2026 Forecast of Ohio Holiday Retail Spending

Ohio Council of Retail Merchants

November 2026

Final Report

UC ECONOMICS CENTER
RESEARCH AND CONSULTING

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Executive Summary

- The Economics Center forecasts a 3.6 percent increase in Ohio relevant retail spending for the 2026 holiday season compared to the 2025 season, with total sales of approximately $31.8 billion.
- Employment in Ohio from January through August of 2026 was 0.3 percent higher than the same period in 2025. Additionally, wages and salaries in Ohio have increased by approximately 4.2 percent between 2025 and 2026.
- Consumer sentiment has continued to trend downwards, reaching new lows amid persistent inflation.
- Inflation has been trending upward throughout 2026, with the year-over-year Midwest Consumer Price Index inflation rate reaching 4.2 percent in September, and nationally the year-over-year urban Consumer Price Index inflation rate was 3.7 percent.
- The Economics Center projects that the State's three largest metropolitan statistical areas will again account for more than half (55.6%) of estimated relevant retail sales this holiday season.
- Economics Center forecasts indicate that eight of the nine metropolitan statistical areas analyzed in Ohio will experience an increase in relevant retail sales during 2026 holiday season compared to 2025. Only the Youngstown MSA is expected to experience a decline in relevant retail sales.

Introduction

Retailers highly anticipate the holiday season, which they have historically relied on to generate sufficient sales to realize year-end profits.[1] The additional sales and activity anticipated by businesses drive seasonal hiring, creating opportunities for temporary employment. In times of uncertainty and volatility, consumers are generally more likely to spend less than in an economic environment characterized by robust opportunities and growth. Economic dynamics, such as inflation, household debt levels, consumer sentiment, employment, and wages, influence holiday spending. The Economics Center constructs an annual forecast of holiday retail spending to assist Ohio retailers with preparing for the holiday season.

National holiday retail sales forecasts for the 2026 holiday spending season are relatively consistent among sources. The National Retail Federation forecasts an increase in sales of 4.2 percent, Deloitte forecasts an increase in sales of between 4.0 percent and 4.8 percent, Bain & Company forecasts an increase in sales of 4.5 percent, and the Mastercard Economics Institute forecasts an increase in sales of 5.5 percent this holiday season.[2]

According to survey data from Deloitte, one in five respondents said they planned to start shopping earlier than last year.[3] Average holiday spending is expected to increase 4.0 percent year-over-year, mostly driven by inflation expectations.[4] This holiday season reflects on going changes in retail, with 39.0 percent of those surveyed saying that they plan on using generative AI to purchase at least one item, although only 16.0 percent trust AI enough to allow an AI agent to make purchases on their behalf.[5]

According to Jack Kleinhenz, the Chief Economist for the National Retail Federation, "We head into the holiday season with strong spending momentum, as consumers remain the bright spot in the economy. At the same time, inflation, rising gas prices and pressure on household spending will affect consumers differently across income groups."[6]

Holiday Spending Forecast

Data and Methodology

To develop a forecast for Ohio retail spending during the holiday season, the Economics Center compiled monthly data from the Ohio Department of Taxation on sales and use tax revenues and rates by county. The Ohio Department of Taxation administers permissive sales and use taxes for all 88 counties and 11 regional transit authorities. Total revenues collected and rates levied by each of Ohio's 88 counties from July 2005 through June 2026 were used to develop estimates of county-level and statewide retail sales. For purposes of this analysis, revenues attributable to holiday spending include collections from November, December, and January.

Sales and use tax revenues are generated from a variety of sources other than those included in holiday retail sales estimates. To isolate relevant retail activity, data on semiannual (twice per year) sales and use tax revenues by industry from the Ohio Department of Taxation were analyzed to estimate the

[1] (Eastman, McKay and Forehand 2010)
[2] (National Retail Federation 2026); (Deloitte 2026); (Bain & Company 2026); (Mastercard Economics Institute 2026)
[3] (Deloitte 2026)
[4] (Deloitte 2026)
[5] (Deloitte 2026)
[6] (National Retail Federation 2026)

relevant retail portion. For purposes of this forecast, relevant retail is defined to exclude Motor Vehicles and Parts Dealers, Gasoline Stations, Food Services, and Arts, Entertainment, and Recreation. Table 1 identifies the sectors that comprise relevant retail.

Table 1: Relevant Retail Sectors

Retail Sector	Included in Relevant Retail
Furniture and Home Furnishings Stores	Yes
Electronic and Appliance Stores	Yes
Building Material and Garden Equipment & Supplies	Yes
Food and Beverage Stores	Yes
Health and Personal Care Stores	Yes
Clothing and Clothing Accessories Stores	Yes
Sporting Goods, Hobby, Book, and Music Stores	Yes
General Merchandise Stores	Yes
Miscellaneous Store Retailers	Yes
Arts, Entertainment, and Recreation	No
Motor Vehicle and Parts Dealers	No
Gasoline Stations	No
Food Services	No

Source: Ohio Department of Taxation.

Relevant retail sectors' share of sales and use tax revenues exhibited year-over-year declines in 2014 and 2015, rebounded between 2016 and 2018, and has decreased year-over-year since 2021, as shown in Figure 1.[7] Beginning in June 2015, the collection and remittance of sales tax by Amazon and other online-only retailers on their Ohio sales contributed to the increase in relevant retail sectors' share of sales and use tax revenues. The passage of Ohio House Bill 49 (H.B. 49), which went into effect July 1, 2017, contributed to another jump in relevant retail sectors' percent contribution to sales and use tax revenues, as most sales tax revenues attributable to the Finance and Insurance sector were diverted from the General Revenue Fund (GRF) to a non-GRF fund.[8] Corresponding to the COVID-19 pandemic, the share of sales and use tax revenues from relevant retail sectors increased to 54.2 percent in 2020. This represents a 4.0 percentage point increase from 2019. However, the share of relevant retail sales and use tax revenues has consistently decreased compared to all sales and use tax revenues since the second half of 2021.

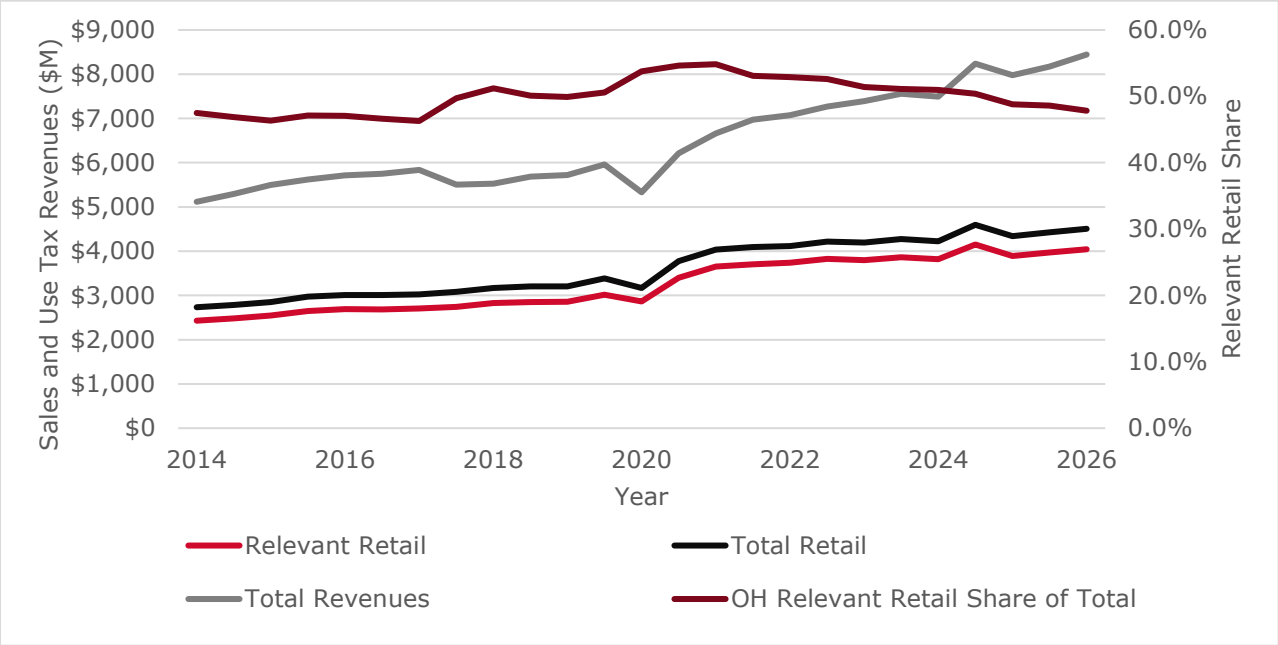
Figure 1 also displays the total sales and use tax revenue collected in Ohio, as well as the portions accounted for by taxes from total retail and relevant retail sales. Total revenues increased steadily between 2014 and 2016, followed by year-over-year declines in 2017 and 2018, coinciding with H.B. 49. The COVID-19 pandemic impacted total sales and use tax revenues during 2020. However, total revenues have increased year-over-year since the second half of 2020, dropping slightly in the first half

[7] Prior to 2015, nonstore retailers were not included among relevant retail sectors for forecasting state retail sales. Inclusion is consistent with current national forecasts including the National Retail Federation.
[8] (Miller 2018)

of 2024, but rising again in the second half of 2024. From 2014 until 2025, total tax revenues grew by 55.1 percent.

Total and relevant retail tax revenues have exhibited consistent year-over-year increases from 2014 until the second half of 2025. Total retail tax revenues increased 58.9 percent between 2014 and 2025, whereas relevant retail tax revenues increased 60.1 percent. However, total retail and relevant retail tax revenues have grown more slowly since 2020 than total tax revenues. Total sales and use tax revenues increased 18.5 percent between 2021 and 2025. In comparison, total retail and relevant retail sales increased 7.8 percent and 7.0 percent between 2021 and 2025, respectively. Through the first six months of 2026, total sales and use tax revenues increased by 5.8 percent compared to January to June 2025 collections, while total retail and relevant retail sales tax collections each increased by 3.8 percent over the same period.

Figure 1: Semiannual Ohio Sales and Use Tax Revenues and Retail Shares in Millions, January to June 2014-January to June 2026



Source: Ohio Department of Taxation.

In addition to sales and use tax revenues obtained from the Ohio Department of Taxation, the Economics Center collected and analyzed data on employment and wages in Ohio, as well as national retail sales, household debt, inflation, and consumer sentiment. The state and regional forecasting models also include variables for the likelihood of a recession and the implementation of a tax on goods purchased online. Table 2 lists the variables used in the development and estimation of the forecast, as well as sources and most recent observations.

Table 2: Data for Forecast

Measure	Source	Most Recent Observation
Ohio sales and use tax revenues and rates	Ohio Department of Taxation	June 2026
Ohio total and county wages and salaries	U.S. Bureau of Labor Statistics	March 2026
Ohio total nonfarm employment	U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis	August 2026
Ohio county employment	U.S. Bureau of Labor Statistics	March 2026
Household debt service payments as percent of disposable income	Board of Governors of the Federal Reserve System, retrieved from FRED, Federal Reserve Bank of St. Louis	April 2026
U.S. retail trade	U.S. Census Bureau	July 2026
Consumer Sentiment	University of Michigan, retrieved from FRED, Federal Reserve Bank of St. Louis	September 2026
Midwest Consumer Price Index	U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis	September 2026
National Bureau of Economic Research (NBER) recession indicator	NBER, retrieved from FRED, Federal Reserve Bank of St. Louis	September 2026

Source: Economics Center.

The Economics Center used a Vector Autoregression (VAR) model to forecast Ohio's relevant retail sales. The model estimates retail activity by evaluating its dynamic relationship with endogenous labor market variables (employment and wages), while conditioning the forecast on exogenous macroeconomic variables such as consumer sentiment, household debt, and inflation.

For the regional models, regional earnings and employment were included in lieu of statewide earnings and employment. Regions comprise the counties contained within the geographic boundaries of the metropolitan statistical areas (MSAs) under analysis. For MSAs with multi-state areas, only the Ohio counties are included. Figure 2 illustrates the regions used in the analysis.

Figure 2: Ohio Metropolitan Statistical Areas



Source: Economics Center.

Forecast Results

Statewide Forecast

The Economics Center projects a 3.6 percent increase in relevant retail spending during 2026 holiday season compared to 2025.

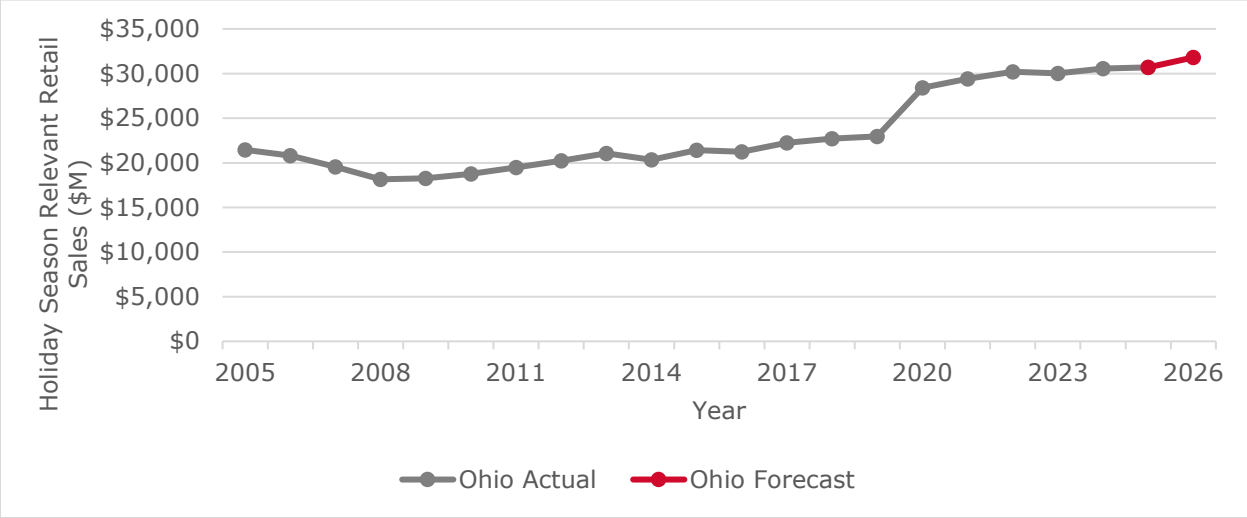
The Economics Center estimates relevant retail sales of approximately $31.8 billion statewide during the November-January holiday season in 2026. This compares to approximately $30.7 billion in relevant retail spending during the 2025 holiday season. The forecasted growth rate of 3.6 percent in relevant retail sales in Ohio this holiday season is comparable to national forecasts, which range from 4.0 percent to 5.5 percent.[9]

Holiday spending in Ohio during the 2025 holiday season increased by 0.4 percent compared to the 3.1 percent to 4.1 percent growth experienced nationally.[10] As illustrated in Figure 3, relevant retail sales

[9] (Deloitte 2026); (National Retail Federation 2026); (Mastercard Economics Institute 2026); (Bain & Company 2026)
[10] (National Retail Federation 2026); (Deloitte 2026)

growth in Ohio was 3.6 percent during the 2021 holiday season, 2.7 percent during the 2022 holiday season, -0.4 percent during the 2023 holiday season, and 1.8 percent in the 2024 holiday season.

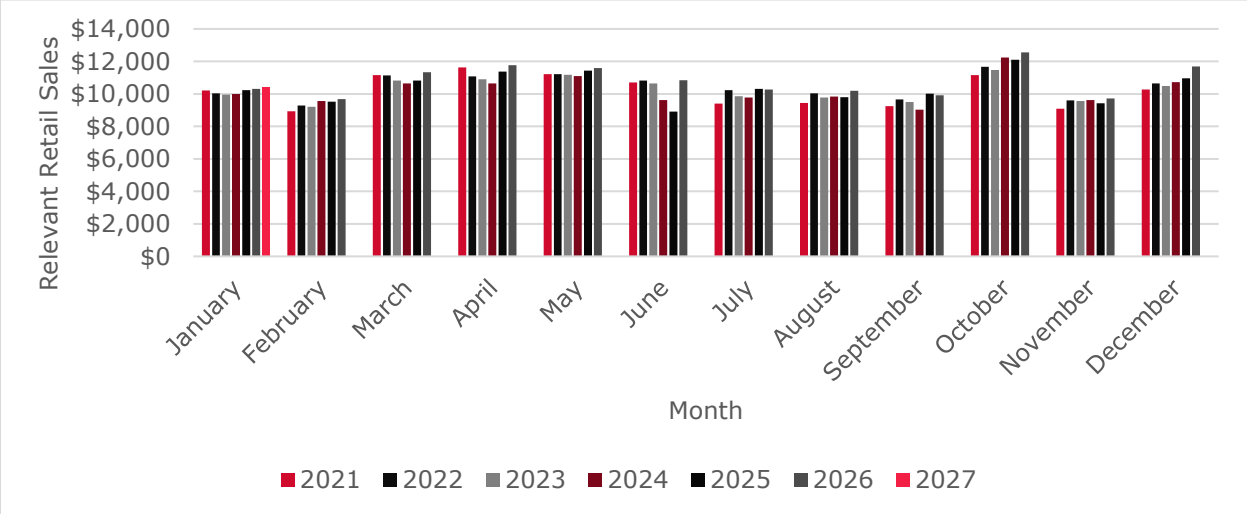
Figure 3: Ohio Historical and Forecasted Holiday Relevant Retail Sales in Millions, 2005–2026



Source: Economics Center analysis.

Figure 4 displays estimated monthly relevant retail sales for Ohio from January 2021 through March 2026 and forecasted estimates for April 2026 through January 2027. Seasonal spikes in relevant retail sales are observed in October and, to a lesser degree, December.

Figure 4: Ohio Relevant Retail Sales by Month in Millions, January 2021–January 2027



Source: Economics Center analysis.

Regional Forecast

The Economics Center forecasts that relevant retail sales will increase in all but one of the nine metropolitan statistical areas during the 2026 holiday season compared to 2025, although the magnitudes and growth rates vary considerably, as shown in Table 3. Columbus notably is expected to see an increase of 8.7 percent over the previous holiday season, while the other two major metropolitan areas are forecasted to grow below the rest of the state at 0.2 percent and 2.6 percent for Cincinnati and Cleveland respectively. Akron (5.2%), Dayton (3.8%), and Mansfield (3.6%) are all projected to grow at or above the state level forecasted growth rate. Lima (2.2%) and Toledo (3.0%) are both expected to grow slower than the state, while Youngstown (-1.4%) is forecasted to see lower holiday sales compared to 2025.

Table 3: Ohio Relevant Retail Sales Forecast by Region in Millions, 2026 Holiday Season

Metro Area	2025 Sales	2026 Forecast	Growth Rate (2025-26)	Share of State 2026
Akron	$1,805	$1,899	5.2%	6.0%
Cincinnati	$4,979	$4,989	0.2%	15.7%
Cleveland	$5,352	$5,493	2.6%	17.3%
Columbus	$6,620	$7,194	8.7%	22.6%
Dayton	$2,050	$2,127	3.8%	6.7%
Lima	$272	$278	2.2%	0.9%
Mansfield	$275	$285	3.6%	0.9%
Toledo	$1,517	$1,562	3.0%	4.9%
Youngstown	$1,006	$992	-1.4%	3.1%

Source: Economics Center analysis.

Economic Conditions

Overall, economic indicators continue to reflect the strong economy that has existed since the end of the COVID-19 pandemic. Employment and wages in Ohio have continued to increase since 2020. Despite some recovery from the COVID-19 pandemic, national consumer sentiment remains below pre-pandemic levels and reached an all-time low in 2026. The falling consumer sentiment has been influenced by tariffs raising the cost of many goods, the increasing investments and pace of advancements in AI are making consumers unsure about the future, and most recently, the war with Iran has led to major disruptions in the supply of oil and oil-derived products. With inflation rising throughout 2026, the Federal Reserve raised interest rates by 0.25 percentage point in September.[11] Market based measures show that participants expect one more rate increase before the end of the year.[12]

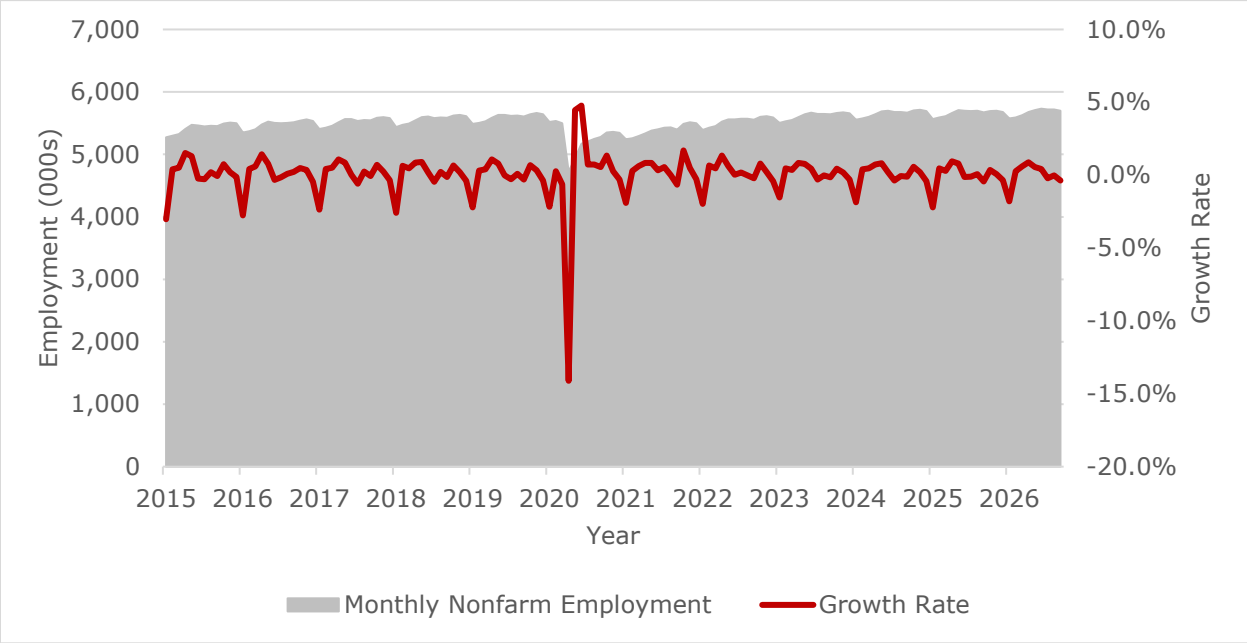
Employment and Wages

Coming out of the Covid-19 pandemic, employment in Ohio grew by 1.5 percent between 2022 and 2023, by 0.7 percent between 2023 and 2024, and by 0.1 percent between 2024 and 2025. In comparison, employment nationally grew by 2.2 percent between 2022 and 2023, 1.2 percent between 2023 and 2024, and 0.5 percent between 2024 and 2025. In August 2026, year-over-year employment

[11] (Federal Open Market Committee 2026)
[12] (CME Group 2026); (Federal Reserve Bank of Atlanta n.d.)

growth from 2025 was 0.2 percent, slightly slower than the national growth rate during the same period, which was 0.3 percent. As exhibited in Figure 5, quarterly total nonfarm employment also exhibits clear seasonality, with annual peaks during Q4 reflecting increased labor demand during the holiday season.

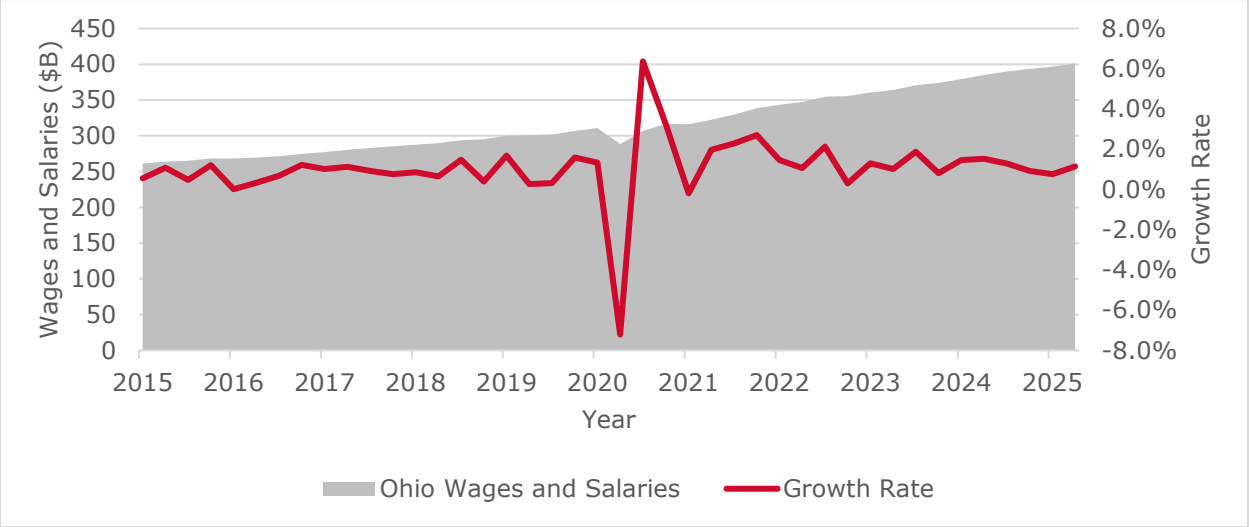
Figure 5: Quarterly Ohio Total Nonfarm Employment in Thousands, Q1 2015–Q2 2026



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis.

Figure 6 illustrates quarterly wages and salaries in Ohio from Q1 2015 through Q2 2026. Total Ohio wages and salaries have typically exhibited positive annual growth since 2015; however, wages and salaries in Ohio experienced a sharp decline in Q2 2020 due to the COVID-19 pandemic. Between Q1 2020 and Q2 2020, wages and salaries in Ohio declined by 7.1 percent, compared with a national decline of 6.5 percent. Wages and salaries in Ohio increased by 5.1 percent between Q4 2022 and Q4 2023, increased by 5.3 percent between Q4 2023 and Q4 2024, and increased by 3.5 percent between Q4 2024 and Q4 2025. In comparison, wages and salaries nationally increased by 5.5 percent between 2022 and 2023, increased by 5.7 percent between 2023 and 2024, and increased by 4.6 percent between 2024 and 2025. In Q2 of 2026, wages and salaries in Ohio grew 4.2 percent from the previous year, while nationally, wages and salaries were 4.5 percent higher in Q2 of 2026 than the previous year.

Figure 6: Quarterly Ohio Total Wages and Salaries[13] in Billions, Q1 2015–Q2 2026



Source: Federal Reserve Bank of St. Louis and U.S. Bureau of Economic Analysis, retrieved from FRED, Federal Reserve Bank of St. Louis.

Consumer Sentiment

As measured by the University of Michigan's Consumer Sentiment Index and displayed in Figure 7, consumer sentiment experienced has never fully recovered from the COVID-19 pandemic and has continued to fall in recent years. In 2020, consumer sentiment reached its peak in February, then dropped 29 points to what was then its lowest point in April. Following the onset of the COVID-19 pandemic, the Consumer Sentiment Index reached a peak in April 2021 and then fell to another new low in June 2022. Consumer sentiment recovered somewhat between 2022 and 2024. However, starting in January 2025, consumer sentiment has mostly declined, dropping to as low as 44.8 in May of 2025, before recovering marginally through July to 55.2, and then dropping to 48.1 in the latest reading for September.

Figure 7: Consumer Sentiment Index, January 2015–September 2026



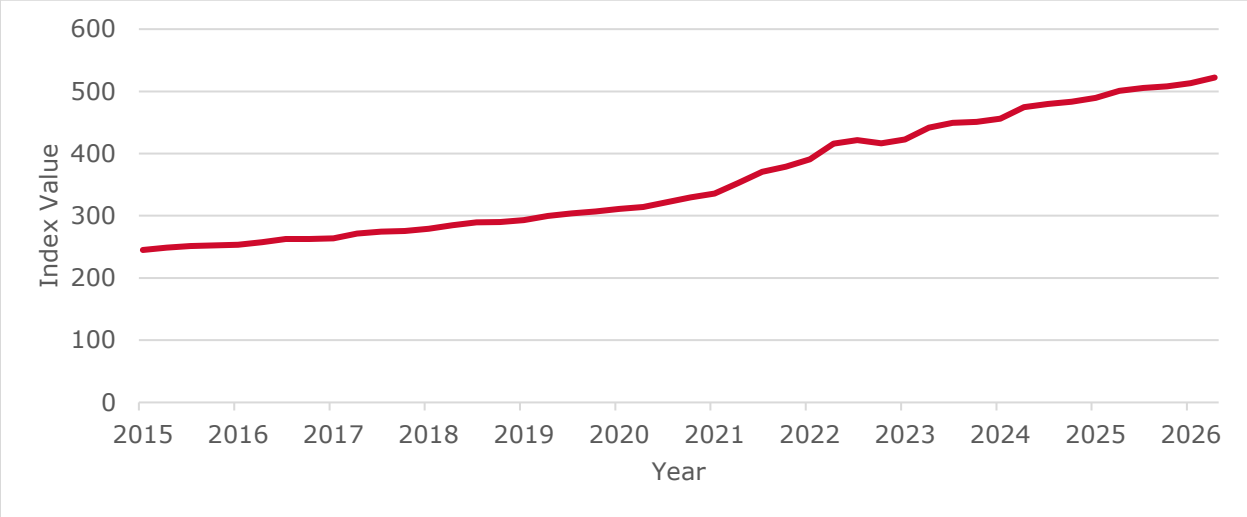
Source: University of Michigan retrieved from FRED, Federal Reserve Bank of St. Louis.

[13] Seasonally adjusted.

Household Wealth

Houses in an appreciating real estate market tend to be a source of household wealth. Growth in the house price index in Ohio, as shown in Figure 8, experienced dramatic growth between 2020 and 2022. Specifically, the house price index for Ohio increased 12.2 percent between Q2 2020 and Q2 2021 and increased by 18.2 percent between Q2 2021 and Q2 2022. The house price index for Ohio has increased at a slower rate since 2022. Specifically, the house price index increased at a compound annual growth rate of 7.9 percent between Q2 2022 and Q2 2026, increased by 5.5 percent between Q2 2024 and Q2 2025, and increased by 4.3 percent between Q2 2025 and Q2 2026. The growth in the House Price Index for Ohio has outpaced wage growth in recent years.

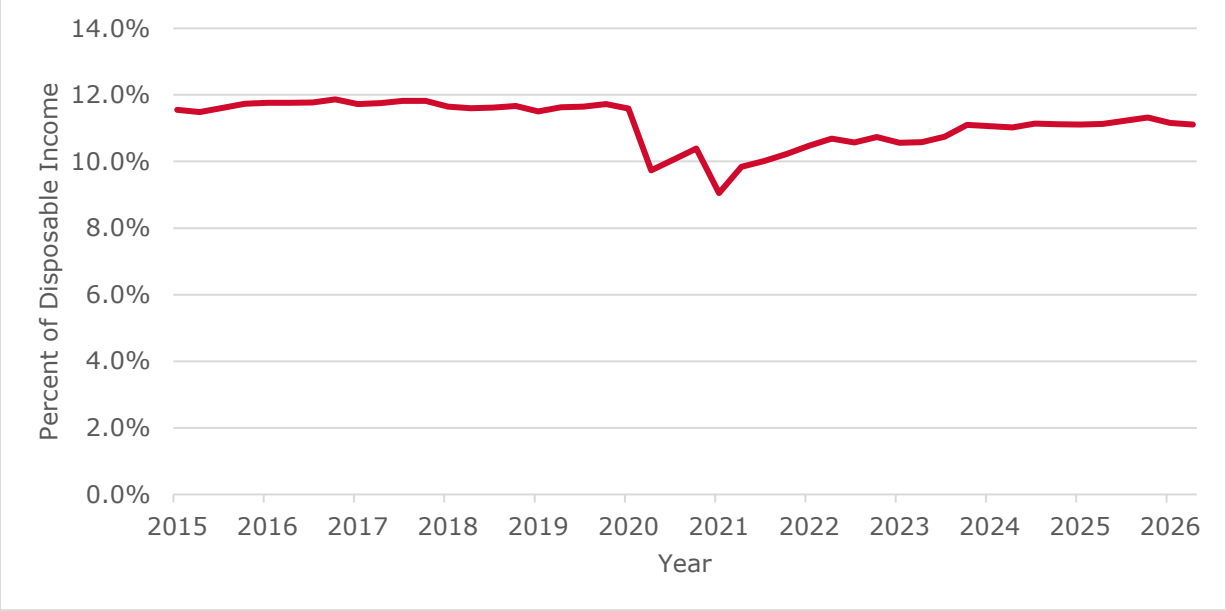
Figure 8: Ohio House Price Index, All Transactions, Q1 2015–Q2 2026



Source: U.S. Federal Housing Finance Agency, retrieved from FRED, Federal Reserve Bank of St. Louis.

As shown in Figure 9, household debt payments as a share of disposable income remain lower than a ten-year high of 11.9 percent in Q4 2016. Household debt payments as a share of disposable income dropped from 11.6 percent in Q1 2020 to 9.7 percent in Q2 2020. This represents a 1.8 percentage point decline. However, household debt payments as a share of disposable income have been increasing since Q2 2021. During Q2 2026, household debt payments as a share of disposable income were 11.1 percent. This represents a level of 0.5 percentage points below pre-pandemic levels.

Figure 9: Household Debt Payments' Share of Disposable Personal Income[14], Q1 2015–Q2 2026



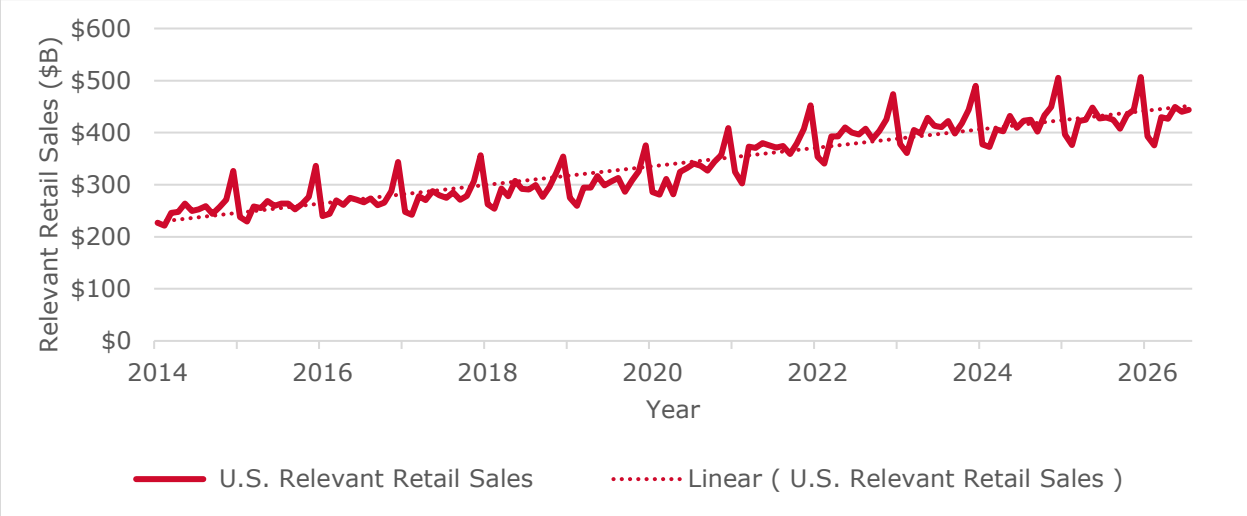
Source: Board of Governors of the U.S. Federal Reserve, retrieved from FRED, Federal Reserve Bank of St. Louis.

Retail Trade and E-Commerce

Figure 10 gives the monthly national. relevant retail sales. National relevant retail sales increased to $3.9 trillion in 2020 amid the COVID-19 pandemic and continued to grow to $4.5 trillion in 2021, $4.8 trillion in 2022, nearly $5.0 trillion in 2023, $5.0 trillion in 2024, and $5.1 trillion in 2025. Additionally, national relevant retail sales during the first seven months of 2026 totaled nearly $3.0 trillion, up from $2.9 trillion during the first seven months of 2025. This represents a 1.2 percent increase in national relevant retail sales between the first seven months of 2025 and the first seven months of 2026. Unsurprisingly, relevant retail sales exhibit distinct seasonality, with the highest volumes each year in December and, to a lesser degree, November.

[14] Seasonally adjusted.

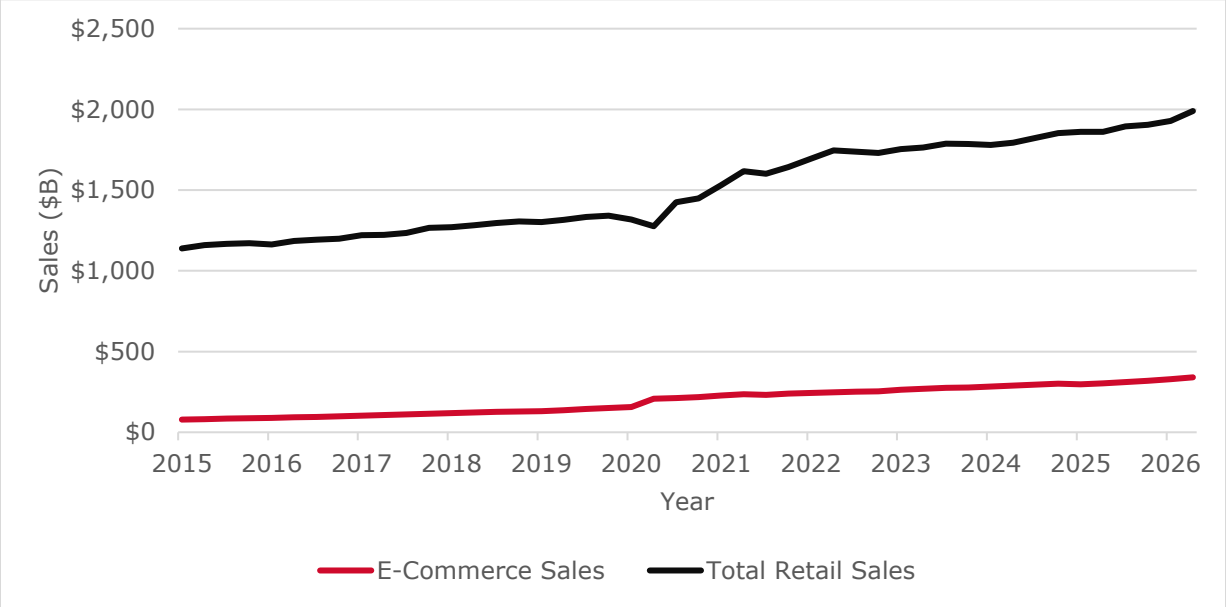
Figure 10: Monthly U.S. Relevant Retail Sales in Billions, January 2014–July 2026



Source: U.S. Census Bureau Retail Trade Survey.

E-commerce sales have been the primary driver of overall retail sales growth in recent years. After constituting 6.9 percent of total retail sales in Q1 2015, e-commerce accounted for 17.1 percent of all U.S. retail sales in Q2 2026. The COVID-19 pandemic shifted consumer spending, with e-commerce accounting for 16.3 percent of total retail sales in Q2 2020. This represents a 4.4 percentage point increase from Q1 2020. As shown in Figure 11, quarterly e-commerce sales exceeded $340.2 billion in Q2 2026, after equaling $247.9 billion in Q2 of 2022, $269.7 billion in Q2 of 2023, $288.8 billion in Q2 2024, and $303.3 billion in Q2 2025.

Figure 11: Quarterly U.S. E-Commerce and Total Retail Sales[15] in Billions, Q1 2015–Q2 2026

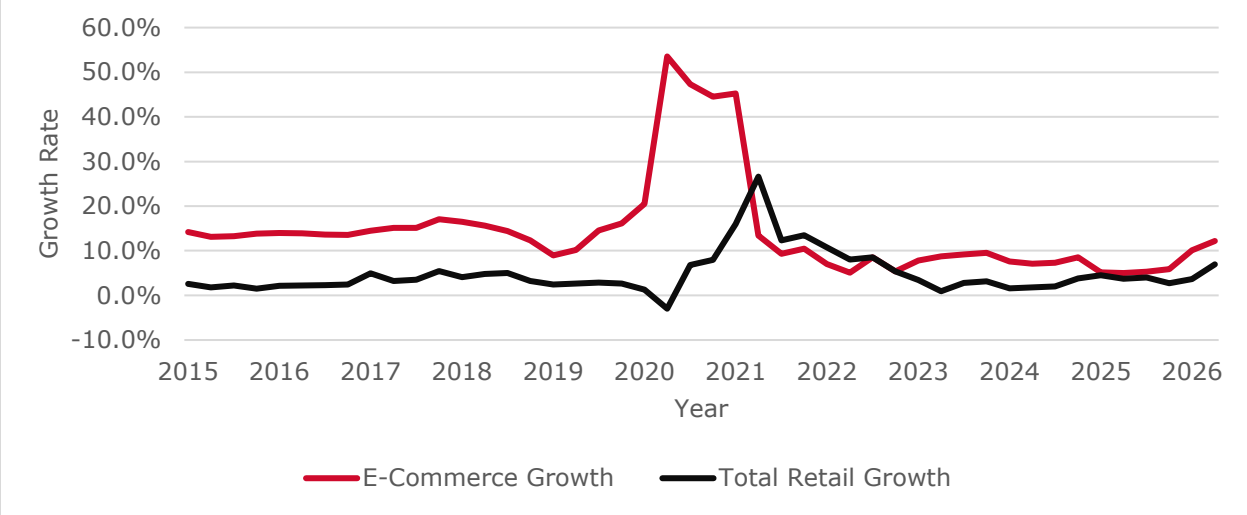


Source: U.S. Census Bureau, retrieved from FRED, Federal Reserve Bank of St. Louis.

[15] Seasonally adjusted.

As illustrated in Figure 12, year-over-year growth in e-commerce sales has fallen below the pre-pandemic rates. In 2019, total e-commerce sales grew 12.5 percent from 2018, compared with a growth rate of 2.7 percent for all retail sales. The COVID-19 pandemic shifted consumer spending patterns, reflected in the dramatic annual growth throughout 2020. E-commerce sales increased by 41.8 percent in 2020 compared to 2019, while total retail sales increased by 3.3 percent. The dramatic drop in e-commerce sales growth in 2021 is a normalization after the rapid growth of 2020, while the dramatic rise in total retail sales represents pent up demand after months of lockdowns. E-commerce sales and total retail sales increased by 17.8 percent and 16.9 percent in 2021, respectively. Total retail sales grew 8.1 percent in 2022, exceeding e-commerce sales growth of 6.5 percent. In 2025, year-over-year growth in total retail sales nearly matched e-commerce sales growth, with 4.5 and 5.2 percent respectively in the first quarter. Overall growth in 2025 was 5.3 percent and 3.7 percent for e-commerce and total retail sales respectively. Recently the e-commerce sales and total retail sales have started to diverge again, with year-over-year growth in Q2 of 2026 being 12.2 percent for e-commerce and 6.9 percent for total retail sales.

Figure 12: Quarterly Year-over-Year Growth in U.S. E-Commerce and Total Retail Sales[16], Q1 2015–Q2 2026



Source: U.S. Census Bureau, retrieved from FRED, Federal Reserve Bank of St. Louis.

The rise in online and mobile shopping has forced brick-and-mortar retailers to compete across both modes of purchase and advertising channels. The ease of shopping online and on mobile platforms allows customers to discover new products and vendors more easily and to bargain shop throughout the year in advance of the holiday season. Moreover, brand recognition is increasingly important to shoppers, prompting retailers to court potential customers through special deals and sales events and to appeal to their charitable and philanthropic preferences.

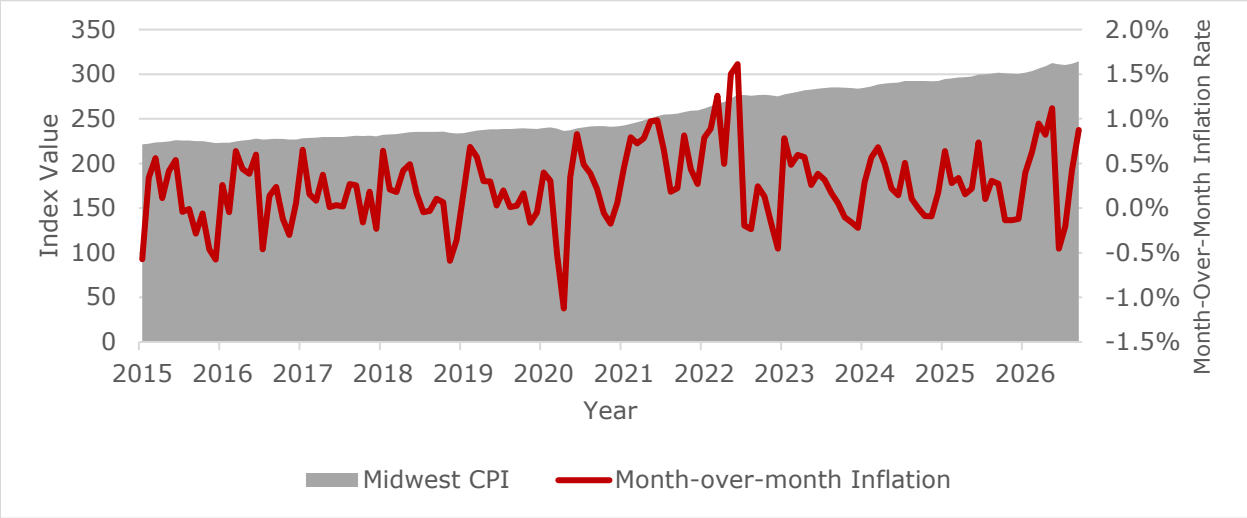
Digital and mobile technologies mean that consumers are generally better informed and empowered to research their purchases before they arrive at the store. The increased speed of shopping also creates challenges for retailers in terms of optimizing inventory.[17]

[16] Seasonally adjusted.
[17] (Deloitte 2016); (Deloitte 2018)

Inflation

Since the middle of the COVID-19 pandemic, inflation, as measured by the Midwest Consumer Price Index, has trended higher. Year-over-year inflation in September of 2021 was 5.7 percent, and in 2022 it was 8.1 percent. Inflation cooled starting in 2023, with September year-over-year inflation at 3.2 percent, and in 2024 it was 2.5 percent. In September of 2025, however, inflation began to heat up again, with the Midwest Consumer Price Index reaching 3.1 percent, and in September of 2026 it was 4.2 percent, as detailed in Figure 13. Month-over-month inflation has increased seven of the nine months to date in 2026.

Figure 13: Midwest Consumer Price Index, January 2015–September 2025



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis.

There has been upward pressure on inflation expectations all year long since the start of the war with Iran. The Cleveland Federal Reserve's one year ahead inflation expectations, which are modeled based on financial instrument data, inflation data, and survey data peaked in May, fell until August, and started rising again in recent months. One year ahead expected inflation in October 2026 was nearly 3.0 percent.[18] The 10-year break-even inflation rate infers inflation expectations based on the difference between the yields on standard 10-year treasury bonds and inflation indexed treasury bonds to infer the average expected inflation rate over the next ten years. These have displayed roughly a similar pattern to the one year ahead inflation expectations yet are lower as financial investors expect the current elevated inflation to resolve and return to the Federal Reserve's 2.0 percent target over the next ten years. The average implied 10-year average inflation rate in September 2026 was 2.35 percent.[19]

While long-term resolution is likely, at the moment it does not appear that it will come before the end of the 2026 holiday season. The futures price for a barrel of West Texas Intermediate (WTI) crude oil for January 2027 has been above $90 since October 12, and breached $100 on October 23.[20] On February 27, the day before U.S. and Israeli strikes began on Iran, the spot price or a barrel of WTI crude oil was $66.96.[21] The price of a barrel of oil has remained above $90 since September 28.

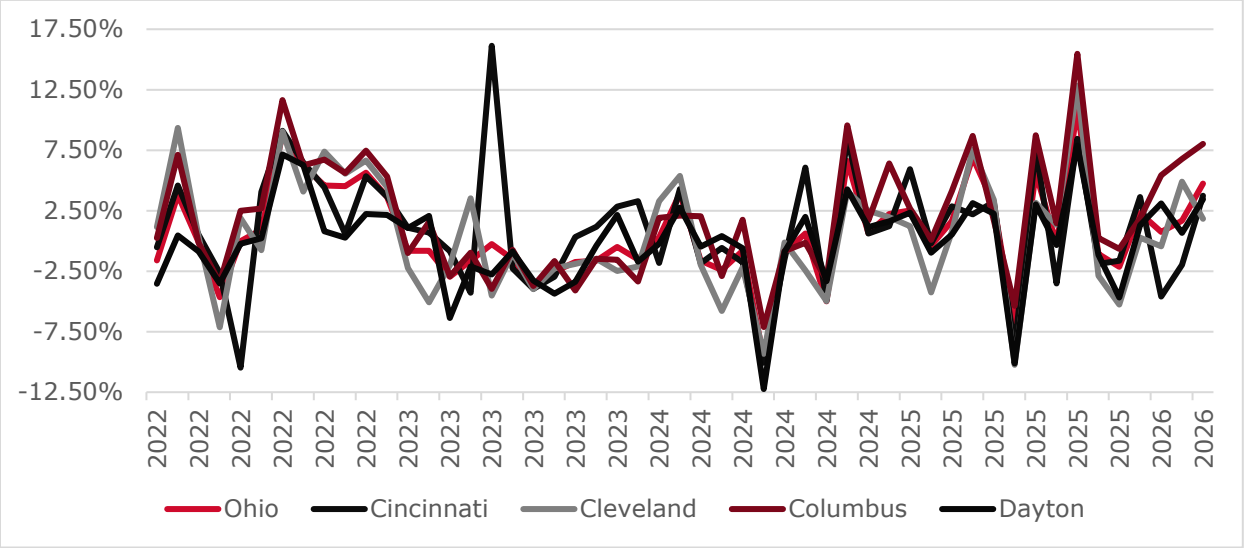
[18] (FRED, Federal Reserve Bank of St. Louis 2026)
[19] (FRED, Federal Reserve Bank of St. Louis 2026)
[20] (Barchart n.d.)
[21] (FRED, Federal Reserve Bank of St. Louis 2026)

Refineries have also been hit in relation to both the wars in Iran and Ukraine. This has sent the price of diesel skyrocketing, which is further fueling widespread inflation. The lowest spot price for a gallon of Ultra Low Sulfur No. 2 Diesel in 2026 was January 7th at $2.09.[22] It has remained more than double that price since August 10th. August 10th is also when the futures price for January 2027 began to rise considerably when it opened at $3.52 and closed at $3.68. Since October 13th, the futures price for January 2027 has been consistently closing above $4.50 per gallon.[23]

Regional Variation

The geographic variation in forecasts warrants some inspection. Some of this variation can be explained by the recent pattern of relevant retail sales. Figure 14 displays the year-over-year growth rates of relevant retail sales for the major Ohio MSAs from January 2022 to March 2026. The Columbus MSA is clearly growing significantly faster than the other MSAs over the past year, while the Cincinnati MSA has been lagging, experiencing negative year-over-year growth in January. Going back to March 2024, the Columbus MSA has experienced the highest year-over-year growth for 20 of the 25 months for which data are available.

Figure 14: Year-Over-Year Relevant Retail Sales Growth in Major Ohio MSAs January 2022 to March 2026

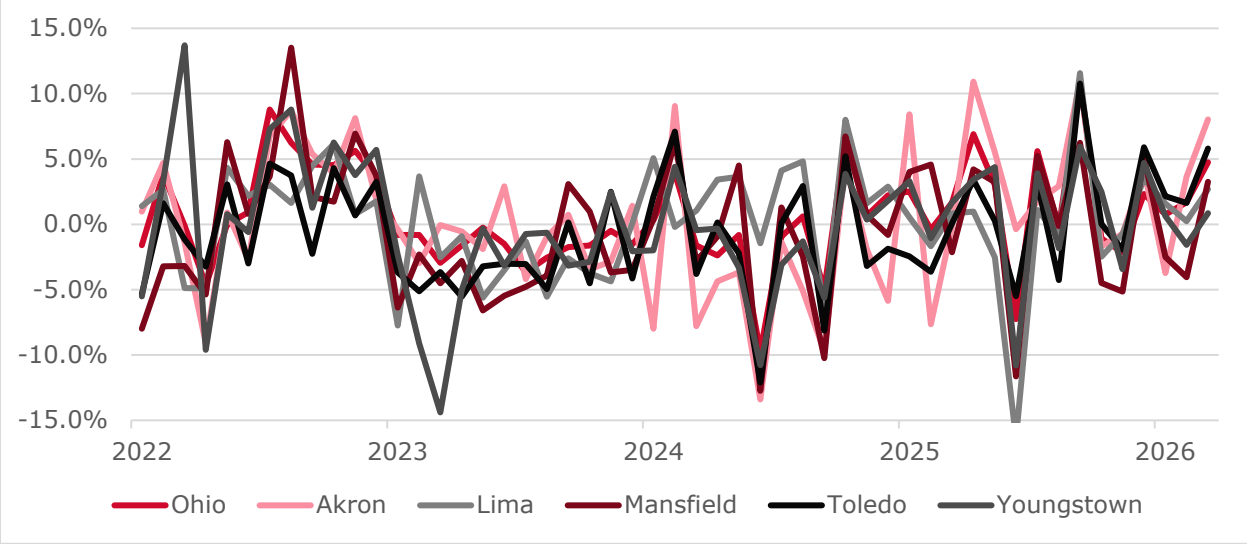


Source: Economics Center Analysis

The same graph for the minor Ohio MSAs are shown in Figure 15. The Akron MSA has enjoyed faster growth in recent months than the other minor MSAs in Ohio. At the same time, the Youngstown MSA has had sluggish growth in recent months. From March 2024 onward, either the Akron or Lima MSA displayed the highest year-over-year growth in 17 out of 25 months.

[22] (FRED, Federal Reserve Bank of St. Louis 2026)
[23] (Barchart n.d.)

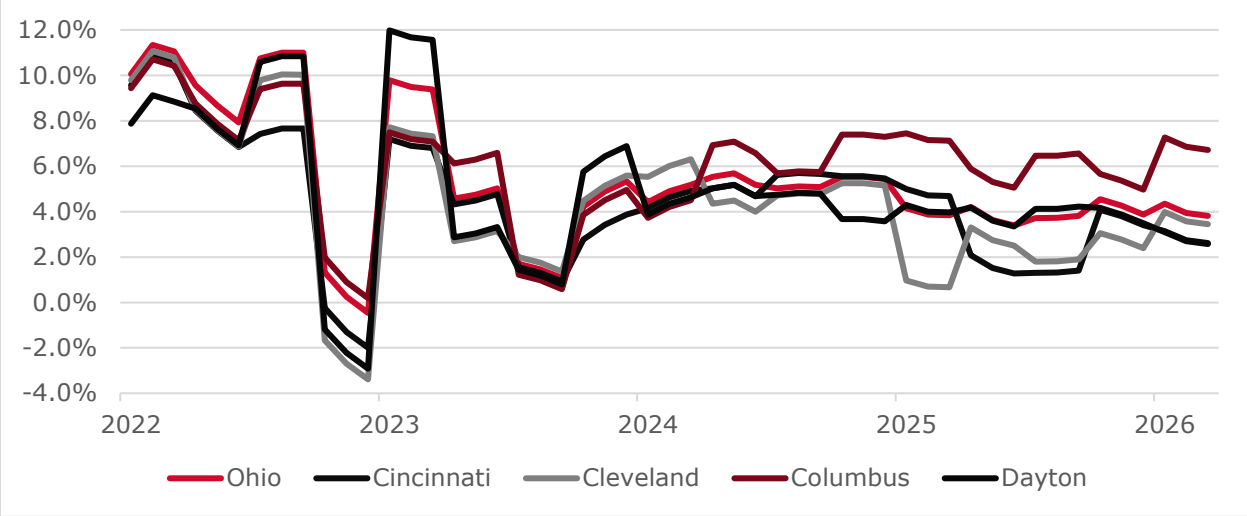
Figure 15: Year-Over-Year Relevant Retail Sales Growth in Minor Ohio MSAs
January 2022 to March 2026



Source: Economics Center Analysis

Wage growth has followed a similar pattern to retail sales, where the Columbus MSA is seeing wage growth that is substantially faster than the other major MSAs in Ohio. The Cincinnati and Dayton MSAs were virtually tied at approximately 2.6 percent year-over-year wage growth in March of 2026. The full growth rates are presented in Figure 16. Beginning in March 2024, the Columbus MSA had the highest year-over-year growth in wages in 24 out of 25 months.

Figure 16: Year-Over-Year Wage Growth in Major Ohio MSAs
January 2022 to March 2026

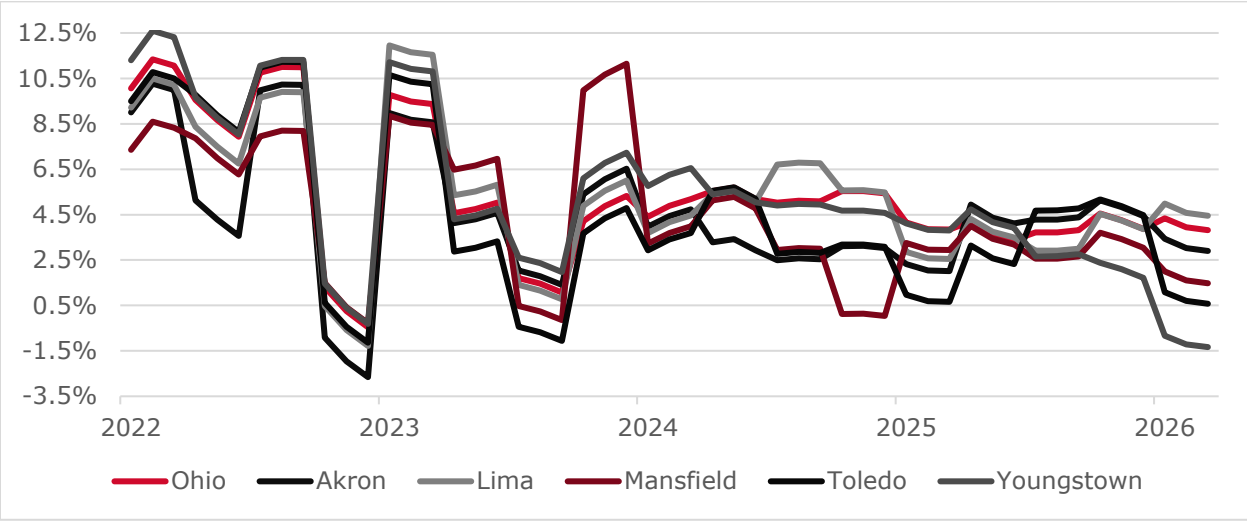


Source: Bureau of Labor Statistics

Figure 17 presents the year-over-year wage growth in the minor Ohio MSAs. The Lima MSA leads in terms of wage growth in recent months, outperforming Ohio as a whole with 4.5 percent year-over-year

growth in March of 2026. Among the smaller MSAs, the Akron MSA is experiencing the next highest wage growth in recent months with 2.9 percent growth from March 2025 to March 2026. The Youngstown MSA has had declining wage growth since April 2025, hitting a low of -1.33 percent in March of 2026. In the six most recent months in the sample, October 2025 through March 2026, the Youngstown MSA had the lowest year-over-year wage growth among all of the MSAs in the forecast.

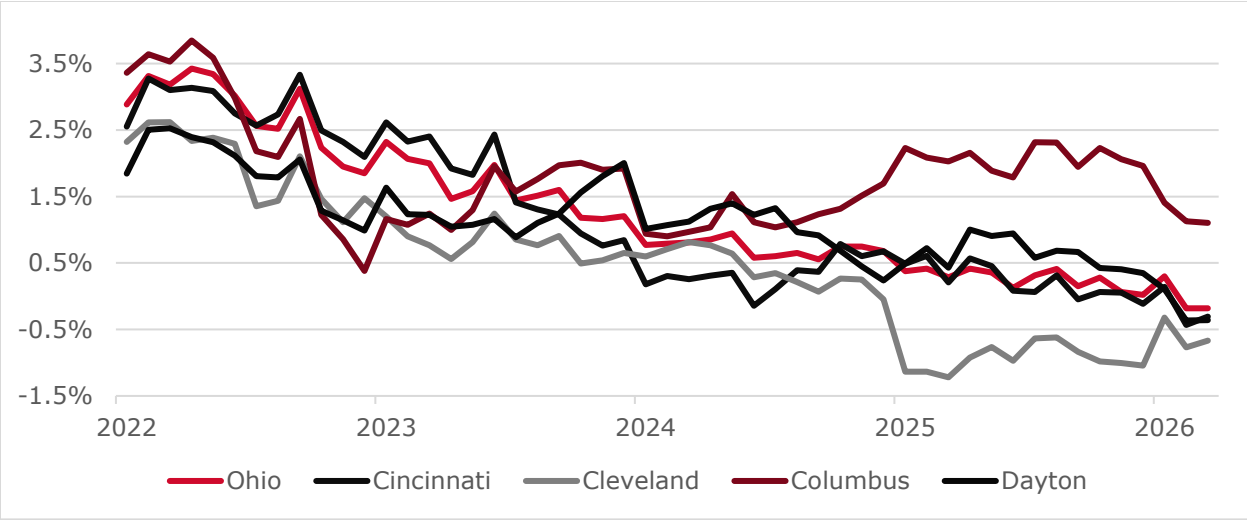
Figure 17: Year-Over-Year Wage Growth in Minor Ohio MSAs
January 2022 to March 2026



Source: Bureau of Labor Statistics

Just like with relevant retail sales and wages, the year-over-year growth in employment for the Columbus MSA has been much stronger than the rest of the state, although it does appear to be slowing down relative to the bump it experienced in 2025. The Cleveland MSA has had declining employment since 2025, and the rest of the major MSAs are tracking closely to statewide growth, which has been poor in 2025 and 2026. The full employment growth history for the major Ohio MSAs from 2022 until March 2026 is presented in Figure 18. Since March of 2024, the Columbus MSA had the highest year-over-year employment growth in 21 of the 25 months in the sample, and the Dayton MSA accounted for the remaining four months.

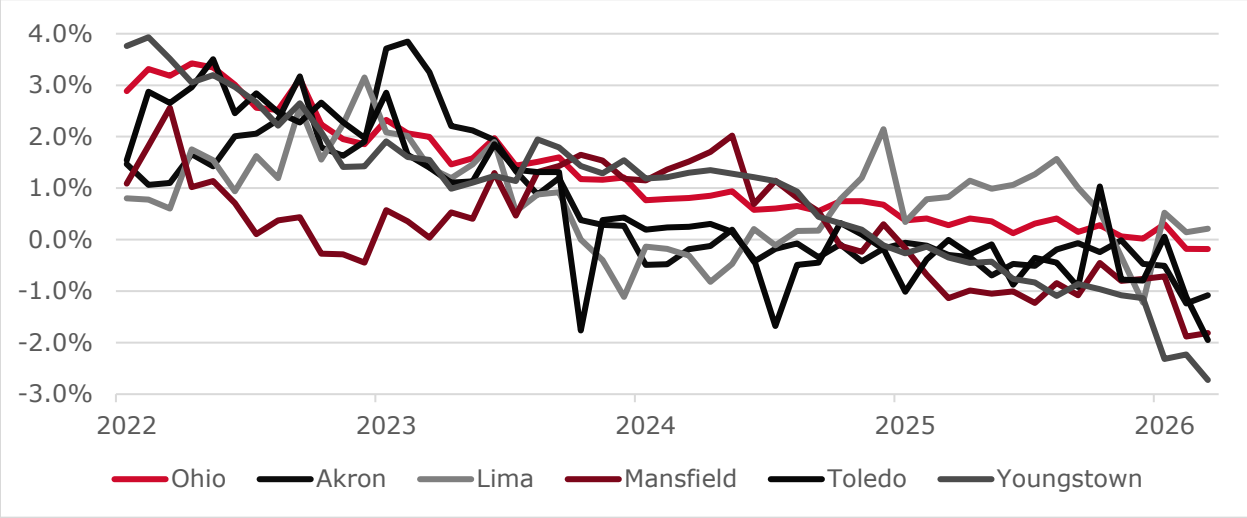
Figure 18: Year-Over-Year Employment Growth in Major Ohio MSAs
January 2022 to March 2026



Source: Bureau of Labor Statistics

The Lima MSA is again outperforming the other smaller MSAs in Ohio in year over year employment growth, showing very small growth while the state as a whole and the other minor MSAs are all seeing small contractions in employment. The full employment growth history from 2022 until March 2026 is presented in Figure 19. Either the Lima or Akron MSA had the highest year-over-year growth in 17 of the 25 months in the sample since March of 2024.

Figure 19: Year-Over-Year Employment Growth in Minor Ohio MSAs
January 2022 to March 2026



Source: Bureau of Labor Statistics

It is also worth explaining why the Columbus MSA is growing substantially faster than the rest of the state. The Columbus MSA has undergone a major transformation with a heavy influx of capital expenditures compared to the rest of the state, and much of the country even.[24] Some of this growth is being fueled by data center buildouts, and some of it is being fueled by Intel investments in computer chip manufacturing as a result of the CHIPS and Science Act. And other entrepreneurs are following suit. While these developments are certainly good news for the long-term prospects for the Columbus MSA, it is not likely that strong growth is going to be a permanent feature of the Columbus MSA economy. Once the major construction projects are finished, growth is likely revert back to longer-term trends in the Columbus MSA.

Summary

The Economics Center forecasts a 3.6 percent increase in statewide relevant retail sales for the 2026 holiday season. Total statewide holiday sales are expected to reach approximately $31.8 billion, up from $30.7 billion in 2025. Compared to 2025, more holiday spending is expected to occur in eight of the nine metro regions analyzed in Ohio. The Youngstown MSA is expected to experience lower holiday sales compared to 2025. The Cincinnati, Cleveland, Lima, and Toledo MSAs are all expected to experience modest growth compared to 2025. The Akron, Dayton, and Mansfield MSAs are all forecasted to experience faster growth in holiday sales than the state overall, while the Columbus MSA is expected to see growth more than two times the state overall. The three largest metro regions – Columbus, Cleveland, and Cincinnati – will again account for more than half of sales.

[24] (Stockman 2026)

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