

NAB Online Retail Sales Index Monthly update – February 2014

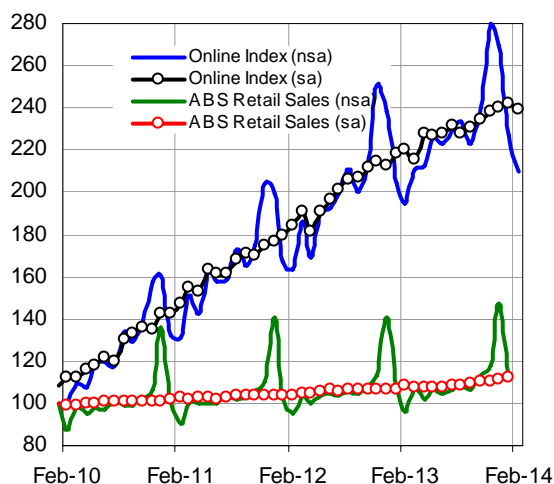
Recent improved momentum in online sales stall in February – with trends weaker for most categories – strength remains in Groceries & Liquor, but Personal & Recreational Goods and Daily Deals contract. Online spending up to \$15 billion in the past year.

- In the year to February 2014, Australians spent \$15 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 January.
- The NAB Online Retail Sales Index fell modestly in February – to a seasonally adjusted 239 points (from 242 points in January).
- Online retail sales were virtually flat in February. In seasonally adjusted three month moving average terms online sales expanded 0.1% (from a 1.1% increase in January). The flat result for February comes after the relatively strong November to January period.
- Sales growth for traditional bricks & mortar retail has improved in recent months, maintaining momentum of about +0.7%, in January (seasonally adjusted, 3 month moving average basis).
- The slowing growth trend for online retail sales reflects almost uniform slowing in conditions at the category level. In year-on-year terms, the online index grew 8%, a slowdown on the January result (+11.4%). At 9%(YoY), Department & Variety Store growth slowed to below 10 % for the first time. Media (+11%) has continued to trend downward. Groceries & Liquor was particularly strong (+19%). Two categories to go into reverse were Daily Deals (-3%) and Personal & Recreational Goods (-10%) continuing recent weakness for these.

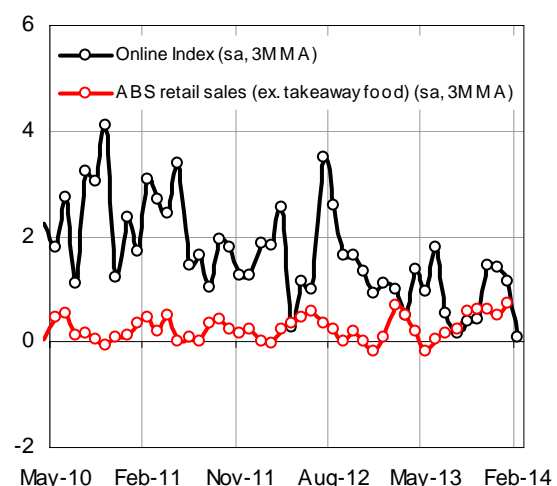
Online sales weaker in February – and up to \$15 billion in the past year

Online sales growth – sales flatline 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)		
	Dec-13	Jan-14	Feb-14	Dec-13	Jan-14	Feb-14
Online index	12.9	11.4	8.0	1.4	1.1	0.1

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Data is seasonally adjusted (sa) where specified, with a leap year adjustment made for February 2012. Data is smoothed by 3 month moving averages where specified. 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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