

US Retail Sales See Post-Holiday Drop-Off



US retail sales slipped in January as demand softened following the holiday season, and consumers shifted spending to services.

Revenue fell 0.8% from the month before to \$700.3 billion — adjusted for seasonal variation — compared with an increase of 0.4% in December, according to data the US Census Bureau released last week. The increase also reflected inclement weather that deterred people from shopping as well as a shift in spending away from retail.

“Retail sales softened in January compared with the holiday season, but consumers were still engaged,” said [National Retail Federation](#) (NRF) chief economist Jack Kleinhenz. “Extreme weather likely disrupted product demand and consumption patterns. January prices for goods came down, which affects sales figures even if the same number of items are sold, and increased prices for services pulled dollars away from retail purchases.”

Sales climbed 0.6% from a year earlier, down from December's 5.3% year-on-year increase, the NRF added.

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MAIN IMAGE: PEOPLE AT A SHOPPING MALL. (SHUTTERSTOCK)