Takeaways | Consumer Spending

- Consumer spending growth in the region has been largely stagnant relative to the pre-pandemic period. This is in contrast to the nation as a whole, which has seen real retail spending rise by about 20% relative to pre-pandemic levels. The region also experienced a larger drop in consumption during the height of the pandemic in the spring of 2020.

- Similar to the rest of the nation, in the region, lower income, less educated, and younger individuals experienced a significantly faster growth rate, or a slower decline in spending since the pandemic. There are some signs, however, that spending among the young and less educated is weakening, as in the nation.

- In both the region and in the nation, consumer spending recovery gaps are largest among age groups and smallest among income groups, with education gaps in the middle.

- As of October 2023, the young and middle-aged (25-44) in the region have seen their real spending grow by 5.2% since the pre-pandemic period, while older individuals (55+) have seen it shrink by 8.2%.
Full Report Highlights

• **INFLATION**
  Housing and transportation inflation is driving inflation heterogeneity across groups in the region, with Black, Hispanic, AAPI, higher-income, college-educated, and young households experiencing above-average inflation in 2023.

• **EARNINGS**
  Average real earnings are higher in the region compared to the national average. Real earnings gaps across racial and ethnic groups, educational groups, and men and women have remained in their long-run ranges, though the Black earnings gap appears to be slowly shrinking over time.

• **EMPLOYMENT**
  Labor market gaps have declined in the region at rates similar to those of nation as a whole. In particular, the gender gap in the region has declined faster and fallen lower than the national gender gap.

• **CONSUMER SPENDING**
  The region has had little growth in spending since its recovery from the pandemic when compared to the rest of the nation.
Data & Methods

- We leverage a permissioned panel of around 40 million U.S. households’ debit and credit card spending from Commerce Signals, a TransUnion company.

- Commerce Signals data correlate well with U.S. Census Bureau data in measuring aggregate trends in retail, restaurants, and gas station spending, but is released at high frequency (weekly).

- Data are seasonally adjusted by first considering a week in the year and dividing over the 52-week moving average centered at that week. The mean of these ratios across years is used as that week’s denominator for seasonal adjustment.

- Real consumer spending trends use the demographic inflation price indexes from the Inflation section when possible. For county demographic spending (besides urban vs. rural), regional price indexes are used.

- We define the region to be all counties in New York State, Northern New Jersey, and Fairfield County, Connecticut. This is equivalent to the Second District of the Federal Reserve excluding Puerto Rico and the US Virgin Islands.
Retail Spending by Income

**Nominal retail spending, percent change**

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

**Real retail spending, percent change**

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Retail Spending by Age

Nominal retail spending, percent change

Real retail spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Gas Station Spending by Income

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Gas Station Spending by Education

Nominal gas station spending, percent change

Real gas station spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Gas Station Spending by Age

Nominal gas station spending, percent change

Real gas station spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Restaurant Spending by Income

Nominal restaurant spending, percent change

Real restaurant spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.
Restaurant Spending by Education

Source: Commerce Signals – Three-week moving averages.
Notes: Real spending uses corresponding demographic prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Restaurant Spending by Age

Nominal restaurant spending, percent change

Real restaurant spending, percent change


Source: Commerce Signals – Three-week moving averages.

Notes: Low-income counties are defined as those with household incomes below the 25th percentile of national household income. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.


Retail Spending by Low to Moderate Income (LMI) Status

Nominal retail spending, percent change

Real retail spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Low-to-moderate income (LMI) counties are defined as those where the majority of households earn below 80% of the metro area median. Real spending uses corresponding urban/rural prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.


Data through October 2023

Retail Spending by County Demographics

Source: Commerce Signals – Three-week moving averages.
Notes: Majority Black/Hispanic counties are defined as those where greater than 50% of the county’s population is Black or Hispanic. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.


Data through October 2023

Retail Spending by County Demographics

Source: Commerce Signals – Three-week moving averages.

Notes: Majority Black/Hispanic/AAPI counties are defined as those where greater than 50% of the county’s population is Black, Hispanic, or AAPI. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Retail Spending by County Urban/Rural Status

Nominal retail spending, percent change

Real retail spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Urban counties are defined as those located in a Metropolitan Statistical Area (MSA). Real spending uses corresponding urban prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Gas Station Spending by County Household Income

Nominal gas station spending, percent change

Real gas station spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Low-income counties are defined as those with household incomes below the 25th percentile of national household income. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Gas Station Spending by Low to Moderate Income (LMI) Status


Source: Commerce Signals – Three-week moving averages.

Notes: Low-to-moderate income (LMI) counties are defined as those where the majority of households earn below 80% of the metro area median. Real spending uses corresponding urban/rural prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Gas Station Spending by County Demographics

Source: Commerce Signals – Three-week moving averages,
Notes: Majority Black/Hispanic counties are defined as those where greater than 50% of the county’s population is Black or Hispanic. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Gas Station Spending by County Demographics


Data through October 2023

Gas Station Spending by County Demographics

Nominal gas station spending, percent change

Real gas station spending, percent change

Source: Commerce Signals – Three-week moving averages.

• Notes: Majority Black/Hispanic/AAPI counties are defined as those where greater than 50% of the county’s population is Black, Hispanic, or AAPI. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.


Data through October 2023

Gas Station Spending by County Urban/Rural Status

Nominal gas station spending, percent change

Real gas station spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Urban counties are defined as those located in a Metropolitan Statistical Area (MSA). Real spending uses corresponding urban prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.
Restaurant Spending by County Household Income


Data through October 2023

Restaurant Spending by County Household Income

Source: Commerce Signals – Three-week moving averages.
Notes: Low-income counties are defined as those with household incomes below the 25th percentile of national household income. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Restaurant Spending by Low to Moderate Income (LMI) Status


Source: Commerce Signals – Three-week moving averages.
Notes: Low-to-moderate income (LMI) counties are defined as those where the majority of households earn below 80% of the metro area median. Real spending uses corresponding urban/rural prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Restaurant Spending by County Demographics

Source: Commerce Signals – Three-week moving averages.
Notes: Majority Black/Hispanic counties are defined as those where greater than 50% of the county’s population is Black or Hispanic. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.
Restaurant Spending by County Demographics

Nominal restaurant spending, percent change

Real restaurant spending, percent change

Source: Commerce Signals – Three-week moving averages.

- Notes: Majority Black/Hispanic/AAPI counties are defined as those where greater than 50% of the county’s population is Black, Hispanic, or AAPI. Real spending uses corresponding regional prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.

Restaurant Spending by County Urban/Rural Status

Nominal restaurant spending, percent change

Real restaurant spending, percent change

Source: Commerce Signals – Three-week moving averages.
Notes: Urban counties are defined as those located in a Metropolitan Statistical Area (MSA). Real spending uses corresponding urban prices, indexed to January 2020. Shaded region indicates the COVID-19 recession. Includes all counties in the Federal Reserve Second District, excluding Puerto Rico and the Virgin Islands.