

RETAIL TRADE OBSERVATORY

August 2022

2021

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Introduction

The Covid-19 pandemic has had a very negative impact on the Retail trade in 2020. Restrictions were applied to cope with the health crisis. Because of the lockdown measure, which involved the cessation of so-called "non-essential" business activities, the sector's revenue in 2020 fell by 9.2 %. The number of employees has decreased by 4.4 %. During the year 2020, the Government of Monaco intervened massively to support the retail agents. This support has taken the form of numerous measures (CTTR, AS, CARE, etc.¹).

In 2021, the Principality's economy experienced a recovery. This is particularly true for the Retail trade sector. The number of new establishments increased from 50 to 55 (+10.0 %). At the same time, the number of business strike-offs fell (-9.5 %). The number of active establishments rose from 827 in 2020 to 844 in 2021 (+2.1 %). Sales grew by 25.8 % in 2021 compared to 2020 and exceeded their 2019 level (+14.2 %). The number of employees has also increased from 2,816 in 2020 to 2,960 in 2021.

This recovery is also reflected in the sector's business climate. The perception of the Retail trade agents has improved between 2020 and 2021. The composite business climate indicator rose from an annual average of 83 in 2020 to an average of 106 in 2021. In the first half of 2022, the business climate remains favourable².

According to INSEE, Retail trade consists of selling merchandise in the state that it is purchased (or after minor transformations), generally to a customer base of private individuals, regardless of the quantities sold.

The term "Retail trade" includes only the resale of physical goods. Thus, bars, restaurants, hotels (Accommodation and food services) and hairdressing salons (Other service activities) are excluded from this Major Economic Sector (MES³).

In the Principality of Monaco, the trade and repair of motor vehicles and motorcycles is included in the Retail trade MES.

¹ Total Temporary Layoff measure (CTTR), Business Support (AS), Economic Recovery Support Commission (C.A.R.E).

² <https://www.imsee.mc/Publications/Barometre-Commerce-de-detail>

³ The adoption on January the 1st, 2012 of the French Nomenclature of Activities has resulted in a new characterisation of the Major Economic Sectors (MES). In order to be as close as possible to the particularities of the Principality's economy, twelve Major Economic Sectors (MES) have been identified. A MES is composed of establishments with the same core activity.

Key figures: Retail trade

Active establishments



↗ **2.1%**
compared to 2020

↗ **4.7%**
in 10 years

844
establishments in 2021

7.9%
of total

5th
out of 12 MES

Revenue



↗ **25.8%**
compared to 2020

↗ **58.8%**
in 10 years

1,933 M€
of revenues in 2021

12.0%
of total

4th
out of 11 MES

Employees



↗ **5.1%**
compared to 2020

↗ **11.6%**
in 10 years

2,960
employees in 2021

5.6%
of total

7th
out of 12 MES

GDP



↘ **-17.6%**
compared to 2019

↘ **-5.4%**
in 10 years

295 M€
GDP 2020

5.0%
of total

7th
out of 12 MES

1. Increase in the number of Retail trade establishments

1.1. Active establishments⁴ increased from 806 in 2012 to 844 in 2021

Table 1. Number of active establishments by MES

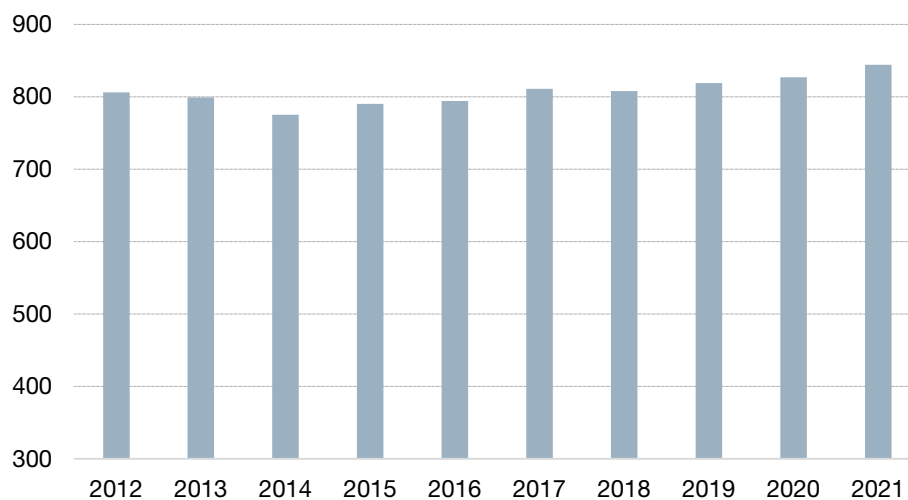
	Nb of establishments
Scientific and technical activities, administrative and support service activities	2,536
Real Estate activities	2,001
Wholesale trade	1,315
Other service activities	1,209
Retail trade	844
Financial and insurance activities	671
Construction	497
Information and communication	434
Public administration, education, human health and social work activities	431
Transportation and storage	316
Accommodation and food service activities	308
Manufacturing, mining and quarrying, and others industries	182
Total	10,744

Sources: Business Development Agency, Monaco Statistics

In 2021, Monaco has 10,744 active establishments, including 844 in the Retail trade sector.

They represent nearly 8 % of the total. This makes it the fifth largest MES out of twelve.

Figure 1. Number of active Retail trade establishments between 2012 and 2021



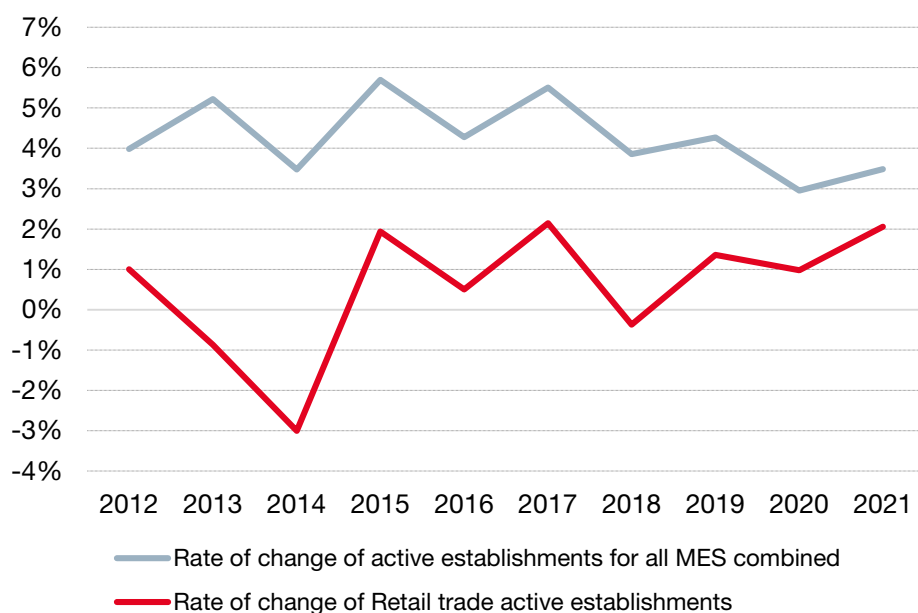
Sources: Business Development Agency, Monaco Statistics

In 2021, the number of active establishments in Retail trade is 844 compared to 827 the previous year (+2.1 %). This is the highest level on the 2012-2021 decade for an increase of 4.7 % over this period (806 entities in 2012).

Between 2012 and 2018, the number of establishments is relatively stable. Since 2018, it has increased year after year.

⁴ An establishment is a geographically individualised production unit, but legally dependent on the economic agent. An economic agent is a structure (a SARL, a SAM...) corresponding to a "Trade Register number". Each establishment is registered with a Statistical Identification Number (NIS). An establishment is considered active until it is permanently deregistered.

Figure 2. Rate of change in the number of Retail trade and all MES active establishments



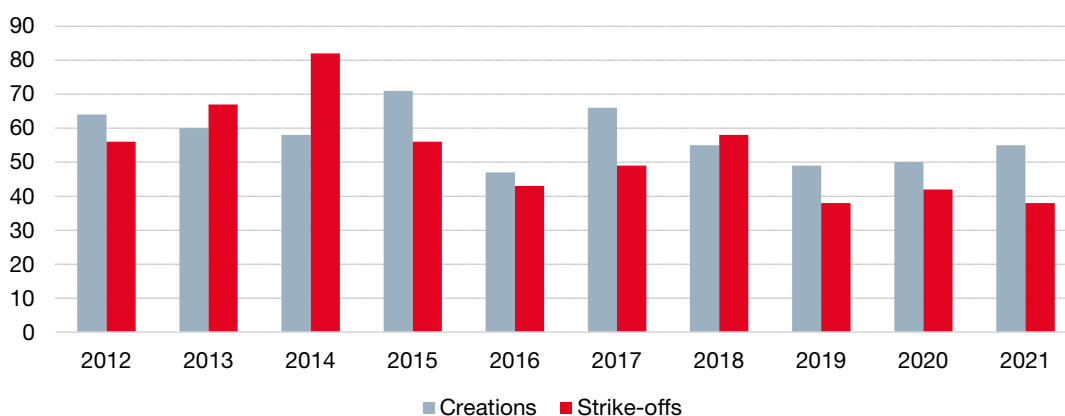
Sources: Business Development Agency, Monaco Statistics

The establishments' rate of change has been lower for Retail trade than for all MES throughout the decade.

The rate of change for all MES combined is relatively stable between 2012 and 2021. The change in establishments for Retail trade is more volatile, particularly in 2014, which saw a substantial decline in the number of establishments (-3 %).

1.2. Increase in the number of establishments created in 2021

Figure 3. Number of creations and strike-offs since 2012 in the Retail trade sector



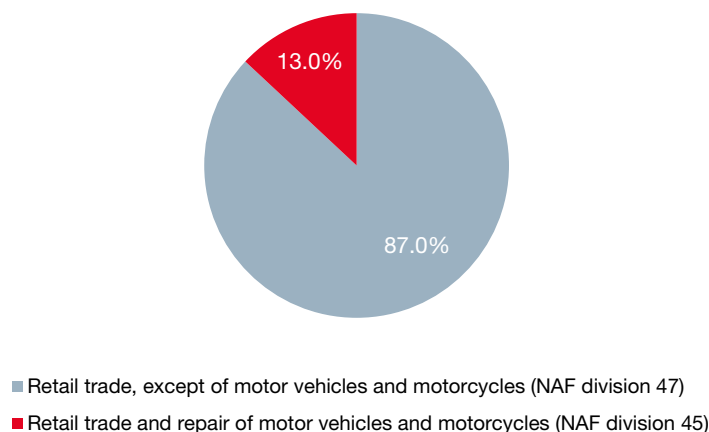
Sources: Business Development Agency, Monaco Statistics

Over the decade 2012-2021, the number of establishments created is greater than the number of strike-offs. However in 2013, 2014, and 2018 strike-offs exceed creations. In the years, 2017 and 2021 the gap between the number of creations and strike-offs was the largest over the decade (17).

In total, since 2012, the balance between creations and strike-offs in Retail trade is 46 establishments. In fact, 575 Retail trade entities have come into existence in ten years while 529 have been written off. For all MES, the average number of entities created is 693 versus 387 strike-offs.

1.3. Retail trade, except of motor vehicles and motorcycles represents 87 % of the MES

Figure 4. Distribution of Retail trade establishments in 2021



Sources: Business Development Agency, Monaco Statistics

In 2021, Retail trade, except of motor vehicles and motorcycles, counts 734 active establishments (87 %). The Retail trade and repair of motor vehicles and motorcycles, on the other hand, will have 110 (13 %).

Table 2. Distribution of active Retail trade establishments by NAF class

	Number	Share
Retail sale of clothing in specialised stores	159	18.8%
Retail sale via mail order houses or via Internet	90	10.7%
Other retail sale of new goods in specialised stores	87	10.3%
Retail sale of watches and jewellery in specialised stores	81	9.6%
Sale of cars and light motor vehicles	64	7.6%
Retail sale of second-hand goods in stores	44	5.2%
Retail sale of furniture, lighting equipment and other household articles in specialised stores	31	3.7%
Retail sale of footwear and leather goods in specialised stores	29	3.4%
Maintenance and repair of motor vehicles	22	2.6%
Retail sale of newspapers and stationery in specialised stores	21	2.5%
Dispensing chemist in specialised stores	18	2.1%
Retail sale via stalls and markets of food, beverages and tobacco products	16	1.9%
Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores	16	1.9%
Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores	15	1.8%
Retail sale of cosmetic and toilet articles in specialised stores	15	1.8%
Other NAF classes	136	16.1%
Total	844	100%

Sources: Business Development Agency, Monaco Statistics

Retail sale of clothing in specialised stores remains the NAF class with the highest number of establishments. It is composed of 159 entities.

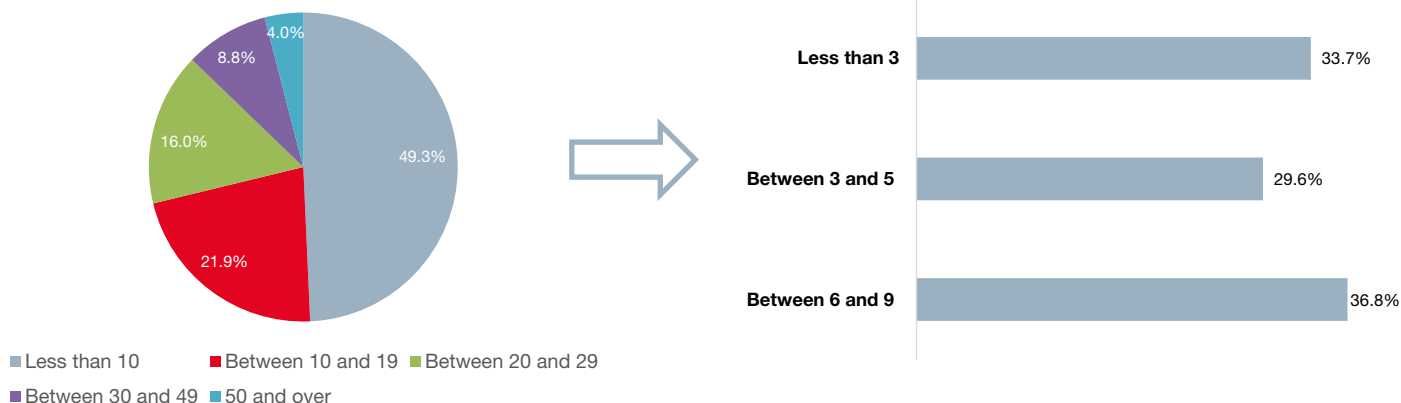
With 90 establishments compared to 81 in 2020 (an increase of 11 %), Retail sale via mail order houses or via Internet is on the rise.

Other retail sale of new goods in specialised stores (trade in clothing, shoes, souvenirs, flowers, etc.) includes 87 entities.

The first 15 NAF classes (presented in the table above) constitute more than three quarters of the establishments in the Retail trade sector. Thereafter, 23 NAF classes represent less than 20 % of the activities.

1.4. Almost half of the establishments are less than ten years of seniority

Figure 5. Distribution of active Retail trade establishments by seniority in 2021



Sources: Business Development Agency, Monaco Statistics

Nearly half of the Retail trade entities were created less than ten years ago. More than two-thirds are less than 20 years old. Only 12.8 % of these businesses are older than 30 years.

The average seniority of Retail trade establishments is around 15 years, whereas it is around 13 years for all MES.

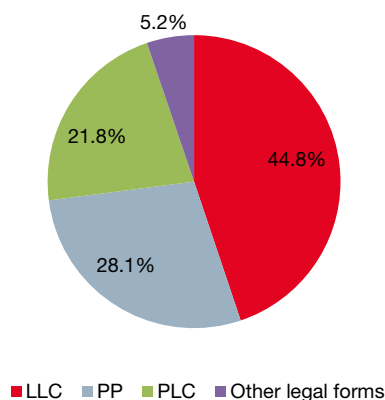
Among these Retail trade establishments with less than 10 years, there is a homogeneous distribution between those with less than three years, those with between 3 and 5 years of seniority and those with between 6 and 9 years.

1.5. The LLC is the most common legal form

Within the Retail trade MES, the following legal forms are found among active establishments:

- The PP (Personnes Physiques in French) ;
- The Limited Liability Company (LLC or SARL in French) ;
- The Public Limited Company (PLC or SAM in French) ;
- Limited Partnership (or SCS in French) ;
- General Partnership (or SNC in French) ;
- Other legal forms.

Figure 6. Distribution of active Retail trade establishments by legal form in 2021



Sources: Business Development Agency, Monaco Statistics

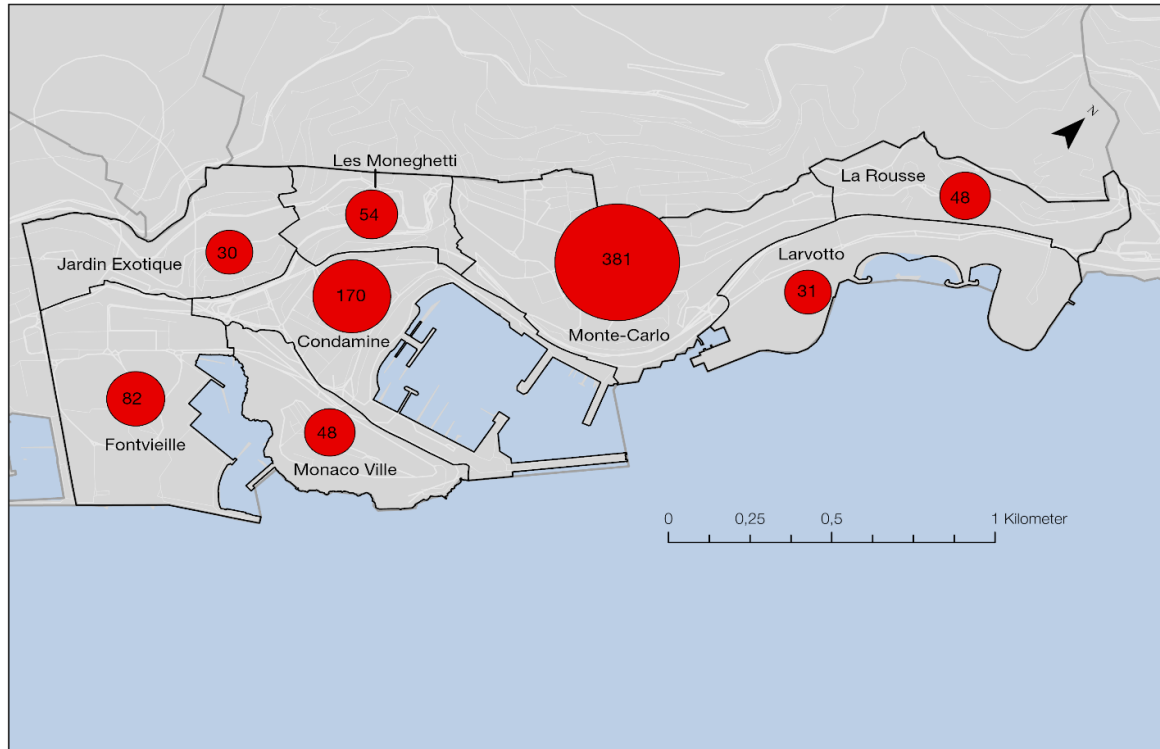
In 2021, the LLC legal form is overrepresented in Retail trade with 44.8 % of establishments compared to 30.3 % for all MES.

The PP (Personnes Physiques) count 237 establishments, that is to say more than 28 % of the activities of the Retail trade. It is also the second most represented, all MES taken together (23.7 %). In what concerns the Public Limited Company (Sociétés Anonymes Monégasques), they constitute 21.8 % of the entities in 2021, i.e. 184 establishments.

Moreover, nearly 95 % of Retail trade establishments are operated directly. The rest are leased.

1.6. Monte-Carlo and La Condamine remain the districts⁵ with the largest number of establishments

Figure 7. Map of active Retail trade establishments by district in 2021



Sources: Business Development Agency, Monaco Statistics

Almost half of the establishments are located in Monte Carlo (381). The Condamine has 170 entities. Fontvieille follows these two districts with 82.

The other Retail trade establishments are evenly distributed among the other five districts of the Principality.

The districts with the fewest entities remain Larvotto (31) and Jardin Exotique (30).

Table 3. Distribution of active Retail trade establishments by district between 2012 and 2021

	2012	2021	Var 12/21
Monte-Carlo	366	381	4.1%
Condamine	181	170	-6.1%
Fontvieille	78	82	5.1%
Les Moneghetti	41	54	31.7%
Monaco-Ville	54	48	-11.1%
La Rousse	34	48	41.2%
Larvotto	30	31	3.3%
Jardin Exotique	22	30	36.4%
Total	806	844	4.7%

Sources: Business Development Agency, Monaco Statistics

The total number of Retail trade establishments increased by 4.7 % between 2012 and 2021. The three districts with the largest increase in the number of entities, compared to 2012, are La Rousse, Jardin Exotique and Moneghetti. The two districts that recorded a decrease were Monaco-Ville (-11.1 %) and the Condamine (-6.1 %).

⁵ The territorial division of the Principality of Monaco is governed by Sovereign Ordinance No. 4,481 of September 13, 2013. The Ordinance provides for the division of Monaco into seven ordered districts and two reserved areas being Monaco-Ville and the ravine of Sainte-Dévote (this reserved area has been integrated, in the statistics, within the Moneghetti district).

1.7. Activities vary depending on the district

Table 4. The NAF class with the largest number of establishments within each district

	NAF class	2021	Share
Monte-Carlo	Retail sale of clothing in specialised stores	106	27.8%
Condamine	Retail sale of clothing in specialised stores	33	19.4%
Monaco-Ville	Other retail sale of new goods in specialised stores	29	60.4%
Fontvieille	Sale of cars and light motor vehicles	19	23.2%
La Rousse	Retail sale via mail order houses or via Internet	15	31.3%
Moneghetti	Retail sale via mail order houses or via Internet	11	20.4%
Jardin Exotique	Retail sale via mail order houses or via Internet	9	30.0%
Larvotto	Retail sale of clothing in specialised stores	6	19.4%

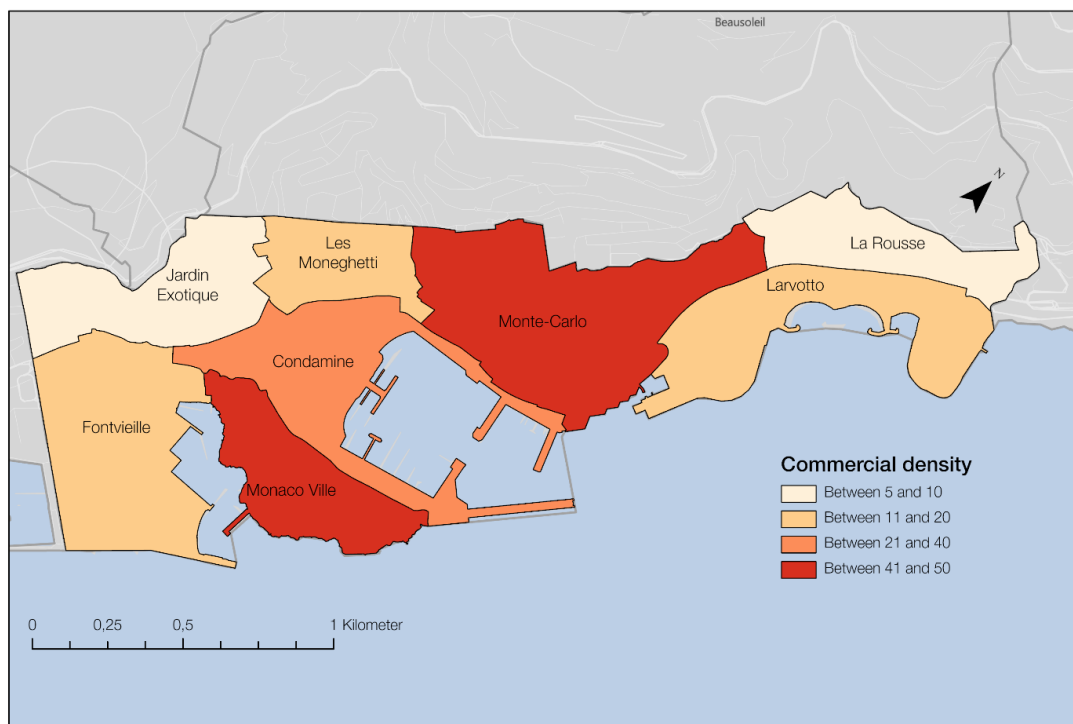
Note to the reader: in 2021, Retail trade of clothing in specialised stores is the NAF class with the largest number of establishments in the Condamine district with nearly one entity in five (19.4 %).

Sources: Business Development Agency, Monaco Statistics

Each district has a major retail activity. In the case of Monte-Carlo, for example, 27.8 % (106) of the entities are engaged in the sale of clothing in specialised stores. More than half of the Retail trade businesses in Monaco-Ville are Other retail sale of new goods in specialised stores (for example, Retail sale of souvenirs).

1.8. Monte-Carlo has the highest number of Retail trade establishments per 1,000 inhabitants

Figure 8. Map of the commercial⁶ density per 1,000 residents by district



Sources: Business Development Agency, Monaco Statistics

Monte-Carlo is the district with the highest number of Retail trade establishments per 1,000 residents (46). It is followed by Monaco-Ville, which has 45. Among the districts with a low presence of establishments are La Rousse and Jardin Exotique. These two districts have less than 10 businesses per 1,000 residents.

⁶ The commercial density calculation presents the number of retail businesses per 1,000 residents.

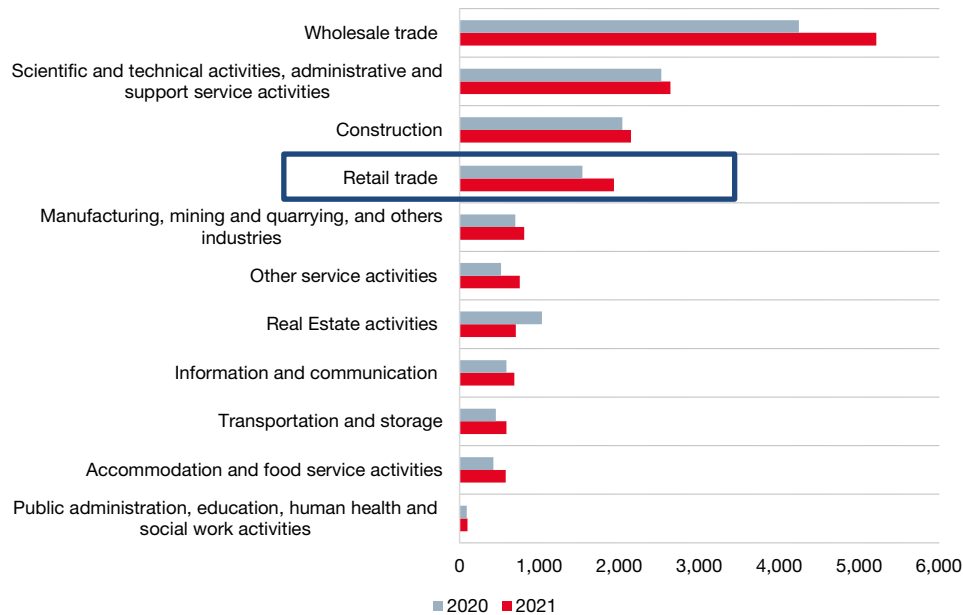
The formula is the following: $\frac{\text{Nb of Retail trade establishments per district}}{\text{Resident population by district}} \times 1000$.

Data for the resident population in each district is taken from the 2016 Census.

2. The increase in revenues illustrates the recovery of the sector

2.1. Retail trade is one of the most important MES in the Principality

Figure 9. Revenues excluding Financial and insurance activities in 2020 and 2021 by MES



Unit: million euros

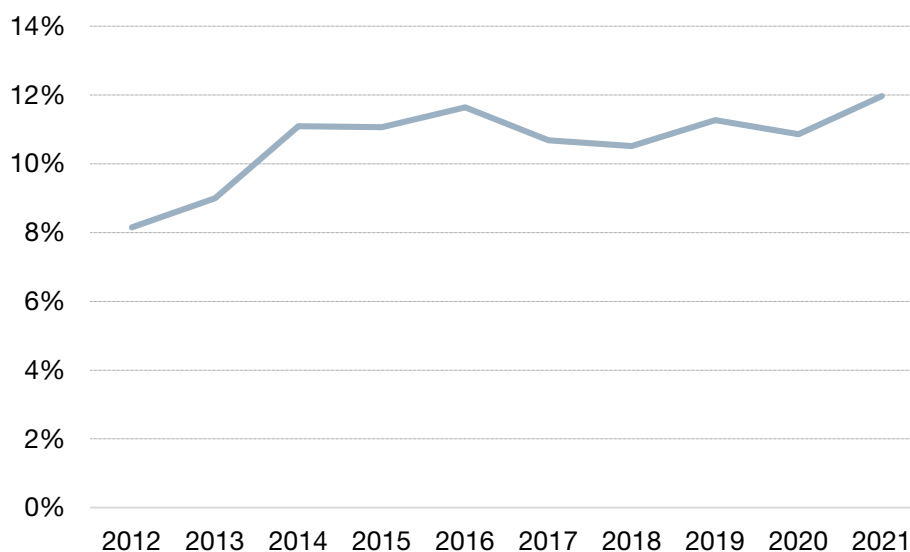
Sources: Department of Tax Services, Monaco Statistics

In 2021, Retail trade is in fourth place with a turnover of 1,930 million euros. The MES with the highest turnover is Wholesale trade (over 5.2 billion euros). The second and third place are occupied respectively by Scientific and technical activities, administrative and support services and by Construction.

Although Retail trade has one of the largest revenue in the Principality, it does not even represent half that the one of Wholesale trade in 2021.

2.2. The share of Retail trade's revenue has been stable since 2014

Figure 10. Share of Retail trade's revenue in total MES excluding Financial and insurance activities

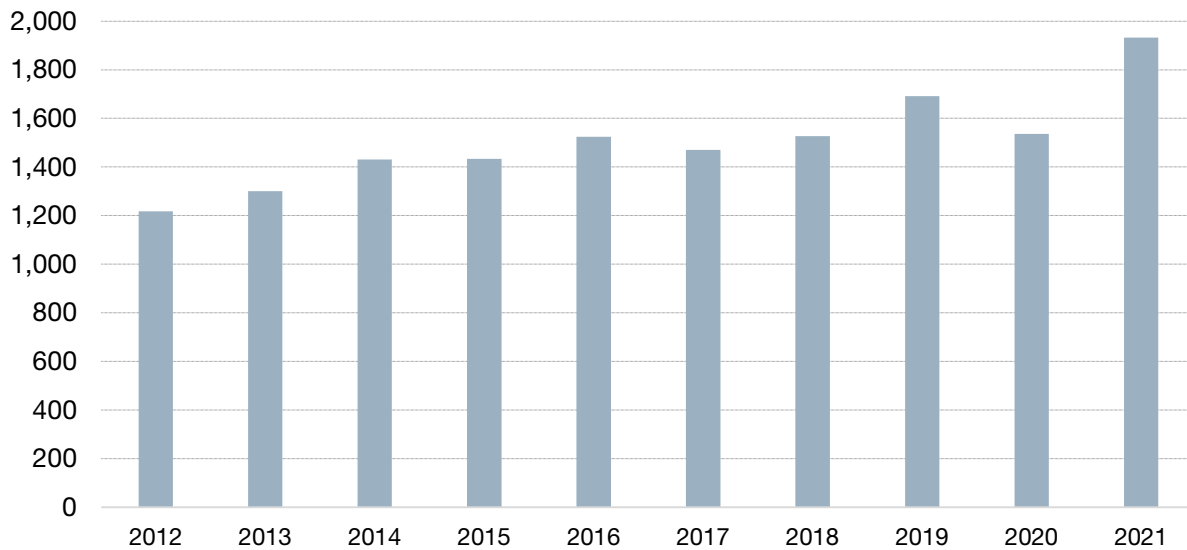


Sources: Department of Tax Services, Monaco Statistics

Retail trade's share of total MES revenue (excluding Financial and insurance activities) increased from 2012 to 2014. In 2012, the share was slightly above 8 %. From 2014 on, it is at a level above 10 %. Between 2014 and 2021, the share of Retail trade's revenue remains stable at a level between 10 % and 12 %.

2.3. In 2021, Retail trade's revenue has reached an all-time high over the 2012-2021 period

Figure 11. Evolution of Retail trade revenues between 2012 and 2021



Unit: million euros

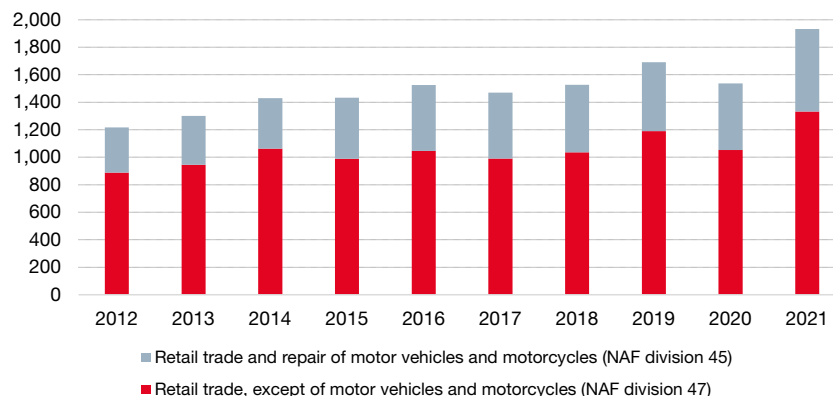
Sources: Department of Tax Services, Monaco Statistics

After revenue growth between 2018 and 2019 (+10.8 %), the Covid-19 pandemic negatively affected Retail trade's revenue, which declined by 9.2 %. This is the largest decrease over the decade. This significant decrease was due to the closure of so-called "non-essential" activities, travel restrictions and the introduction of gauges in businesses after the lockdown.

However, this reduction was followed by a sharp increase (+25.8 %). Thus, in 2021, the turnover approaches the symbolic mark of 2 billion euros. This is the highest growth in revenue over the period 2012-2021.

2.4. Retail trade and repair of motor vehicles and motorcycles' revenue in 2021 is close to 600 million euros

Figure 12. Breakdown of Retail trade's revenue between NAF divisions 45 and 47



Unit: million euros

Sources: Department of Tax Services, Monaco Statistics

Over a decade, the weight of the Retail trade and repair of motor vehicles and motorcycles in the total revenue of the MES has risen from 27 % to 31 %.

Over the period 2012-2021, Retail trade, except of motor vehicles and motorcycles, accounts for the majority of the turnover of this MES.

In 2021, the revenue linked to the Retail trade and repair of motor vehicles and motorcycles counts for almost 600 million euros (+23.7 %). Retail trade, except of motor vehicles and motorcycles, rose from 1.1 to 1.3 billion euros (+26.7 %) between 2020 and 2021.

2.5. The revenue of almost all NAF groups has increased

Table 5. Evolution of Retail trade's turnover between 2020 and 2021 by NAF group

	2020	2021	Var 20/21	Share
Retail trade, except of motor vehicles and motorcycles				
Retail sale of other goods in specialised stores	644.2	895.4	39.0%	46.3%
Retail sale in non-specialised stores	174.6	176.7	1.2%	9.1%
Retail trade not in stores, stalls or markets	78.0	80.5	3.3%	4.2%
Retail sale of other household equipment in specialised stores	42.8	49.8	16.4%	2.6%
Retail sale of information and communication equipment in specialised stores	42.0	46.9	11.7%	2.4%
Retail sale of food, beverages and tobacco in specialised stores	27.1	33.4	23.3%	1.7%
Retail sale of cultural and recreation goods in specialised stores	23.1	28.2	22.2%	1.5%
Retail sale of automotive fuel in specialised stores	14.8	16.1	8.3%	0.8%
Retail sale via stalls and markets	5.3	6.2	17.1%	0.3%
Total Retail trade, except of motor vehicles and motorcycles	1,051.9	1,333.1	26.7%	69.0%
Retail trade and repair of motor vehicles and motorcycles				
Sale of motor vehicles	444.7	555.6	24.9%	28.7%
Sale of motor vehicle parts and accessories	28.4	31.5	10.7%	1.6%
Maintenance and repair of motor vehicles	7.1	8.2	15.8%	0.4%
Sale, maintenance and repair of motorcycles and related parts and accessories	4.5	4.3	-4.5%	0.2%
Total Retail trade and repair of motor vehicles and motorcycles	484.7	599.6	23.7%	31.0%
Total Retail trade's revenue	1,536.5	1,932.7	25.8%	100%

Unit: million euros

Sources: Department of Tax Services, Monaco Statistics

The evolution in revenue between 2020 and 2021 is positive for all Retail trade NAF groups except for the Sale, maintenance and repair of motorcycles and related parts and accessories.

Between 2020 and 2021, the turnover of Retail sale of other goods in specialised stores (Retail sale of clothing, leather goods, watches and jewellery, etc.) increased by 39.0 %. At the same time, the increase for the Sale of motor vehicles was 24.9 %.

In 2021, Retail sale of other goods in specialised stores and Sale of motor vehicles account for three quarters of the revenue of the entire MES.

2.6. All NAF classes have recovered their pre-crisis level of turnover

Table 6. Evolution of the revenue between 2019 and 2021 by NAF class

	2019	2021	Variation	Share
Sale of cars and light motor vehicles	456.7	555.6	21.7%	28.7%
Retail sale of watches and jewellery in specialised stores	251.3	299.3	19.1%	15.5%
Retail sale of clothing in specialised stores	234.9	241.6	2.9%	12.5%
Other retail sale of new goods in specialised stores	91.6	128.8	40.5%	6.7%
Retail sale of footwear and leather goods in specialised stores	102.8	126.2	22.7%	6.5%
Other NAF classes	554.4	581.3	4.9%	30.1%
Total	1,691.7	1,932.7	14.2%	100%

Unit: million euros

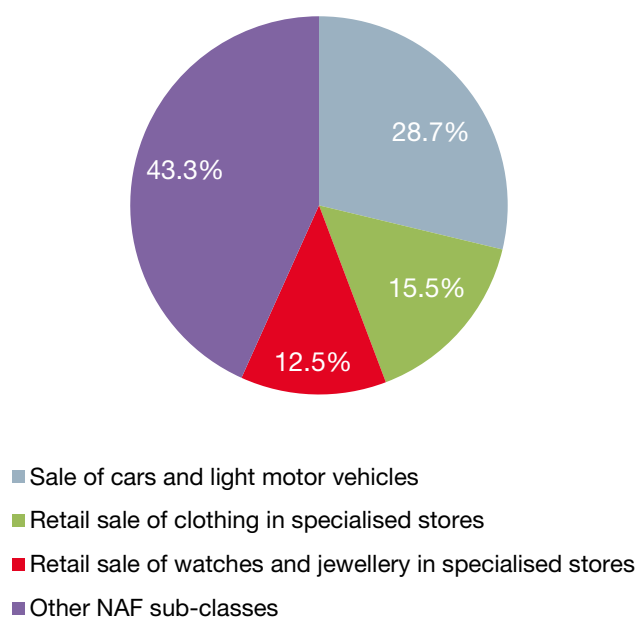
Sources: Department of Tax Services, Monaco Statistics

The most important NAF classes in terms of turnover have exceeded their pre-crisis level (2019). Retail sale of watches and jewellery in specialised stores, for example, increased by 19.1 % between 2019 and 2021.

Total turnover increased by more than 14.2 % over the period 2019-2021. Retail trade's revenue has rebounded from the health crisis and has exceeded its pre-pandemic level.

2.7. Three NAF sub-classes account for more than half of the revenue

Figure 13. Distribution of revenue by NAF sub-classes in 2021



Unit: million euros

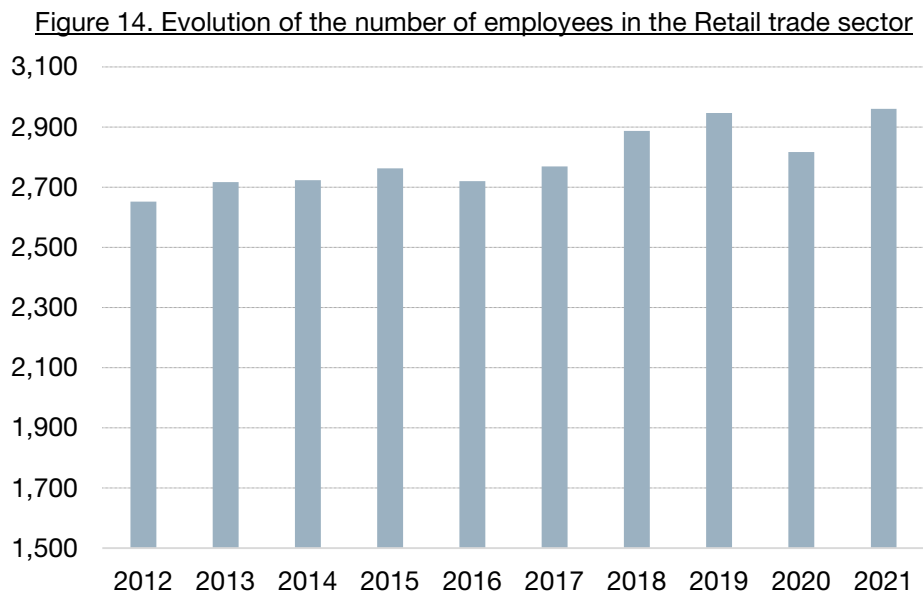
Sources: Department of Tax Services, Monaco Statistics

Among all the NAF sub-classes, the one with the highest turnover is Sale of cars and light motor vehicles. The revenue of this activity is equal to 555.6 million in 2021, there is to say 28.7 % of total Retail trade.

The Sale of cars and light motor vehicles, clothing and watches and jewellery account for more than half of the turnover. In 2021, these three NAF sub-classes represent 57% of the revenue (53% in 2020).

3. 2021 marks the recovery of employment in the Retail trade sector

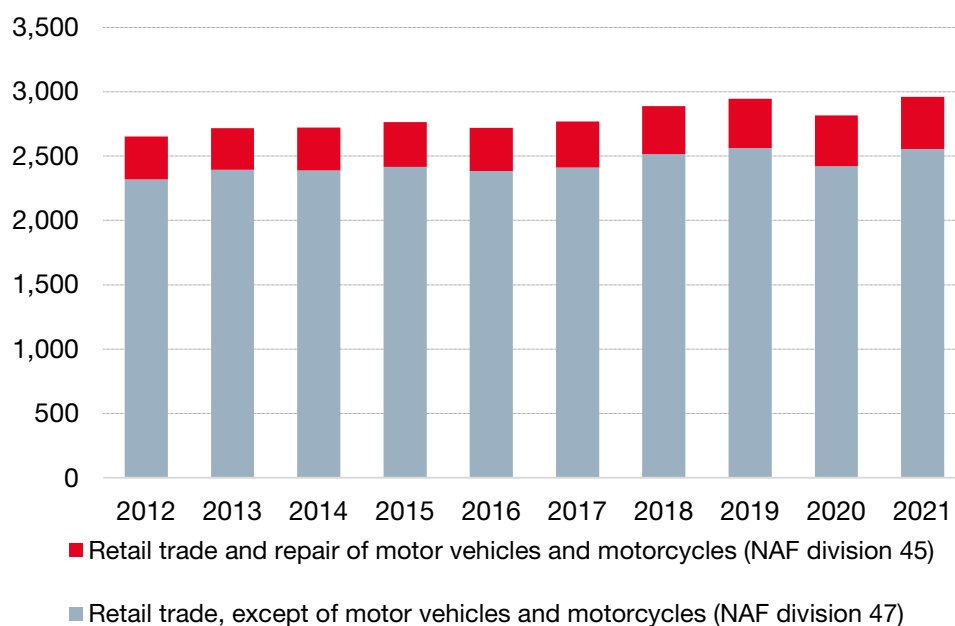
3.1. In 2021, the number of employees exceeds the one of 2019



Sources: *Caisses Sociales de Monaco, Monaco Statistics*

In 2021, the number of employees in Retail trade rebounds. In 2020, there were 2,816. 2021 is the year with the highest number of employees (2,960) over the decade 2012-2021.

Figure 15. Evolution of the number of Retail trade employees by NAF division

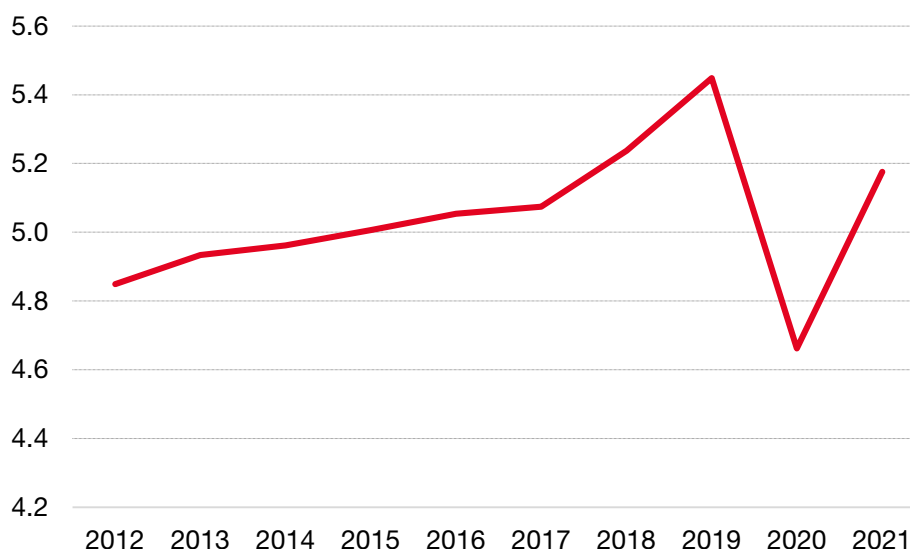


Sources: *Caisses Sociales de Monaco, Monaco Statistics*

In 2021, as with the distribution of the number of establishments, Retail trade except of motor vehicles and motorcycles accounts for almost 87 % of the employees in the MES.

Over the entire period 2012-2021, the number of employees in NAF division 47 is higher than in NAF division 45. In 2020, while Retail trade, except of motor vehicles and motorcycles has 141 fewer employees than in 2019, Retail trade and repair of motor vehicles and motorcycles has 11 more.

Figure 16. Evolution of the number of hours worked in the MES between 2012 and 2021



Unit: million euros

Sources: *Caisses Sociales de Monaco, Monaco Statistics*

In 2021, there is a recovery in the number of hours worked to a level close to 5.2 million hours. However, this indicator does not return to the level of 2019.

In 2020, hours worked experienced the largest decline in the decade 2012-2021. The lowest point, reached in 2020, is almost 4.7 million hours. This decrease is explained by the measures adopted to deal with the Covid-19 pandemic (lockdown, CTRR, etc.).

3.2. Almost one in five Retail trade employees work in clothing

Table 7. Number of employers and employees by NAF group in 2021

NAF groups	Employers		Employees	
	Number	Weight	Number	Weight
Retail sale of other goods in specialised stores	285	61.2%	1,313	44.4%
Retail sale in non-specialised stores	10	2.1%	541	18.3%
Sale of motor vehicles	26	5.6%	302	10.2%
Retail sale of food, beverages and tobacco in specialised stores	36	7.7%	169	5.7%
Retail sale of other household equipment in specialised stores	30	6.4%	164	5.5%
Retail sale of cultural and recreation goods in specialised stores	21	4.5%	126	4.2%
Retail sale of information and communication equipment in specialised stores	13	2.8%	112	3.8%
Maintenance and repair of motor vehicles	11	2.4%	74	2.5%
Retail trade not in stores, stalls or markets	16	3.4%	70	2.4%
Retail sale via stalls and markets	9	1.9%	31	1.1%
Retail sale of automotive fuel in specialised stores	3	0.6%	27	0.9%
Sale, maintenance and repair of motorcycles and related parts and accessories	3	0.6%	17	0.6%
Sale of motor vehicle parts and accessories	3	0.6%	13	0.4%
Total Retail trade	466	100%	2,960	100%

Sources: *Caisses Sociales de Monaco, Monaco Statistics*

Retail sale of other goods in specialised stores has the highest number of employers and employees, with 285 and 1,313 respectively. Sale of motor vehicle parts and accessories is the least represented NAF group (3 employers for 13 employees).

Table 8. Distribution of employers and employees in Retail sale of other goods in specialised stores

NAF classes	Employers	Employees
Retail sale of clothing in specialised stores	119	565
Retail sale of watches and jewellery in specialised stores	46	189
Other retail sale of new goods in specialised stores	45	143
Retail sale of footwear and leather goods in specialised stores	23	127
Dispensing chemist in specialised stores	16	100
Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores	11	72
Retail sale of second-hand goods in stores	17	72
Retail sale of cosmetic and toilet articles in specialised stores	6	43
Retail sale of medical and orthopaedic goods in specialised stores	2	3
Total	285	1,313

Sources: *Caisses Sociales de Monaco, Monaco Statistics*

Retail sale of clothing in specialised stores is the NAF class with the highest number of employers and employees (119 and 565 respectively), followed by Retail sale of watches and jewellery in specialised stores (46 employers and 189 employees).

The NAF class with the lowest number of employers (2) and employees (3) is Retail sale of medical and orthopaedic goods in specialised stores.

3.3. Almost two thirds of employers in the Retail trade sector have less than 5 employees

Table 9. Distribution of the number of Retail trade employers by number of employees in 2021

	Nb of employers	Share
Less than 5 employees	300	64.4%
Between 5 and 9 employees	101	21.7%
Between 10 and 49 employees	62	13.3%
50 employees and over	3	0.6%
Total	466	100%

Sources: *Caisses Sociales de Monaco, Monaco Statistics*

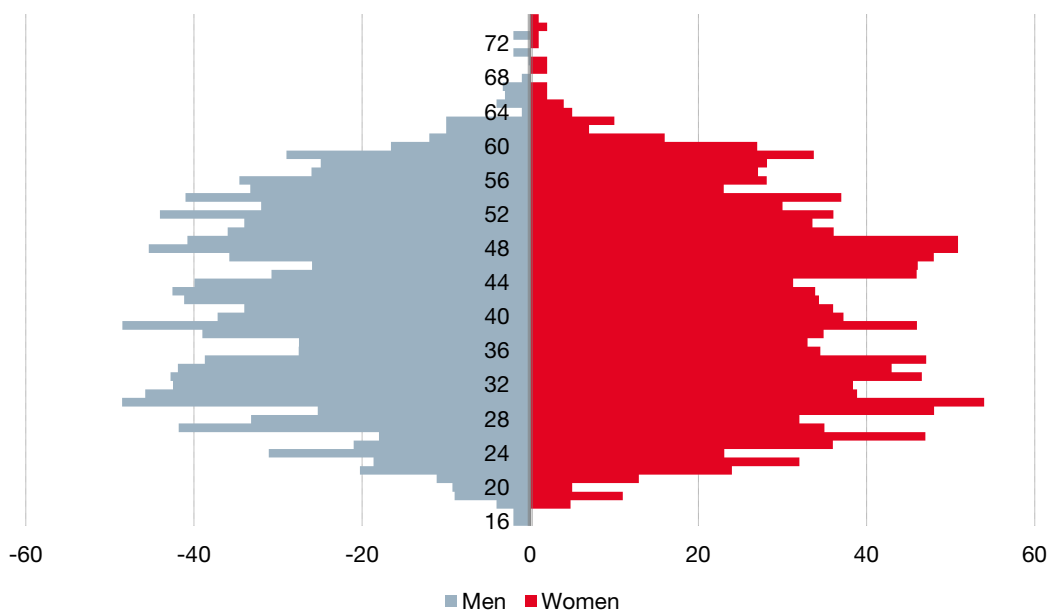
In the Principality of Monaco, employers with less than 5 employees represent the majority of establishments in the Retail trade sector (300), they are followed by those with between 5 and 9 employees (101).

Within the Retail trade, there are only three employers with more than 50 employees.

3.4. In 2021, the distribution of employees in the Retail trade is relatively uniform

In 2021, Monaco counts 1,537 female employees compared to 1,423 male employees in the Retail trade sector, that is to say 52 % of women. This proportion is significantly higher than in the Principality's female employed population all MES taken into account (40 %).

Figure 17. Age pyramid of Retail trade employees by gender in 2021



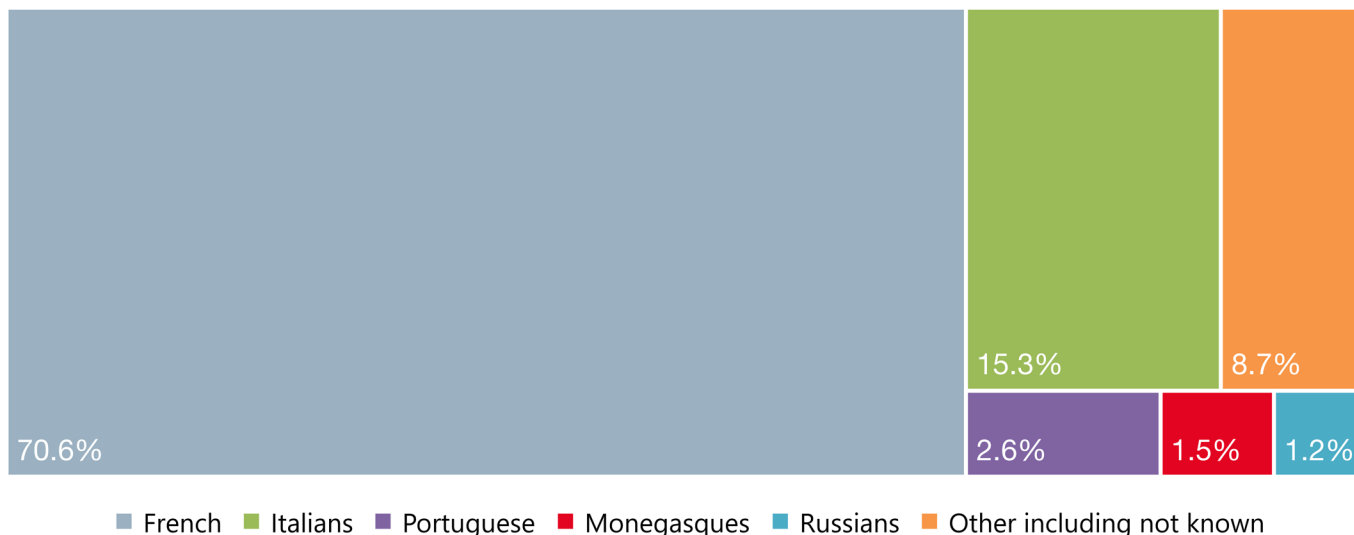
Sources: *Caisses Sociales de Monaco, Monaco Statistics*

The age distribution of female and male employees is similar. For both sexes, the majority of Retail trade employees are between 30 and 50 years old.

The average age of Retail trade employees in 2021 (41.1 years) is relatively close to that of all MES (42.5 years).

3.5. More than two-thirds of the employees are French

Figure 18. Distribution of Retail trade employees by nationality in 2021



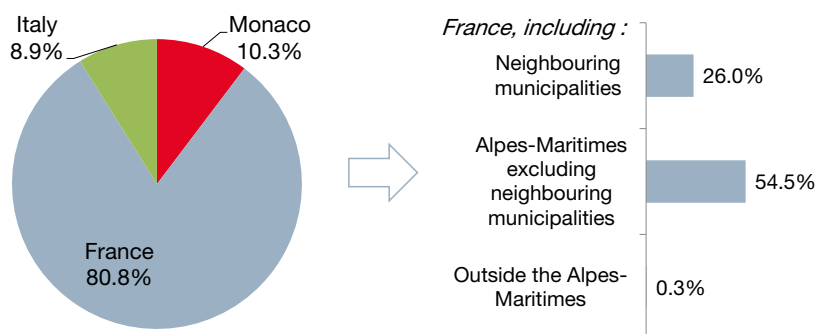
Sources: Caisses Sociales de Monaco, Monaco Statistics

More than 70.0 % of MES employees are of French nationality. There are 454 Italians, representing 15.3 % of all employees.

People of Monegasque nationality in the Retail trade represent only 1.5 % of employees, that is to say 45 people. Monegasque employees, all MESs combined, are 977, thus 1.8 % of the total (53,079).

3.6. The majority of employees live in the Alpes-Maritimes

Figure 19. Distribution of Retail trade employees by place of residence in 2021

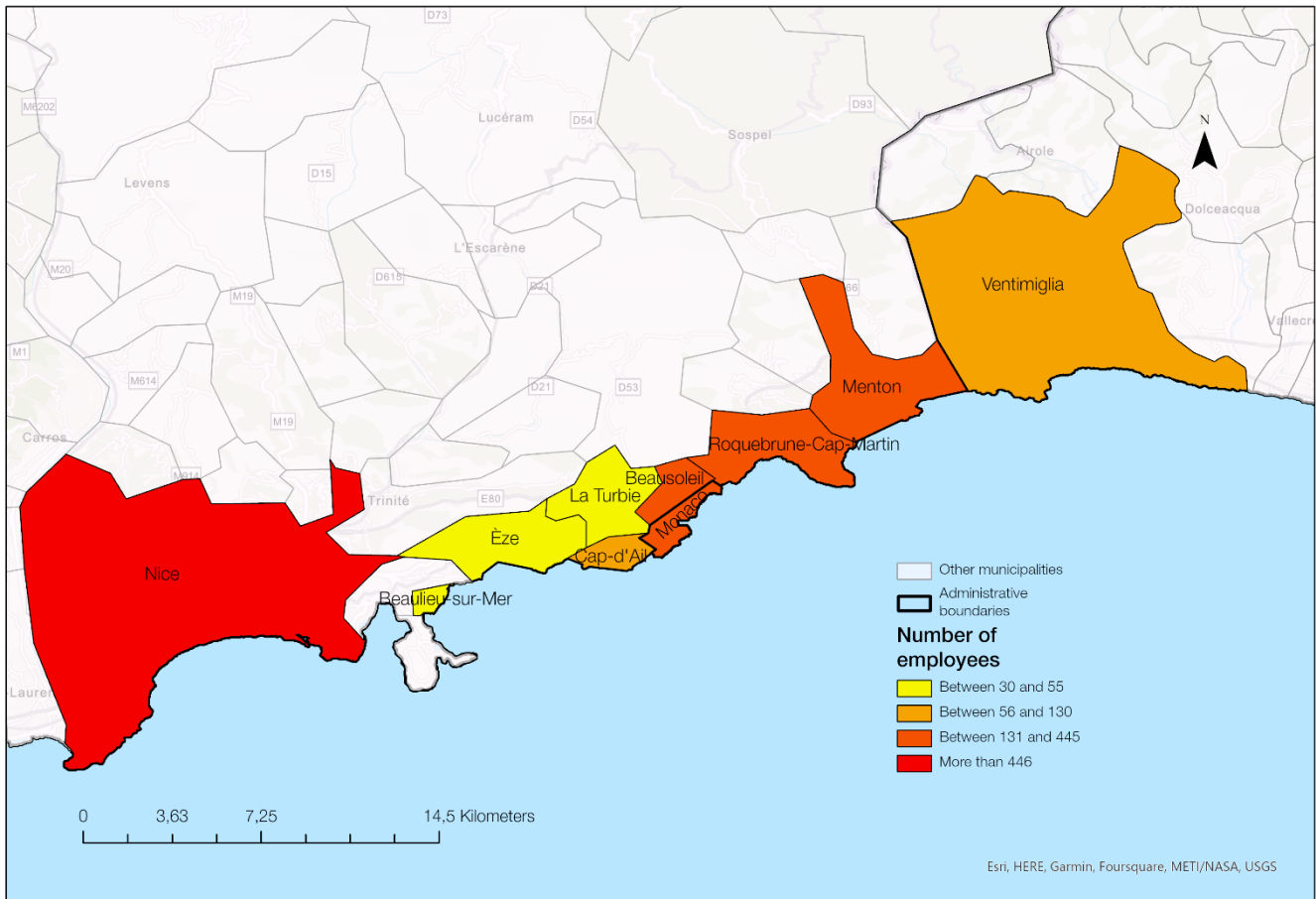


Sources: Caisses Sociales de Monaco, Monaco Statistics

More than 80 % of MES employees come from the Alpes-Maritimes. Among the people from the Alpes-Maritimes, 26.0 % live in neighbouring municipalities and 54.5 % in the Alpes-Maritimes excluding neighbouring municipalities.

Only 10.3 % of retail trade employees live in the Principality, whereas 11.3 % of the total workforce (all MES included) live in Monaco.

Figure 20. The 10 municipalities where the majority of Retail trade employees come from in 2021



Sources: *Caisses Sociales de Monaco, Monaco Statistics*

In 2021, 614 employees in the Retail trade sector come from Nice, that is to say 20.7 % of the total. The neighbouring municipalities of Beausoleil and Roquebrune-Cap-Martin have 333 and 283 employees respectively. Monaco is in fourth place with 302 employees, corresponding to 10.2 % of the total.

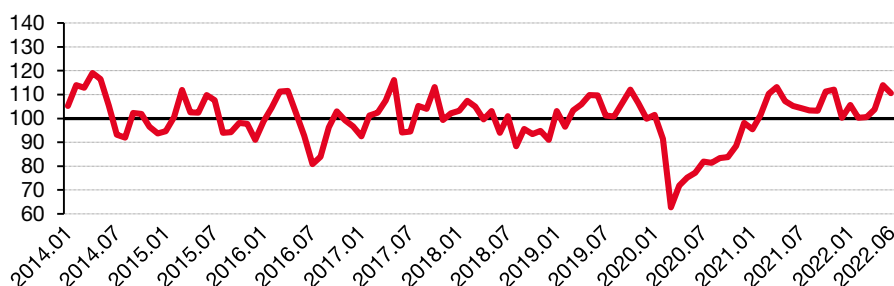
Among the most represented municipalities, there is an Italian municipality: Ventimiglia with 130 employees.

In total in Monaco, all MES taken together, there were 53,079 employees in 2021, of which nearly 13,000 (24.4 %) live in Nice. Menton occupies the second position with 6,348 people. Around 6,000 employees live in Monaco (11.3 %).

4. Business climate highlights the recovery of the sector

Every month, Monaco Statistics surveys a representative sample of the Retail trade sector (30% of economic agents with at least one establishment) on the business climate of the sector. The questions asked concern the month that has just passed and relate to the various activities of the company and their feelings in relation to a "standard" month⁷.

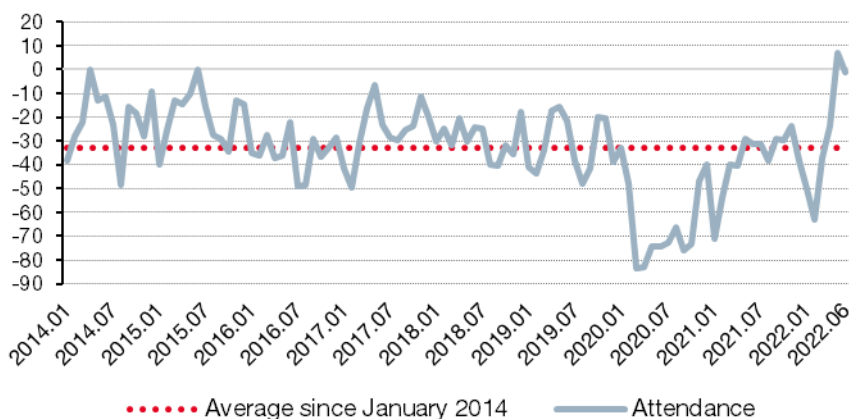
Figure 21. Composite indicator of Retail trade's business climate



Source: Monaco Statistics

After a sharp fall in the first half of 2020, business climate begins to recover in the second half of the year. It returns to an above-average level in 2021. Since then, the business climate has been recording above-average levels. In June 2022, it stands at 111.

Figure 22. Attendance in the Retail trade sector



Source: Monaco Statistics

Attendance levels fell sharply in 2020. During this year, it remained below average. In the first half of 2021, it increased but remained lower than the average since January 2014. In the second half of 2021, it faces a major fall. However, in 2022 it increases substantially, reaching an all-time high of 7 in May 2022.

⁷ The study is carried out by means of a survey questionnaire that is sent to them either by post or by electronic means. No figures are requested from retailers: the questions asked are qualitative. For each question asked, 4 answers are possible: + indicating an upward trend; - indicating a downward trend; = indicating a stable trend; NA indicating that the question is not applicable to the outlet.

Table 10. Composite indicator and balances of opinion considering the beginning of 2022

	Average since Jan. 2014	2022					
		January	February	March	April	May	June
Business climate	100	106	100	101	104	114	111
General business outlook	-15	-15	-24	9	19	18	12
Recent sales	-12	17	-8	-28	-44	31	9
Expected sales	-8	9	42	11	-10	26	30
Stocks	8	-9	21	-8	-22	-27	-12
Ordering intentions	-1	12	9	-7	12	21	25
Past selling prices	1	15		18		16	
Expected selling prices	3	21	32	45	32	18	48
Workforce size: recent trend	3	5	0	2	6	8	9
Workforce size: future trend	5	6	4	8	18	11	10
Cash position	-10	-3		-7		-1	
Customer payment terms	-9	-6					
Supplier payment terms	-5	-2					
Attendance	-33	-50	-63	-37	-24	7	-1

Note to the reader: concerning the General business outlook and considering a base of 100 respondents:

- On average since January 2014, retailers who answered negatively are 15 more than those who answered positively.
- In June 2022, businesses who answered positively are 12 more than those who answered negatively.

Source: Monaco Statistics

The composite business climate indicator seems to be favourable for the year 2022. Indeed, during the first six months, it never falls below the long-term average.

The General business outlook is above or equal to the average for the entire first half of 2022 except of February.

Expected sales in the first half of 2022 tend to be above the long period average. In June 2022, the balance is 30, while the average corresponds to -8.

Ordering intentions for the first six months of 2022 are higher than the normal at -1, except in March. The same is true for past and forecast prices.

The recent and future trend regarding Workforce size is also favourable, particularly for the months of April, May and June during which levels are above the long-term average.

5. In 2020, Retail trade's GDP decreased by 19.6 %

The following information and data related to GDP⁸ are for the year 2020. Thus, the objective of this section is to analyse the evolution of this macroeconomic indicator over the period 2011-2020.

The GDP calculated in 2020 shows the negative impact that the Covid-19 pandemic has had on the Retail trade sector.

5.1. The year 2020 was characterised by a fall in Retail trade's GDP

Table 11. Retail trade's GDP components in 2020

	GDP of all MES	Retail trade GDP
Gross operating surplus	2,751.0	130.2
Compensation of employees	2,925.3	115.7
Taxes	927.5	82.3
Subsidies	-636.2	-33.3
Total	5,967.6	294.9

Unit: million euros

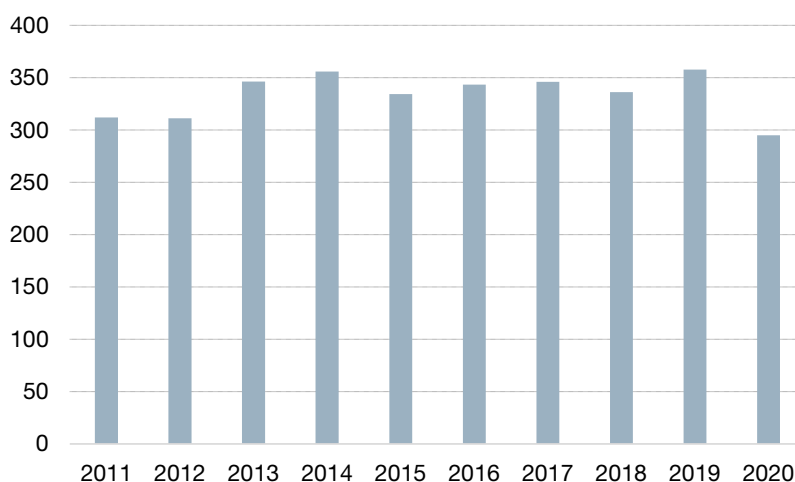
Source: Monaco Statistics

In 2020, Retail trade's GDP amounts to 294.9 million euros.

Gross operating surplus is the most important component of Retail trade's GDP. In 2020, it is equivalent to 44.1 % of the sector's GDP, there is to say more than 130 million euros. The compensation of employees corresponds to almost 40 % of GDP and taxes constitute 27.9 % of the wealth created by the Retail trade.

The pandemic has required the closure of so-called "non-essential" activities and restrictions on the number of people in the establishments. Thus, in 2020, the Gross operating surplus, the compensation of employees and taxes fell. Subsidies, on the other hand, rose sharply from 1.8 to 33.3 million euros.

Figure 23. Evolution of Retail trade's GDP in nominal terms over the decade 2011-2020



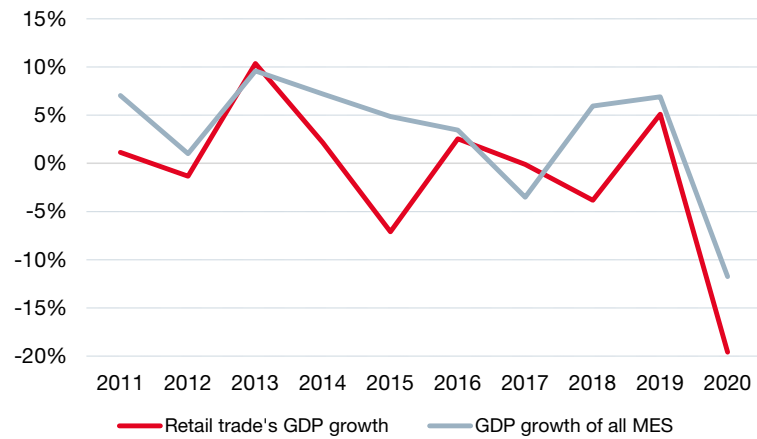
Unit: million euros

Source: Monaco Statistics

In 2020, Retail Trade's GDP decreased significantly. It fell from 357.7 in 2019 to 294.9 million euros in 2020. The year 2019 was marked by the highest GDP ever recorded in the period 2011-2020 (more than 350 million euros). The lowest level of GDP over the decade 2011-2020 was reached in 2020 (less than 300 million euros).

⁸ GDP = Compensation of employees + Gross operating surplus + Taxes – Subsidies.

Figure 24. Evolution of the rate of change of Retail trade and all MES' GDP (in real terms) over the decade 2011-2020

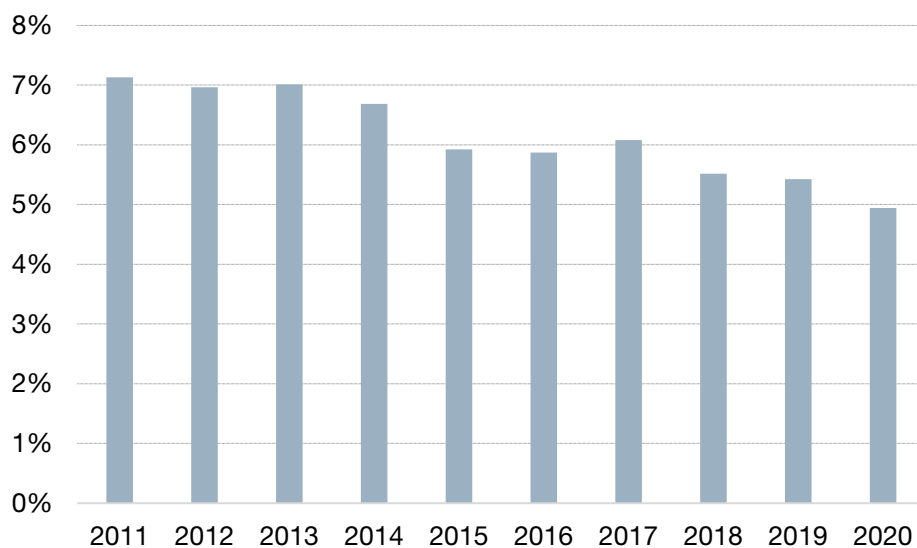


Source: Monaco Statistics

The trends in Retail trade and all MESSs' GDP are relatively similar. In both cases, GDP fell sharply because of the Covid-19 pandemic in 2020. However, the decline in Retail trade's GDP (-19.6 %) was more consequent than that of all the MES as a whole (-11.8 %).

5.2. Over the decade 2011-2020, the share of Retail trade's GDP has declined

Figure 25. Evolution of the weight of Retail trade in the overall GDP



Source: Monaco Statistics

The weight of Retail trade in the Principality's GDP has been falling over the decade. This decline accelerated in 2018. In 2017, the share of Retail trade represented 6.1 % of total GDP, while in 2018 it was only 5.5 %. The lowest point was reached in 2020, when the share was 4.9 %.

Retail trade Observatory

August 2022

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