SHOPPING CENTRE COUNCIL OF AUSTRALIA

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.1 PER CENT IN JANUARY 2020 AND BY 2.3 PER CENT YEAR-ON-YEAR

Friday, March 6 2020 - The latest release (January 2020) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) **trend** estimate increased by 0.1 per cent, equal to (a revised) 0.1 per cent in December 2019. In **trend** terms, Retail Turnover increased by 2.3 per cent year-on-year (y-o-y), down from (a revised) 2.4 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 'Food' retailing on a m-o-m basis (0.4 per cent), whilst 'Clothing, footwear and personal accessory' retailing recorded the strongest growth on a y-o-y basis (2.8 per cent). In **seasonally adjusted** terms, Retail Turnover decreased by 0.3 per cent in the month of January, up from (a revised) 0.7 per cent in December 2019. On a y-o-y basis, Retail Turnover increased by 2.0 per cent, down from (a revised) 2.6 per cent in the pcp.

CATEGORIES	$ billion	m-o-m	last 3 months	y-o-y
Food retailing	$11.43	↑ 0.4%	↑ 0.6%	↑ 2.7%
Household goods retailing	$4.61	↓ -1.1%	↓ -0.3%	↑ 0.9%
Clothing, footwear and personal accessory retailing	$2.17	↓ -1.1%	↑ 0.3%	↑ 2.8%
Department stores	$1.54	↓ -2.2%	↓ -1.7%	↑ 0.6%
Other retailing	$3.97	↓ -0.1%	↓ -0.4%	↑ 1.7%
Cafes, restaurants and takeaway food services	$3.91	↓ -0.3%	↓ -0.1%	↑ 1.3%
Retail Turnover	$27.63	↑ -0.3%	↑ 0.1%	↑ 2.0%

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

TREND ANALYSIS: ONLINE RETAIL TURNOVER

According to the 'experimental estimates of online retail turnover' (explained here), online retail turnover increased by 10.0 per cent on a m-o-m basis in January 2020, whereas 'traditional' retail (total retail turnover less online retail) decreased by 24.4 per cent over the same timeframe, noting that this data is in original (non-seasonally adjusted) terms. It is worth noting that two-thirds of online retail is 'multi-channel' which would have most likely involved a physical store at some point during the purchasing process.

ABS Retail Trade - Online vs. Traditional Retail
Percentage Change Month-on-Month (Original) by Type
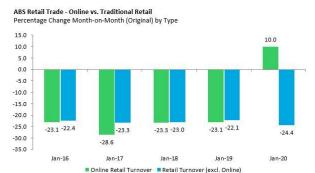
Source: ABS / SCCA Research

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 Queensland (up 4.8 per cent to $66.6 billion) followed by the ACT (up 3.4 per cent to $6.1 billion) and Victoria (up 3.3 per cent to $86.4 billion). New South Wales (up 1.1 per cent to $104.9 billion) was the worst performing jurisdiction. Western Australia (up 2.1 per cent to $34.7 billion) continues to show signs of recovery in Retail Turnover. Victoria and Queensland were the only jurisdictions to record positive growth across all six ABS categories. 'Household goods' retailing was the worst performing category across three jurisdictions, most notably in Tasmania (down 10.3 per cent).

n/a

$66.6b +4.8%
Clothing +8.6%
Dept. +0.7%

$34.7b +2.1%
Other +3.9%
House -0.5%

$21.5b +1.9%
Other +5.7%
Clothing -5.0%

$104.9b +1.1%
Food +1.9%
House -2.0%

$6.1b +3.4%
Cafes +6.1%
Clothing -0.3%

$86.4b +3.3%
Clothing +5.3%
Other +1.0%

$5.2b +1.2%
Cafes +6.4%
House -10.3%
Tas. Excludes DS & Other

Source: ABS (Cat 8501.0) / SCCA Research