

NAB Online Retail Sales Index

Monthly update – September 2014

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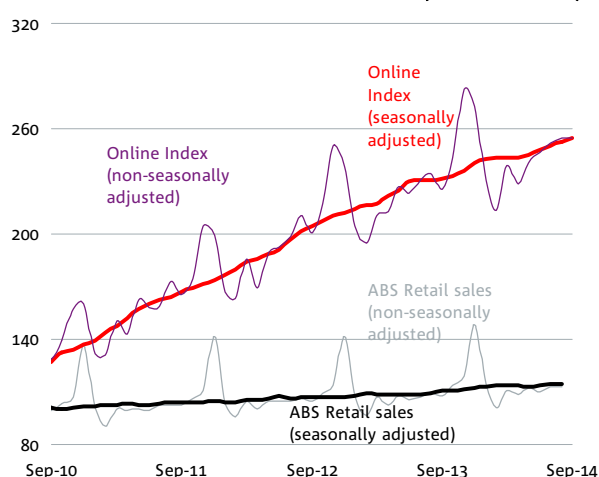


Online sales growth continues in September with expansion across most categories

- Online retail showed further encouraging signs of growth in September, to be 1.1% higher compared to August, and 12.8% higher compared to a year ago, the highest rate since March (13.7% YoY).
- ABS data showed growth at comparable traditional retailers in August, to be 0.4% higher than July, and 2.9% higher than a year ago.
- While growth in online sales continues to outpace traditional retail, its growth rate has been slowing gradually. For example in the 12 months ending September 2011, growth was up 28.4%, significantly higher than the current rate.
- In dollar terms, we estimate Australians spent \$15.9 billion on online retail in the 12 months to September 2014. This level is equivalent to 6.7% of spending at traditional bricks & mortar retailers as measured by the ABS (excluding cafés, restaurants and takeaway food, to create a like-for-like comparison) in the 12 months to August 2014.
- Online sales growth expanded (year on year) in almost all categories in September. Key growth areas included Homewares and Appliances (35.8%) and Electronic Games and Toys (35.1%), along with improved growth in Groceries & Liquor (12.1%), and Department Stores (11.3%). More moderate growth was seen in Fashion (6.6%), and Media (4%). Both Personal and Recreational goods (-1.2%), and Daily Deals again contracted (-9.2%).

Growth in online continues to outpace traditional retail

Index - Online Retail vs. ABS Retail Sales (Jan 2010 =100)



Encouraging growth in September, but growth slowing trend

Growth in Online Retail vs. ABS Retail Sales (% mom)



Monthly online retail statistics

	Year-on-year growth (% nsa)			Month-on-month growth (% sa, 3MMA)		
	Jul-14	Aug-14	Sep-14	Jul-14	Aug-14	Sep-14
Online index	9.2	8.5	12.8	0.9	0.9	1.1
ABS Retail sales	5.7	2.9	N/A	0.2	0.4	N/A

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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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