**BTS NDRC – LVA OBLIGATOIRE 2024**

**Primark predicts bigger profits after strong Barbie T-shirt sales and price rises**

**Cargo shorts and boho dresses also sell well as shoppers visit big city stores despite bad weather**

The owner of [Primark](https://www.theguardian.com/business/primark) said its full-year profits would be higher than previously expected, helped by strong sales of Barbie T-shirts, cargo shorts and boho dresses, as well as price increases.

The company behind the budget clothing chain, [Associated British Foods](https://www.theguardian.com/business/associatedbritishfoods), said cargo shorts, linen blend T-shirts and sliders, as well as boho and paisley dresses and its Moroccan-inspired matching outfits for all the family had all sold well over the summer.

The black Barbie men’s T-shirt was the top searched item on the Primark website over the summer, as the Barbie movie became a smash hit at the box office. Makeup and moisturisers are also selling well.

“It’s been a good summer; the products have continued to hold up really well,” said the ABF chief financial officer, Eoin Tonge. Tourists and day trippers have been coming back to London and other big cities such as Manchester, Liverpool and Birmingham, and numbers are close to pre-pandemic levels, which meant Primark’s flagship stores were busier.

In the UK this summer, like-for-like sales at Primark increased by 7% in the past three months despite heavy rainfall, especially in July and the first half of August, while its stores in southern Europe suffered during record-hot temperatures.

[Primark had announced 7% price rises](https://www.theguardian.com/business/2023/apr/25/primark-sales-prices-rise-inflation-cost-of-living-crisis) for this summer and there are some slightly higher increases still to come in the autumn and winter, Tonge said.

Looking at the whole sector, he expects clothing prices on the high street to be roughly stable next year and said shoppers should not expect big decreases, because retailers are seeking to rebuild their profit margins.

Primark’s like-for-like sales rose by 9% across all countries to £9bn in the year to 16 September. Along with strong food sales the group slightly exceeded its previous forecasts last year for adjusted operating profit of £1.4bn.

ABF also produces sugar and makes well-known food brands such as Twinings tea, Ovaltine and Patak’s curry products. Its grocery business traded above expectations.

The group’s profit margins are rising again as costs for materials and freight have eased and the dollar weakened. Primark has also pushed through “selective price increases”.

Julia Kollewe*,* Tue 12 Sep 2023, theguardian.com