

NAB Online Retail Sales Index Monthly update – December 2013

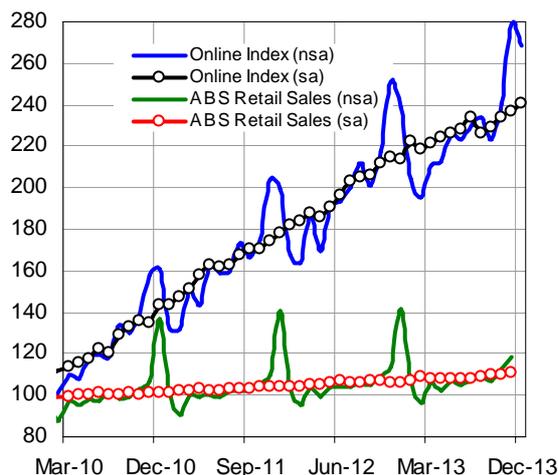
Recent improved momentum in online sales maintained in December – with trends positive for most categories - strength in Electronic Games and Toys, Groceries and Liquor, and Media. Online spending up to \$14.7 billion in the past year.

- In the year to December 2013, Australians spent \$14.7 billion on online retail. This level is equivalent to 6.5% of spending with traditional bricks & mortar retailers (excluding cafés, restaurants and takeaway food to create a like-for-like comparison) in the year to November.
- The NAB Online Retail Sales Index increased modestly in December – to a seasonally adjusted 240 points (from 237 points in November).
- Online retail sales continued to grow in December. In seasonally adjusted three month moving average terms online sales expanded 1.58% (from a 1.65% increase in November). The recent growth comes after the relatively flat August to October period, and is more on par with the growth seen in July.
- Sales growth for traditional bricks & mortar retail has improved in recent months, maintaining momentum of about +0.6%, in November (seasonally adjusted, 3 month moving average basis).
- The improved growth trend for online retail sales reflects almost uniform improvement in conditions at the category level. In year-on-year terms, the online index grew +12.6%, an acceleration on the November result (+11.2%). Particular strength was observed in Electronic Games and Toys category (+32%), a likely beneficiary of new games console releases and subscriptions. Groceries and Liquor (+24%) was also stronger, though Media (+21%) experienced slower growth. Personal & Recreational Goods (-1%YoY) was the only category to experience a contraction, albeit an improvement on the November result.

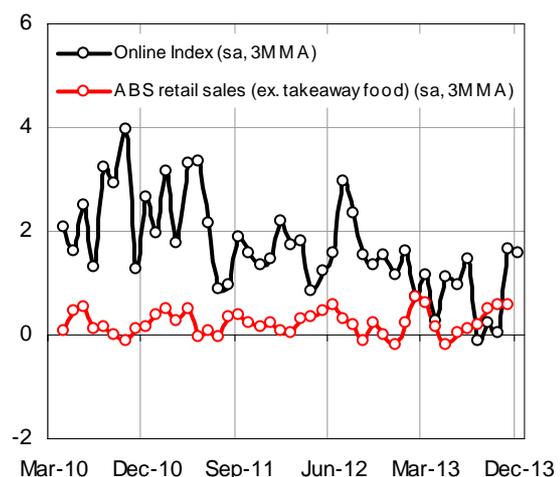
Online sales stronger in December – and up to \$14.7 billion in the past year

Online sales growth strong – sales up in seasonally adjusted terms

Online sales vs. Retail sales (monthly)



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



Monthly online retail statistics

| | yoy growth (% nsa) | | | mom growth (% sa, 3MMA) | | |
|--------------|--------------------|--------|--------|-------------------------|--------|--------|
| | Oct-13 | Nov-13 | Dec-13 | Oct-13 | Nov-13 | Dec-13 |
| Online index | 10.7 | 11.2 | 12.6 | 0.1 | 1.6 | 1.6 |

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Data is seasonally adjusted (sa) where specified, with a leap year adjustment made for February 2012. Non-seasonally adjusted (nsa) online sales data is produced by Quantum. Traditional retail sales data is sourced from the Australian Bureau of Statistics (ABS).

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