

US Retail Sales Boosted by Early Holiday Spending



US retail sales rose in October as consumers got a jump start on their holiday shopping amid early sales and promotions.

Revenue grew 1.3% from the month before, compared with no change in September, according to data the US Census Bureau released Wednesday. October sales climbed 8% from a year earlier.

“October’s performance is a strong foothold as we go into the holiday season,” said National Retail Federation (NRF) chief economist Jack Kleinhenz. “With employment and wages growing and shoppers accessing accumulated savings, we expect the trend to continue. Early holiday deals that enticed customers appear to underly the October numbers and more promotions will be seen in November and December, which are historically the big holiday shopping months.”

In October, sales advanced year on year in seven of the nine categories the US Census

Bureau monitors. The clothing and accessories segment — which includes jewelry — was up 2.5%. However, the division was flat from September. Online sales across all products increased 12% year on year and 1.2% versus the previous month.

Retail sales for the first 10 months of the year gained 7.5%, according to the NRF's calculations. This meant the sector was on track to meet the federation's 6% to 8% growth forecast for 2022.

While the NRF still expects strong retail sales throughout the holiday period, it raised concerns about a potential challenge. "We are keeping a close eye on the railway labor negotiations and urge Congress to do everything in its power to avoid a labor strike this holiday season," said NRF CEO Matthew Shay.

Image: A couple shopping for holiday gifts. (Shutterstock)