

US Retail Sales Show Slight Improvement in February



US retail sales increased in February as household incomes and spending on services rose.

Revenue grew 0.6% from the month before to \$700.7 billion — adjusted for seasonal variation — compared with a decrease of 1.1% in January, according to data the US Census Bureau released last week. However, much of the increase is due to a weak comparison base the previous month when spending softened following the holiday season and inclement weather deterred people from spending.

“Retail sales rebounded in a solid fashion in February, showing the consumer is still spending and pointing to underlying strength in the economy,” said [National Retail Federation](#) (NRF) chief economic Jack Kleinhenz. “These results indicate that the economy is continuing to expand in the first quarter despite tight credit conditions and still-elevated inflation. Job gains, wage increases, and continued GDP [gross domestic product] growth are supporting household spending. Spending on services remains elevated while spending on goods has softened, but both sectors are still growing.”

Sales climbed 1.5% from a year earlier, up from January's flat year-on-year results, the NRF added.

February sales were up year on year in eight of the nine retail categories the NRF monitors. Sales in the clothing and accessories segment — which includes jewelry — advanced 0.51% from January and 8% compared to the same period a year ago. Online sales saw the largest year-on-year gain, climbing 19%, while the furniture and home furnishings division fell 1.6% from February 2023.

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