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 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.
Full Report Highlights

• **INFLATION**
  Inflation gaps are smaller than they were during the 2021-22 inflationary episode, but minority households, high-income households, college-educated households and middle-age households continue to experience above-average inflation in early 2024.

• **EARNINGS**
  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 is slowly shrinking over time.

• **EMPLOYMENT**
  The Black employment gap, specifically the gap for Black women, has been growing in the region despite shrinking in the nation.

• **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

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.

Nominal retail spending ranges from January 1, 2020, to March 9, 2024. Real spending ranges from January 1, 2020, to February 24, 2024.
Retail Spending by Education

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.

Nominal spending ranges from January 1, 2020, to March 9, 2024. Real spending ranges from January 1, 2020, to February 24, 2024.
Retail Spending by Age

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

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.

Nominal spending ranges from January 1, 2020, to March 9, 2024. Real spending ranges from January 1, 2020, to February 24, 2024.
Gas Station 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.

Nominal spending ranges from January 1, 2020, to March 9, 2024. Real spending ranges from January 1, 2020, to February 24, 2024.
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.
Nominal spending ranges from January 1, 2020, to March 9, 2024. Real spending ranges from January 1, 2020, to February 24, 2024.
Restaurant 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.

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Restaurant Spending by Education

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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.

Nominal spending ranges from January 1, 2020, to March 9, 2024. Real spending ranges from January 1, 2020, to February 24, 2024.
Restaurant Spending by Age

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.

Nominal spending ranges from January 1, 2020, to March 9, 2024. Real spending ranges from January 1, 2020, to February 24, 2024.
Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

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.

Nominal retail spending, percent change

Real retail spending, percent change
Nominal retail spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

Retail 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.

Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.
Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

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.

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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

Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

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.
Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

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.

Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.
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.

Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.
Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

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.
Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

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.

Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.
Restaurant Spending by Low to Moderate Income (LMI) Status

Nominal restaurant spending, percent change

Real restaurant 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.

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Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

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.

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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.

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Nominal spending ranges from January 1, 2020 to March 16, 2024. Real spending ranges from January 1, 2020 to February 24, 2024.

Restaurant Spending by County Urban/Rural Status

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.