

# Consumer Watchdog

## August Mattress Data

- August mattress data shows a 0.5% YoY increase in sales. The results were driven by a 3.0% YoY increase in pricing, offset by a 2.5% YoY decline in volumes. Trailing three month data shows a 5.4% increase in sales vs. the same period last year. Improvements were driven by pricing and volumes, which increased 3.5% and 1.9% YoY, respectively. Although trailing three month data continues to see YoY improvement, results were sequentially down. The change in trend, especially given the early Labor Day, is slightly concerning. However, the generally more reliable three month trend still points to decent market conditions. We are Marketweight on mattress company TPX.

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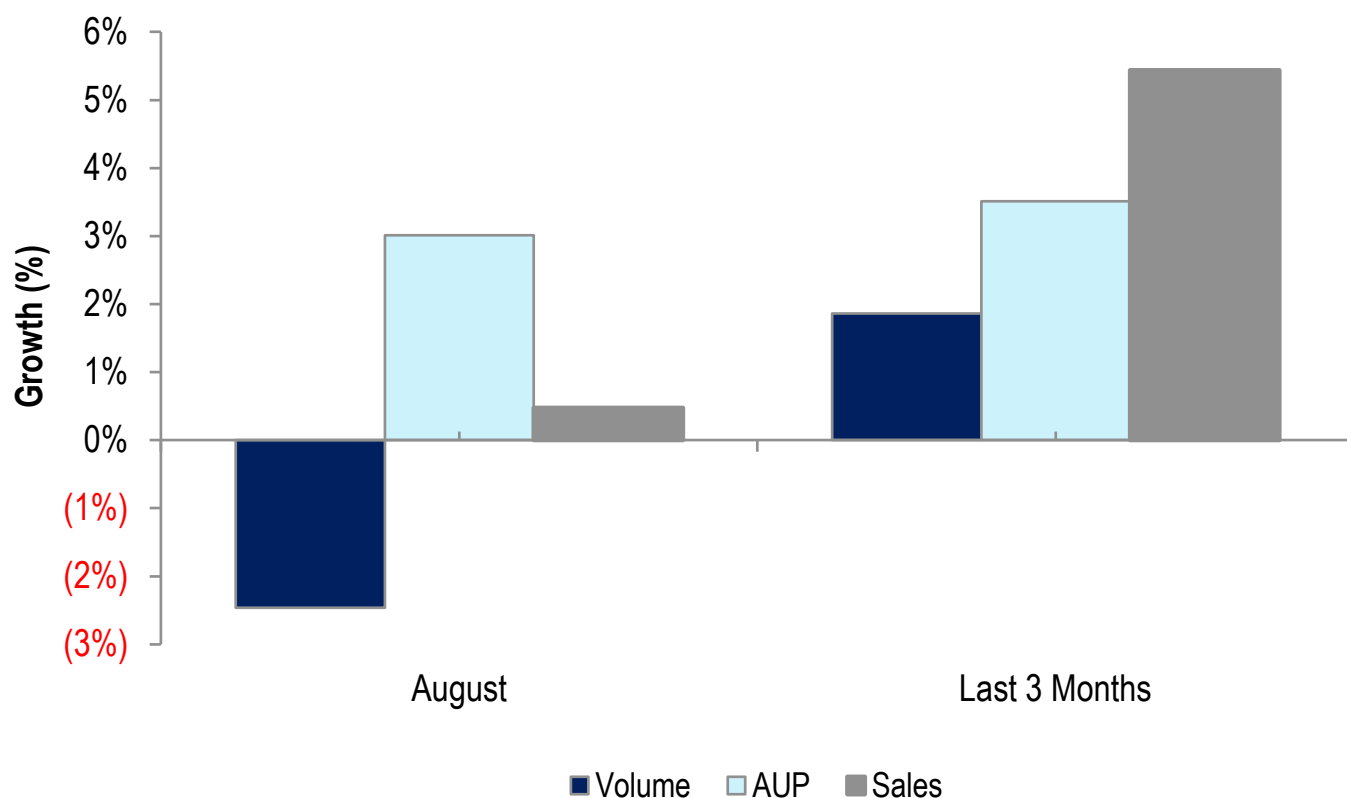
## ISPA Bedding Barometer Data as of Aug '14

Figure 1. Mattress Sales (\$ mm)

Sales (\$mm)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2011	\$364.7	\$388.1	\$447.7	\$363.4	\$381.8	\$406.9	\$398.0	\$461.9	\$435.4	\$358.0	\$372.5	\$413.9
2012	\$470.4	\$493.4	\$466.7	\$416.2	\$451.8	\$428.7	\$462.8	\$499.4	\$459.8	\$403.7	\$414.5	\$387.5
2013	\$472.7	\$460.2	\$451.1	\$451.5	\$460.9	\$443.9	\$490.3	\$534.0	\$457.1	\$420.1	\$409.2	\$414.6
2014	\$472.6	\$455.9	\$508.3	\$465.3	\$481.8	\$477.9	\$533.7	\$536.5				

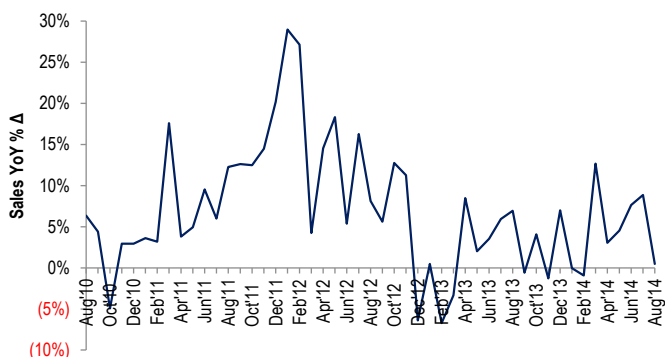
Source: Citi Research, ISPA Bedding Barometer. Data as of August 2014.

Figure 2. Sales, Volume and AUP Growth



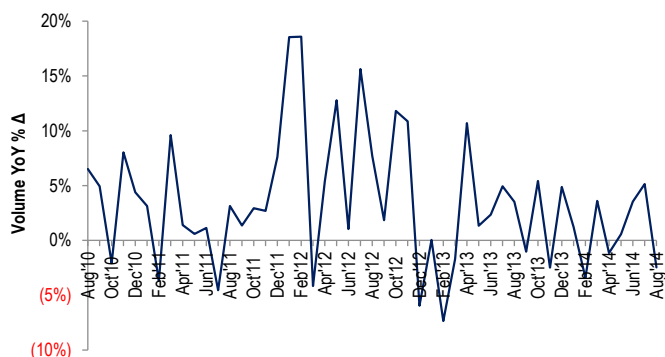
Source: Citi Research, ISPA Bedding Barometer. Data as of August 2014.

Figure 3. Sales Growth (YoY %)



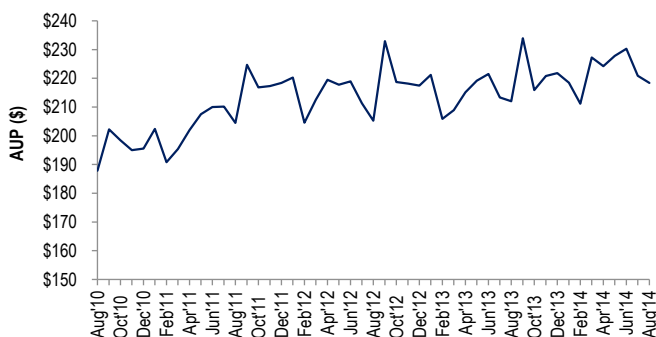
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Figure 4. Volume Growth (YoY %)



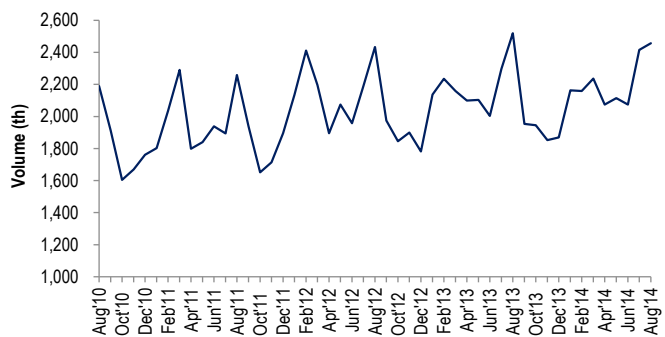
Source: Citi Research, ISPA Bedding Barometer. Data as of August 2014.

Figure 5. Average Unit Price (\$)



Source: Citi Research, ISPA Bedding Barometer. Data as of August 2014.

Figure 6. Volumes (th)



Source: Citi Research, ISPA Bedding Barometer. Data as of August 2014.

## Appendix A-1

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##### High Yield Credit Research

Analyst: Kevin Ziets

Issuer		Issue			
Weighting	Date	Coupon	Description	Maturity	Rating
UW	26-Feb-14	6.875%	Sr Unsec Nts	15-Dec-20	Sell (3)
MW	12-Aug-14				Neutral (2)

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