

4 February 2021

Snap

Eurozone retail sales increased by 2% in December

This is just a small bounce back from the large November drop because of new countries imposing restrictive measures while others loosened up for the holiday period. The modest rebound suggests that current lockdowns do significantly impair consumption despite online sales



Vasco da Gama shopping center in Lisbon, Portugal

After the November decline of -5.7%, retail sales did not return to October levels in December. In fact, they remained 3.9% below it. This shows that new closures of non-essential retail continue to subdue overall eurozone retail sales. While France, Belgium and Ireland closed stores in November and opened them in December, Germany and the Netherlands closed them halfway through December, which is reflected in the sales figures.

Germany and the Netherlands saw monthly declines of -9.6 and -10.9%, respectively, while Belgium, France and Ireland all saw double digit growth figures thanks to the reopening ahead of the Christmas period. This combination makes for a small month-on-month gain, but more important is that October levels are still pretty far out of sight. With lockdowns extended into the first quarter, expect consumption to remain subdued for the start of the year as well. Online sales, while growing, have proven to be far from a perfect substitute to offline shopping over the holiday period.

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