SHOPPING CENTRE COUNCIL OF AUSTRALIA

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.2 PER CENT IN DECEMBER 2017 AND BY 2.0 PER CENT YEAR-ON-YEAR

Tuesday, February 6 2018 - The latest release (December 2017) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) **trend** estimate increased by 0.2 per cent, equal to (a revised) 0.2 per cent in the prior corresponding period (pcp). In **trend** terms, Retail Turnover increased 2.0 per cent year-on-year (y-o-y), up from (a revised) 1.9 per cent.

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 'Food' retailing on a m-o-m basis (0.7 per cent), whilst 'Cafes, restaurants and takeaway food services' recorded the strongest growth on a y-o-y basis (3.8 per cent). In **seasonally adjusted** terms, Retail Turnover decreased by 0.5 per cent in the month of December 2017, significantly down from (a revised) 1.3 per cent in the pcp. On a y-o-y basis, Retail Turnover increased by 2.5 per cent, down from 2.9 per cent in the pcp. According to the ABS, online retail turnover contributed 4.8 per cent to total retail turnover (in original terms) in December 2017, down from 5.5 percent in November 2017.

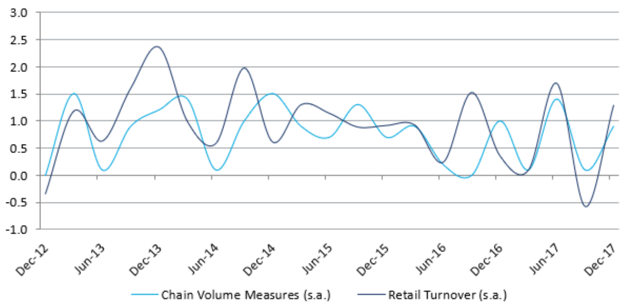
CATEGORIES	$ billion	m-o-m	last 3 months	y-o-y
Food retailing	$10.65	↑ 0.7%	↑ 1.0%	↑ 2.8%
Household goods retailing	$4.55	↓ -2.6%	↑ 2.2%	↑ 3.0%
Clothing, footwear and personal accessory retailing	$2.06	↓ -0.1%	↑ 2.7%	↑ 0.4%
Department stores	$1.54	↓ -0.6%	↓ -1.5%	↓ -0.3%
Other retailing	$3.71	↓ -1.8%	↑ 0.6%	↑ 1.9%
Cafes, restaurants and takeaway food services	$3.75	↓ -0.1%	↑ 2.0%	↑ 3.8%
Retail Turnover	**$26.26**	**↓ -0.5%**	**↑ 1.3%**	**↑ 2.5%**

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

TREND ANALYSIS: CHAIN VOLUME MEASURE

The quarterly chain volume estimates measure the change in value after the direct effects of price changes have been eliminated, reflecting changes in volume. In the quarter to December 2017, Chain Volume Measures increased by 0.9 per cent, up from 0.1 per cent in the pcp, whilst Retail Turnover increased by 1.3 per cent in the December 2017 quarter, significantly up from -0.6 per cent. Both Chain Volume Measures and Retail Turnover increased by 2.5 per cent throughout 2017.

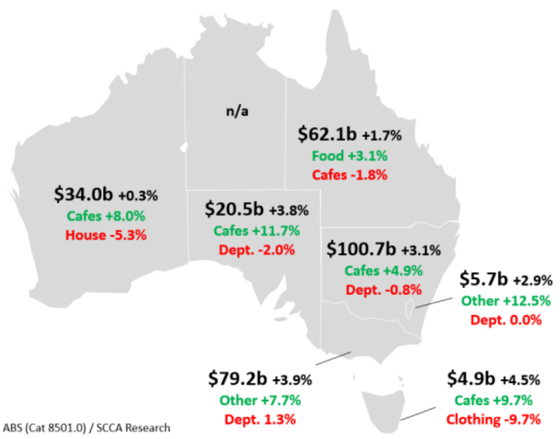
ABS Retail Turnover - Seasonally Adjusted
Quarterly Growth in Chain Volume Measures vs. Retail Turnover (%)



Source: ABS / 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 Tasmania (up 4.5 per cent to $4.9 billion) followed by Victoria (up 3.9 per cent to $79.2 billion) and South Australia (up 3.8 per cent to $20.5 billion). '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), Queensland and Western Australia. Victoria was the only jurisdiction to record positive growth across all six ABS categories.



Source: ABS (Cat 8501.0) / SCCA Research