

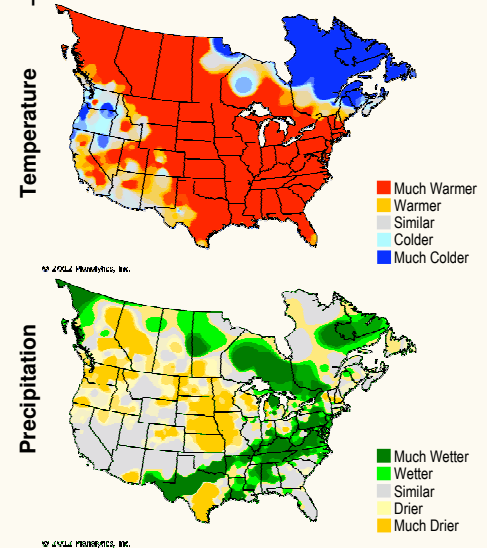
LAST WEEK: January 8, 2012 – January 14, 2012 (Retail Week 50 / January Week 2)

Another Turbulent Week With Numerous Warm Temperatures Records. First Significant Snowfall of the Season Fell in the Midwest and Great Lakes.

U.S. Summary and Callouts

- Weekend Review: The majority of the U.S. enjoyed dry conditions. Temperatures in eastern half of the U.S. were brisk, driving demand for cold weather categories, while much of the western half of the U.S. enjoyed mild conditions, supporting foot traffic.
- For reference, last week last year in the U.S. temperatures were cooler than normal with the most snowfall for week 2 of January in 15 years.
- Last week this year was the warmest second week of January in 6 years. Precipitation was similar to LY and close to normal.
- It was another warm week for much of the country with over 600 weather records set for warm temperatures. Some records include Memphis, TN (57F), warmest since 1968 and New Orleans, LA (79F), warmest since 1966.
- Minneapolis and Milwaukee had their warmest second week of January since 1968.
- Snowfall was down 59% vs. last year and 15% below normal.
 - Chicago received their first significant snow storm of the season on the 12th-13th.
- Regional callouts include:
 - All regions were trended warmer than LY for the second week of January except for the Pacific region which was coolest in 4 years.
 - The East North Central, East South Central, Mid Atlantic, New England, West North Central and West South Central were warmest in 6 years.
 - The East South Central was the wettest in 10 years while the Mountain and Pacific regions were driest in 3 years.

Compared to the Same Week Last Year

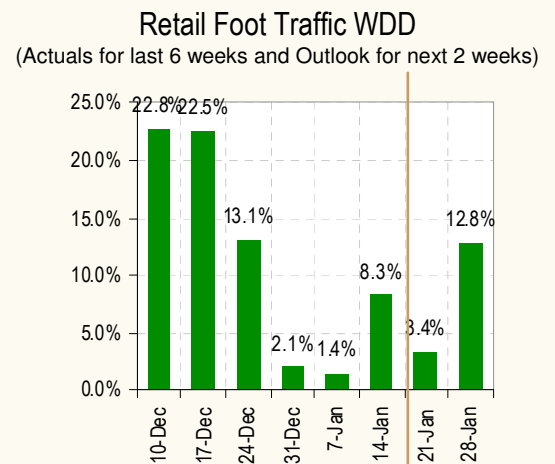


MEAN TEMPERATURE (°F)					PRECIPITATION (Inches)				
Period of Record: Jan 8 2012 to Jan 14 2012					Period of Record: Jan 8 2012 to Jan 14 2012				
City	2012	2011	Change	Normal	City	2012	2011	Change	Normal
Bismarck, ND	25.4	2.2	23.3	13.9	Nashville, TN	2.19	0.24	1.95	0.92
Charleston, SC	56.3	34.9	21.4	49.5	Knoxville, TN	1.68	0.36	1.32	1.08
Pierre, SD	27.3	6.4	20.9	20.2	Harrisburg, PA	1.40	0.34	1.06	0.68
Birmingham, AL	49.1	29.4	19.7	44.1	Pittsburgh, PA	1.22	0.21	1.01	0.60
Atlanta, GA	49.3	29.7	19.6	44.3	Baltimore, MD	1.15	0.16	0.99	0.76
Seattle, WA	38.5	41.8	-3.3	41.9	Aspen, CO	0.05	1.28	-1.23	0.46
North Bend, OR	44.0	47.3	-3.3	47.1	Portland, OR	0.44	2.24	-1.80	1.46
Medford, OR	35.9	39.8	-3.9	40.1	Brownsville, TX	0.02	1.84	-1.82	0.37
Portland, OR	37.4	44.2	-6.7	41.0	San Antonio, TX	0.12	2.35	-2.23	0.35
Caribou, ME	13.9	22.5	-8.6	14.8	Seattle, WA	0.37	2.69	-2.32	1.29

Canada Summary and Callouts

- For reference, last week last year in Canada, temperatures were below normal while snowfall was above normal.
- Last week this year, Canada was warmer than LY and warmer than normal.
- Precipitation was below LY and normal, although snowfall was much below normal and LY.
 - Toronto was warmest in 6 years and wettest in 7 years.
 - Montreal was wettest in 6 years.
 - Ottawa was wettest in over 18 years.

MEAN TEMPERATURE (°F)					PRECIPITATION (Inches)				
Period of Record: Jan 8 2012 to Jan 14 2012					Period of Record: Jan 8 2012 to Jan 14 2012				
City	2012	2011	Change	Normal	City	2012	2011	Change	Normal
Calgary	31.0	-4.5	35.6	19.8	Ottawa	1.67	0.25	1.42	0.67
Edmonton	23.4	-10.9	34.3	8.5	Montreal	1.18	0.42	0.76	0.71
Saskatoon	22.4	-3.5	25.9	5.2	Sudbury	0.70	0.24	0.46	0.58
Prince George	23.0	-0.2	23.3	18.5	Sault Saint Marie	0.67	0.30	0.37	0.59
Winnipeg	16.4	-0.2	16.6	4.3	Quebec City	0.39	0.11	0.28	0.81
Saint John	22.7	25.4	-2.7	20.3	Winnipeg	0.11	0.23	-0.13	0.22
Saint John's	28.4	33.1	-4.7	28.3	Mount-Joli/Rimouski	0.64	0.78	-0.14	0.73
Quebec City	11.7	19.3	-7.6	14.6	Edmonton	0.14	0.73	-0.59	0.20
Bagotville - Chicoutimi	5.5	15.2	-9.7	9.3	Saint John's	1.01	1.73	-0.72	1.33
Mount-Joli/Rimouski	11.7	23.9	-12.1	17.0	Vancouver	0.65	1.72	-1.07	1.62



Weather-Driven Demand (WDD) by Product Category

WDD's represent the % change in demand of the product/category, based purely on the year-over-year change in weather.

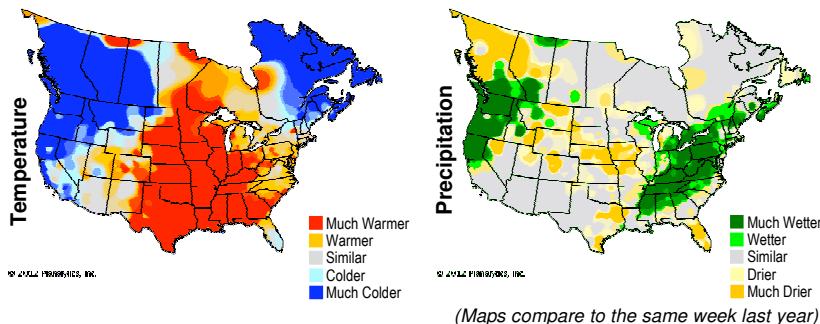
HOT CEREAL		RAINWEAR	
North America	-18%	North America	+2%
Seattle	+10%	Nashville	+100%
Los Angeles	-5%	Pittsburgh	+60%
Dallas	-20%	New York City	+19%
Cincinnati	-24%	San Francisco	-32%

SCARVES AND GLOVES		SNOW REMOVAL	
North America	-8%	North America	-59%
Toronto	-16%	Portland, OR	+41%
Philadelphia	+17%	Cleveland	-43%
St. Louis	-2%	Denver	-47%
Atlanta	-33%	Boston	-90%

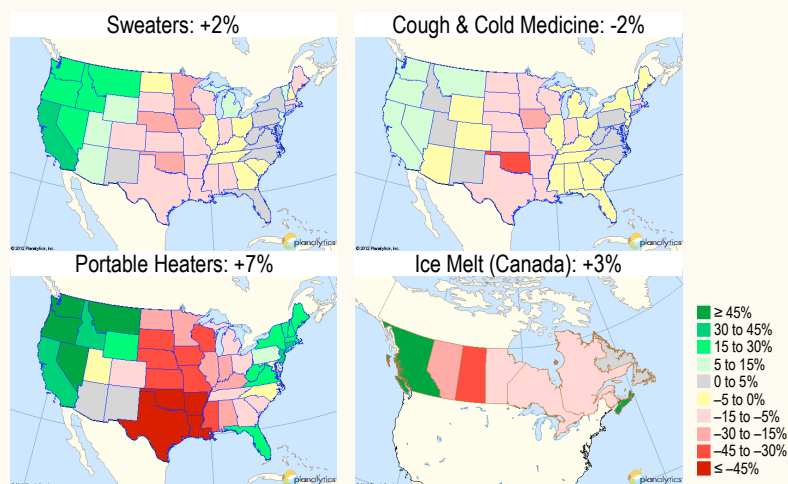
THIS WEEK: January 15, 2012 – January 21, 2012 (Retail Week 51 / January Week 3)
Winter Weather Expected Along the Northern Tier With an Ice Threat Stretching From the Midwest to New England. Warm Temperatures Continue For Many.

This Week Outlook & Callouts

- For reference, this week last year in the U.S. was the coldest 3rd week of January in 3 years. Precipitation was near normal. Snowfall was the most for week 3 January in 6 years. In Canada, it was the coldest 3rd week of January in 3 years and wettest in 5 years with above normal snowfall.
- The recent warmth will continue this week, with record breaking temperatures from the Interior to the East Coast.
- Temperatures will fluctuate greatly throughout the week though, as a series of Pacific storms will cool temperatures briefly before the unseasonable warmth spreads throughout most of North America for the weekend.
- The exception will be the Pacific Coast, and Western and Central Canada, where temperatures will trend cooler than normal for the majority of the week.
- The first of the Pacific storms will move across the Northern U.S. and Southern Canada early this week, with another shortly behind it. Heavy coastal rain and mountain snow will persist in the Northwest with these systems and spread into California and the Intermountain West, including up to a foot of snow in Seattle. Light to moderate snow is expected for the Prairies and High Plains.
- Meanwhile, another system will move from east Texas toward the Northeast U.S. early to midweek.
- This storm will spread mostly rain for the Mississippi River Valley, Mid-Atlantic and Northeast Coast. As the colder Canadian air sinks into the Northern tier though, freezing rain, and moderate to locally heavy snow are expected for the Midwest, Great Lakes region, New England, and eastern Canada mid-week. Ice potential will be a concern Monday evening and into Tuesday AM for the Great Lakes and interior New England.



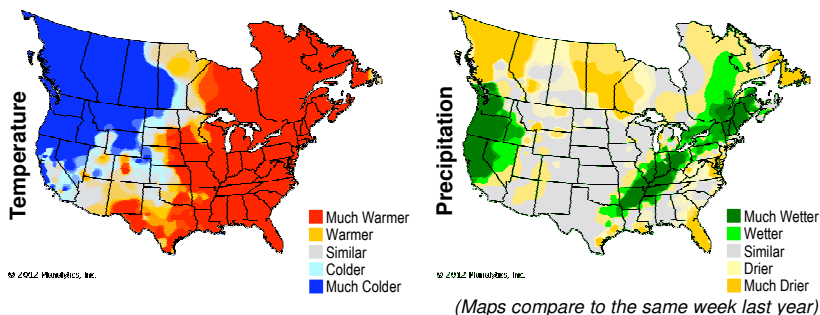
Weather-Driven Demand (WDD) by Product Category



NEXT WEEK: January 22, 2012 – January 28, 2012 (Retail Week 52 / January Week 4)
NRF Calendar Year Comes to an End With Many Locations Feeling More Like Spring Than Winter in Most of NA. Winter Hangs on in the Pacific Northwest.

Next Week Outlook & Callouts

- For reference, next week last year in North America was colder than the prior year as well as normal.
- Next week this year the abnormal warmth in the Interior and Eastern NA continues, with cooler temperatures in the West.
- Early in the week, another southern storm will develop over eastern Texas and the Mississippi Delta region. The system will spread moderate to heavy rain from Texas through Ohio, as well as the coastal Northeast. The Great Lakes, New England and Eastern Canada can expect moderate snow, as well as the chance for ice along the snow/rain border.
- Renewed flooding from Louisiana and into the Ohio River Valley is expected with this system, as well as severe weather in the Tennessee Valley.
- As the system clears the abnormal warmth will return for the East, increasing Restaurant and Retail foot traffic.
- Increasing storminess is expected for California this week, with cooler temperatures stretching into British Columbia.
- Moderate to heavy mountain snow also continues along the Intermountain West and southern BC.



Weather-Driven Demand (WDD) by Product Category

