

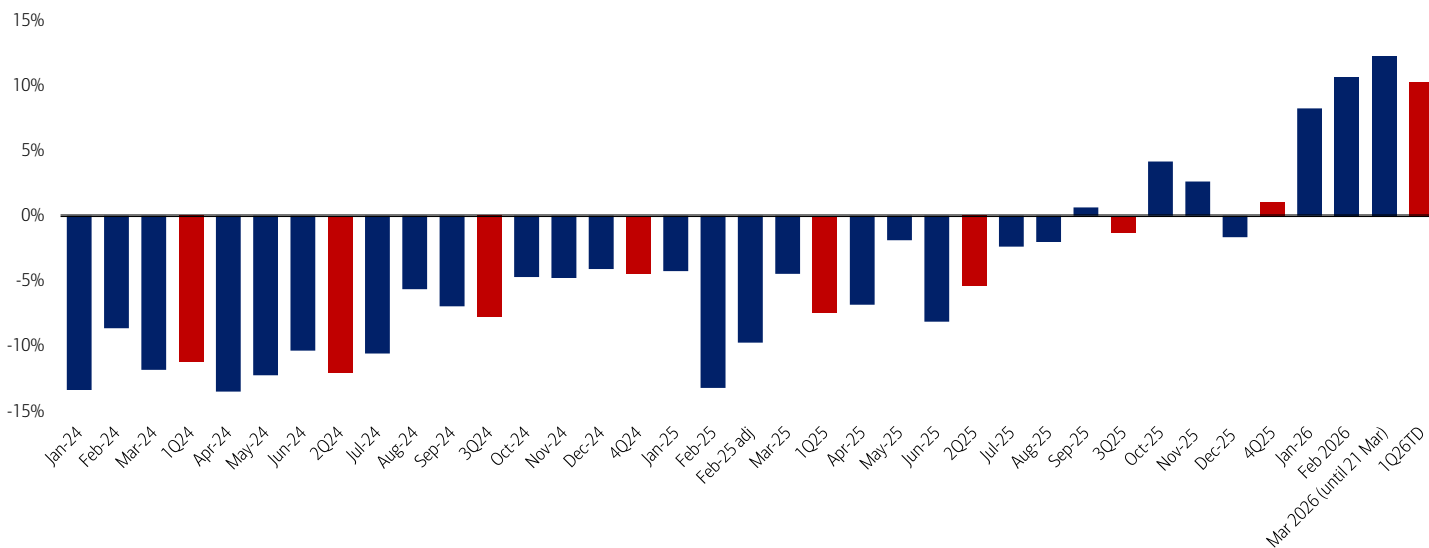
Daily Insights

US luxury spending: A comeback story

06 April 2026

US luxury spending was up 12% year-over-year (YoY) through March 21

Bank of America US card spending growth for luxury fashion (YoY %, through March 21, 2026)



Source: BAC US internal card data, BofA Global Research
 Note: TD = to date, Adj = adjusted

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US luxury spending had been a laggard in the discretionary spending arena for a significant period of time: prior to 2025 Q4 it had shown 13 consecutive quarters of negative YoY growth. But there has been better news of late. Growth turned positive in 2025 Q4 and has accelerated further in 2026. Monthly data through March 21 shows the YoY growth rate at around 12%.

All income cohorts are showing a recovery in luxury spending in 2026, although the strongest growth is among higher-income households – unsurprising given the broader “K” shape we’re seeing in consumer spending. One possible driver of the recovery is the fact that luxury spending as a percentage of overall US discretionary spending is currently relatively low, suggesting some catch-up activity. The fall-out from the conflict in the Middle East warrants close attention going forward, but for now the data looks solid.

Methodology

Readers should be aware that although the BAC datasets utilized in our analysis represent a significant number of data points, they nevertheless present a degree of selection bias, including but not limited to income levels and geographies. In addition, the data is limited to debit and credit cards and does not include other payment methods such as cash or checks.

Data regarding merchants who receive payments are identified and classified by the Merchant Categorization Code (MCC) defined by financial services companies. The data are mapped using proprietary methods from the MCCs to the North American Industry Classification System (NAICS), which is also used by the Census Bureau, in order to classify spending data by subsector. Spending data may also be classified by other proprietary methods not using MCCs.

BAC data used in this report include spending from active US households (HHs) only. Spending from corporate cards is excluded.

Our methodology for calculating the growth rates for daily data: we calculate the %y/y growth rate by matching calendar days (Jan 1, 2026 matched to Jan 1, 2025). The % change is calculated based on the 7-day moving average of spending levels.

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