

# July U.S. Retail Sales

## Overview

1 July retail sales were better than expected, with most categories growing; June results were revised lower

2 YOY sales (excluding auto and gas) grew 3.4% ahead of July inflation of 2.9%

3 Inflation continues to cool

## Breaking Down U.S. Retail Sales

July monthly retail sales rose 1%, led by a recovery in auto sales, and were well above the consensus growth forecast of 0.4%. Excluding auto and gasoline, retail sales grew 0.4%, above consensus estimates of 0.2%. June retail sales were revised lower, down 0.2%. With the exception of clothing & clothing accessories, department stores, and sporting goods, hobby, musical instruments & book stores, all retail categories were higher this month than last month. YOY retail sales grew 2.7%, or 3.4% excluding auto and gasoline, as most categories were higher except the discretionary furniture & home furnishings, department stores, and sporting goods, hobby, musical instruments & book stores. Non-store retailers posted a lower growth for the month, up 0.2%, but remained the strongest category YOY at 6.7%. Electronics & appliance, health & personal care, and food service & drinking places also reported higher growth YOY, up 5.2%, 3.4% and 3.4% respectively.

In addition to the stronger than expected retail sales report, initial filings for unemployment fell more than expected last week, with U.S. jobless claims falling to 227,000 in the week ended August 10, from 234,000 the week prior, and below the 235,000 economists had expected. Continuing claims also edged lower to 1.86 million, a decrease of 7,000 from the previous week's revised level.

While inflation has slowed in recent months, it still remains higher than the Fed's target of 2%. Consumer prices rose 2.9% YOY in July, cooling slightly from 3% in June, and just below the 3% rate that economists had expected, aided by easing price pressures for food and energy and physical goods like new and used cars. Further, inflation for many retail categories remained below the headline, including food at home and apparel, which grew just 1.1% and 0.2% on an annual basis in July.

Meanwhile, the strong spending report, combined with the lower-than-expected unemployment claims, appears to ease concerns of a looming recession, driving stock prices higher today and tempering investors' calls for an aggressive interest rate cut in September. This comes after last week's weaker-than-expected July jobs report, which triggered the year's worst stock market sell-off.

 Ramona Bolozan, Director of Analytical Support  516-918-8855

## Seasonally Adjusted Retail Sales

Source: U.S. Census, Bloomberg

	July 2024			
	July 2024	July 2024 (Est. **)	Jun 2024	July 2024
	m/o/m	m/o/m	m/o/m	y/o/y
Total Retail Sales	1.0%	0.4%	-0.2%	2.7%
Retail Sales Ex Auto	0.4%	0.1%	0.5%	3.1%
Retail Sales Ex Auto and Gas	0.4%	N/A	0.8%	3.4%
Core Retail Sales*	0.3%	N/A	0.9%	3.7%
<b>By Category:</b>				
Furniture & home furnishings	0.5%		0.2%	-2.4%
Electronics & appliance	1.6%		-1.1%	5.2%
Building materials & garden	0.9%		1.5%	0.4%
Food & beverage stores	0.9%		0.2%	2.9%
Grocery	1.0%		0.2%	2.8%
Health & personal care	0.8%		0.4%	3.4%
Gasoline stations	0.1%		-1.8%	0.5%
Clothing & clothing accessories	-0.1%		0.1%	2.5%
Sporting goods, hobby, musical instrument & book stores	-0.7%		0.0%	-6.8%
General merchandise	0.5%		0.2%	2.7%
Department stores	-0.2%		0.4%	-0.3%
Nonstore retailers	0.2%		2.2%	6.7%
Food services & drinking places	0.3%		0.1%	3.4%

\* 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
1Q24	1,820,022	289,204	15.9%	1.5%	8.6%
4Q23	1,821,361	283,293	15.6%	3.1%	10.0%
3Q23	1,811,128	279,739	15.4%	2.4%	9.5%
2Q23	1,787,398	272,821	15.3%	0.7%	8.5%
1Q23	1,792,376	266,314	14.9%	3.5%	7.6%

\* Retail sales excluding foodservice

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