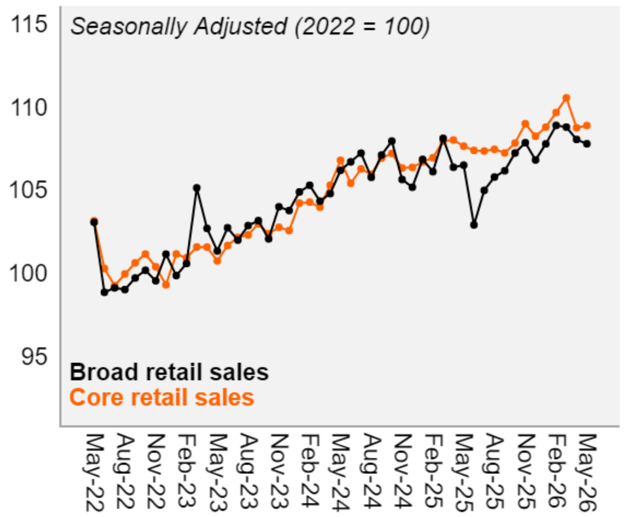
# Macro Brazil

Thursday, July 16, 2026

## Broad Retail Sales receded 0.2% mom/sa in May

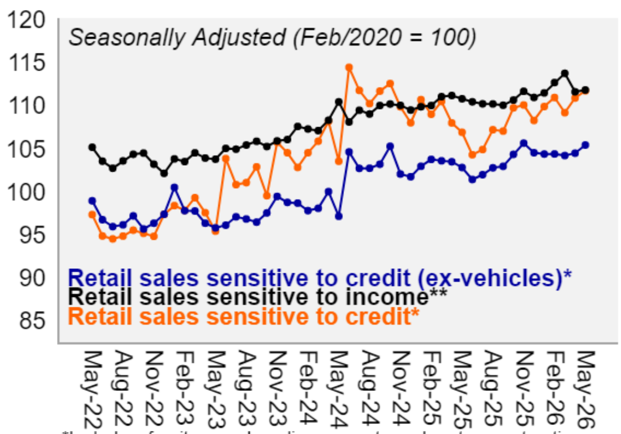
- Broad retail sales receded 0.2% mom/sa in May (-0.6% yoy), slightly short of our call (0.0% mom/sa) and below the market's estimates (+0.8% mom/sa). Core sales rose 0.1% mom/sa (+0.4% yoy), below our call (+0.5% mom/sa) and the market's expectation (+0.5% mom/sa).
- Versus our estimates, the largest surprise was "Wholesale specialized in foods" (-7.7% vs. our forecast of -2.8% yoy).
- Out of 10 sectors, 7 advanced and 3 contracted at the margin. The positive highlight was "Auto & Parts" (+1.8% mom/sa), while "Hypermarkets, supermarkets, food, beverages and tobacco " (-1.5% mom/sa) stood out on the negative side.
- With today´s release, the carry over for 2Q26 now stands at -0.8% and -0.6% for core and broad sales, respectively.
- **Our view:** Broad retail sales came in below our forecast in May. Within the breakdown, although “Auto & Parts” surprised to the upside, “Hypermarkets, supermarkets, food, beverages and tobacco” and “Wholesale specialized in foods” underperformed our expectations. Today’s data are consistent with a weaker second quarter for retail sales, in line with our proprietary IDAT indicator. In May, credit-sensitive categories came in stronger, while income-sensitive categories were broadly flat on the margin, softer than expected.

**Broad Retail Sales receded 0.2% mom/sa in May**




Source: IBGE, Itaú

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




*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 - May/26(%) | | |
|---|---|---|
| Sector | %MoM S.A. | %YoY |
| Core retail sales | 0.1 | 0.4 |
| Fuel, lubricants | 1.1 | 2.0 |
| Hypermarkets, supermarkets, food, beverages and tobacco | -1.5 | -0.5 |
| Fabric, apparel, footwear | 3.1 | 3.5 |
| Furniture and appliances | 2.7 | 1.7 |
| Pharmaceutical, medical | 1.4 | 2.7 |
| Equipment and material for office | -1.7 | -4.1 |
| Books, periodicals, magazines | 15.2 | 22.5 |
| Other goods of personal use* | -0.3 | -2.6 |
| Broad retail sales | -0.2 | -0.6 |
| Broad retail sales ex-wholesales | 0.3 | 0.6 |
| Wholesale specialized in foods | - | -7.7 |
| Auto & Parts | 1.8 | 2.2 |
| Construction material | 2.1 | -1.8 |

*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 May/26 - forecast vs. actual (%) | | | | |
|---|---|---|---|---|
| Sector | Weight | Actual (YoY) | Forecast (YoY) | Error Contribution (p.p.) |
| Core retail sales | 59.6 | 0.4 | 1.1 | -0.4 |
| Fuel, lubricants | 7.2 | 2.0 | 1.2 | 0.1 |
| Hypermarkets, supermarkets, food, beverages and tobacco | 32.2 | -0.5 | 0.9 | -0.5 |
| Fabric, apparel, footwear | 3.7 | 3.5 | 3.7 | -0.0 |
| Furniture and appliances | 4.1 | 1.7 | 2.4 | -0.0 |
| Pharmaceutical, medical | 5.6 | 2.7 | 0.3 | 0.1 |
| Equipment and material for office | 0.9 | -4.1 | 4.7 | -0.1 |
| Books, periodicals, magazines | 0.2 | 22.5 | -2.1 | 0.0 |
| Other goods of personal use* | 5.8 | -2.6 | 0.2 | -0.2 |
| Broad retail sales | 100.0 | -0.6 | -0.2 | -0.4 |
| Broad retail sales ex-wholesales | 84.1 | 0.6 | 0.2 | 0.3 |
| Wholesale specialized in foods | 15.9 | -7.7 | -2.8 | -0.8 |
| Auto & Parts | 16.8 | 2.2 | -1.4 | 0.6 |
| Construction material | 7.7 | -1.8 | -3.1 | 0.1 |

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

Source: IBGE, Itaú

**Natalia Cotarelli**
**Marina Garrido**

Macro Research – Itaú
**Diogo Guillen** – Chief Economist

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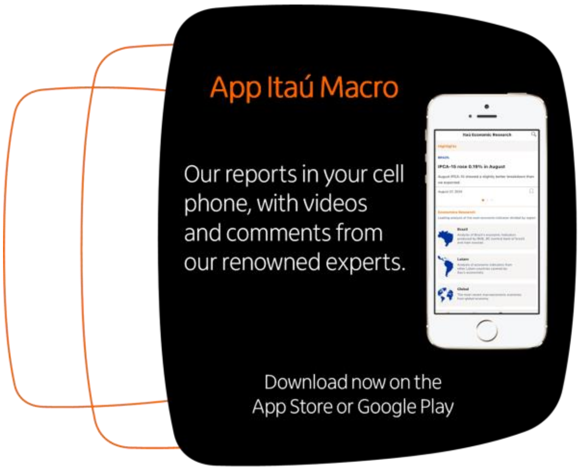


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