RESEARCH NOTE

RETAIL TRADE ESTIMATE* INCREASED BY 0.5 PER CENT IN JANUARY 2021 AND BY 10.6 PER CENT YEAR-ON-YEAR

Thursday, March 4 2021 - The latest release (January 2021) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) estimate* increased by 0.5 per cent, up from a decrease of 4.1 per cent in December 2020. Retail Turnover increased by 10.6 per cent year-on-year (y-o-y), up from 9.6 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 'Food' retailing on a m-o-m basis (1.6 per cent). 'Household goods' retailing recorded the strongest growth on a y-o-y basis (19.6 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 0.5 per cent in the month of January, up from -4.1 per cent in December 2020. On a y-o-y basis, Retail Turnover increased by 10.6 per cent, up from 9.6 per cent in the pcp.

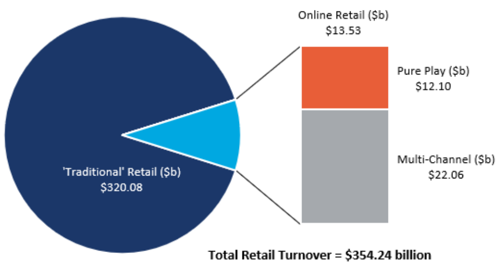
CATEGORIES	$ billion	m-o-m	last 3 months	y-o-y
Food retailing	$12.66	↑ 1.6%	↓ -0.4%	↑ 10.9%
Household goods retailing	$5.50	↑ 0.1%	↑ 3.4%	↑ 19.6%
Clothing, footwear and personal accessory retailing	$2.33	↓ -3.6%	↑ 10.7%	↑ 7.8%
Department stores	$1.65	↓ -0.4%	↑ 5.6%	↑ 7.8%
Other retailing	$4.56	↑ 1.4%	↑ 4.6%	↑ 15.1%
Cafes, restaurants and takeaway food services	$3.81	↓ -0.8%	↑ 9.3%	↓ -2.8%
Retail Turnover	**$30.51**	**↑ 0.5%**	**↑ 3.2%**	**↑ 10.6%**

Source: ABS / 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 just 1.6 per cent on a m-o-m basis in January 2021, 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. In January 2021, Pure-play retailers made up 30.0% of online sales and just 2.7% of total sales. Online sales for multi-channel retailers made up 6.4% of total retail sales.

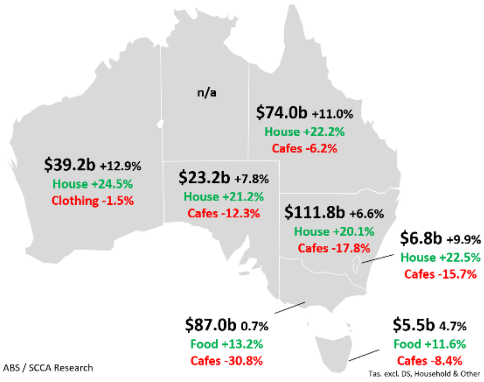
Australian Retail Turnover (original)
Online Retail Sales as a Portion of Total Retail Turnover



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 12.9 per cent to $39.2 billion) followed by Queensland (up 11.0 per cent to $74.0 billion) and the ACT (up 9.9 per cent to $6.8 billion). Victoria (up 0.7 per cent to $87.0 billion) was the worst performing jurisdiction following months of severe restrictions on retail trade, followed by Tasmania (up 4.7 per cent to $5.5 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 which was negative across all jurisdictions with the exception of Western Australia.



Source: ABS / SCCA Research