

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.2 PER CENT IN SEPTEMBER 2018 AND BY 3.5 PER CENT YEAR-ON-YEAR

Friday, November 2 2018 - The latest release (September 2018) 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, for the third consecutive month. In **trend** terms, Retail Turnover increased by 3.5 per cent year-on-year (y-o-y), up from (a revised) 3.3 per cent in the prior corresponding period (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 services' retailing on a m-o-m basis (0.5 per cent), as well as on a y-o-y basis (4.8 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 0.2 per cent in the month of September 2018, down from 0.3 per cent in August 2018. On a y-o-y basis, Retail Turnover increased by 3.7 per cent, equal to (a revised) 3.7 per cent in the pcp.

TREND ANALYSIS: CHAIN VOLUME MEASURES

The quarterly chain volume measure estimates the change in value after the direct effects of price changes have been eliminated, reflecting changes in volume. In the quarter to September 2018, Chain Volume Measures increased by 0.2 per cent, down from (a revised) 1.0 per cent in the pcp, whilst Retail Turnover increased by 0.4 per cent in the September 2018 quarter, down from 1.3 per cent in the pcp. Retail Turnover is tracking slightly ahead of Chain Volume Measures indicating that price inflation is the main driver of growth.

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 Victoria (up 5.0 per cent to \$82.3 billion) followed by Tasmania (up 4.8 per cent to \$5.1 billion) and South Australia (up 3.5 per cent to \$21.0 billion). Western Australia was the worst performing jurisdiction (down 0.4 per cent to \$33.9 billion), recording the fourth consecutive month of negative growth. 'Cafes, restaurants and takeaway services' retailing recorded the highest growth in South Australia (up 11.2 per cent) and New South Wales (up 5.4 per cent). Following recent growth, 'Department stores' retailing recorded the lowest growth in three jurisdictions. Victoria was the only jurisdictions to record positive growth across all six ABS categories.

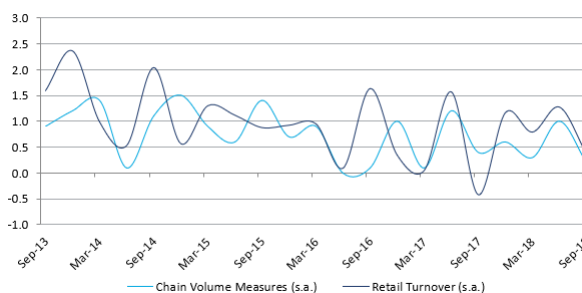
CATEGORIES	\$ billion	m-o-m	last 3 months	Y-o-Y
Food retailing	\$10.97	↑ 0.4%	↑ 0.7%	↑ 4.1%
Household goods retailing	\$4.57	↓ -0.0%	↓ -1.2%	↑ 2.8%
Clothing, footwear and personal accessory retailing	\$2.06	↓ -1.2%	↓ -2.7%	↑ 2.9%
Department stores	\$1.56	↓ -0.0%	↓ -1.0%	↓ -0.4%
Other retailing	\$3.87	↑ 0.0%	↑ 2.3%	↑ 4.7%
Cafes, restaurants and takeaway food services	\$3.86	↑ 0.5%	↑ 1.8%	↑ 4.8%
Retail Turnover	\$26.89	↑ 0.2%	↑ 0.4%	↑ 3.7%

Source: ABS (Cat 8501.0) / SCCA Research

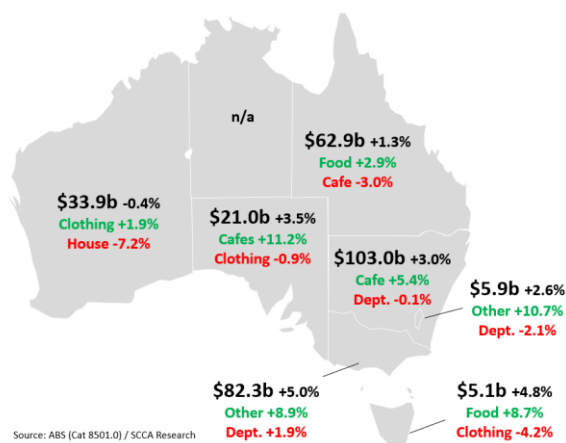
*Seasonally Adjusted

ABS Retail Turnover - Seasonally Adjusted

Quarterly Growth in Chain Volume Measures vs. Retail Turnover (%)



Source: ABS / SCCA Research



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