

RESEARCH NOTE

RETAIL TRADE ESTIMATE* INCREASED BY 1.4 PER CENT IN OCTOBER 2020 AND BY 7.1 PER CENT YEAR-ON-YEAR

Friday, December 4 2020 - The latest release (October 2020) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) estimate* increased by 1.4 per cent, up from negative 1.1 per cent in September 2020. Retail Turnover increased by 7.1 per cent year-on-year (y-o-y), up from 5.6 per cent in the prior corresponding period (pcp).

* 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 (6.8 per cent), whilst 'Food' retailing recorded the strongest growth on a y-o-y basis (12.0 per cent). In **seasonally adjusted** terms, Retail Turnover decreased by 1.4 per cent in the month of October, up from negative 1.1 per cent in September 2020. On a y-o-y basis, Retail Turnover increased by 7.1 per cent, up from 5.6 per cent in the pcp.

| CATEGORIES | \$ billion | m-o-m | last 3 months | y-o-y |
|---|----------------|---------------|----------------|---------------|
| Food retailing | \$12.71 | ↓ -0.1% | ↓ -1.9% | ↑ 12.0% |
| Household goods retailing | \$5.32 | ↓ -1.0% | ↓ -10.3% | ↑ 15.2% |
| Clothing, footwear and personal accessory retailing | \$2.10 | ↑ 6.8% | ↓ -5.5% | ↓ -3.2% |
| Department stores | \$1.56 | ↑ 4.5% | ↓ -3.9% | ↓ -0.1% |
| Other retailing | \$4.37 | ↑ 2.0% | ↓ -3.9% | ↑ 9.4% |
| Cafes, restaurants and takeaway food services | \$3.49 | ↑ 5.4% | ↑ 1.9% | ↓ -10.9% |
| Retail Turnover | \$29.55 | ↑ 1.4% | ↓ -3.8% | ↑ 7.1% |

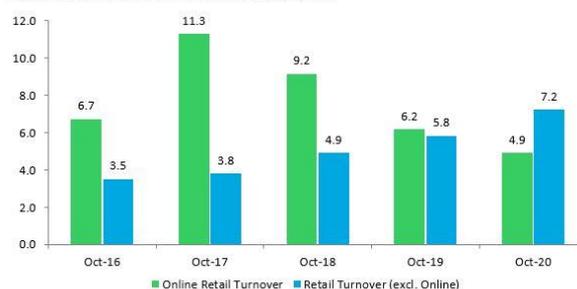
Source: ABS (Cat 8501.0) / SCCA Research

*Seasonally Adjusted

TREND ANALYSIS: ONLINE RETAIL TURNOVER

According to the 'experimental estimates of online retail turnover' (explained [here](#)), online retail turnover increased by 4.9 per cent on a m-o-m basis in October 2020, whereas 'traditional' retail (total retail turnover less online retail) increased by 7.2 per cent over the same timeframe, noting that this data is in original (non-seasonally adjusted) terms. It is worth noting that more than two-thirds of online retail is 'multi-channel' which would have most likely involved a physical store at some point during the purchasing process. 'Pure Play' online retail accounts for just 3 per cent of total retail turnover.

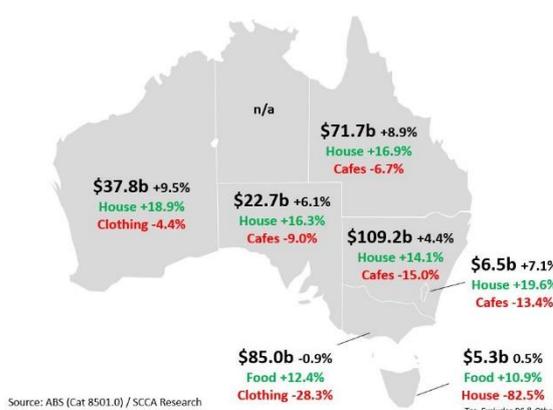
ABS Retail Trade - Online vs. Traditional Retail
Percentage Change Month-on-Month (Original) by Type



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 Western Australia (up 9.5 per cent to \$37.8 billion) followed by Queensland (up 8.9 per cent to \$71.7 billion) and the ACT (up 7.1 per cent to \$6.5 billion). Victoria (down 0.9 per cent to \$85.0 billion) was the worst performing jurisdiction following months of severe restrictions on retail trade, followed by Tasmania (up 0.5 per cent to \$5.3 billion). 'Household goods' retailing was the strongest performing category across five jurisdictions, whilst discretionary spending categories remain the worst performing across most of the country, notably 'Cafes, Restaurants & Takeaway Food' retailing.



Source: ABS (Cat 8501.0) / SCCA Research

Tas. Excludes DS & Other