

October U.S. Retail Sales

Overview

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October total retail sales grew a stronger than expected 0.4%

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Core retail sales fell 0.1%, but were up a solid 3.6% YOY

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Economists predict more subdued holiday spending


Breaking Down U.S. Retail Sales

U.S. monthly retail sales growth cooled in October, rising 0.4% compared to upwardly revised growth of 0.8% in September. However, when excluding auto and gas sales, the growth rate slowed to just 0.1%, while core retail sales fell 0.1%. The latest monthly results undoubtedly were impacted by the hurricanes hitting the southeast, which resulted in a number of business closures. Looking at the YOY results, total retail sales grew 2.8%, while sales excluding auto and gas and core retail sales rose a more robust 3.8% and 3.6%, respectively. Earlier this week, October CPI data was reported. This included increases of 0.2% and 2.6% for the month and YOY, respectively. Once again, annual inflation was driven by higher shelter costs while gasoline and oil prices were lower. Core CPI, excluding food and energy rose 3.3% for the year.

For the month, electronics and appliance stores finally had a solid month, posting the strongest growth, up 2.3%. However, the category was still negative on a YOY basis, down a similar 2.3%. Both building materials and food service followed with solid results, for the month and YOY, with the former potentially benefitting from the heightened hurricane activity. Sales at grocery stores remained positive, up 0.1% for the month and 2.5% YOY. Consumers are finally getting some price relief at the grocery store as inflation for food at home cooled to 1.1% (YOY) in October. Nonstore retailers continued to report solid growth, up 0.3% for the month and 7% YOY. On the other end furniture & home furnishings and sporting goods, hobby, musical instrument & book stores were once again laggards, with sales down 1.3% and 1.1% in October. Department stores and apparel continued to underperform, with categories down 0.3% for the month. However, while department store sales were flat YOY, apparel retailers posted another quarter of YOY growth, up 2.9%, which followed 2.8% growth and 2.1% growth the prior two months. Health & personal care, including drug stores saw monthly sales drop 1.1% while sales were up just 1.6% YOY.

The latest results show that in the aggregate, consumers are continuing to spend as retailers head into the holiday season. However, expectations are that spending will be subdued. Many economists are predicting retail sales to grow about 3% this holiday season, compared to historical averages in the high 4% to low 5% range.

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Seasonally Adjusted Retail Sales

Source: U.S. Census, Bloomberg

	October 2024			
	Oct 2024	Oct 2024 (Est.**)	Sep 2024	Oct 2024
	m/o/m	m/o/m	m/o/m	y/o/y
Total Retail Sales	0.4%	0.3%	0.8%	2.8%
Retail Sales Ex Auto	0.1%	0.3%	1.0%	2.7%
Retail Sales Ex Auto and Gas	0.1%	N/A	1.2%	3.8%
Core Retail Sales*	-0.1%	N/A	1.2%	3.6%
By Category:				
Furniture & home furnishings	-1.3%		0.7%	1.5%
Electronics & appliance	2.3%		-2.9%	-2.3%
Building materials & garden	0.5%		1.0%	2.8%
Food & beverage stores	0.1%		1.0%	2.7%
Grocery	0.1%		1.0%	2.5%
Health & personal care	-1.1%		2.3%	1.6%
Gasoline stations	0.1%		-0.9%	-7.1%
Clothing & clothing accessories	-0.2%		0.9%	2.9%
Sporting goods, hobby, musical instrument & book stores	-1.1%		0.9%	-3.4%
General merchandise	0.2%		0.6%	3.1%
Department stores	-0.2%		0.4%	0.0%
Nonstore retailers	0.3%		1.7%	7.0%
Food services & drinking places	0.7%		1.2%	4.3%
Miscellaneous store retailers	-1.6%		2.2%	4.0%

* 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
2Q24	1,826,928	291,647	16.0%	2.1%	6.7%
1Q24	1,818,701	287,855	15.8%	1.5%	8.1%
4Q23	1,821,361	283,293	15.6%	3.1%	10.0%
3Q23	1,811,793	279,739	15.4%	2.4%	9.5%
1Q23	1,789,656	273,354	15.3%	0.8%	8.7%

* Retail sales excluding foodservice

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