

NAB Online Retail Sales Index

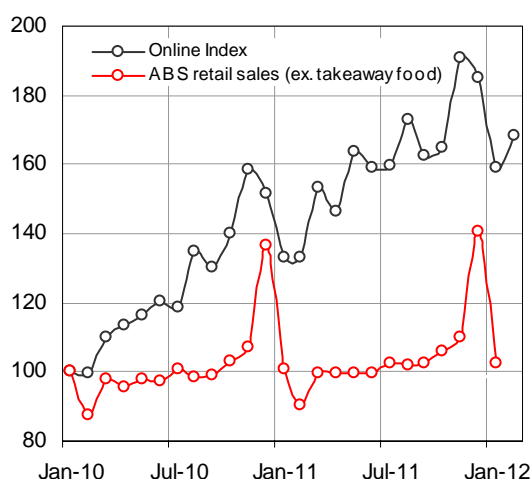
Monthly update – February 2012

Online sales strengthen in February – up 26% year-on-year – vis-à-vis 19% in January

- For the 12 months ending February 2012, Australia's total online spending was around \$10.9 billion. This level is around 5.0% the size of traditional bricks & mortar retail spending (excluding cafés, restaurants and takeaway food) for the year ended January 2012.
- The NAB Online Retail Sales Index rose in February 2012 – to 168 points. This increase was particularly notable given that February 2010 and 2011 recorded little to no growth when compared with the preceding month of January. We note that this increase may be partly a function of the additional day in February due to 2012 being a leap year.
- In dollar terms, online spending grew by around 26 per cent year-on-year in February 2012. This was counter to an observed slowing trend in growth rates across the second half of 2011 (which was connected to the sharp increase in online purchases around October 2010 – see our comprehensive January 2012 report for more details).
- In contrast, year-on-year growth rates for bricks & mortar retailing softened in January (the latest data available) – at just 1.7 per cent.
- Some interesting observed trends in February 2012 included an increase in spending in online florists and gift shops prior to Valentine's Day and increased spending in online bookshops ahead of the start of the first term for universities.

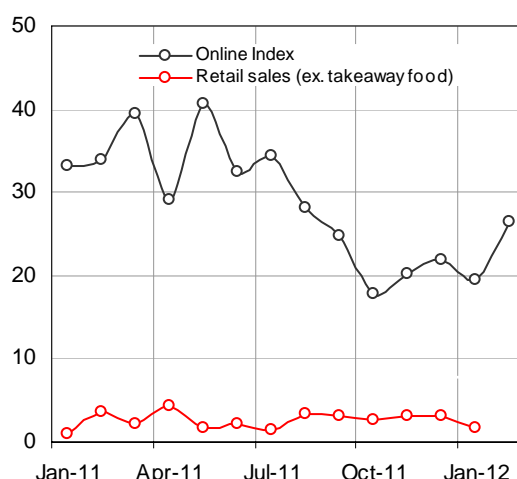
Online sales remain less seasonal than traditional retail

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



Growth rate for online sales recovers in February, after softening in H2 2011

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



Monthly online retail statistics

	Points			yoy growth (%)		
	Dec-11	Jan-12	Feb-12	Dec-11	Jan-12	Feb-12
Online index	184.8	158.9	168.1	21.9	19.4	26.4

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All data is 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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