NAB CUSTOMER SPENDING BEHAVIOURS

EXPLORING THE SPENDING BEHAVIOURS OF NAB CUSTOMERS - Q2 2017

NAB Behavioural & Industry Economics

NAB's Customer Spending Behaviours report explores the spending behaviours of our customers, excluding things such as mortgages, other credit repayments and government services. By examining around 2.7 million daily transactions, we show where spending is growing fastest and what customers are spending on. Given the size of NAB's customer base, it provides an indication of national and regional trends. Customer spending growth improved in Q2 2017 in all metropolitan and regional areas (except TAS). By state, VIC, NSW and QLD contributed around 98% of total growth in customer spending in Q2. Growth was fastest for Arts & Recreation and Accommodation & Food.

HIGHLIGHTS:

- **How has spending changed?** - Total customer spending growth in Australia increased 3.9% y/y in Q2 2017, up from 2.0% y/y in Q1 2017). Average monthly spending also rose to $2,064 in metro ($1,997 in Q1) and $1,918 in regions ($1,866 in Q1).
- **Which states contributed most to spending growth? -** VIC, NSW and QLD contributed around 98% to total customer spending growth in Q2 2017. WA detracted -3.4%. By region, Greater Melbourne and Sydney accounted for just over 50% of all customer spending growth. Regional NSW, QLD and VIC added around 39%.
- **Where is spending growing fastest across capital cities? -** Growth accelerated in all cities relative to Q1 except in Hobart (but still fastest overall at 5.1%). Darwin (4.5%), Sydney (4.1%) and Melbourne (4.1%) were next fastest, and Perth (-1.3%) and Adelaide (1.9%) slowest.
- **Which postcodes grew fastest in metropolitan areas?**
  - In **AUS**, growth was fastest in Hurstbridge VIC 3099 (38.1%), Garfield VIC 3814 (30.6%), Quakers Hill NSW 2763 (29.4%), Red Hill VIC 3937 (29.1%), Panton Hill VIC 3759 (27.7%), Georges Hall NSW 2198 (27.3%) and Hall ACT 2618 (26.9%).
  - In **NSW**, spending growth was fastest in Quakers Hill 2763 (29.4%), Georges Hall 2198 (27.3%) and Brooklyn 2083 (26.2%)
  - In **VIC**, Hurstbridge 3099 (38.1%), Garfield 3814 (30.6%) and Red Hill 3937 (29.1%).
  - In **QLD**, Coopers Plains 4108 (19.9%), Nathan 4111 (19.2%) and Grantham 4347 (19.1%).
  - In **SA**, Gepps Cross 5094 (24.4%), Mallala 5502 (22.4%) and Virginia 5120 (17.7%).
  - In **WA**, Mariginiup 6078 (11.6%), Trigg 6029 (10.6%) and Singleton 6175 (10.1%)
- **What about regional areas?** - Spending growth accelerated in all regional areas relative to Q1 (except TAS). Overall growth in regional areas (4.9%) continued to outpace Greater Metropolitan or "City" areas (3.3%). Regional growth was fastest in NT (7.0%), SA (6.0%), VIC (5.2%), NSW (5.1%) and QLD (4.9%) and slowest in TAS (1.6%) and WA (2.4%).
- **What type of spending grew fastest?** - Arts & Recreation Services (35.3%) was fastest (underpinned by Creative & Performing Arts) followed by Accommodation & Food Services (10.5%) and Professional, Scientific & Technical Services (7.9%). Education & Training (-2.5%), Construction (-1.8%) and Transport, Postal & Warehousing (-1.3%) were slowest.

NAB Customer Spending: by state (% y/y)

	Q1 2017		Q2 2017	
	Metro	Regional	Metro	Regional
NSW	2.6%	4.4%	4.1% ↑	5.1% ↑
VIC	2.4%	4.1%	4.1% ↑	5.2% ↑
QLD	1.0%	2.1%	3.3% ↑	4.9% ↑
SA	0.0%	2.8%	1.9% ↑	6.0% ↑
WA	-2.8%	1.0%	-1.3% ↑	2.4% ↑
TAS	6.2%	2.5%	5.1% ↓	1.6% ↓
NT	1.6%	3.7%	4.5% ↑	7.0% ↑
ACT	5.2%		5.6% ↑	
AUSTRALIA	**1.6%**	**3.2%**	**3.3%** ↑	**4.9%** ↑

Customer spending excludes government services, taxes, direct to consumer manufacturers, mortgage and other credit facility repayments.

NAB Customer Spending: by industry sector (% y/y)

	Q1 2017	Q2 2017
Accommodation & Food Services	7.5%	10.5% ↑
Administrative & Support Services	4.3%	5.6% ↑
Arts & Recreation Services	12.0%	35.3% ↑
Construction	-0.6%	-1.8% ↓
Education & Training	-1.9%	-2.5% ↓
Electricity, Gas, Water & Waste	1.3%	0.1% ↓
Finance & Insurance Services	7.9%	3.8% ↓
Healthcare & Social Assistance	1.9%	-0.8% ↓
Info, Media & Telecoms	0.8%	1.8% ↑
Other Services	5.3%	4.1% ↓
Professional, Scientific & Tech Serv.	0.7%	7.9% ↑
Rental, Hiring & Real Estate Serv.	1.4%	3.6% ↑
Retail Trade	1.0%	3.3% ↑
Transport, Postal & Warehousing	-3.7%	-1.3% ↑
Wholesale Trade	3.6%	1.2% ↓

OVERALL GROWTH IN NAB CUSTOMER SPENDING ($) BY DIVISON & STATE

(percentage change Q2 2017 on Q2 2016)

	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Education & Training	-0.7	-2.9	-1.9	-6.4	-4.9	-4.9	-20.0	-3.9	-2.5
Construction	-4.4	0.6	-0.6	2.6	-5.0	-10.2	-18.6	3.2	-1.8
Transport, Postal & Warehousing	-0.8	-1.4	-1.1	-1.4	-5.0	2.2	-5.7	9.2	-1.3
Health Care & Social Assistance	0.2	-0.7	-2.0	3.2	-3.5	2.4	-7.8	-0.4	-0.8
Electricity, Gas, Water & Waste Services	2.8	-1.0	3.2	-5.1	-6.4	-0.7	-11.6	5.0	0.1
Wholesale Trade	11.1	1.6	-9.8	-12.5	-3.2	-0.2	36.1	15.1	1.2
Information Media & Telecommunications	1.0	0.7	5.7	4.2	-3.6	-0.8	6.1	-0.5	1.8
Retail Trade	3.9	3.7	3.8	3.1	-1.2	5.0	5.9	4.9	3.3
Rental, Hiring & Real Estate Services	3.7	7.5	0.8	2.4	-2.1	-10.4	-0.3	-0.3	3.6
Financial & Insurance Services	0.0	9.0	7.8	-9.6	0.2	-4.3	2.7	12.3	3.8
Other Services	7.7	3.2	1.8	5.5	1.2	4.0	9.6	2.0	4.1
Administrative & Support Services	8.1	7.3	2.3	3.3	-0.5	10.1	12.6	11.5	5.6
Professional, Scientific &Technical Services	8.1	9.3	9.4	6.2	2.3	-8.1	6.7	1.5	7.9
Accommodation & Food Services	12.0	10.6	9.7	11.0	6.3	11.0	14.4	13.7	10.5
Arts & Recreation Services	34.9	30.0	44.4	34.4	42.3	30.7	34.8	24.8	35.3

Fastest growing by division   Slowest growing by division

SUMMARY:

Overall Customer spending in Australia

- Based on NAB's transaction data (including BPAY), total NAB customer spending grew 3.9% y/y in Q2 2017, up from 2.0% y/y in the previous quarter.
- Average monthly spending during the quarter also increased to $2,064 in metropolitan areas ($1,997 in Q1 2017) and $1,918 in regional areas ($1,866 in Q1 2017).

Overall Customer spending - metropolitan versus regional

- Overall NAB customer spending growth accelerated in both regional and metropolitan areas in Q2 2017, but growth in customer spending in regional areas (4.9%) continued to outpace spending growth in greater metropolitan or "city" areas (3.3%).
- NAB customer spending growth accelerated in all cities and regions relative to Q1 (except in TAS).
- In regional areas, spending growth was fastest in the NT (7.0%), SA (6.0%), ACT overall (5.6%), VIC (5.2%), NSW (5.1%) and QLD (4.9%) and slowest in TAS (1.6%) and WA (2.4%).
- In capital cities (ABS definitions), customer spending growth was fastest in Hobart (5.1%), Darwin (4.5%), Sydney (4.1%), Melbourne (4.1%) and Brisbane (3.3%) and slowest in Perth (-1.3%) and Adelaide (1.9%).

Fastest growing Local Government Areas (LGAs)

- Fastest growing metropolitan LGAs in Australia were Lane Cove NSW (13.2%), Brighton TAS (8.6%), Hunters Hill NSW (9.5%), Mosman Park WA (9.4%), Willoughby NSW (8.2%), Moorabool VIC (7.5%), Hobart TAS (7.2%), Wyndham VIC (6.9%), Randwick NSW (6.9%), Kingborough TAS (6.9%) and Brimbank VIC (6.8%).
- Fastest growing regional LGAs were Walgett NSW (26.4%), Glenn Innes Severn NSW (17.8%), Liverpool Plains NSW (17.6%), Gwydir NSW (17.3%), Irwin WA (17.2%) and Western Downs QLD (16.8%).
- The top 30 fastest growing Australian metro and regional LGAs and the top 5 fastest growing metro and regional LGAs for each state are shown in Appendix 2.

Fastest growing postcodes - metropolitan

- In Australia, NAB customer spending growth was fastest in Hurstbridge VIC 3099 (38.1%), Garfield VIC 3814 (30.6%), Quakers Hill NSW 2763 (29.4%), Red Hill VIC 3937 (29.1%), Panton Hill VIC 3759 (27.7%), Georges Hall NSW 2198 (27.3%) and Hall ACT 2618 (26.9%).
- See state sheets below for top 20 fastest growing metropolitan postcodes for each state.

Fastest growing postcodes - regional

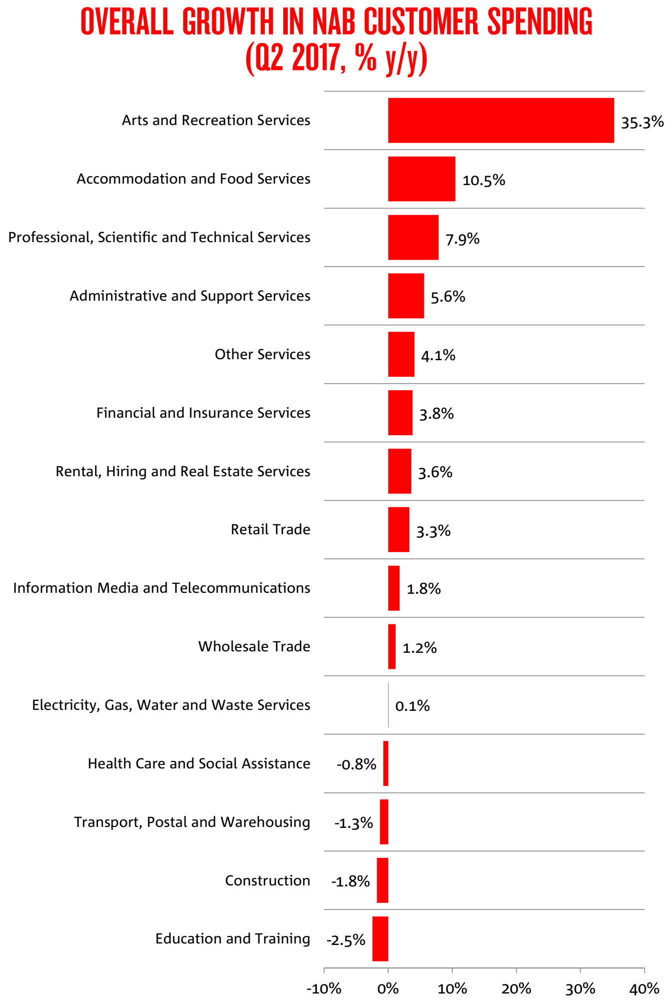
- In Australia, NAB customer spending grew fastest in Willow Tree NSW 2339 (58.8%), Moree Plains NSW 2387 (58.7%), Picton WA 6229 (57.6%), Gwabegar NSW 2356 (55.4%), Truro SA 5356 (53.9%), Dirranbandi QLD 4486 (52.8%), Theodore QLD 4719 (52.4%), Barmah VIC 3639 (49.6%), Denham WA 6537 (47.8%), Newcastle West NSW 2022 (47.1%).
- It is important to note that while these postcodes have a statistically significant number of customers, they may include small area spending data that can be more volatile than larger postcode spending areas.
- See state sheets below for fastest growing metropolitan postcodes for each state.

Customer spending growth by industry category

- Spending grew in 11 of 15 categories in year-on-year terms during Q2 2017, and faster in 8 of 15 categories.
- By category, spending growth was fastest for Arts and Recreation Services (35.3% y/y) and significantly stronger than in Q1 2017 (12.0%), underpinned by spending on Creative & Performing Arts. Spending on Accommodation & Food Services (10.5%), Professional, Scientific & Technical Services (7.9%) and Administrative & Support Services (5.6%) were the next fastest growing categories.
- Spending growth was weakest for Education & Training (-2.5%), Construction (-1.8%), Transport, Postal and Warehousing (-1.3%) and Healthcare & Social Assistance (-0.8%).

Contributions to spending growth

- By state, VIC, NSW and QLD contributed around 98% of total growth in customer spending in Q2 2017. WA detracted -3.4% from total spending growth. SA, ACT, TAS and the NT combined added 5.9%.
- By region, greater Melbourne and Sydney accounted for just over 50% of total spending growth in Q2. Regional NSW, QLD and VIC contributed 39% (see Appendix 1).



NAB CUSTOMER SPENDING BEHAVIOURS - Q2 2017

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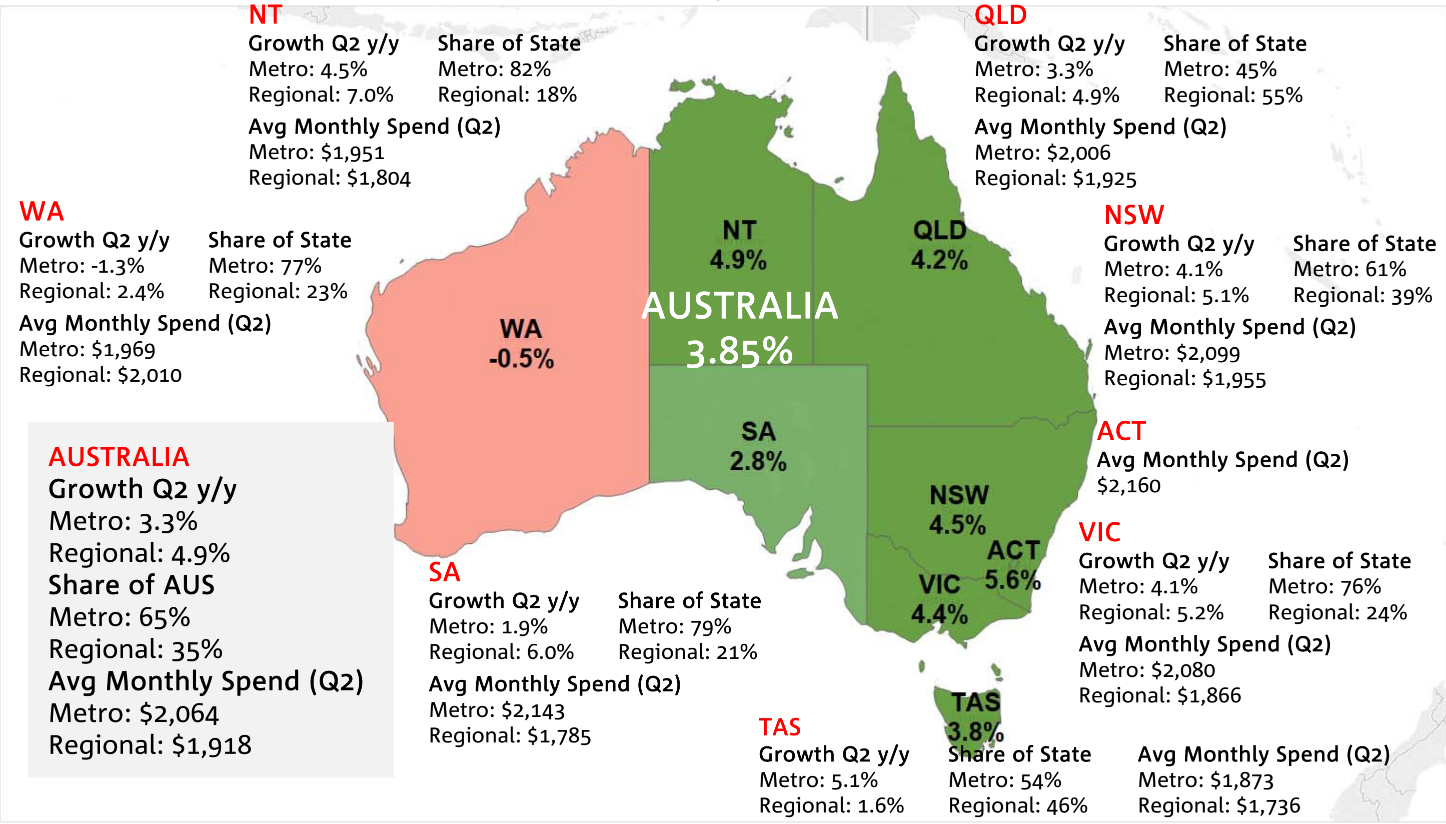


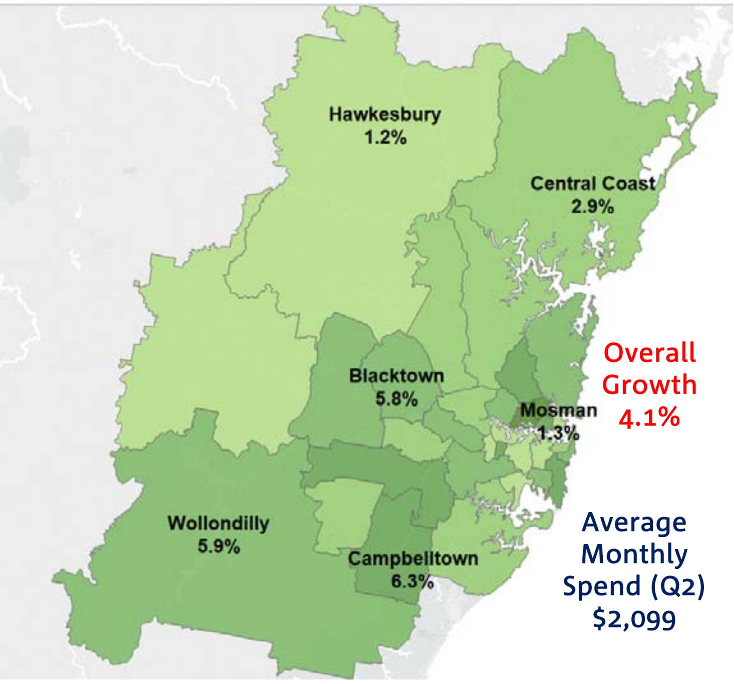
NAB CUSTOMER SPENDING BY STATE:

NSW - SYDNEY GREATER METROPOLITAN AREA

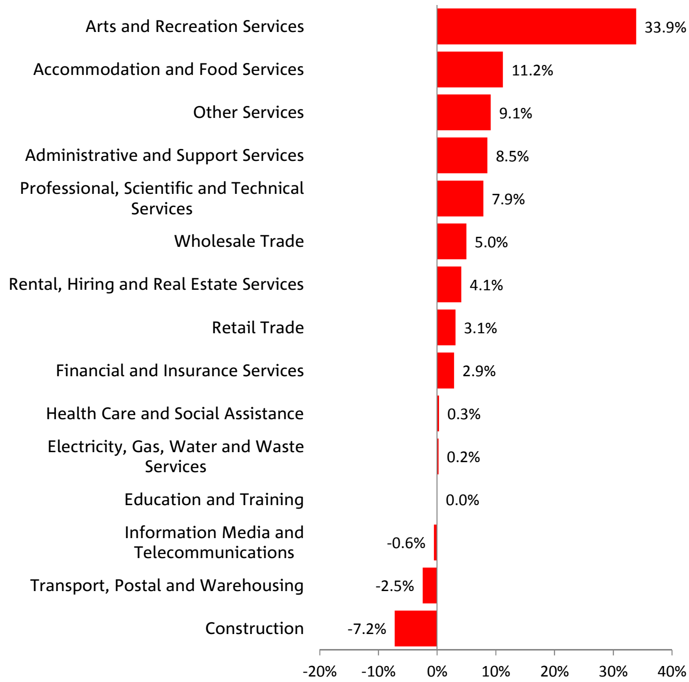
GROWTH IN NAB CUSTOMER SPENDING

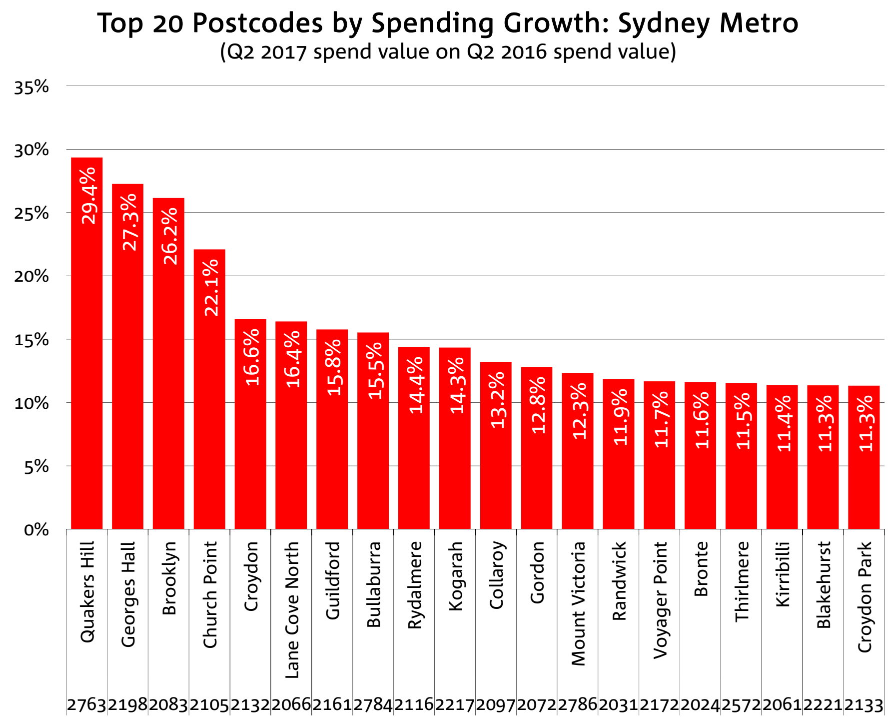
(percentage change Q2 2017 on Q2 2016)

SYDNEY GREATER METROPOLITAN AREA



GROWTH BY SPENDING (%,Y/Y)





**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

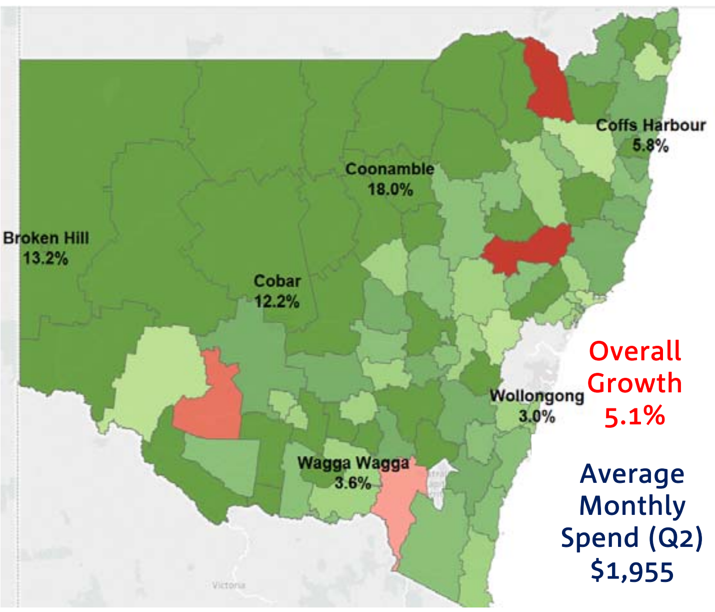
- Overall customer spending in the greater Sydney metropolitan area (ABS definition) grew 4.1% y/y in Q2 2017 (2.6% y/y in Q1 2017).
- Average spending per customer increased by $78 to $2,099.
- Spending growth was fastest for Arts & Recreation (33.9%), Accommodation & Food (11.2%) and Other Services (9.1%).
- Customer spending fell for Construction (-7.2%), Transport, Postal & Warehousing (-2.5%) and Information, Media & Telecommunications (-0.6%).
- By individual postcode, spending growth was fastest in Quakers Hill 2763 (29.4%), Georges Hall 2198 (27.3%), Brooklyn 2083 (26.2%) and Church Point 2105 (22.1%).

NSW - REGIONAL (EX. GREATER METRO AREA)

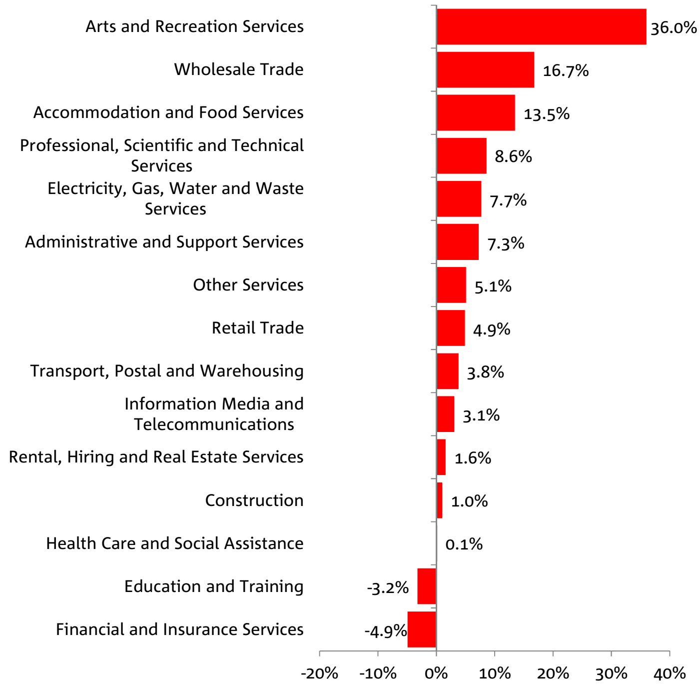
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q2 2017 on Q2 2016)

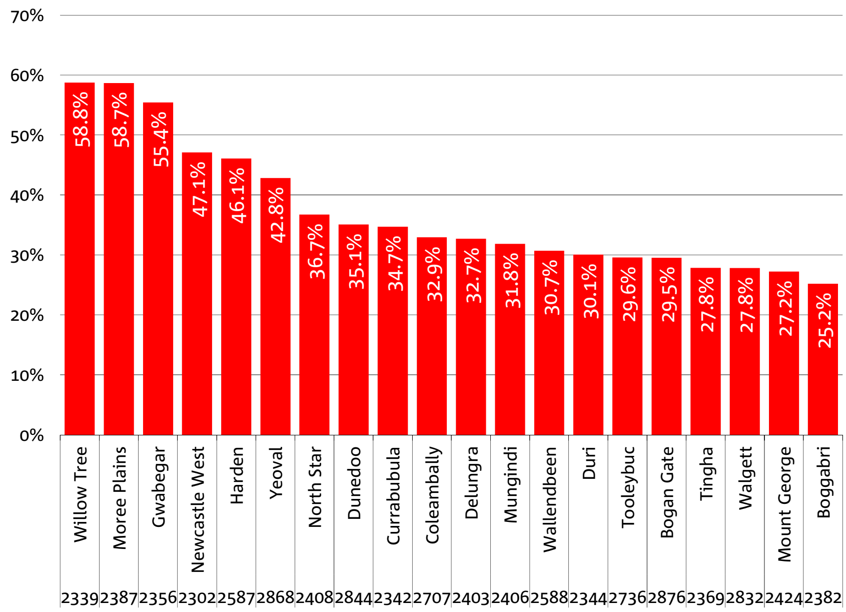
REGIONAL NSW (EX METRO)



GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spending Growth: NSW Regional
(Q2 2017 spend value on Q2 2016 spend value)



**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

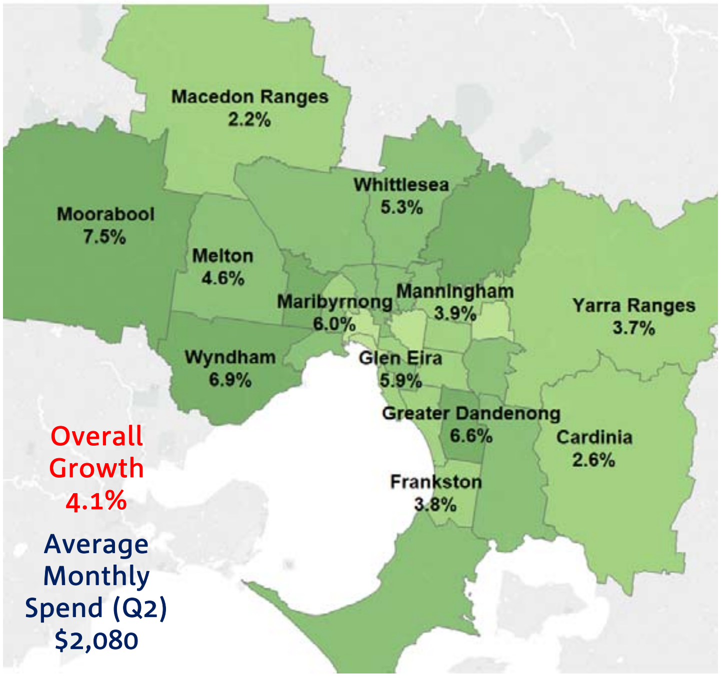
- Overall customer spending in regional NSW (ex metro) grew 5.1% y/y in Q2 2107, up from 4.4% y/y in Q1 2017, and somewhat stronger than in Sydney metro (4.1%).
- Average customer spending increased $59 to $1,955, but was below that in Sydney metro ($2,099).
- Spending growth was fastest for Arts & Recreation (36.0%), Wholesale Trade (16.7%) and Accommodation & Food Services (13.5%).
- Spending fell for Financial & Insurance (-4.9%), Education & Training (-3.2%) and was flat for Healthcare & Social Assistance (0.1%).
- By individual postcode, spending was fastest in Willow Tree 2339 (58.8%), Moree Plains 2387 (58.7%), Gwabegar 2356 (55.4%), Newcastle West 2302 (47.1%) and Harden 2597 (46.1%).

VIC - MELBOURNE GREATER METROPOLITAN AREA

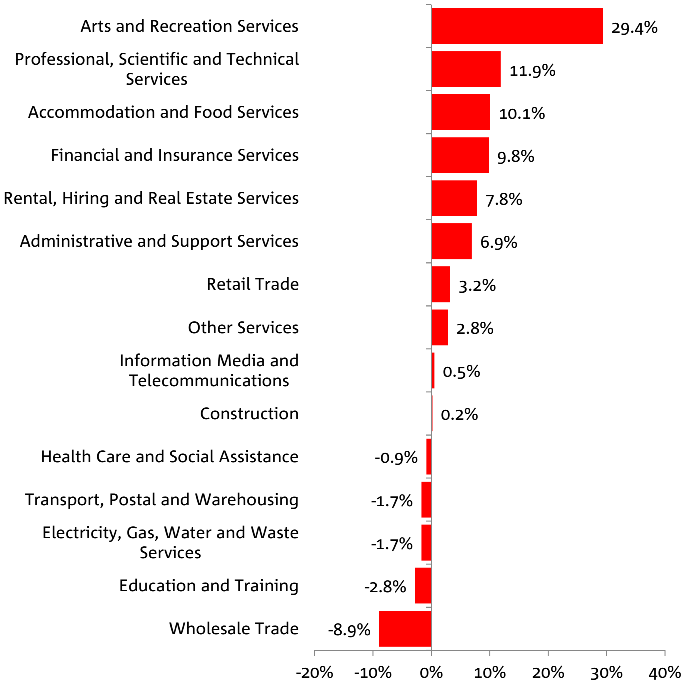
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q2 2017 on Q2 2016)

MELBOURNE GREATER METROPOLITAN AREA

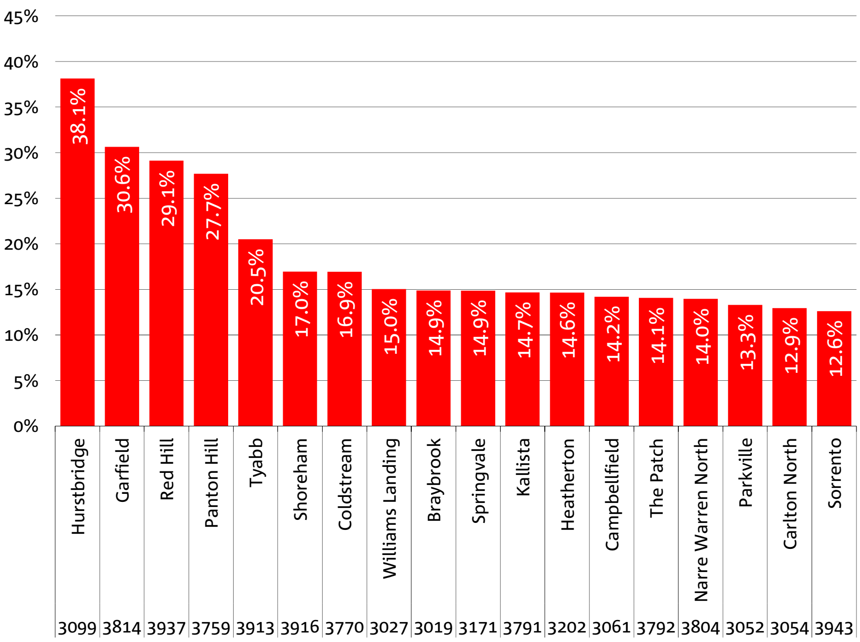


GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spend Growth: Melbourne Metro

(Q2 2017 spend value on Q2 2016 spend value)



**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

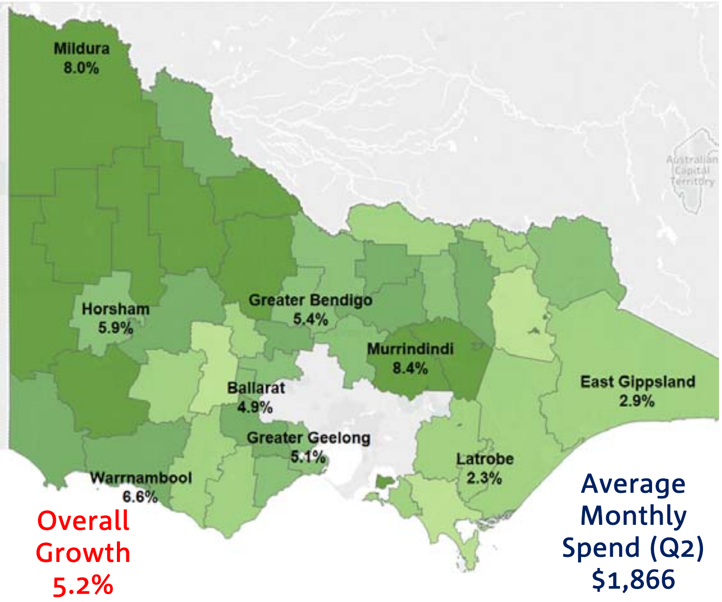
- Customer spending in the greater Melbourne metro area (ABS definition) grew 4.1% in Q2 2017, up from 2.4% y/y in Q1 2017.
- Average customer spending increased $60 to $2,080.
- Spending growth was fastest for Arts & Recreation (29.4%), Professional, Scientific & Technical Services (11.9%) and Accommodation & Food Services (10.1%).
- Spending on Wholesale Trade (-8.9%), Education & Training (-2.8%), Electricity, Gas, Water & Waste Services (-1.7%), Transport, Postal & Warehousing (-1.7%), and Healthcare & Social Assistance (-0.9%) fell.
- By postcode, spending growth was fastest in Hurstbridge 3099 (38.1%), Garfield 3814 (30.6%), Red Hill 3937 (29.1%) and Panton Hill 3759 (27.7%).

VIC - REGIONAL (EX. GREATER METRO AREA)

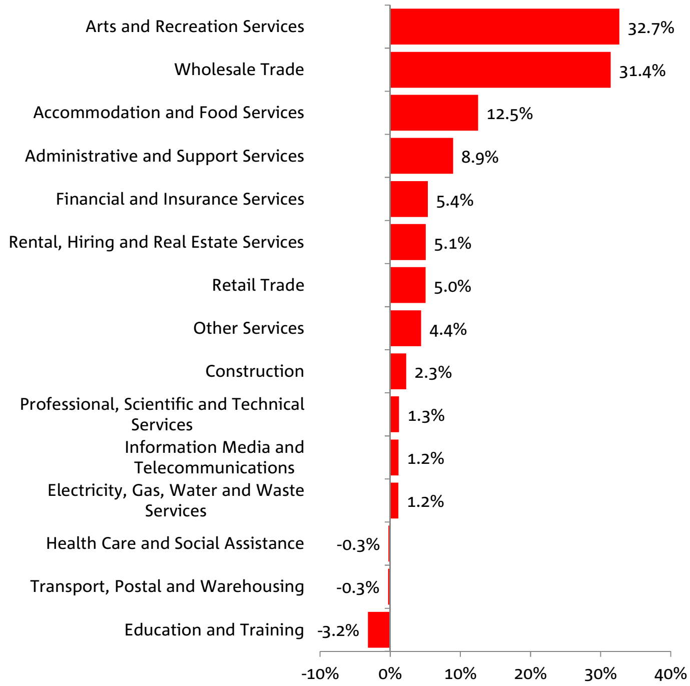
GROWTH IN NAB CUSTOMER SPENDING

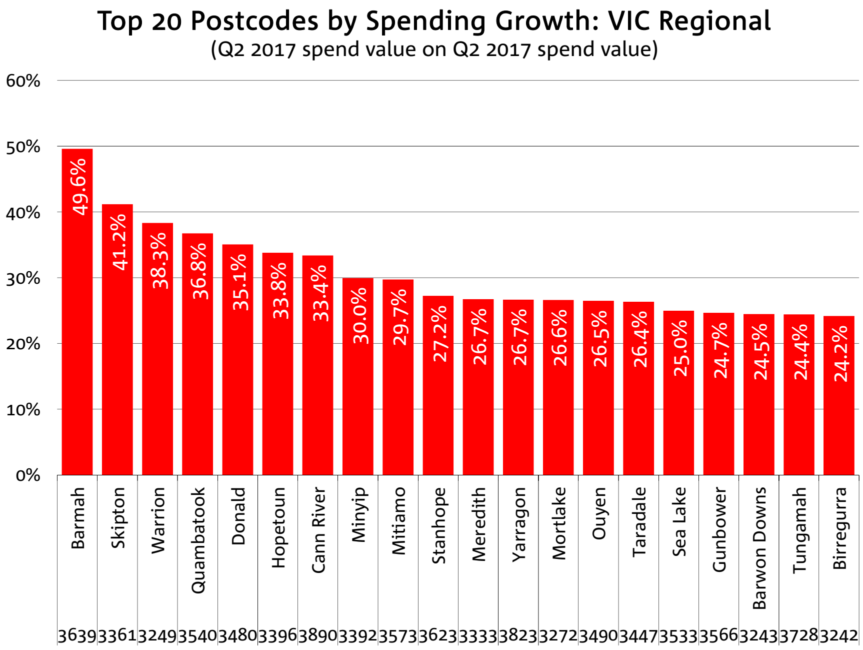
(percentage change Q2 2017 on Q2 2016)

REGIONAL VIC (EX METRO)



GROWTH BY SPENDING (%,Y/Y)





**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

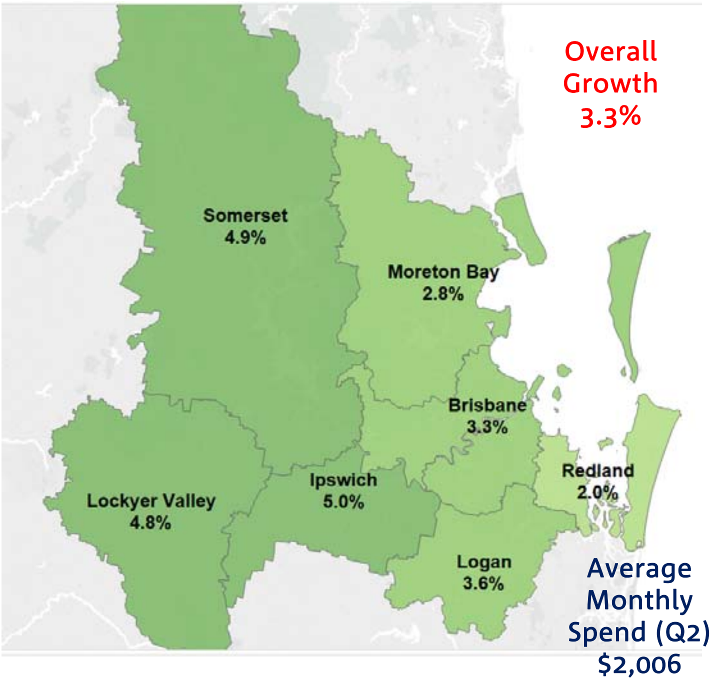
- Customer spending in regional VIC (ex metro) grew 5.2% y/y in Q2 2017, from 4.1% y/y in Q1 2017, and ahead of Melbourne metro (4.1%).
- Average spending increased $51 to $1,866 but was below Melbourne metro (up $60 to $2,080).
- Spending growth was fastest for Arts & Recreation (32.7%), Wholesale Trade (31.4%) and Accommodation & Food Services (12.5%).
- Customer spending on Education & Training (-3.2%), Transport, Postal & Warehousing (-0.3%) and Healthcare & Social Assistance Trade (-0.3%) fell.
- By individual postcode, spending growth was fastest in Barmah 3639 (49.6%), followed by Skipton 3361 (41.2%), Warrion 3249 (38.3%), Quambatook 3540 (36.8%) and Donald 3480 (35.1%).

QLD - BRISBANE GREATER METROPOLITAN AREA

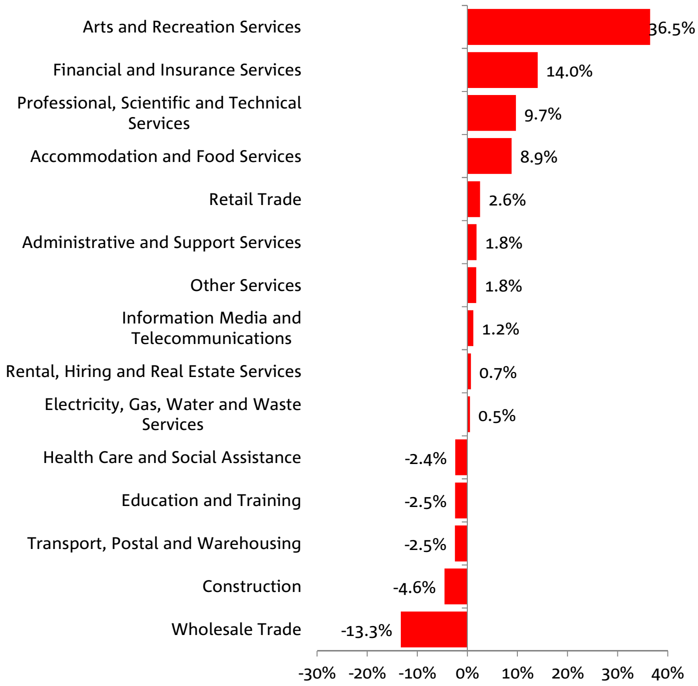
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q2 2017 on Q2 2016)

BRISBANE GREATER METROPOLITAN AREA

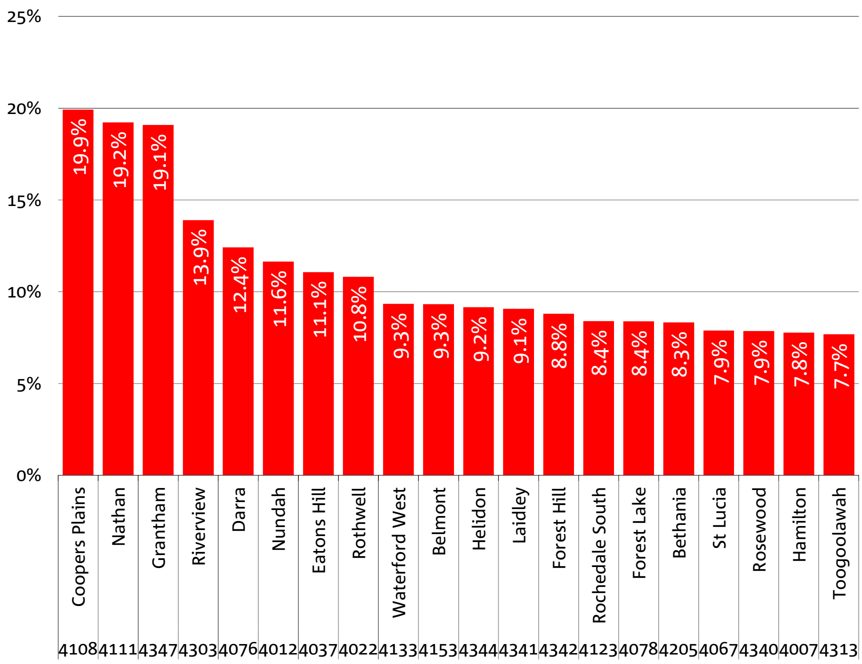


GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spend Growth: Brisbane Metro

(Q2 2017 spend value on Q2 2016 spend value)



**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

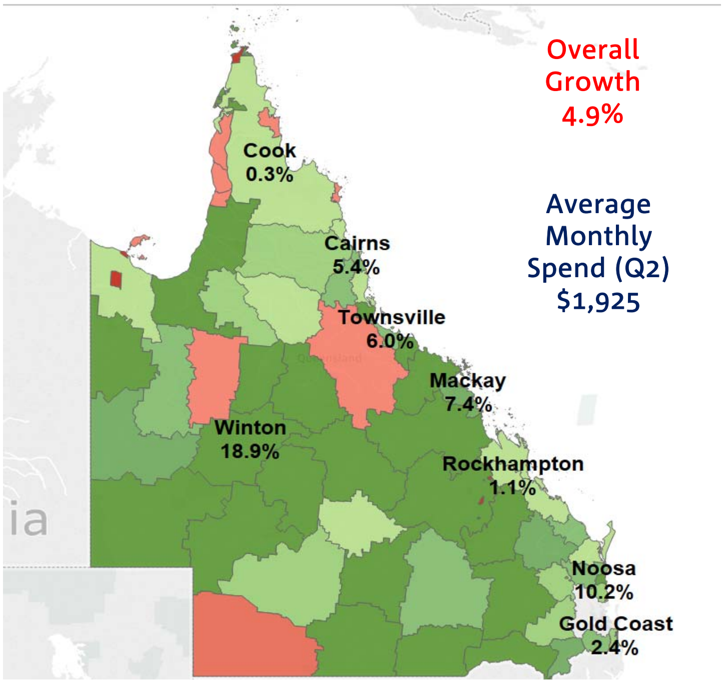
- Customer spending in the greater Brisbane metropolitan area (ABS definition) grew 3.3% y/y in Q2 2017, up from 1.0% y/y in Q1 2017.
- Average monthly spending grew $40 to $2,006.
- Spending grew fastest for Arts & Recreation (36.5%), Financial & Insurance Services (14.0%), Professional, Scientific & Technical Services (9.7%) and Accommodation & Food Services (8.9%).
- It fell for Wholesale Trade (-13.3%), Construction (-4.6%), Transport, Postal & Warehousing (-2.5%), Education & Training (-2.5%) and Healthcare & Social Assistance (-2.4%), with modest growth in all other categories.
- By postcode, overall spending growth was fastest in Coopers Plains 4108 (19.9%), Nathan 4111 (19.2%) and Grantham 4347 (19.1%).

QLD - REGIONAL (EX. GREATER METRO AREA)

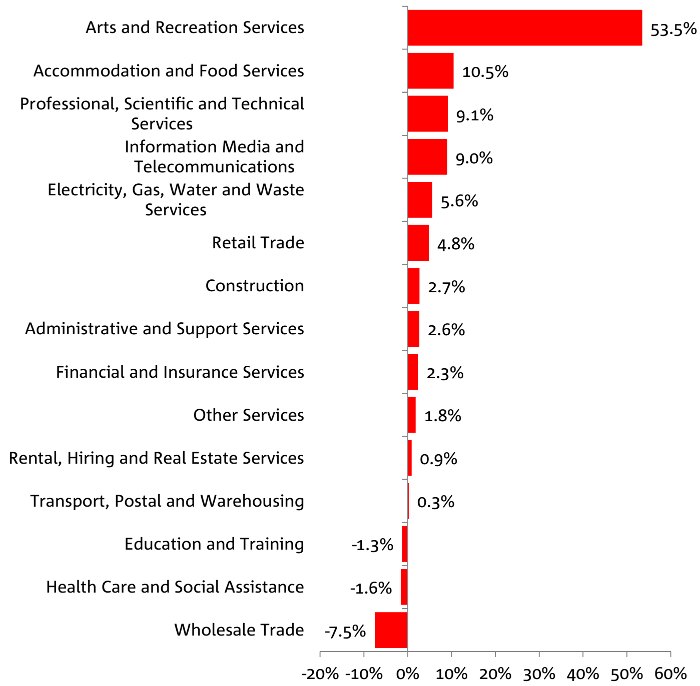
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q2 2017 on Q2 2016)

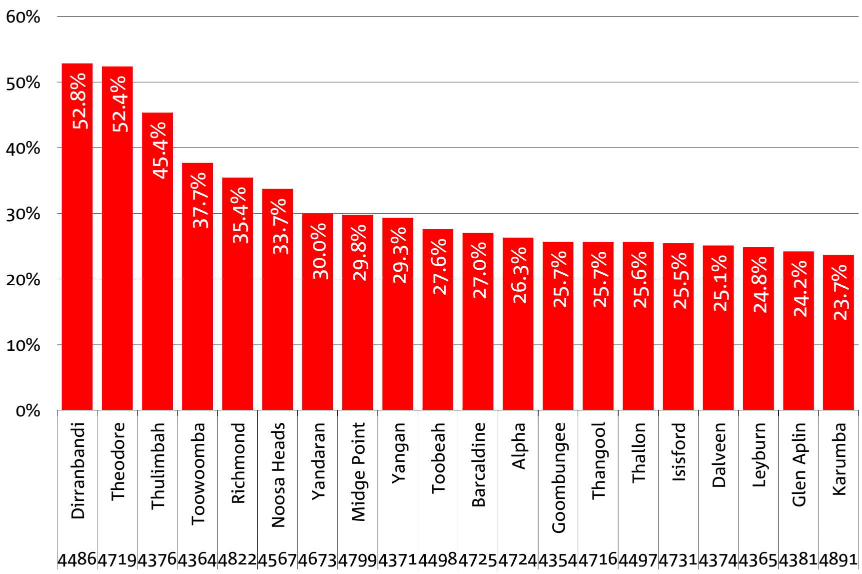
REGIONAL QLD (EX METRO)



GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spending Growth: QLD Regional
(Q2 2017 spend value on Q2 2017 spend value)



**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

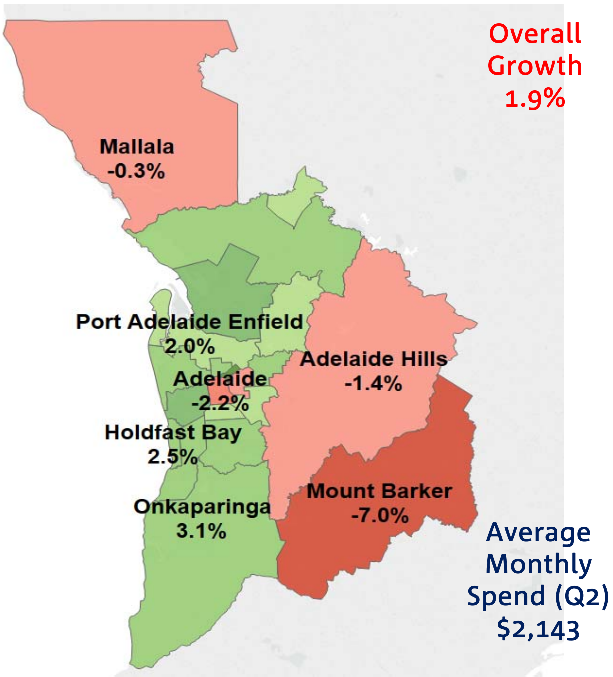
- Customer spending in regional QLD grew 4.9% y/y in Q2 2017, up from 2.1% y/y in Q1 2017 and faster than in Brisbane metro (3.3%).
- Average customer spending grew $53 to $1,925, but was below average spending in metro Brisbane ($2,006).
- Spending growth was fastest for Arts & Recreation (53.5%), followed by Accommodation & Food Services (10.5%), Professional, Scientifics & Technical Services (9.1%) and Information, Media and Telecommunications (9.0%).
- NAB customer spending fell for Wholesale Trade (-7.5%), Healthcare & Social Assistance (-1.6%) and Education & Training (-1.3%).
- By postcode, spending grew fastest in Dirranbandi 4486 (52.8%), Theodore 4719 (52.4%), Thulimbah 4376 (45.4%), and Toowoomba 4364 (37.7%).

SA - ADELAIDE GREATER METROPOLITAN AREA

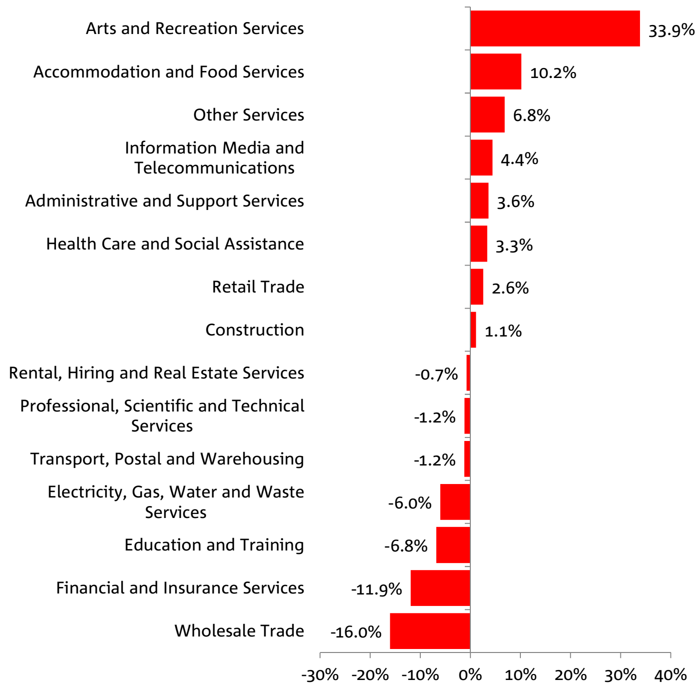
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q2 2017 on Q2 2016)

ADELAIDE GREATER METROPOLITAN AREA

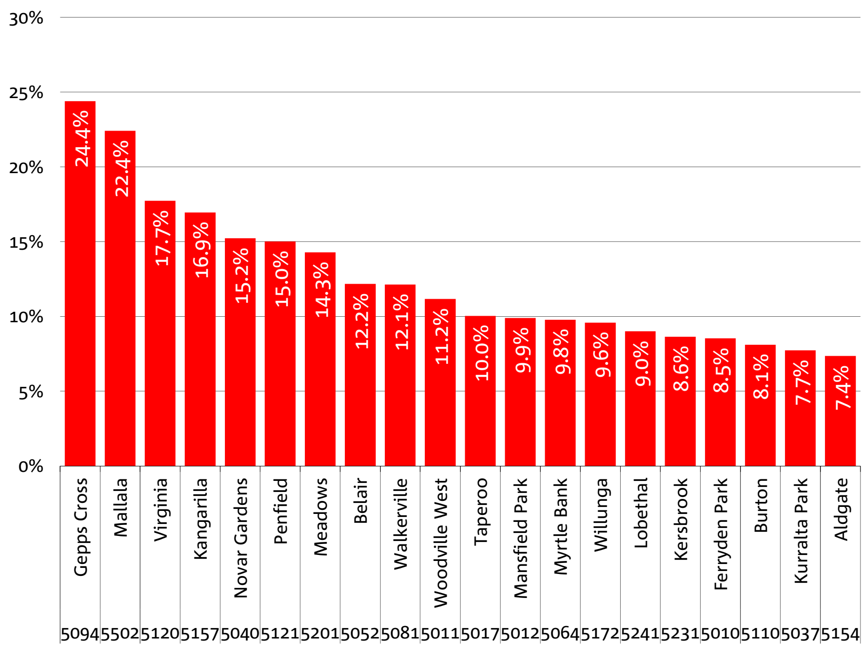


GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spend Growth: Adelaide Metro

(Q2 2017 spend value on Q2 2016 spend value)



**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

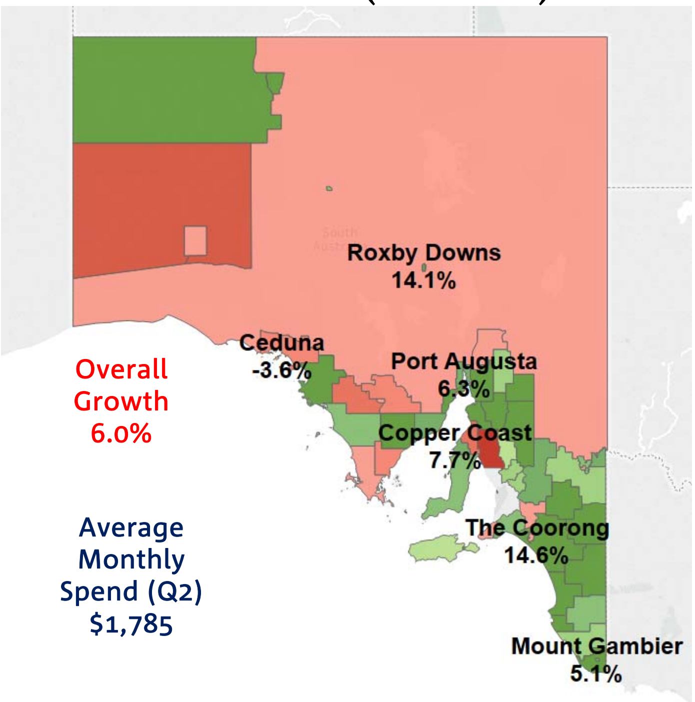
- Customer spending in the greater Adelaide metropolitan area (ABS definition) grew 1.9% in Q2 2017 (0.0% y/y in Q1 2017).
- Average monthly customer spending increased $234 to $2,143 and was highest of all metro areas.
- Spending growth was fastest for Arts & Recreation (33.9%), Accommodation & Food Services (10.2%) and Other Services (6.8%).
- Spending contracted for Wholesale Trade (-16.0%), Financial & Insurance Services (-11.9%), Education & Training (-6.8%) and Electricity, Gas, Water & Waste (-6.0%). Small falls were also seen in 3 other sectors.
- By postcode, overall customer spending growth was fastest in Gepps Cross 5094 (24.4%), Mallala 5502 (22.4%), Virginia 5120 (17.7%) and Kangarilla 5157 (16.9%).

SA - REGIONAL (EX. GREATER METRO AREA)

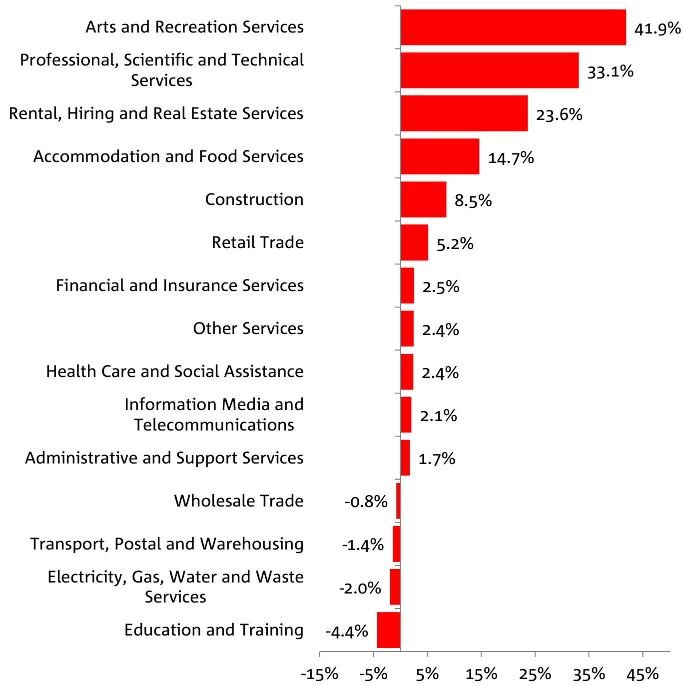
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q2 2017 on Q2 2016)

REGIONAL SA (EX METRO)

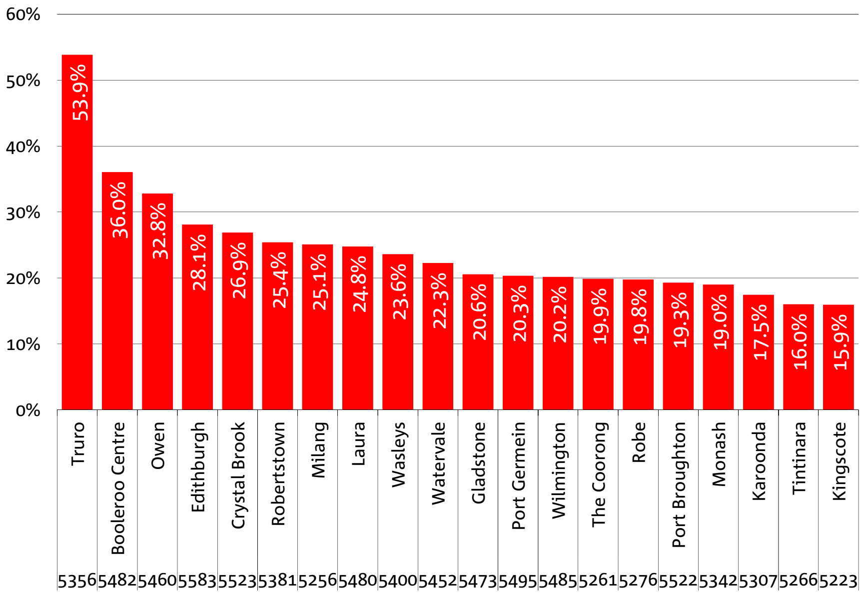


GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spending Growth: SA Regional

(Q2 2017 spend value on Q2 2017 spend value)



**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

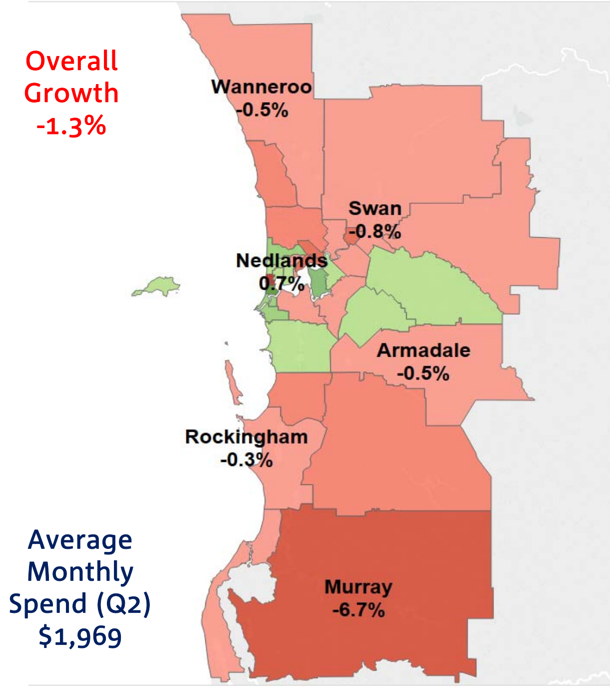
- Customer spending in regional SA (ex metro) grew 6.0% y/y in Q2 2017, up from 2.8% y/y in Q1 2017.
- Average monthly spending increased $74 to $1,785, but was lower than in Adelaide metro ($2,143).
- Spending growth was fastest for Arts & Recreation (41.9%), Professional, Scientific & Technical Services (33.1%), Rental, Hiring & Real Estate Services (23.6%) and Accommodation & Food Services (14.7%).
- Customer spending contracted in Education & Training (-4.4%), Electricity, Gas, Water & Waste Services (-2.0%), Transport, Postal & Warehousing (-1.4%) and Wholesale Trade (-0.8%).
- By postcode, growth was fastest in Truro 5365 (53.9%), Booleroo Centre 5482 (36.0%), Owen 5460 (32.8%) and Edithburgh 5583 (28.1%).

WA - PERTH GREATER METROPOLITAN AREA

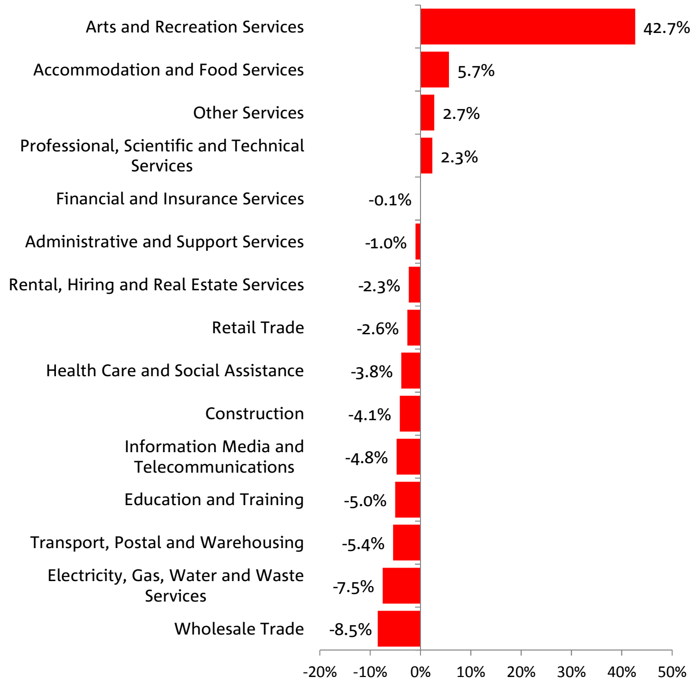
GROWTH IN NAB CUSTOMER SPENDING

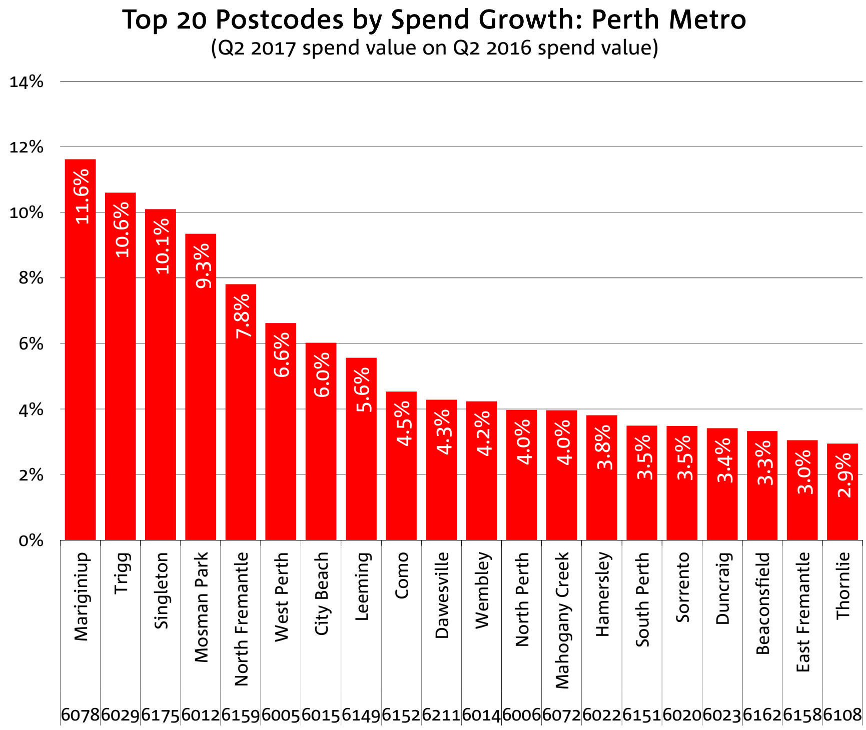
(percentage change Q2 2017 on Q2 2016)

PERTH GREATER METROPOLITAN AREA



GROWTH BY SPENDING (%,Y/Y)





**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

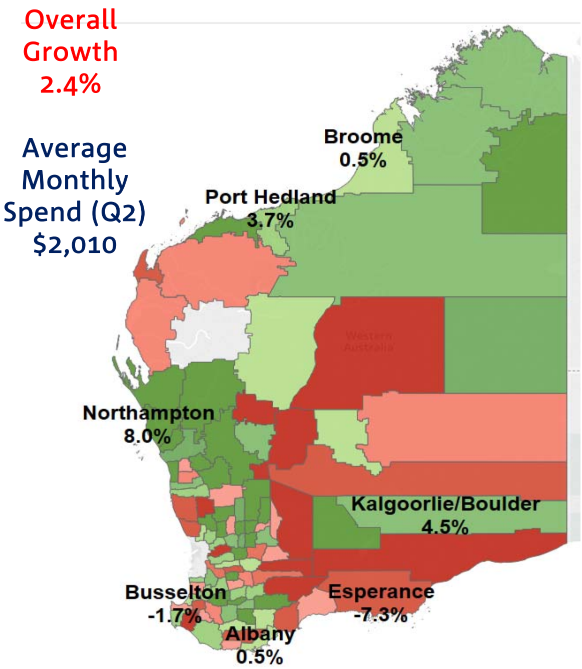
- NAB customer spending in the greater Perth metropolitan area (ABS definition) fell -1.3% y/y in Q2 2017, (from -2.8% y/y in Q1 2017), and still weakest of all cities.
- But average monthly spending increased $7 to $1,969.
- Spending grew for Arts & Recreation Services (42.7%), Accommodation & Food Services (5.7%), Other Services (2.7%) and Professional, Scientific & Technical Services (2.3%).
- Spending contracted in all other categories, with the biggest falls in Wholesale Trade (-8.5%), Electricity, Gas, Water & Waste Services (-7.5%) and Transport, Postal & Warehousing (-5.4%).
- By postcode, growth was fastest in Mariginiup 6078 (11.6%), Trigg 6029 (10.6%), Singleton 6175 (10.1%) and Mosman Park 6012 (9.3%).

WA - REGIONAL (EX. GREATER METRO AREA)

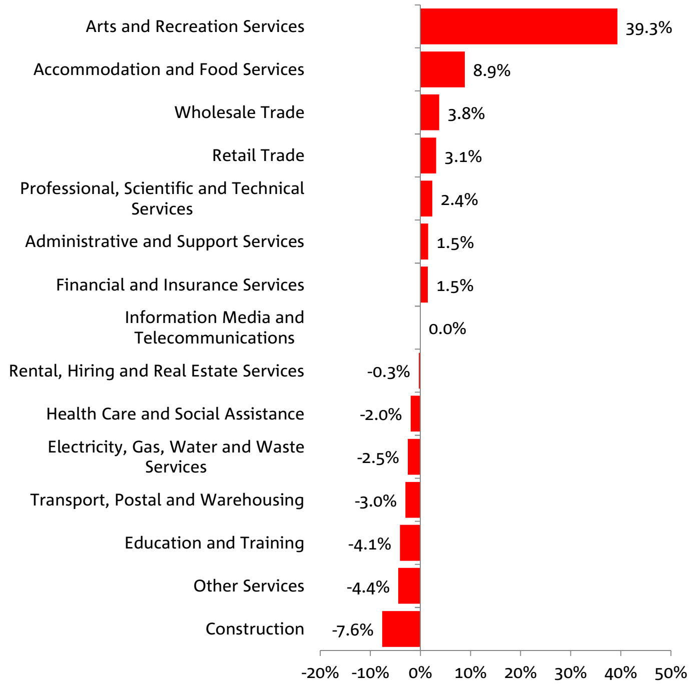
GROWTH IN NAB CUSTOMER SPENDING

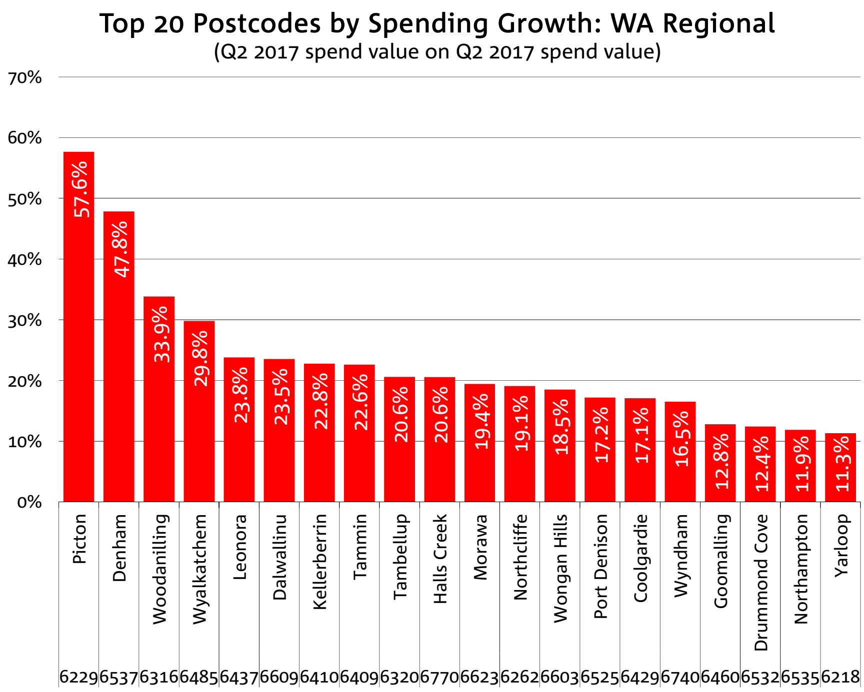
(percentage change Q2 2017 on Q2 2016)

REGIONAL WA (EX METRO)



GROWTH BY SPENDING (%,Y/Y)





**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

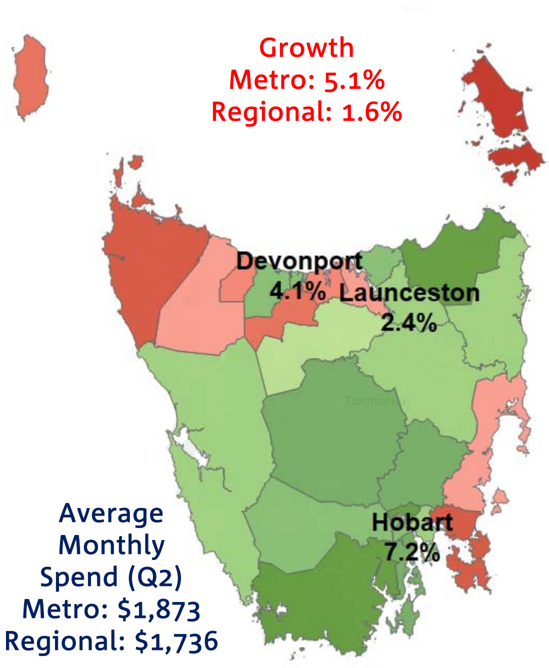
- Customer spending in regional WA (ex metro) grew 2.4% in Q2 2017, up from 1.0% in Q1 2017.
- Average monthly spending increased $5 to $2,010, and was higher than in metro Perth ($1,969) and the only state where regional exceeded metro.
- Spending grew in only 7 of 15 categories - led by Arts & Recreation (39.3%) and Accommodation & Food Services (8.9%).
- Customer spending was flat or fell in all other categories, with the biggest falls in Construction (-7.6%), Other Services (-4.4%), Education & Training (-4.1%) and Transport, Postal & Warehousing (-3.0%).
- By postcode, spending growth was fastest in Picton 6229 (57.6%), Denham 6537 (47.8%), Woodanilling 6316 (33.9%) and Wyalkatchem 6485 (29.8%).

TASMANIA

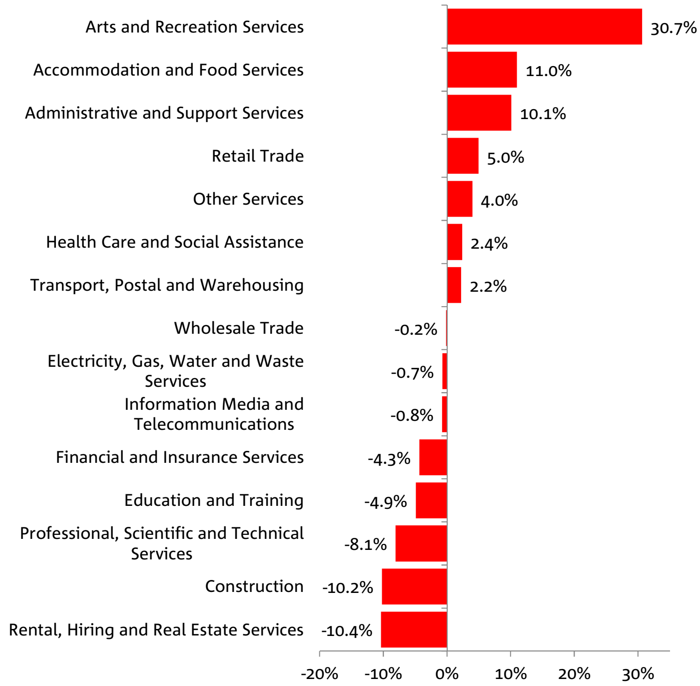
GROWTH IN NAB CUSTOMER SPENDING

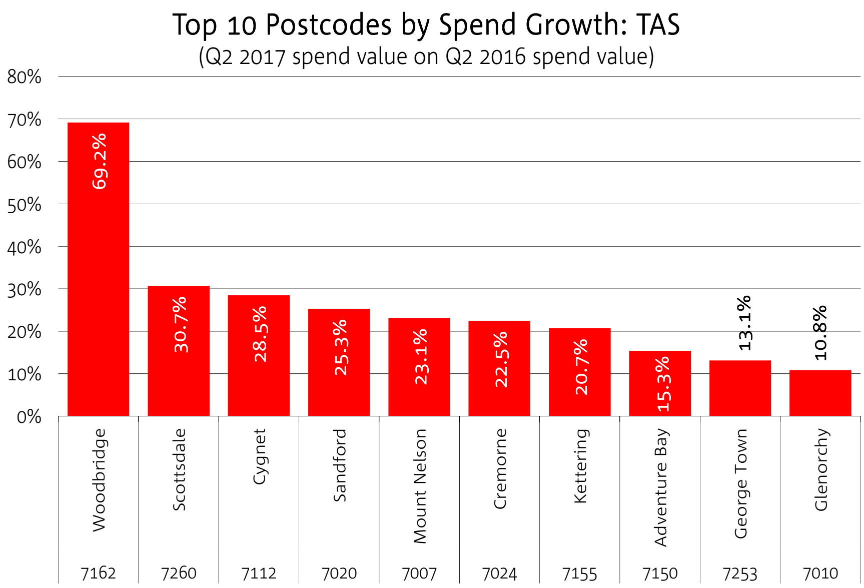
(percentage change Q2 2017 on Q2 2016)

TASMANIA - STATE



GROWTH BY SPENDING (%,Y/Y)





**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

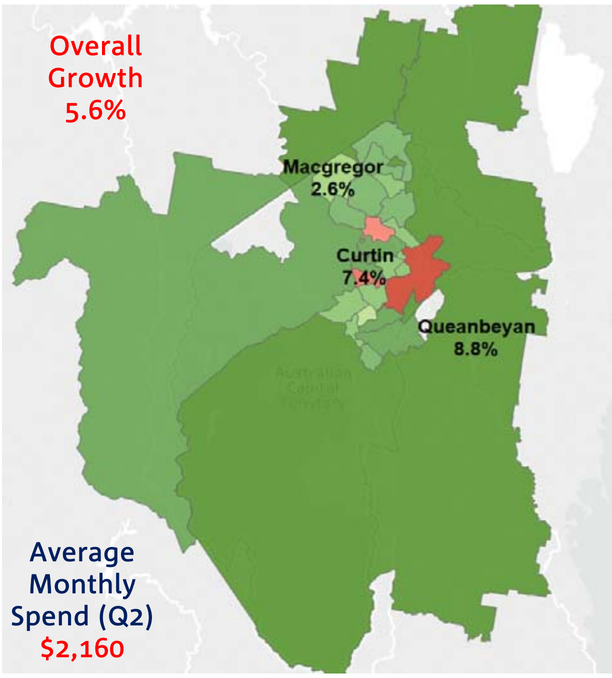
- Customer spending grew 5.1% y/y in Q2 2017 in Hobart metro (6.2% y/y in Q1 2017), and by 1.6% y/y in regional TAS (2.5% y/y in Q1 2017).
- TAS was the only state where customer spending growth slowed in both metro and regional areas.
- Average monthly spending rose $28 to $1,873 in Hobart metro and by $31 in regional TAS to $1,736.
- Overall spending growth (metro & regional) was fastest for Arts & Recreation (30.7%), Accommodation & Food Services (11.0%) and Administrative & Support Services (10.1%).
- It fell in 8 of 15 categories, led by Rental, Hiring and Real Estate Services (-10.4%) and Construction (-10.2%).
- By postcode, growth was fastest by some margin in Woodbridge 7162 (69.2%), followed by Scottsdale 7260 (30.7%) and Cygnet 7112 (28.5%).

ACT

GROWTH IN NAB CUSTOMER SPENDING

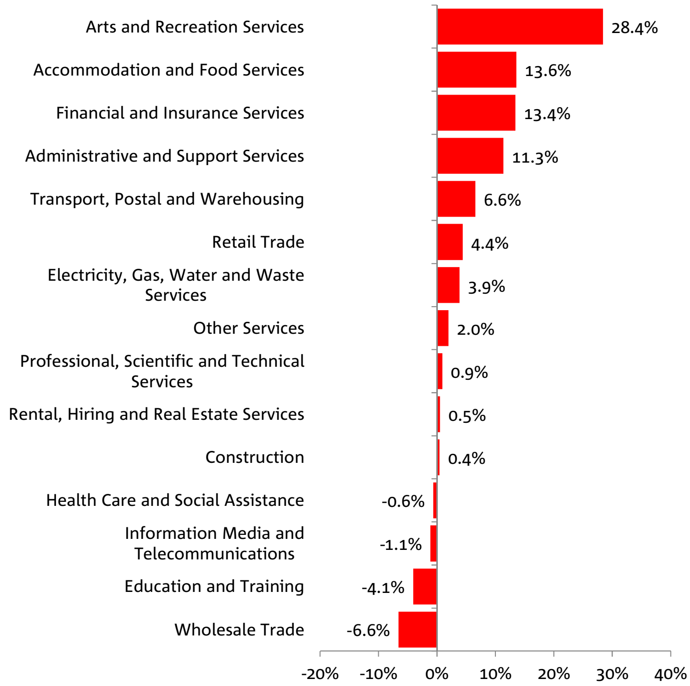
(percentage change Q2 2017 on Q2 2016)

ACT

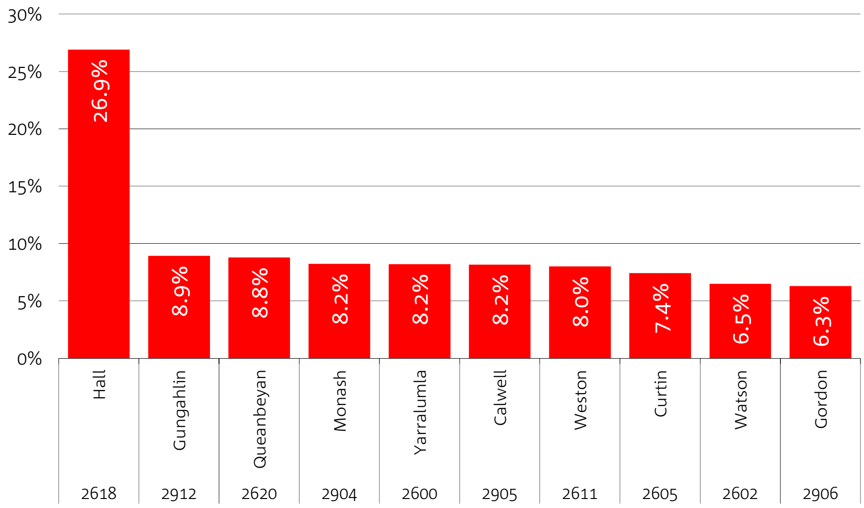


**postcode level details shown instead of LGAs as ACT does not have separate LGAs. Hall, located within the ACT shares the 2618 postcode with nearby Wallaroo NSW, thus is partially represented outside ACT boundary in the map.*

GROWTH BY SPENDING (%,Y/Y)



Top 10 Postcodes by Spend Growth: ACT
(Q2 2017 spend value on Q2 2016 spend value)



**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

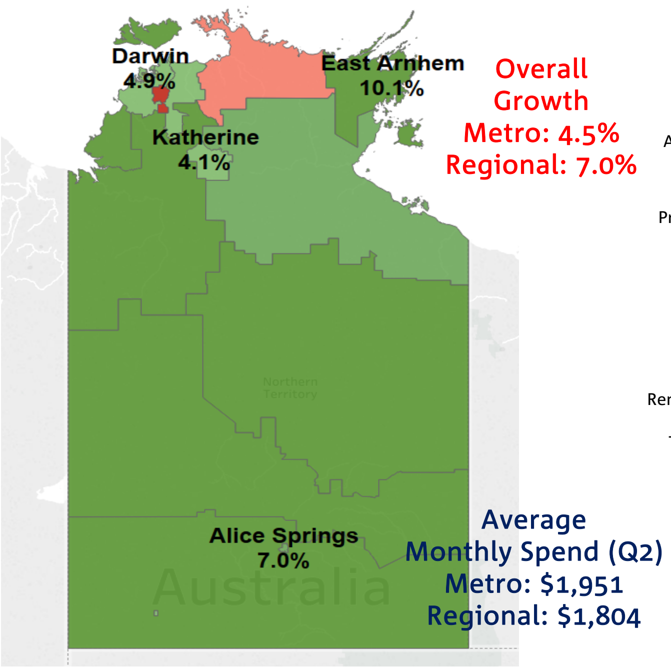
- Customer spending in the ACT grew 5.6% y/y in Q2 2017, up from 5.2% y/y in Q1 2017.
- Average monthly spending rose $57 to $2,160.
- Spending growth was fastest in Arts & Recreation (28.4%), Accommodation & Food Services (13.6%), Financial & Insurance Services (13.4%) and Administrative & Support Services (11.3%).
- Customer spending contracted for Wholesale Trade (-6.6%), Education & Training (-4.1%), Information, Media & Telecommunications (-1.1%) and Healthcare & Social Assistance (-0.6%).
- By postcode, spending growth was fastest in Hall 2618 (26.9%) and well ahead of the next fastest Gungahlin 2912 (8.9%) and Queanbeyan 2620 (8.8%).

NORTHERN TERRITORY

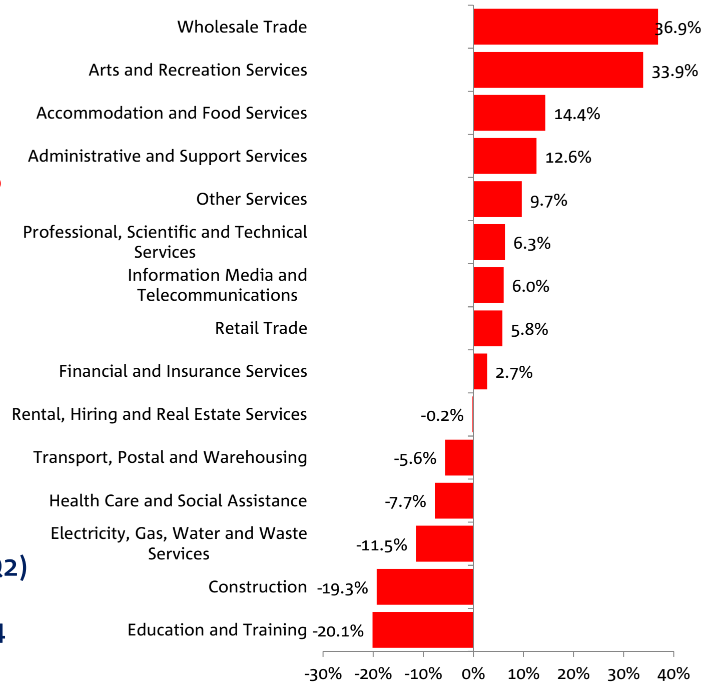
GROWTH IN NAB CUSTOMER SPENDING

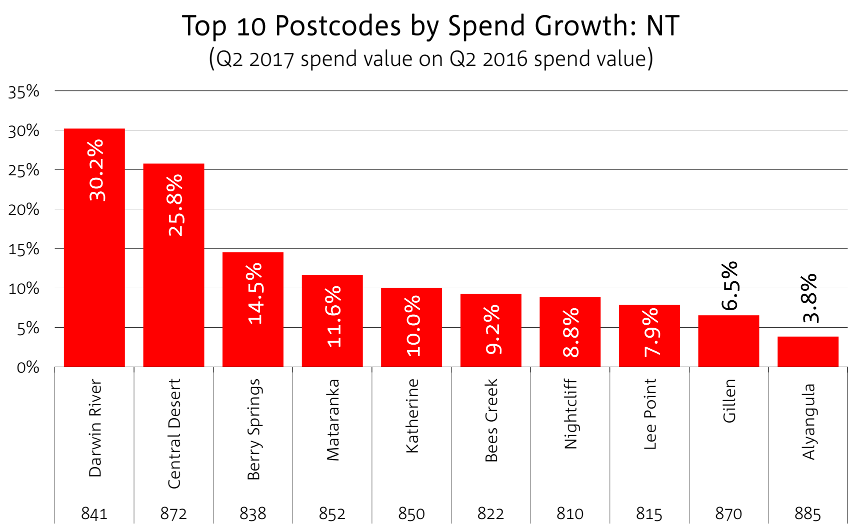
(percentage change Q2 2017 on Q2 2016)

NORTHERN TERRITORY



GROWTH BY SPENDING (%, Y/Y)





**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

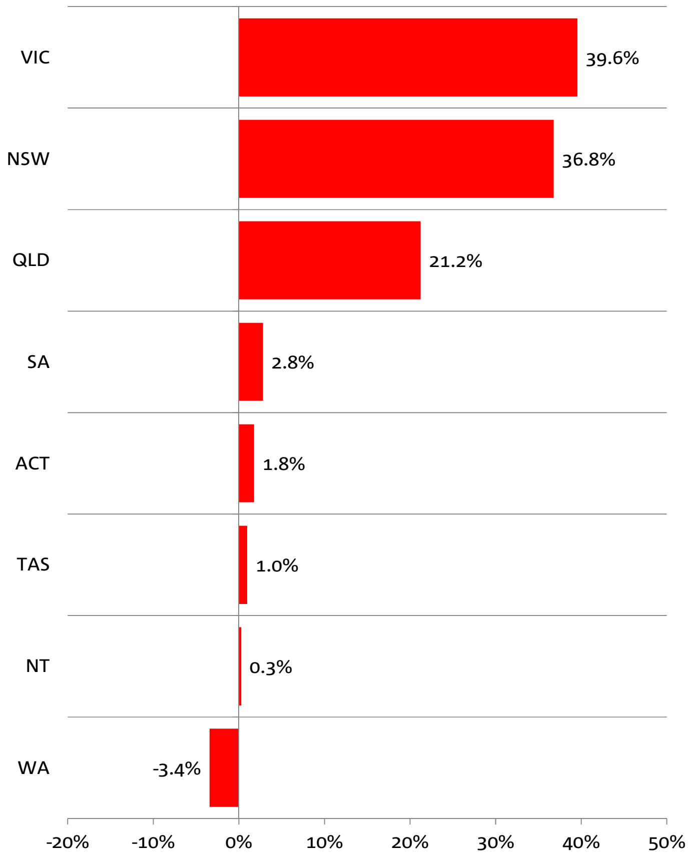
- Customer spending grew 4.5% y/y in Darwin metro in Q2 2017 (1.6% y/y in Q1 2017), and by 7.0% y/y in regional NT (3.7% y/y in Q1 2017).
- Average monthly spending increased $51 to $1,951 in Darwin metro, but fell $28 to $1,804 in regional NT.
- Customer spending in the NT was fastest for Wholesale Trade (36.9%), and Arts & Recreation (33.9%).
- Customer spending growth fell sharply for Education & Training (-20.1%), Construction (-19.3%) and Electricity, Gas, Water & Waste Services (-11.5%), with modest falls in Healthcare & Social Assistance (-73.7%), Transport, Postal & Warehousing (-5.6%) and Rental, Hiring & Real Estate (-0.2%).
- By postcode, spending growth was fastest in Darwin River 841 (30.2%), Central Desert 872 (25.8%) and Berry Springs 838 (14.5%).

APPENDIX 1

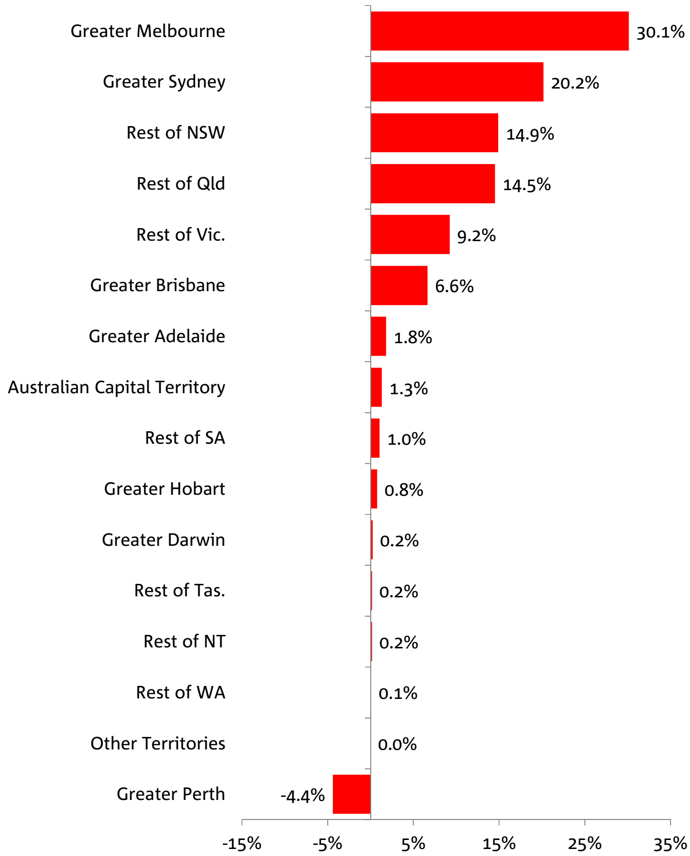
By state, VIC, NSW and QLD contributed around 98% of total growth in NAB customer spending in Q2 2017. WA detracted -3.4% from total spending growth. There were modest contributions from SA (2.8%), ACT (1.8%), TAS (1.0%) and the NT (0.3%).

By region, greater Melbourne and Sydney accounted for just over 50% of total NAB customer spending growth in Q2. Regional NSW, QLD and VIC contributed 39%. All other areas made modest contributions, except greater Perth, which detracted -4.4% from all spending growth.

CONTRIBUTION TO GROWTH BY STATE

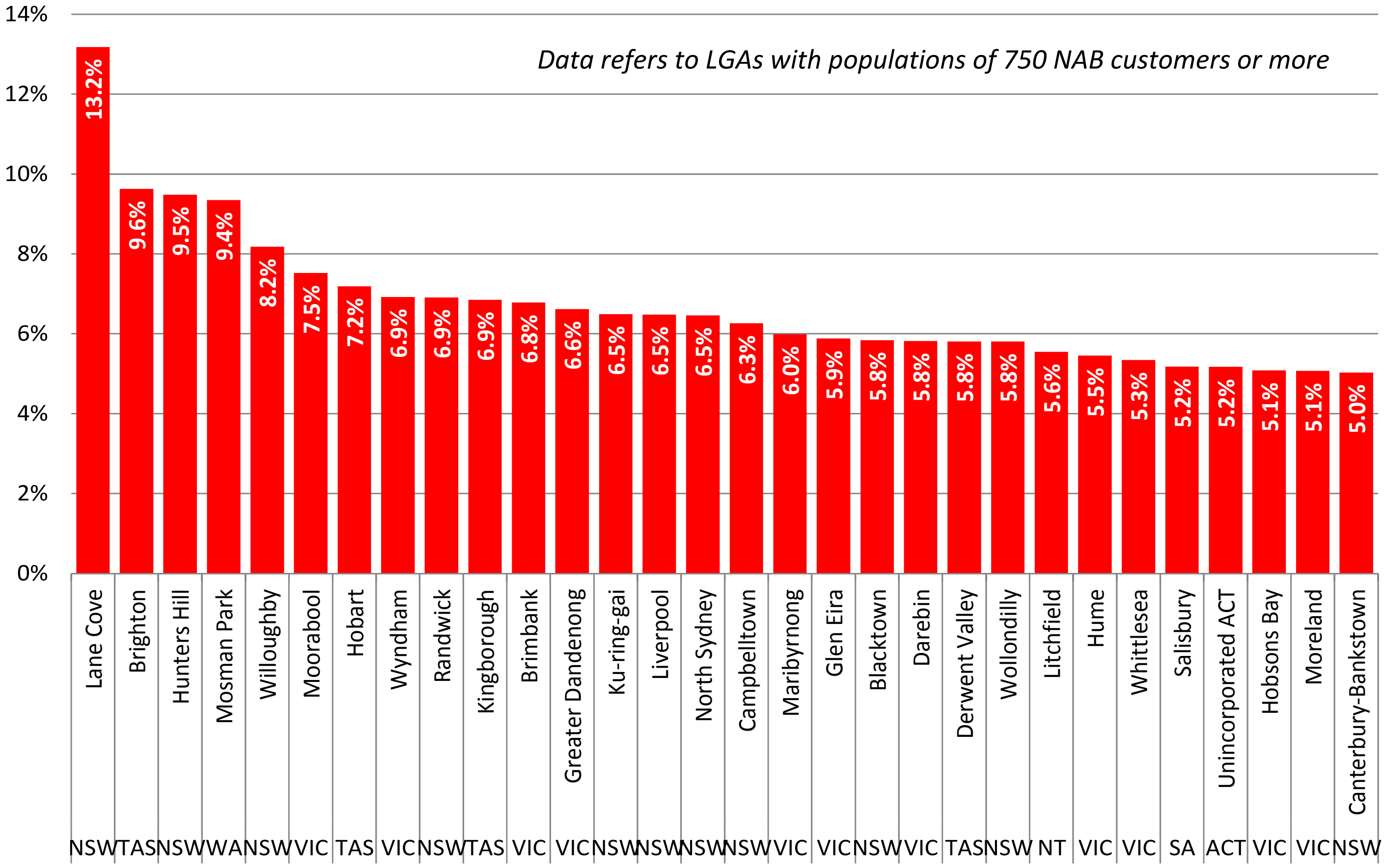


CONTRIBUTION TO GROWTH BY REGION



APPENDIX 2

TOP 30 FASTEST GROWING AUSTRALIAN METROPOLITAN LGA'S



TOP 5 FASTEST GROWING METROPOLITAN LGA'S BY STATE

SYDNEY	% Y/Y
Lane Cove	13.2
Hunters Hill	9.5
Willoughby	8.2
Randwick	6.9
Ku-ring-gai	6.5

MELBOURNE	% Y/Y
Moorabool	7.5
Wyndham	6.9
Brimbank	6.8
Greater Dandenong	6.6
Maribyrnong	6.0

BRISBANE	% Y/Y
Ipswich	5.0
Lockyer Valley	4.9
Somerset	4.9
Logan	3.4
Brisbane	3.3

ADELAIDE	% Y/Y
Salisbury	5.2
West Torrens	4.2
Mitcham	3.8
Prospect	3.5
Marion	3.2

PERTH	% Y/Y
Mosman Park	9.4
South Perth	4.1
Cambridge	4.0
East Fremantle	3.1
Fremantle	2.7

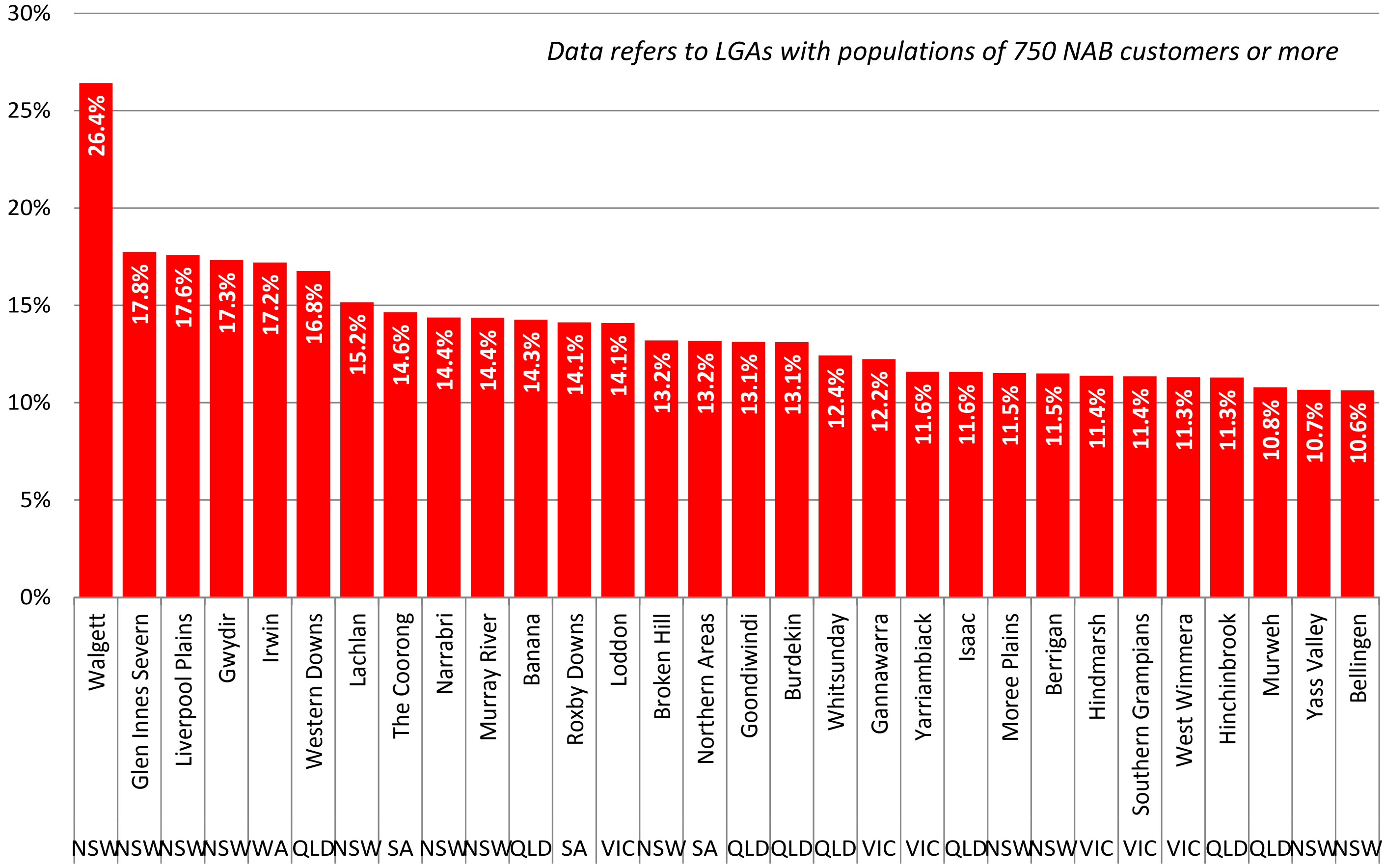
HOBART	% Y/Y
Brighton	9.6
Hobart	7.2
Kingborough	6.9
Derwent Valley	5.8
Glenorchy	4.3

CANBERRA	% Y/Y
Unincorporated ACT*	5.2

DARWIN	% Y/Y
Litchfield	5.6
Darwin	4.9
Palmerston	2.2

* The ACT does not have separate LGAs.

TOP 30 FASTEST GROWING AUSTRALIAN REGIONAL LGA'S



TOP 5 FASTEST GROWING REGIONAL LGA'S BY STATE

NSW	% Y/Y
Walgett	26.4
Glen Innes Severn	17.8
Liverpool Plains	17.6
Gwydir	17.3
Lachlan	15.2

VIC	% Y/Y
Loddon	14.1
Gannawarra	12.2
Yarriambiack	11.6
Hindmarsh	11.4
Southern Grampians	11.4

QLD	% Y/Y
Western Downs	16.8
Banana	14.3
Goondiwindi	13.1
Burdekin	13.1
Whitsunday	12.4

SA	% Y/Y
The Coorong	14.6
Roxby Downs	14.1
Northern Areas	13.2
Whyalla	8.1
Copper Coast	7.7

WA	% Y/Y
Irwin	17.2
Karratha	9.4
Northampton	8.0
Greater Geraldton	6.2
Kalgoorlie/Boulder	4.5

TAS	% Y/Y
Huon Valley	8.1
Central Coast	4.8
Launceston	2.4
Meander Valley	0.5
West Tamar	-0.5

NT	% Y/Y
Alice Springs	7.0

APPENDIX 3

NOTES ON NAB'S CUSTOMER SPENDING ESTIMATES

- Customer spending represents consumption-based spending.
- Customer spending does not include spending on government services, tax payments, direct to public manufacturers, mortgage and other credit facility repayments.
- Customer spending is based on where the customer lives - which may or may not be where the actual spending activity occurs.
- Customers without an Australian residential address are excluded.
- Spending includes both online and offline transactions.
- Transaction data may include EFTPOS, Credit Card, BPAY, Bank Transfers, Direct Debits and Paypal services where available.
- Spending on Health & Community Services excludes spending at HICAPS terminals.
- Geographic areas have been defined using the ABS Local Government Area (LGA) and Statistical areas in the form of both Greater Capital City Statistical Area and Statistical Area 4 definitions.
- All geographic data is defined by 2016 ABS geographic standards from the 2016 census.
- Where lower tier geographic areas may be assigned to multiple higher tier areas, the spend value is apportioned using ABS weights. However for definitions (e.g. whether an LGA lays within GCCSA or not, if more than 50% of the LGA lays within a GCCSA it will be defined as part of the GCCSA).
- Some postcodes may correspond to several different locality names. Where this is the case, only one locality name will be shown.
- Year-on-year spending change represents non-seasonally adjusted change compared to the same quarter in the previous year.
- Cut-offs have been applied to remove small area data which may be statistically volatile and may bias estimates of spending. Even with this treatment, regional areas may have greater spending volatility than metro areas. This cut-off does not apply to maps for aesthetic reasons.
- Spending may be biased due increased take-up in payment methods such as the use of near field communication terminals/online applications that are growing in preference to cash, particularly in hospitality related sectors.

More details about this measure of customer spending are available upon request.

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