SHOPPING CENTRE COUNCIL OF AUSTRALIA

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.2 FOR FEBRUARY 2016 AND BY 3.7 PER CENT YEAR-ON-YEAR

Monday, April 4 2016 - Today's release of the latest (February 2016) 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 3.7 per cent year-on-year (y-o-y).

STATE OF PLAY

The adjacent table summarises the key data in **seasonally adjusted** terms across the six ABS retail categories. The strongest growth was recorded for 'Household goods' and 'Department stores' retailing on a m-o-m basis (both 0.4 per cent). 'Department stores' retailing recorded the strongest y-o-y growth (7.0 per cent). In seasonally adjusted terms, **Retail Turnover** was relatively unchanged (0.0 per cent) for the month of February 2016 and increased by 3.3 per cent on a y-o-y basis.

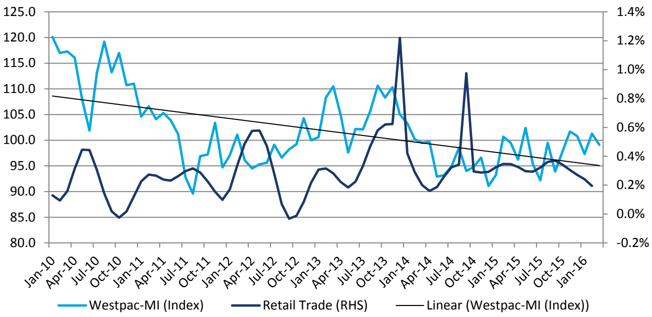
CATEGORIES	$ billion	m-o-m	last 3 months	y-o-y
Food retailing	$10.04	↔ 0.0%	↑ 0.2%	↑ 2.3%
Household goods retailing	$4.42	↑ 0.4%	↑ 0.2%	↑ 4.4%
Clothing, footwear and personal accessory retailing	$1.94	↑ 0.1%	↑ 2.2%	↑ 6.5%
Department stores	$1.60	↑ 0.4%	↑ 0.6%	↑ 7.0%
Other retailing	$3.40	↓ -0.1%	↑ 0.2%	↑ 2.9%
Cafes, restaurants and takeaway food services	$3.44	↓ -0.2%	↔ 0.0%	↑ 1.8%
Retail Turnover	**$24.84**	**↔ 0.0%**	**↑ 0.4%**	**↑ 3.3%**

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 below highlights. The latest release from the Westpac-Melbourne Institute indicates that consumer sentiment is at 99.1 for March 2016. This is down from 101.3 in February and is broadly in line with the six-month average (98.8). According to Westpac, respondents seemed to have concerns about news items on 'budget and taxation'.

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



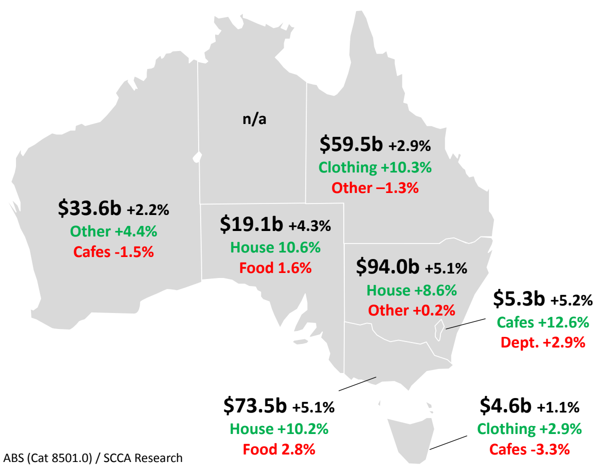
Source: ABS & Westpac-MI / SCCA Research

STATE BY STATE: BEST AND WORST

Retail turnover varies within the ABS defined six categories and across different jurisdictions. The adjacent map outlines and compares the total and growth of retail trade (y-o-y), and the best and worst retail growth categories.

The strongest states in seasonally adjusted terms were New South Wales (up 5.1 per cent to $94.0 billion) and Victoria (up 5.1 per cent to $73.5 billion). The weakest state was Tasmania (up 1.1 per cent to $4.6 billion). Most jurisdictions, with the exception of Queensland, Tasmania and the ACT, recorded positive growth across all six ABS categories.

'Household goods' remains the key driver of retail growth in three of the seven analysed jurisdictions, most notably New South Wales and Victoria, with South Australia also posting a strong result in this category. 'Department stores' retailing was once again the weakest category in the Australian Capital Territory, although still recorded growth of 2.9 per cent. The worst performing category nationally was 'Cafes, restaurants & takeaway food' retailing in Tasmania (-3.3 per cent).



Source: ABS (Cat 8501.0) / SCCA Research