

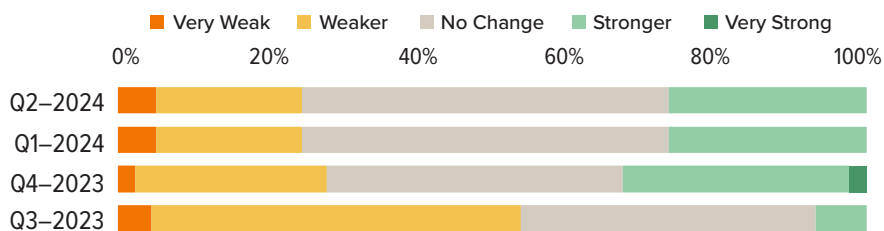
## INSIDER POINTS TO NOTE

The latest quarterly Executive Outlook Survey shows continued upbeat prospects for shoe shoppers and companies' health, boosting planned comp sales over the next six and twelve months. Most respondents see inventories continuing to retreat and landed costs rising, suggesting retail footwear prices may turn flat to higher over the balance of 2024.

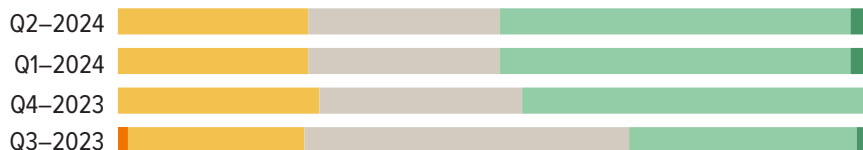
- Respondents' 6-month outlooks for shoe shoppers are little changed from last quarter at the brightest in 2 years.
- In fact, company sales are gaining momentum, as 71.1% of respondents see sales higher from 6 months ago—the highest in 7 quarters—and over half expect better sales over the next 6 months.
- Similarly, the share of respondents expecting their company health to strengthen over the next 6 months is little changed at the highest in 2 years.
- Hope springs eternal: A record two thirds of respondents look for increased comp sales over the next 6 months while nearly three quarters expect higher comps over the next 12, also a record.
- While most see no change in their 6-month hiring plans, 29.6% of respondents expect to hire more, the most in 5 quarters.
- Similarly, 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.
- Capital expenditure plans also are growing, with only 12% of respondents expecting decreases, the smallest share in 2 years.
- Landed costs are set to rise. Nearly half of respondents expect these costs to climb over the next 6 months, triple the share last quarter and the highest in 7 quarters.
- Inventories continue to fade, but not as broadly. Over half say their inventories are lower from 6 months ago, but the smallest share in 5 quarters. And nearly three quarters see inventories flat to lower over the next 6 months.
- Anticipated lower inventories and higher landed costs point to higher retail prices. While most continue to look for little price change, over one third see footwear prices rising over the next 6 months, the highest share in 7 quarters.
- Most see Middle East tensions impacting their global shipping strategy and cost, while less than half see Panama Canal delays having a similar impact.
- The customer remains Queen: A record 47.2% listed "new consumer behavior shifts" as their company's biggest issue over the next 6 months.

## QUESTION

## RESPONSES &amp; SHARES

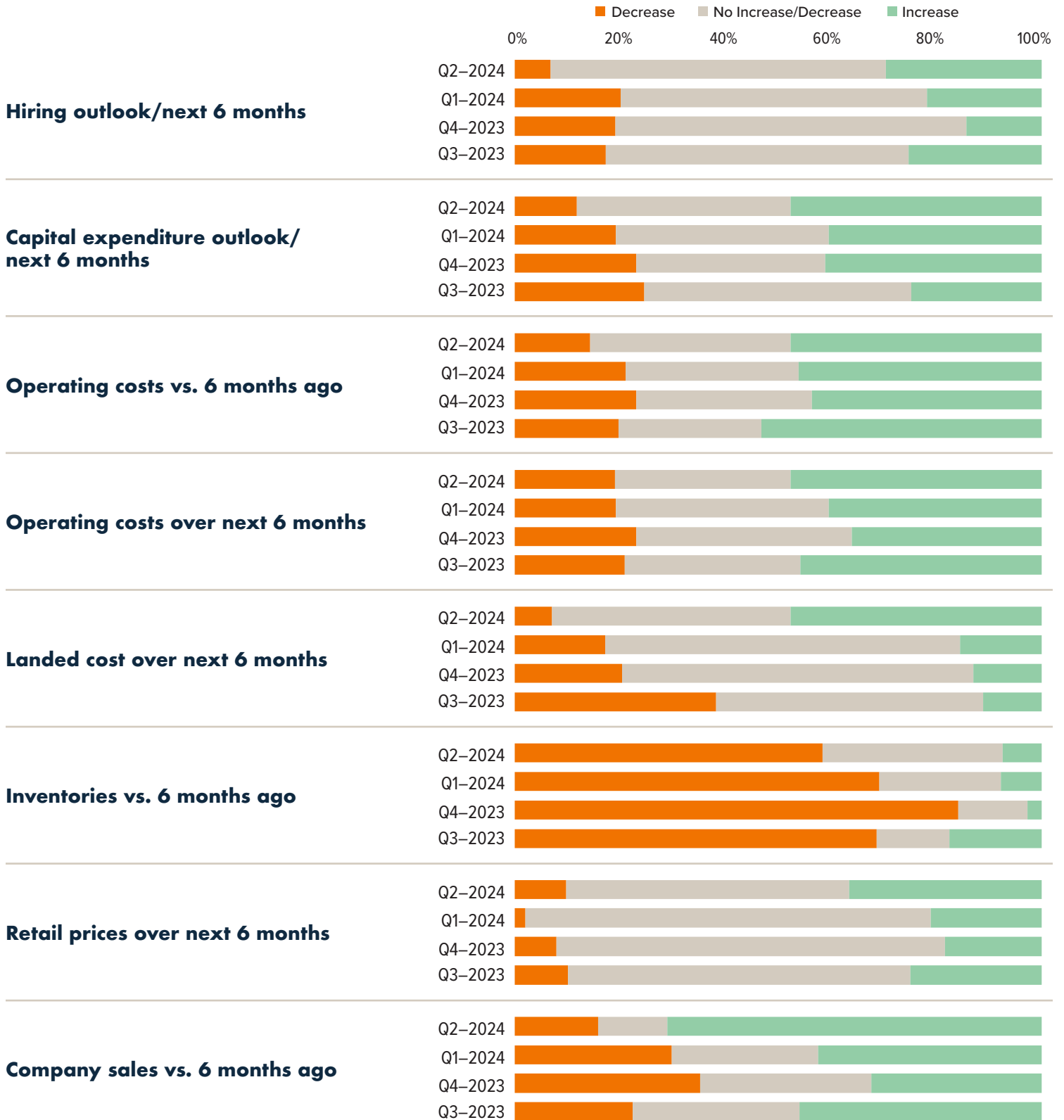
Outlook for economy/  
next 6 monthsOutlook for shoe shoppers/  
next 6 months

## Company health over next 6 months



### QUESTION

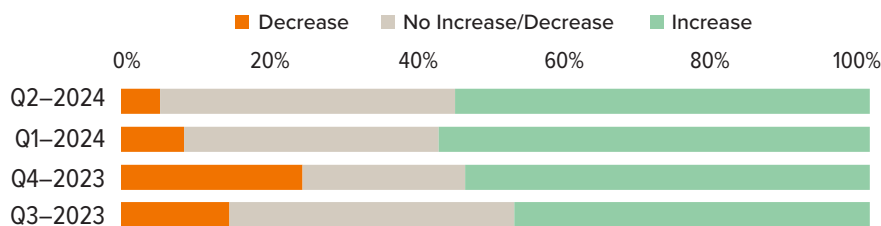
### RESPONSES & SHARES



### QUESTION

### RESPONSES & SHARES

Company sales over next 6 months



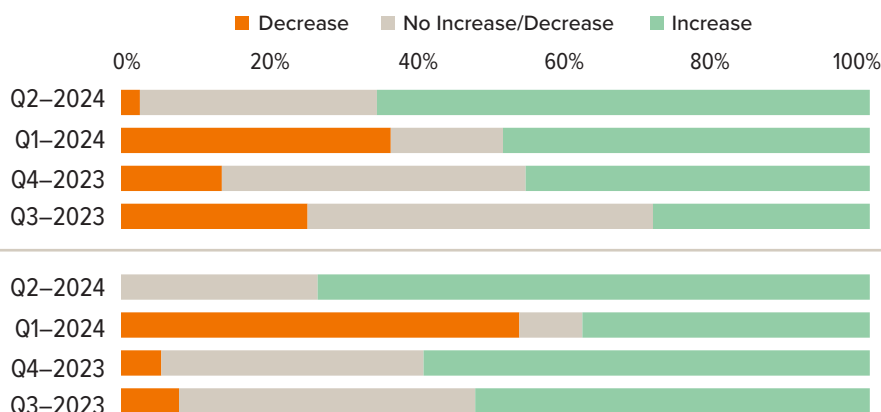
### QUESTION

### RESPONSES & SHARES

What are your expectations for planned comp sales over the next...

6 months

12 months



### YOUR COMPANY'S BIGGEST ISSUE OVER THE NEXT 6 MONTHS

