U.S. Retail Sales Rise 0.3 Percent Despite Weather

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WASHINGTON (AP) — U.S. shoppers pushed retail sales up for a seventh straight month although the increase was the weakest since June.

Retail sales increased 0.3 percent last month to $318.6 billion, the Commerce Department said Tuesday. Demand rose at department stores, electronic stores and auto dealerships.

Sales are up more than 14 percent from the recession low hit in December 2008. And they rose in a month in which severe winter weather limited economic activity in many parts of the country.

Still, economists were expecting a bigger gain. January was the first month that Americans had more money in their paychecks because of a Social Security tax cut.

Auto sales rose in January 0.5 percent after having increased 1.5 percent in December. Excluding autos, retail sales rose 0.3 percent in January, matching the December increase.

For January, sales at department stores rose 0.5 percent. A broader general merchandise category, which includes big retail chains such as Wal-Mart, increased 0.8 percent.

Part of the overall retail sales gain reflected higher gasoline prices. Sales at gasoline service stations climbed 1.4 percent. Excluding the rise at service stations, retail sales would have risen 0.2 percent last month.

Sales were weaker at specialty clothing stores, furniture stores and hardware stores but posted gains at health care stores and food stores. The rise at grocery stores probably was also affected by rising food prices.

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