SHOPPING CENTRE COUNCIL OF AUSTRALIA

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.1 PER CENT FOR FEBRUARY 2017 AND BY 2.9 PER CENT YEAR-ON-YEAR

Monday, April 2 2017 - The latest release (February 2017) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) **trend** estimate grew by 0.1 per cent, down from 0.2 per cent in the prior corresponding period (pcp). In **trend terms**, retail turnover increased by 2.9 per cent year-on-year (y-o-y), down from (a revised) 3.0 per cent in the pcp.

STATE OF PLAY

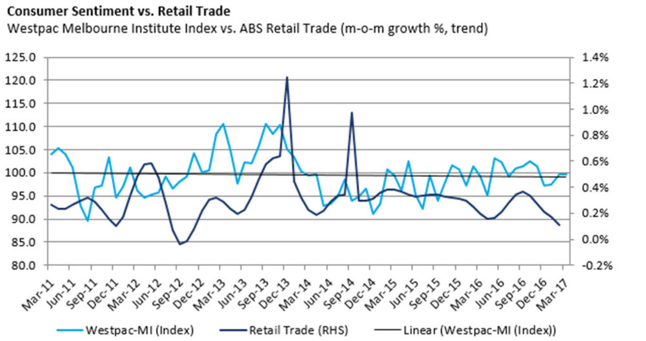
The adjacent table summarises the key data in **seasonally adjusted** terms across the six ABS retail categories. The strongest growth was recorded for 'Department stores' retailing on a m-o-m basis (0.8 per cent), whilst the strongest category on a y-o-y basis was 'Cafes, restaurants and takeaway food services' retailing (5.9 per cent). In **seasonally adjusted** terms, Retail Turnover decreased by 0.1 per cent in the month of February 2017 (significantly down from 0.4 per cent in the pcp) and increased by 2.7 per cent on a y-o-y basis (down from 3.1 per cent in the pcp).

CATEGORIES	$ billion	m-o-m	last 3 months	y-o-y
Food retailing	$10.42	↑ 0.3%	↑ 1.1%	↑ 3.7%
Household goods retailing	$4.46	↓ -0.4%	↓ -1.4%	↑ 1.1%
Clothing, footwear and personal accessory retailing	$1.98	↓ -2.5%	↓ -2.0%	↑ 0.8%
Department stores	$1.55	↑ 0.8%	↑ 0.7%	↓ -3.0%
Other retailing	$3.63	↔ 0.0%	↓ -0.1%	↑ 2.2%
Cafes, restaurants and takeaway food services	$3.65	↔ 0.0%	↑ 1.2%	↑ 5.9%
Retail Turnover	**$25.69**	↓ **-0.1%**	↑ **0.2%**	↑ **2.7%**

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

TREND ANALYSIS: CONSUMER SENTIMENT

The latest release of the Westpac Melbourne Institute Consumer Sentiment Index indicates that consumer sentiment increased to 99.7 in March 2017, up slightly from 99.6 in February 2017. It would appear as though the increase of 2.3 points in February has been prolonged into March. Overall, the Index is relatively well balanced at almost 100 (where there are equal numbers of pessimists and optimists).



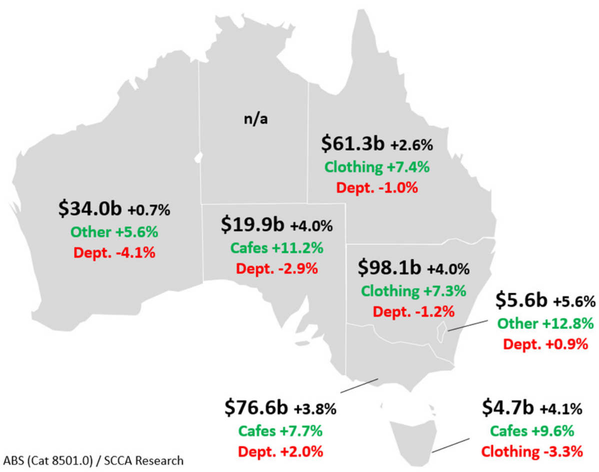
Source: ABS & Westpac Melbourne Institute / SCCA Research

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 jurisdictions in **seasonally adjusted** terms were the ACT (up 5.6 per cent to $5.6 billion) followed by Tasmania (up 4.1 per cent to $4.7 billion). The weakest jurisdiction was Western Australia (up 0.7 per cent to $34.0 billion). The ACT and Victoria were the only jurisdictions to record positive growth across all six ABS categories.

'Other' retailing was the key driver of growth in the ACT (up 12.8 per cent), whilst 'Cafes, restaurants and takeaway food services' retailing was the strongest growing category for South Australia (up 11.2 per cent), Tasmania (up 9.6 per cent) and Victoria (up 7.7 per cent). 'Department stores' retailing was the weakest performing category in all jurisdictions except Tasmania, noting that the ABS does not report 'Department stores' retailing in that particular jurisdiction.



Source: ABS (Cat 8501.0) / SCCA Research