

Retail sales rose more than expected in as consumers increased spending despite the government shutdown. GETTY IMAGES

Retail sales rise in October

Tops expectations of economists

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USA Today

Consumers opened their pocketbooks last month despite the federal government shutdown.

Retail sales rose 0.4 percent in October, soundly beating economists' expectations. Also, sales for September were sharply revised upward, from a decline of 0.1 percent to an increase of 0.5 percent.

Excluding autos, retail sales rose 0.2 percent last month.

The 16-day government shutdown and budget standoff in Congress dampened consumer confidence and generated uncertainty about the economy's prospects. But the showdown apparently had less impact on consumers' shopping than anticipated.

Last month's strong performance was driven by furniture and electronic stores, clothing retailers and sporting goods shops. Sales at home improvement stores fell.

The better-than-expected gains could bode well for holiday sales. Most economists had expected sales this season to rise less sharply than last year.

Consumers who are shopping are enjoying low inflation.