

February U.S. Retail Sales

Overview

- 1 February retail sales rose a better-than-expected 0.6%, driven by broad-based growth.
- 2 Department stores led monthly sales but remained down on annual basis, where results were more mixed.
- 3 The U.S.-Israeli war with Iran raises the threat of higher inflation and weaker economic growth.

Breaking Down U.S. Retail Sales

February retail sales rose a stronger-than-expected 0.6%, with gains across most sectors. Department stores led all categories with a surprising 3% jump, though that followed a steep 6% decline in January. Health & personal care and apparel stores also posted solid gains, up 2.3% and 2%, respectively. Furniture & home and food & beverage/grocery were the notable weak spots, each falling 1%.

On a year-over-year basis, retail sales grew 3.7%, or 4.1% excluding auto and gas. Annual results were more mixed as sporting goods, hobby, and book stores surged 11.3%, while miscellaneous retail rose 10.2%. Nonstore retail and apparel also posted solid gains of 7.5% and 7.2%, respectively. Furniture & home and department stores were the laggards, down 5.6% and 5.4%.

These figures predate a significant new headwind. The U.S.-Israeli war with Iran, now in its fifth week, has effectively closed the Strait of Hormuz, a waterway through which 20% of the world's oil supply passes, along with key commodities such as fertilizer ingredients. Oil prices have surged past \$100 a barrel, up sharply from around \$60 before the conflict began. With volatility rising, consumer pessimism is growing as the war threatens to push inflation higher and weaken economic growth, a risk that will only intensify the longer the conflict persists.

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Seasonally Adjusted Retail Sales

Source: U.S. Census, Bloomberg

	Feb 2026	Feb 2026 (Est. **)	Jan 2026	Feb 2026
	m/o/m	m/o/m	m/o/m	y/o/y
Total Retail Sales	0.6%	0.5%	-0.1%	3.7%
Retail Sales Ex Auto	0.5%	0.3%	0.0%	3.6%
Retail Sales Ex Auto and Gas	0.4%	N/A	0.2%	4.1%
Core Retail Sales*	0.5%	0.3%	0.2%	3.8%
By Category:				
Furniture & home furnishings	-1.0%		0.4%	-5.6%
Electronics & appliance	0.5%		0.8%	4.7%
Building materials & garden	0.4%		0.6%	3.8%
Food & beverage stores	-1.0%		0.1%	-0.3%
Grocery	-1.0%		0.1%	-0.2%
Health & personal care	2.3%		-2.9%	2.6%
Gasoline stations	0.9%		-1.9%	-0.7%
Clothing & clothing accessories	2.0%		-0.6%	7.2%
Sporting goods, hobby, musical instrument & book stores	1.3%		-0.2%	11.3%
General merchandise	0.0%		0.3%	1.2%
Department stores	3.0%		-6.0%	-5.4%
Nonstore retailers	0.7%		1.4%	7.5%
Food services & drinking places	0.4%		-0.2%	5.2%
Miscellaneous store retailers	1.1%		1.6%	10.2%

* Excludes sales from auto & motor vehicle dealers, gasoline stations, building materials, food services & drinking places

** Represents Bloomberg monthly sales estimates

Quarterly E-commerce Sales

Quarterly U.S. Retail Sales; Total and E-commerce

Source: U.S. Census

Quarter	Retail Sales (\$ millions)		E-commerce	% Change from Same Quarter a Year Ago	
	Total	E-comm	% of Total	Total	E-comm
4Q25	1,900,496	316,130	16.6%	2.7%	5.3%
3Q25	1,893,291	310,817	16.4%	4.1%	5.3%
2Q25	1,865,704	304,464	16.3%	3.9%	5.4%
1Q25	1,856,815	299,909	16.2%	4.4%	6.0%
4Q24	1,850,829	300,329	16.2%	3.8%	8.5%

*Retail sales excluding foodservice

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