U.S. CPG Demand Signals

July 29, 2026

Period 7, 2026 | Data ending July 12, 2026

Executive Summary

Data ending July 12, 2026

Macro pressures persist, despite modest improvement in early July

Consumer confidence and inflation improved in early July, with lower gas prices providing some temporary relief. However, looking ahead, recent geopolitical tensions could weigh on sentiment with gas prices climbing again, surpassing $4/gallon in the latest weeks. Longer-term challenges remain, including reduced SNAP benefits and pressured savings, suggesting consumers are likely to maintain a disciplined approach to spending.

Tighter SNAP eligibility requirements are reducing program participation, resulting in an estimated $10 billion reduction in EBT funds in 2026 and further increasing financial pressure on affected households. .

Consumers continue to rationalize CPG spending amid ongoing financial pressures

Spending remains constrained across CPG, with Retail F&B volume down -0.6% and Non-Food CPG units down -2.6% in the latest four weeks. Recent trends are largely unchanged from Q2 and remain below those seen earlier in the year.

Circana expects volume trends to remain tight as consumers enter a phase of spending rationalization, making fewer, more intentional purchases while continuing to prioritize products that deliver the outcomes they seek, such as wellness, relevance, and quality.

Price growth moderates slightly in latest period

Price/mix growth in Retail F&B held at 2.6% in the latest four weeks. Coffee, chocolate, and beef prices remain elevated, although inflation rates for coffee and beef are beginning to moderate as comparisons now lap prior-year price increases. Positive product mix shifts continued to contribute 1.1 ppts of the 2.6% price/mix growth, with underlying item price inflation accounting for the remaining 1.5 ppts.

Non-Food CPG price/mix growth was 4.7% in the latest four weeks, slowing slightly from prior periods. Higher item price growth remains in select spaces, such as cosmetics and aluminum foil, but positive product mix shifts continue to be the primary driver of Non-Food price/mix growth.

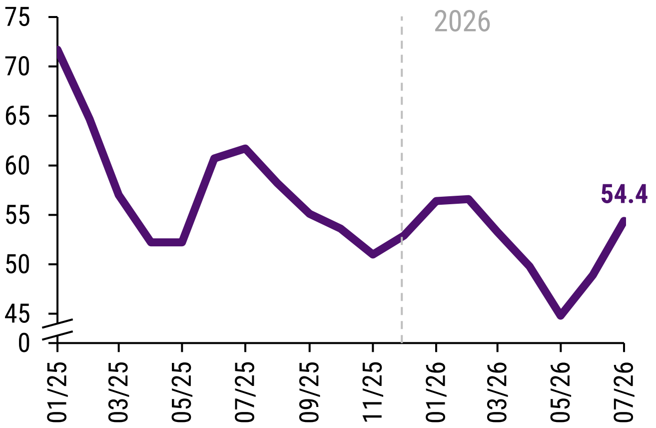
Source: Circana Executive CPG & Foodservice Advisory.

Consumer confidence and gas prices improved in early July, but underlying financial tightness persists

Consumer Confidence

Sentiment **improved in early July,** though renewed geopolitical tensions may weigh on confidence in late July results.

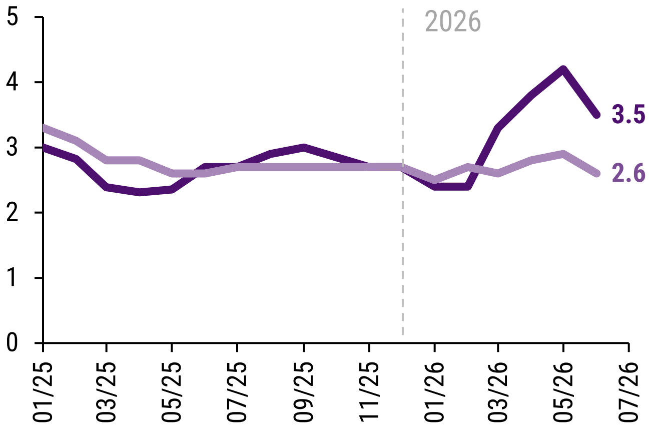
University of Michigan Consumer Sentiment Index



Inflation

Inflation **slows,** driven by **lower energy costs,** while core inflation remains steadier

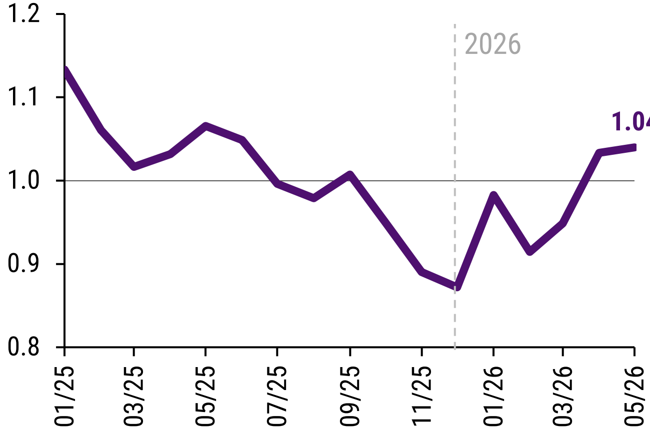
Consumer Price Index % Chg. vs. YA



Employment

The overall labor market is **stable** marked by cautious hiring and limited layoffs

Job Openings per Unemployed Person



Most interviews for the early July sentiment release were conducted before the July 7 resumption of U.S. strikes against Iran and the resulting rise in gas prices.

As of July 27, **gas prices rose** to $4.23 per gallon after briefly easing to $3.91 in early July.

Unemployment remained steady at 4.2%, within the 4.1% to 4.5% range observed over the past year.

*Note: Data available as of July 28, 2026. Source: **Sentiment:** University of Michigan Survey of Consumers, July (preliminary results), **Inflation:** Consumer Price Index % Chg. Vs. YA, All Items, Total U.S. All Urban Consumers, **Employment:** Bureau of Labor Statistics, **Gas:** US Energy Information Administration (U.S. all grades retail gasoline prices), Circana LLC Executive CPG & Foodservice Advisory.*

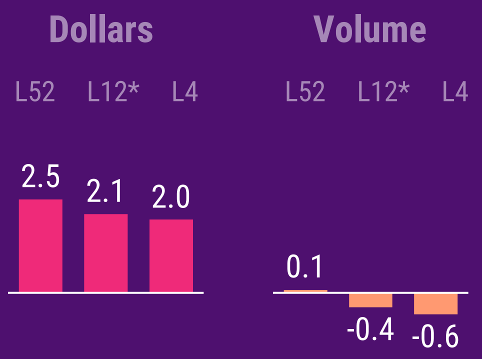
U.S. Consumer Spending Snapshot

Data ending July 12, 2026

Retail Food & Beverage

Heightened pressures drive more disciplined Retail F&B spending

% change vs. year ago



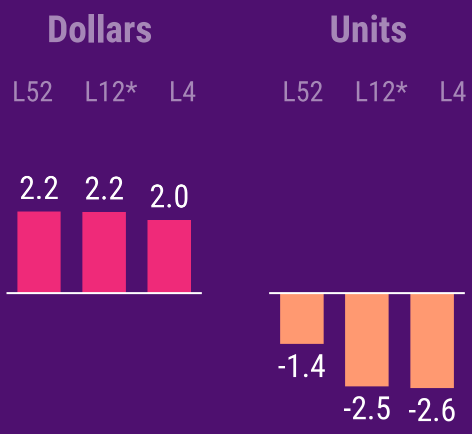
Large Chain Restaurants

Large chain restaurant trends stable in latest period

Non-Food CPG

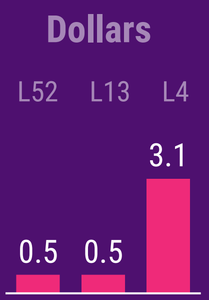
excluding Tobacco

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

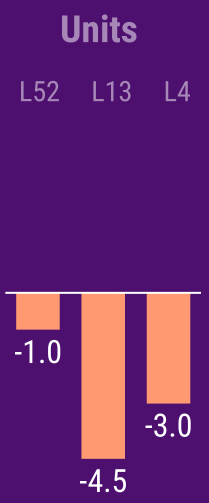


General Merchandise

General Merchandise units remain down and dollars soft; promo event and holiday timing impacts the latest period



Latest 4 weeks results elevated by shifts in timing of Father's Day and promotion event weeks (e.g. Amazon Prime Day, Walmart Deals, etc.)



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**L12 used instead of L13 to exclude Easter timing impacts*

*Source: **CPG & Gen Merch**: Circana, LLC POS data ending July 12, 2026 (July 11 for General Merchandise), **Foodservice:** Circana, LLC CREST Performance Alerts (Large Chain Restaurants Only)*
Circana, LLC, Executive CPG & Foodservice Advisory.

In Retail F&B, Circana predicts slow-to-moderate growth as the market enters a period of rationalization

Circana expects U.S. Retail F&B growth to proceed in the 2-3% range in H2 2026, closer to pre-pandemic averages of 2.5-3.5%.

2.5-3.5%	~7%	2.2%	2.0-3.0%
2010-2019 Average	2019-2024 CAGR	2026 H1	H2 2026 Outlook

Three drivers shaping the landscape in 2027 and beyond

Pressured Wallets
More intentional spending amid heightened financial strain.

Balanced Living
Seeking a balance of wellness, enjoyment, and value, with increasing GLP-1 usage further shaping wellness behaviors.

Algorithmic Influence
More informed and efficient shopping driven by digital and AI-enabled tools.

Read the full *Circana Compass* release

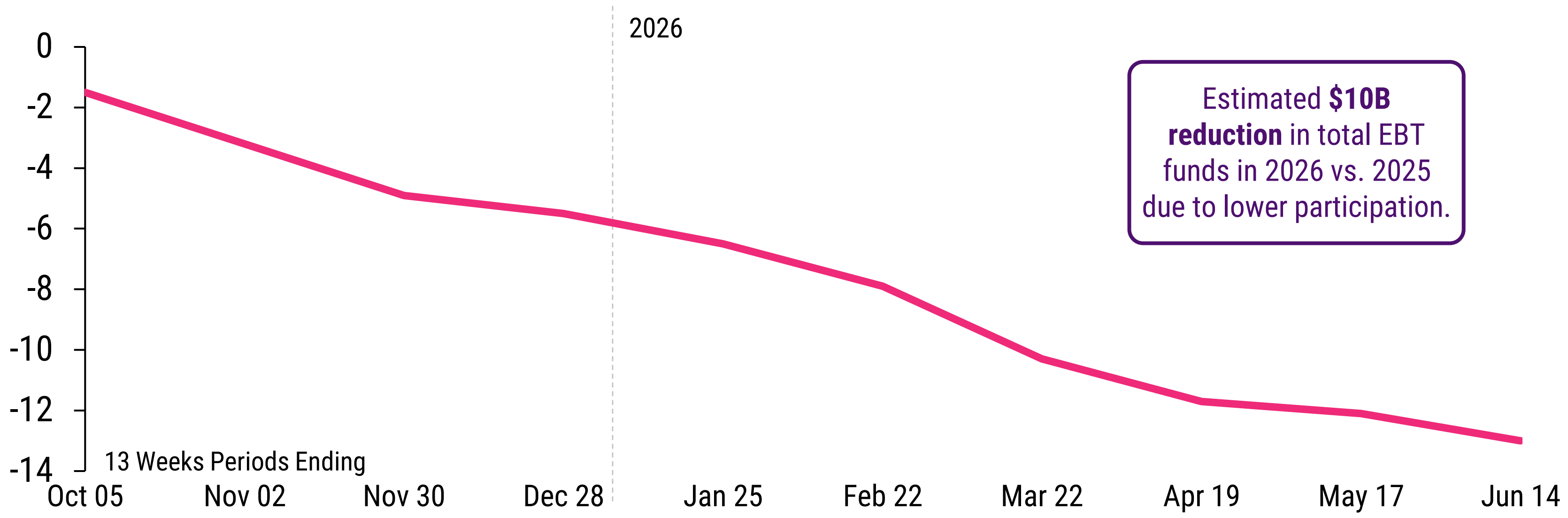
Source: Circana, LLC POS data ending June 28, 2026, MULO+ with Convenience. Circana, LLC, Executive CPG & Foodservice Advisory

Tighter SNAP eligibility is reducing participation, increasing financial strain on affected households

Expanded SNAP work eligibility requirements went into effect nationally on Feb. 1, with full **enforcement beginning March 1.** Some states applying restrictions earlier with the start of the new SNAP fiscal year in late 2025.

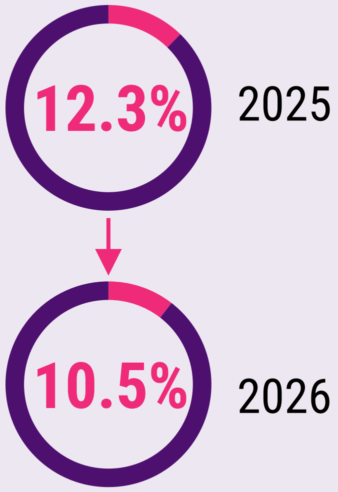
Watch the Webinar:
SNAP in Transition

% Chg. in Number of Households using EBT/SNAP[1] vs. Year Ago



*Data from **Circana Complete Consumer Receipt Panel***

% of Population on SNAP[2]



2026 estimates based on Circana analysis of USDA FNA data

Source: 1. Circana Complete Consumer Receipt Panel data ending 6/14/26. Households that used EBT payment type for all or part of at least one trip in the 13 week period, 2. Circana research based on FNA data on participants and benefits for participant, adjusted per Census population and BLS CPI Food at Home. Forecast based on Congression Budget Office Dynamic Analysis of Changes to SNAP, June 2025. FNA data as of June 2026.

Retail Food & Beverage
Data ending July 12, 2026

Tighter Retail F&B demand reflects more intentional spending

Volume remains down recently, with flat year-to-date trends

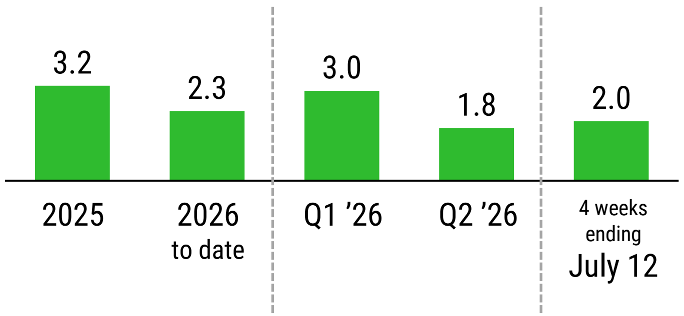
Retail F&B volume declined -0.6% in the latest four weeks, with trends largely unchanged from Q2 but softer than earlier in the year. Despite modest improvements in confidence and overall inflation, consumers continue to face tighter financial conditions, reinforcing disciplined spending behaviors. As a result, consumers are becoming more intentional with spending, while continuing to prioritize products that deliver the quality, wellness, and enjoyment outcomes they value most.

Stable price trends recently with consistent contribution from positive mix shifts

Retail F&B price/mix growth held at 2.6% in the latest four weeks. Coffee, chocolate, and beef prices remain elevated, although inflation in coffee and beef is beginning to moderate as comparisons lap prior-year price increases. The contribution from product mix shifts remained steady at 1.1 ppts of total 2.6% price/mix growth, with underlying price inflation accounting for the remaining 1.5 ppts.

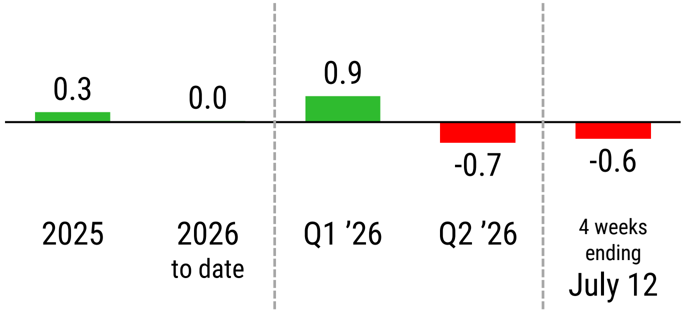
$

Dollar Sales % chg. vs. YA



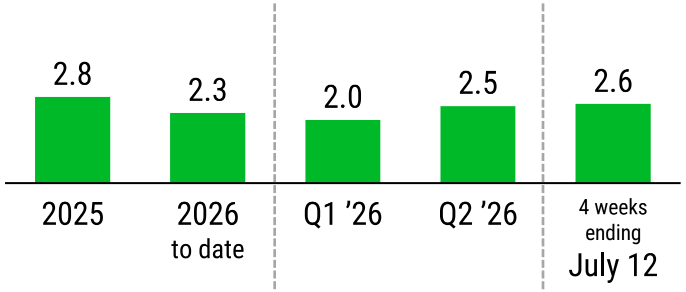
Volume

Volume Sales % chg. vs. YA



Price

Price Per Volume % chg. vs. YA



Trend Watch

Volume Sales

	Latest 4 Weeks % chg. vs. YA	Trend vs. L12[1] (ppt acceleration /deceleration)
E-comm (MULO+)	23.1%	-1.2
B&M (MULO+)	-3.8%	+0.1
Conv.	-2.3%	-1.0
Private Brands[2]	-0.7%	-0.1
National Brands	-1.0%	-0.1
Center Store	-0.6%	-0.2
Perishables[3]	-0.5%	-0.2
Total Retail F&B	-0.6%	-0.2

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1. Ppt acceleration/deceleration vs. latest 12 weeks % chg. vs. YA, 2. Unbranded products not shown, accounting for ~6% of retail F&B sales, 3. Perishables includes dairy, produce, meat, seafood, deli, bakery and other refrigerated, Source: Circana, LLC POS data ending July 12, 2026, MULO+ with Convenience. Circana, LLC, Executive CPG & Foodservice Advisory

Continued softness across most of the store; ready-to-eat meals remain a key growth pocket

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. L12 (ppt acceleration/ deceleration)[1]
Candy	6.3	-2.1	+3.6
Baking	4.7	1.5	+0.8
Rfg. Meals + Ingredients	4.2	2.2	+0.8
Beverages	4.0	0.6	-0.9
Meat + Seafood	3.5	-0.6	+0.4
Shelf-Stable Meals + Ingredients	2.3	-1.4	-0.1
Snacks	2.0	-0.4	-0.6
Deli	1.7	1.4	-0.4
Ice Cream / FZ Desserts	0.9	-2.6	-1.4
Produce	0.9	-2.8	-1.4
Frozen Meals + Ingredients	0.4	-0.8	-0.5
Bakery	0.3	-2.2	-0.2
Alcohol	0.0	-1.9	+0.3
Shelf-Stable Breakfast	-0.1	-1.5	-0.2
Dairy	-2.3	1.3 (1.4%, -0.1 excl. Eggs)	-0.3
Total Retail F&B	**2.0**	-0.6	**-0.2**

Spotlight Insights

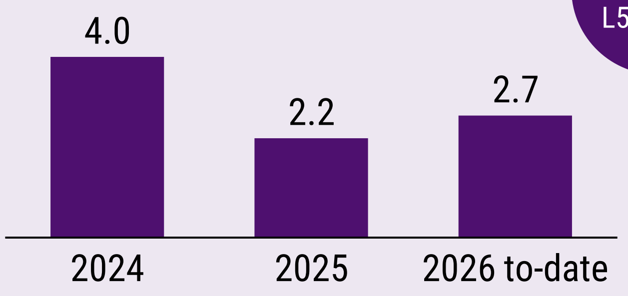
Continued success of ready to eat meals as consumers seek convenience, freshness, and variety

Deli Prepared Food & Meals Aisle

Dollar Sales % chg. vs. YA

$47B

L52 Sales



- *Entrees fuel growth, led by chicken and sushi*
- *Strength spans channels, with the Mass channel leading recent momentum*

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1. Ppt acceleration/deceleration vs. latest 12 weeks % chg. vs. YA, Source: Circana, LLC POS data ending July 12, 2026, MULO+ with Convenience. Circana, LLC, Executive CPG & Foodservice Advisory.

Retail F&B price/mix growth largely held steady, with some commodities cooling and others accelerating

Retail F&B Segment	Dollar Sales Latest 4 Weeks % Chg. vs. Year Ago	Price Per Volume (Price/Mix)[2] Latest 4 Weeks % Chg. vs. Year Ago	Price Per Volume (Price/Mix)[2] Trend vs. L12 (ppt acceleration/ deceleration)[1]
Candy	6.3	8.6	-1.4
Baking	4.7	3.2	0.0
Rfg. Meals + Ingredients	4.2	2.0	+1.3
Beverages	4.0	3.4	-0.2
Meat + Seafood	3.5	4.1	-0.3
Shelf-Stable Meals + Ingredients	2.3	3.8	+0.1
Snacks	2.0	2.4	+0.1
Deli	1.7	0.4	-0.2
Ice Cream / FZ Desserts	0.9	3.7	-0.1
Produce	0.9	3.8	+0.1
Frozen Meals + Ingredients	0.4	1.2	+0.1
Bakery	0.3	2.5	-0.2
Alcohol	0.0	1.9	+0.1
Shelf-Stable Breakfast	-0.1	1.4	0.0
Dairy	-2.3	-3.6 (1.3%, +0.5 excl. Eggs)	+1.9
Total Retail F&B	**2.0**	2.6	**+0.2**

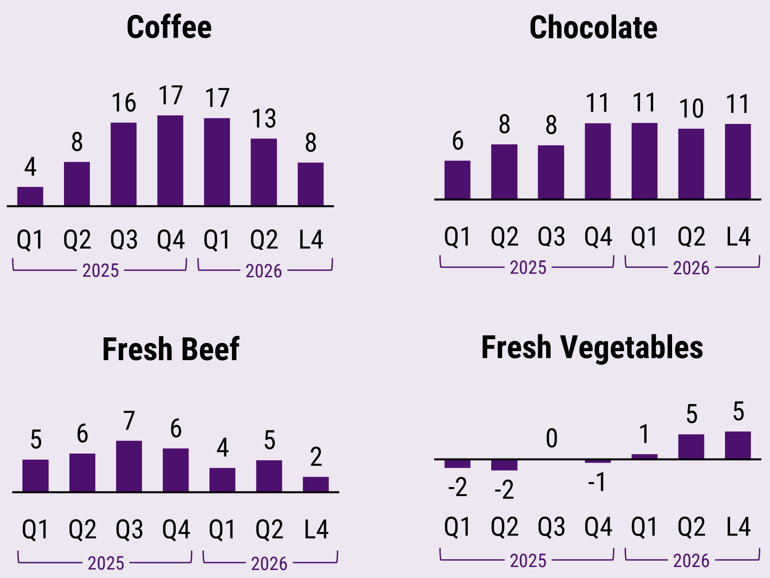
Positive product mix shifts continued to contribute 1.1ppt of the 2.6% price/mix growth, with underlying price inflation accounting for the remaining 1.5ppt.

Spotlight Insights

Coffee, chocolate, and beef prices remain high, though inflation rates in coffee and beef are cooling as comparisons lap last year's strong price growth. Fresh vegetable price growth is picking up.

Price Inflation

Item Price Per Volume (excluding mix) % chg. vs. YA



1. Ppt acceleration/deceleration vs. latest 12 weeks % chg. vs. YA, 2. Average price/mix inclusive of changes to UPC item prices and product mix,
Source: Circana, LLC POS data ending July 12, 2026, MULO+ with Convenience. Circana, LLC, Executive CPG & Foodservice Advisory

Non-Food CPG
Data ending July 12, 2026

Consumers remain purposeful, disciplined in Non-Food spending

Non-Food CPG units remain pressured, while trade-up supports continued dollar growth

Unit sales declined -2.6% in the latest four weeks, with trends largely unchanged versus recent periods. While dollar sales remained positive (+2.0%), growth continued to be driven by higher price/mix rather than units. Annual promotional events (e.g., Amazon Prime Day, Walmart Deals, etc.) generated weaker results than last year. Despite modest improvements in confidence and overall inflation, consumers continue to face tighter financial conditions, reinforcing disciplined spending behaviors.

Price/mix growth moderates slightly, but product mix remains the primary contributor

Non-Food price/mix growth eased to 4.7% in the latest four weeks from 5.3% in Q2. Higher item price growth remains in select spaces, such as cosmetics and aluminum foil, but positive product mix shifts continue to be the primary driver of Non-Food price/mix growth.

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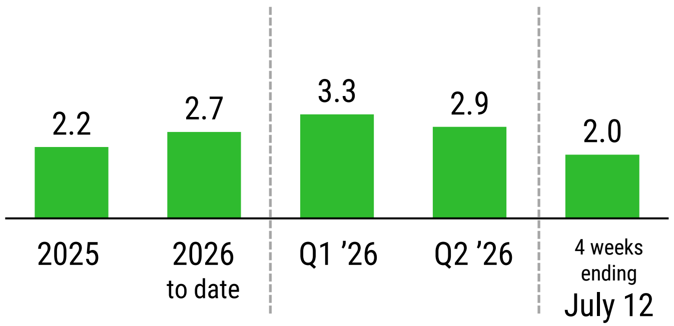
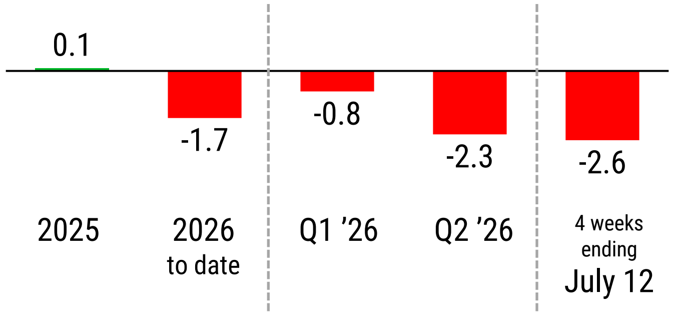
Units

Price

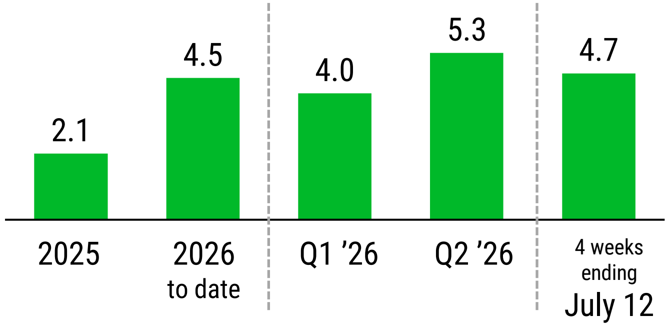
Dollar Sales % chg. vs. YA



Unit Sales % chg. vs. YA



Price Per Unit % chg. vs. YA



Trend Watch
Unit Sales

	Latest 4 Weeks % chg. vs. YA	Trend vs. L12 (ppt acceleration or deceleration)
E-comm[1] (MULO+)	16.0%	-1.1
B&M (MULO+)	-5.8%	0.0
Private Brands	-5.9%	+0.2
National Brands	-1.4%	-0.2
Total Non-Food CPG	-2.6%	0.0

1. Ppt acceleration/deceleration vs. latest 12 weeks % chg. vs. YA,

Source: Circana, LLC POS data ending July 12, 2026, MULO+ with Convenience. Circana, LLC, Executive CPG & Foodservice Advisory.

Non-Food unit demand remains challenged, and annual promotion events underperform vs. year ago

Non-Food CPG Segment[1]	Dollar Sales	Unit Sales	
	Latest 4 Weeks % Chg. vs. Year Ago	Latest 4 Weeks % Chg. vs. Year Ago	Trend vs. L12 (ppt acceleration/ deceleration)[2]
Personal Care	4.6%	-1.6	-0.5
Cosmetics	4.4%	-2.2	+0.5
Pet Food + Care	3.1%	-0.6	-0.3
OTC Healthcare	2.6%	0.5	+0.1
Tobacco[1]	1.0%	-3.3	-0.4
Paper Products	1.0%	-2.2	+0.5
Home Care	0.9%	-3.5	-1.1
Kitchen Products	0.0%	-4.3	+2.0
Baby Care	-1.7%	-3.6	-0.3
Total Non-Food CPG	**2.0%**	-2.6	0.0

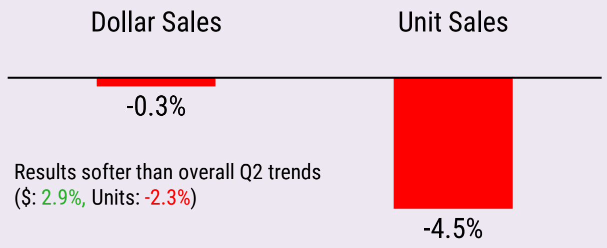
Spotlight Insights

This year's late June Promotion Week underperformed last year's events

Compared to last year's major promotional event week, this year's late-June promotional events (e.g. Amazon Prime Day, Target Deal Days, Walmart Deals, etc.) generated lower dollar and unit sales.

Non-Food CPG[2] Promotion Week Performance

Promo Week 2026 vs. Promo Week 2025 % Chg.



2026: Week ending June 28
2025: Week ending July 13

1. Tobacco not included in Non-Food CPG total, 2. Ppt acceleration /deceleration vs. latest 12 weeks % chg. vs. YA, 2. For promotion week analysis, Non-Food CPG includes Health, Household Essentials, Mass Beauty, Pet, Disposable Tableware, Foils/Wraps/Bags, Household Plastics, Misc. Gen Merch, Pest Control
Source: Circana, LLC POS data ending July 12, 2026, MULO+ with Convenience. Circana, LLC, Executive CPG & Foodservice Advisory.

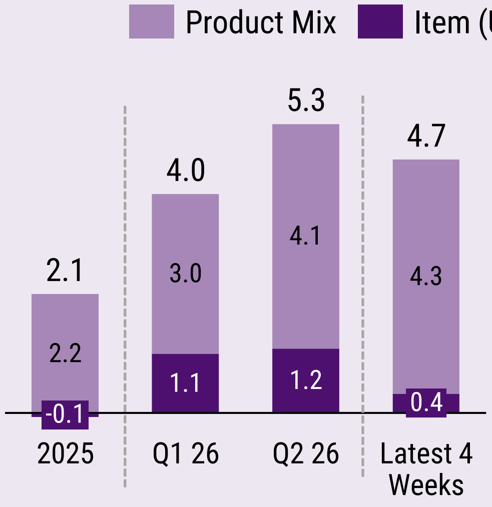
Non-Food CPG price/mix growth moderates slightly; product mix remains the primary driver

Non-Food CPG Segment[1]	Dollar Sales Latest 4 Weeks % Chg. vs. Year Ago	Price Per Unit (Price/Mix)[3] Latest 4 Weeks % Chg. vs. Year Ago	Price Per Unit (Price/Mix)[3] Trend vs. L12 (ppt acceleration/ deceleration)[2]
Personal Care	4.6%	6.3	+0.1
Cosmetics	4.4%	6.8	-0.2
Pet Food + Care	3.1%	3.7	+0.1
OTC Healthcare	2.6%	2.0	0.0
Tobacco[1]	1.0%	4.5	-0.3
Paper Products	1.0%	3.3	-0.6
Home Care	0.9%	4.5	+0.3
Kitchen Products	0.0%	4.5	-1.6
Baby Care	-1.7%	2.0	-0.1
Total Non-Food CPG	**2.0%**	4.7	**-0.2**

Spotlight Insights

Pricing moderates slightly in latest period; positive mix shifts remain the primary driver of Non-Food price/mix growth.

Non-Food CPG Price Decomposition[4] - % chg. vs. YA
(Price per unit)



Recent deceleration in price growth driven by:

- Lapping the onset of accelerated price growth in Q3 2025.
- Product mix shifts driven by differences in promotional emphasis / assortment in this year's promo week vs. last year's

Insights from Circana's Price Decomposition Solution

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1. Tobacco not included in Non-Food CPG total, 2. Ppt acceleration/deceleration vs. latest 12 weeks % chg. vs. YA, 3. Average price/mix inclusive of changes to UPC item prices and product mix/assortment, 4. Based on UPC-level analysis, product mix includes impact on average price per unit due to change to assortment (new-removed) and sales shift in existing items. Analysis done at a category level then dollar weighted up, then scaled non-weighted totals, Circana, LLC POS data ending July 12, 2026, MULO+ with Convenience. Circana, LLC, Executive CPG & Foodservice Advisory.

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