

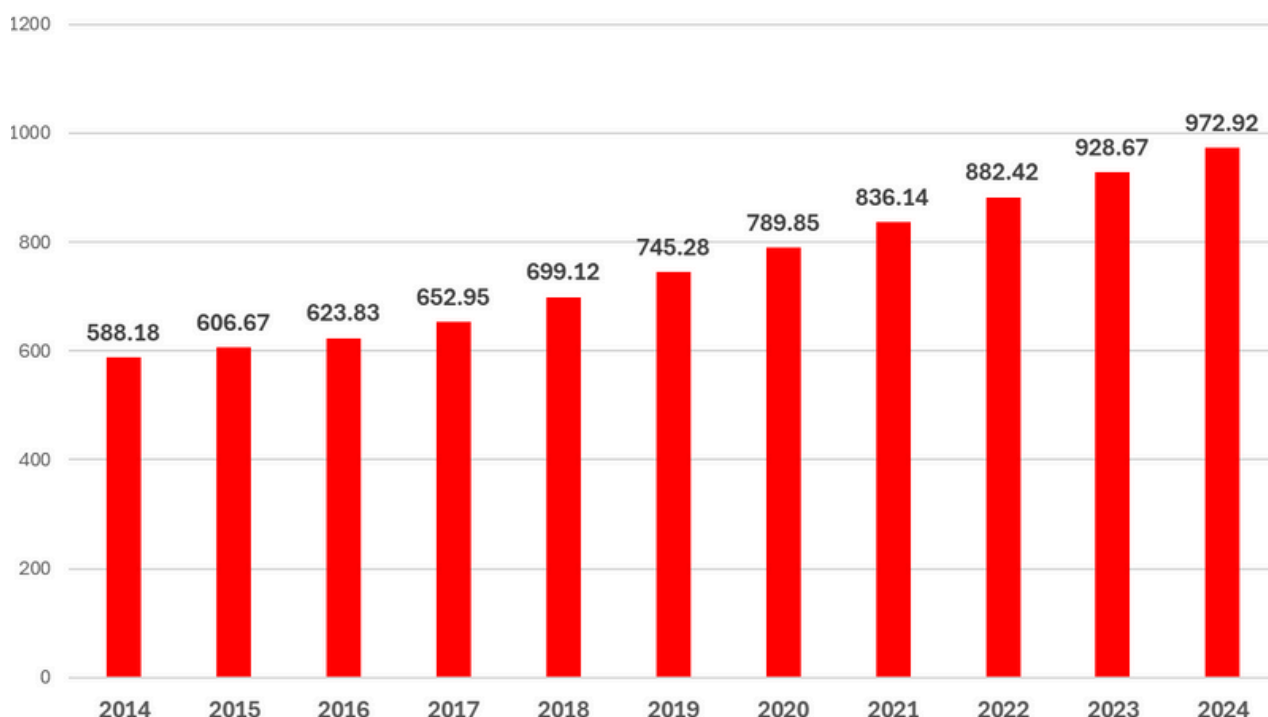


Christmas Spending in the US and Europe

As we enter the Christmas season once again, people all over the world will be out busily shopping for gifts for family and friends. While most of us look at this spending on a micro level, it is interesting to look at the macro trend in holiday spending.

Below we can see the value of retail sales over the holiday shopping season in the United States, the world's largest economy, from 2014 to 2024, with 2024 being a projected estimate. The holiday season in this case is the 8 week period between November through to the end of December. Over the last decade, retail sales during this "silly season" have consistently risen, with projections indicating that sales will nearly double from 2014 to 2024. This year, sales in the US are anticipated to grow by 4.8% compared to last year, with an expected spending total of \$972 billion. While this amount may seem exorbitant, it is a positive sign for the US economy, as rising retail sales can boost overall GDP, contributing to the country's growth in what could be a challenging year ahead.

Forecast value of retail sales over the holiday shopping season in the United States from 2014 to 2024 (\$bn)

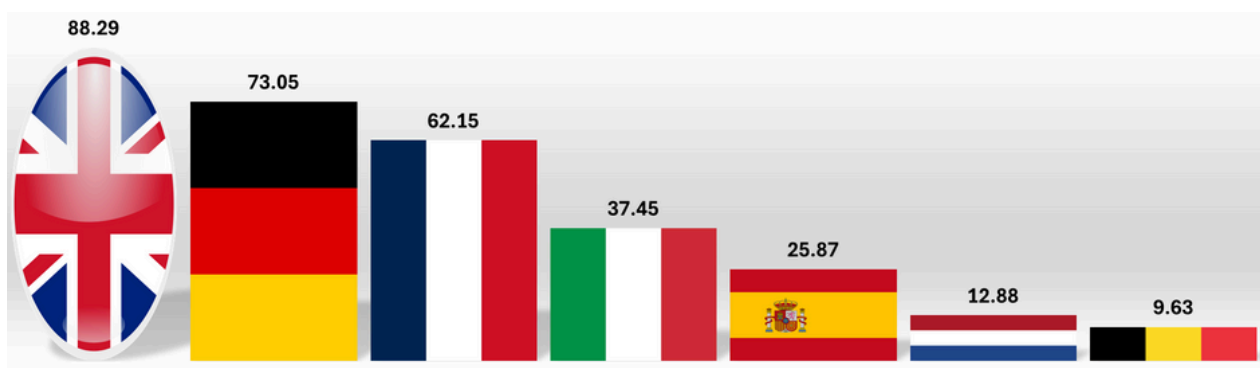


Source - Seaspray Private



However it is not just the US that spends at Christmas time. Looking closer to home, below we can see the estimated retail sales expected this Christmas in some of the major European economies. The UK is expected to lead the way amongst its European peers when it comes to Christmas spending this year. An estimated £88bn is expected to be spent in the UK this Christmas season, even while consumer confidence in the UK hit a four month low in October. However, overall consumer spending in the UK has increased every quarter thus far in 2024, which bodes well for a busy Christmas period. Germany is next, with an estimated £73bn, (€88bn) in expected Christmas spending in retail. Although the German economy faced a technical recession in 2024 due to consecutive quarters of negative growth and rising political instability, it is encouraging to see forecasted sales surpass those of any other country in mainland Europe, particularly given Germany's large population. France, Italy and Spain come next, with a combined £125bn (€151bn) in Christmas spending expected this season. The list is rounded off with the Netherlands and Belgium, with £22.5bn (€27bn) in spending expected amongst a combined population of 29 million people between the two states. Overall, the countries within the Euro Area are expected to see retail spending of £221.03bn, (€268bn).

Estimated total Christmas spending in retail in Europe (online and in-store) in 2024, by country (£bn)



Source - Seaspray Private

