

BofA on USA

Weekly spending update through Mar 9

Key takeaways

- Total card spending per HH was up 0.1% y/y in the week ending Mar 09, according to BAC aggregated credit & debit card data.
- Retail ex auto spending per HH came in at -1.0% y/y in the week ending Mar 09.
- Overall, after a soft but stable February, spending in March seems to be improving.

Exhibit 1: Aggregated daily card spending growth per household (HH) by major category, Mar 02 – Mar 09 (year-over-year (y/y) % change of the 7-day moving average of spending levels)

Total card spending per HH was up 0.1% y/y in the week ending Mar 09

	3/9	3/8	3/7	3/6	3/5	3/4	3/3
Total card spending	0.1%	-0.2%	-0.3%	-0.7%	-0.7%	-1.6%	-1.9%
Retail ex auto	-1.0%	-1.2%	-1.4%	-1.5%	-1.6%	-2.0%	-1.9%
Airlines	-3.6%	-3.9%	-3.8%	-4.9%	-5.7%	-6.9%	-7.1%
Lodging	-4.0%	-4.6%	-5.0%	-5.8%	-6.3%	-7.3%	-8.4%
Entertainment	3.2%	2.0%	1.5%	3.5%	5.1%	1.5%	1.6%
Restaurants & bars	-0.1%	-0.4%	-0.7%	-0.9%	-0.9%	-0.9%	-0.4%
Transit	7.4%	8.1%	8.2%	8.1%	8.8%	8.6%	10.0%
Gas	-2.6%	-2.9%	-3.1%	-2.9%	-3.1%	-3.5%	-3.1%
Clothing	-5.0%	-5.7%	-6.3%	-6.7%	-6.6%	-7.1%	-6.5%
Furniture	-11.6%	-12.5%	-12.7%	-13.0%	-13.4%	-13.9%	-13.7%
Department store	-7.8%	-8.3%	-8.3%	-8.9%	-8.5%	-8.8%	-7.7%
Home improvement	-6.7%	-7.8%	-9.0%	-9.0%	-8.0%	-8.2%	-7.4%
Online electronics	-4.4%	-5.7%	-5.9%	-8.4%	-8.4%	-7.5%	-8.9%
Grocery	0.4%	0.4%	0.7%	0.8%	0.5%	-0.2%	-0.5%
General Merchandise	-0.1%	0.1%	-0.3%	-1.1%	-1.5%	-2.5%	-2.6%
Total B&M retail	-2.1%	-2.4%	-2.6%	-2.6%	-2.8%	-3.1%	-2.8%
Total online retail	2.0%	1.9%	1.7%	1.2%	1.2%	0.7%	0.5%
Total card debit	0.4%	0.3%	0.6%	0.4%	0.6%	-0.4%	-0.7%
Total card credit	-0.3%	-1.0%	-1.6%	-2.3%	-2.4%	-3.4%	-3.6%

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. 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. Online electronics and total online retail correspond to purchases in which the card was not present. These are largely online purchases but could include purchases made over the phone. Y/y growth in General Merchandise spending jumped in late Dec 2023. This was because of a change in Merchant Category Codes (MCC) for a significant portion of transactions from a major retail merchant. We have adjusted for the recategorization for the daily data from Feb 4 onwards.

BofA GLOBAL RESEARCH

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Methodology explained

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 by matching calendar days (Jan 1, 2024 matched to Jan 1, 2023). The % change is calculated based on the 7-day moving average of spending levels.

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