



Macroeconomic Indicators

Retail Sales

Definition

Retail sales measure the total value of sales at the retail level, i.e., the total value of sales to final consumers. The retail sales report (released as “Advance Monthly Sales for Retail and Food Services”) provides information on the amount of monthly sales in U.S. dollars, as well as the percentage difference in the as compared to the previous month. Retail sales data are collected through the Monthly Retail Trade Survey (MRTS). E-commerce sales are included in the total monthly sales estimates. Firms are asked each month to report e-commerce sales separately. Online travel services, financial brokers and dealers, and ticket sales agencies are not classified as retail and are not included in either the total retail or retail e-commerce sales estimates.

Who Releases the Indicator?

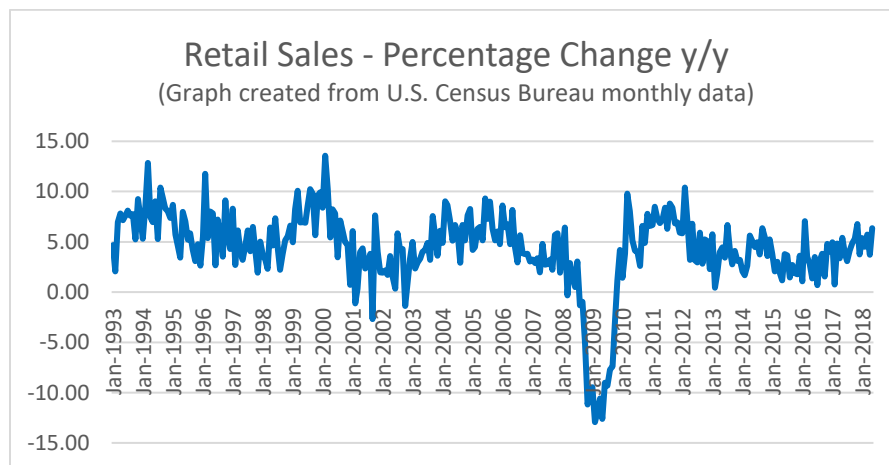
U.S. Census Bureau

Available to the public: https://www.census.gov/retail/marts/www/marts_current.pdf.

What Does the Indicator Tell Investors?

The retail sales report provides information on consumer spending, which accounts for about two thirds of GDP and is a key element in gauging economic growth. The level of retail sales varies considerably from month to month. To deal with the monthly volatility, investors often use moving averages or year-over-year percentage changes, rather than month-over-month percentage changes. Investors may also monitor retail sales less motor vehicles, as motor vehicle sales have a history of large fluctuations.

The chart below shows the sharp decline in sales coinciding with the 2001 recession and the Great Recession.





Type of Indicator

Retail sales is a coincident economic indicator.

How Often Is the Indicator Released?

Once a month, around mid-month, using data from the previous month.

Is the Indicator Revised?

Yes.