

BofA on USA

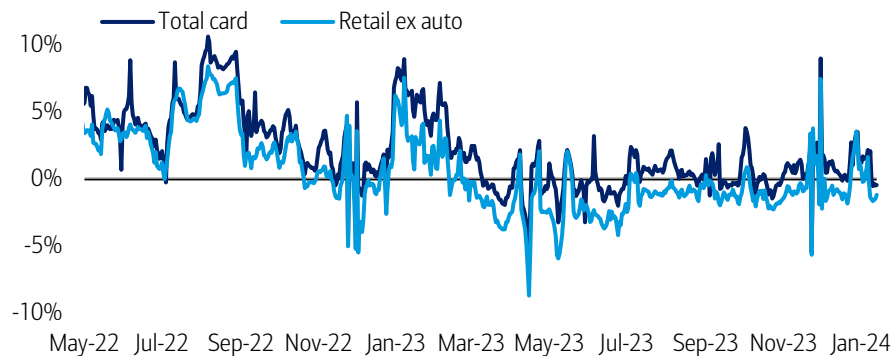
Weekly spending update through Jan 13

Key takeaways

- Total card spending per HH was down 0.4% y/y in the week ending Jan 13, according to BAC aggregated credit & debit card data.
- Winter storms likely weighed on spending in the Midwest, Northeast and South.
- Spending on discretionary services - entertainment, restaurants, lodging and airlines - was the most affected.

Exhibit 1: Spending per household (HH), based on BAC aggregated credit and debit card data (year-over-year (y/y) %change of the 7-day moving average (ma) of spending levels)

Retail ex-auto spending was down 1.2% y/y and total card spending was down 0.4% y/y in the week ending Jan 13

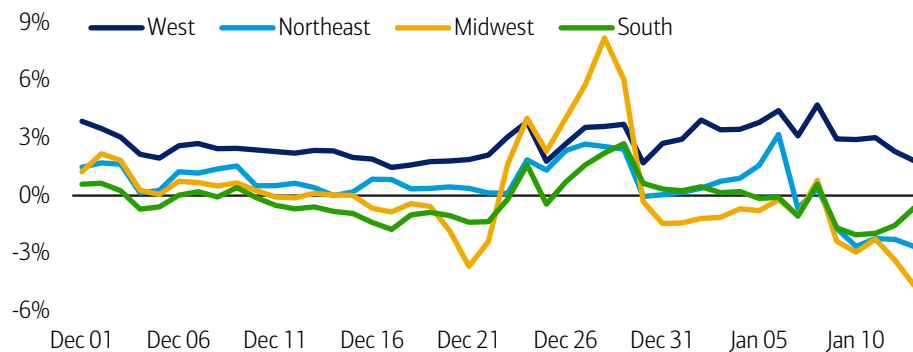


Source: BAC internal data.

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Exhibit 2: Total card spending per HH, by region (y/y %change of the 7-day (ma) of spending levels)

Y/y spending was down 4.7% and 2.7% in the Midwest and Northeast, respectively, in the week ending Jan 13, likely due to the winter storms that impacted several states across the country



Source: BAC internal data. US states classified into regions based on the Census Bureau definition.

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Heat map on next page. **Note: The 4 year % change series will be discontinued in February.**

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Macro
United States

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HH: household

Exhibit 3: Aggregated daily card spending growth per HH by major category, Dec 31–Jan 13(1-year and 4-year %change of the 7-day ma of spending levels)

Total card spending per HH was down 0.4% y/y in the week ending Jan 13. The 4-year growth rate was 20.7% in the week ending Jan 13

	1/13	1/12	1/11	1/10	1/9	1/8	1/7	1/6	1/5	1/4	1/3	1/2	1/1	12/31
Total card spending														
1-yr % change	-0.4%	-0.5%	-0.3%	-0.5%	-0.1%	2.1%	0.5%	2.2%	1.7%	1.6%	1.5%	1.7%	1.2%	1.2%
4-yr % change	20.7%	19.5%	20.7%	21.7%	23.0%	24.6%	25.5%	24.6%	24.6%	26.0%	27.0%	26.6%	25.3%	24.7%
Retail ex auto														
1-yr % change	-1.2%	-1.5%	-1.5%	-1.6%	-1.5%	-1.4%	-0.3%	1.6%	0.8%	0.3%	-0.1%	-0.2%	0.6%	1.2%
4-yr % change	21.2%	20.0%	20.4%	21.1%	21.6%	22.9%	21.5%	18.8%	18.5%	21.0%	23.3%	24.0%	23.4%	24.7%
Airlines														
1-yr % change	-2.0%	0.4%	1.8%	4.2%	6.4%	7.2%	7.9%	8.3%	9.1%	9.8%	9.0%	6.1%	4.2%	3.2%
4-yr % change	6.3%	7.3%	9.9%	10.5%	10.9%	12.1%	14.7%	18.6%	20.1%	19.1%	17.1%	13.4%	12.7%	12.6%
Lodging														
1-yr % change	-7.9%	-6.7%	-6.6%	-6.6%	-6.2%	-5.5%	-2.3%	-3.8%	-3.3%	-3.0%	-2.5%	-2.0%	-0.5%	-1.3%
4-yr % change	5.2%	5.8%	4.9%	4.5%	5.0%	5.8%	6.3%	3.9%	4.6%	6.5%	7.2%	7.6%	8.9%	7.8%
Entertainment														
1-yr % change	-8.8%	-3.5%	-0.9%	1.2%	3.2%	2.1%	5.4%	10.6%	8.6%	6.5%	5.4%	1.9%	3.4%	3.6%
4-yr % change	8.0%	7.2%	7.8%	9.0%	8.0%	6.6%	5.6%	4.5%	0.2%	-0.2%	0.4%	-2.0%	-2.7%	-4.6%
Restaurants & bars														
1-yr % change	-3.1%	-3.6%	-3.4%	-3.1%	-3.4%	-4.2%	0.3%	5.1%	4.3%	2.8%	2.2%	2.3%	4.0%	6.2%
4-yr % change	23.3%	21.8%	22.8%	24.4%	25.6%	27.2%	26.7%	22.5%	20.6%	22.1%	25.1%	26.8%	27.5%	28.3%
Transit														
1-yr % change	1.3%	0.8%	0.0%	-0.9%	2.7%	3.3%	0.2%	2.3%	2.4%	2.4%	3.1%	3.3%	3.2%	3.9%
4-yr % change	4.4%	4.0%	4.6%	6.3%	9.6%	9.7%	8.5%	9.3%	8.5%	8.5%	10.2%	10.3%	9.9%	10.1%
Gas														
1-yr % change	-5.1%	-4.5%	-4.3%	-4.2%	-3.9%	-2.3%	-3.3%	-1.2%	-0.7%	-1.1%	-1.6%	-1.5%	-1.3%	-1.1%
4-yr % change	14.2%	13.4%	12.8%	12.3%	13.6%	16.1%	17.2%	17.5%	18.2%	19.1%	19.0%	19.1%	18.8%	18.3%
Clothing														
1-yr % change	-4.9%	-6.1%	-6.6%	-6.7%	-6.2%	-6.5%	-6.0%	-3.1%	-4.6%	-4.7%	-5.1%	-5.1%	-5.0%	-4.7%
4-yr % change	13.1%	11.2%	11.9%	13.8%	13.6%	14.1%	11.4%	9.6%	9.1%	12.2%	13.6%	12.5%	10.2%	12.8%
Furniture														
1-yr % change	-15.7%	-15.4%	-15.9%	-15.6%	-15.2%	-16.5%	-16.3%	-12.4%	-13.5%	-13.2%	-13.1%	-12.6%	-10.0%	-10.6%
4-yr % change	-6.1%	-6.4%	-6.5%	-6.8%	-7.4%	-6.7%	-7.9%	-8.8%	-9.8%	-6.0%	-0.8%	0.5%	-0.3%	2.1%
Department store														
1-yr % change	-10.6%	-11.9%	-12.1%	-12.3%	-12.2%	-11.7%	-11.3%	-9.8%	-9.5%	-8.3%	-8.1%	-7.4%	-7.0%	-6.7%
4-yr % change	-16.7%	-18.0%	-18.9%	-19.2%	-20.2%	-18.5%	-29.0%	-29.3%	-27.9%	-24.3%	-21.9%	-21.3%	-22.8%	-15.9%
Home improvement														
1-yr % change	-5.1%	-5.4%	-5.0%	-4.8%	-5.6%	0.7%	-10.1%	-7.0%	-8.4%	-9.5%	-10.9%	-9.8%	-11.2%	-11.3%
4-yr % change	17.1%	15.9%	16.3%	17.0%	18.5%	19.9%	18.3%	20.6%	18.4%	19.3%	19.6%	20.3%	17.2%	19.3%
Online electronics (card not present)														
1-yr % change	-12.6%	-13.4%	-12.1%	-12.0%	-10.8%	-8.9%	-11.1%	-9.4%	-8.1%	-8.1%	-7.4%	-7.3%	-7.3%	-8.1%
4-yr % change	18.9%	20.4%	20.7%	19.2%	19.9%	21.1%	19.4%	16.8%	16.6%	18.2%	19.3%	18.5%	15.6%	15.3%
Grocery														
1-yr % change	4.5%	4.4%	3.8%	3.0%	2.7%	1.8%	5.4%	5.1%	3.2%	2.8%	2.3%	2.1%	3.6%	4.0%
4-yr % change	16.0%	14.7%	15.4%	15.9%	16.6%	18.4%	17.2%	12.9%	13.0%	16.5%	18.7%	19.6%	19.4%	19.9%
General Merchandise														
1-yr % change	4.8%	3.8%	3.8%	3.6%	4.1%	2.3%	4.0%	5.1%	3.9%	3.5%	2.8%	2.6%	4.1%	4.9%
4-yr % change	42.6%	39.7%	39.5%	39.4%	37.9%	39.2%	34.3%	30.3%	29.7%	34.4%	38.8%	40.2%	38.6%	42.4%
Total B&M retail														
1-yr % change	-2.2%	-2.5%	-2.5%	-2.6%	-2.7%	-3.3%	-1.7%	1.3%	-0.1%	-0.7%	-1.2%	-1.2%	0.0%	0.6%
4-yr % change	9.5%	8.1%	8.6%	9.2%	9.7%	11.3%	10.4%	7.8%	7.2%	9.9%	12.3%	13.0%	12.7%	13.6%
Total online retail (card not present)														
1-yr % change	1.1%	0.9%	0.8%	0.7%	1.4%	4.1%	1.4%	1.2%	1.7%	1.7%	1.5%	1.5%	0.9%	1.3%
4-yr % change	65.9%	65.5%	65.3%	65.5%	65.2%	65.7%	64.0%	64.3%	66.3%	68.3%	69.8%	70.8%	70.4%	72.2%
Total card debit														
1-yr % change	0.4%	0.1%	0.1%	-0.1%	0.3%	1.7%	0.8%	2.3%	1.7%	1.9%	1.7%	1.9%	1.8%	2.0%
4-yr % change	24.0%	22.4%	23.6%	24.8%	26.6%	28.4%	29.8%	28.3%	29.0%	30.8%	31.8%	31.4%	30.1%	29.2%
Total card credit														
1-yr % change	-1.5%	-1.3%	-0.9%	-1.1%	-0.6%	2.6%	0.2%	2.0%	1.5%	1.2%	1.2%	1.4%	0.4%	0.1%
4-yr % change	16.7%	16.0%	17.2%	17.8%	18.6%	19.9%	20.1%	19.9%	19.1%	20.0%	21.0%	20.6%	19.4%	19.2%

Source: BAC internal data. Note: The 1-yr % change shows the change between the current date at the head of the table column and its comparable date a year ago and the 4-yr % change shows the percentage change with the comparable date four years ago. Total card spending includes total BAC card activity, which captures retail sales and services that are paid with cards. Does not include ACH payments. B&M (Brick & Mortar) retail means retail purchases at the store. Card not present is largely online but could include purchases made over the phone. We have adjusted the line items for department stores, general merchandise, clothing & online retail due to a methodological change following a re-classification of certain retailers.

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Readers should be aware that although the BAC datasets utilized in our analysis represent a significant number of data points, they nevertheless present a degree of selection bias, including but not limited to income levels and geographies. In addition, the data is limited to debit and credit cards and does not include other payment methods such as cash or checks.

Data regarding merchants who receive payments are identified and classified by the Merchant Categorization Code (MCC) defined by financial services companies. The data are mapped using proprietary methods from the MCCs to the North American Industry Classification System (NAICS), which is also used by the Census Bureau, in order to classify spending data by subsector. Spending data may also be classified by other proprietary methods not using MCCs.

BAC data used in this report include spending from active US households (HHs) only. Spending from corporate cards is excluded.

Our methodology for calculating the growth rates for daily data: we calculate the %y/y growth rate and the 4-year % change by matching calendar days (Jan 1, 2024 matched to Jan 1, 2023, and Jan 1, 2020, respectively). The % change is calculated based on the 7-day moving average of spending levels.



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