

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE FELL BY 0.1 PER CENT IN OCTOBER 2017 AND INCREASED BY 1.6 PER CENT YEAR-ON-YEAR

Tuesday, December 5 2017 - The latest release (October 2017) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) trend estimate decreased by 0.1 per cent, down from 0.0 per cent in the prior corresponding period (pcp). In **trend terms**, Retail Turnover grew by 1.6 per cent year-on-year (y-o-y), down from 2.1 per cent (revised) 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 'Cafes, restaurants and takeaway food services' retailing on both a m-o-m basis (1.7 per cent) and a y-o-y basis (3.1 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 0.5 per cent in the month of October 2017, up from (a revised) increase of 0.1 per cent in the pcp. On a y-o-y basis, Retail Turnover increased by 1.8 per cent, down from (a revised) 1.5 per cent in the pcp.

TREND ANALYSIS: ONLINE RETAIL TURNOVER

According to the 'experimental estimates of online retail turnover' (i.e. turnover from domestic online retail sales - explained [here](#)) online retail turnover in **original terms** (non-seasonally adjusted) increased by 11.3 per cent on a m-o-m basis in October 2017, a slowing of growth from the 12.5 per cent in October 2016. Interestingly, 'traditional' retail (total retail turnover less online retail) increased by 3.8 per cent over the same timeframe, an increase from the 3.3 per cent in October 2016. The recent launch of Amazon's Australian website will no doubt have an influence on online retailing going forward, although this will not be reflected in the ABS data until early next year.

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 Tasmania (up 4.7 per cent to \$4.9 billion) followed by Victoria (up 3.7 per cent to \$78.6 billion) and South Australia (up 3.5 per cent to \$20.3 billion). New South Wales has sustained 'triple figure' retail turnover, recording growth of 3.3 per cent over the last 12-months to total \$100.2 billion, accounting for one third of all retail spending in Australia. 'Cafes, restaurants and takeaway food services' retailing continues to drive growth in New South Wales, South Australia, Western Australia and Tasmania. 'Department stores' retailing was the weakest performing

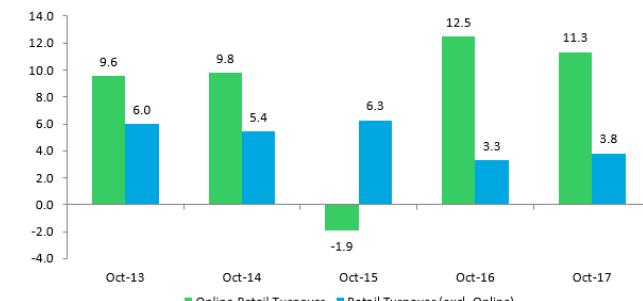
category in all jurisdictions except Tasmania (not reported by the ABS), Western Australia and the ACT.

CATEGORIES	\$ billion	m-o-m	last 3 months	y-o-y
Food retailing	\$10.57	▲ 0.3%	▲ 0.5%	▲ 2.9%
Household goods retailing	\$4.44	▲ 0.1%	▼ -1.5%	▼ -2.0%
Clothing, footwear and personal accessory retailing	\$2.02	▲ 1.0%	▼ -0.3%	▲ 1.6%
Department stores	\$1.58	▲ 0.5%	▲ 4.3%	▲ 2.8%
Other retailing	\$3.70	▲ 0.3%	▼ -1.6%	▲ 1.8%
Cafes, restaurants and takeaway food services	\$3.74	▲ 1.7%	▲ 1.1%	▲ 3.1%
Retail Turnover	\$26.05	▲ 0.5%	▲ 0.1%	▲ 1.8%

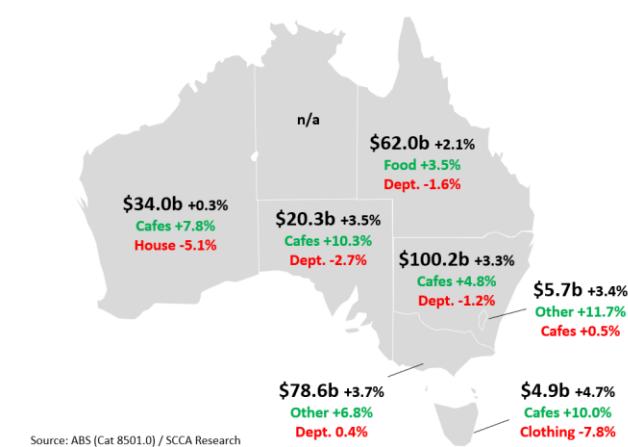
Source: ABS (Cat 8501.0) / SCCA Research

*Seasonally Adjusted

ABS Retail Trade - Online vs. Traditional Retail
Percentage Change Month-on-Month (Original) by Type



Source: ABS / SCCA Research



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