

# U.S. Data Review

- Retail sales: broad-based increase; suggestive of strong holiday shopping

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## Retail Sales

Retail sales jumped 0.8 percent in November, easily beating the expected increase of 0.3 percent. Some special factors played a role in boosting the results, but the increase was broadly based and showed brisk activity from consumers. Upward revisions in the prior two months equivalent to 0.5 percentage point of growth added to the positive tone of the report.

The increase of 2.8 percent in sales at gasoline service stations can be discounted because the jump was most likely fueled by higher prices. An increase of 1.2

percent at building-supply stores also might be considered a special factor, as the jump might have been related to rebuilding from the hurricanes.

Most other areas were generally strong. Nonstore retailers posted an impressive gain (up 2.5 percent), suggesting that individuals were active with online purchases (this increase also might have been influenced by higher prices of fuel oil, as oil dealers are included in this category). While online activity was strong, brick-and-mortar stores were competitive. Clothing outlets registered growth of 0.7 percent, continuing the positive trend of the prior five months. Sporting goods stores and electronic stores also have rallied in the past few months after slower results earlier. General merchandise stores have shown modest gains in the past two months, but they showed brisk results from July to September and holding the elevated levels was encouraging. The combined activity at all of these stores suggests that the holiday shopping season had a robust start. Sales at furniture stores also were firm in November, although this is most likely not holiday related.

The auto component fell in November, but the drop of 0.2 percent was surprisingly small. We were anticipating a decline of 1.5 to 2.0 percent in this category because sales of new vehicles in November had retreated from a jump in October related to the replacement of damaged vehicles in the hurricanes. Apparently, items other than new vehicles in this category were strong (used cars and trucks, parts and repairs, household items sold at auto-home supply stores).

## Retail Sales -- Monthly Percent Change

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17
Total	0.5	-0.1	2.0	0.5	0.8
Ex.-Autos	0.5	0.5	1.3	0.4	1.0
Ex.-Autos, Ex.-Gas	0.6	0.1	0.8	0.4	0.8
Retail Control*	0.6	0.1	0.7	0.4	0.8
Autos	0.3	-2.0	4.8	1.2	-0.2
Gasoline	-0.5	3.4	6.0	0.3	2.8
Clothing	0.3	-0.4	0.5	0.7	0.7
General Merchandise	0.5	0.4	0.9	0.1	0.0
Nonstore**	2.0	-0.7	1.1	-0.4	2.5

\* Retail sales excluding sales from motor vehicle dealers, gasoline stations, and building materials, garden equipment, and supply dealers.

\*\* Primarily online and catalog sales; also includes sales by fuel-oil dealers.

Source: U.S. Census Bureau