



IHS Markit™

Consumer and Retail Outlook

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US economic growth by sector

Percent change, annual rate

	16Q2	16Q3	16Q4	17Q1	17Q2
Real GDP	1.4	2.9	2.1	2.3	2.1
Consumption	4.3	2.1	2.8	2.2	2.3
Residential investment	-7.8	-6.2	2.8	5.4	6.6
Business fixed investment	1.0	1.1	7.4	5.8	5.0
Federal government	-0.4	2.5	0.2	0.6	-0.5
State & local government	-2.5	-0.7	2.3	1.2	0.3
Exports	1.8	10.0	-4.1	3.3	2.8
Imports	0.2	2.3	1.6	3.9	5.4

Source: IHS Markit

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IHS US GDP tracker by component, Q3 2016

IHS Economics US GDP tracker

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US GDP Tracker Q3 2016		Real GDP	Real Consumer Spending	Real Government Purchases of Goods and Spending	Real Gross Private Fixed Nonresidential Investment	Real Gross Private Fixed Residential Investment	Real Exports	Real Imports	Real Change in Business Inventories
Advance Estimate Q3 (SAAR, % change)		2.9%	2.1%	0.5%	1.1%	-6.2%	10.0%	2.3%	22.1
Date	Release								
11/1/2016	Construction Put in Place (Sep)	3.0%	2.1%	0.5%	2.0%	-5.5%	10.0%	2.3%	22.1
11/3/2016	Factory Orders (Sep)	3.0%	2.1%	0.5%	2.1%	-5.5%	10.0%	2.3%	20.3
11/4/2016	Employment Report (Oct)	3.0%	2.1%	0.6%	2.1%	-5.3%	10.0%	2.3%	20.3
11/4/2016	International Trade (Sep)	3.1%	2.1%	0.6%	2.1%	-5.3%	9.8%	2.0%	20.3
11/9/2016	Wholesale Trade (Aug)	3.1%	2.1%	0.6%	2.1%	-5.3%	9.8%	2.0%	19.9
11/10/2016	Monthly Treasury Statement (Oct)	3.1%	2.1%	0.6%	2.1%	-5.3%	9.8%	2.0%	19.9
11/15/2016	Retail Sales (Oct)	3.2%	2.3%	0.6%	2.1%	-5.1%	9.8%	2.0%	19.9
11/15/2016	Import and Export Price Indexes (Oct)	3.2%	2.3%	0.6%	2.1%	-5.1%	9.8%	2.0%	19.9
11/15/2016	Business Inventories (Sep)	3.2%	2.3%	0.6%	2.1%	-5.1%	9.8%	2.0%	19.9
11/16/2016	Industrial Production (Oct)	3.2%	2.3%	0.6%	2.1%	-5.1%	9.8%	2.0%	19.9
11/17/2016	Consumer Price Index (Oct)	3.2%	2.3%	0.6%	2.1%	-5.1%	9.8%	2.0%	19.9
11/17/2016	New Residential Construction (Oct)	3.2%	2.3%	0.6%	2.1%	-5.1%	9.8%	2.0%	19.9

Notes: Numbers colored (green) indicate an upward revision, numbers colored (red) indicate a downward revision. Real change in business inventories is measured in billions of 2009 dollars (SAAR).

Source: IHS Markit

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IHS US GDP tracker, Q4 2016

IHS Economics US GDP tracker

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		17 November 2016 update	November 2016 US Macro forecast (7 November)
Q4 2016 real GDP (SAAR, % change)		2.4%	2.1%
Q4 2016 real consumer spending (SAAR, % change)		2.9%	2.8%

Date	Release	Real GDP growth Update	Real consumer spending growth update
11/9/2016	Wholesale Trade (Sep)	2.1%	2.8%
11/10/2016	Monthly Treasury Statement (Oct)	2.1%	2.8%
11/15/2016	Retail Sales (Oct)	2.2%	2.9%
11/15/2016	Import and Export Price Indexes (Oct)	2.3%	2.9%
11/15/2016	Business Inventories (Sep)	2.3%	2.9%
11/16/2016	Industrial Production (Oct)	2.3%	2.9%
11/17/2016	Consumer Price Index (Oct)	2.3%	2.9%
11/17/2016	<i>New Residential Construction (Oct)</i>	2.4%	2.9%

Legend: Numbers colored (green) indicate an upward revision, numbers colored (red) indicate a downward revision.

Source: IHS Markit

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IHS US GDP tracker by component, Q4 2016

IHS Economics US GDP tracker

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US GDP Tracker Q4 2016		Real GDP	Real Consumer Spending	Real Government Purchases of Goods and Spending	Real Gross Private Fixed Nonresidential Investment	Real Gross Private Fixed Residential Investment	Real Exports	Real Imports	Real Change in Business Inventories
November 7 Control Forecast, (SAAR, % change, excluding inventories)		2.1%	2.8%	1.5%	7.4%	2.8%	-4.1%	1.6%	-14.2
Date	Release								
11/9/2016	Wholesale Trade (Sep)	2.1%	2.8%	1.5%	7.4%	2.8%	-4.1%	1.6%	-14.2
11/10/2016	Monthly Treasury Statement (Oct)	2.1%	2.8%	1.5%	7.4%	2.8%	-4.1%	1.6%	-14.2
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Notes: Numbers colored (green) indicate an upward revision, numbers colored (red) indicate a downward revision. Real change in business inventories is measured in billions of 2009 dollars (SAAR).

Source: IHS Markit

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The consumer market environment remains favorable

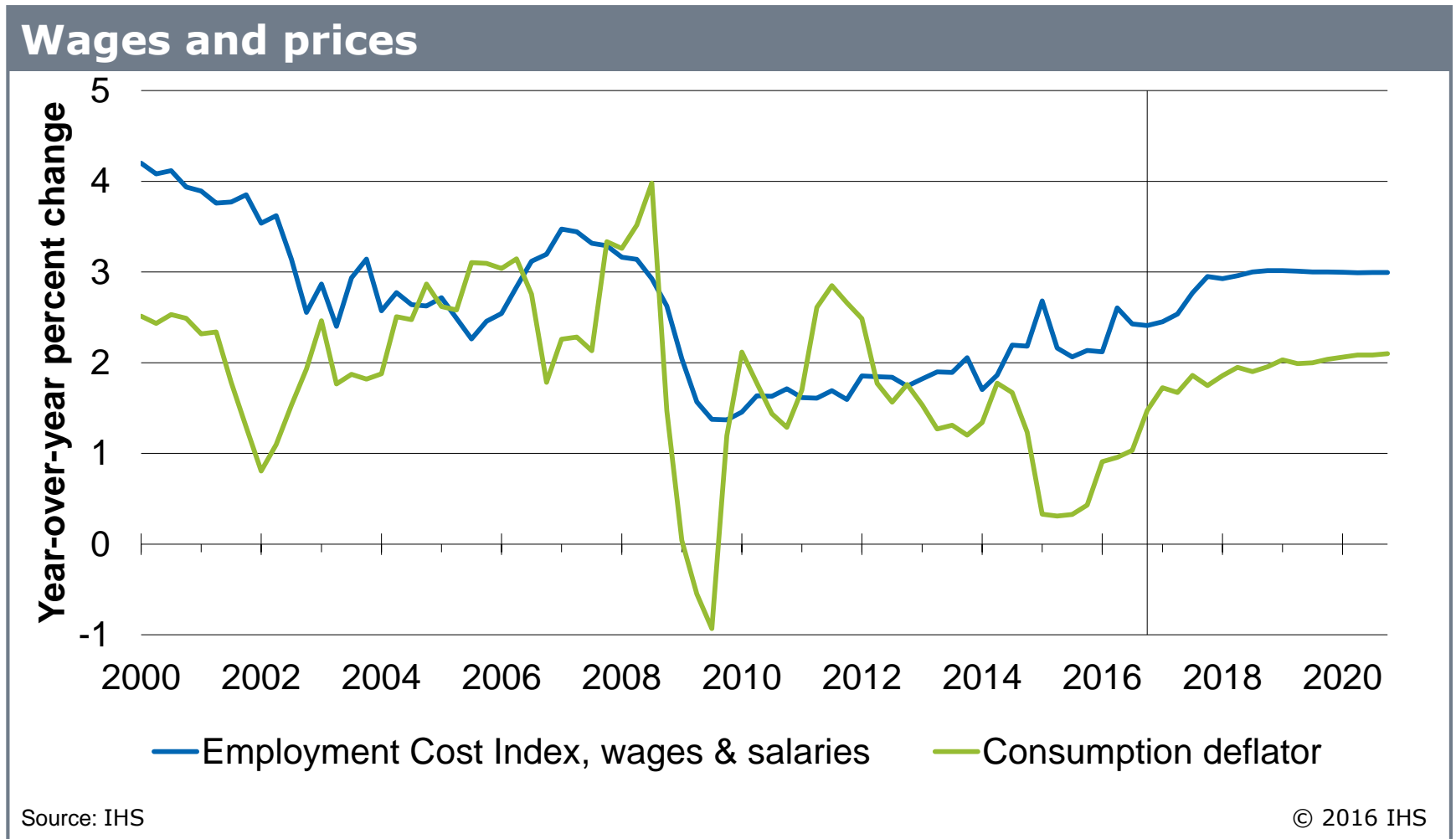
Percent change

	2015	2016	2017	2018
Real consumption	3.2	2.6	2.5	2.5
Durables	6.9	5.2	5.9	4.7
Nondurables	2.6	2.3	2.0	2.1
Services	2.8	2.3	2.1	2.2
Real disposable income	3.5	2.5	2.4	2.8
Real household net worth	3.4	4.2	2.4	2.4
Payroll employment	2.1	1.7	1.2	0.9
Real wage rate	1.9	1.3	0.9	1.0
Consumption price deflator	0.3	1.1	1.8	1.9
Light-vehicle sales (Millions)	17.4	17.4	17.5	17.6
Single-family home sales (Millions)	4.78	5.13	5.38	5.56

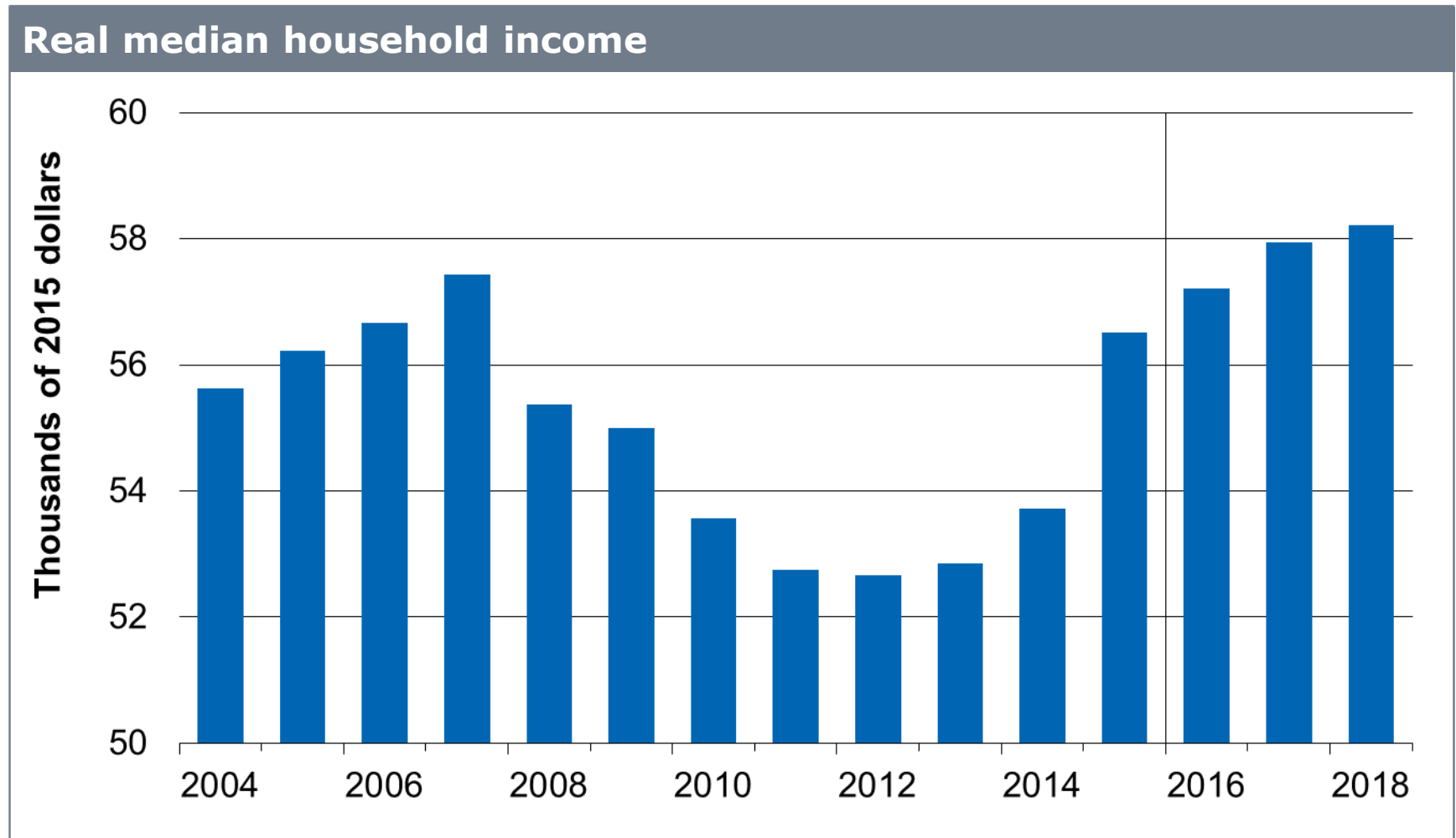
Source: IHS Markit

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Wage gains will continue to outpace inflation

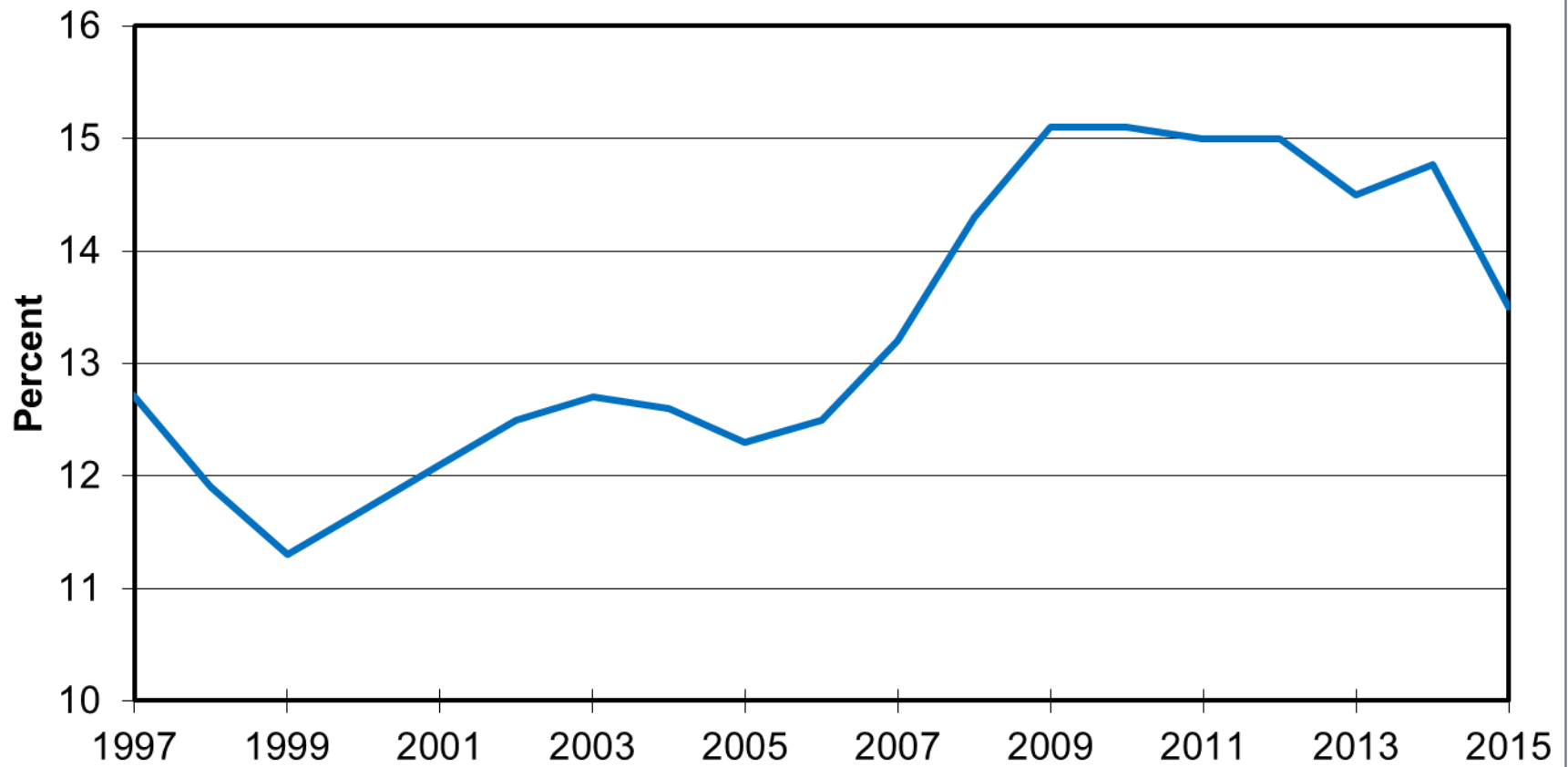


Real median household income expected to gain traction 2016-2019



Poverty rate

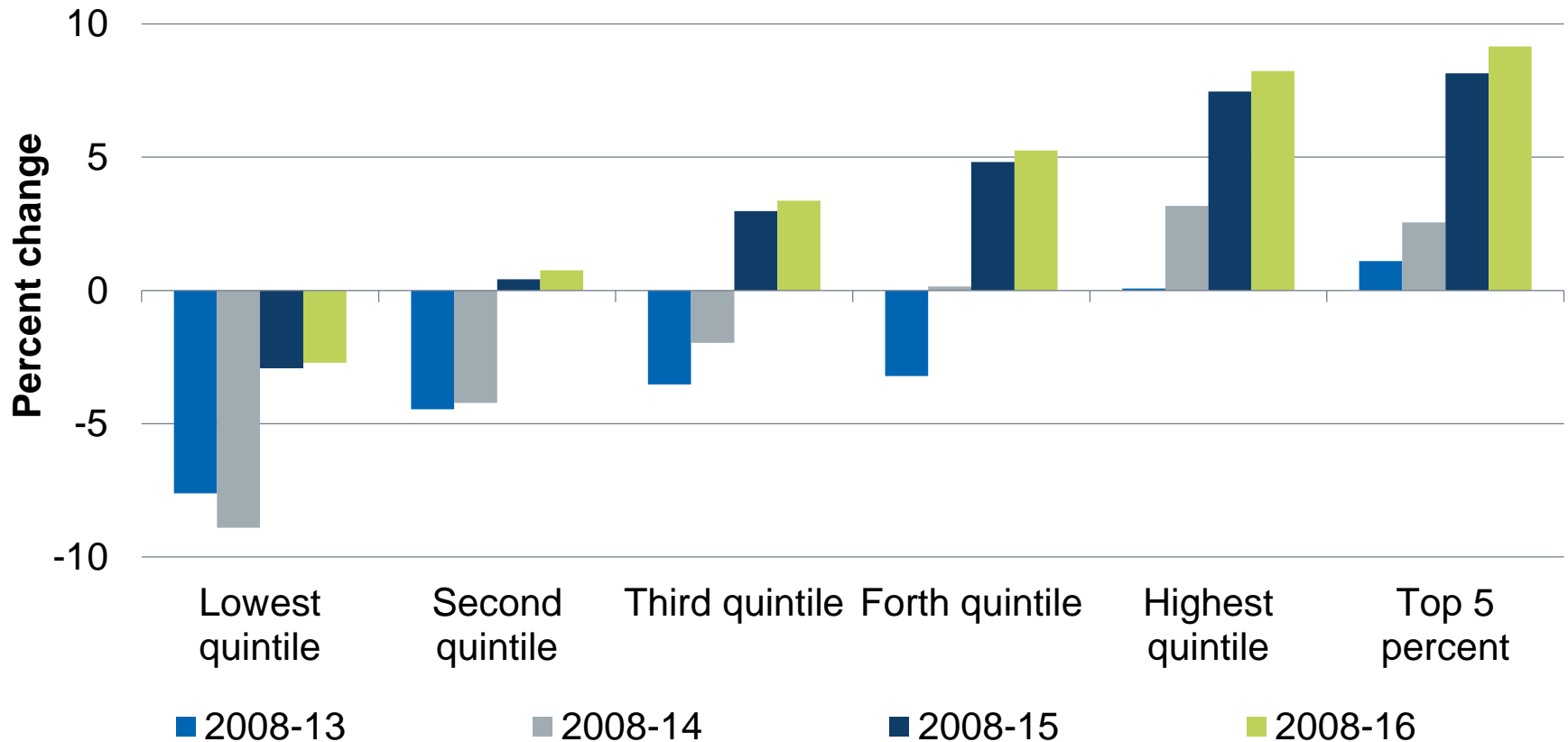
Population living below the poverty line



Source: US Census: Income, Poverty and Health Insurance Coverage in the United States

Incomes have only just recovered from the recession for most households

Real mean household income by quintile (2009 dollars)

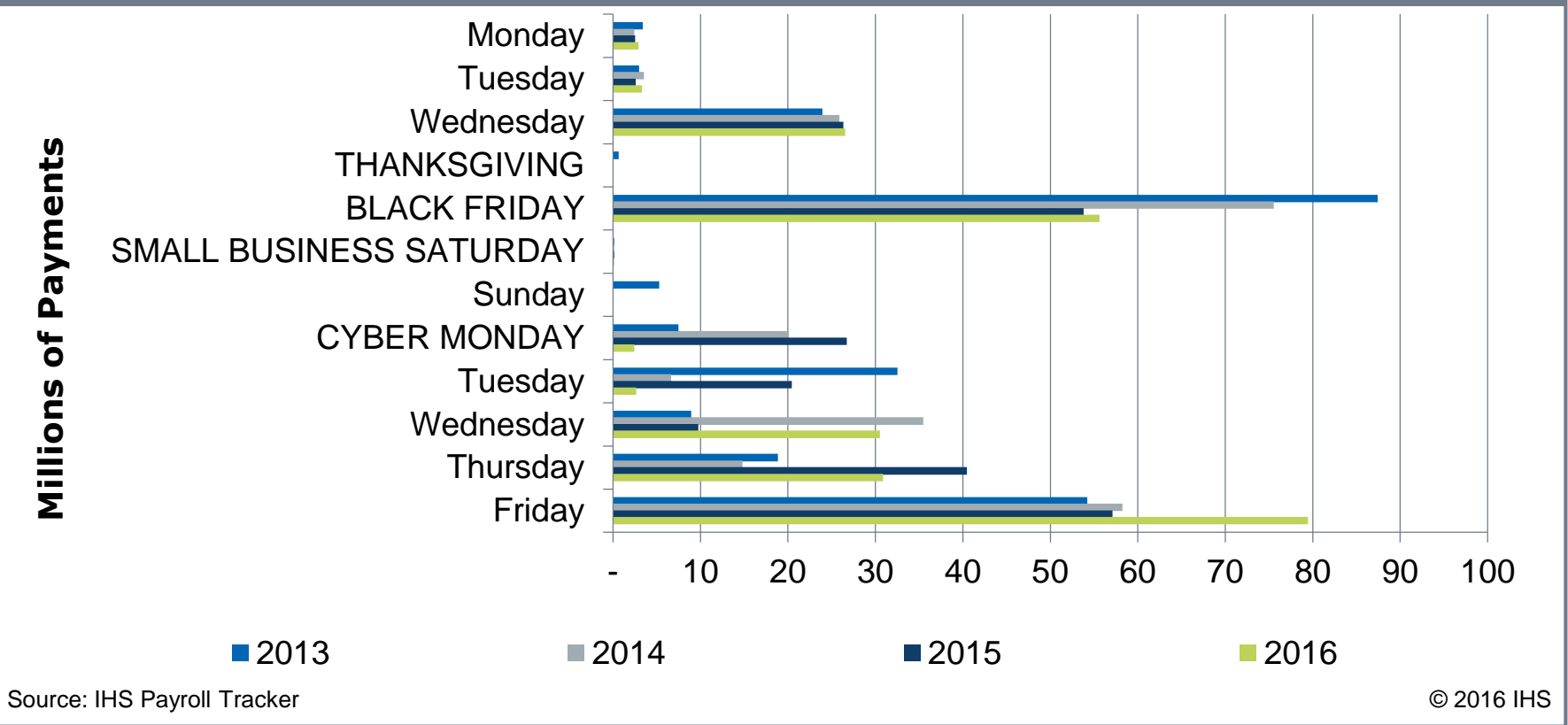


Source: IHS Markit

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IHS Payroll Tracker: Black Friday

Daily Payment Count, United States



Source: IHS Payroll Tracker

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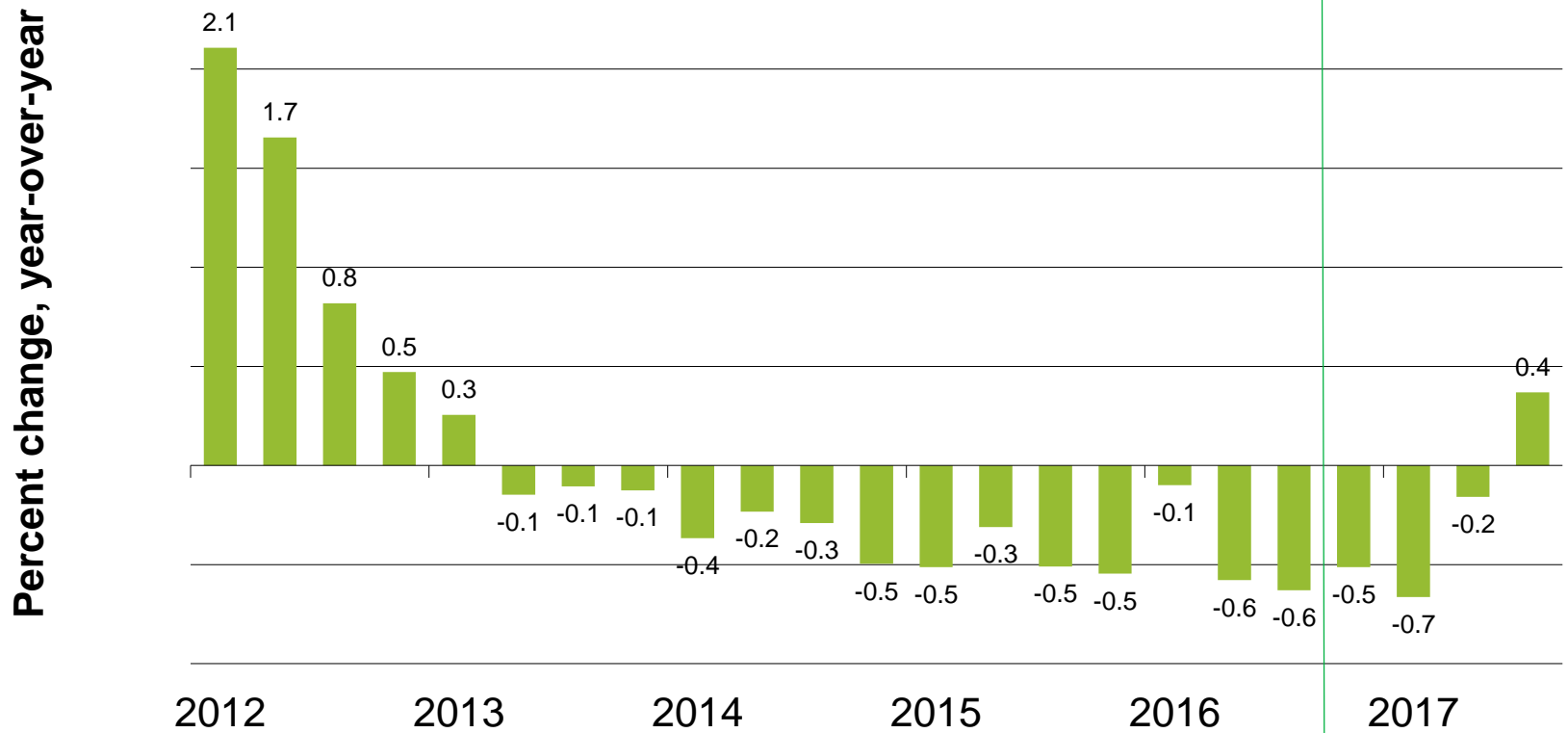
October 2016 Advanced Retail Sales Report

	Level \$ Bil.		Monthly Percent Change					% Chg. from
	Oct-16	Sep-16	Oct-16	Sep-16	Aug-16	Jul-16	Jun-16	Oct-15
Total	465.9	462.1	0.8	1.0	0.0	0.1	0.7	4.3
Exc. Automotive Dealers	369.1	366.3	0.8	0.7	0.0	-0.4	0.8	4.0
Exc. Autos and Gas	334.3	332.3	0.6	0.5	0.1	-0.2	0.6	4.4
Ret. map consumer spend*	311.6	309.9	0.6	0.4	0.2	-0.2	0.4	4.1
Motor Vehicle & Parts Dealers	96.8	95.8	1.1	1.9	0.0	2.0	0.5	5.4
Furniture & Home Furnishings	9.1	9.2	-0.9	2.0	-0.3	-1.1	1.1	1.7
Electronics & Appliances	8.3	8.3	0.2	-1.9	0.0	-0.2	-0.4	-4.0
Building & Garden Supplies	29.9	29.6	1.1	1.8	-0.6	-0.3	3.8	6.5
Food & Beverage	59.7	59.2	0.9	0.6	0.5	-0.4	0.1	3.7
Restaurants & Bars	55.0	55.4	-0.7	0.7	0.5	-0.1	0.5	4.3
Health & Personal Care	28.7	28.4	0.8	0.1	0.7	0.4	1.2	8.3
Gasoline Stations	34.8	34.1	2.2	3.0	-1.4	-2.2	2.2	0.8
Clothing & Accessories	21.6	21.4	0.6	0.2	0.5	-0.1	0.2	2.3
Sporting Goods, Books, Etc.	7.8	7.7	1.3	1.2	-2.6	-2.4	1.7	1.7
General Merchandise	55.0	54.8	0.4	-0.9	-0.6	-0.6	0.2	-2.3
Department Stores	12.7	12.7	-0.7	-0.8	-0.9	-1.3	0.0	-7.3
Nonstore Retailers	48.2	47.5	1.5	0.9	0.5	0.7	0.1	12.9
Electronic & Mail Order	----	41.7	----	0.9	0.7	1.1	0.5	----
Miscellaneous	10.9	10.7	2.4	2.0	-0.3	-0.1	-0.3	9.5

*Retail sales excluding sales of automotive dealers, building/garden supply stores, and gasoline stations

Consumer price index for goods ex. food and energy

CPI for commodities other than food and energy

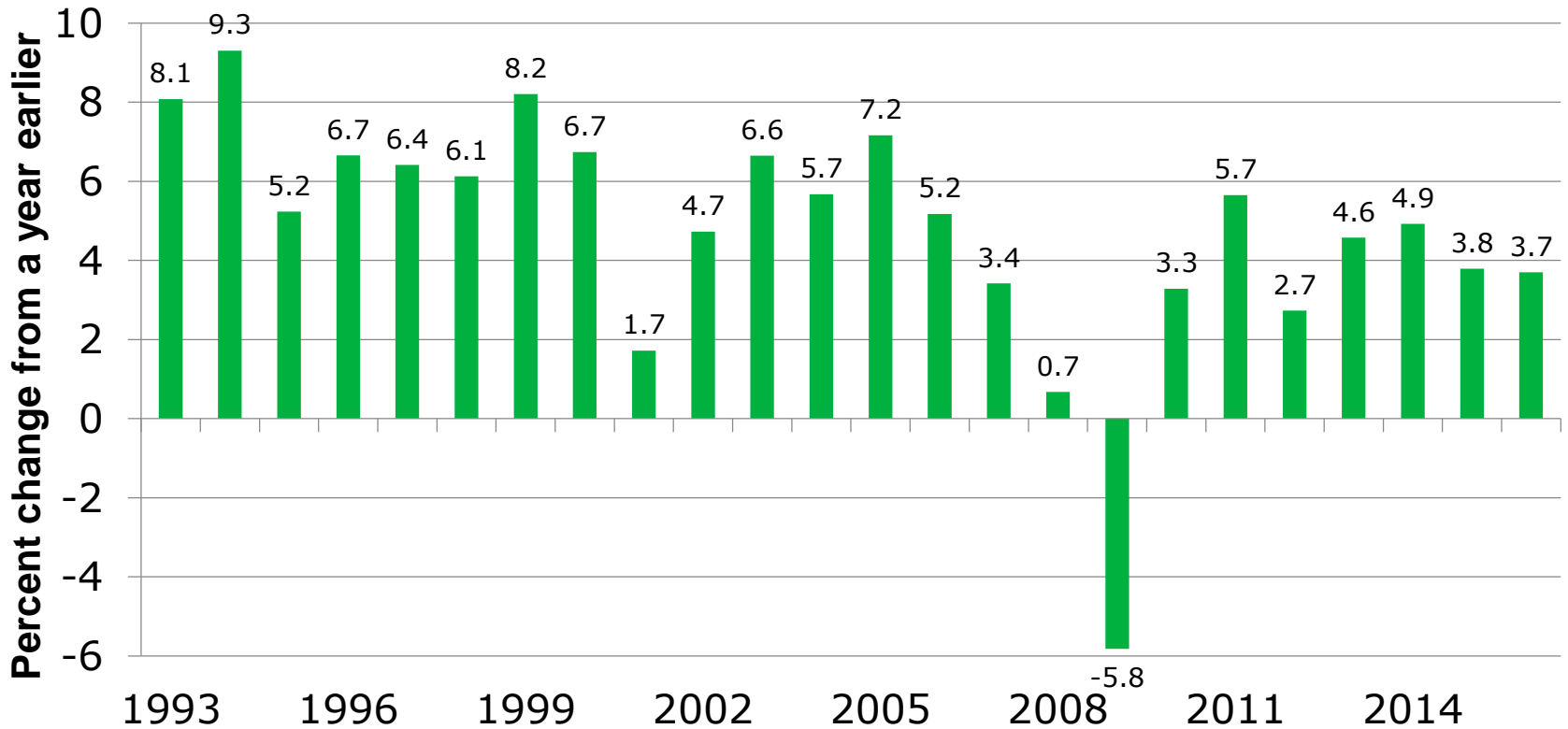


Source: IHS

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Back-to-school retail sales

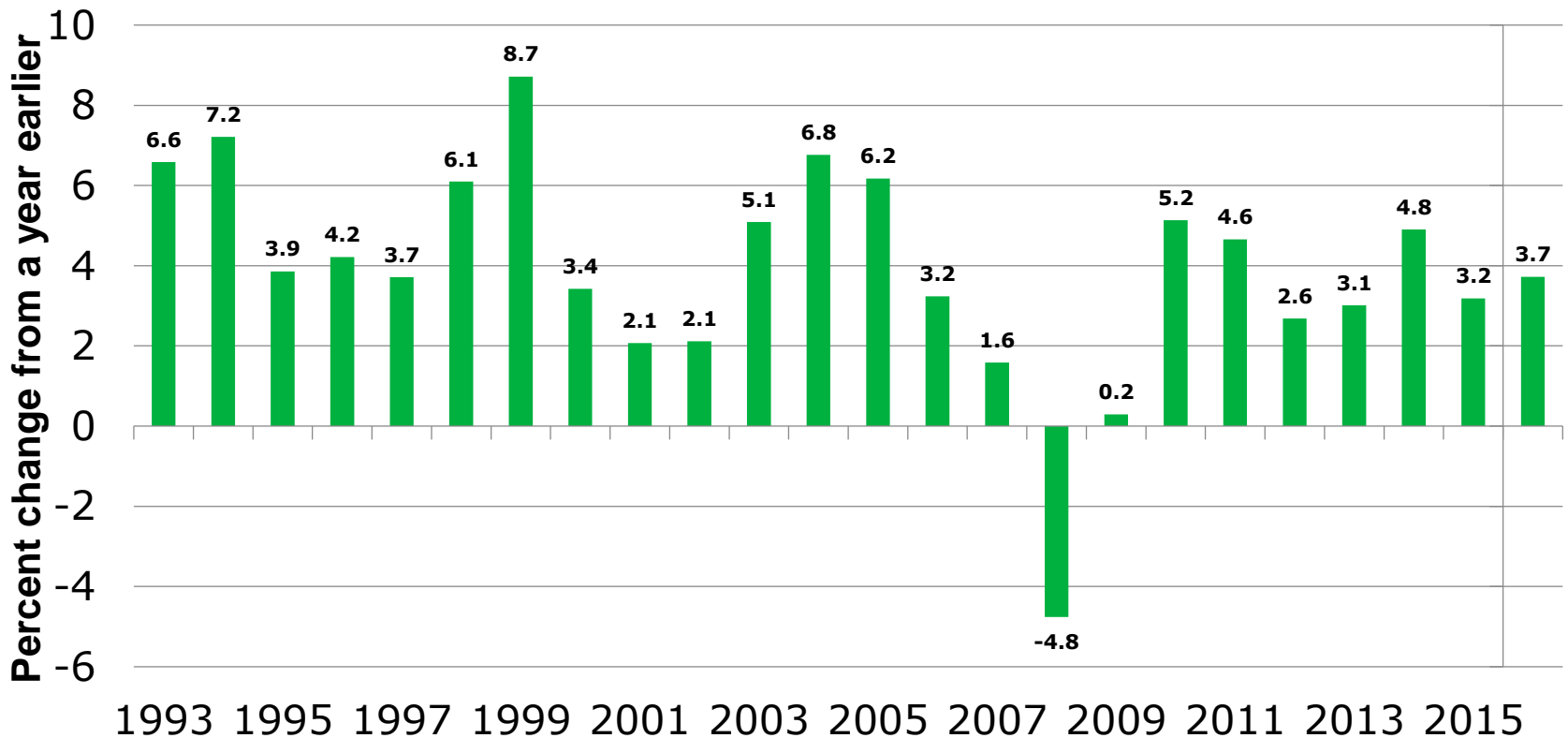
Back-to-school retail sales



Note: NSA July, August and September retail sales excluding motor vehicles, gasoline, and food

Holiday retail sales

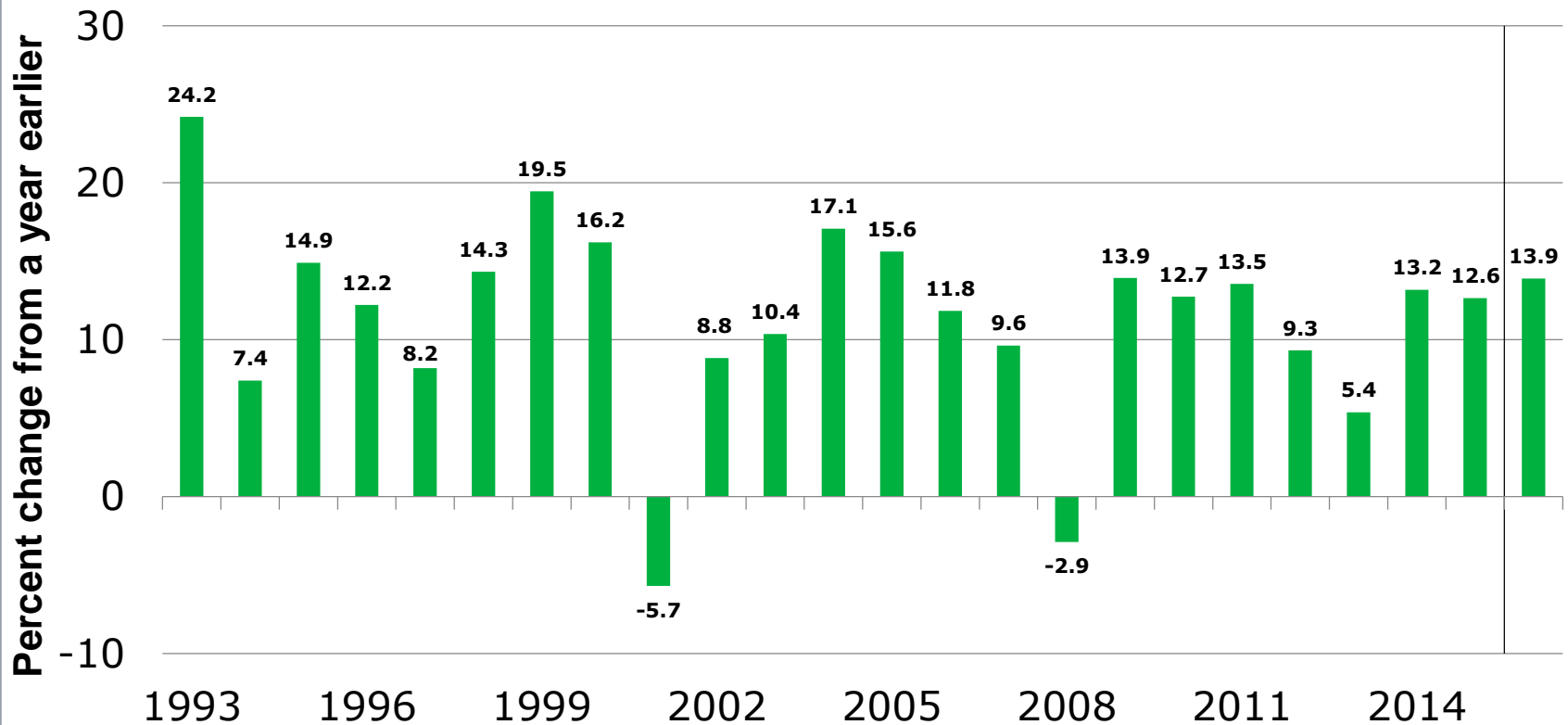
Holiday retail sales



Note: NSA November and December total retail sales less auto dealerships, gasoline, and food services

Online holiday retail sales

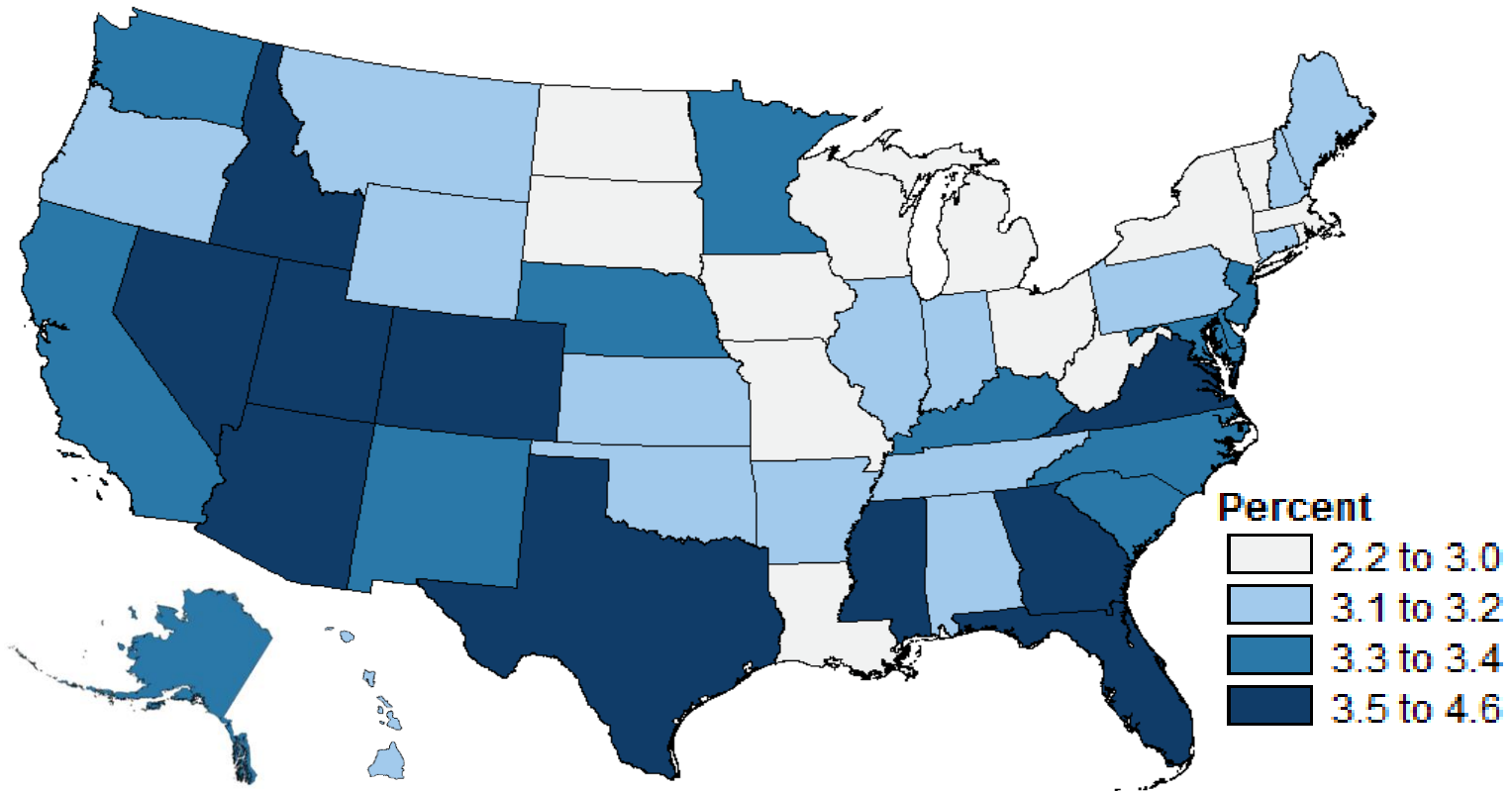
Online holiday retail sales



Note: NSA November and December online retail sales

Retail Sales Excluding Autos and Gas

2016Q4, year-over-year % change



Q&A

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