

Broadlines, Hardlines & Food Retailers

Credit & Debit card data (thru 12/31): TGT, WMT, KR, DG, DLTR, COST, BJ, DKS, ASO

Industry Overview

Observed sales growth shows m/m improvement in Dec.

Bloomberg Second Measure credit and debit card data showed that for the majority of retailers we track, y/y growth in observed sales accelerated in December vs. November levels. We look at sales trends for the trailing 4-weeks, QTD (F4Q to date), and the month of December.

Warehouse clubs: COST sales accelerate, BJ sales decel.

Costco (COST) observed sales accelerated sequentially to +5.6% in December vs. +2.3% in Nov. & +2.7% in Oct. COST recently reported December sales which highlighted continued strength in traffic, even adjusting for the benefit of an additional selling day (see [COST December sales](#) report). QTD observed sales are tracking up +4.8%, above +3.3% observed in F3Q. BJ observed sales were down -2.8% in December vs. -0.1% in Nov. Excluding fuel & membership sales, observed sales also declined (-1.7% in Dec. vs. +2.9% in November). QTD observed sales are tracking down -1.7%, below +4.0% observed in F3Q.

TGT sales improve sequentially in Dec., remain depressed

Target (TGT) observed sales improved sequentially in December to a decline of -8.2% vs. -11% in November and -11.5% in October. While sales remain depressed overall (QTD observed sales are tracking -9.3% vs. -8.6% observed in F3Q), we believe TGT's lean inventory positioning and other cost recovery opportunities should support continued Gross Margin (GM) upside.

Dollar Stores: DLTR observed sales accelerate into Holiday

Dollar Tree (DLTR) observed sales improved sequentially in December to +7.5% vs. +3.5% in Nov. & +2.8% in Oct. The improvement was driven by the Dollar Tree banner (DT) as Family Dollar (FDO) observed Dec. sales decelerated to -8.3%. Total company observed sales have increased +6% QTD (vs. +7.7% observed in F3Q), and showed a notable acceleration in the 3 days leading up to Christmas, which likely reflects customer "appointment shopping" (i.e. shopping closer to Holidays & key promotional periods) & continued focus on value (particularly at DT). Dollar General (DG) observed sales also saw sequential improvement in Dec. to +7.6% (vs. +7.1% in November & +2.5% in October). QTD observed sales are tracking up +6.5%, above +4.7% observed in F3Q.

We provide additional details & data on DKS, ASO, YETI, KR, SFM and GO inside the report.

09 January 2024

Equity
United States
Broadlines, Hardlines & Food
Retailers

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QTD = 4Q-to-date thru 12/31

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Timestamp: 09 January 2024 04:13PM EST

Bloomberg Second Measure Summary

We looked at Bloomberg Second Measure credit and debit card data through 12/31. The data provides aggregated analytics from billions of credit card and debit card purchases from a U.S. consumer panel that includes 20+ million members.

Observed sales summary

Exhibit 1: Bloomberg Second Measure credit & debit card data – Observed sales (y/y% change)

Observed sales improved for the majority of retailers we track (ending 12/31)

Ticker*	Trailing four weeks y/y	Current QTD (C4Q)	Last Q (C3Q)
TGT	(6.9%)	(9.3%)	(8.6%)
WMT	4.5%	3.3%	3.7%
COST*	9.1%	4.8%	3.3%
DG**	8.4%	6.5%	4.7%
DLTR**	10.7%	6.0%	7.7%
DT	22.7%	15.7%	8.7%
FDO	(7.0%)	(7.4%)	6.5%
BJ	(3.5%)	(1.7%)	4.0%
DKS	(2.6%)	(4.8%)	(3.3%)
ASO	5.7%	2.4%	(9.3%)
YETI	22.4%	(10.0%)	2.0%
KR	4.3%	3.3%	2.1%
SFM	11.4%	9.5%	6.1%
GO	15.7%	11.4%	18.7%

Source: Bloomberg Financial LP- ALTD <GO>

Note: Yeti- Online sales only

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Observed transactions summary

Exhibit 2: Bloomberg Second Measure credit & debit card data – Observed transactions (y/y% change)

Observed transactions improved for the majority of retailers we track (ending 12/31)

Ticker	Trailing four weeks y/y	Current QTD (C4Q)	Last Q (C3Q)
TGT	(3.9%)	(5.6%)	(7.0%)
WMT	6.1%	4.8%	3.5%
COST	11.6%	10.8%	7.8%
DG	10.7%	9.5%	5.6%
DLTR	8.1%	5.4%	6.7%
DT	15.5%	12.3%	8.4%
FDO	(6.2%)	(7.2%)	4.2%
BJ	(4.9%)	(2.8%)	4.3%
DKS	(6.6%)	(7.0%)	(4.3%)
ASO	4.1%	0.1%	(8.2%)
KR	7.0%	5.4%	2.8%
SFM	11.0%	9.4%	5.0%
GO	19.3%	15.1%	20.2%

Source: Bloomberg Financial LP- ALTD <GO>

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Average Transaction Value (ATV) summary

Exhibit 3: Bloomberg Second Measure credit & debit card data – Average transaction value (y/y% change)

Average transaction value remains mixed for retailers we track (ending 12/31)

Ticker	Trailing four weeks y/y	Current QTD (C4Q)	Last Q (C3Q)
TGT	(3.7%)	(4.1%)	(1.6%)
WMT	(1.7%)	(1.1%)	0.3%
COST	(2.3%)	(2.5%)	(4.2%)
DG	(2.5%)	(2.0%)	(0.9%)
DLTR	1.7%	0.4%	0.9%
DT	5.4%	2.4%	0.4%
FDO	(1.3%)	(0.5%)	2.2%
BJ	1.2%	1.2%	(0.2%)
DKS	3.4%	0.9%	1.1%
ASO	1.0%	(0.0%)	(1.1%)
KR	(2.9%)	(2.2%)	(0.7%)
SFM	0.4%	0.2%	1.2%
GO	(2.9%)	(2.5%)	(1.1%)

Source: Bloomberg Financial LP- ALTD <GO>

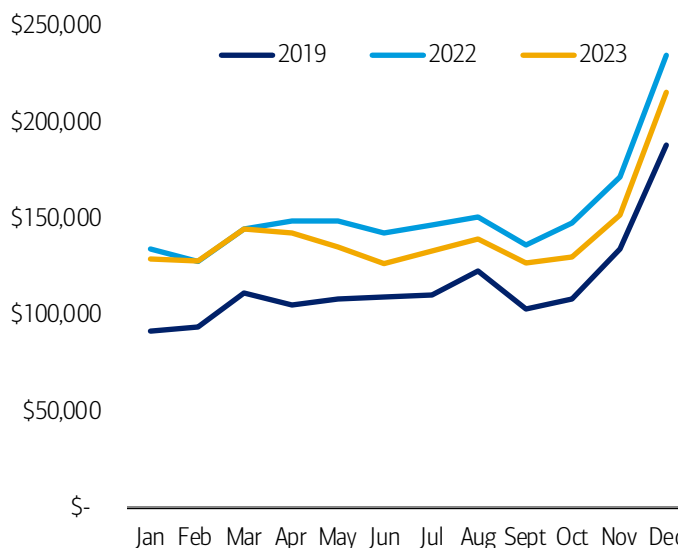
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Broadlines- TGT, WMT, COST, BJ, DG, DLTR

TGT Credit & Debit Card Data

Exhibit 4: TGT observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales remain above 2019 levels in December

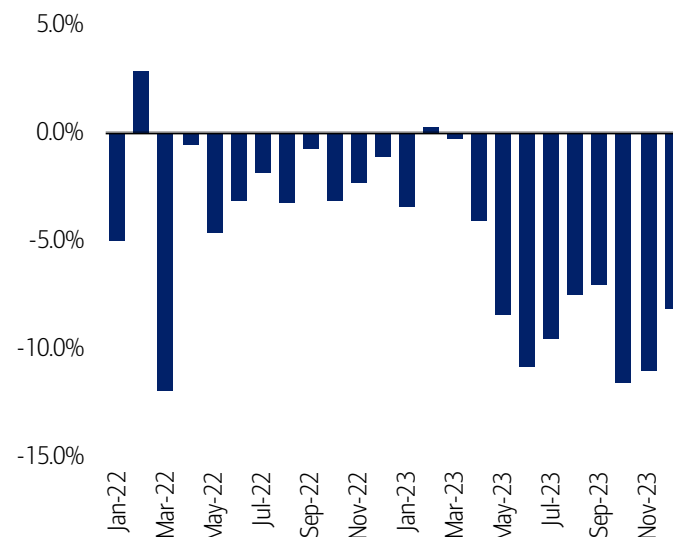


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 5: Y/Y % change in TGT observed sales according to Bloomberg Second Measure credit & debit card data

TGT observed sales were down -8.2% y/y in December vs. -11.0% in November



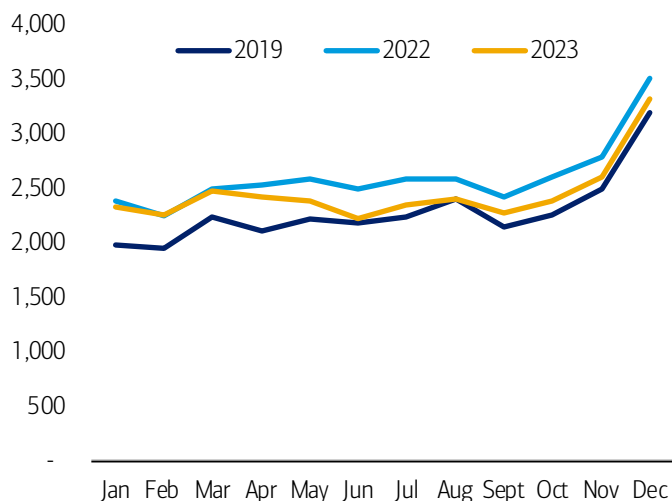
Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 6: TGT observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions are below last year but remain above 2019 levels in December

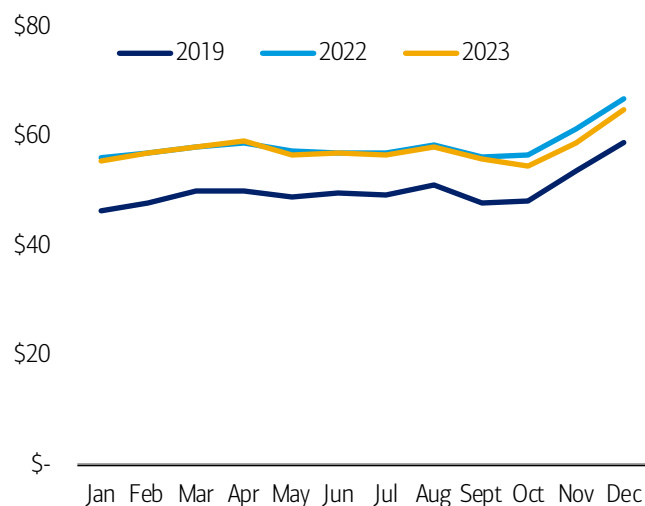


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 7: TGT average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value is slightly below 2022

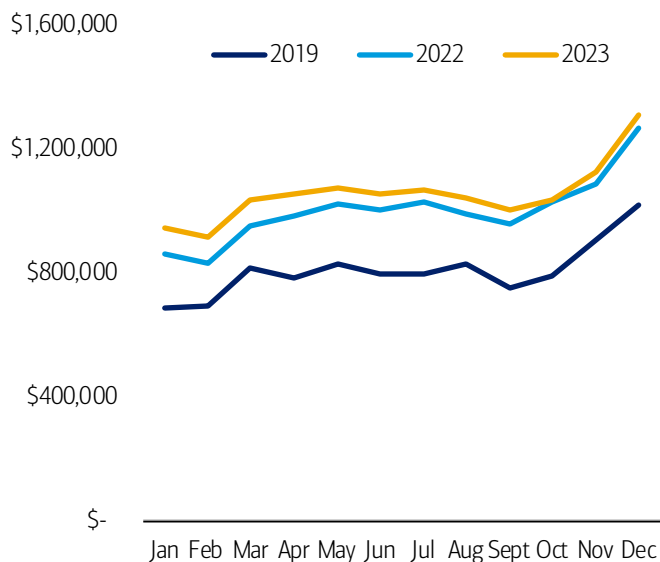


Source: Bloomberg Financial LP- ALTD <GO>

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WMT Credit & Debit Card Data**Exhibit 8: WMT observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)**

Observed sales outpace 2022 levels in December

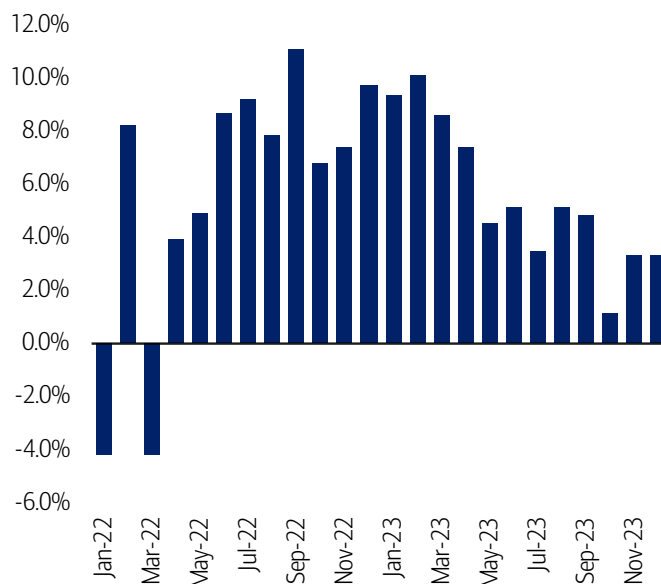


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 9: Y/Y % change in WMT observed sales according to Bloomberg Second Measure credit & debit card data

WMT observed sales were up +3.4% y/y in December, slightly ahead of +3.3% in November

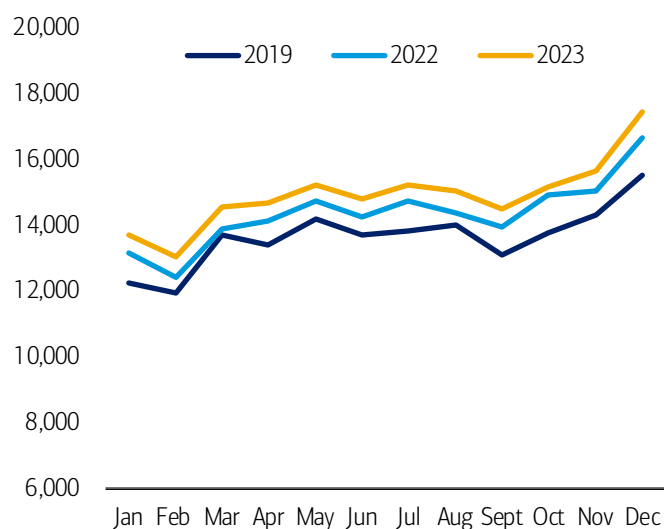


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 10: WMT observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions remain above 2022 levels

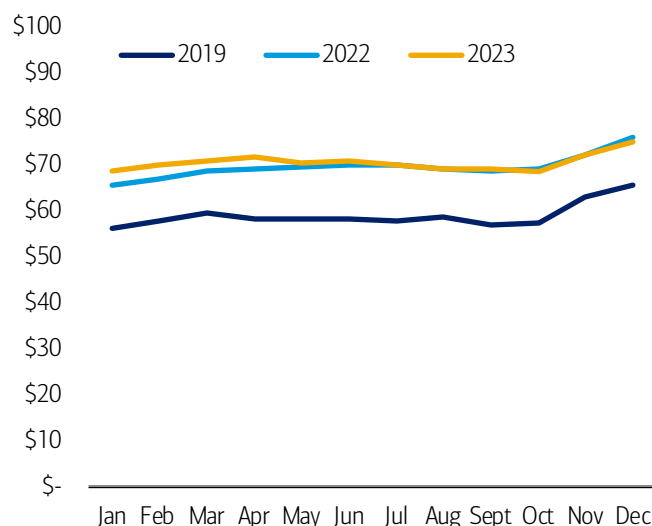


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 11: WMT average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value remains relatively in-line with last year in December



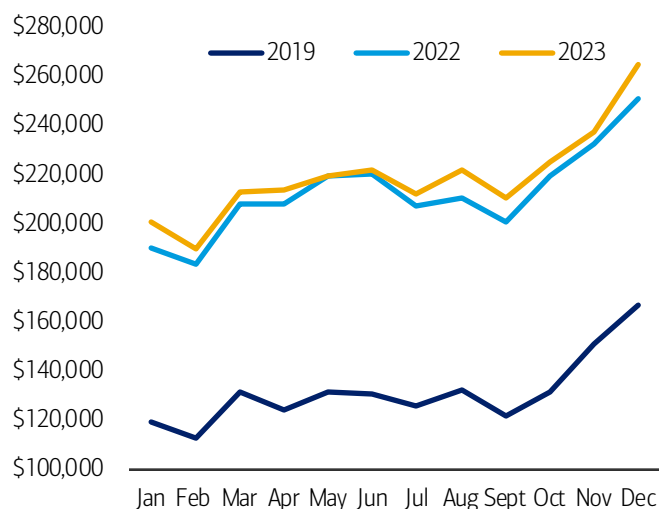
Source: Bloomberg Financial LP- ALTD <GO>

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COST Credit & Debit Card Data

Exhibit 12: COST observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales outpace 2022 levels in December

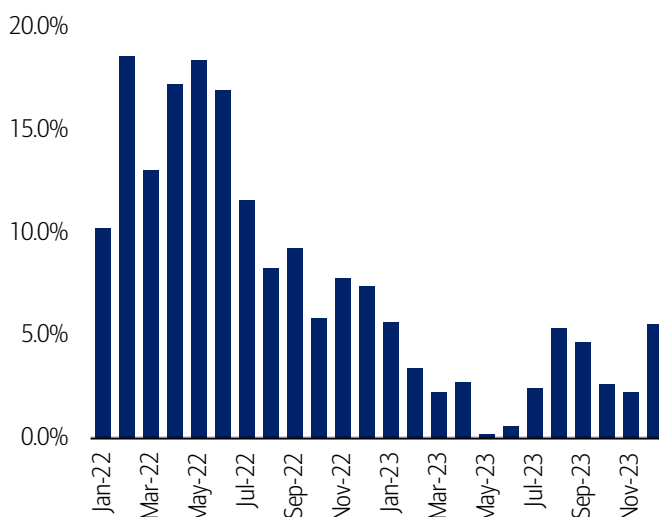


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 13: Y/Y % change in COST observed sales according to Bloomberg Second Measure credit & debit card data

COST observed sales were up +5.6% y/y in December vs. +2.3% in November

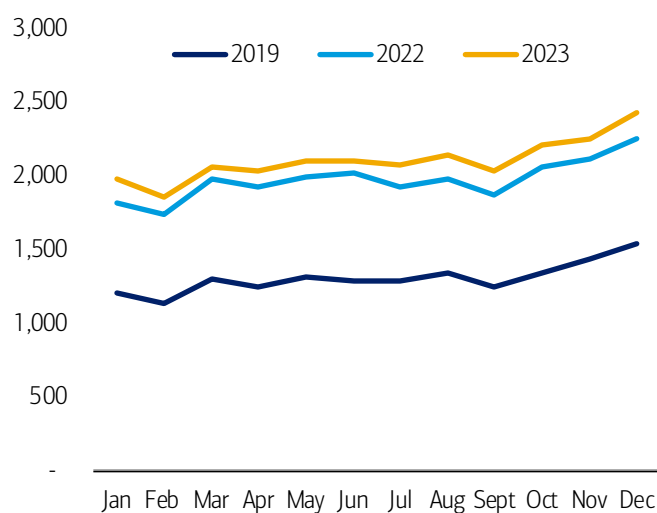


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 14: COST observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions continue to outpace 2022 levels

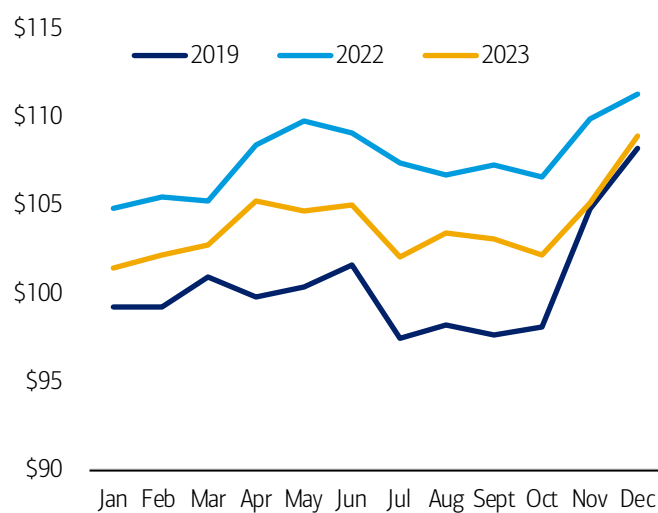


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 15: COST average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value remains below 2022 and slightly above 2019



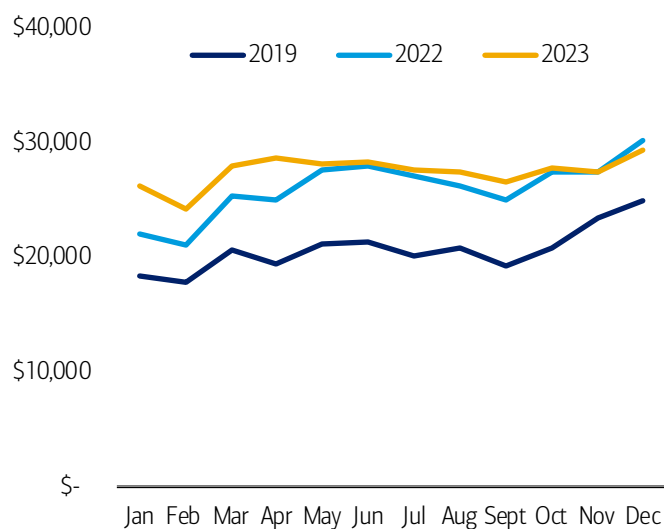
Source: Bloomberg Financial LP- ALTD <GO>

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BJ Credit & Debit Card Data

Exhibit 16: BJ observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales are slightly below 2022 levels in December

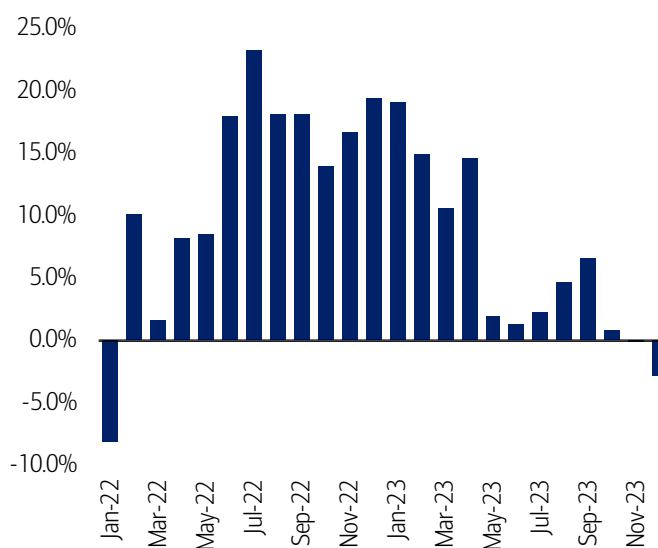


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 17: Y/Y % change in BJ observed sales according to Bloomberg Second Measure credit & debit card data

BJ observed sales were down -2.8% y/y in December vs. -0.1% in November

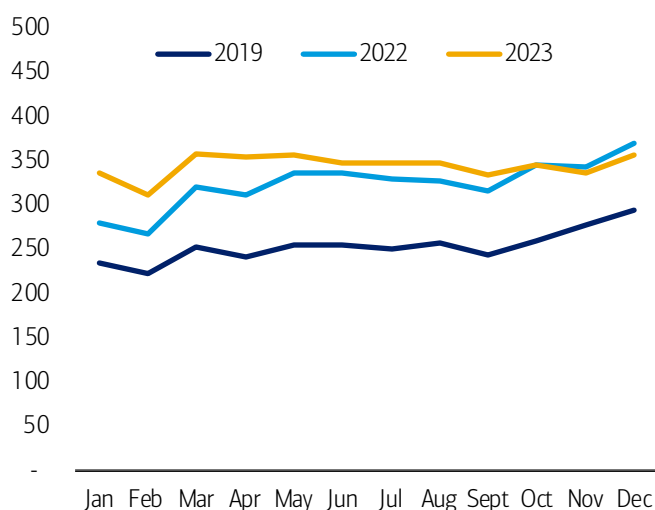


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 18: BJ observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transaction lag 2022 levels in December

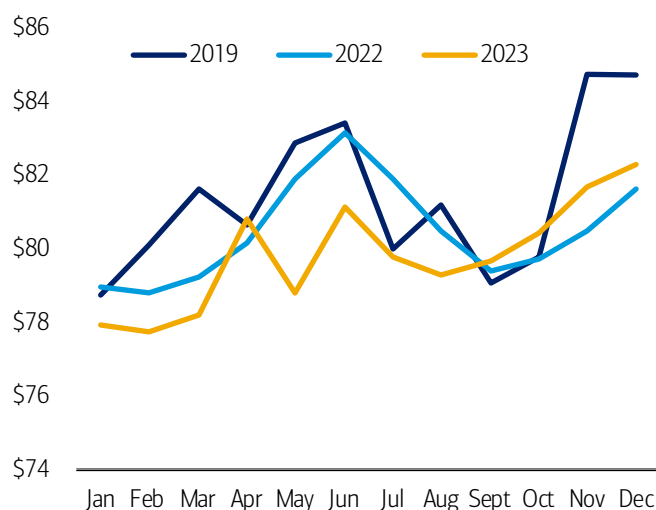


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 19: BJ average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value is below 2019 levels in December

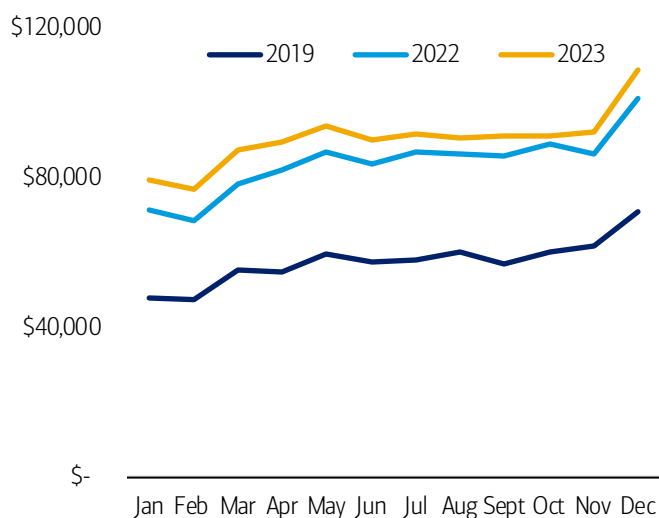


Source: Bloomberg Financial LP- ALTD <GO>

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DG Credit & Debit Card Data**Exhibit 20: DG observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)**

Observed sales outpace 2022 levels through the year

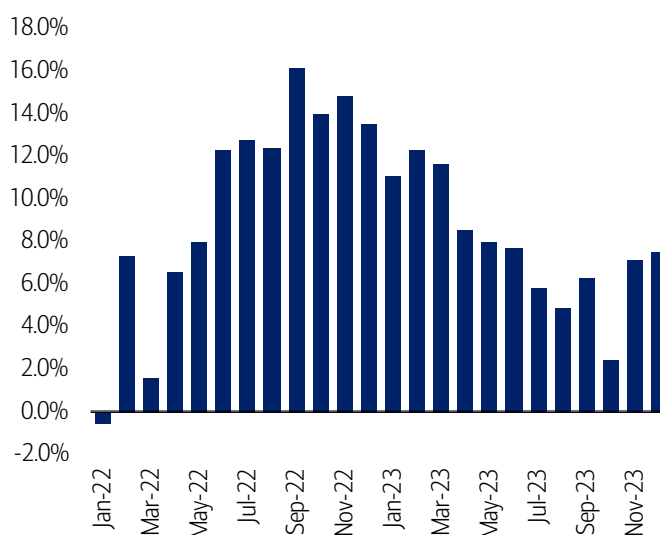


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 21: Y/Y % change in DG observed sales according to Bloomberg Second Measure credit & debit card data

DG observed sales were up +7.6% y/y in December vs. +7.1% in November

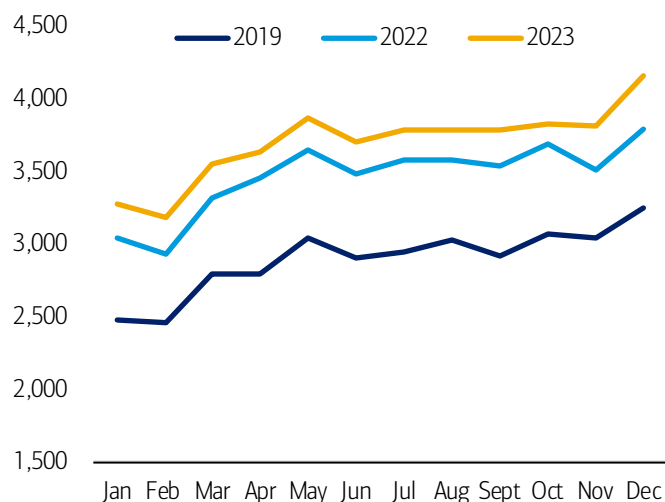


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 22: DG observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions outpace 2022 levels through the year

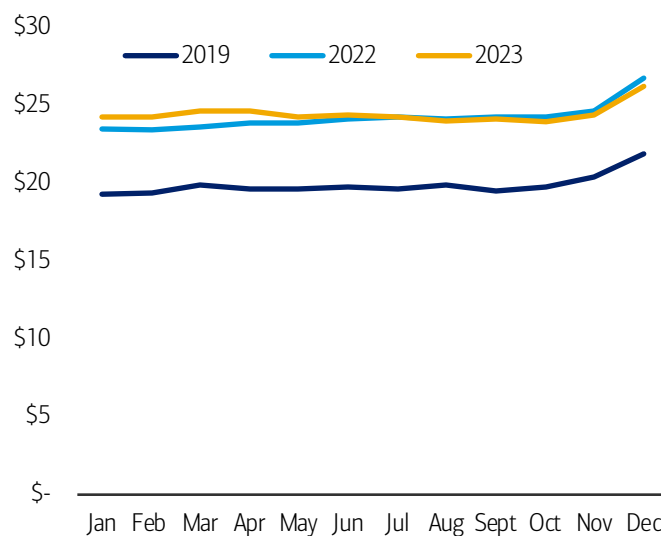


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 23: DG average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value slightly lags 2022 levels in December



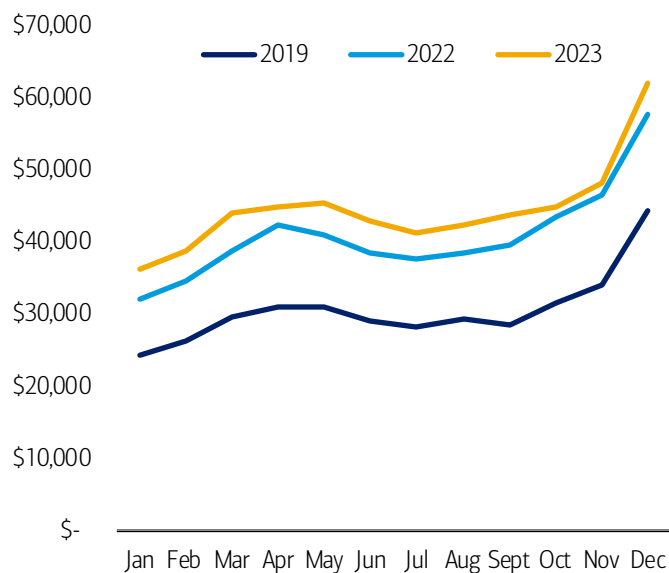
Source: Bloomberg Financial LP- ALTD <GO>

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DLTR Credit & Debit Card Data

Exhibit 24: DLTR observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales outpace 2022 levels through 2023



Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 25: Y/Y % change in DLTR observed sales according to Bloomberg Second Measure credit & debit card data

DLTR observed sales were up +7.5% y/y in December vs. +3.5% in November

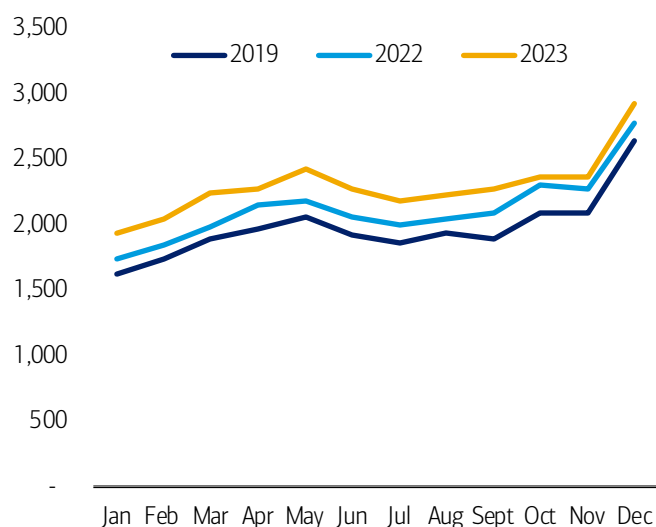


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 26: DLTR observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions outpace 2022 levels through the year

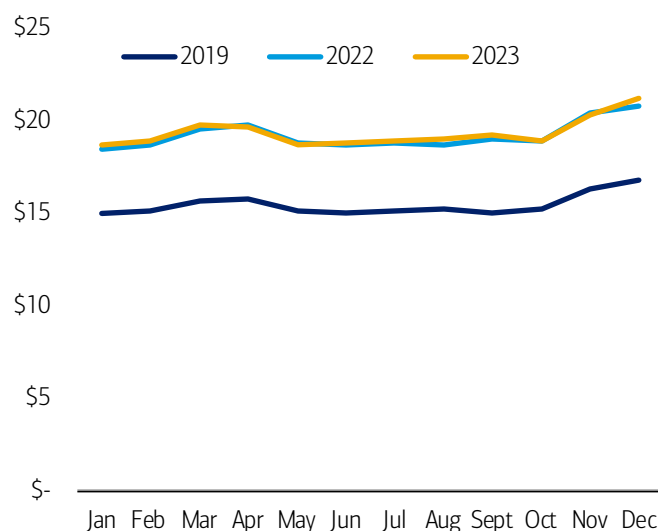


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 27: DLTR average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value remains relatively in-line with 2022



Source: Bloomberg Financial LP- ALTD <GO>

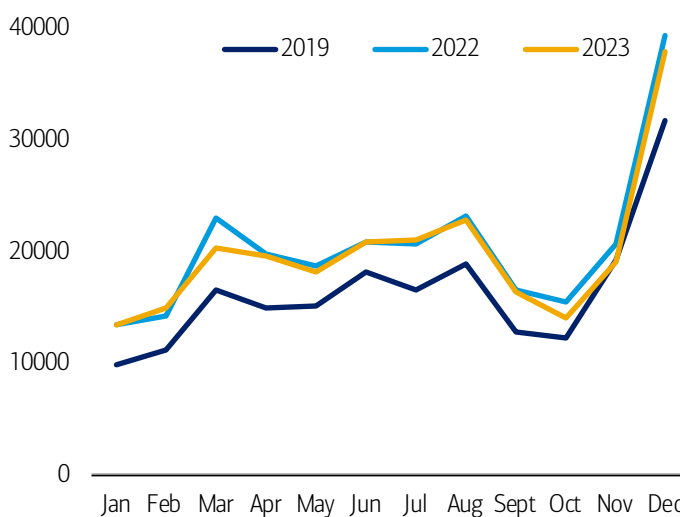
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Hardlines- DKS, ASO, YETI

DKS Credit & Debit Card Data

Exhibit 28: DKS observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales are tracking below last year in December

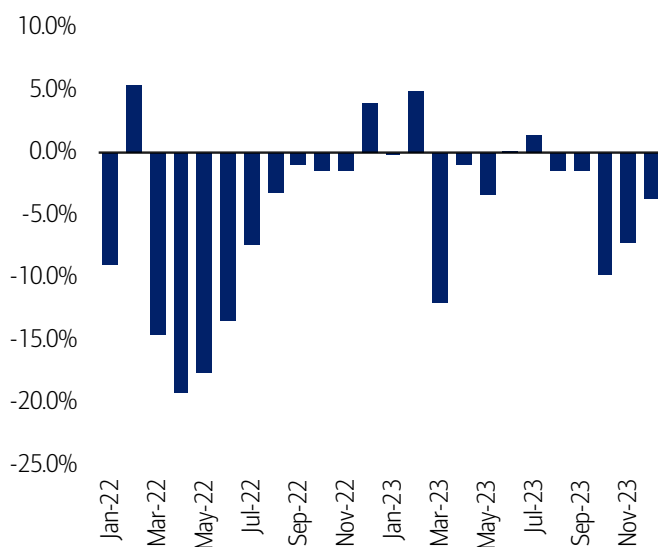


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 29: Y/Y % change in DKS observed sales according to Bloomberg Second Measure credit & debit card data

DKS observed sales were down -3.6% y/y in December vs. -7.3% in November



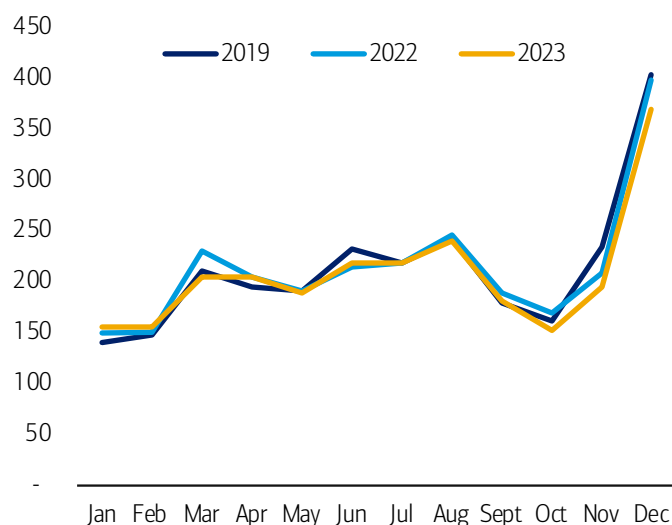
Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 30: DKS observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions are below historical levels

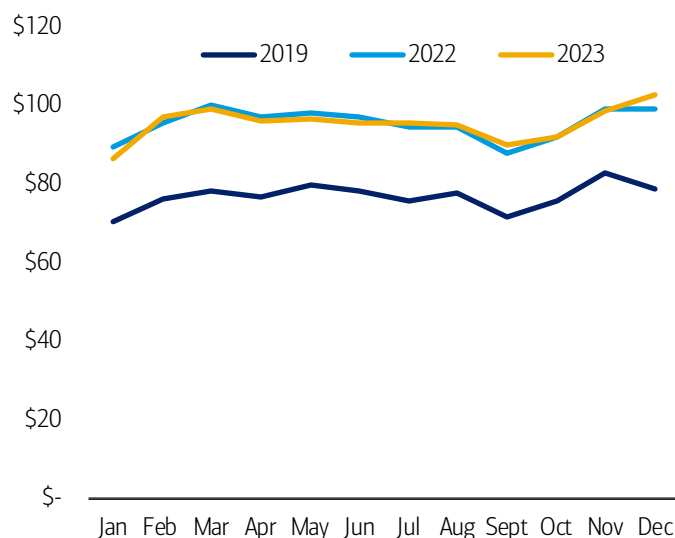


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 31: DKS average transaction value according to Bloomberg Second Measure credit & debit card data

DKS average transaction value is above last year in December



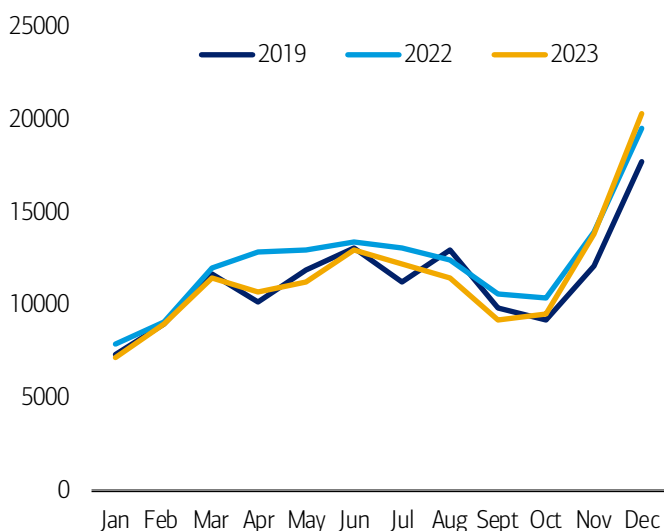
Source: Bloomberg Financial LP- ALTD <GO>

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ASO Credit & Debit Card Data

Exhibit 32: ASO observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales are tracking above 2022 levels in December

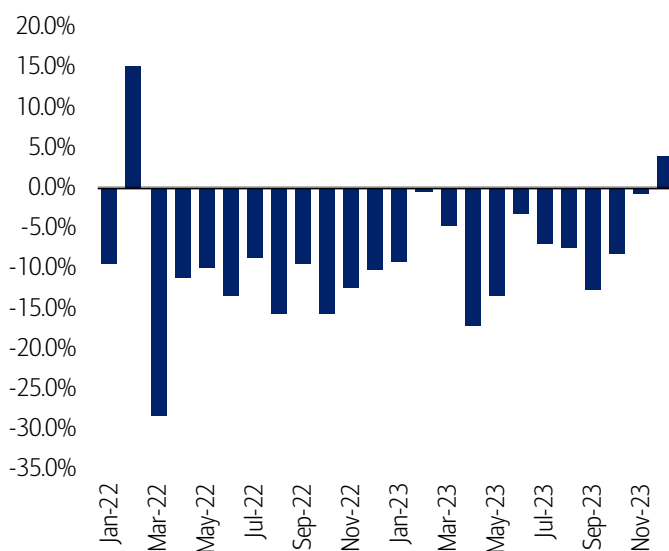


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 33: Y/Y % change in ASO observed sales according to Bloomberg Second Measure credit & debit card data

ASO observed sales were up +4.1% y/y in December vs. -0.7% in November

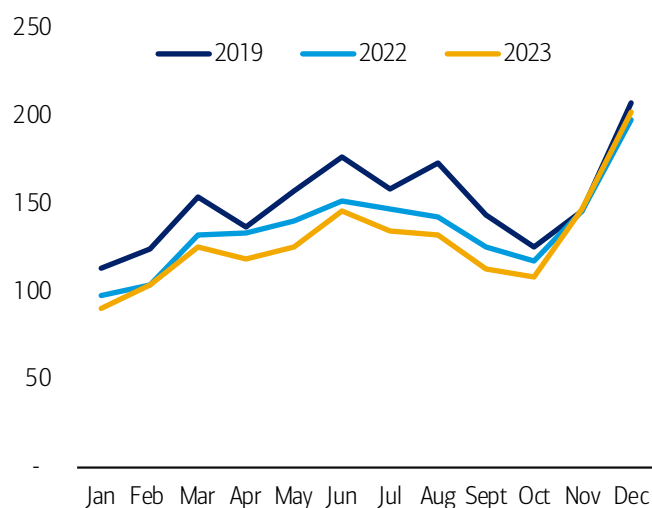


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 34: ASO observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions remain below 2019 levels

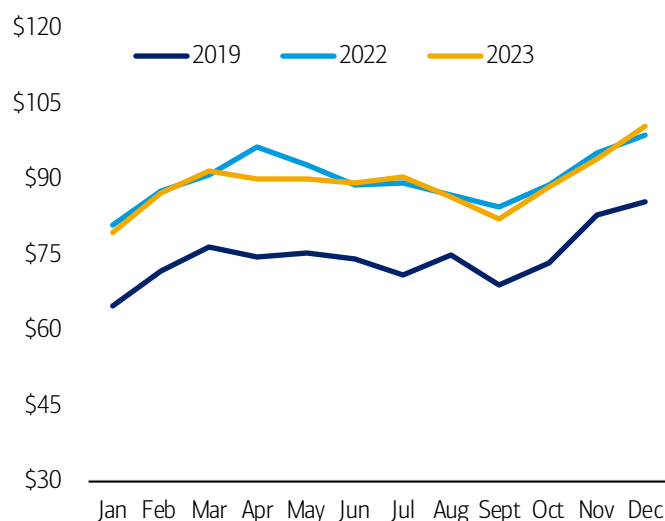


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 35: ASO average transaction value according to Bloomberg Second Measure credit & debit card data

ASO average transaction value tracks slightly above last year in December

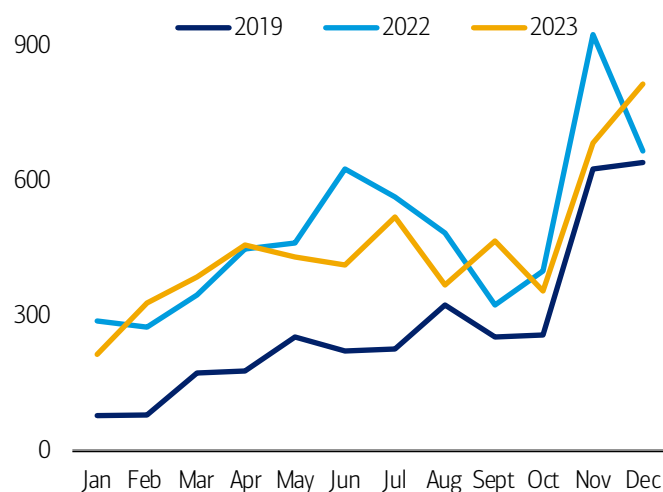


Source: Bloomberg Financial LP- ALTD <GO>

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YETI Credit & Debit Card Data**Exhibit 36: YETI observed sales (in YETI stores & online) according to Bloomberg Second Measure credit & debit card data (in thousands \$)**

Observed sales improve vs. 2022 in December

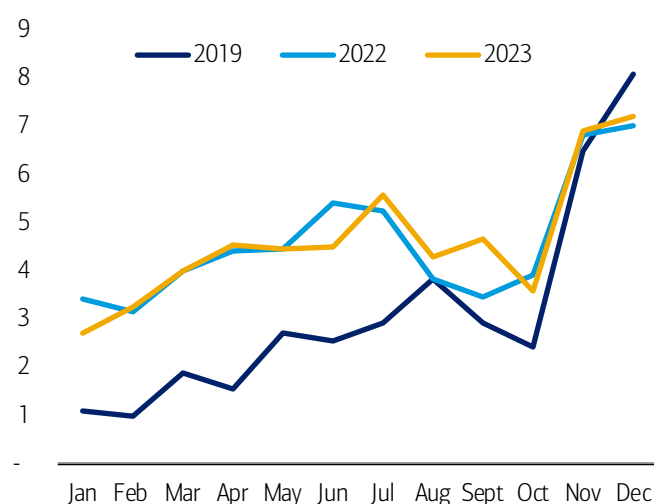


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 37: YETI observed transactions (in YETI stores & online) according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed transactions remain relatively in-line with last year in December



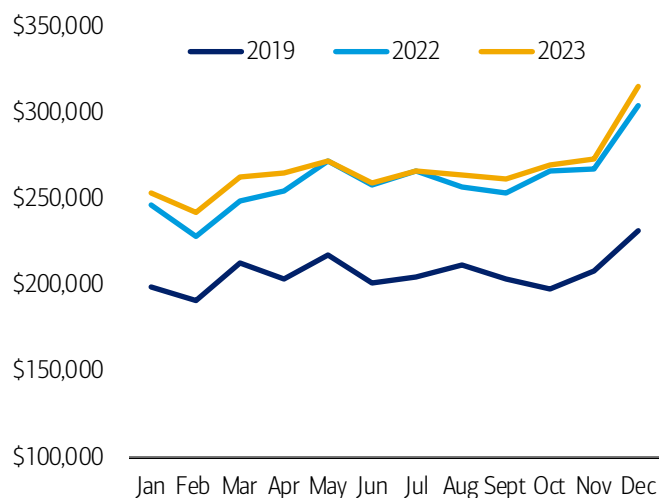
Source: Bloomberg Financial LP- ALTD <GO>

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Food Retailers- KR, SFM, GO**KR Credit & Debit Card Data**

Exhibit 38: KR observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales are slightly above 2022 levels in December

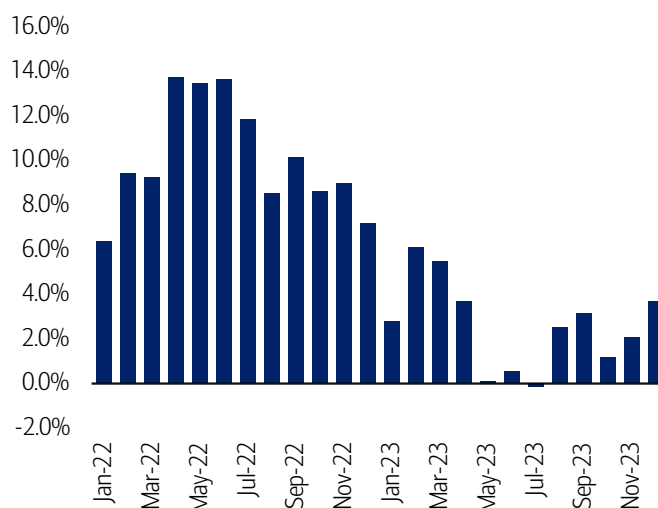


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 39: Y/Y % change in KR observed sales according to Bloomberg Second Measure credit & debit card data

KR observed sales were up +3.7% y/y in December vs. +2.1% in November

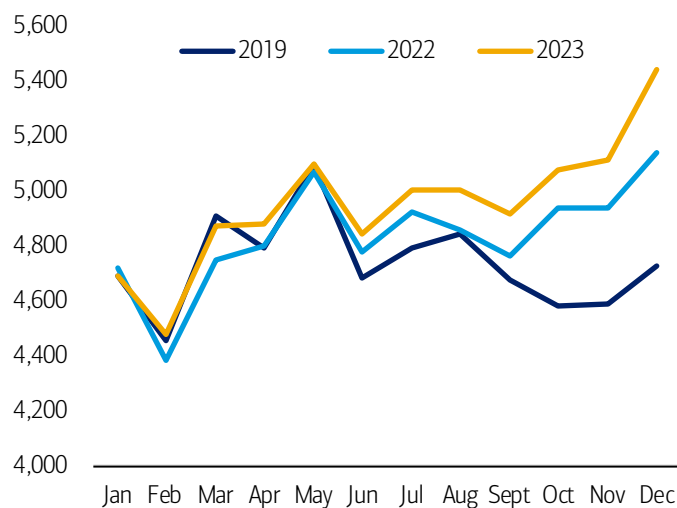


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 40: KR observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions continue to outpace 2022 levels in December

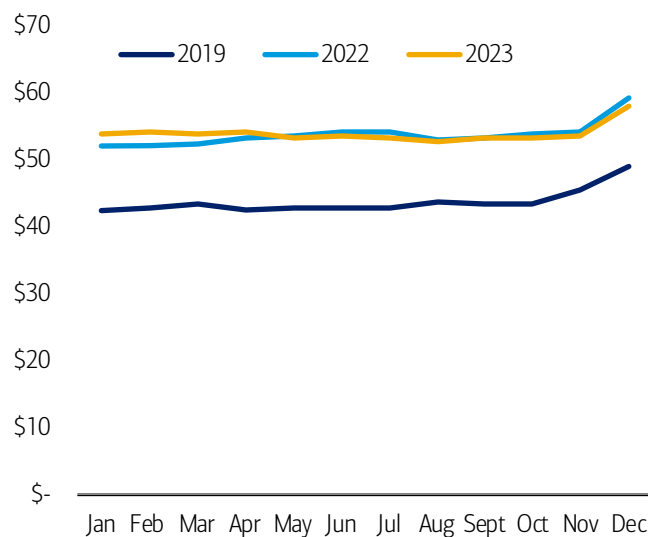


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 41: KR average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value is slightly below 2022 in December



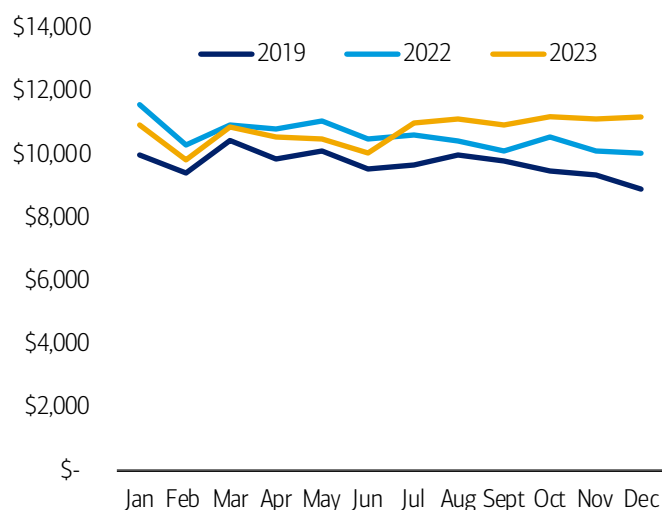
Source: Bloomberg Financial LP- ALTD <GO>

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SFM Credit & Debit Card Data

Exhibit 42: SFM observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales began outpacing 2022 levels in July

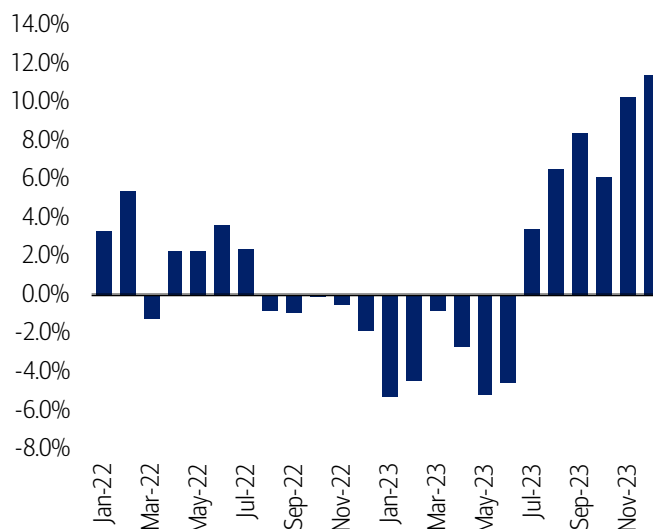


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 43: Y/Y % change in SFM observed sales according to Bloomberg Second Measure credit & debit card data

SFM observed sales were up +11.4% y/y in December vs. +10.3% in November

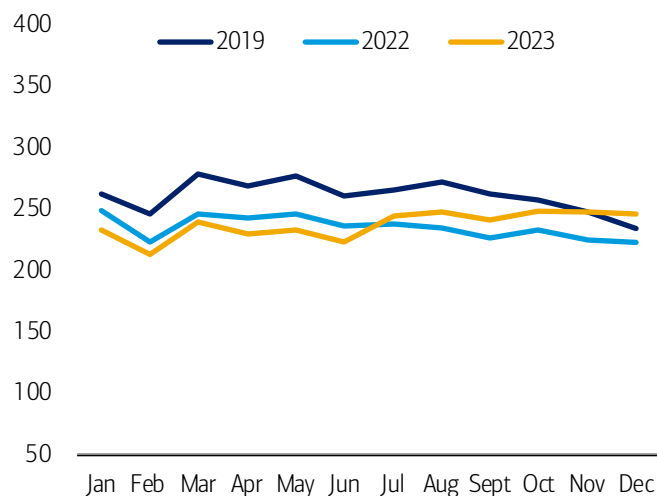


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 44: SFM observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions outpace 2019 levels in December

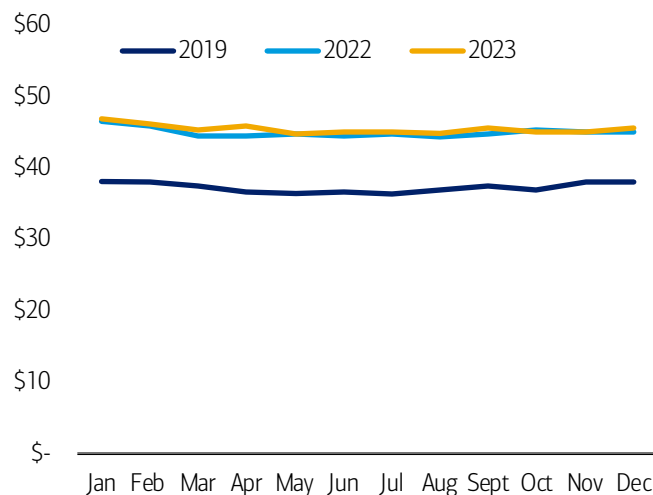


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 45: SFM average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value remains relatively in-line with last year



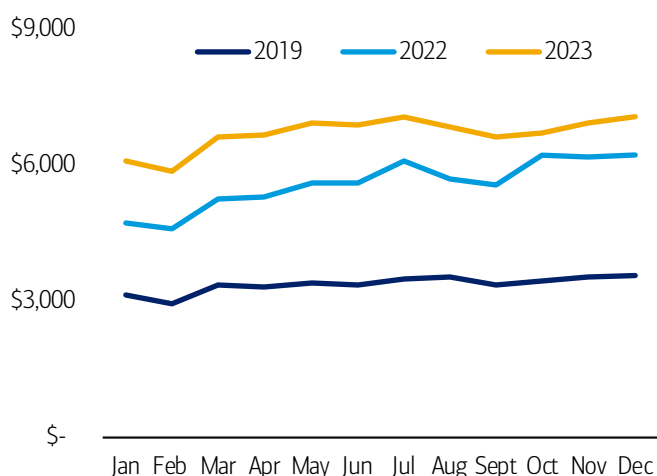
Source: Bloomberg Financial LP- ALTD <GO>

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GO Credit & Debit Card Data

Exhibit 46: GO observed sales according to Bloomberg Second Measure credit & debit card data (in thousands \$)

Observed sales track above 2022 levels

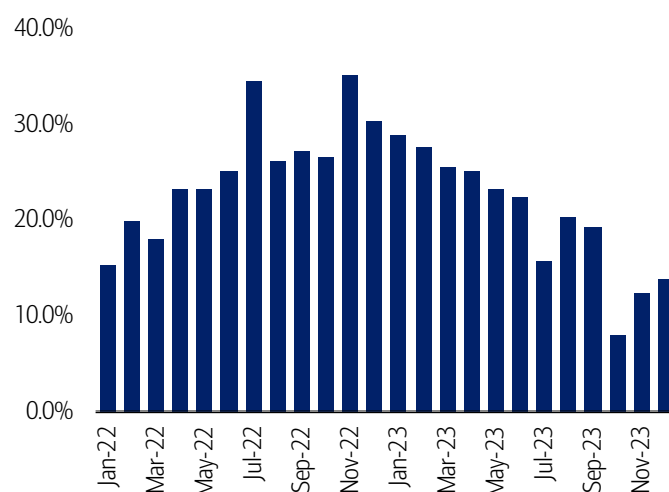


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 47: Y/Y % change in GO observed sales according to Bloomberg Second Measure credit & debit card data

GO observed sales were up +13.9% y/y in December vs. +12.5% in November

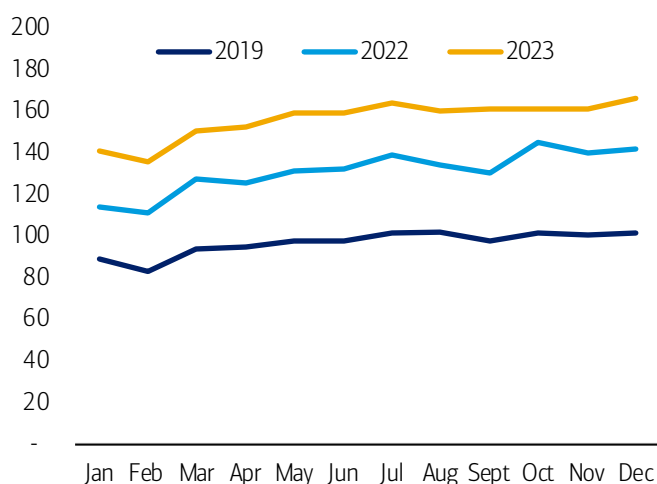


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 48: GO observed transactions according to Bloomberg Second Measure credit & debit card data (in thousands)

Observed transactions track above 2022 levels

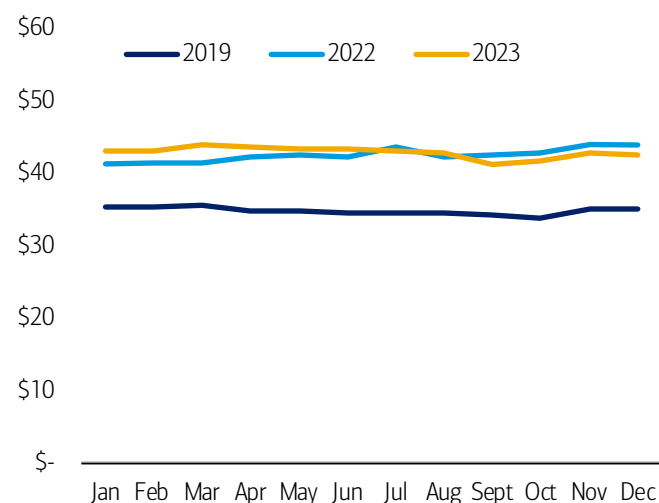


Source: Bloomberg Financial LP- ALTD <GO>

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Exhibit 49: GO average transaction value according to Bloomberg Second Measure credit & debit card data

Average transaction value tracks slightly below last year in December



Source: Bloomberg Financial LP- ALTD <GO>

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