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Weekly Sales: Tailing Off?

Store sales in the third of four retail-May weeks fade from the pace of the first two weeks, but month-to-date results remain slightly above target--at least in the Redbook survey, apparently the only one of the two groups still choosing to present a full-month forecast.

Redbook reports month-to-date activity up 3.0% year-on-year, as against a +2.8% target. Weekly results from the ICSC/Goldman Sachs group, meanwhile, average to +3.9% year-on-year. It is the case, however, that both surveys sharply overshot in April--with Redbook seeing a 3.2% increase year-on-year and ICSC seeing +3%-to-4%, while the actual result was +0.6% for both of their industry-wide tracking indexes.

With the Easter-shift factor now out of the mix, the surveys could get back on track this Month--but, until it is clear that they have, the anecdotal tone of the reports should probably carry more weight in characterizing the results.

On that score, the surveys are neutral to negative--with Redbook seeing customers "taking a break," and noting unfavorable weather in some areas, while ICSC found that people "shopped less," despite generally good weather and slipping gas prices. Consumer response to upcoming Memorial Day promotions will be a critical signal for both groups.

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