What to watch

Are retailers benefiting from spring thaw?

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Frozen-omics killed the retail stars. Cold, rain and snow put a chill into retailers' profitability and sales. Next week, the April reading on retail sales and profit reports from a slew of retailers will tell us if the spring thaw is on.

The first test comes Tuesday when Wall Street sees how retail sales fared last month. Wall Street wants to know if consumer spending and retail sales numbers are starting to warm up along with the weather.

Peter D'Antonio, an economist at Citigroup, told clients in a report that he expects retail sales to continue their rebound, which started in February.

"Retail sales have been rebounding from the weather-related pullback," D'Antonio wrote. "In April those gains likely were extended, putting the reading 5% above the first-quarter average."

The consensus estimate is for retail sales to rise 0.3% in April, adding on to the 1.2% growth in March and 0.8% growth in February.

Wall Street will then grill CEOs of major retailers reporting earnings. Wednesday, department store giant Macy's, which includes brand-name stores such as Bloomingdale's, reports earnings. On Thursday, beleaguered J.C. Penney will give an update on its ongoing turnaround and provide updates on sales and profitability. High-end retail chain Nordstrom also reports, as does Wal-Mart, the world's largest retailer.

Investors will focus intently on what retailers are saying now about the economy and consumers after a harsh winter.