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Second Wave of Stimulus Worked

Jennifer Polanz

Based on numbers released in mid-February from the National Retail Federation, it appears the influx of stimulus money from legislation passed in December helped to goose retail sales in January.

“January’s retail sales numbers reflect a very strong start for consumers and retailers as we look ahead to a critical year curbing the global pandemic and strengthening our economic recovery,” says NRF President and CEO Matthew Shay in a statement to the media. “Consumers and the economy as a whole remain in good shape despite unprecedented adversity over the past year and congressional action has been a lifeline for households and businesses disproportionately impacted by the pandemic. We’ve convened retail leaders and communicated directly with the White House that it is critically important for the government to work with retailers to get the vaccine into communities and administered as quickly and as safely as possible.”

Remember, this info came out in mid-February, and now as vaccines are flowing and another influx of money (as of press time) is coming, the numbers hopefully will continue to improve.

In the media release, the NRF highlighted U.S. Census Bureau numbers that showed retail sales in January were up 5.3% seasonally adjusted from December and up 7.4% year-over-year. That compares with a monthly drop of 1%, but a yearly gain of 2.5% in December. Despite month-over-month declines in the last quarter of 2020, sales have grown year-over-year every month since June, according to Census data.

January saw month-over-month increases across the board and year-over-year gains in seven out of nine retail categories, led by electronics and appliance stores on a monthly basis and online sales on a yearly basis. Specifics from key retail sectors include:

- Online and other non-store sales were up 11% month-over-month seasonally adjusted and up 22.1% unadjusted year-over-year
- Sporting goods stores were up 8% month-over-month seasonally adjusted and up 22% unadjusted year-over-year
- Building materials and garden supply stores were up 4.6% month-over-month seasonally adjusted and up 13.7% unadjusted year-over-year
- Grocery and beverage stores were up 2.4% month-over-month seasonally adjusted and up 11.6% unadjusted year-over-year
- Furniture and home furnishings stores were up 12% month-over-month seasonally adjusted and up 9.3% unadjusted year-over-year

- General merchandise stores were up 5.5% month-over-month seasonally adjusted and up 7.8% unadjusted year-over-year
- Health and personal care stores were up 1.3% month-over-month seasonally adjusted and up 3.3% unadjusted year-over-year
- Electronics and appliance stores were up 14.7% month-over-month seasonally adjusted, but down 4.1% unadjusted year-over-year
- Clothing and clothing accessory stores were up 5% month-over-month seasonally adjusted, but down 11.3% unadjusted year-over-year **GP**