

RESEARCH NOTE

RETAIL TRADE ESTIMATE* INCREASED BY 0.9 PER CENT IN MAY 2022 AND BY 10.4 PER CENT YEAR-ON-YEAR

Tuesday, July 5 2022 - The latest release (May 2022) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) estimate* increased by 0.9 per cent, equal to 0.9 per cent in April 2022. Retail Turnover increased by 10.4 per cent year-on-year (y-o-y), up from 9.6 per cent in the prior corresponding period (pcp). The rise in May was the fifth consecutive monthly rise in retail turnover following rises of 0.9 per cent in April 2022, 1.6 per cent in March 2022, 1.8 per cent in February 2022 and 1.6 per cent in January 2022.

* 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 'Department stores' retailing on a m-o-m basis (5.1 per cent) and for 'Other' retailing on a y-o-y basis (15.5 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 0.9 per cent in the month of May 2022. On a y-o-y basis, Retail Turnover increased by 10.4 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 86.4 in June 2022, the fourth consecutive month of negative sentiment. In spite of labour market confidence, recent interest rate increases and continued pressure on consumers from inflation has pushed the Index towards historic lows. However, we are yet to see this sentiment reflected in spending. Westpac commented that "This read is even weaker than we had expected".

STATE BY STATE: BEST AND WORST

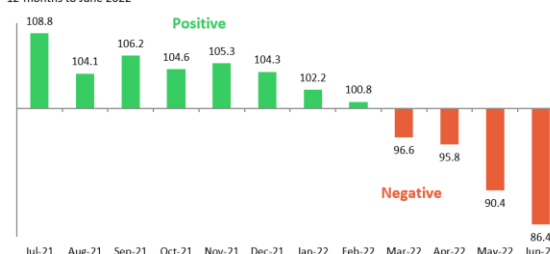
Retail turnover varies within the ABS defined six categories and across different jurisdictions. The adjacent map outlines and compares the total and growth of retail trade (y-o-y), and the best and worst retail growth categories. The strongest jurisdictions in **seasonally adjusted** terms were Victoria (up 9.0 per cent to \$97.7 billion) followed by Western Australia (up 6.6 per cent to \$43.3 billion) and Queensland (up 5.4 per cent to \$80.4 billion). The ACT (down 1.3 per cent to \$6.9 billion) was the worst performing jurisdiction in percentage terms. The highest growth across all jurisdictions, with the exception of New South Wales, was recorded for 'discretionary' categories, most notably 'Cafes, restaurants and takeaway food' retailing. Negative growth was recorded in the worst performing category across three jurisdictions.

CATEGORIES	\$ billion	m-o-m	last 3 months	y-o-y
Food retailing	\$13.26	↑ 0.6%	↑ 2.9%	↑ 6.2%
Household goods retailing	\$6.05	↑ 0.4%	↑ 1.0%	↑ 8.9%
Clothing, footwear and personal accessory retailing	\$2.87	↓ -1.4%	↑ 2.2%	↑ 14.6%
Department stores	\$1.87	↑ 5.1%	↑ 6.7%	↑ 12.1%
Other retailing	\$5.40	↑ 1.5%	↑ 4.0%	↑ 15.5%
Cafes, restaurants and takeaway food services	\$4.79	↑ 1.8%	↑ 7.2%	↑ 16.2%
Retail Turnover	\$34.23	↑ 0.9%	↑ 3.5%	↑ 10.4%

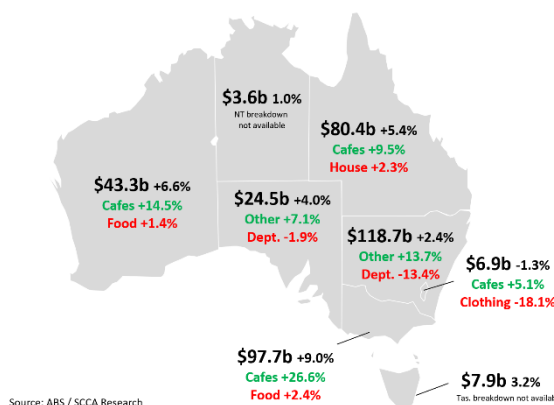
Source: ABS / SCCA Research

*Seasonally Adjusted

Westpac-MI Consumer Sentiment
12-months to June 2022



Source: Westpac-Melbourne Institute / SCCA Research



Source: ABS / SCCA Research

Tas. breakdown not available - change in reporting.