

SUMMARY & OVERVIEW

This note looks at Key Performance Indicators (KPI's) and relevant revenue metrics provided by US consumer publicly traded companies to evaluate the health of the American consumer.

In our last [State of the Consumer update from the end of the summer](#), we concluded that despite the tariffs, consumers seemed to be spending more on goods than services, though this was more so the case with “small-ticket” items than large (travel). Big-ticket goods spending remained relatively depressed, especially in the housing sector (with houses being the ultimate big ticket purchase). Big picture though, the consumer remained in solid shape.

This quarter we conclude the following:

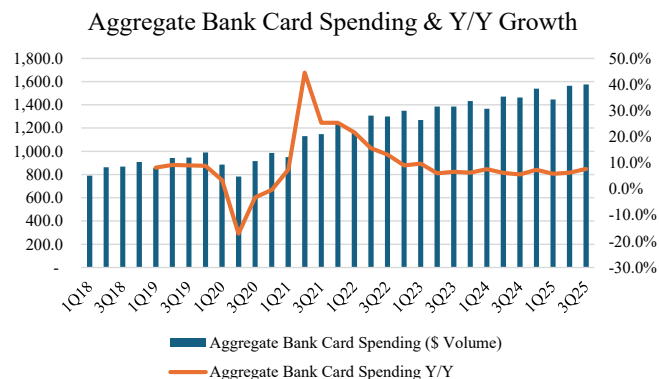
- **In general, the consumer seemed to strengthen further, with aggregate spending growth reaching its highest level since 1Q23**
- **Additionally, credit card *loan* growth slowing below spending growth for the first time since early COVID, suggesting current strong spending levels are sustainable**
- **Lastly, similar to 2Q, despite the new tariffs, consumers continue to favor goods over services with their spending, though much more so with respect to “small-ticket” than “big-ticket”.**
- **Big-ticket spending, both in goods (RVs, boats, housing) and services (travel) remains depressed, with the key exception being automobiles.**

CONSUMER – PART 1 – BANKS

Any analysis of consumer spending ought to start with the spending data provided to us at the start of earnings season by America’s largest banks. Here we look at both credit and debit spend (to the extent

the latter is disclosed) from Bank of America (Ticker: BAC), JPMorgan Chase (Ticker: JPM), Wells Fargo (Ticker: WFC), Citigroup (Ticker: C) and American Express (Ticker: AXP). *(Note that we normally would include Capital One (Ticker: COF) and Discover (Ticker: DFS), but because they are merging, their metrics are a bit messy right now, so we’ve excluded those two for the time being).*

Below is a chart showing combined spending reported by these companies (which together account for about \$1.6T per quarter), as well as year-over-year growth. This quarter aggregate consumer spending increased by 7.7%, a notable uptick from 2Q’s 6.3% and the highest since 1Q23.



Source: Company Data

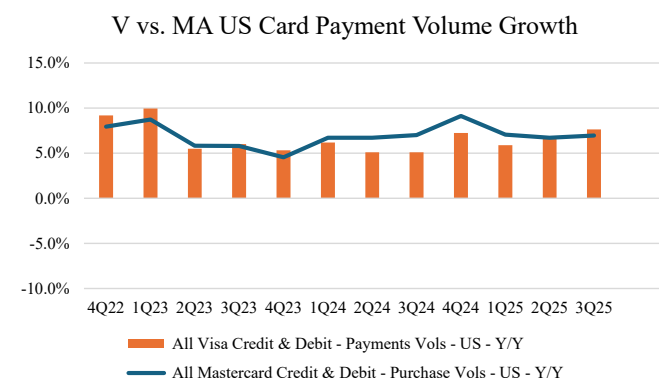
For ease of viewing, below is a table and heat map with the same data from only the last seven quarters. The table indicates that every bank, as well as the average and the total of the group, saw spending growth sequentially accelerate.

	Bank Customer Debit + Credit Spend Y/Y Chgs							
	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
JPM	7.5%	8.9%	7.3%	6.6%	8.6%	6.7%	7.4%	8.7%
WFC	7.0%	9.0%	7.7%	6.6%	5.3%	4.9%	5.2%	6.3%
AXP	7.3%	7.8%	6.2%	5.7%	9.0%	7.1%	6.9%	9.4%
BAML	2.7%	4.5%	3.4%	3.0%	5.2%	4.1%	4.5%	5.7%
C	3.4%	4.3%	3.2%	3.0%	4.6%	3.5%	3.7%	5.2%
Avg. Spend	5.6%	6.9%	5.6%	5.0%	6.5%	5.3%	5.5%	7.1%
Total Spend	6.2%	7.6%	6.2%	5.6%	7.4%	5.8%	6.3%	7.7%

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WFC								
AXP								
BAML								
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Total Spend								

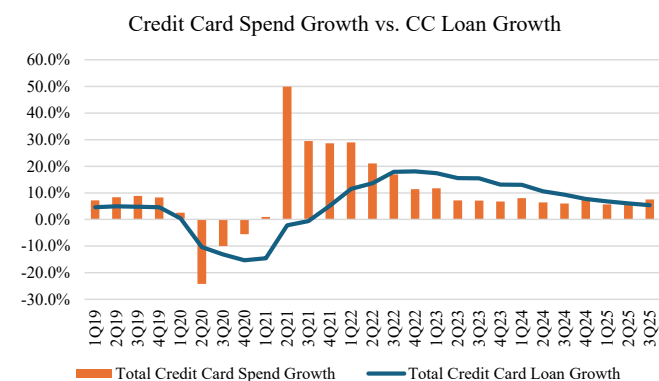
Source: Company Data, SEC Filings, *The Curb Economist*

Perhaps not surprisingly, both Visa (Ticker: V) and Mastercard (Ticker: MA) saw sequential acceleration in volumes as well.



Source: Company Data, SEC Filings, *The Curb Economist*

In [our note on the consumer following 3Q bank EPS](#), we also highlighted that besides the strong spending, 3Q25 was the first quarter since the early COVID period where credit card spending growth grew faster than credit card *loan* growth, indicating that the current strong levels of consumer spending may actually be sustainable, given consumers were no longer borrowing to (entirely) fund that spending. This was another notable positive indicator on the strength of the consumer from 3Q25 results from the banks.



Source: Company Data and *The Curb Economist*

While aggregate spending levels are interesting in and of themselves, evaluating what consumers appear to be spending money on probably tells us even more. Stronger discretionary spending likely

indicates that consumers are feeling comfortable and confident, while slower discretionary spending growth probably indicates the opposite.

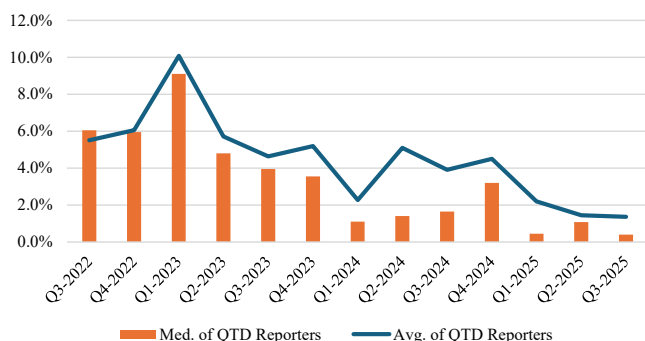
To assess this, we'll look at key performance metrics from publicly traded companies across the consumer space. This will include everything from restaurants and retailers to car dealers and concert providers. Assessing these KPIs should give us a better sense of discretionary spending trends and in turn, give us a better sense of the state of the consumer.

CONSUMER – PART 2 – RESTAURANTS

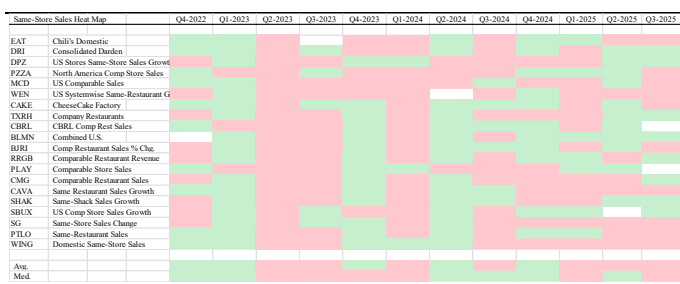
In evaluating restaurant spending trends, we'll primarily focus on same-store sales growth from publicly traded restaurant firms and case volumes from public restaurant distributors. If we had to pick one, the distributors are probably more useful as a barometer given they serve both "Mom & Pop," or "Independent," restaurants as well as the bigger "chains". The big distributors have their hands in both cookie jars, whereas the restaurant operators do not.

Let's start with the publicly traded restaurant operators' same-store sales growth (SSS). Our group here currently includes a set of 20 companies, though because of differences in calendar reporting cycles, Cracker Barrel (Ticker: CBRL) and Dave & Buster's (Ticker: PLAY) are not yet included for 3Q. Nonetheless, you can see from the chart (which includes only the companies that have reported so far) and from the table below that things generally remained soft in the restaurant space in 3Q (at least for chains, but more on this in a moment). The average and median SSS growth both got worse, and 10 of the 18 teams saw their SSS get sequentially worse, while only 8 saw that metric improve.

Restaurant SSS - Avg. & Median of QTD Reporters



Source: Company Data, SEC Filings, *The Curb Economist*



Source: Company Data, SEC Filings, *The Curb Economist*

Let's now turn to restaurant distributors. As a reminder, our subject group here includes Sysco (Ticker: SYU), US Foods (Ticker: USFD), Performance Food Group (Ticker: PFGC) and Chef's Warehouse (Ticker: CHEF).

If we only had the data from publicly traded restaurant operators, we might conclude that the industry in general remained weak in the third quarter. But as we hinted at above, incorporating the data from the distributors, the picture becomes more nuanced. There seems to be a bifurcation happening in the restaurant industry between chains and independents, with independents taking share. The distributor heat map below doesn't explicitly indicate this, since everyone but CHEF saw both total and independent case growth volume accelerate this quarter (and thus, you see a lot of green on the heat map across the board). But if you look at the charts of total case growth versus local / independent case growth, you not only see larger divergences between the directions of the lines (i.e.

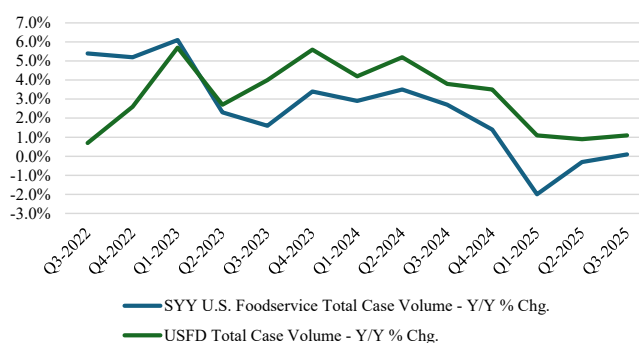
the sequential changes in growth), but you can see that *absolute* levels of growth in the independent space are almost back to where they were in 2024 (measured by how high the lines are on the Y axis). The second consecutive acceleration in TOST's GMV / Location KPI also helps substantiate this conclusion, as TOST primarily calls independent restaurants as their customers. While TOST's growth in GMV / Location is still basically only back to 0, that's the best level it's been at since 2023. TOST's KPI here is of course subject to customer mix, so it isn't a perfect barometer of "same-store" restaurant customer spend, but as TOST gets increasingly big, mix should have less of an impact as time goes on.

	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Q1-2025	Q2-2025	Q3-2025
SYU U.S. Foodservice	2.3%	1.6%	3.4%	2.9%	3.5%	2.7%	1.4%	-2.0%	-0.3%	0.1%
SYU U.S. Foodservice	0.8%	-0.1%	2.9%	0.4%	0.7%	0.2%	-0.9%	-3.5%	-1.5%	-0.2%
USFD Total Case Volu	2.7%	4.0%	5.6%	4.2%	5.2%	3.8%	3.5%	1.1%	0.9%	1.1%
USFD Independent Cas	4.8%	5.8%	7.3%	4.6%	5.7%	4.1%	3.2%	2.5%	2.7%	3.9%
PFGC Foodservice Org	7.6%	7.6%	8.7%	4.3%	3.7%	4.3%	5.0%	3.4%	5.9%	6.3%
CHEF Case Volume	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CHEF Specialty Organi	10.0%	9.1%	11.3%	4.6%	7.2%	3.1%	6.1%	5.7%	3.5%	3.2%

Source: Company Data, SEC Filings, *The Curb Economist*

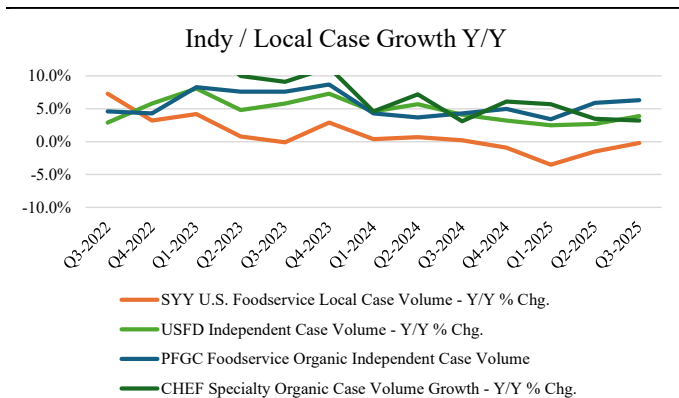
The next chart shows case growth for both SYU and USFD. Note that we don't include PFGC for now because their acquisition of Cheney is inflating their total case growth figures. Also note, however, that despite the sequential ticks up this quarter, notice how much lower the absolute levels of growth are in this chart compared to the next one we'll show.

SYU vs. USFD Total Case Growth Y/Y



Source: Company Data, SEC Filings, *The Curb Economist*

Now let's now look at each of the four distributors' proxy for independent restaurant case volume growth. Here, 3 of the 4 companies saw their growth get better in 3Q, with the smallest and most pure-play independent restaurant distributor (CHEF) actually seeing theirs get worse (albeit modestly). Similar to what we pointed out above, however, *absolute* levels of growth (so where the lines are vertically on the chart) are much closer to where they were in '23-24. This stands in contrast to what we saw with the chart above, which showed total case growth well below levels in recent years. Given the big distributors sell to both chains and independents, this discrepancy tells us that chains are dragging down the total case growth figures for large distributors, and that independents are taking share. The weak same-store growth figures provided by the publicly traded chains confirms, and the fact that its below distributor independent case growth, likely confirms this share shift.

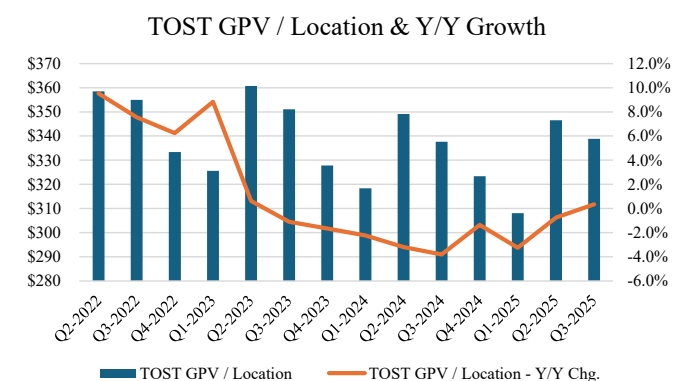


Source: Company Data, SEC Filings, *The Curb Economist*

Lastly, let's look at Toast Inc.'s (Ticker: TOST) GPV per average location. Though it can certainly be affected by customer mix, this metric essentially tracks revenue per restaurant using the TOST system. TOST's data, for what it's worth, will also likely skew towards smaller, independent restaurants, since that is the core of their customer base.

As we highlighted above, this metric also showed sequential improvement in 3Q (as it did in 2Q), and

in this case, TOST's GPV / Location growth reached the highest level since 2Q23. Given its mostly independent restaurant customer base, this too points towards independents gaining share at the expense of chains. The degree of tick up in 3Q (or the second derivative) relative to the tick up in the total case growth chart for SYY / USFD also supports this conclusion.



Source: Company Data, SEC Filings, *The Curb Economist*

All told, restaurant spending actually seems to have bifurcated in 3Q: public companies (all of which can fairly be called "chains") generally saw things get worse, while independents ("Mom & Pops") generally saw things get better. Consumers seem to be dining out more again, but they're doing it at their local independent restaurant much more than they are at chains. The net, net becomes tricky then, because [while independents make up 60-70% of all physical locations](#), they make up [less than half of industry sales](#). All told though, it seems clear things in the restaurant industry in 3Q were better than they were in 1Q and 2Q.

CONSUMER – PART 3 – TRAVEL

Travel is another important category to evaluate to gauge the willingness of the consumer to spend. Like dining out, travel is also largely discretionary, but because of its "bigger ticket" nature, this category gives us different information than what we can glean from the restaurant industry (a meal out might cost \$30, whereas a trip might cost

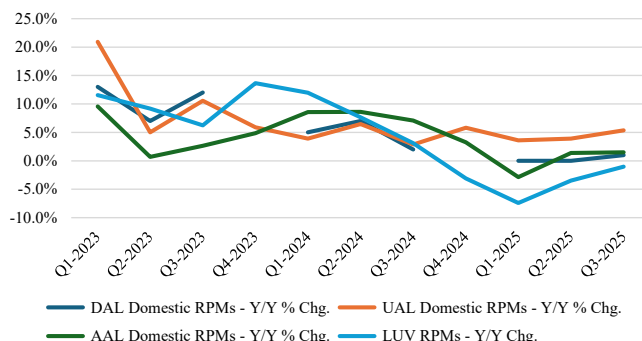
\$3,000). To evaluate the health of the travel industry in the U.S., we’ll look at several metrics:

- Airline RPMs
- Hotel RevPar
- Rental Car RPDs
- Travel site “aggregators” U.S. revenues
- U.S. Theme Park Attendance and “Per Capita” Spending
- Cruise operators

Starting with airlines, below is a chart showing Delta (Ticker: DAL), United (Ticker: UAL), American (AAL), and Southwest’s (Ticker: LUV) year-over-year changes in domestic Revenue Passenger Miles. Revenue Passenger Miles, otherwise known as “RPMs” represent the number of miles paying passengers traveled during a given quarter, and in the industry this metric is often used synonymously with “traffic.” Combined, these four carriers represent about 75% of the country’s air traffic, so it is a helpful sample. *(Note that here we use Southwest’s (Ticker: LUV) total RPMs since 97% of their revenues come from the United States, and because they don’t disclose domestic RPMs specifically, probably for this reason).*

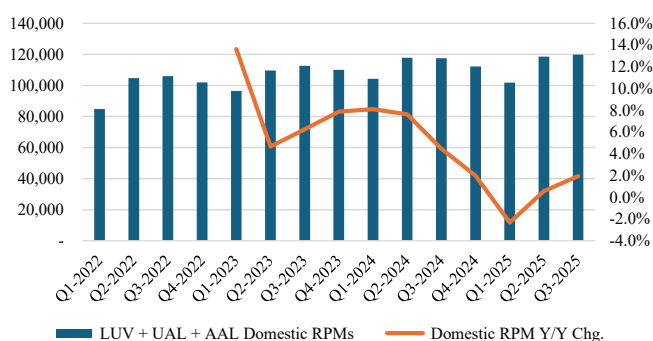
All four companies saw their domestic RPM growth improve in 3Q, and using the sum of UAL, AAL and LUV as a proxy, total domestic RPM growth grew 2% this quarter, which was the fastest since 4Q24 (though as the second chart below shows, that was still well below where we were for most of last year). Domestic airline traffic then can be summarized as rebounding further in the 3rd quarter, but still at lower absolute levels of growth than we saw in most of 2024.

Y/Y Chg in Domestic RPMs



Source: Company Data, SEC Filings, *The Curb Economist*

Domestic RPMs & Growth

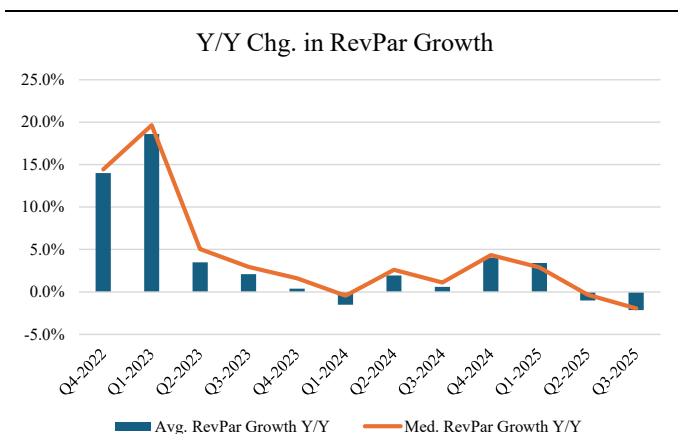


Source: Company Data, SEC Filings, *The Curb Economist*

Let’s now turn to hotels. For the hotel industry, we’ll be looking at “RevPAR”, which stands for Revenue per Average Room. RevPar is useful because it combines both changes in Average Daily Rate (“ADR”) as well as changes in occupancy. In this case, we take the average and median RevPar’s from the following companies and from the following places:

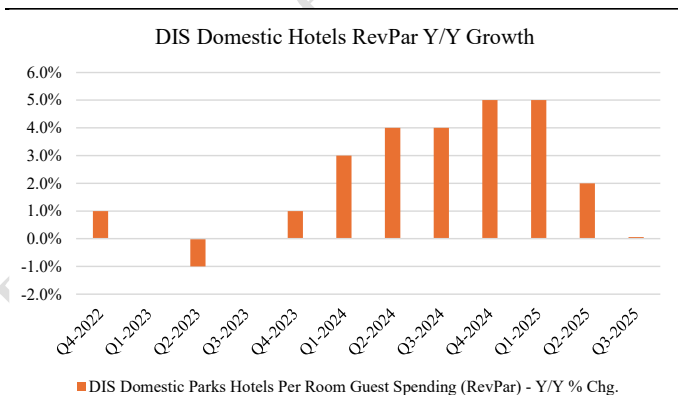
- Hyatt’s (Ticker: H) US System
- Wyndham’s US system (Ticker: WH)
- Choice Hotels’ Domestic system (Ticker: CHH)
- Marriot’s (Ticker: MAR) US and Canada hotels
- Hilton’s (Ticker: HLT) U.S. system
- Intercontinental Hotel Group’s (Ticker: IHG) Americas segment

As the chart below shows, both median and average RevPar across the U.S. hotel industry slowed again in 3Q, after already dipping into negative territory in 2Q. This marks the first back-to-back quarterly decline for hotel RevPar in the post-COVID era, which can probably adequately be called a “recession” for this sector.



Source: Company Data, SEC Filings, *The Curb Economist*

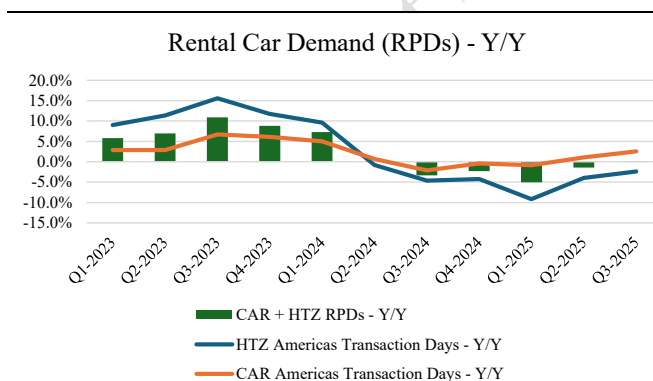
For what it’s worth, Disney (Ticker: DIS) also saw similar trends in their hotel RevPar in 3Q as well, even though they are obviously less diversified and probably the definition of a “destination” trip. For 3Q25, we estimate Disney’s domestic hotels saw its RevPar growth slow to 0% (*Note: unfortunately, disclosures for DIS do not include the hotel data for its fiscal 4Q’s, which end 9/30, so we back into F4Q figures using annual disclosures and weighting RevPar and Occupancy based on room nights*).



Source: Company Data, SEC Filings, *The Curb Economist*

To summarize then, the key metric for U.S. hotel health indicates (another) appreciable slowing in discretionary spending in 3Q25.

Now we can turn to the rental car industry. Since Enterprise isn’t public, we use data from the other two of the Big 3: Avis (Ticker: CAR) and Hertz (Ticker: HTZ). In each case, we’ll use Revenue Passenger Days, or “RPDs” to evaluate demand. Here’s how that chart looks:

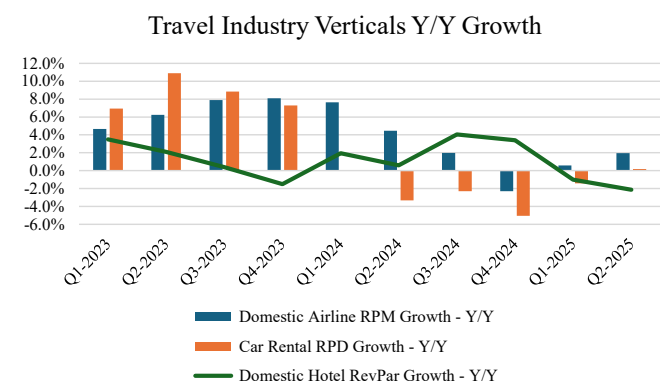


Source: Company Data, SEC Filings, *The Curb Economist*

Perhaps not surprisingly, the rental car demand chart looks very similar to the airline traffic chart. Both charts show fairly consistent deceleration in growth over the past three years, demand falling into negative territory earlier in 2025, and then inflecting back into positive territory again in the middle of the this year.

For the rental car players, things either got more positive in the third quarter (CAR) or less negative (HTZ). CAR’s RPD growth ticked up to 2.5% year-on-year in 3Q, which was above 3Q’s 1.1% and the best figure since 1Q24 (+5.0%). HTZ on the other hand saw RPDs still decline year-over-year, but that decline narrowed to -2.4%, which was the best figure since 2Q24. Looking at the combined domestic RPD figures for both CAR and HTZ on a year-over-year basis, aggregate demand finally started to grow again in 3Q25, albeit modestly (+0.2%, up from -1.4% in 2Q). The rental car industry then, similar to the airline industry, seems to be a quarter or two ahead of the hotel industry in

terms of where we are in the “travel recession” that seemed to start in some capacity last year and carry into this year. The chart below indicates that, with hotel RevPar growth continuing to climb late last year even as airline RPMs and rental car RPDs were clearly slowing.



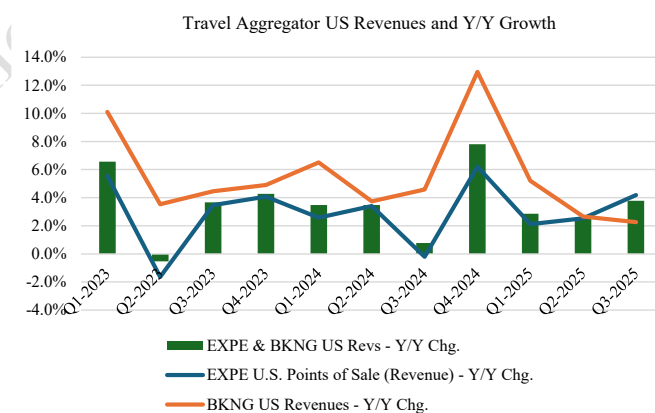
Source: Company Data, SEC Filings, *The Curb Economist*

A good way to finish this part of the Travel section is to look at the travel aggregators Expedia (Ticker: EXPE) and Booking (Ticker: BKNG), since consumers can book airfare, hotels and rental cars all on those sites. These companies can therefore serve a similar purpose for us as the restaurant distributors did in that section of this note, since like them, the aggregators partner base includes airlines, hotels and car rental companies beyond just the companies that trade publicly. One thing worth noting about these two firms is that Booking has a relatively small presence in the US, having about 1/4 of the revenues in the US that EXPE does (though it has a much bigger presence in Europe and Asia than EXPE). Thus, it will be good to add the two together as we do in the chart below.

Getting to the trends then, 3Q business for online travel aggregators in the U.S. was mixed this quarter, with EXPE seeing U.S. revenue growth accelerate while BKNG saw another deceleration. As the chart below shows, this is not the first time this has happened (occasionally this will happen because one takes share from the other), but generally these two see their businesses

directionally go the same way in the U.S.

Combining the two companies' US revenues can therefore be helpful to net out these changes in market share, to adjust for the different company revenue base sizes in the U.S. (as we noted above), and just to get a better sense of the macro travel picture in the U.S more broadly. When combining their U.S. businesses, growth for the two companies inflected higher again, increasing to 3.8% year-over-year after 2Q's 2.6% and 1Q's 2.9%. Simplistically, if 2 out of the 3 main travel categories saw demand accelerate in 3Q, it would make sense that the aggregators saw a tick up too, even if hotels continue to be a drag. But the data points here too supports the conclusion that the travel industry is either in the later stages of a recession or in the early stages of coming out of one.

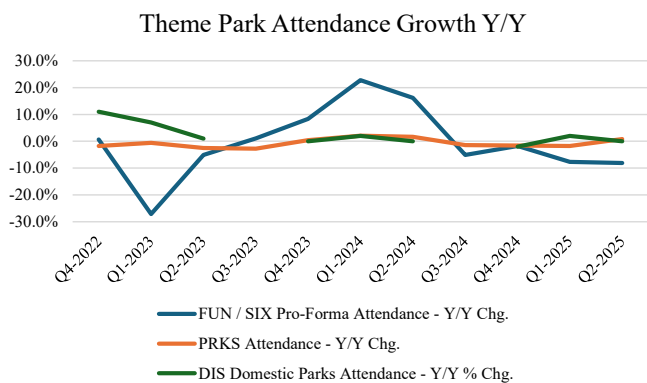


Source: Company Data, SEC Filings, *The Curb Economist*

One other section of travel and leisure that is worth looking at is theme park visitation and “Per Cap” spending at theme parks (“Per Cap” = admissions and in-park spending per visitor). There are now four companies that give us data on theme parks in the United States following Six Flags (formerly: SIX) and Cedar Fair's (Ticker: FUN) recent merger. Besides that combined entity, there's United Parks & Resorts (Ticker: PRKS, formerly SeaWorld, with Ticker: SEAS), Disney (Ticker: DIS), and Comcast (Ticker: CMCSA). Not all of these companies give us the same metrics, but from the data we do have,

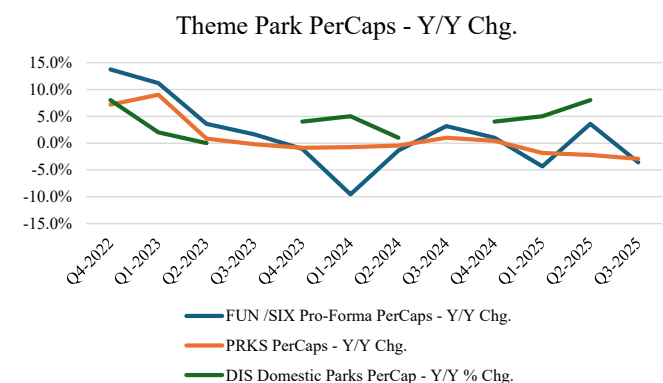
things are mixed at best, and weak at worst. In the theme park world, this is at least partly due to company specific reasons (for example, poor integration between SIX and FUN, and CMCSA's new Epic Universe recently opening in Orlando in 2Q25, which has juiced its parks growth), but the breadth of slowing fits well with the broader travel pullback we've discussed above.

Nonetheless, here are the relevant charts so you can see for yourself. The first shows year-over-year attendance trends for the combined SIX-FUN entity, and then similar figures for PRKS and DIS (*Note: Unfortunately here, in contrast to what we did with Disney's Hotel RevPar, we don't really have a way of backing into F4Q attendance and per cap figures, and since they don't specifically disclose these, we have to leave them blank. We call this out to avoid drawing the conclusion that the figures are zero in all fiscal 4Qs*).



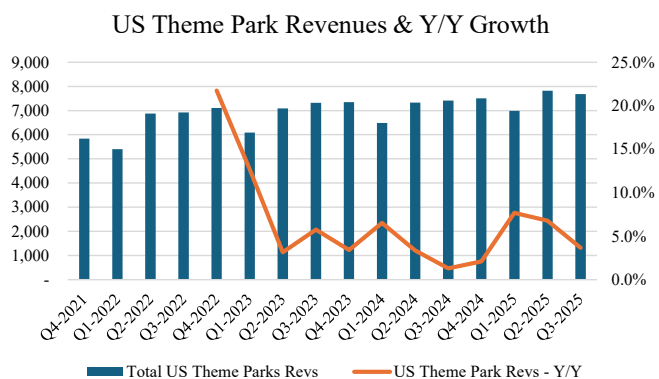
Source: Company Data, SEC Filings, *The Curb Economist*

The second chart shows “Per Cap” trends for those same companies. PerCap growth for both FUN / SIX and PRKS ticked down in 3Q (no data for DIS).



Source: Company Data, SEC Filings, *The Curb Economist*

The third shows aggregate park revenues for the above three companies, as well as Comcast Universal, which owns Universal Studios. Here things slowed as well, with CMCSA still seeing strong growth (18.7% in 3Q vs. 19% in 2Q), FUN / SIX getting less bad but still negative growth (-2.3% in 3Q25 vs. -7.8% in 2Q), and both DIS and PRKS showing notable decelerations (DIS 3Q25 domestic parks growth was 4.8%, down from 9.2% in 2Q, while PRKS slowed to -6.2% in 3Q25 from -1.5% in 2Q). In total, U.S. theme park revenue grew 3.7% year-on-year in 3Q25, well below the 6.8% and 7.7% in 2Q and 1Q respectively.

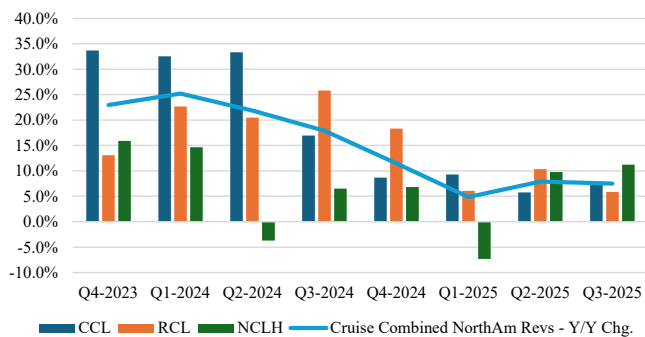


Source: Company Data, SEC Filings, *The Curb Economist*

Let's tackle one more area: cruises. While they don't disclose many key operating metrics for North America specifically, they do each disclose North American revenues (or revenues with North American itineraries). Here we saw a slight

slowing, to 7.5% in 3Q25 from the 7.9% in 2Q. 3Q's growth was still well above the 4.9% in 1Q25, for what it's worth, but 3Q was also considerably below where we were in 2024. Cruise too then has not been immune from what we're calling the "travel recession" of late 2024 / early 2025, though they have not seen revenues go negative like other sub-verticals of the industry have. Cruise though has definitely been more resilient. Two factors are likely at play here: first, there's probably still some post-pandemic pent up demand here being satisfied; second, cruises tend to be much cheaper than an "on land" vacation, so perhaps there's some trading down from other forms of travel. People often still need to take flights to their cruises, but they don't need to stay in hotels the way they would for an on-land vacation. This might help explain at least some of the gap between airlines' RPM growth and hotels' RevPar growth.

North American Cruise Rev Growth - Y/Y



Source: Company Data, SEC Filings, *The Curb Economist*

In [our last consumer update](#), we said "while it might be a stretch to say the travel industry is in a recession, it is definitely not a stretch to say that the travel industry is at least in a mid-season slump." It feels a little more clear now that the travel industry did have some kind of recession late last year and earlier this year, and some elements (like hotels) are probably still in one.

Bigger picture, the data from the travel industry suggests that consumer discretionary spending may have gotten ever so slightly better in 3Q, after

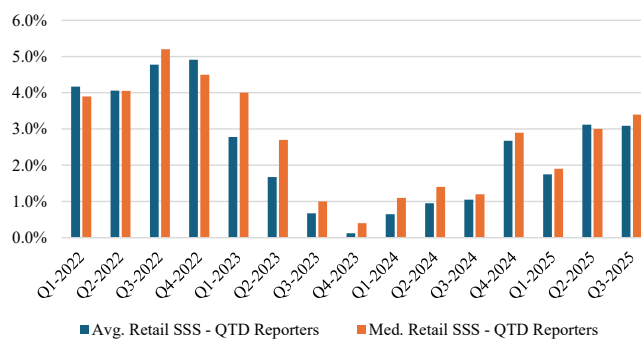
getting ever so slightly better in 2Q as well. In aggregate terms, growth in travel still feels subdued then, if not depressed, but seems to be moving in the right direction again. If anything though, the travel sector indicates consumer discretionary spending got *better* in 3Q, not worse.

CONSUMER – PART 4 – RETAIL SALES

Now let's turn to retail sales. We don't have data for our entire group of 56 publicly traded retailers yet. But at this point, we do have data from 35, which is a more than adequate sample size. From 4Q21 through 2Q25, the average same-store sales (SSS) from the sample we have so far is 99% correlated to the entire dataset. We can therefore feel pretty good about what our group of 35 quarter-to-date reporters is telling us.

What exactly is the data telling us about retail sales in 3Q then? Generally we're learning that they were very solid. For the reporting group we have, the 3Q average SSS was 3.1% (in-line with 2Q's 3.1%), while the median actually got better at 3.4% (vs. the 3.0% in 2Q).

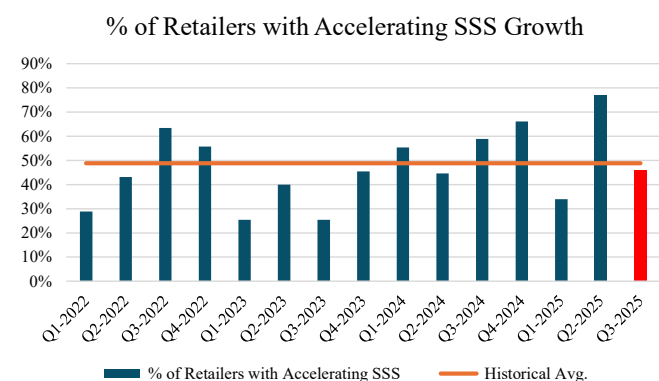
PubCo Retailer SSS



Source: Company Data, SEC Filings, *The Curb Economist*

We can also look at a Diffusion Index to assess the strength of retail as well. For 3Q so far, 46% of our group has shown accelerating SSS vs. 2Q. While this is below the historical average of 49%, this is only because 2Q results were so strong. 46% after last quarter's very strong 77% is actually quite notable given last quarter was by far the strongest

our Diffusion Index has printed in the Post-COVID era.

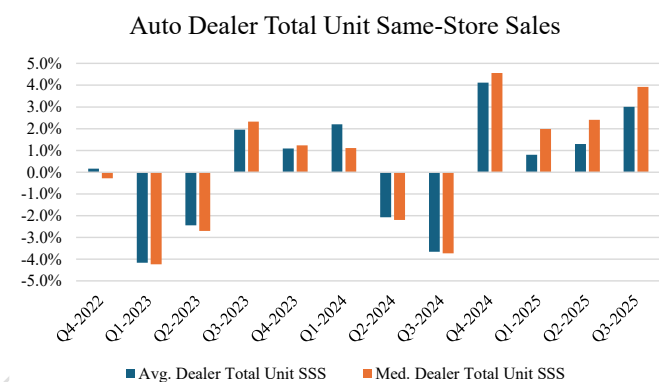


Source: Company Data, SEC Filings, *The Curb Economist*

As we talked about in [our last note](#), 2Q25 was the best quarter for retailers since 1Q23. Using same-store sales as the metric then, 3Q25 was just as good, if not better. Retail sales as a category also indicate then that the consumer remains strong.

CONSUMER – PART 5 – CAR SALES

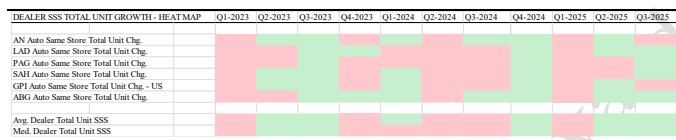
Much of retail is what we'd call "small ticket," or items that don't cost a ton of money. We're now going to turn to "Big Ticket," which are categories where the good *does* cost a lot of money. The first category we'll examine here is cars. To do that, we'll look at auto dealer same-store unit sales.



Source: Company Data, SEC Filings, *The Curb Economist*

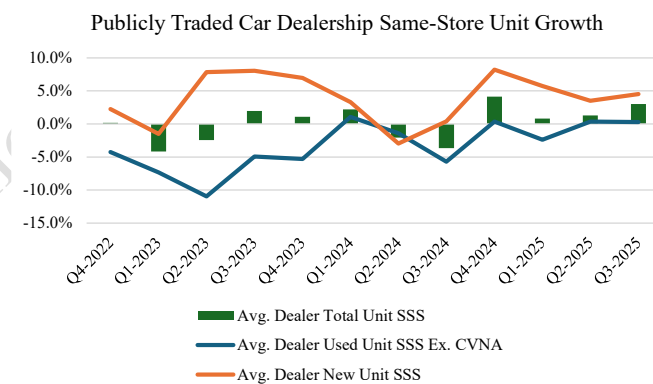
Now here's a heat map. 4 of the 6 publicly traded car dealers saw their same-store unit growth accelerate in 3Q, after the same number saw their

same-store unit growth accelerate in 2Q as well. Consumer demand for cars isn't getting weaker then, it's getting stronger.



Source: Company Data, SEC Filings, *The Curb Economist*

Here is perhaps the most telling chart, which shows new unit same-store sales, used unit same-store sales, and then total unit same-store sales. Notice the discrepancy between how much new unit sales are growing compared to used. This appears to be indicative of the *opposite* of trade down: consumers are trading up.



Source: Company Data, SEC Filings, *The Curb Economist*

You might be asking: what impact is CVNA having on used unit dealer sales? The answer is, not insignificant, but not enough to be the driving force behind why used same-store unit sales are lagging new unit sales at dealers. In 3Q, for example, CVNA grew its units year-over-year by 47,290 (representing growth of 44%, which is incredible). If the publicly traded dealers were the only other used car sales channels available, then CVNA would definitely be having a major impact. But the used car industry in the US is massive, selling 9-10M vehicles a quarter. CVNA's year-over-year unit growth in 3Q then would amount to only 50 bps of market share, or, said differently, a 50 bps headwind to same-store unit growth to everyone

else. While that’s certainly not insignificant, the gap between average new and average used unit sales for our publicly traded used car dealership group was 4.2% in 3Q25. There is clearly something bigger going on than CVNA, and it appears to be consumer preferences.

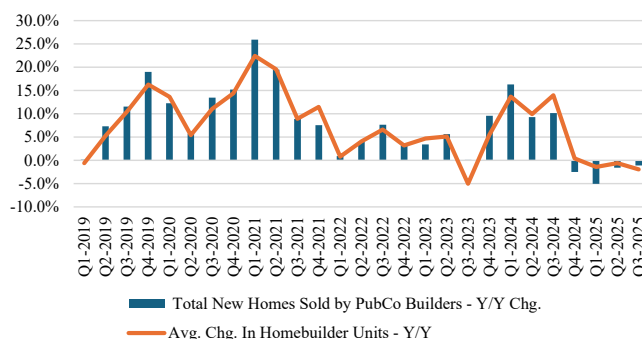
Car sales then, more than any other category, indicate that the consumer is *not* stressed, and far from. Not only are consumers buying cars, but they’re buying *new* cars at a more rapid clip than used cars, the opposite of what you’d expect if they were nervous about their jobs or their finances, or, tariffs and higher prices. Could this be demand pull forward because of tariffs? Maybe, but that seems less likely each quarter that we move past the implementation of the administration’s tariffs.

CONSUMER – PART 6 – HOME SALES

Let’s look at the biggest ticket item of all now: housing. Given the trajectory of [home prices over the last twelve months](#) (by most metrics we’re approaching the lowest home price growth since 2013), it’s interesting that the year-over-year change in homes sold for publicly traded builders looks more like the travel industry than the car industry, despite homes being much closer to the “big ticket” nature of automobiles than travel. Also similar to travel though, and in contrast to autos, the housing market appears to be either in a recession, or in the early stages of coming out of one.

For 3Q25, builders posted their fourth straight quarter of year-on-year declines in units sold, with 3Q declining 1.1%, compared to -1.6% in 2Q, -5.1% in 1Q, and -2.5% in 4Q24. This housing “recession” has been particularly surprising in the context of a rate environment in 2025 that if anything has been just as, [if not more constructive than 2024](#), when homes sold increased double digits year-over-year for most of the year (until 4Q, when they flipped to negative Y/Y).

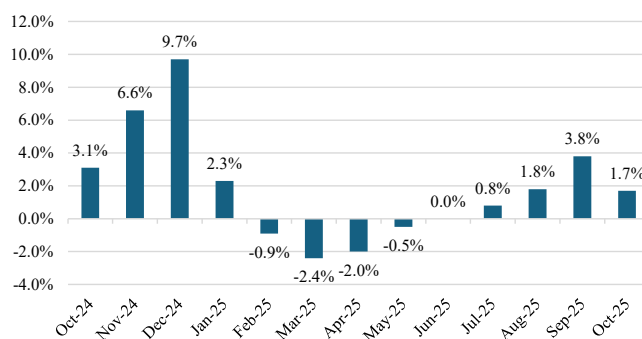
Homes Sold by PubCo Builders



Source: Company Data, SEC Filings, *The Curb Economist*

Given new homes sold tend to only be about 10% of the total homes sold in the market (existing home sales make up the other 90%), it’s worth comparing these figures to what the National Association of Realtors (NAR) is saying about existing home sales. October saw a [1.7% increase Y/Y](#), with single family homes up 1.9%. The chart for [Existing Home Sales looks similar](#) to what we see for the publicly traded builders’ volumes though: year-on-year declines for a good chunk of 2025. It’s not just the builders then who have been in a recession, it’s the housing market in general.

NAR Existing Home Sales Y/Y

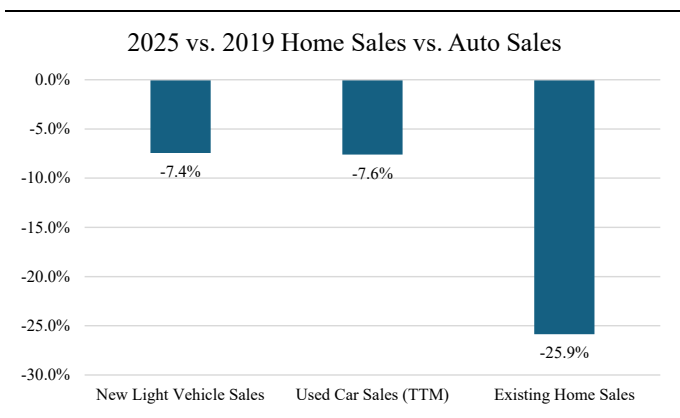


Source: National Association of Realtors (NAR), *The Curb Economist*

For perspective though, while 2024-25 may have constituted a mini-cycle for housing, if we take a step back, the housing market is generally in the same spot it’s been in for the better part of two years now. Yes, October’s 4.1M run-rate was down 36% from early 2022 levels of 6.43M, but we’ve

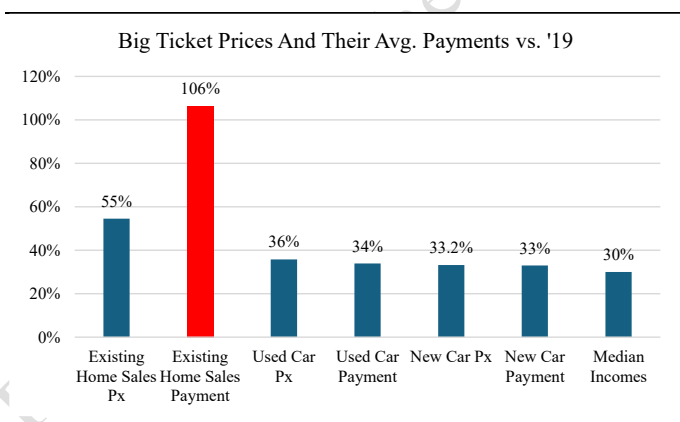
been bouncing around a 4 million run-rate since late 2023.

Nonetheless, housing in 2025 is interesting for two reasons: first, why is housing taking it on the chin in 2025 but autos aren't when both are big ticket? And furthermore, why is the housing market still so depressed compared to pre-pandemic levels, but the auto industry is not?



Source: Wards Intelligence, NAR, *The Curb Economist*

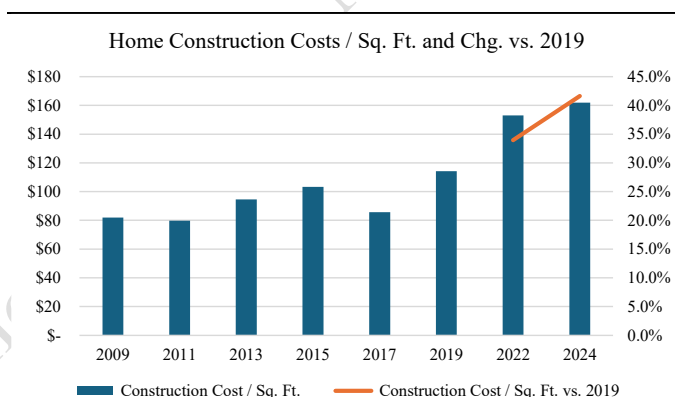
The easy answer is affordability. As the chart below shows, compared to 2019, both new and used car prices and their corresponding payments have generally increased at similar levels as the median income (30-35%). *Existing* home prices, however, are up considerably more, and the average home *payment* is up considerably more than that.



Source: NAR, Wards, Experian, FRED, Cox Auto, *The Curb Economist*

The question then becomes: why is '25 different than '24, especially considering interest rates are flat to down vs. '24 and also that home prices have

barely budged (and if anything, they're actually down in many markets)? All the other points about affordability challenges for housing that can be made today were just as true in 2024 as well, after all. Unfortunately, the answer to this question is longer and more complex (if its answerable at all), something that will require more detail in future notes. For now, however, the answer does not appear to be construction costs, which have "only" increased by just over 40% since 2019, so not radically dissimilar to the growth median incomes or car prices over that period.



Source: NAHB Construction Cost Reports, *The Curb Economist*

CONSUMER – PART 7 – OTHER BIG TICKET

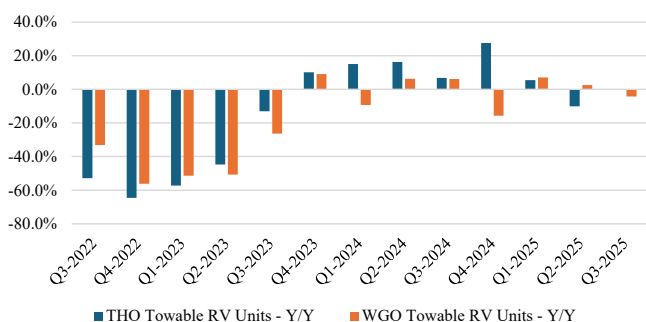
So far we've learned that consumer appetites for goods has generally remained quite solid, despite all the consternation about tariffs. This has been more easily seen in "small ticket" goods (retail sales) than "large ticket", where we just saw there's been a major deviation in consumers' interest in buying cars versus houses. But what about other big ticket items? Let's look at RVs, boats, and other recreational "off-road" vehicles to see if they can help settle the "big ticket" divide.

Let's start with RVs. Below are two charts showing Winnebago Industries (Ticker: WGO) and Thor Industries (Ticker: THO) Towable and Motor Home volumes. Both companies report "off-cycle", with THO's fiscal year ending July 31st, and WGO's fiscal year ending August 30th. Consequently, we

usually don't have data from both these companies by the time we do these notes, and usually we just have WGO.

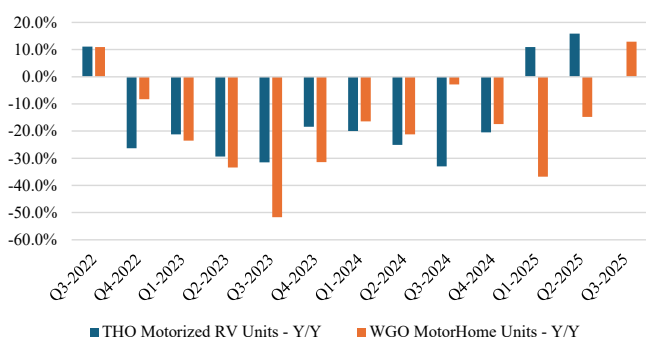
WGO 3Q (Fiscal 4Q) shows continued tepid growth in the towables volume (and in this case a slight decline again), but the first positive inflection in the more expensive Motor Homes category since 3Q22. We'll see what THOR gives us in a few weeks, but on balance, WGO's data is probably encouraging for the industry and for consumer spending.

WGO & THOR Towable RV Volumes - Y/Y



Source: Company Data, SEC Filings, *The Curb Economist*

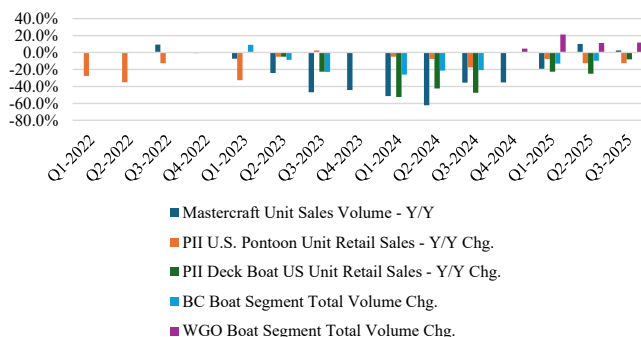
WGO & THOR Motor Home Volumes - Y/Y



Source: Company Data, SEC Filings, *The Curb Economist*

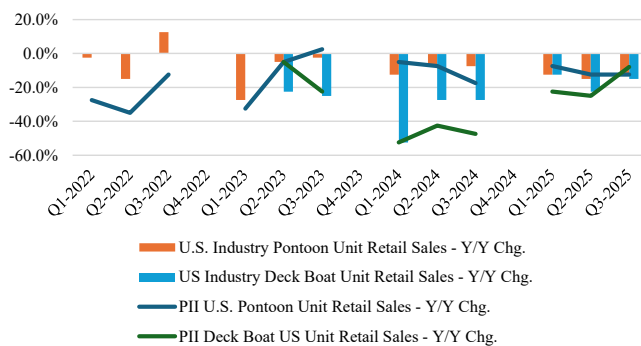
Let's turn to boats, where volumes seem to have been getting ever so slightly better, but still generally weak. They are, after all, still generally declining at the company level (first chart), and at the industry level (second chart). Here our public company group includes Mastercraft Boat Holdings (Ticker: MCFT), Polaris Inc. (Ticker: PII), Brunswick Corporation (Ticker: BC), and then WGO again.

Public Company Boat Volumes - Y/Y



Source: Company Data, SEC Filings, *The Curb Economist*

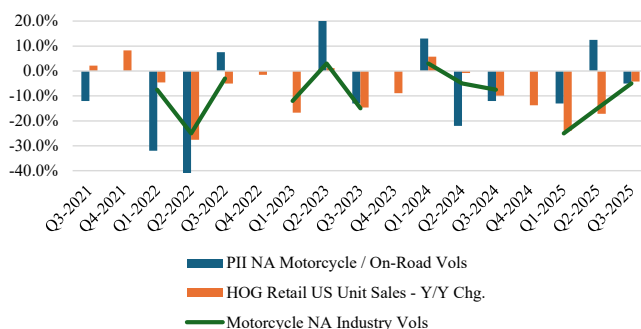
PII and Industry Boat Volume Growth



Source: Company Data, SEC Filings, *The Curb Economist*

Lastly, let's look at off-road vehicles, where the trends appear to be very similar as the boating industry: less bad, but still not good. Our group here is just PII and then Harley Davidson (Ticker: HOG). Units for both are still declining.

PII, HOG NorthAm Industry Motorcycle Unit Growth



Source: Company Data, SEC Filings, *The Curb Economist*

The bottom line conclusion is that consumers still appear to be generally avoiding big ticket goods

categories. Yes, cars and motor homes appear to be a possible exception here, but houses, RV towables, boats and off-road vehicles all are still declining and / or in recessions. We'll have to see if autos hold up in coming quarters or if in fact the strength in that category truly is related to tariffs and pull-forward.

CONSUMER – PART 8 – OTHER METRICS

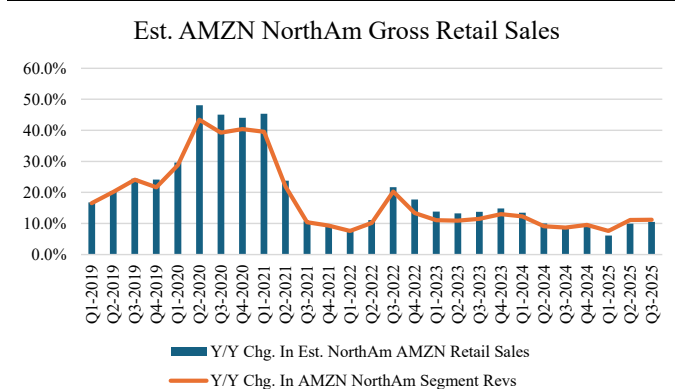
Let's now look at some miscellaneous other disclosures from consumer companies that might give us insights. Let's start with Amazon (Ticker: AMZN), arguably the most important company in the consumer sector period. While the relevant metric from AMZN appears to be their North America segment revenue growth, AMZN also gives us enough detail to estimate their North American gross retail sales as well. We go about the latter as follows:

- Adding their Online Stores and Physical Stores revenues
- Taking their Third-Party Seller Services Commissions revenues and gross that up by 70% to estimate the dollar value of third party sellers' goods sold (this assumes a 30% take rate from AMZN on third party goods sold).
- Adding that gross figure to the sum of Online and Physical Stores
- Multiplying that sum by the share that the North America segment has of the combined North America and International Revenues (so in 3Q25, $\text{NorthAm Revs} / (\text{NorthAm} + \text{Int'l Revs}) = 72.2\%$).
- Calculating the year-over-year growth rate of the resulting figure

While this might be a theoretically better methodology, it's not without its assumptions. We can therefore use the reported North America segment revenue growth to sanity check our estimate for Amazon's North American gross retail

sales more broadly. As the next chart shows, thankfully most of the time they track each other pretty closely.

In 3Q25, AMZN's North Am gross retail sales growth accelerated to 10.5% from last quarter's 9.9%. This was a stronger acceleration than we saw in the North America segment itself (which ticked up to 11.2% growth year-on-year versus 11.1% last quarter), but directionally both metrics did accelerate this quarter. Perhaps more importantly, each of these metrics reached the highest level of growth since 1Q24. With tariffs for the most part having been fully implemented by early in the 3rd quarter, seeing this kind of improvement in growth from the consumer behemoth Amazon is almost assuredly a sign of consumer strength, and can no longer be explained away as simply demand being pulled forward. Though one could also argue that AMZN might be taking share, strong same-store sales growth elsewhere in retail (which we discussed above) suggest the culprit is actually consumer strength more broadly, not AMZN accelerating share gains.

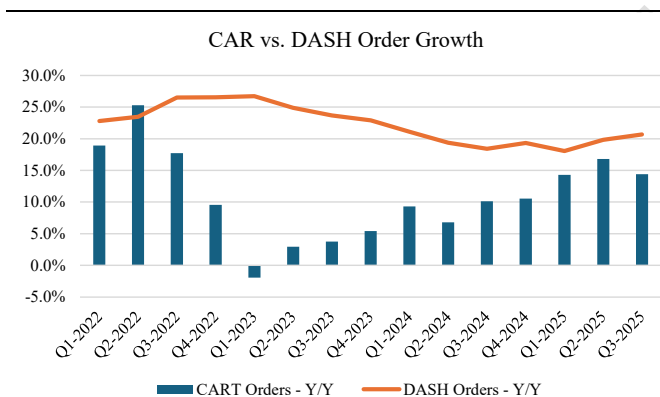


Source: Company Data, SEC Filings, *The Curb Economist*

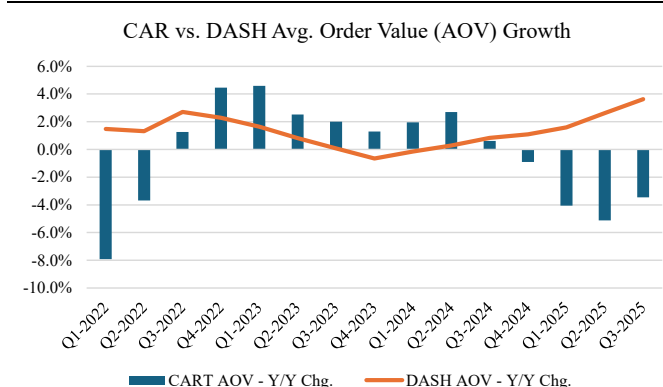
Let's now turn to the food and grocery delivery companies. Here we'll specifically look at Instacart (Ticker: CART) and DoorDash's (Ticker: DASH) order growth, as well as the year-over-year change in their Average Order Values (AOV). Strong growth in these metrics likely also indicate some propensity for consumer discretionary spending, as

ordering in (versus cooking or doing pick-up) is more expensive and more of a luxury. (*Note, Uber, (Ticker: UBER) obviously is another relevant company here but they do not break out delivery metrics for U.S. only, and because their business is so global, using the aggregate metrics would be problematic to gain insights into U.S. only trends*). Furthermore, for these two firms, tariffs are not relevant, since there's no reason to pull forward spending of food, grocery and other related deliveries. Thus, if order growth and AOV growth are slowing down or picking up, it probably has some directional relevance for consumer discretionary spending more broadly.

In this case, the metrics are more positive than negative, but still a bit mixed. Order growth ticked up for DASH again this quarter, but slowed down for CART. AOV growth, on the other hand, improved for both companies. So no uniform takeaways here, but if anything, probably directionally positive on balance.



Source: Company Data, SEC Filings, *The Curb Economist*



Source: Company Data, SEC Filings, *The Curb Economist*

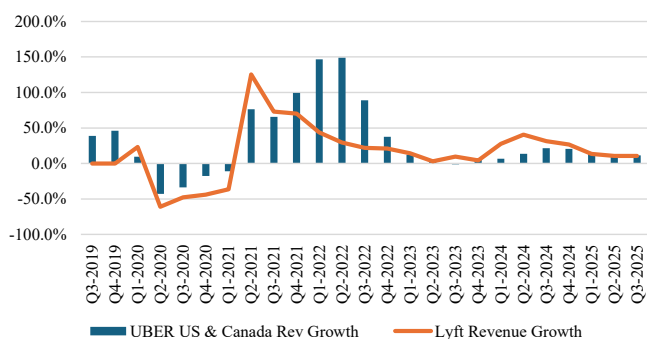
While we are on the subject of delivery, let's look at what Uber (Ticker: UBER) and Lyft (Ticker: LYFT) revenues might tell us. As we noted above UBER's disclosures do not let us ascertain what's happening with either their Mobility or Delivery businesses in the US specifically, while Lyft's rideshare business is entirely in the U.S. but does not have a delivery business. UBER also only gives us U.S. AND Canada revenues, whereas Lyft just gives us revenues in the U.S. Consequently, the metrics we're about to discuss are only somewhat comparable. But they should still be useful.

That being said, both the ridehailing and the delivery businesses have a lot of overlapping demand profiles, some of which are core (getting to and from work in cities), and some of which are discretionary (ordering dinner or traveling). These firms are therefore not perfect indicators for either discretionary services spending or "staples" services spending, but they are likely at least somewhat *more* indicative of discretionary trends since most of the time customers have other options that are either free at best (walking, or picking up food closer to your house), or cheaper at worst (public transit).

For what it's worth, in 3Q25, both UBER and LYFT saw sequential decelerations in their revenue growth from the U.S. and Canada regions. This is the fourth quarter in a row of sequential deceleration for both companies. This could be yet another

symptom of travel sector weakness, or its just a negative signal about consumer discretionary spending growth.

UBER & Lyft US & Canada Rev Growth



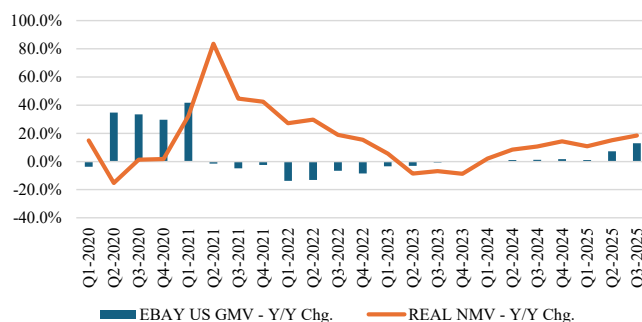
Source: Company Data, SEC Filings, *The Curb Economist*

Let's now turn to one area of consumer discretionary spending that may shine light on tariff affected spending: online marketplaces. Given much of the merchandise on these platforms is used, it is not subject to tariffs, and especially when it is purchased from U.S. sellers. Tariffs and higher consumer prices are likely aiding these businesses, but it took until 2Q for us to really see this play out.

For this section, we'll focus on RealReal Inc. (Ticker: REAL), EBay Inc. (Ticker: EBAY), and ThredUp (Ticker: TDUP). Etsy (Ticker: ETSY) would otherwise be a natural company for us to include as well, but there seem to be some comparability issues with their relevant U.S. metrics at the moment. We'll therefore focus on REAL and EBAY GMV, and then TDUP's order growth.

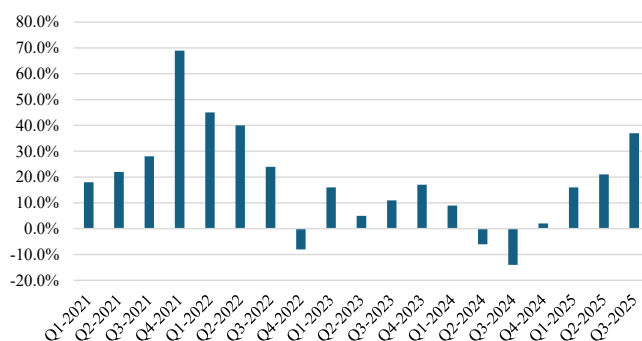
In 3Q, both REAL and EBAY again saw acceleration in NMV and GMV growth, especially EBAY (first chart below). TDUP also saw another acceleration in order growth (second chart).

Online Marketplace US GMV - Y/Y



Source: Company Data, SEC Filings, *The Curb Economist*

TDUP Orders - Y/Y Chg.



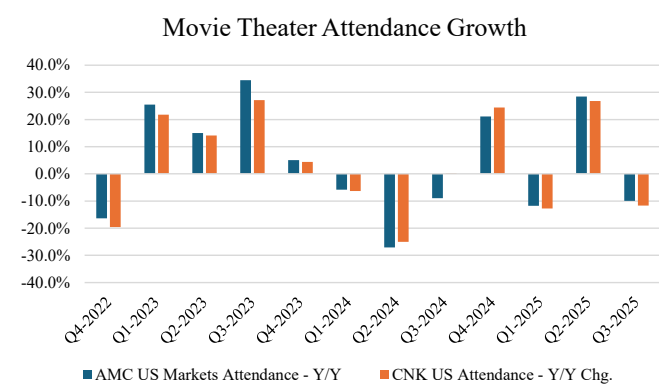
Source: Company Data, SEC Filings, *The Curb Economist*

In recent quarters, we put forth the theory that accelerations in KPIs for the online marketplaces was likely indicative of consumers trying to avoid tariffs. While this is probably true to a certain extent, given the strength in retail sales elsewhere the last two quarters, tariff-avoidance doesn't necessarily seem to be the driving factor behind these companies' newfound strength. The strength in online marketplaces does, however, provide yet another datapoint for consumer preferences for goods.

We can also look at movie theater metrics to gauge the health of the consumer as well. Movie theaters have historically represented a relatively cheaper night-out option, and have therefore been more recession resistant as a result. But ultimately they still are a discretionary purchase, so despite the other factors that affect movie attendance (the

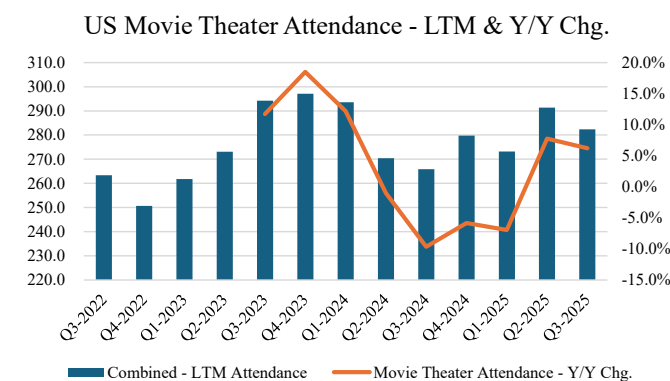
number of releases, movie quality, etc.), they can still probably serve as at least somewhat of a helpful spending indicator.

In this case we’re using AMC Entertainment (Ticker: AMC) and Cinemark’s (Ticker: CNK) US segment metrics, and the relevant metrics themselves are 1) attendance 2) ticket prices, 3) “PerCap” concessions spending. Our first chart shows quarterly Y/Y US attendance for both operators.



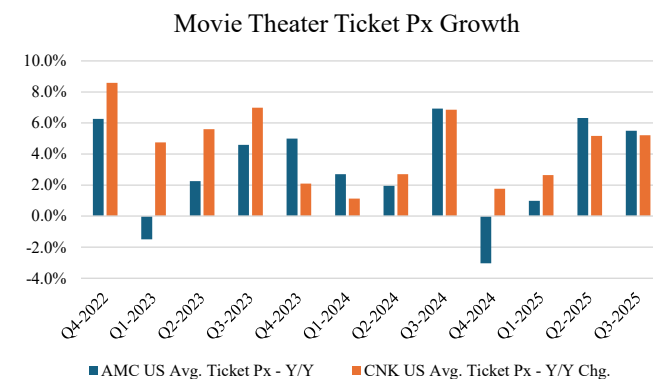
Source: Company Data, SEC Filings, *The Curb Economist*

Because of the variable timing of movie releases, however, looking at attendance on a last twelve month (LTM) basis is probably a better way to evaluate consumers’ interest in the movies. We can then look at year-over-year growth on that metric to help account for the “lumpiness” of film releases and reduce seasonality. The next chart shows this, and when looking at attendance in this way, things look a little better, though aggregate attendance is still down from where it was a couple years ago.



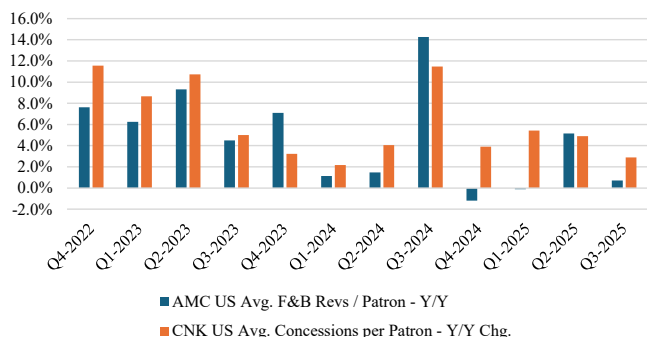
Source: Company Data, SEC Filings, *The Curb Economist*

Let’s next look at ticket price and concessions spending growth. Ticket prices and concessions spending generally have less lumpiness to them since they’re “PerCap” metrics. Consequently, year-over-year changes on a quarterly basis are better barometers here. As the next two charts show, both ticket price and concessions spending growth are at relatively healthy levels, which combined with solid attendance suggest relatively good pricing power from the theaters and relatively decent interest from consumers for spending at the theaters. In summary then, movie theater KPIs likely suggest a healthy and potentially strengthening consumer, rather than the opposite.



Source: Company Data, SEC Filings, *The Curb Economist*

Movie Theater Concessions Per Cap Growth



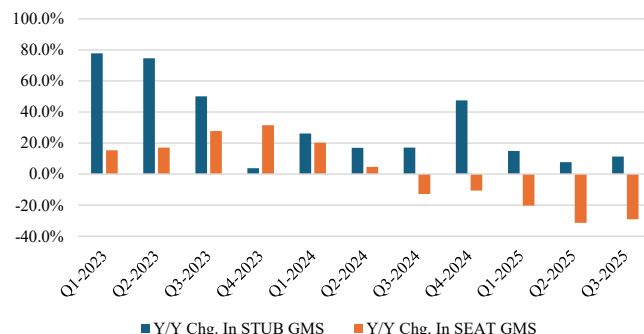
Source: Company Data, SEC Filings, *The Curb Economist*

Let's lastly turn to the ticket industry, which can give us a sense of consumers' appetite for live shows and events, another highly discretionary industry. Here we'll use data from Vivid Seats (Ticker: SEAT), and new IPO StubHub (Ticker: STUB). For reference, almost the entirety of SEAT's revenues come from the US, whereas STUB receives about 85% of its revenues from the States. Because STUB does not disclose U.S. metrics (or U.S. revenue) specifically on a quarterly basis, we use their consolidated data instead. Consolidated STUB metrics should therefore still be a pretty reliable comparison to SEAT, but there may be some extra noise there because of its (admittedly small) international exposure. By contrast, we should also note that we *do not* include any data from Live Nation (Ticker: LYV) for ticket volumes, simply because only roughly 60% of its revenues come from the US, which leaves too much margin for error to be used as a US driven metric. We will, however, include LYV's North American concert attendance volume (since its North American).

Below are two charts then: one showing both SEAT and STUB's GMS growth relative to one another, and then the other showing the two combined (as well as the combined year-over-year growth). We do this for the same reasons we show the combined chart for EXPE and BKNG (or HTZ / CAR), which was to try and adjust out for differences in the sizes

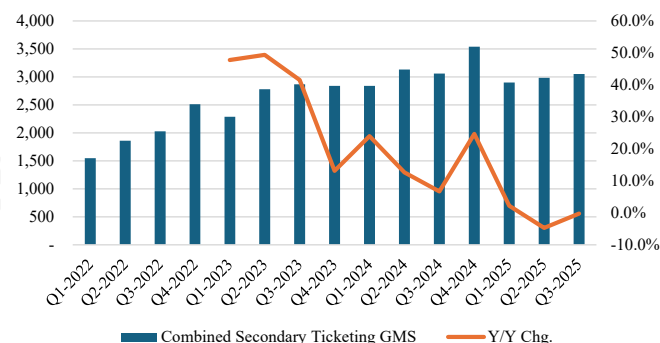
of the businesses, as well as to account for share shifts between the two.

Y/Y Chg. in Secondary Ticketing GMS



Source: Company Data, SEC Filings, *The Curb Economist*

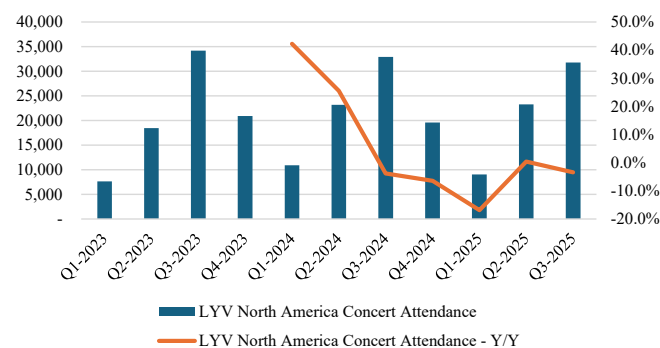
STUB & SEAT Secondary Ticketing GMS and Y/Y Growth



Source: Company Data, SEC Filings, *The Curb Economist*

Let's now turn to North American concert attendance from LYV. The chart looks similar to the combined secondary ticketing chart above, with slowing growth through late '24 and '25.

LYV North American Concert Attendance



Source: Company Data, SEC Filings, *The Curb Economist*

At first glance, the takeaway here seems to be that similar to travel and dining out, ticketing and concerts are additional services categories where consumers are shifting money away from in 2025. This may be misleading, however, as both the ticketing and concert market has a very difficult comp in 2025 because of the Taylor Swift Eras Tour in 2024. Thus, concert attendance and ticket volumes may not be as good of a discretionary consumer spending indicator this year as it would be in other years.

For what it's worth, STUB actually disclosed GMS growth ex. the Eras Tour in its 3Q25 reporting package, and that was up 24% Y/Y in 3Q25 (and 22% on a Year-To-Date basis). This was actually above where their growth was for most of '23-24 when the Eras Tour was actually happening. This added measure of disclosure suggests ticketing volume might actually be a *positive* indicator of consumer discretionary spending rather than a negative one. SEAT unfortunately gives us no such disclosures, either in their quarterly filings or on their conference calls, nor does LYV.

CONCLUSION

While concerns around the labor market persist, and [consumer sentiment indicators reach near record lows](#), the consumer appears to be saying one thing, and doing another. As my old golf swing coach used to say, “feel and real are not the same thing.” This is very applicable to the current state of the consumer. Yes, there are some indicators of consumers being more cautious (particularly in bigger ticket spending categories like travel or housing) and trimming spend or otherwise “trading down.” But generally speaking, this is not a broad-based phenomena. If anything, the consumer is strengthening, not weakening, and spending more, not less. Yes, Americans are shunning houses at the moment, but they're also buying cars at a relatively “normal” clip, and not only that, but they're trading

up for new cars instead of trading down to used ones. Retail in general had another very strong quarter, and one of its best in the post-COVID era. Then when it comes to services, its true that travel and its tangential industries (including rideshare) and restaurant spending has been weak, but both appear to have gotten better in 3Q and seem poised to continue to improve (airlines and rental car demand is evidence of this on the travel side, and restaurant distributor volumes are evidence of this on that side). Despite all the fears around what tariffs might do to consumer spending then, not only is consumer spending remaining resilient, but it's actually strengthened. Additionally, it continues to shift in favor of goods, which is the opposite of what you'd expect the consumer to do if they were cutting back (its also the opposite of what many, including us, thought would happen, for that very reason). With goods' prices increasing at faster rates these days, consumers are favoring them *more*, not less.

This isn't to say everything is rosy and there isn't anything to worry about of course. Big ticket goods away from automobiles remain mired in recession, for example, without much indication we're going to sustainably flip positively anytime soon. As we said in our prior note, if things worsen in the employment market, the current strength could all change in an instant. While we won't go into it in this note, the stock market has clearly been signaling some major fears about the state of the consumer so far in 4Q (and particularly in October). We will discuss this more in a coming note soon. Part of the reason we do what we do is because the market is actually pretty good at forecasting recessions, and most of the time, its reacting to actual company earnings and guidance. The data points from companies then are instructive in telling us what's actually happening right now in the economy and where it might be going. Check back soon to get our latest thoughts on that. Until next time then, Happy Thanksgiving!