month's EU referendum was already weighing on British growth.

Even so, official data Wednesday showed Britain's unemployment rate remaining at a decade-low of 5.1 percent.

Separate figures this week revealed that Britain's annual inflation rate slowed last month for the first time since September, as air fares slid and clothes stores cut prices.

Since April's retail sales release, British department store chain BHS called in outside to help prevent closure and avert the loss of 11,000 jobs, in the biggest retail failure since Woolworths went bust in 2008.

The 88-year-old chain has failed to keep pace with traditional rivals such as Marks & Spencer selling clothing and homeware in stores and online, resulting in a significant loss of market share.

And Britain's historic menswear chain Austin Reed, whose suits were worn by Winston Churchill and The Beatles, recently also appointed administrators to help rescue the business.

Source: AFP

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