SHOPPING CENTRE COUNCIL OF AUSTRALIA

RESEARCH NOTE

RETAIL TRADE ESTIMATE* INCREASED BY 16.9 PER CENT IN MAY 2020 AND BY 5.8 PER CENT YEAR-ON-YEAR

Friday, July 3 2020 - The latest release (May 2020) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) estimate* increased by 16.9 per cent, significantly up from -17.7 per cent in April 2020. Retail Turnover increased by 5.8 per cent year-on-year (y-o-y), significantly up from -9.2 per cent in the prior corresponding period (pcp). Following a significant drop in spending in April 2020, the latest figures highlight the impacts of stores re-opening as restrictions continue to be eased. * The ABS has temporarily suspended the publication **trend** data due to volatility.

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 (129.2 per cent), whilst 'Household goods' retailing recorded the strongest growth on a y-o-y basis (28.8 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 16.9 per cent in the month of May, significantly up from -17.7 per cent in April 2020. On a y-o-y basis, Retail Turnover increased by 5.8 per cent, up from -9.2 per cent in the pcp.

CATEGORIES	$ billion	m-o-m	last 3 months	y-o-y
Food retailing	$12.68	↑ 7.2%	↑ 9.9%	↑ 12.9%
Household goods retailing	$5.90	↑ 16.6%	↑ 27.1%	↑ 28.8%
Clothing, footwear and personal accessory retailing	$1.72	↑ 129.2%	↓ -17.7%	↓ -19.4%
Department stores	$1.78	↑ 44.4%	↑ 12.0%	↑ 12.6%
Other retailing	$4.34	↑ 9.4%	↑ 9.3%	↑ 9.9%
Cafes, restaurants and takeaway food services	$2.55	↑ 30.3%	↓ -35.1%	↓ -34.8%
Retail Turnover	$28.97	↑ 16.9%	↑ 4.4%	↑ 5.8%

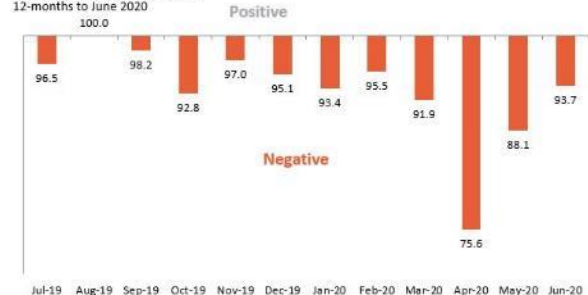Source: ABS (Cat 8501.0) / SCCA Research   *Seasonally Adjusted

TREND ANALYSIS: CONSUMER SENTIMENT

According to the latest figures from the Westpac-Melbourne Institute Index of Consumer Confidence report, consumer sentiment was recorded at 93.7 in June 2020, up from 88.1 the prior month. Westpac noted that the "…consumer confidence is now back around pre-COVID levels, having recovered all of the extreme 20% drop seen when the pandemic exploded in March–April. Confidence has clearly been buoyed by Australia's continued success in bringing the Coronavirus under control, which has in turn allowed for a further easing in social restrictions over the last month."
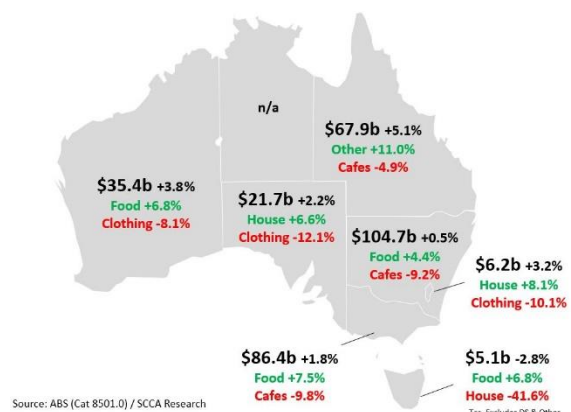

Westpac-MI Consumer Sentiment
12-months to June 2020   Positive
100.0
96.5   98.2   97.0   95.1   95.5   93.7
92.8   93.4   91.9
Negative
88.1
75.6

Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20

Source: Westpac-Melbourne Institute / 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 5.1 per cent to $67.9 billion) followed by Western Australia (up 3.8 per cent to $35.4 billion) and the ACT (up 3.2 per cent to $6.2 billion). Tasmania (down 2.8 per cent to $5.1 billion) was the worst performing jurisdiction and for the third month running recorded negative growth, followed by NSW (up 0.5 per cent to $104.7 billion). 'Food' retailing was still the strongest performing category across four jurisdictions, whilst discretionary spending categories were the worst performing across most of the country, most notably 'Clothing, footwear & personal accessory' and 'Cafes, Restaurants & Takeaway Food' retailing.

n/a

$67.9b +5.1%
Other +11.0%
Cafes -4.9%

$35.4b +3.8%
Food +6.8%
Clothing -8.1%

$21.7b +2.2%
House +6.6%
Clothing -12.1%

$104.7b +0.5%
Food +4.4%
Cafes -9.2%

$6.2b +3.2%
House +8.1%
Clothing -10.1%

$86.4b +1.8%
Food +7.5%
Cafes -9.8%

$5.1b -2.8%
Food +6.8%
House -41.6%

Source: ABS (Cat 8501.0) / SCCA Research   Tas. Excludes DS & Other