

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.2 PER CENT IN JUNE 2019 AND BY 2.7 PER CENT YEAR-ON-YEAR

Friday, August 2 2019 - The latest release (June 2019) 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 0.2 per cent in May 2019. In **trend** terms, Retail Turnover increased by 2.7 per cent year-on-year (y-o-y), slightly down from (a revised) 2.8 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 'Clothing, footwear and personal accessory' retailing on a m-o-m basis (2.0 per cent), whilst 'Other' retailing was the strongest performing category on a y-o-y basis (5.2 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 0.4 per cent in the month of June 2019, significantly up from 0.1 per cent in May 2019. On a y-o-y basis, Retail Turnover increased by 2.5 per cent, up from 2.4 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 June 2019, Chain Volume Measures increased by 0.2 per cent, up from -0.1 per cent in the pcp. Retail Turnover increased by 0.4 per cent in the June 2019 quarter, down from 1.2 per cent in the pcp. Retail Turnover is tracking ahead of Chain Volume Measures indicating that price inflation is the main driver of growth.

STATE BY STATE: BEST AND WORST

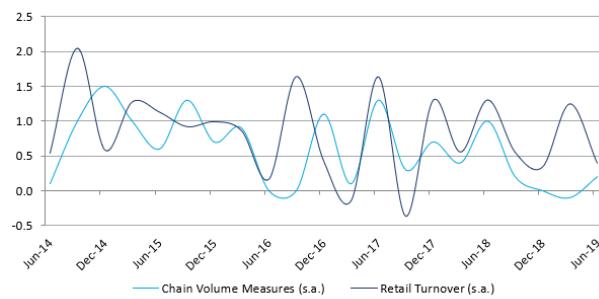
Retail turnover varies within the ABS defined six categories and across different jurisdictions. The adjacent map outlines and compares the total and growth of retail trade (y-o-y), and the best and worst retail growth categories. The strongest jurisdictions in **seasonally adjusted** terms were Victoria (up 4.8 per cent to \$85.1 billion) followed by Tasmania (up 4.8 per cent to \$5.2 billion) and the ACT (up 4.0 per cent to \$6.0 billion). Western Australia was the worst performing jurisdiction (up 0.5 per cent to \$34.1 billion), although it is worth noting that this is the fifth consecutive month of y-o-y growth for the state following nine consecutive months of negative growth. 'Clothing, footwear and personal accessory' retailing recorded the highest growth in the ACT (8.6 per cent) and Victoria (7.5 per cent). 'Household goods' retailing recorded the lowest growth in three jurisdictions, noting that the ABS made a revision to this data series going back to 2015.

CATEGORIES	\$ billion	m-o-m	last 3 months	y-o-y
Food retailing	\$11.23	▲ 0.1%	▼ -0.1%	▲ 3.1%
Household goods retailing	\$4.58	▲ 0.2%	▼ -0.2%	▼ -0.8%
Clothing, footwear and personal accessory retailing	\$2.18	▲ 2.0%	▲ 0.7%	▲ 3.3%
Department stores	\$1.56	▼ -0.6%	▲ 0.6%	▼ -0.9%
Other retailing	\$3.97	▲ 0.6%	▲ 2.2%	▲ 5.2%
Cafes, restaurants and takeaway food services	\$3.92	▲ 0.5%	▲ 0.3%	▲ 3.6%
Retail Turnover	\$27.45	▲ 0.4%	▲ 0.4%	▲ 2.5%

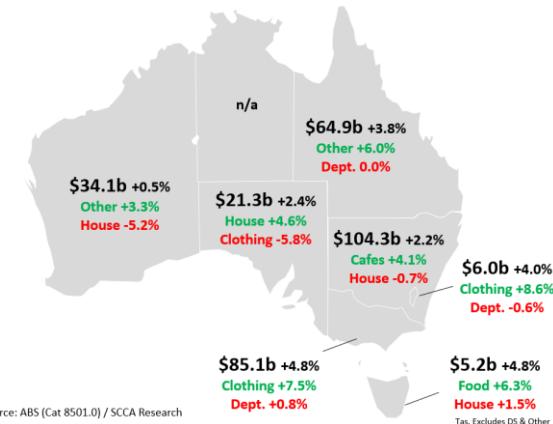
Source: ABS (Cat 8501.0) / SCCA Research

*Seasonally Adjusted

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



Source: ABS / SCCA Research



Source: ABS (Cat 8501.0) / SCCA Research