SHOPPING CENTRE COUNCIL OF AUSTRALIA

RESEARCH NOTE

Tuesday, September 3 2015 - Today's release of the latest (July 2015) monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) trend estimate grew by 0.2 per cent. In **trend terms**, retail turnover increased by 4.4 per cent year-on-year (y-o-y).

STATE OF PLAY

The following table summarises the key data in **seasonally adjusted** terms across the six ABS retail categories. The strongest growth was recorded for 'Clothing, footwear and personal accessory' retailing on a m-o-m (1.6 per cent), whilst 'Household goods' and 'Clothing, footwear and personal accessory' retailing recorded the strongest y-o-y growth (both 8.6 per cent). In seasonally adjusted terms, Retail Turnover decreased by 0.1 per cent for the month of July 2015, however, it increased by 4.2 per cent on a year on year basis.

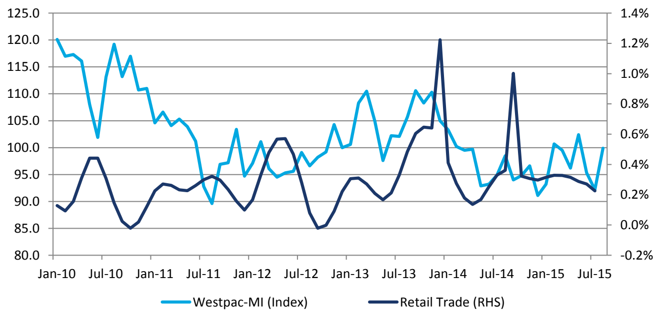
CATEGORIES	$ billion	m-o-m	last 3 months	y-o-y
Food retailing	$9.86	↔ 0.0%	↑ 0.5%	↑ 2.6%
Household goods retailing	$4.26	↓ -1.9%	↑ 1.5%	↑ 8.6%
Clothing, footwear and personal accessory retailing	$1.91	↑ 2.9%	↑ 0.5%	↑ 8.6%
Department stores	$1.54	↑ 1.3%	↔ 0.0%	↑ 2.1%
Other retailing	$3.32	↓ -0.6%	↑ 1.6%	↑ 2.4%
Cafes, restaurants and takeaway food services	$3.42	↑ 0.3%	↑ 1.3%	↑ 4.0%
Retail Turnover	**$24.31**	↓ **-0.1%**	↑ **0.9%**	↑ **4.2%**

Source: ABS (Cat 8501.0) / SCCA Research *Seasonally Adjusted

TREND ANALYSIS: CONSUMER SENTIMENT

Retail trade, albeit with a slight lag, broadly tracks consumer sentiment as the chart to the right highlights. The latest release from the Westpac-Melbourne Institute indicates that the consumer sentiment index increased in August 2015 to 99.9 (up from 92.2 in July 2015). Growth in the index of some 7.7 points indicates a much more positive outlook for the retail industry, although the index is still just in negative territory.

Consumer Sentiment vs. Retail Trade
Westpac-MI Index vs. ABS Retail Trade (m-o-m growth %, trend)



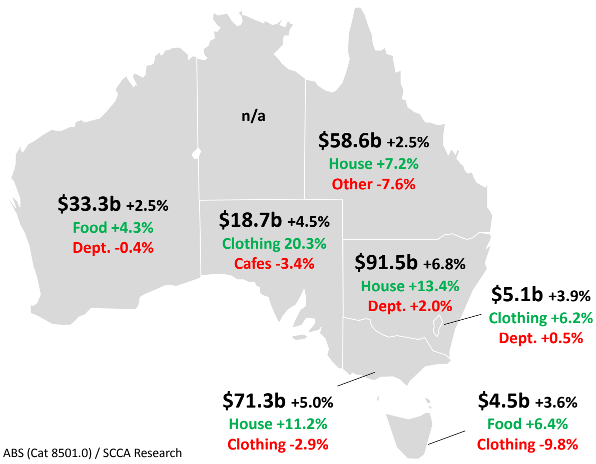
Source: ABS & Westpac-MI / SCCA Research

STATE BY STATE: BEST AND WORST

Retail turnover tells a different story not only within the ABS defined six categories, but also across different jurisdictions. The following map outlines and compares the total and growth of retail trade (y-o-y), and the best and worst retail growth categories.

The strongest state for overall growth in seasonally adjusted terms was New South Wales (up 6.8 per cent to $91.5 billion), whilst the weakest states were Western Australia (up 2.5 per cent to $33.3 billion) and Queensland (up 2.5 per cent to $58.6 billion). Once again New South Wales and the Australian Capital Territory were the only two jurisdictions to record positive growth across all ABS categories.

'Household goods', 'Food' and 'Clothing, footwear and personal accessory' retailing recorded the highest levels of y-o-y growth across the states, with 'Department Stores' recording the lowest growth in three states.



Source: ABS (Cat 8501.0) / SCCA Research