Lindsey Family Office Services
Bill Lindsey, MSFS, AEP, RFC
1980 Orange Tree Lane Suite 270
Redlands, CA 92374
Office: (909) 335-6800
bill@retire-wealthy.com
http://www.lfgfos.com

Market Insights - March 17, 2026

Johnson Redbook Index: Retail Sales Momentum Holds Above Trend

Investor Summary

The Johnson Redbook Index shows that U.S. same-store retail sales are rising at a solid mid-single-digit pace year over year, signaling resilient consumer spending despite tighter financial conditions. For advisors and investors, this weekly gauge provides an early view of discretionary demand and retail-sector momentum ahead of official Census Bureau retail sales reports.

Data Highlights and Analysis

The Redbook Index is a weekly, sales-weighted measure of year-over-year same-store sales growth across roughly 9,000 large U.S. retailers, including general merchandise, chain, and discount stores.

Recent readings indicate year-over-year growth in the mid-single digits (approximately 6–7%), above the long-term average of 3–4%, suggesting stronger-than-normal retail momentum.

Historically, the index has ranged from a peak near 22% in late 2021—driven by reopening and fiscal stimulus—to a low near -13% in May 2020 during pandemic lockdowns, underscoring its sensitivity to economic shocks.

The current pace suggests that consumers continue to spend, although the modest decline from 2025 peak levels points to normalization as fiscal tailwinds fade and higher borrowing costs take hold.

Because the index is released weekly and ahead of official retail sales data, it often serves as an early signal of shifts in consumption trends, a key driver of U.S. GDP and inflation.

Market and Investment Implications

Equities: A Redbook growth rate above its long-term average tends to support revenue expectations for broadline retailers, discount chains, and consumer discretionary companies. It may also benefit related industries such as transportation and logistics, although outcomes will depend on evolving economic and market conditions. However, any sustained cooling could potentially pressure high-beta retail and e-commerce names that are priced for strong growth, though outcomes may vary based on broader market dynamics.

Fixed Income: Steady consumer spending may prevent inflation from easing quickly, reinforcing expectations that the Federal Reserve will remain cautious about rate cuts. This dynamic can anchor short-term yields and influence the shape of the yield curve.

Currencies: Strong U.S. consumption data can support the dollar if it reinforces a “higher-for-longer” policy stance, though the effect depends on broader inflation and labor market data.

Risk Factors: A sharp and sustained decline in Redbook readings could signal emerging stress among lower- and middle-income consumers. This may lead to earnings downgrades in the retail sector, rising credit card delinquencies, and a shift toward more defensive equity positioning.

Strategic Considerations / Outlook

Investors should monitor whether Redbook readings remain above historical averages or trend lower, as this may provide insight into potential changes in retail earnings expectations and sector leadership..

Persistent strength in same-store sales, if confirmed by official retail data, could contribute to conditions that may lead the Federal Reserve to maintain a restrictive policy stance longer than markets expect. This would have implications for duration positioning and inflation-sensitive assets.

Conversely, weaker readings—especially when paired with softer labor or confidence data—may be indicative of a potential late-cycle slowdown in consumption.

In this environment, investors may prioritize quality, balance sheet strength, and earnings visibility.

Redbook data should be used alongside other high-frequency indicators, such as card spending, chain-store surveys, and consumer confidence, to refine near-term views on U.S. growth and sector rotation.