



NEWS RELEASE

Mastercard SpendingPulse: U.S. Consumers Continued to Spend in July While Navigating High Inflation

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E-commerce growth sees a hot July amid promotional events, while home-focused spending cools

PURCHASE, N.Y.--(BUSINESS WIRE)-- According to **Mastercard SpendingPulse™**, which measures in-store and online retail sales across all forms of payment, U.S. retail spending excluding automotive increased +11.2% year-over-year in July, while retail sales excluding automotive and gas rose +9.0%. Notably, e-commerce sales were up 11.7% YOY, a sharp increase after months of softer growth. Rising prices—particularly for necessities such as food and fuel—were a contributing factor, as Mastercard SpendingPulse reflects nominal spending and is not adjusted for inflation.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20220803005938/en/>

Mastercard SpendingPulse - U.S. Retail Snapshot, July 2022

(Photo: Business Wire)

Spending increases in July outpaced monthly year-over-year growth experienced thus far in 2022, with demand and higher prices both contributing factors. Of note:

- Consumers continue to spend, with inflation's impact varying across sectors: Consumers continue to navigate high inflation as they spend on wants and needs. The Grocery sector, for instance, saw sales up +16.8% YOY in July due primarily to food price increases. On the other hand, Apparel (+16.6%) and Jewelry (+18.6%) sales saw

strong demand-driven year-over-year growth, well outpacing sector-specific inflation.

- E-commerce sales climb amid major promotional events: While in-store sales remain elevated, up +11.1% YOY/ +13.9% YO3Y, e-commerce posted its first month of double-digit sales growth (+11.7% YOY) since December. E-commerce is up nearly double pre-pandemic levels (+98.5% YO3Y). Online sales have ticked up since the beginning of June, though July's major promotional events helped entice shoppers to splurge (and save) with online deals.
- High season for vacation, with road-trippers seeing some relief at the pump: Travel remains a priority, with Lodging up +29.6% YOY and Airline sales up+13.3% YOY. Fuel & Convenience spending remains elevated (+32.3% YOY / +47.1% YO3Y), though the growth rate is down compared to June – reflecting price declines at the pump.

“The latest retail trends place an emphasis on consumer choice and passion driven spending – they’re hunting for deals, shopping across channels and ultimately still spending on experiences and goods that make them feel good,” said Steve Sadove, senior advisor for Mastercard and former CEO and Chairman of Saks Incorporated. “As retailers grapple with excess inventory and supply chain constraints, it’s likely that the promotional activity seen in July will continue to be an important strategy for retailers.”

Mastercard Economics Institute: Housing market cooldown slows sales of home-related goods

After heating up during the pandemic, the U.S. housing market has cooled considerably since the beginning of 2022, influencing consumer spending on home-related goods. Each time a home changes hands, there is usually a significant amount of spending as consumers outfit their new abode. But with significant interest rate hikes resulting in fewer homes sold, this has been translating to a natural decline in home-related purchases, as reflected in this month's SpendingPulse. Sales growth for the Home Improvement (+2.9%) and Furniture & Furnishings sectors (+5.0%) has slowed.

“Consumers’ purchasing power has been strained by higher prices, particularly for the most fundamental needs-based categories like food and energy,” said Michelle Meyer, U.S. chief economist, Mastercard Economics Institute. “Thus far, nominal spending remains strong as consumers cope with high price inflation. As we continue to look at the strength of the consumer, we will be keenly focused on trends surrounding employment and wage growth.”

For additional insights about today's housing trends and the economic impact across the country, see the Mastercard Economic Institute's latest findings in [**A View on US Housing: Today and Tomorrow**](#).

About Mastercard SpendingPulse

Mastercard SpendingPulse™ reports on national retail sales across all payment types in select markets around the world. The findings are based on aggregate sales activity in the Mastercard payments network, coupled with survey-

based estimates for certain other payment forms, such as cash and check. As such, SpendingPulse™ insights do not in any way contain, reflect or relate to actual Mastercard operational or financial performance, or specific payment-card-issuer data.

Mastercard SpendingPulse defines “U.S. retail sales” as sales at retailers and food services merchants of all sizes. Sales activity within the services sector (for example, travel services such as airlines and lodging) are not included.

About Mastercard (NYSE: MA)

Mastercard is a global technology company in the payments industry. Our mission is to connect and power an inclusive, digital economy that benefits everyone, everywhere by making transactions safe, simple, smart and accessible. Using secure data and networks, partnerships and passion, our innovations and solutions help individuals, financial institutions, governments and businesses realize their greatest potential. Our decency quotient, or DQ, drives our culture and everything we do inside and outside of our company. With connections across more than 210 countries and territories, we are building a sustainable world that unlocks priceless possibilities for all.

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