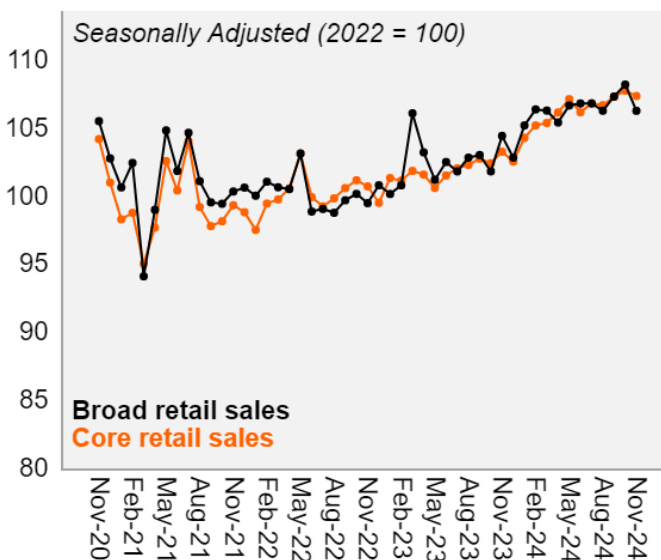


January 9, 2025

## Broad retail sales fell 1.8% mom/sa in November

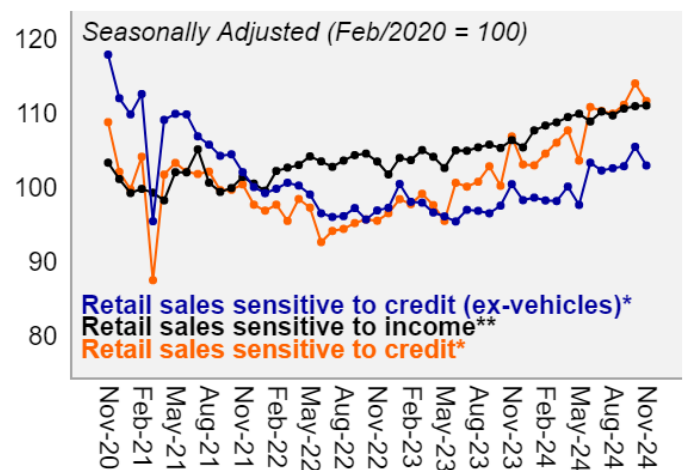
- ▶ Broad retail sales fell 1.8% mom/sa in November (+2.1% yoy), below our call (-0.9% mom/sa) and the market's expectation (-0.3% mom/sa). Core sales receded 0.4% mom/sa (+4.7% yoy), close to both our call (-0.3% mom/sa) and the market's expectation (-0.3% mom/sa).
- ▶ Versus our estimates, the largest surprises were "Auto & Parts" (4.5% vs. our forecast of 11.4% yoy) and "Wholesale specialized in foods" (-11.7% vs. our estimate of -5.7% yoy).
- ▶ The previous print of broad sales was revised down. Taking into account the revisions and market estimates for last month's performance at the margin, we found that the level of broad sales was running 2.7% below market expectations in November (1.7% weaker in the last three months on average).
- ▶ Out of 10 sectors, 3 advanced and 7 contracted at the margin. The positive highlight was "Fuel, lubricants" (+1.5% mom/sa), while "Auto & Parts" (-7.6% mom/sa) stood out on the negative side.
- ▶ With today's release, the carry over for 4Q24 now stands at 0.5% and 0.1% for core and broad sales, respectively.
- ▶ **Our view:** Broad retail sales were weaker than expected in November. Besides the negative surprise in 'Wholesale specialized in foods,' there were also lower numbers for 'Auto & Parts.' Other than that, the core index came close to expectations. Today's data corroborate our view of a slowdown in activity in the last quarter of last year.

**Broad retail sales fell 1.8% mom/sa in November**



Source: IBGE, Itaú

**Retail sales sensitive to credit (ex-vehicles) contracted**



\*Includes: furniture and appliances; auto and parts; construction material; equipment and material for office.

\*\*Includes: fuel; supermarkets; apparel, footwear; pharmaceutical; books/magazines.

Source: IBGE, Itaú

Retail sales - November/24(%)		
Sector	%MoM S.A.	%YoY
<b>Core retail sales</b>	<b>-0.4</b>	<b>4.7</b>
Fuel, lubricants	1.5	1.7
Hypermarkets, supermarkets, food, beverages and tobacco	-0.1	5.4
Fabric, apparel, footwear	1.4	8.0
Furniture and appliances	-2.8	0.0
Pharmaceutical, medical	-2.2	10.2
Equipment and material for office	3.5	-4.4
Books, periodicals, magazines	-1.5	-10.6
Other goods of personal use*	-1.0	3.4
<b>Broad retail sales</b>	<b>-1.8</b>	<b>2.1</b>
<b>Broad retail sales ex-wholesales</b>	<b>-0.9</b>	<b>4.5</b>
Wholesale specialized in foods	-	-11.7
Auto & Parts	-7.6	4.5
Construction material	-1.4	3.2

\*Includes sale of jewelry, watches, recreational and sporting goods, handicrafts, electronic devices for domestic use (except computers and communication items)

Source: IBGE, Itaú

Retail Sales in November/24 - forecast vs. actual (%)				
Sector	Weight	Actual (YoY)	Forecast (YoY)	Error Contribution (p.p.)
<b>Core retail sales</b>	<b>59.6</b>	<b>4.7</b>	<b>4.7</b>	<b>-0.0</b>
Fuel, lubricants	7.2	1.7	1.2	0.0
Hypermarkets, supermarkets, food, beverages and tobacco	32.2	5.4	5.8	-0.1
Fabric, apparel, footwear	3.7	8.0	13.0	-0.2
Furniture and appliances	4.1	0.0	11.6	-0.5
Pharmaceutical, medical	5.6	10.2	-3.8	0.8
Equipment and material for office	0.9	-4.4	-4.5	0.0
Books, periodicals, magazines	0.2	-10.6	-14.8	0.0
Other goods of personal use*	5.8	3.4	2.3	0.1
<b>Broad retail sales</b>	<b>100.0</b>	<b>2.1</b>	<b>4.1</b>	<b>-2.0</b>
<b>Broad retail sales ex-wholesales</b>	<b>84.1</b>	<b>4.5</b>	<b>6.3</b>	<b>-1.5</b>
Wholesale specialized in foods	15.9	-11.7	-5.7	-1.0
Auto & Parts	16.8	4.5	11.4	-1.2
Construction material	7.7	3.2	6.2	-0.2

\*Includes sale of jewelry, watches, recreational and sporting goods, handicrafts, electronic devices for domestic use (except computers and communication items)

Source: IBGE, Itaú

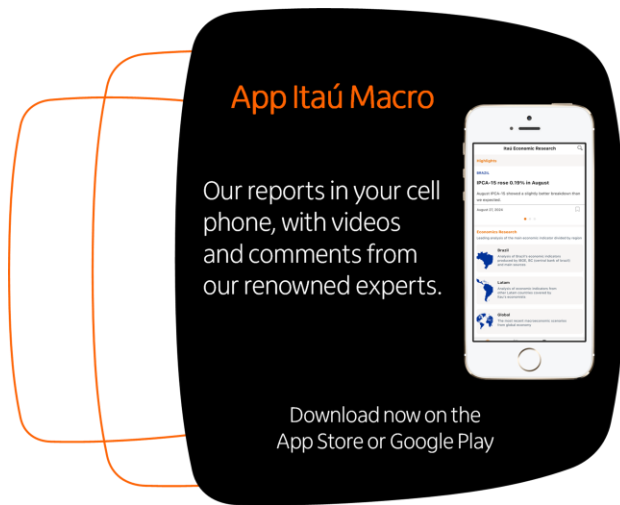
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