

Asos warns over weak August sales as inflation weighs on shoppers

Asos has cautioned over profits after sales fell below expectations in August as consumers tightened their belts in response to rising bills.

The online fashion giant said it saw “good growth” in June and July and expects total sales for the year to August 31 to remain within market expectations.

However, it said it is now witnessing “the impact of accelerating inflationary pressures on consumers and a slow start to Autumn/Winter shopping”.

Profits are now anticipated to be “around the bottom end of company guidance” due to the slowdown in activity.

It told shareholders it is due to report sales growth, at constant currency, of around 2% for the year, with net debt of around £150 million.

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“While Asos remains cautious about the outlook for consumer spending, it continues to make strategic progress and manage the business for the current environment,” the company added.

It comes only three months after Asos previously cut its sales and profit outlook, warning in June that it witnessed a sharp rise in returns as shoppers started to cut back their spending.

[Shares](#) in the business have fallen more than 75% over the past 12 months amid turbulent period, which saw Nick Beighton step down as chief executive late last year.

In June, the retailer promoted chief commercial officer Jose Antonio Ramos Calamonte to the top job and named non-executive director Jorgen Lindemann as chairman in a clean sweep at the helm.