



Consumers head into a Cleveland Walmart store Thursday. Americans were shopping more in January — but not every every store felt the love. AMY SANCETTA/AP

Retailers delivered solid sales gains for January

The Associated Press

NEW YORK — Americans were shopping in January, but not every store felt the love. Retailers reported mixed sales results for the month Thursday in a sign that U.S. consumers continue to be cautious about when and where they spend their money in the shaky economy.

Overall, merchants reported a 4.8 percent increase for January, according to the International Council of Shopping Center Inc.'s tally of 20 retailers. That's above the 3 percent gain the New York-based group had expected.

But the results were divided. Retailers such as Target Corp. that sell basic household goods did well, as did chains such as Saks Inc. that cater to wealthier shoppers. Meanwhile, Macy's and other stores that sell mid-price clothing posted disappointing results.

"The take away is that the underlying demand is still there, but business continues to be uneven," said Michael P. Niemira, ICSC's chief economist. "It was definitely a divided picture."

The results offer a glimpse of the U.S. consumer's psyche. January usually is the time when stores offer deep discounts on winter items so they can clear it out to make room for spring merchandise. This January, the average consumer continued to focus more on buying necessities, while unseasonably warm weather made markdowns on coats and boots at mid-priced chains unappealing.

Industry watchers look closely at retailers' monthly sales numbers, but only a small number of retailers report those figures. Home Depot Inc., Best Buy Co. Inc. and even Wal-Mart Stores Inc., the world's largest retailer, don't re-

port monthly revenue. A fuller picture of January spending will come in a government retail sales report that will be released Feb. 14.

There's no doubt, though, that retailers have been affected by consumers' finicky shopping habits. January's reports of revenue at stores open at least a year — a gauge of a retailer's health — show that Americans were most willing to shop at discounters and wholesale clubs that offer more of a variety in merchandise.

Costco continued its streak, reporting that revenue at stores open at least a year climbed 8 percent. Results topped expectations the 6.1 percent predicted by analysts polled by Thomson Reuters.

The luxury sector also did well as well-heeled shoppers kept buying. Saks Inc. posted revenue at stores opened at least a year that rose 10.5 percent in January.