

Retailers report sales uptick for March

Improving job market encouraging consumers to shop, analysts say

By Mae Anderson
The Associated Press

NEW YORK — Retailers from discounter Target to department-store chain Macy's reported better-than-expected sales in March in the latest sign that Americans are feeling better about the economy.

A combination of warm weather and high demand for spring fashions boosted revenue for the month, but analysts say there's far more than higher temperatures at play: Americans who cut back on spending in the slow economic recovery are encouraged by the improving job market.

"There's a growing belief we reached bottom a while ago," said Joel Bines, managing director of the retail practice of Alix-Partners. "Rather than confidence that things have turned the corner, it's confidence that things are unlikely to get worse from here."

Even though only a handful of retailers report monthly figures, industry watchers say March figures are a reason to be optimistic. That's because the numbers offer a snapshot of consumer spending, which accounts for more than 70 percent of all economic activity.

Overall, revenue at stores open at least one year — an indicator of a retailer's health because it excludes results from stores that opened and



Retailers from discounter Target Corp. to outdoor sports retailer Zumiez reported better-than-expected sales for March. AP FILE

closed during the year — rose 4.1 percent, according to a preliminary tally of 22 retailers by the International Council of Shopping Centers.

That figure is within the range of the group's March estimates, but several retailers from luxury chain Saks Inc. to food and fragrance retailer Limited Brands Inc., had monthly gains that beat their own expectations.

The strong sales reports were boosted by unseasonably mild weather and a flurry of positive economic news. The housing market had its best winter in five years. Consumer confidence was relatively flat in March, but near February's 12-month high. And today a government report on March job growth is expected to show the fourth straight month of strong hiring.