

NAB Online Retail Sales Index Monthly update – February 2013

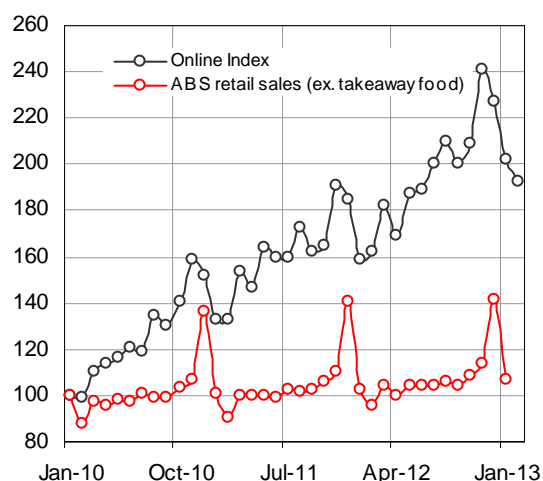
Online Retail Sales Index weaker in February. Sales grew by +19% yoy in the month, the weakest growth rate since May 2012.

- For the twelve months ending February 2013, Australia's online retail spending totaled \$13.1 billion. This level is equivalent to around 5.9% of Australia's traditional bricks & mortar retail sector (excluding cafés, restaurants and takeaway food for a like-to-like comparison) for the year to January 2013.
- The NAB Online Retail Sales Index declined in February – down to 193 points (from 202 points in January). This was in contrast to trends observed in the past three years, where the index in the month of February has been broadly in line with the level recorded in January. As noted in our previous release, January appeared to be a relatively strong month for online sales. Our latest data seems to indicate that February 2013 was comparatively weak.
- The year-on-year growth rate for online sales pulled back significantly in February. The index was adjusted to account for the extra trading day in February 2012 (due to the leap year), but despite this adjustment, the index increased by just +19% year-on-year, the slowest rate of growth since May 2012. This rate of growth is particularly weak when compared with the rates recorded in the latter part of 2012, and into January 2013 (which was +27% yoy).
- The rate of growth for online sales remains well in excess of that of the traditional retail sector. In January 2013, traditional sales increased by +4.2% year-on-year (on a non-seasonally adjusted basis). When seasonal factors are included, this rate was softer, at +2.9%.
- Declines in the growth rate of online sales appear to have occurred across all categories of retail, particularly in the 'Online Auctions, Department Stores, Fashion, Cosmetics, Variety Stores' category, with February appearing to be a relatively weak month across the board, after the strong growth recorded across the latter part of 2012.

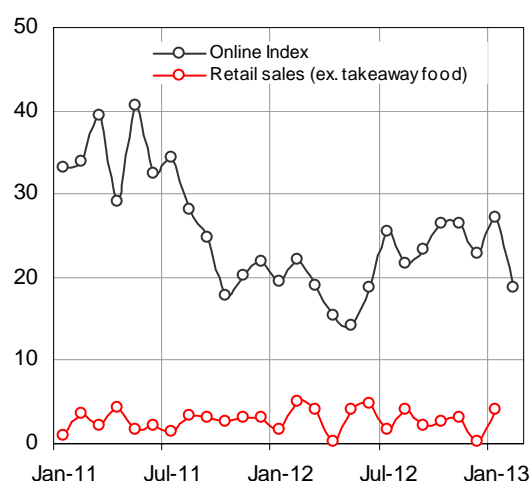
Sales soften in February, with the month looking relatively weak

Sales growth slowed to +19% yoy – the weakest rate since May 2012

Online sales vs. Retail sales (nsa, monthly)



Growth in Online sales vs. Retail sales (% yoy)



Monthly online retail statistics

	Points			yoy growth (%)		
	Dec-12	Jan-13	Feb-13	Dec-12	Jan-13	Feb-13
Online index	227.0	202.2	192.7	22.8	27.2	18.7

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All data is non-seasonally adjusted (nsa). Online sales data is produced by Quantium. Traditional retail sales data is sourced from the Australian Bureau of Statistics (ABS).

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