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Mar. 20, 2013

The Deloitte Consumer Spending Index (Index) remained steady in February primarily as a decline in initial unemployment claims and a rise in real average hourly earnings offset negative forces. The Index tracks consumer cash flow as an indicator of future consumer spending.

“The economic fundamentals that influence consumer spending are aligning,” said Patricia Buckley, director, economic policy and analysis, Deloitte LLP, and author of the monthly Index. “Financial institutions and the markets are stronger, and consumer confidence and real spending appear to be weathering the 2013 payroll tax increases fairly well. Absent the uncertainty surrounding the impact of the sequester, an economic turnaround would likely be imminent.”

The Index, which comprises four components — tax burden, initial unemployment claims, real wages and real home prices — rose slightly this month to 4.0 from a reading of 3.9 the previous month.

“The Index along with other positive retail news demonstrates that retailers have been able to focus consumers on spring – Easter entertaining, warm-weather apparel and home improvement projects,” said Alison Paul, vice chairman, Deloitte LLP and retail & distribution sector leader. “Keeping that momentum will take more than just traditional seasonal signage and promotions. Highlighting new and unique merchandise – both in store and on web sites while fully integrating with mobile apps – can continue to drive traffic and encourage full-price purchases, inspiring consumers to spend their tax refunds.”

Highlights of the Index include:

- Tax Burden: The tax burden rose nearly 2 percent on a year-over-year basis in

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consumer spending, visit: www.deloitte.com/us/retail/consumer-spending-index/feb2013.

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