

RESEARCH NOTE

RETAIL TRADE TREND ESTIMATE INCREASED BY 0.1 PER CENT IN AUGUST 2023 AND BY 1.3 PER CENT YEAR-ON-YEAR

Friday, October 6 2023 - The latest release (August 2023) of the monthly ABS Retail Trade data indicates that the overall month-on-month (m-o-m) trend estimate increased by 0.1 per cent, equal to (a revised) 0.1 per cent in July 2023. In trend terms, Retail Turnover increased by 1.3 per cent year-on-year (y-o-y).

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 (up 1.3 per cent), whilst 'Cafes, restaurants and takeaway food services' retailing recorded the strongest growth on a y-o-y basis (8.0 per cent). In **seasonally adjusted** terms, Retail Turnover increased by 0.2 per cent in the month of August 2023, down from 0.5 per cent in the prior month. On a y-o-y basis, Retail Turnover increased by 1.5 per cent, down from 2.1 per cent in the pcp.

CATEGORIES	\$ billion	m-o-m	last 3 months	y-o-y
Food retailing	\$13.96	↓ -0.3%	↓ -0.2%	↑ 3.5%
Household goods retailing	\$5.72	↓ -0.4%	↓ -0.9%	↓ -6.6%
Clothing, footwear and personal accessory retailing	\$3.01	↑ 1.3%	↑ 1.0%	↑ 1.4%
Department stores	\$1.88	↑ 0.4%	↓ -0.9%	↓ -0.6%
Other retailing	\$5.41	↑ 0.7%	↓ -1.3%	↑ 0.1%
Cafes, restaurants and takeaway food services	\$5.45	↑ 0.7%	↑ 1.7%	↑ 8.0%
Retail Turnover	\$35.43	↑ 0.2%	↑ -0.1%	↑ 1.5%

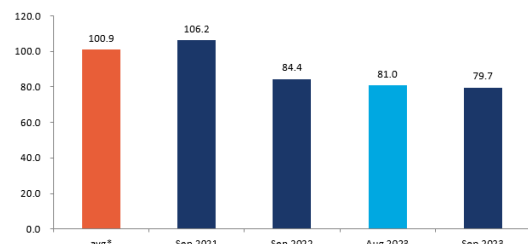
Source: ABS / SCCA Research

*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 79.7 for September 2023, a slight decrease from the previous month (down 1.3 percentage points from 81.0). Westpac commented that "Persistent pessimism has continued despite easing fears of further interest rate rises. This has seen a clear lift in the confidence of mortgage holders, up 7.8% in the latest month. However, this gain was more than offset by a 6.1% fall in the confidence of renters and a 5.8% fall in the confidence of consumers that own their home outright."

Westpac-MI Consumer Sentiment as at September 2023

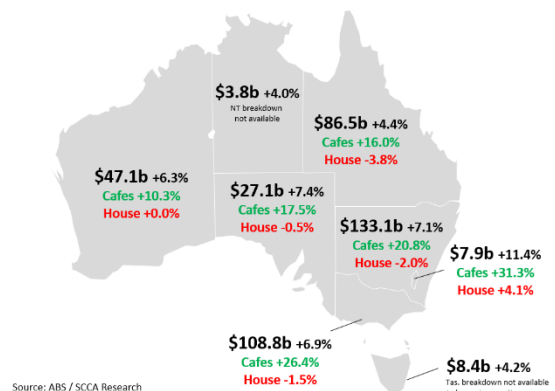


Source: Westpac-Melbourne Institute / SCCA Research

*average over full history of the survey

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 the ACT (up 11.4 per cent to \$7.9 billion) followed by South Australia (up 7.4 per cent to \$27.1 billion) and New South Wales (up 7.1 per cent to \$133.1 billion). The NT (up 4.0 per cent to \$3.8 billion) was the worst performing jurisdiction in percentage terms. The highest growth across all jurisdictions was recorded for 'discretionary' categories, notably 'Cafes, restaurants and takeaway food' retailing, whilst the weakest category across all jurisdictions was 'Household goods' retailing.



Source: ABS / SCCA Research

Tot. breakdown not available + change in reporting.