

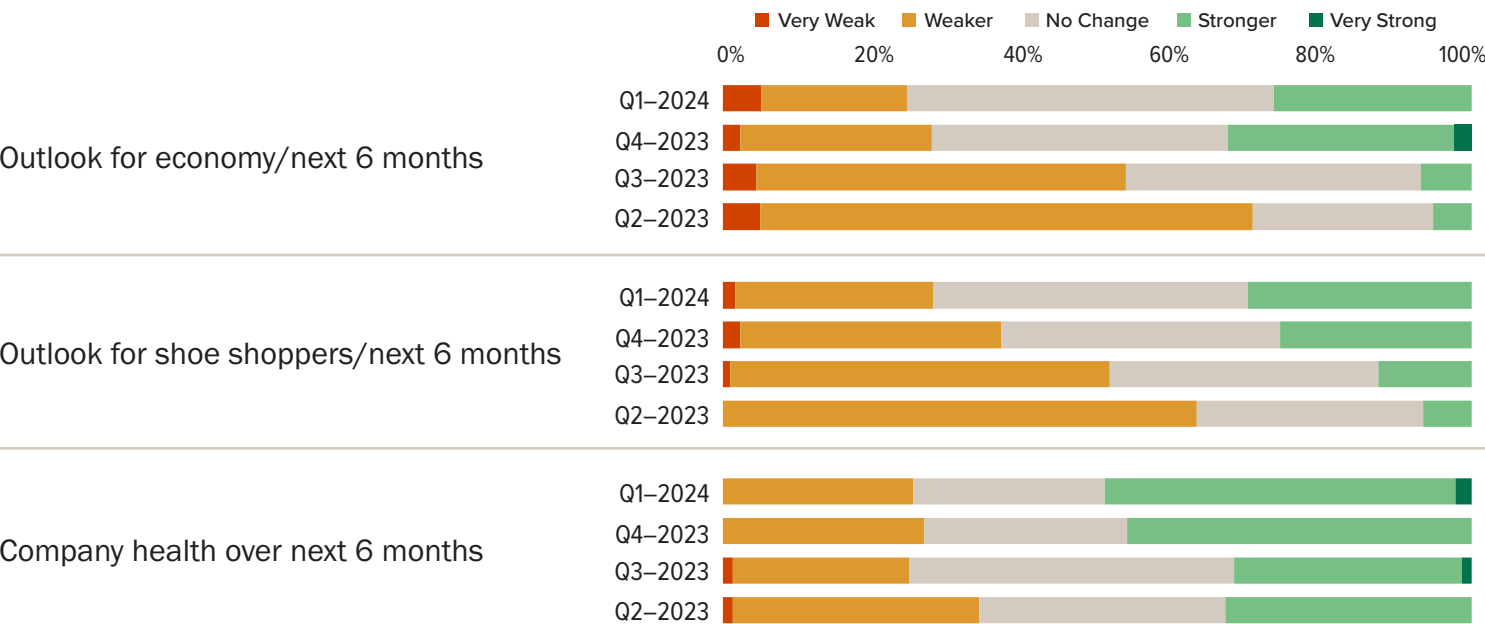
OBSERVATIONS

The latest quarterly Executive Sentiment Survey shows continued improving prospects on shoe shoppers and companies' health, boosting 6-month forecasts for company sales. Inventories continue to retreat and a lingering outlook for little change in anticipated landed costs hints at still little change in retail footwear prices over much of 2024.

- Respondents' 6-month outlooks for shoe shoppers improved to the brightest in 2 years.
 - Similarly, the share of respondents expecting their company health to strengthen over the next 6 months rose to the highest in 2 years.
 - 6-month hiring plans remain on hiatus as 58.2% of respondents expect no change in hiring over the next 6 months.
 - Similarly, only 2.2% of respondents listed labor as their company's biggest issue over the next 6 months, the smallest share in the 3-year life of this survey.
 - Capital expenditure plans are growing, with only 19% of respondents expecting decreases, the smallest share in 6 quarters.
 - Operating costs have risen and are likely to climb further. A rising share of respondents from last quarter see these costs higher from 6 months ago, and more expect them to rise over the next 6 months.
 - Landed costs may budge little. Just over two thirds of respondents don't expect these costs to change materially over the next 6 months, the highest share on record.
- Inventories continue to fade, but not as broadly. A dominant 69.2% say their inventories are lower from 6 months ago, but less than last quarter's record 84.2%.
 - The outlook for retail footwear prices calls for little change, with 76.9% looking for no increases or decreases in price over the next 6 months, the 6th straight quarter over half has felt that way.
 - Similarly, only 15.2% of respondents listed inventory and/or retail pricing as their company's biggest issue over the next 6 months, the smallest share in two and a half years.
 - Company sales are gaining momentum, as a rising share sees sales higher from 6 months ago and fully 57.5% look for better sales over the next 6 months, the highest share in 2 years.
 - For now, but: While respondents similarly turned the most upbeat in 5 quarters on their 6-month outlook for planned comp sales, only 38.3% expect increases over the next 12, the lowest in 5 quarters.
 - Pantophobia? Rather than picking a single issue, a record 30.4% listed "all of the above" as their company's biggest issue over the next 6 months.

QUESTION

RESPONSES & SHARES



21,506.88

+132.05

78%

FDRA

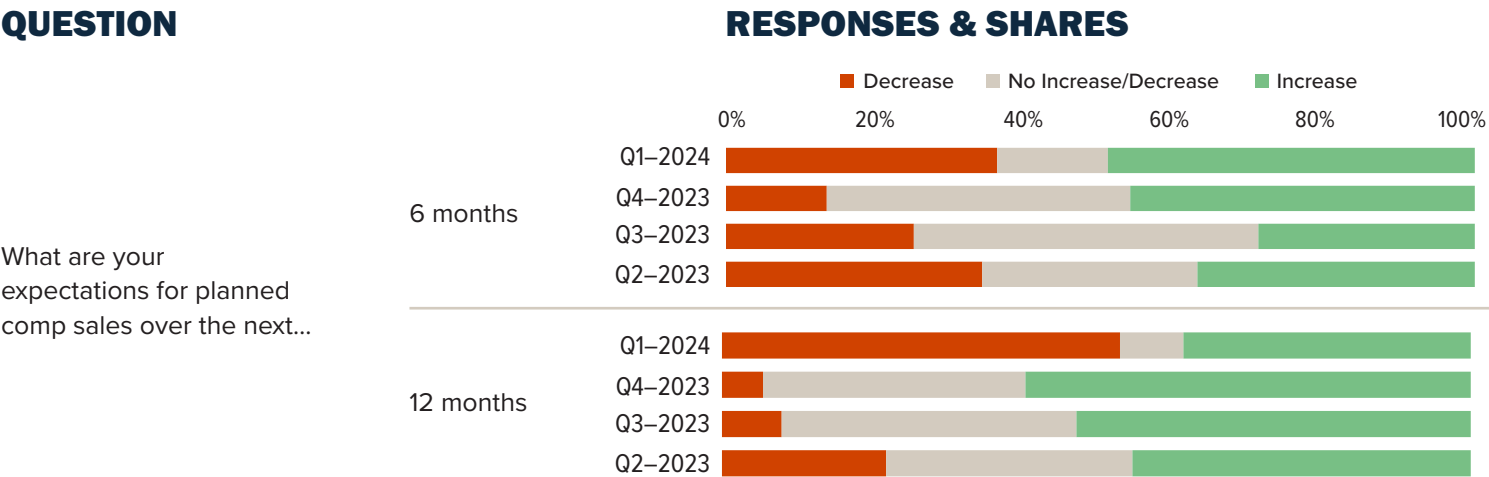
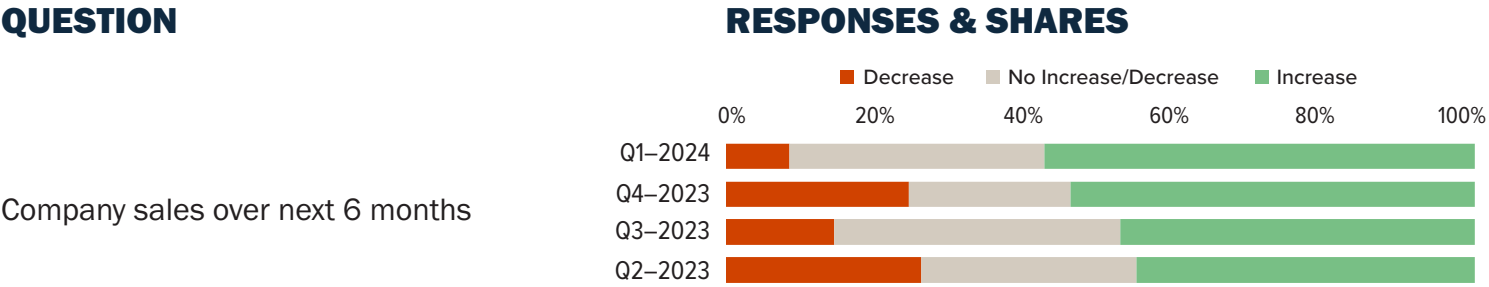
SHOE EXECUTIVE Business Outlook Survey

Q1 2024

QUESTION

RESPONSES & SHARES





YOUR COMPANY’S BIGGEST ISSUE OVER THE NEXT 6 MONTHS

