



Economics Group

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Retail Sales Increased in October

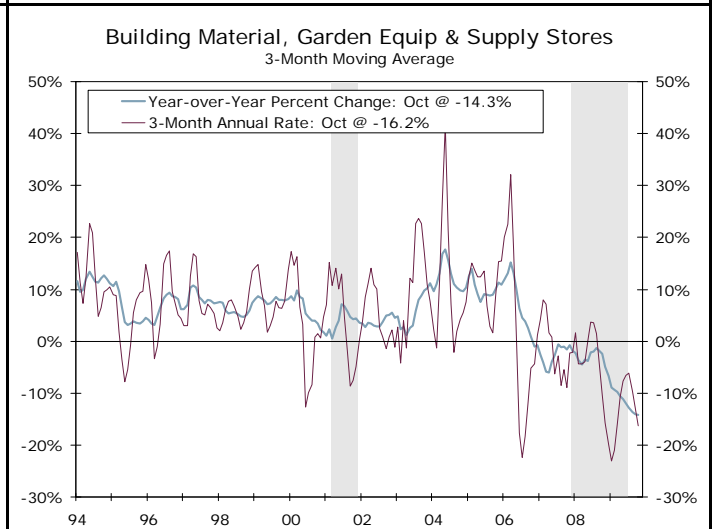
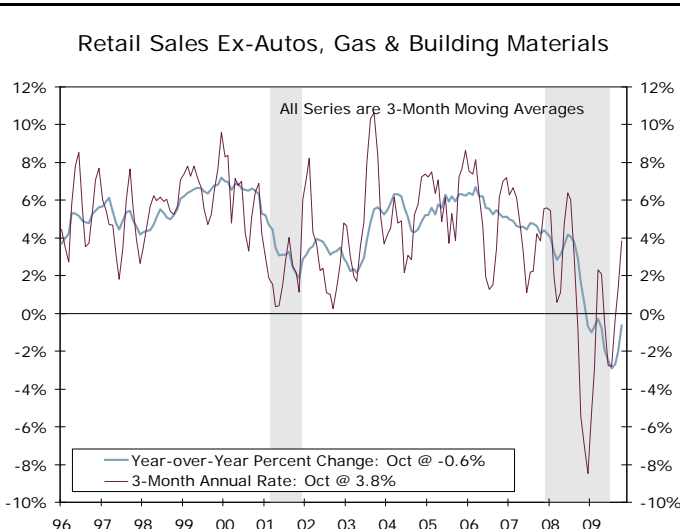
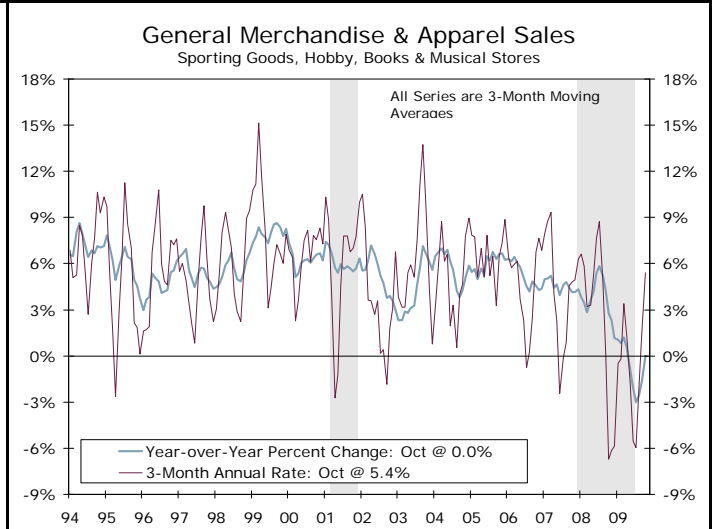
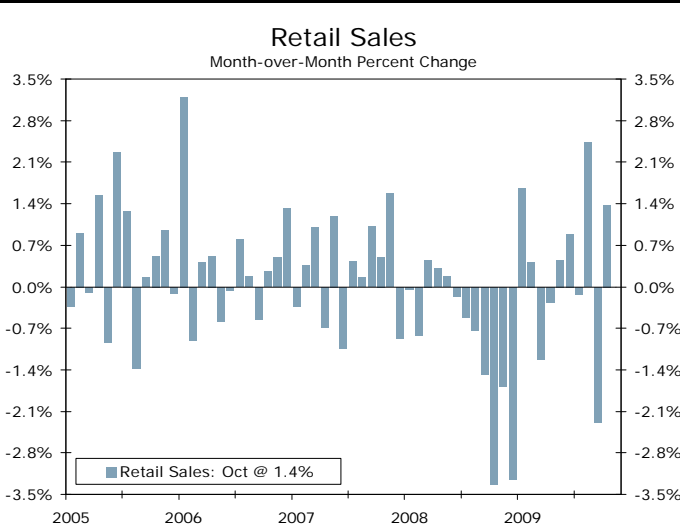
Retail sales climbed 1.4 percent after dropping a revised 2.3 percent in September. Big moves in sales at auto dealers have swung the headline for three straight months, while “core” sales have seen modest steady gains.

Sales Higher as We Head into Holiday Season

- Sales moved higher in October as motor vehicle and parts sales bounced back, up 7.4 percent.
- Our preferred “core” sales series which excludes gas, building materials and auto dealers increased for the third straight month, up 0.5 percent. As we move into the holiday sales season, “core” sales are holding up, but have not shown strong increases. It will be a tough selling season.

Mixed Results Across Retail Categories

- Results across retail types were mixed in October with drops at building materials stores (-2.4 percent) and sporting goods stores (-1.2 percent) being offset by gains at auto dealers (7.4 percent) and general merchandise stores (0.8 percent).
- Despite some stabilization in the housing market building supply stores continue to struggle. Sales fell for a fifth straight month, and remain down the most of any category over the past year.



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