



Letter to the Editor re Consumer Spending

March 18, 2008

The following letter was received in response to our article last week, [Is Consumer Spending Signaling a Recession?](#)

Dear Editor,

Regarding your article *Is Consumer Spending Signaling a Recession?*, I have suggested to my financial advisor that one set of obvious data to use to measure consumer spending is State sales tax collections. These data are readily available and timely. I have never heard of any financial institution using these data to measure consumer spending.

This article mirrors what I have been telling my financial planner all along.

Thanks,

Alonzo "Al" Byington

P.S. Sales tax collections for the state of Texas were up 5.8% in January.

Editor's Note:

Craig Johnson, whose research is profiled in the article, responded "excellent thought, and I have not looked at it, but it could well be a good indicator (with the only caveat, beyond data collection, is that it omits a good part of e-commerce sales."

We checked [California](#) and sales taxes were down 9.7% in January (versus January 2007). [New York's](#) sales tax receipts were up 3.3%. We also discovered a commercial vendor specializing in tracking monthly sales tax receipts - [The Liscio Report](#).

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