

Deloitte Gives Upbeat Holiday Forecast



US retail sales will rise by 4% to 5% year on year this holiday season amid a strong job market and continued wage increases, Deloitte predicted.

Revenues will total \$1.54 trillion to \$1.56 trillion from November to January, the [professional-services group](#) projected Wednesday. The overall growth rate will slow compared with last year's 8% increase, reflecting the moderation of inflation and a dip in consumers' disposable income.

"We expect healthy employment and income growth to keep the volume of sales growing for the 2023 holiday season," said Daniel Bachman, Deloitte's US economic forecaster. "Inflation, which accounted for much of the increase in the value of retail sales last year, should moderate. This means the total value of retail sales will grow more slowly than last year. Our forecast also reflects a decreasing pool of pandemic-era savings, both of which will weigh on retail sales and are reflected in our lower projected growth for the season."

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LEVELING OFF, DELOITTE NOTED. AS A RESULT, RETAIL SALES ARE EXPECTED TO INCREASE DESPITE HIGHER PRICES. E-COMMERCE SALES WILL CLIMB BETWEEN 10% AND 13% YEAR ON YEAR FOR A TOTAL OF BETWEEN \$278 BILLION AND \$284 BILLION.

&LDQUO;THIS SEASON, E-COMMERCE SALES SHOULD CONTINUE TO BE STRONG AS CONSUMERS SEARCH FOR THE BEST DEALS ONLINE TO MAXIMIZE THEIR WALLETS,&RDQUO; EXPLAINED NICK HANDRINOS, VICE CHAIR OF DELOITTE AND US RETAIL, WHOLESALE AND DISTRIBUTION AND CONSUMER PRODUCTS LEADER. &LDQUO;RETAILERS WHO REMAIN FLEXIBLE TO SHIFTING CONSUMER DEMAND AND BEHAVIORS WILL LIKELY BE POISED FOR GROWTH THIS HOLIDAY SEASON.&RDQUO;

MAIN IMAGE: A COUPLE SHOPPING FOR THE HOLIDAYS. (SHUTTERSTOCK)