

RESEARCH NOTE

RETAIL TRADE ESTIMATE* DECREASED BY 1.7 PER CENT IN AUGUST 2021 AND BY 0.7 PER CENT YEAR-ON-YEAR

Tuesday, October 5 2021 - The latest release (August 2021) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) estimate* decreased by 1.7 per cent, up from -2.7 per cent in July 2021. Retail Turnover decreased by 0.7 per cent year-on-year (y-o-y), up from -3.1 per cent in the prior corresponding period (pcp), with the impact of current recent lockdowns affecting short-term turnover growth and record spending throughout 2020 affecting longer-term comparisons. * 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 (2.1 per cent). 'Other' retailing recorded the strongest growth on a y-o-y basis (8.8 per cent). In **seasonally adjusted** terms, Retail Turnover decreased by 1.7 per cent in the month of August. On a y-o-y basis, Retail Turnover decreased by 0.7 per cent.

TREND ANALYSIS: CONSUMER SENTIMENT

According to the latest figures from the Westpac-Melbourne Institute Index of Consumer Confidence report, consumer sentiment was recorded at 106.2 in September 2021, up from 104.1 the prior month. This marks 12 consecutive months of positive consumer sentiment, with an average of 109.3. Westpac commented that "The resilience of consumer sentiment in a period when Australia's two major cities have been locked down and the economy has been contracting is truly remarkable. The Index is still comfortably above the reads seen over the five years prior to the pandemic and is only 0.9% below its June print just prior to Sydney's move into lock-down."

STATE BY STATE: BEST AND WORST

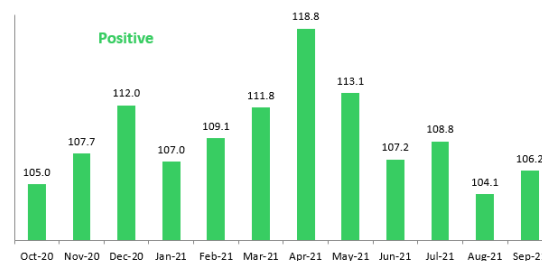
Retail turnover varies within the ABS defined six categories and across different jurisdictions. The adjacent map outlines and compares the total and growth of retail trade (y-o-y), and the best and worst retail growth categories. The strongest jurisdictions in **seasonally adjusted** terms were TAS (up 13.1 per cent to \$5.9 billion) followed by WA (up 10.9 per cent to \$40.9 billion) and Queensland (up 8.7 per cent to \$76.4 billion). SA (up 5.0 per cent to \$23.5 billion) was the 'worst performing' jurisdiction, although still recording strong positive growth. The highest growth across all jurisdictions was recorded for 'Clothing, footwear and personal accessory' retailing. Indeed, strong growth for clothing retail averaged 20.6 per cent across six jurisdictions. It is worth noting that just one jurisdiction (NSW) recorded 'negative growth' for the worst performing category, whilst all others recorded positive growth across all six categories.

CATEGORIES	\$ billion	m-o-m	last 3 months	y-o-y
Food retailing	\$13.26	↑ 2.1%	↑ 6.1%	↑ 2.7%
Household goods retailing	\$5.25	↓ -2.3%	↓ -5.8%	↓ -5.9%
Clothing, footwear and personal accessory retailing	\$1.64	↓ -15.7%	↓ -35.4%	↓ -17.4%
Department stores	\$1.25	↓ -10.2%	↓ -26.1%	↓ -15.9%
Other retailing	\$4.70	↑ 0.8%	↓ -0.3%	↑ 8.8%
Cafes, restaurants and takeaway food services	\$3.19	↓ -7.0%	↓ -23.3%	↓ -0.8%
Retail Turnover	\$29.28	↓ -1.7%	↓ -6.0%	↓ -0.7%

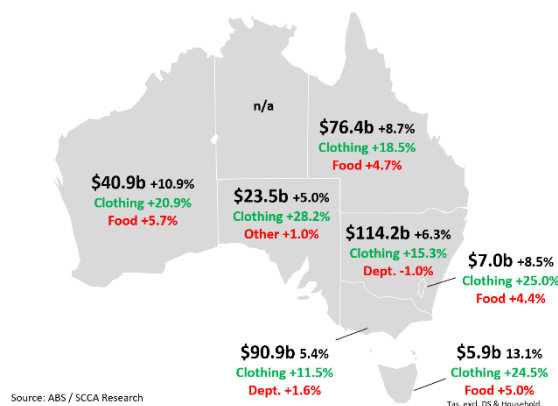
Source: ABS / SCCA Research

*Seasonally Adjusted

Westpac-MI Consumer Sentiment
12-months to September 2021



Source: Westpac-Melbourne Institute / SCCA Research



Source: ABS / SCCA Research

Tax. excl. OS & Household