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U.S. CPG Demand Signals

August 27, 2026

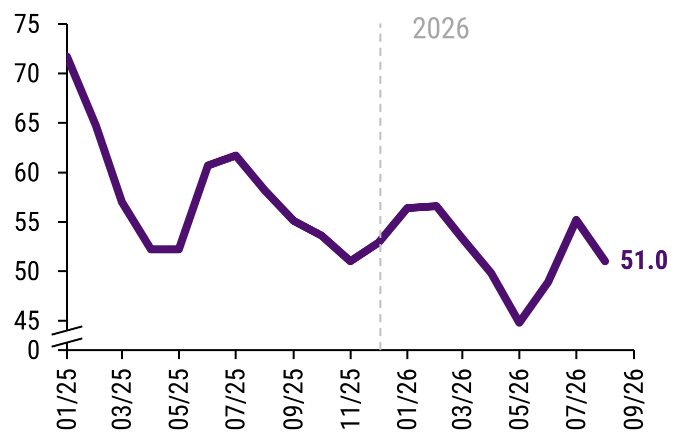
Period 8, 2026 | Data ending August 9, 2026

Consumer confidence remains low and volatile as employment and core inflation are more steady

Consumer Confidence

Sentiment drops in early August after two consecutive months of improvement

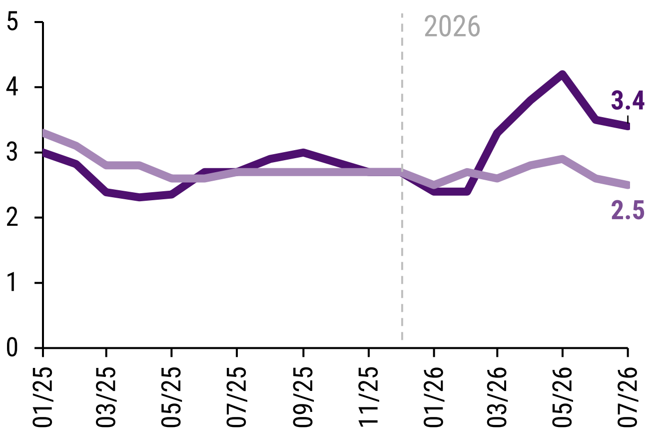
University of Michigan Consumer Sentiment Index



Inflation

Inflation cooled on lower energy prices; core inflation remains steady

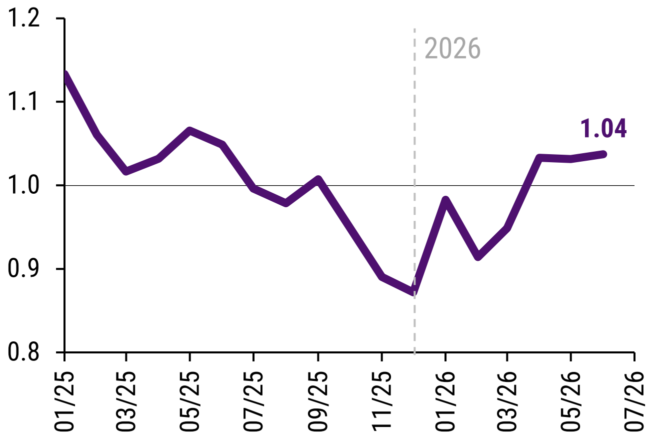
Consumer Price Index % Chg. vs. Year Ago



Employment

The labor market **is stable but tight**, with roughly one job opening for every unemployed worker

Job Openings per Unemployed Person



Year-ahead **consumer inflation expectations rose to 4.3%** in August (from 4.2% in July), signaling continued concern about future costs.

As of Aug. 24, gas prices were relatively **stable over the last month** (approximately $4.20 per gallon), remaining below the May peak of $4.63.

Unemployment improved slightly to 4.1% in July, remaining within the 4.1% to 4.5% range observed over the past year.

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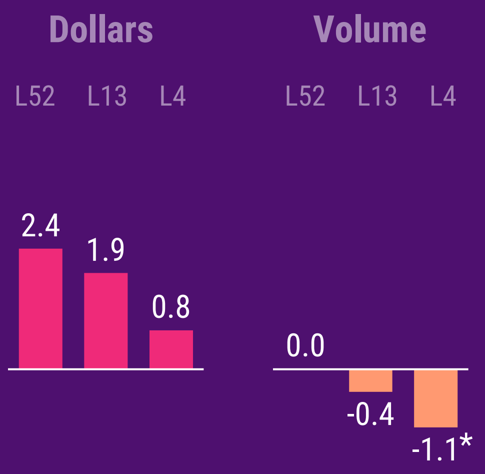
*Note: Data available as of August 24, 2026. Source: **Sentiment:** University of Michigan Survey of Consumers, August (preliminary results), **Inflation:** Consumer Price Index % Chg. vs. YA, All Items, Total U.S. All Urban Consumers, **Employment:** Bureau of Labor Statistics, **Gas:** U.S. Energy Information Administration (U.S. all grades retail gasoline prices), Circana's Executive CPG & Foodservice Advisory.*

U.S. Consumer Spending Snapshot

Retail Food & Beverage

Retail F&B softness persists, intensified by recent produce declines

% change vs. year ago

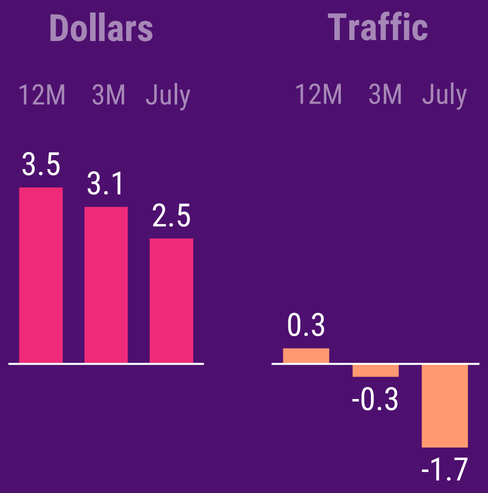


Data ending August 9, 2026

** Without produce, Retail F&B volume declined 0.5% in L4*

Foodservice

Foodservice trends slowed, with foodborne illness concerns adding pressure to large chain restaurants

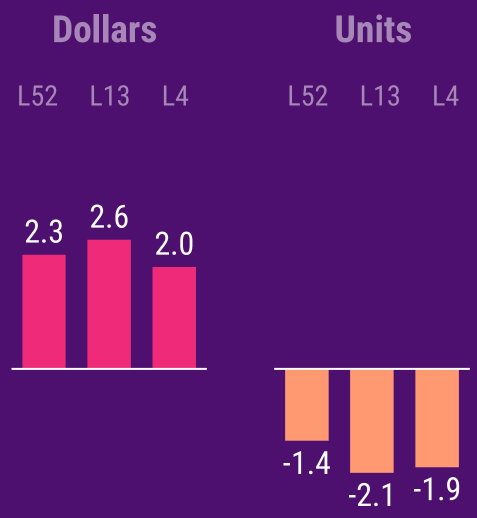


Monthly data ending August 2, 2026

Non-Food CPG

excluding Tobacco

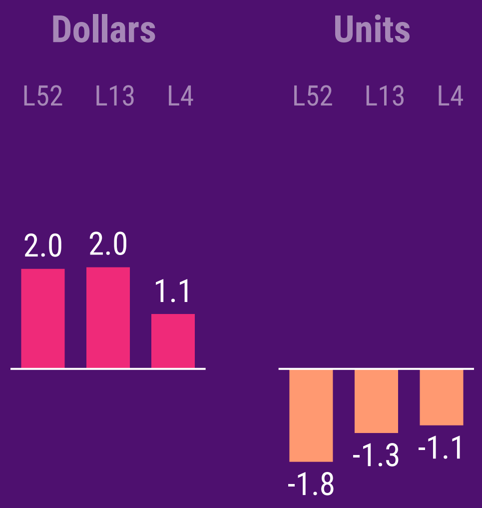
Non-Food CPG units remain down, while dollar growth continues



Data ending August 9, 2026

General Merchandise

General Merchandise back-to-school momentum moderates



Data ending August 8, 2026

Source: ***CPG & Gen Merch**: Circana POS data, **Foodservice:** Circana CREST® data, Circana's Executive CPG & Foodservice Advisory.*

Retail Food & Beverage
Data ending August 9, 2026

Retail F&B softness persists, amplified by recent produce declines

Spending remains disciplined across Retail F&B
Volume declined 1.1% in the latest four weeks, continuing weaker summer trends and leaving volume flat year-to-date. Produce was the largest drag on recent F&B performance, though trends are softer across the store.

Heightened food safety concerns weigh on produce sales
Produce volume declined 7.4% over the latest four weeks, driven by a severe and still largely unrecovered 28% drop in leafy greens following the Cyclospora outbreak linked to lettuce in early July. Amplified attention on food safety, alongside more recent headlines involving jalapeños, eggs, and frozen blueberries, appears to be contributing to a modest halo effect across the broader produce department.

Overall Retail F&B price growth moderates
Retail F&B price growth eased to 1.9%, with inflation moderating across both perishables and center store. The slowdown was driven in part by key commodity-driven categories, including beef, coffee, and chocolate, where prices remain elevated but are now lapping stronger inflation levels from a year ago. Despite moderation in overall Retail F&B inflation, 24% of subcategories continue to experience accelerating price growth, though that is down from 43% of subcategories in late 2025.

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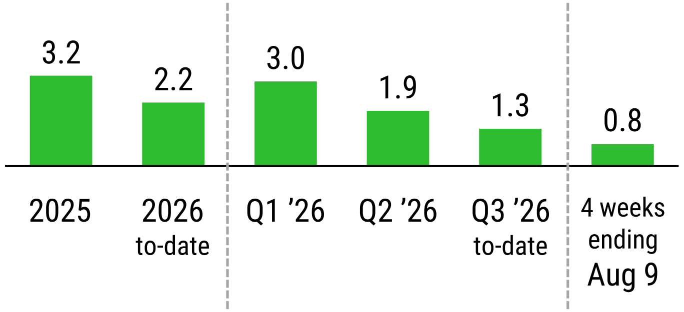
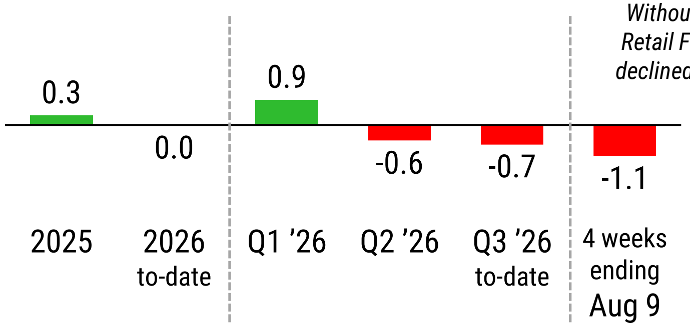
Dollar Sales % chg. vs. year ago



Volume

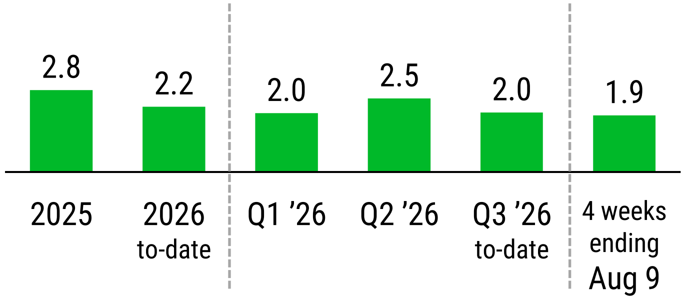
Volume Sales % chg. vs. year ago



Without produce, Retail F&B volume declined 0.5% in L4

Price

Price Per Volume % chg. vs. year ago



Trend Watch
Volume Sales

	Latest 4 Weeks % chg. vs. YA	Trend vs. L13[1] (ppt acceleration /deceleration)
E-comm (MULO+)	21.8%	-1.9
B&M (MULO+)	-4.4%	-0.5
Conv.	-2.4%	-0.9
Private Brands[2]	-1.1%	-0.6
National Brands	-1.4%	-0.6
Center Store	-0.3%	-0.3
Perishables[3]	-1.9%	-1.2
Total Retail F&B	-1.1%	-0.7

1. Ppt acceleration/deceleration vs. latest 13 weeks % chg. vs. YA, 2. Unbranded products not shown, accounting for approximately 6% of retail F&B sales, 3. Perishables includes dairy, produce, meat, seafood, deli, bakery and other refrigerated, Source: Circana POS data ending August 9, 2026, MULO+ with Convenience. Circana's Executive CPG & Foodservice Advisory

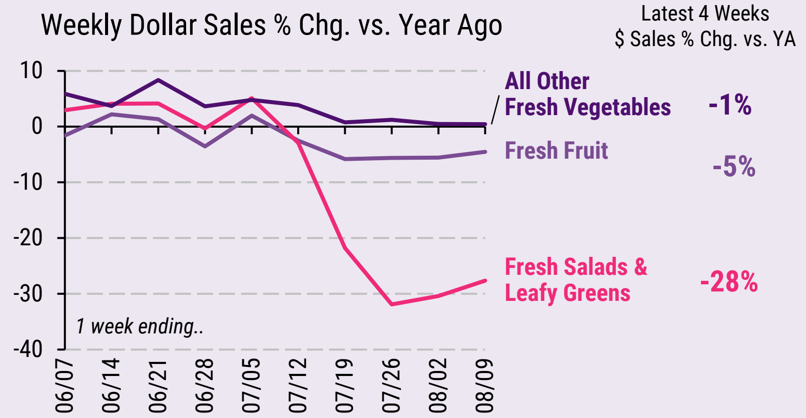
Produce remains the primary drag on recent F&B performance, though ongoing softness extends across most segments

Retail F&B Segment	Dollar Sales: Latest 4 Weeks % Chg. vs. Year Ago	Volume Sales: Latest 4 Weeks % Chg. vs. Year Ago	Volume Sales: Trend vs. L13 (ppt acceleration/ deceleration)[1]
Beverages	4.3	1.3	-0.6
Baking	3.7	0.0	-0.8
Candy	3.3	-4.0	-0.4
Rfg. Meals + Ingredients	2.3	1.4	+0.5
Shelf-Stable Meals + Ingredients	2.3	-1.6	-0.2
Ice Cream / FZ Desserts	2.1	-0.7	+0.4
Snacks	1.9	-0.9	-0.6
Frozen Meals + Ingredients	1.8	0.6	+0.7
Meat + Seafood	1.3	-0.7	+0.4
Deli	1.3	1.1	-1.1
Shelf-Stable Breakfast	0.1	-2.2	-0.4
Bakery	-0.7	-2.8	-0.6
Alcohol	-1.8	-3.2	-0.9
Dairy	-2.5	1.1 (excl. Eggs: 1.2%, +0.0)	-0.1
Produce	-6.2	-7.4	-4.1
Total Retail F&B	**0.8**	-1.1	**-0.7**

Without produce, Retail F&B volume declined 0.5%, 0.4 deceleration from L13

Spotlight Insights

Heightened food safety concerns, spurred by Cyclospora, coincide with severe, lingering declines in leafy greens and a modest halo effect across other produce.



- **The Great Lakes region** posted the steepest declines (36% in fresh salads and leafy greens) due to Cyclospora case concentration in Michigan, but **all regions declined 20%+.**
- **Frozen and canned vegetables and fruits accelerated,** but gains offset only a small share of fresh produce losses.
- **Fresh fruit losses** were driven primarily by **strawberry distribution declines**, likely tied to brief supply constraints, though higher foodborne illness concerns may also be weighing on demand, particularly in raspberries.

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1. Ppt acceleration/deceleration vs. latest 13 weeks % chg. vs. YA, Source: Circana POS data ending August 9, 2026, MULO+ with Convenience. Circana's Executive CPG & Foodservice Advisory.

Retail F&B price/mix growth slowed, with many key segments cooling while others continue to accelerate

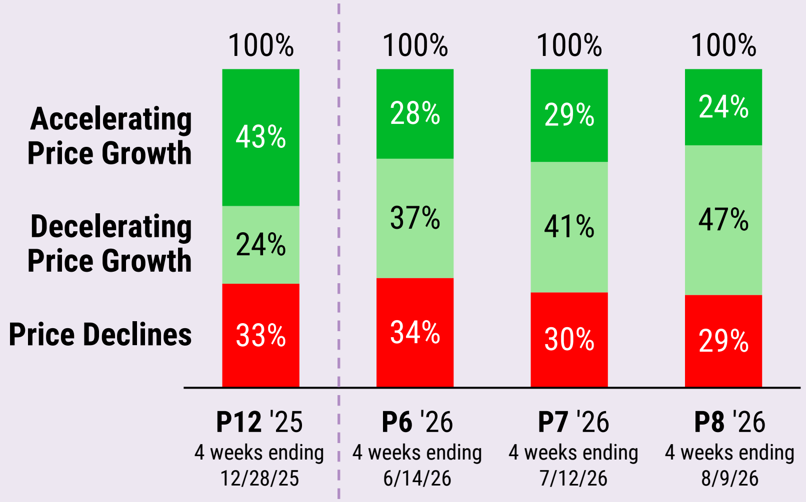
Retail F&B Segment	Dollar Sales	Price Per Volume (Price/Mix)[2]	
	Latest 4 Weeks % Chg. vs. Year Ago	Latest 4 Weeks % Chg. vs. Year Ago	Trend vs. L13 (ppt acceleration/ deceleration)[1]
Beverages	4.3	2.9	-0.3
Baking	3.7	3.6	+0.4
Candy	3.3	7.6	-1.1
Rfg. Meals + Ingredients	2.3	0.9	-0.2
Shelf-Stable Meals + Ingredients	2.3	3.9	+0.2
Ice Cream / FZ Desserts	2.1	2.9	-0.6
Snacks	1.9	2.9	+0.4
Frozen Meals + Ingredients	1.8	1.2	+0.1
Meat + Seafood	1.3	2.1	-1.6
Deli	1.3	0.2	-0.1
Shelf-Stable Breakfast	0.1	2.4	+0.7
Bakery	-0.7	2.1	-0.6
Alcohol	-1.8	1.5	-0.3
Dairy	-2.5	-3.6 (excl. Eggs: 1.1%, +0.0)	+0.7
Produce	-6.2	1.3	-1.8
Total Retail F&B	**0.8**	1.9	**-0.4**

Spotlight Insights

While 24% of subcategories continue to experience accelerating price growth, nearly half (47%) are now experiencing inflation deceleration.

% of Retail F&B Subcategories with...

(based on item price per volume excluding product mix effect)[3]



Acceleration/deceleration reflects whether year-over-year % price growth was higher or lower than the prior 4-week period. For example, price growth accelerated in 24% of subcategories in P8 compared with P7.

1. Ppt acceleration/deceleration vs. latest 13 weeks % chg. vs. YA, 2. Average price/mix inclusive of changes to UPC item prices and product mix, 3. Circana's Price Decomposition solution, excluding subcategories less than \$10M 2025 sales, not weighted by subcategory size, Source: Circana POS data ending August 9, 2026, MULO+ with Convenience. Circana's Executive CPG & Foodservice Advisory

Non-Food CPG
Data ending August 9, 2026

Non-food CPG dollar growth holds despite continued unit decline

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Unit trends remain weak but have stabilized

Non-Food CPG unit sales declined 1.9% in the latest four weeks, in line with recent trends. Consumers prioritize small indulgences and premium products, helping sustain dollar growth despite ongoing unit pressures.

Units

Consumers continue to shift purchases online

E-commerce now accounts for nearly one-quarter of Non-Food CPG sales, with online share increasing across every segment as consumers embrace seamless digital, social, and AI-driven shopping experiences.

Price

Non-food inflation stays low and stable overall; mix continues to shape results

Price/mix growth in the latest four weeks remained largely consistent with year-to-date trends, despite some period-to-period volatility likely driven by promotional timing and related shifts in product mix. Item pricing has provided a modest but steady contribution to overall price/mix growth throughout 2026, while positive mix remains the primary driver. Inflationary pressures continue to be concentrated in beauty and select kitchen categories, with lower price growth across most of Non-Food CPG.

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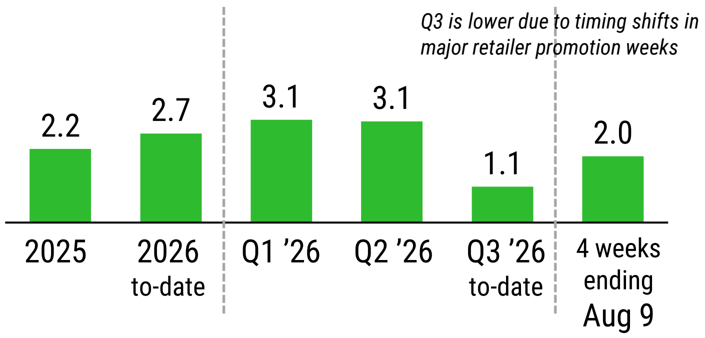
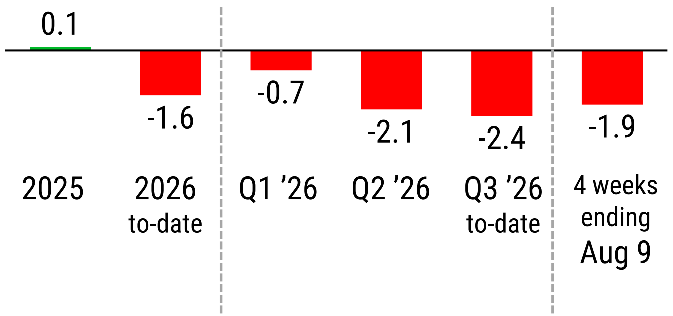
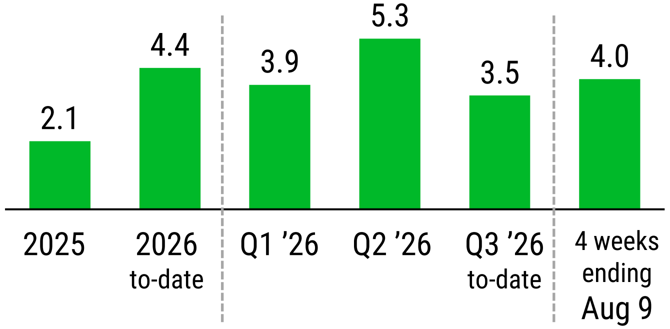
Dollar Sales % chg. vs. year ago



Unit Sales % chg. vs. year ago



Price Per Unit % chg. vs. year ago



Trend Watch

Unit Sales

	Latest 4 Weeks % chg. vs. YA	Trend vs. L13 (ppt acceleration or deceleration)[1]
E-comm (MULO+)	15.2%	-1.7
B&M (MULO+)	-4.9%	+0.4
Private Brands	-4.8%	+0.3
National Brands	-1.0%	0.0
Total Non-Food CPG	-1.9%	+0.1

1. Ppt acceleration/deceleration vs. latest 13 weeks % chg. vs. YA,
Source: Circana POS data ending August 9, 2026, MULO+ with Convenience. Circana's Executive CPG & Foodservice Advisory.

Most non-food segments continue to face unit pressure, with health and pet care showing greater resilience

Non-Food CPG Segment	Dollar Sales: Latest 4 Weeks % Chg. vs. Year Ago	Unit Sales: Latest 4 Weeks % Chg. vs. Year Ago	Unit Sales: Trend vs. L13 (ppt acceleration/ deceleration)[2]
Personal Care	4.6%	-0.9	+0.1
Cosmetics	3.4%	-2.0	+0.3
Pet Food + Care	3.1%	-0.1	+0.2
OTC Healthcare	3.1%	0.7	+0.1
Home Care	2.0%	-1.5	+0.7
Paper Products	1.0%	-2.4	-0.2
Tobacco[1]	-0.1%	-4.3	-1.1
Kitchen Products	-0.7%	-4.2	0.1
Baby Care	-2.4%	-3.2	0.0
Total Non-Food CPG	**2.0%**	-1.9	**+0.1**

Spotlight Insights

As online shifts accelerate, e-commerce now accounts for nearly one-quarter of non-food CPG sales

Segment	eCom Share of MULO+ $ Sales (L52)	Ppt share chg. vs. year ago: L52	Ppt share chg. vs. year ago: L13
Personal Care	25.1%	2.8	2.9
Cosmetics	20.7%	2.7	2.7
Pet Food + Care	30.7%	3.4	4.0
OTC Healthcare	22.7%	2.6	2.8
Home Care	19.9%	3.3	3.8
Paper Products	18.9%	3.6	4.3
Kitchen Products	20.5%	3.0	3.6
Baby Care	39.9%	2.4	3.0
Total Non-Food CPG	**24.2%**	2.8	3.2

Insights from Circana's MULO+ Channel Splits

1. Tobacco not included in Non-Food CPG total, 2. Ppt acceleration/deceleration vs. latest 13 weeks % chg. vs. YA,
Source: Circana POS data ending August 9, 2026, MULO+ with Convenience. Circana's Executive CPG & Foodservice Advisory.

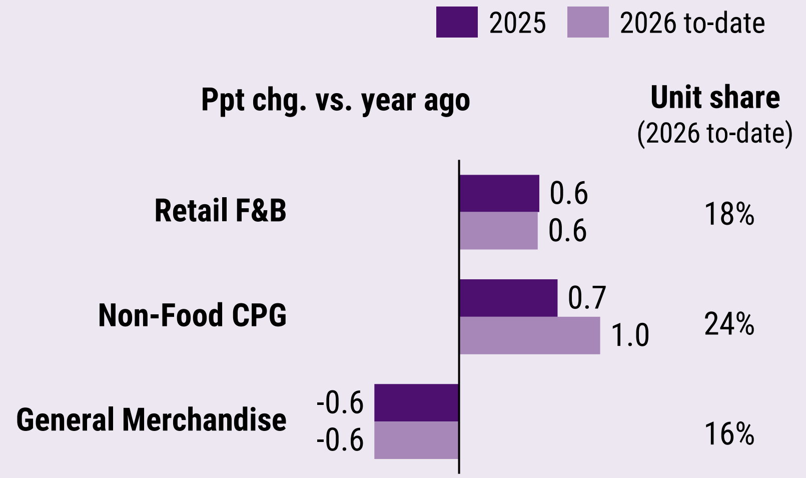
Despite financial headwinds, consumers continue to protect premium purchases, supporting Non-Food price/mix growth

Non-Food CPG Segment	Dollar Sales	Price Per Unit (Price/Mix)#	
	Latest 4 Weeks % Chg. vs. Year Ago	Latest 4 Weeks % Chg. vs. Year Ago	Trend vs. L13 (ppt acceleration/ deceleration)[2]
Personal Care	4.6%	5.5	-0.7
Cosmetics	3.4%	5.5	-1.1
Pet Food + Care	3.1%	3.2	-0.5
OTC Healthcare	3.1%	2.4	-0.1
Home Care	2.0%	3.5	-0.7
Paper Products	1.0%	3.5	-0.5
Tobacco[1]	-0.1%	4.4	-0.3
Kitchen Products	-0.7%	3.7	-1.2
Baby Care	-2.4%	0.8	-0.9
Total Non-Food CPG	**2.0%**	4.0	**-0.7**

Spotlight Insights

Non-Food CPG growth remains fueled by consumers protecting 'little luxuries,' while trading down on bigger ticket purchases.

Positive product mix shifts continued to contribute 3.0 ppt of the total 4.0% Non-Food CPG price/mix growth, with underlying price inflation accounting for the remaining 1.0 ppt.



1. Tobacco not included in Non-Food CPG total, 2. Ppt acceleration/deceleration vs. latest 13 weeks % chg. vs. YA, 3. Average price/mix inclusive of changes to UPC item prices and product mix, 4. CPG: Circana POS data ending 8/9/26, GM: Circana Checkout data ending June 2026. Price tiers determined by subcategory ASP indexed against brand ASP. Premium > 1.25* avg, Value <0.75* avg based on MULO, Source: Circana's Executive CPG & Foodservice Advisory.

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