

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.3 PER CENT IN JANUARY 2018 AND BY 2.3 PER CENT YEAR-ON-YEAR

Tuesday, March 6 2018 - The latest release (January 2018) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) **trend** estimate increased by 0.3 per cent, equal to (a revised) 0.3 per cent in the prior corresponding period (pcp). In **trend** terms, Retail Turnover increased by 2.3 per cent year-on-year (y-o-y), up from (a revised) 2.1 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 'Other' retailing on both a m-o-m basis (1.0 per cent) as well as on a y-o-y basis (3.2 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 0.1 per cent in the month of January 2018, significantly up from -0.5 per cent in the pcp. On a y-o-y basis, Retail Turnover increased by 2.1 per cent, down from 2.5 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 decreased by 23.3 per cent on a m-o-m basis in January 2018, noting that this data is in original (non-seasonally adjusted) terms and is highly volatile. Similarly, 'traditional' retail (total retail turnover less online retail) decreased by 23.0 per cent over the same timeframe. According the ABS data, online retail totalled \$13.53 billion (or 4.3 per cent) of the \$312.15 billion retail market in the 12-months to January 2018.

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.

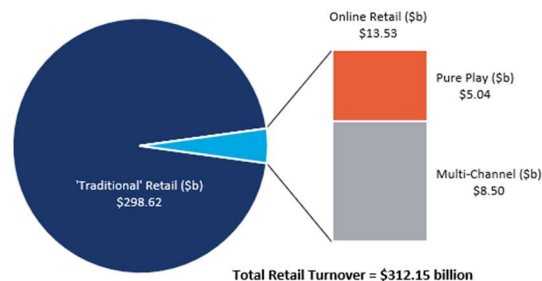
The strongest jurisdictions in seasonally adjusted terms were Tasmania (up 4.2 per cent to \$4.9 billion) followed by Victoria (up 3.9 per cent to \$79.5 billion) and South Australia (up 3.7 per cent to \$20.5 billion). 'Cafes, restaurants and takeaway food services' retailing continues to drive growth in New South Wales, South Australia, Western Australia and Tasmania. 'Department stores' retailing was the weakest performing category in New South Wales, Victoria, South Australia and the Australian Capital Territory. Victoria was the only jurisdiction to record positive growth across all six ABS categories.

CATEGORIES	\$ billion	m-o-m	last 3 months	y-o-y
Food retailing	\$10.65	↑ 0.0%	↑ 0.8%	↑ 2.6%
Household goods retailing	\$4.54	↑ 0.1%	↑ 1.9%	↑ 1.4%
Clothing, footwear and personal accessory retailing	\$2.04	↓ -0.7%	↑ 0.8%	↑ 0.4%
Department stores	\$1.53	↓ -0.6%	↓ -2.7%	↓ -0.9%
Other retailing	\$3.76	↑ 1.0%	↑ 1.5%	↑ 3.2%
Cafes, restaurants and takeaway food services	\$3.74	↑ 0.1%	↑ 0.2%	↑ 2.8%
Retail Turnover	\$26.26	↑ 0.1%	↑ 0.8%	↑ 2.1%

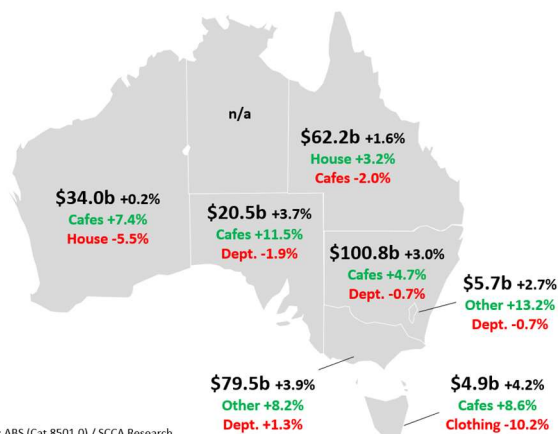
Source: ABS (Cat 8501.0) / SCCA Research

*Seasonally Adjusted

Australian Retail Turnover (original)
Online Retail Sales as a Portion of Total Retail Turnover



Source: ABS / SCCA Research



Source: ABS (Cat 8501.0) / SCCA Research