

Economics Group

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Retailers Saw Another Month of Sales Gains in March

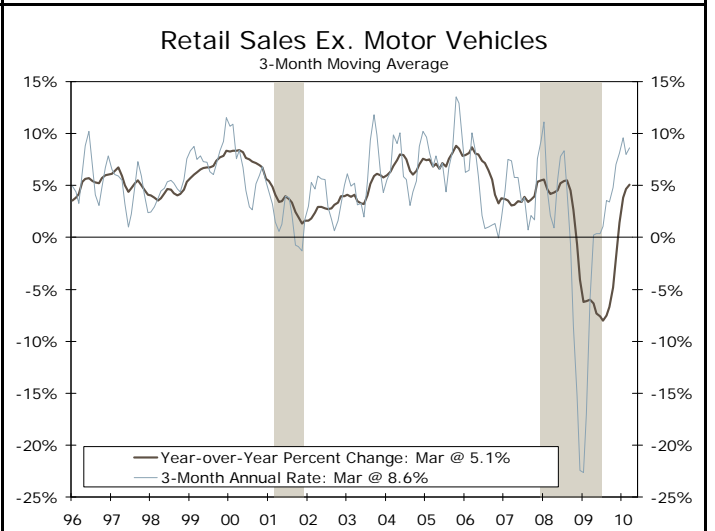
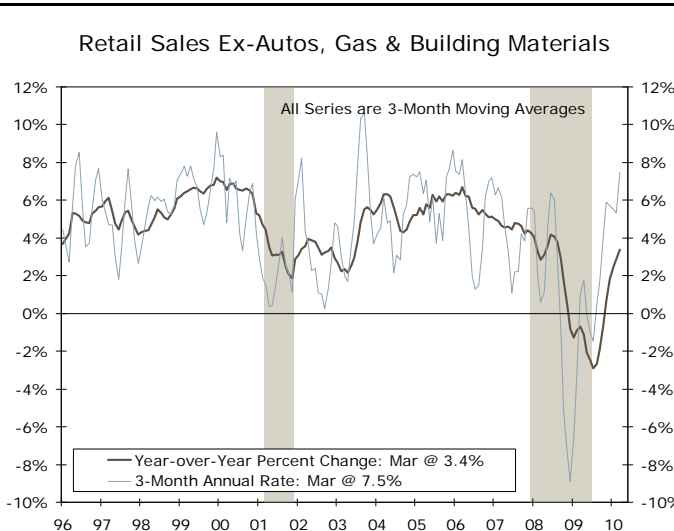
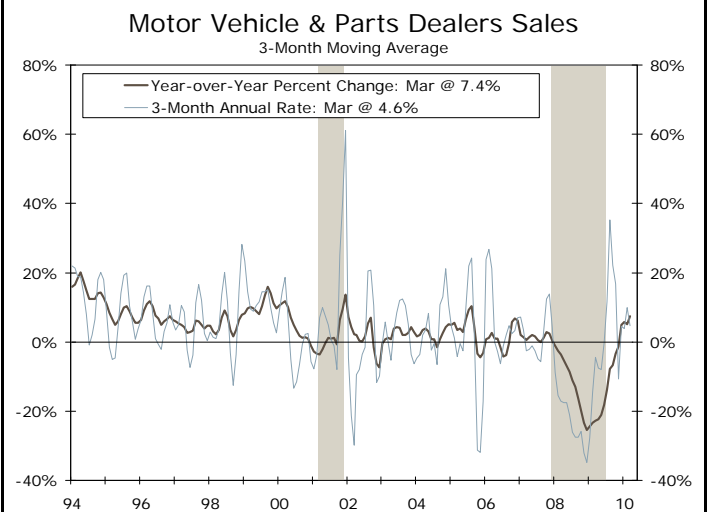
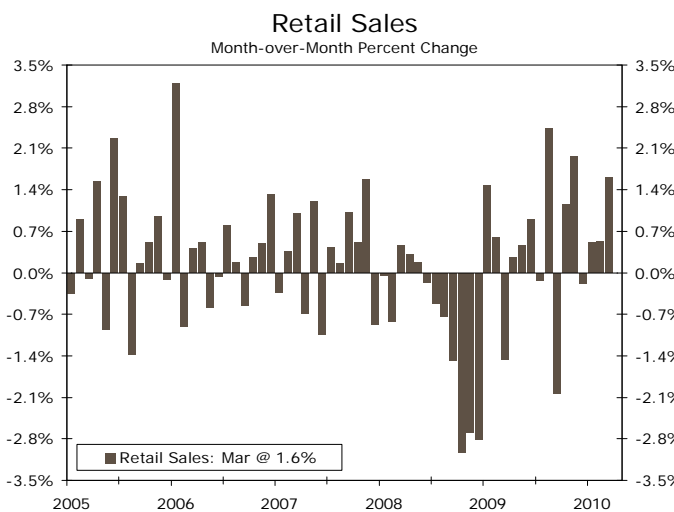
The nation's retailers saw sales climb 1.6 percent in March after a positively revised gain of 0.5 percent for the previous month. 'Core' sales, after stripping out gas, autos and building materials, rose 0.5 percent.

Sales Climb for Third Straight Month

- While it might be too soon to say that the consumer has come roaring back and is ready to lead the recovery, sales have climbed for the third straight month and are up 10 percent from year ago levels.
- 'Core' sales, ex-gas, autos and building materials, rose 0.5 percent and are up 7.5 percent at an annualized rate over the first three months of the year.

Autos Higher, While Easter Induces Adjustment

- The volatile automotive sector turned in a big gain of 6.7 percent in March and sales are up nearly 20 percent versus a year ago. Still, we think consumers will remain reluctant to purchase big-ticket durable items until the labor market improves further.
- The holiday adjustment for Easter likely led the Census Bureau to push some of March sales into April's data. We expect gains will continue in April.



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