FURNITURE INSIGHTS®

Smith Leonard PLLC's Industry Newsletter

November 2025

HIGHLIGHTS – EXECUTIVE SUMMARY

New orders were up 15% compared to the prior month of August 2025 and up 7% compared to September 2024. And with this month's surge, year to date through September 2025, new orders are now materially even compared to 2024.

Shipments were up 3% compared to the prior month of August 2025 and up 6% compared to September 2024. However, year to date through Septebmer 2025, shipments remain down 1% compared to 2024.

With the increase in new orders, September 2025 backlogs were up 5% compared to August 2025 and up 2% compared to September 2024.

Receivable levels were up 2% from August 2025, but down 3% from September 2024.

Mark Laferriere (right) with Mitch Garrison, Assurance Director

Inventories were up 2% compared to September 2024, but flat with August 2025.

Payrolls were up 4% compared to August 2025 and up 6% compared to September 2024, which are materially in line with shipments.

Employee levels are again materially in line with recent months and the prior year.

Due to the recent US Government shutdown, much of the monthly economic data normally presented in this report has not been updated. For reference, we have left last month's data in the report, but the text is highlighted in light blue.

EXECUTIVE SUMMARY, CONT.

National

Consumer Confidence

The Conference Board ***Consumer Confidence Index®*** declined by 6.8 points in November to 88.7 (1985=100) from 95.5 in October.

The ***Present Situation Index***—based on consumers' assessment of current business and labor market conditions—fell by 4.3 points to 126.9.

The ***Expectations Index***—based on consumers' short-term outlook for income, business, and labor market conditions—fell by 8.6 points to 63.2. The Expectations Index has tracked below 80 for ten consecutive months, the threshold under which the gauge signals recession ahead.

"Consumer confidence tumbled in November to its lowest level since April after moving sideways for several months," said Dana M Peterson, Chief Economist, The Conference Board. "All five components of the overall index flagged or remained weak. The *Present Situation Index* dipped as consumers were less sanguine about current business and labor market conditions. The labor market differential—the share of consumers who say jobs are 'plentiful' minus the share saying 'hard to get'—dipped again in November after a brief respite in October from its year-to-date decline. All three components of the *Expectations Index* deteriorated in November. Consumers were notably more pessimistic about business conditions six months from now. Mid-2026 expectations for labor market conditions remained decidedly negative, and expectations for increased household incomes shrunk dramatically, after six months of strongly positive readings."

Peterson added: "Consumers' write-in responses pertaining to factors affecting the economy continued to be led by references to prices and inflation, tariffs and trade, and politics, with increased mentions of the federal government shutdown. Mentions of the labor market eased somewhat but still stood out among all other frequent themes not already cited. The overall tone from November write-ins was slightly more negative than in October."

Plans for buying big-ticket items over the next six months declined in November following little change since May. After staging a mild comeback on a six-month moving average basis from early-summer lows, expectations for purchasing cars ticked downward, for both new and used vehicles. Purchasing plans for household appliances and most electronics also edged lower in November but remained above 2025 lows. Nonetheless, used cars, TVs, and smartphones remained the most popular future purchases among these categories. Homebuying expectations also ticked down in November but remained near two-year highs.

Housing

Existing-home sales increased by 1.2% in October, according to the National Association of REALTORS® Existing-Home Sales Report.

Month-over-month sales increased in the Midwest and South, showed no change in the Northeast, and fell in the West. Year-over-year sales rose in the Northeast, Midwest and South, and decreased in the West.

"Home sales increased in October even with the government shutdown due to homebuyers taking advantage of lower mortgage rates," said NAR Chief Economist Lawrence Yun. "First-time homebuyers are facing headwinds in the Northeast due to a lack of supply and in the West because of high home prices. First-time buyers fared better in the Midwest because of the plentiful supply of affordable houses and in the South because there is sufficient inventory."

"Rents are decelerating which will reduce inflation and encourage the Federal Reserve to continue cutting rates and pulling back their quantitative tightening," Yun added. "This will help bring more homebuyers into the market since the Fed rate has an indirect impact on mortgage rates."

EXECUTIVE SUMMARY, CONT.

Thoughts

First of all, I would like to congratulate Ken Smith on receiving the Distinguished Service Award from the AHFA last month at its Annual Meeting and CEO Conference in Savannah surrounded by many friends and colleagues. So well-deserved!

As for participants in our survey, average new orders have alternated back and forth between increases and decreases compared to the prior year (+7%, -3%, +13%, +3%, -1%, -9%, +1%, -5%, -3%).

Economic data and industry reports continue to be similarly mixed, with increases in Cyber Monday activity, new store openings and small gains in housing, offset by declines in Black Friday shopping, bankruptcy announcements, and overall consumer confidence.

There have certainly been bright spots (particularly in upper end), but this definitely makes it hard to feel overly confident in the overall economy and what 2026 will hold for the industry.

But on a positive note, year-to-date new orders have now pulled essentially even through September 2025 compared to 2024. So with the government shutdown behind us, less disruption in the economy going forward, and another interest rate cut (or two), I'm hopeful that 2026 can provide a return to normalcy and deliver on the unfulfilled promises of 2025.

Until our next report, wishing everyone a happy and safe holiday season with their families and friends.

EXECUTIVE SUMMARY, CONT.

National, Cont.

Housing, Cont.

Total Existing-Home Sales for October

- 1.2% increase in existing-home sales month-over-month to a seasonally adjusted annual rate of 4.10 million.
- 1.7% increase in sales year-over-year.

Single-Family-Homes Sales in October

- 0.8% increase in sales to a seasonally adjusted annual rate of 3.71 million, up 1.9% from October 2024.
- $420,600: Median home price in October, up 2.2% from last year.

Condominiums and Co-ops Sales in October

- 5.4% increase in sales to a seasonally adjusted annual rate of 390,000, unchanged from October 2024.
- $363,700: Median price, up 0.9% from October 2024.

Mortgage Rates

- 6.25%: The average 30-year fixed-rate mortgage in October, according to Freddie Mac, down from 6.35% in September and 6.43% one year ago.

Sales of new single-family houses in August 2025 were at a seasonally-adjusted annual rate of 800,000, according to estimates released jointly by the U.S. Census Bureau and the Department of Housing and Urban Development. This is 20.5% above the July 2025 rate of 664,000, and is 15.4% above the August 2024 rate of 693,000.

Compared to August 2024 on a seasonally-adjusted basis, sales were up 15.4% overall with sales also up 21.0% in the South, up 40.9% in the Northeast, up 20.3% in the Midwest, but down 5.7% in the West.

Other

Real gross domestic product (GDP) increased at an annual rate of 3.8% in the second quarter of 2025 (April, May, and June), according to the third estimate released by the U.S. Bureau of Economic Analysis. In the first quarter, real GDP decreased 0.6% (revised).

The increase in real GDP in the second quarter primarily reflected a decrease in imports, which are a subtraction in the calculation of GDP, and an increase in consumer spending. These movements were partly offset by decreases in investment and exports.

Compared to the first quarter, the upturn in real GDP in the second quarter primarily reflected a downturn in imports and an acceleration in consumer spending that were partly offset by a downturn in investment.

Real final sales to private domestic purchasers, the sum of consumer spending and gross private fixed investment, increased 2.9% in the second quarter, revised up 1.0 percentage point from the previous estimate.

HIGHLIGHTS – MONTHLY RESULTS

New Orders

According to our latest survey of residential furniture manufacturers and distributors, new orders were up 7% in September 2025 compared to September 2024. Approximately two-thirds of participants reported increases versus decreases in September 2025 compared to a year ago.

New orders were also up 15% compared to the prior month of August 2025.

Year to date through September 2025, new orders are now flat compared to 2024 (down 1% last month).

Shipments and Backlogs

September 2025 shipments were up 6% compared to September 2024, and up 3% compared to August 2025. Shipments in September 2025 were up for approximately two-thirds of the participants compared to September 2024. However, year to date through September 2025, shipments remain down 1% compared to 2024 (same as last 4 months).

September 2025 backlogs were up 2% compared to September 2024, and up 5% from August 2025 as new orders outpaced shipments.

Receivables and Inventories

Receivable levels were up 2% from August 2025, but down 3% from September 2024.

Inventories were flat compared to August 2025, but up 2% from September 2024 (up 3% last month), which is likely impacted in part by tariffs.

Factory and Warehouse Employees and Payroll

The number of factory and warehouse employees were down 2% from September a year ago, but again relatively even with the prior month (flat).

Payroll expense was up 4% in September 2025 compared to August 2025, and up 6% compared to September 2024, likely a function of the increase order/shipment volumes from above. However, year to date through September 2025, payroll expense was up 2% (1% last month).

ESTIMATED BUSINESS ACTIVITY (MILLIONS)

	2025		
	SEP	AUG	9 MOS
New Orders	2,469	2,122	19,312
Shipments	2,302	2,231	19,736
Backlog	2,513	2,416	

	2024		
	SEP	AUG	9 MOS
New Orders	2,324	2,188	19,461
Shipments	2,172	2,373	19,951
Backlog	2,452	2,416	

MONTHLY RESULTS – NOVEMBER 2025

KEY MONTHLY INDICATORS (PERCENT CHANGE)	Sep 2025 from Aug 2025	Sep 2025 from Sep 2024	9 Mos 2025 vs 9 Mos 2024
New Orders	+15	+7	–
Shipments	+3	+6	-1
Backlog	+5	+2	
Payrolls	+4	+6	+2
Employees	–	-2	
Receivables	+2	-3	
Inventories	–	+2	

PERCENT INCREASE/DECREASE COMPARED TO PRIOR YEAR

	New Orders	Shipments	Backlog	Employment
2024				
September	-9	-7	-10	-5
October	–	-5	-8	-5
November	-9	-1	-10	-5
December	+1	-2	-8	-5
2025				
January	-3	+4	-5	-3
February	-5	-5	-6	-3
March	+1	+1	-6	-4
April	-9	-2	-10	-4
May	-1	-2	-10	-4
June	+3	-4	-8	-4
July	+13	+3	-4	-3
August	-3	-6	-	-3
September	+7	+6	+2	-2

A DEEPER DIVE – NATIONAL

Consumer Confidence

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"Consumer confidence tumbled in November to its lowest level since April after moving sideways for several months," said Dana M Peterson, Chief Economist, The Conference Board. "All five components of the overall index flagged or remained weak. The *Present Situation Index* dipped as consumers were less sanguine about current business and labor market conditions. The labor market differential—the share of consumers who say jobs are 'plentiful' minus the share saying 'hard to get'—dipped again in November after a brief respite in October from its year-to-date decline. All three components of the *Expectations Index* deteriorated in November. Consumers were notably more pessimistic about business conditions six months from now. Mid-2026 expectations for labor market conditions remained decidedly negative, and expectations for increased household incomes shrunk dramatically, after six months of strongly positive readings."

Among demographic groups, on a six-month moving average basis, confidence continued to improve for consumers under 35 years old, but confidence for consumers age 35 and older dipped, with respondents 55 and over remaining the most downbeat this year. By income, confidence on a six-month moving average basis fell for nearly all cohorts after several months of increasing confidence for most groups. Consumers earning less than $15K was the only income bracket in which confidence improved in November but remained the least optimistic among all income groups. Confidence fell among consumers of all political stripes, with the sharpest retreat among independent voters.

Peterson added: "Consumers' write-in responses pertaining to factors affecting the economy continued to be led by references to prices and inflation, tariffs and trade, and politics, with increased mentions of the federal government shutdown. Mentions of the labor market eased somewhat but still stood out among all other frequent themes not already cited. The overall tone from November write-ins was slightly more negative than in October."

Consumers' average 12-month inflation expectations remained elevated in November, and the median rate increased to 4.8%. The share of consumers expecting interest rates to rise edged lower in the month to about 50%, while the proportion expecting lower rates ticked down after rising over the past several months. Consumers' outlook for stock prices twelve months from now remained strongly positive but was a hair less confident than last month.

NATIONAL UPDATE

Leading Economic Indicators

The Conference Board Leading Economic Index® (LEI) for the US declined by 0.5% in August 2025 to 98.4 (2016=100), after a small 0.1% increase in July (upwardly revised from an originally reported 0.1% decline). The LEI fell by 2.8% over the six months between February and August 2025, a faster rate of decline than its 0.9% contraction over the previous six-month period (August 2024 to February 2025).

"In August, the US LEI registered its largest monthly decline since April 2025, signaling more headwinds ahead," said Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board. "Among its components, only stock prices and the Leading Credit Index supported the LEI in August and over the past six months. Meanwhile, the contribution of the yield spread turned slightly negative for the first time since April.

"Besides persistently weak manufacturing new orders and consumer expectation indicators, labor market developments also weighed on the Index with an increase in unemployment claims and a decline in average weekly hours in manufacturing. Overall, the LEI suggests that economic activity will continue to slow. A major driver of this slowdown has been higher tariffs, which already trimmed growth in H1 2025 and will continue to be a drag on GDP growth in the second half of this year and in H1 2026. The Conference Board, while not forecasting recession currently, expects GDP to grow by only 1.6% in 2025, a substantial slowdown from 2.8% in 2024."

The Conference Board Coincident Economic Index® (CEI) for the US rose by 0.2% in August 2025 to 115.0 (2016=100), following an increase of 0.1% in both June and July. Overall, the CEI rose by 0.6% between February and August 2025, down from 0.9% over the previous six months. The CEI's four component indicators—payroll employment, personal income less transfer payments, manufacturing and trade sales, and industrial production—are included among the data used to determine recessions in the US. All components of the coincident index improved only slightly in August, with payroll employment making a neutral contribution to the CEI.

The Conference Board Lagging Economic Index® (LAG) for the US inched up by 0.1% to 120.0 (2016=100) in August 2025, after being unchanged in both June and July 2025. The LAG grew by 0.7% in the six months between February and August 2025, over twice as high as the 0.3% increase over the previous six months.

A DEEPER DIVE – NATIONAL, CONT.

Consumer Confidence, Cont.

Consumers' views of their Family's Current and Future Financial Situation faltered in November after picking up in October. Assessments of current financial situations collapsed to near the low levels seen in August 2024, when a confluence of negative events stoked a brief financial market selloff and US recession concerns. Perceptions of future family financial situations were also less buoyant. The share of consumers believing a recession is "very likely" over the next 12 months fell further in November, but the share of consumers thinking that the economy was already in recession rose for the fourth consecutive month. The share saying a recession is "somewhat likely" also ticked up. (These measures are not included in calculating the Consumer Confidence Index®).

Plans for buying big-ticket items over the next six months declined in November following little change since May. After staging a mild comeback on a six-month moving average basis from early-summer lows, expectations for purchasing cars ticked downward, for both new and used vehicles. Purchasing plans for household appliances and most electronics also edged lower in November but remained above 2025 lows. Nonetheless, used cars, TVs, and smartphones remained the most popular future purchases among these categories. Homebuying expectations also ticked down in November but remained near two-year highs.

In November, consumers also curbed planned spending on services over the next six months. From October's survey to November's, consumers signaled reduced spending on nearly every category queried with two exceptions: historic sites, museums, and libraries intentions inched up, and childcare and educational services plans were unchanged. Still, both categories ranked among the bottom three with amusement parks and outdoor recreation.

The top five categories for planned services spending over the next six months continued to include restaurants, bars, take-out; streaming, internet, mobile services; beauty and personal care; and hotels, motels for personal travel. Healthcare, which was among the top five planned services expenditures since June, suddenly displaced streaming, internet, and mobile services for the number-two spot in November. The focus on insurance premiums and subsidies throughout the shutdown potentially prompted the pop in the healthcare category. In general, spending trends among consumers this year have increasingly moved towards cheap thrills and necessary services and away from expensive and highly discretionary activities.

Vacation intentions fell back in November after a surprise October surge. Plans for domestic travel over the next six months continued to exceed international vacation plans, but both types retreated in November. This is consistent with the decline in intentions to spend on hotels, motels and airfare in the month.

Present Situation

Consumers' assessments of **current business conditions** worsened in November.

- 20.1% of consumers said business conditions were "good," down from 20.7% in October.
- 16.9% said business conditions were "bad," up from 14.5%.

On balance, consumers' views of the **labor market** on net were a tad weaker in November.

- 27.6% of consumers said jobs were "plentiful," down from 28.6% in October.
- However, 17.9% of consumers said jobs were "hard to get," down from 18.3%.

Expectations Six Months Hence

Consumers were more pessimistic about future **business conditions** in November.

- 15.9% of consumers expected business conditions to improve, down from 18.9% in October.
- 27.7% expected business conditions to worsen, up from 22.2%.

Consumers were on net a bit more worried about the **labor market** outlook in November.

- 14.6% of consumers expected more jobs to be available, down from 15.8% in October.
- 27.5% anticipated fewer jobs, down from 28.8%.

Consumers' outlook for their **income prospects** was less positive in November.

- 15.3% of consumers expected their incomes to increase, down from 18.2% in October.
- 13.8% expected their incomes to decrease, up from 11.8%.

Assessment of Family Finances and Recession Risk

- Consumer assessments of their Family's Current Financial Situation deteriorated.
- Consumer assessments of their Family's Expected Financial Situation also worsened.
- Consumers' Perceived Likelihood of a US Recession over the Next 12 Months increased.

A DEEPER DIVE – NATIONAL, CONT.

Gross Domestic Product

Real gross domestic product (GDP) increased at an annual rate of 3.8% in the second quarter of 2025 (April, May, and June), according to the third estimate released by the U.S. Bureau of Economic Analysis. In the first quarter, real GDP decreased 0.6% (revised).

The increase in real GDP in the second quarter primarily reflected a decrease in imports, which are a subtraction in the calculation of GDP, and an increase in consumer spending. These movements were partly offset by decreases in investment and exports.

Compared to the first quarter, the upturn in real GDP in the second quarter primarily reflected a downturn in imports and an acceleration in consumer spending that were partly offset by a downturn in investment.

Real final sales to private domestic purchasers, the sum of consumer spending and gross private fixed investment, increased 2.9% in the second quarter, revised up 1.0 percentage point from the previous estimate.

From an industry perspective, the increase in real GDP reflected increases of 10.2% in real value added for private goods-producing industries and 3.5% for private services-producing industries that were partly offset by a decrease of 3.2% in real value added for government.

Real gross output increased 1.2% in the second quarter, reflecting increases of 0.6% for private goods-producing industries and 1.7% for private services-producing industries that were partly offset by a decrease of 0.7% for government.

The price index for gross domestic purchases increased 2.0% in the second quarter, revised up 0.2 percentage point from the previous estimate. The personal consumption expenditures (PCE) price index increased 2.1%, revised up 0.1 percentage point. Excluding food and energy prices, the PCE price index increased 2.6%, also revised up 0.1 percentage point.

Real gross domestic income (GDI) increased 3.8% in the second quarter, revised down 1.0 percentage point from the previous estimate. The average of real GDP and real GDI increased 3.8%, revised down 0.2 percentage point.

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased $6.8 billion in the second quarter, a downward revision of $58.7 billion.

A DEEPER DIVE – HOUSING

Existing-Home Sales

Existing-home sales increased by 1.2% in October, according to the National Association of REALTORS® Existing-Home Sales Report. The Report provides the real estate ecosystem, including agents and homebuyers and sellers, with data on the level of home sales, price, and inventory.

Month-over-month sales increased in the Midwest and South, showed no change in the Northeast, and fell in the West. Year-over-year sales rose in the Northeast, Midwest and South, and decreased in the West.

"Home sales increased in October even with the government shutdown due to homebuyers taking advantage of lower mortgage rates," said NAR Chief Economist Lawrence Yun. "First-time homebuyers are facing headwinds in the Northeast due to a lack of supply and in the West because of high home prices. First-time buyers fared better in the Midwest because of the plentiful supply of affordable houses and in the South because there is sufficient inventory."

"Rents are decelerating which will reduce inflation and encourage the Federal Reserve to continue cutting rates and pulling back their quantitative tightening," Yun added. "This will help bring more homebuyers into the market since the Fed rate has an indirect impact on mortgage rates."

A DEEPER DIVE – HOUSING, CONT.

National Snapshot

Total Existing-Home Sales for October

- 1.2% increase in existing-home sales month-over-month to a seasonally adjusted annual rate of 4.10 million.
- 1.7% increase in sales year-over-year.

Inventory in October

- 1.52 million units: Total housing inventory, down 0.7% from September and up 10.9% from October 2024 (1.37 million).
- 4.4-month supply of unsold inventory, down from 4.5 months in September and up from 4.1 months in October 2024.

Median Sales Price in October

- $415,200: Median existing-home price for all housing types, up 2.1% from one year ago ($406,800) – the 28th consecutive month of year-over-year price increases.

Single-Family-Homes Sales in October

- 0.8% increase in sales to a seasonally adjusted annual rate of 3.71 million, up 1.9% from October 2024.
- $420,600: Median home price in October, up 2.2% from last year.

Condominiums and Co-ops Sales in October

- 5.4% increase in sales to a seasonally adjusted annual rate of 390,000, unchanged from October 2024.
- $363,700: Median price, up 0.9% from October 2024.

Regional Snapshot for Existing-Home Sales in October

Northeast

- No change month over month; sales remain at an annual rate of 490,000, up 4.3% year over year.
- $503,700: Median price, up 6.5% from October 2024.

Midwest

- 5.3% increase in sales month over month to an annual rate of 990,000, up 2.1% year over year.
- $319,500: Median price, up 4.6% from October 2024.

South

- 0.5% increase in sales month over month to an annual rate of 1.86 million, up 2.8% year over year.
- $362,300: Median price, up 0.3% from October 2024.

West

- 1.3% decrease in sales month over month to an annual rate of 760,000, down 2.6% year over year.
- $628,500: Median price, up 0.1% from October 2024.

REALTORS® Confidence Index for October

- 34 days: Median time on market for properties, up from 33 days last month and 29 days in October 2024.
- 32% of sales were first-time homebuyers, up from 30% in July and 27% in October 2024.
- 29% of transactions were cash sales, down from 30% a month ago and up from 27% in October 2024.
- 16% of transactions were individual investors or second-home buyers, up from 15% last month and down from 17% in October 2024.
- 2% of sales were distressed sales (foreclosures and short sales), unchanged from a month ago and October 2024.

Mortgage Rates

- 6.25%: The average 30-year fixed-rate mortgage in October, according to Freddie Mac, down from 6.35% in September and 6.43% one year ago.

A DEEPER DIVE – HOUSING, CONT.

New Residential Sales

Sales of new single-family houses in August 2025 were at a seasonally-adjusted annual rate of 800,000, according to estimates released jointly by the U.S. Census Bureau and the Department of Housing and Urban Development. This is 20.5% above the July 2025 rate of 664,000, and is 15.4% above the August 2024 rate of 693,000.

The median sales price of new houses sold in August 2025 was $413,500. This is 4.7% above the July 2025 price of $395,100, and is 1.9% above the August 2024 price of $405,800. The average sales price of new houses sold in August 2025 was $534,100. This is 11.7% above the July 2025 price of $478,200, and is 12.3% above the August 2024 price of $475,600.

The seasonally-adjusted estimate of new houses for sale at the end of August 2025 was 490,000. This is 1.4% below the July 2025 estimate of 497,000, and is 4.0% above the August 2024 estimate of 471,000.

This represents a supply of 7.4 months at the current sales rate. The months' supply is 17.8% below the July 2025 estimate of 9.0 months, and is 9.8% below the August 2024 estimate of 8.2 months.

Compared to August 2024 on a seasonally-adjusted basis, sales were up 15.4% overall with sales also up 21.0% in the South, up 40.9% in the Northeast, up 20.3% in the Midwest, but down 5.7% in the West.

Housing Starts

Privately-owned housing starts in August were at a seasonally adjusted annual rate of 1,307,000. This is 8.5% below the revised July estimate of 1,429,000 and is 6.0% below the August 2024 rate of 1,391,000.

Single-family housing starts in August were at a rate of 890,000; this is 7.0% below the revised July figure of 957,000.

The August rate for units in buildings with five units or more was 403,000 (470,000 in July).

Single-family starts compared to August 2024, on a seasonally-adjusted basis, were down 11.7% in total, as well as down 11.7% in the South, down 4.3% in the Northeast, down 15.8% in the West, and down 12.9% in the Northeast.

Housing Completions

Privately-owned housing completions in August were at a seasonally adjusted annual rate of 1,608,000. This is 8.4% above the revised July estimate of 1,483,000, but is 8.4% below the August 2024 rate of 1,755,000.

Single-family housing completions in August were at a rate of 1,090,000; this is 6.7% above the revised July rate of 1,022,000.

The August rate for units in buildings with five units or more was 503,000 (385,000 in July).

Single-family completions compared to August 2024, on a seasonally-adjusted basis, were up 5.6% in total, as well as up 4.1% in the South, up 9.8% in the Northeast, up 9.7% in the West, and up 3.1% in the Midwest.

A DEEPER DIVE – OTHER NATIONAL

Retail Sales

Advance estimates of U.S. retail and food services sales for September 2025, adjusted for seasonal variation and holiday and trading-day differences, but not for price changes, were $733.3 billion, up 0.2% from the previous month, and up 4.3% from September 2024. Total sales for the July 2025 through September 2025 period were up 4.5% from the same period a year ago. The July 2025 to August 2025 percent change was unrevised from up 0.6%.

Retail trade sales were up 0.1% from August 2025, and up 3.9% from last year. Nonstore retailers were up 6.0% from last year, while food service and drinking places were up 6.7% from September 2024.

Sales at furniture and home furnishings stores in September 2025 were up 0.6% compared to August 2025 on a seasonally-adjusted basis, and up 1.2% from September 2024. Year to date on a non-adjusted basis, sales were up 4.7% (5.4% last month reported).

A DEEPER DIVE – OTHER NATIONAL, CONT.

Consumer Prices

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3% on a seasonally adjusted basis in September, after rising 0.4% in August, the U.S. Bureau of Labor Statistics reported. Over the last 12 months, the all-items index increased 3.0% before seasonal adjustment. Note that September CPI data collection was completed before the lapse in appropriations.

The index for gasoline rose 4.1% in September and was the largest factor in the all-items monthly increase, as the index for energy rose 1.5% over the month. The food index increased 0.2% over the month as the food at home index rose 0.3% and the food away from home index increased 0.1%.

The index for all-items less food and energy rose 0.2% in September, after rising 0.3% in each of the 2 preceding months. Indexes that increased over the month include shelter, airline fares, recreation, household furnishings and operations, and apparel. The indexes for motor vehicle insurance, used cars and trucks, and communication were among the few major indexes that decreased in September.

The all-items index rose 3.0% for the 12 months ending September, after rising 2.9% over the 12 months ending August. The all-items less food and energy index also rose 3.0% over the last 12 months. The energy index increased 2.8% for the 12 months ending September. The food index increased 3.1% over the last year.

Employment

Total nonfarm payroll employment edged up by 119,000 in September but has shown little change since April, the U.S. Bureau of Labor Statistics reported. The unemployment rate, at 4.4%, changed little in September. Employment continued to trend up in health care, food services and drinking places, and social assistance. Job losses occurred in transportation and warehousing and in federal government.

Both the unemployment rate, at 4.4%, and the number of unemployed people, at 7.6 million, changed little in September. These measures are higher than a year earlier, when the jobless rate was 4.1%, and the number of unemployed people was 6.9 million.

Durable Goods Orders and Factory Shipments

New orders for manufactured durable goods in September, up two consecutive months, increased $1.5 billion or 0.5% to $313.7 billion, the U.S. Census Bureau announced today. This followed a 3.0% August increase. Excluding transportation, new orders increased 0.6%. Excluding defense, new orders increased 0.1%. Transportation equipment, also up two consecutive months, led the increase, $0.4 billion or 0.4% to $110.7 billion.

Shipments of manufactured durable goods in September, up nine of the last ten months, increased $0.2 billion or 0.1% to $307.7 billion. This followed a 0.1% August decrease. Machinery, up three of the last four months, drove the increase, $0.6 billion or 1.4% to $39.4 billion.

On a seasonally-adjusted basis, August shipments for furniture and related products were flat compared to the prior month, while new orders were up 0.1%. On a non-adjusted basis, year to date shipments for furniture and related products were up 0.7% compared to the prior year (same as last month), while year to date new orders were up 0.8% (up 0.4% last month reported).