NAB QUARTERLY CUSTOMER SPENDING TRENDS

EXPLORING THE SPENDING PATTERNS OF NAB CUSTOMERS – Q1 2018

NAB Behavioural & Industry Economics

Embargoed until 11.30am, Thursday 24 May 2018

Total NAB customer spending grew 6.8% y/y in Q1 2018, up from 5.0% in the previous quarter and 2.0% compared to the same quarter a year ago. Spending growth in metropolitan areas is now outpacing growth in regional areas - the first time since NAB started reporting this data in Q4 2016. Spending growth was again fastest for 'experiences' such as Accommodation & Food and Arts & Recreation. By capital city metro area, spending growth was fastest in Melbourne, Sydney, Hobart and Adelaide. In regional areas, spending growth was fastest in SA, followed by VIC, QLD and NSW. Average monthly spending was highest in Sydney ($2,197) marginally ahead of VIC ($2,196). But, there are big variations in average spending amounts across metropolitan local government areas (LGAs). In Sydney for example, average monthly spending ranged from $4,166 in the highest spending LGA to just $1,475 in the lowest - a gap of $2,691.

HIGHLIGHTS

- **What does this report measure?** It explores the spending patterns of our customers*. By examining around 2.7 million daily transactions, it shows 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.
- **Is spending growing?** Total NAB customer spending grew by 6.8% y/y in Q1 2018 (up from 5.0% in Q4 2018 and 2.0% in Q1 2017). Spending in metropolitan areas increased by 6.9% (4.9% in Q4 2017 & 1.6% in Q1 2017), marginally ahead of a 6.6% increase in regional areas (5.2% in Q4 2017 & 3.2% in Q1 2017). This is the first time that spending growth in metropolitan areas has outpaced growth in regional areas since NAB first started compiling this data in Q4 2016.
- **Where is spending growing fastest in capital city areas?** Spending grew in all capital city metropolitan areas in Q1 2018 and the rate of growth was stronger than in the previous quarter and at the same time one year earlier in all cities, except Darwin. Growth was led by Melbourne (7.8%) and Sydney (7.5%), with Darwin (3.4%) and Perth (5.3%) slowest.
- **What about in regional areas?** Spending growth accelerated in all regional areas relative to the previous quarter and the same period last year, except in regional NT. Spending growth was fastest in SA (9.5%), VIC (6.8%) and NSW (6.5%). It was slowest in TAS (4.5%), WA (5.6%) and the NT (5.6%).
- **How much are we spending?** Average monthly spending in metro areas was $2,150 in Q1 2018, down from $2,306 in Q4 2017 (Christmas impact), but up from $1,997 in Q1 2017. In regional areas, it was $1,947, down from $2,089 in Q4 2017, but up from $1,866 in Q1 2017. WA is the only state where spending is higher in regional ($2,117) than metro ($2,098) areas.
- **Who's spending the most in metro areas?** Sydney ($2,197) and Melbourne ($2,196) led the way. But there were big differences in spending by metro LGAs. In Sydney, average monthly spending ranged from $4,166 in the highest spending LGA to $1,475 in the lowest - a gap of $2,691. The gap between the highest and lowest LGAs was lowest in Darwin ($495).
- **What about in regional areas?** Average monthly customer spending was highest in WA ($2,117) and QLD ($1,974). But the gap between the highest and lowest spending LGAs was less extreme - ranging from $1,261 in QLD to $624 in WA.
- **In what category did spending grow fastest?** 'Experiences' continued to lead the way with Accommodation & Food Services growing 12.7% and Arts & Recreation Services up 10.6% in Q1 2018. Encouragingly, NAB's data also highlighted a further acceleration in Retail Trade spending (7.0%), with spending on Retail Trade growing in all states. Moreover, NAB customer spending grew in 13 of 15 spending categories in Q1 2018.

NAB Customer Spending: State (% y/y)

	Q1 2017		Q4 2017		Q1 2018	
	Metro	Region	Metro	Region	Metro	Region
NSW	2.6%	4.4%	5.6%	5.1%	7.5%	6.5%
VIC	2.4%	4.1%	6.4%	6.6%	7.8%	6.8%
QLD	1.0%	2.1%	3.5%	4.8%	5.4%	6.6%
SA	0.0%	2.8%	3.9%	7.9%	7.2%	9.5%
WA	-2.8%	1.0%	0.9%	2.8%	5.3%	5.6%
TAS	6.2%	2.5%	6.0%	3.3%	7.3%	4.5%
NT	1.6%	3.7%	6.1%	7.4%	3.4%	5.6%
ACT	5.2%		5.2%		6.2%	
AUS	**1.6%**	**3.2%**	**4.9%**	**5.2%**	**6.9%**	**6.6%**

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

NAB Customer Spending: Industry Sector (% y/y)

	Q1 2017	Q4 2017	Q1 2018
Accommodation & Food Services	7.5%	10.4%	12.7%
Administrative & Support Services	4.3%	4.0%	6.2%
Arts & Recreation Services	12.0%	17.2%	10.6%
Construction	-0.6%	0.5%	-0.2%
Education & Training	-1.9%	1.1%	-3.8%
Electricity, Gas, Water & Waste	1.3%	4.4%	3.2%
Finance & Insurance Services	7.9%	13.5%	9.1%
Healthcare & Social Assistance	1.9%	3.8%	3.4%
Info, Media & Telecoms	0.8%	1.9%	1.5%
Other Services	5.3%	5.6%	9.4%
Professional, Scientific & Tech Serv.	0.7%	10.1%	6.0%
Rental, Hiring & Real Estate Serv.	1.4%	5.3%	5.8%
Retail Trade	1.0%	3.4%	7.0%
Transport, Postal & Warehousing	-3.7%	3.6%	7.6%
Wholesale Trade	3.6%	5.7%	3.0%

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

(percentage change Q1 2018 on Q1 2017)

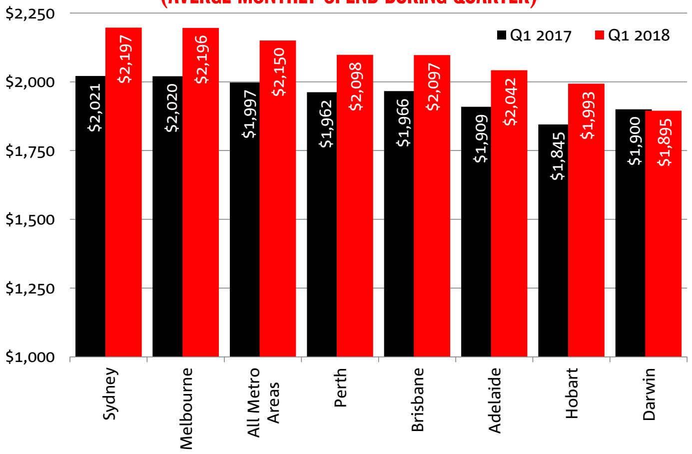
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT	AUS
Accommodation & Food Services	14.6	13.8	9.6	12.5	10.4	9.9	9.8	16.0	12.7
Arts & Recreation Services	13.8	4.4	13.9	9.5	19.0	4.8	22.7	7.5	10.6
Other Services	9.1	12.9	8.9	9.3	0.2	24.5	14.8	4.1	9.4
Financial & Insurance Services	8.4	13.0	5.7	7.3	10.2	5.3	-3.7	3.2	9.1
Transport, Postal & Warehousing	9.0	7.6	7.1	8.9	5.9	2.2	-7.5	7.7	7.6
Retail Trade	7.1	7.4	6.9	7.6	5.8	6.6	4.1	7.1	7.0
Administrative & Support Services	7.3	7.5	6.0	5.3	1.7	12.1	1.7	-4.8	6.2
Professional, Scientific & Technical Serv.	6.5	5.6	10.1	-0.6	1.2	-0.6	5.4	-0.9	6.0
Rental, Hiring & Real Estate Services	5.1	7.9	2.2	10.0	7.9	-4.4	5.8	5.9	5.8
Health Care & Social Assistance	2.3	3.7	4.1	8.4	2.1	-0.5	2.1	3.1	3.4
Electricity, Gas, Water & Waste Services	6.8	4.0	-3.7	10.2	1.2	3.3	-6.6	11.4	3.2
Wholesale Trade	-0.2	15.4	0.1	32.7	-15.0	-3.6	68.9	12.0	3.0
Information Media & Telecoms	0.6	2.4	1.1	2.3	2.1	1.5	3.8	1.6	1.5
Construction	-1.8	0.0	2.4	5.1	-2.0	-1.1	-5.0	-14.4	-0.2
Education & Training	-3.3	-5.2	-3.4	-3.8	1.9	-12.7	-18.3	-6.3	-3.8

Fastest growing by division (green) | Slowest growing by division (red)

AVERAGE MONTHLY NAB CUSTOMER SPENDING & HIGHEST/LOWEST SPENDING BY LGA IN METRO & REGIONAL AREAS ($ AMOUNTS)

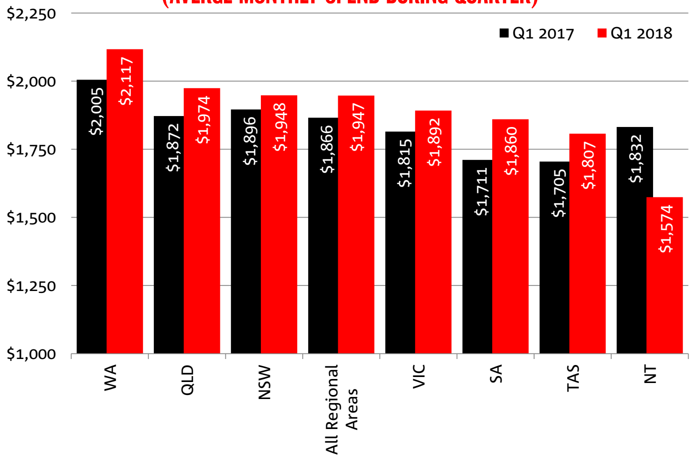
AVERAGE NAB CUSTOMER SPENDING: METRO

(AVERGE MONTHLY SPEND DURING QUARTER)



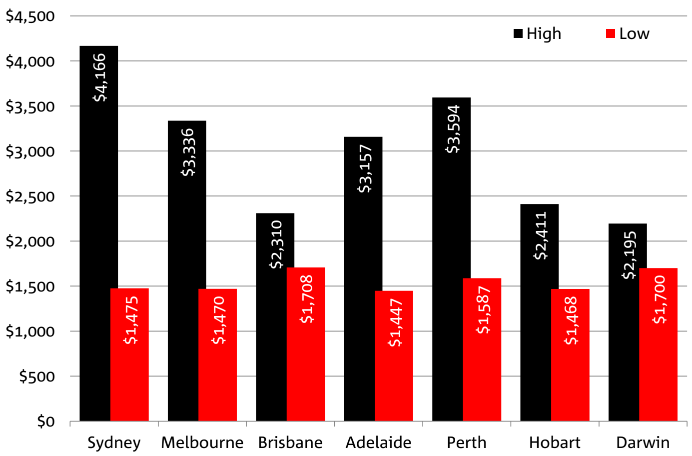
AVERAGE NAB CUSTOMER SPENDING: REGIONAL

(AVERGE MONTHLY SPEND DURING QUARTER)



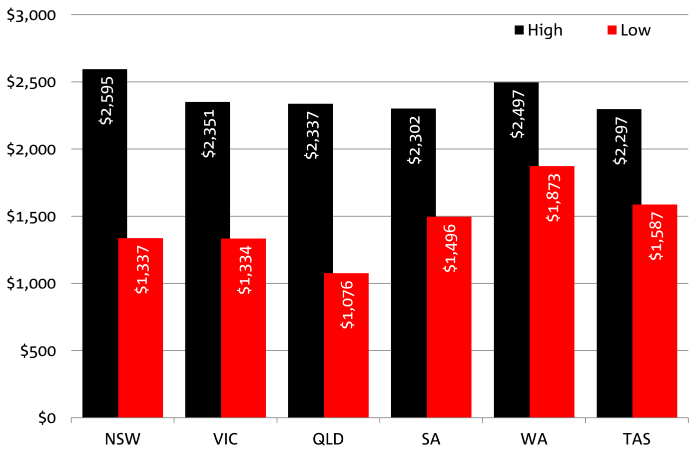
AVG MONTHLY NAB CUSTOMER SPENING Q1 2018: METRO

(HIGH-LOW RANGE BY LGA)

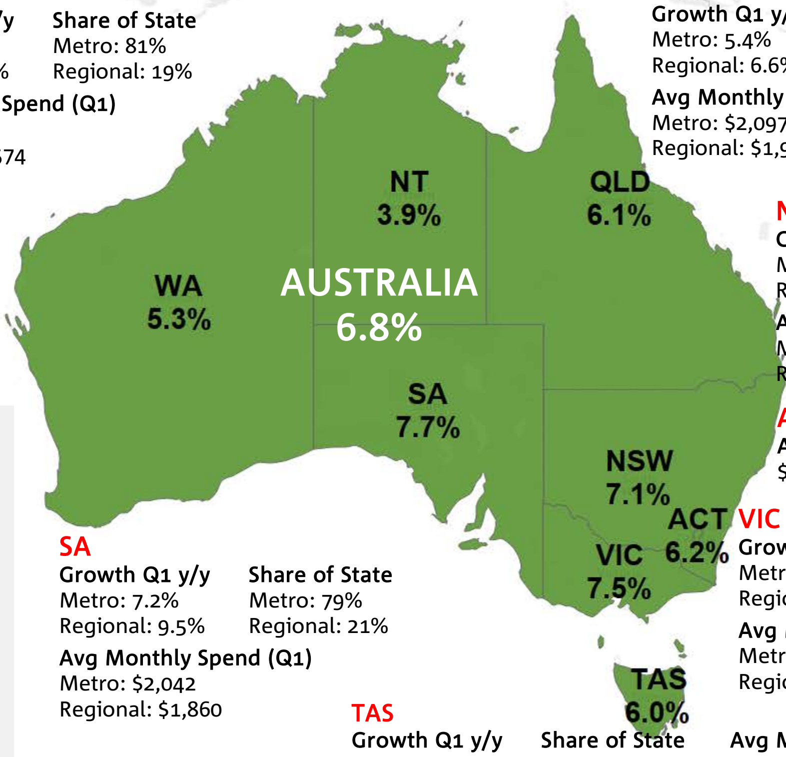


AVG MONTHLY NAB CUSTOMER SPENING Q1 2018: REGIONAL

(HIGH-LOW RANGE BY LGA)



NAB CUSTOMER SPENDING TRENDS - Q1 2018



NT

Growth Q1 y/y	Share of State
Metro: 3.4%	Metro: 81%
Regional: 5.6%	Regional: 19%

Avg Monthly Spend (Q1)
Metro: $1,895
Regional: $1,574

QLD

Growth Q1 y/y	Share of State
Metro: 5.4%	Metro: 45%
Regional: 6.6%	Regional: 55%

Avg Monthly Spend (Q1)
Metro: $2,097
Regional: $1,974

WA

Growth Q1 y/y	Share of State
Metro: 5.3%	Metro: 77%
Regional: 5.6%	Regional: 23%

Avg Monthly Spend (Q1)
Metro: $2,098
Regional: $2,117

NSW

Growth Q1 y/y	Share of State
Metro: 7.5%	Metro: 61%
Regional: 6.5%	Regional: 39%

Avg Monthly Spend (Q1)
Metro: $2,197
Regional: $1,948

ACT
Avg Monthly Spend (Q1)
$2,087

AUSTRALIA
Growth Q1 y/y
Metro: 6.9%
Regional: 6.6%
Share of AUS
Metro: 65%
Regional: 35%
Avg Monthly Spend (Q1)
Metro: $2,150
Regional: $1,947

SA

Growth Q1 y/y	Share of State
Metro: 7.2%	Metro: 79%
Regional: 9.5%	Regional: 21%

Avg Monthly Spend (Q1)
Metro: $2,042
Regional: $1,860

VIC

Growth Q1 y/y	Share of State
Metro: 7.8%	Metro: 76%
Regional: 6.8%	Regional: 24%

Avg Monthly Spend (Q1)
Metro: $2,196
Regional: $1,892

TAS

Growth Q1 y/y	Share of State	Avg Monthly Spend (Q1)
Metro: 7.3%	Metro: 55%	Metro: $1,993
Regional: 4.5%	Regional: 45%	Regional: $1,807

SUMMARY:

Overall customer spending growth in Australia

- Based on NAB's transaction data (including BPAY), total NAB customer spending accelerated to 6.8% y/y in Q1 2018, up from 5.0% in the previous quarter and 2.0% in the same period one year ago.

Overall customer spending growth - metropolitan versus regional

- Overall NAB customer spending growth accelerated in metropolitan and regional areas in Q1 2018 relative to the previous quarter and at the same time one year earlier
- Growth in customer spending in metropolitan areas increased by 6.9% in Q1 2018 (up from 4.9% in Q4 2017 & 1.6% in Q1 2017)
- Spending in regional areas grew by 6.6% in Q1 2018 (5.2% in Q4 2017 & 3.2% in Q1 2017).
- This is the first time that spending growth in metropolitan areas has outpaced that in regional areas since NAB first started compiling this report data in Q4 2016.
- Customer spending growth accelerated in all cities and regions relative to the previous quarter and one year earlier, except in metropolitan Darwin and regional NT.
- By individual capital city metro area, customer spending growth in Q1 2018 was fastest in Melbourne (7.8%), followed by Sydney (7.5%), Hobart (7.3%) and Adelaide (7.2%). It was slowest in Darwin (3.4%), Perth (5.3%) and Brisbane (5.4%).
- In regional areas, spending growth was fastest in SA (9.5%), VIC (6.8%), QLD (6.6%) and NSW (6.5%). It was slowest in TAS (4.5%), WA (5.6%) and the NT (5.6%). Customer spending in the ACT grew 6.2%.

Fastest growing Local Government Areas (LGAs)

- The top 10 fastest growing metropolitan LGAs in Australia were Hunters Hill NSW (19.3%), Canterbury-Bankstown NSW (12.7%), Woollahra NSW (12.6%), Adelaide SA (12.1%), Botany Bay NSW (11.6%), Mosman NSW (11.2%), Greater Dandenong VIC (11.0%), Fairfield NSW (10.7%), Manningham VIC (10.3%) and Liverpool NSW (10.3%).
- The top 10 fastest growing regional LGAs in Australia were Snowy Monaro Regional NSW (36.7%), Naracoorte and Lucindale SA (19.4%), Roxby Downs SA (17.1%), Wingecarribee NSW (14.8%), Strathbogie VIC (14.6%), The Coorong SA (13.5%), Port Lincoln SA (13.2%), Leeton NSW (13.1%), Whyalla SA (12.9%) and Clarence Valley NSW (12.7%).

- 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 1.

Fastest growing postcodes - metropolitan

- In **Australia** overall the top 10 fastest growing metropolitan postcodes were - Woodbridge 7162 (59.4%), Georges Hall 2198 (49.1%), Rydalmere 2116 (46.2%), Kangarilla 5157 (42.8%), Mount Victoria 2786 (41.4%), Lobethal 5241 (38.3%), Croydon 2132 (35.5%), Montrose 3765 (32.2%), Darling Point 2027 (27.6%) and Greendale 3341 (26.7%).
- In **Sydney** - Georges Hall 2198 (49.1%), Rydalmere 2116 (46.2%), Mount Victoria 2786 (41.4%), Croydon 2132 (35.5%) and Darling Point 2027 (27.6%).
- In **Melbourne** - Montrose 3765 (32.2%), Greendale 3341 (26.7%), Ashburton 3147 (23.6%), Garfield 3814 (19.1%), Altona Meadows 3028 (18.5%) and Coldstream 3770 (18.5%).
- In **Brisbane** - St Lucia 4067 (24.7%), Helidon 4344 (18.0%), Hamilton 4007 (16.8%), Acacia Ridge 4110 (16.1%) and Forest Hill 4342 (14.6%).
- In **Adelaide** - Kangarilla 5157 (42.8%), Lobethal 5241 (38.3%), Unley 5061 (23.3%), Allenby Gardens 5009 (22.6%) and North Adelaide 5006 (21.1%).
- In **Perth** - Balcatta 6021 (24.0%), Mount Helena 6082 (17.7%), Mount Lawley 6050 (16.7%), Trigg 6029 (16.4%) and Dawesville 6211 (14.6%).
- See state sheets below for top 20 fastest growing metropolitan postcodes in each state.

Fastest growing postcodes - regional

- In **Australia** overall the top 10 fastest growing regional postcodes were - Kogan 4406 (151.2%), Paskeville 5552 (93.9%), Keith 5267 (82.2%), Cooma 2630 (74.7%), Strathbogie 3663 (71.5%), Tooleybuc 2736 (67.4%), Woorabinda 4713 (64.2%), Tallangatta 3700 (63.4%), Brooweena 4620 (59.8%) and Geranium 5301 (57.7%).
- In NSW - Cooma 2630 (74.7%), Tooleybuc 2736 (67.4%), Moss Vale 2577 (54.1%), Barmedman 2668 (45.2%) and Gooloogong 2805 (41.1%).
- In VIC - Strathbogie 3663 (71.5%), Tallangatta 3700 (63.4%), Smeaton 3364 (47.6%), Walpeup 3507 (46.4%) and Ancona 3715 (44.1%).
- In QLD - Kogan 4406 (151.2%), Woorabinda 4713 (64.2%), Brooweena 4620 (59.8%), South Johnstone 4859 (44.9%) and Yandaran 4673 (41.3%).
- In SA - Paskeville 5552 (93.9%), Keith 5267 (82.2%), Geranium 5301 (57.7%), Myponga 5202 (40.5%) and Saddleworth 5413 (34.7%).
- In WA - Kondinin 6367 (52.6%), Denham 6537 (51.7%), Kulin 6365 (47.9%), Meekatharra 6642 (45.5%) and Dumbleyung 6350 (43.3%).
- 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 regional postcodes in each state.

Average monthly spending - metropolitan areas

- Average monthly customer spending in all metropolitan areas fell to $2,150 in Q1 from $2,306 in Q4 2017 as the impact of Christmas fell out of the calculation. But when compared to the same period one year earlier, average monthly spending was $153 higher.
- Average monthly spending was highest in Sydney ($2,197) marginally ahead of VIC ($2,196). Perth was next ($2,150), followed by Brisbane ($2,097), Adelaide ($2,042) and Hobart ($1,993).
- Average spending was lowest in Darwin ($1,895), which was also the only metro area where spending was lower than year earlier levels (down $5).
- There are big variations in average spending amounts across metropolitan LGAs. In Sydney, average monthly spending ranged from $4,166 in the highest spending LGA to just $1,475 in the lowest - a gap of $2,691.
- The next biggest gap in average spending across metro LGAs was in Perth ($2,007), Melbourne ($1,866) and Adelaide ($1,710). The gap between the highest and lowest average spending by LGA was lowest in Darwin ($495), Brisbane ($602) and Hobart ($943).

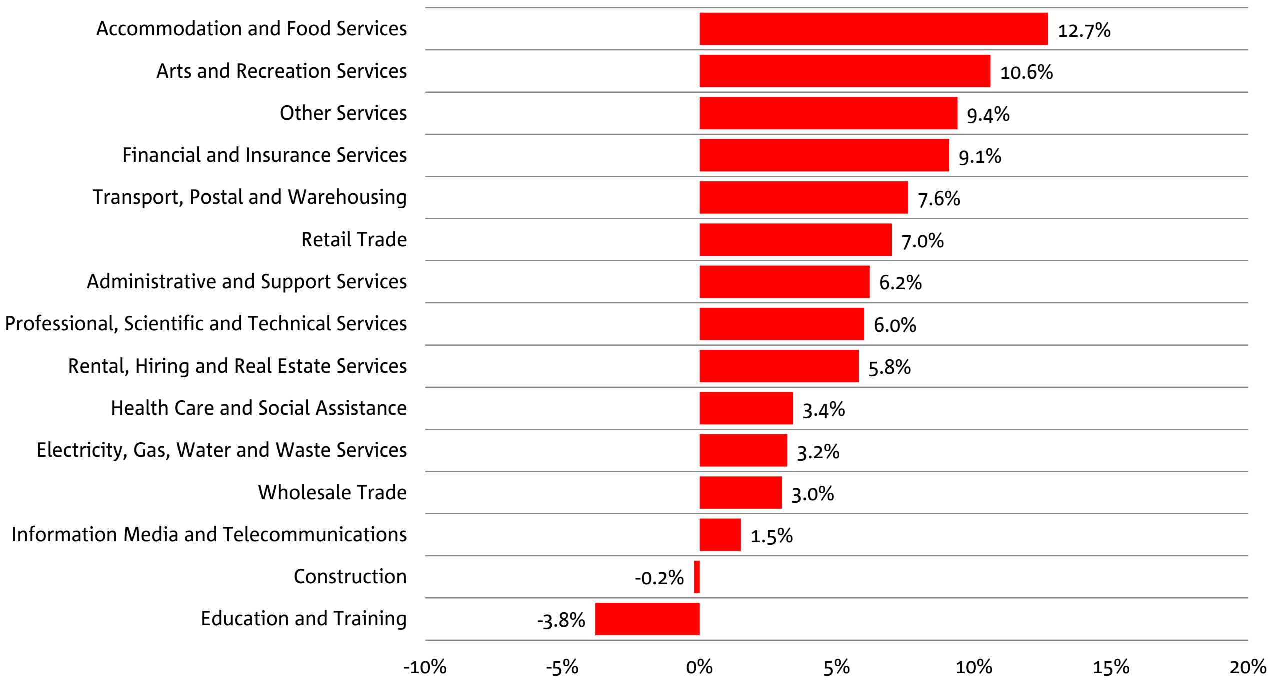
Average monthly spending - regional areas

- Average monthly spending in all regional areas fell to $1,947 in regional areas, down from $2,089 in Q4 2017, but was $81 higher than in the same period last year ($1,886).
- Average monthly spending was highest in WA ($2,117) followed by QLD ($1,974), NSW ($1,948) and VIC ($1,892). It was lowest in the NT ($1,574), TAS ($1,807) and SA ($1,860). WA was the only state in which average spending in regional areas exceeded metropolitan areas ($19 higher).
- Although variations in average spending amounts across regional LGAs were large, they were much less pronounced than in metropolitan LGAs.
- The biggest gap was in QLD, where average monthly spending across regional LGAs ranged from $2,337 to $1,076 - a gap of $1,261, slightly bigger than the gap in regional NSW ($1,258) and VIC ($1,017). The gap between the highest and lowest LGAs was smallest in WA ($624), followed by TAS ($710) and SA ($806).

Customer spending growth by industry category

- In year-on-year terms, positive NAB customer spending growth was recorded in 13 of 15 spending categories in Q1 2018.
- The fastest growing areas of NAB customer spending were for Accommodation & Food Services (12.7%), Arts & Recreation Services (10.6%), Other Services (9.4%), Financial & Insurance Services (9.1%) and Transport, Postal & Warehousing (7.6%).
- NAB Customer spending on Retail Trade accelerated to 7.0% (from 3.4% in Q4 2017 and 1.0% in Q1 2017) and was the sixth fastest growing customer spending category in Q1 2018 - with positive spending growth recorded in all states.
- Spending growth was slowest for Education & Training (-3.8%), Construction (-0.2%) and Information Media & Telecoms (1.5%).
- See table on page 2 for a detailed breakdown of NAB Customer Spending by state and category.

OVERALL GROWTH IN NAB CUSTOMER SPENDING (Q1 2018, % y/y)



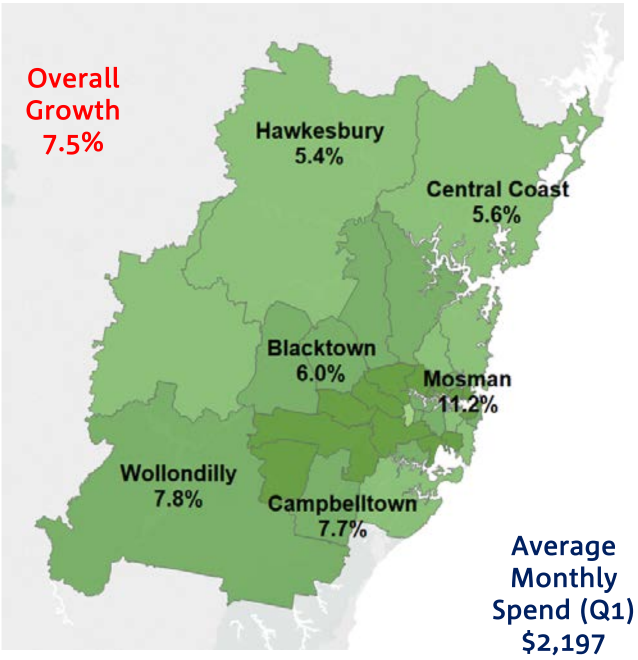
NAB CUSTOMER SPENDING BY STATE:

NSW - SYDNEY GREATER METROPOLITAN AREA

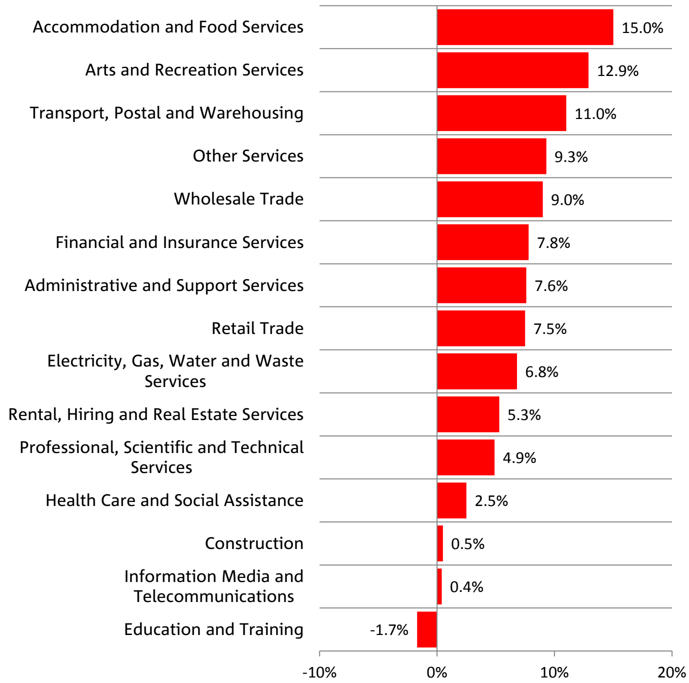
GROWTH IN NAB CUSTOMER SPENDING

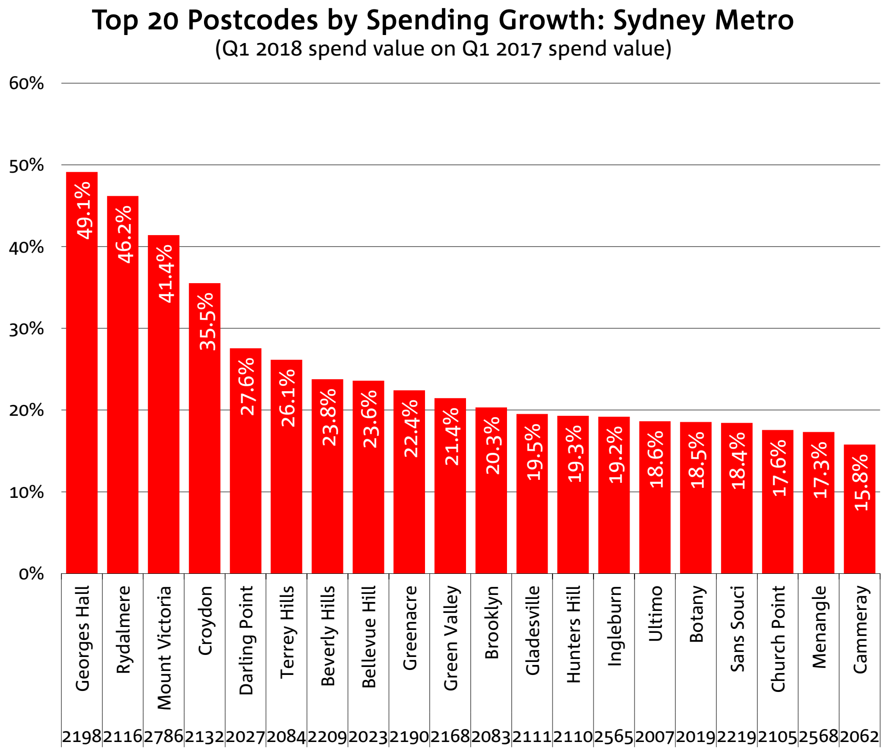
(percentage change Q1 2018 on Q1 2017)

SYDNEY GREATER METROPOLITAN AREA



GROWTH BY SPENDING (%,Y/Y)





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

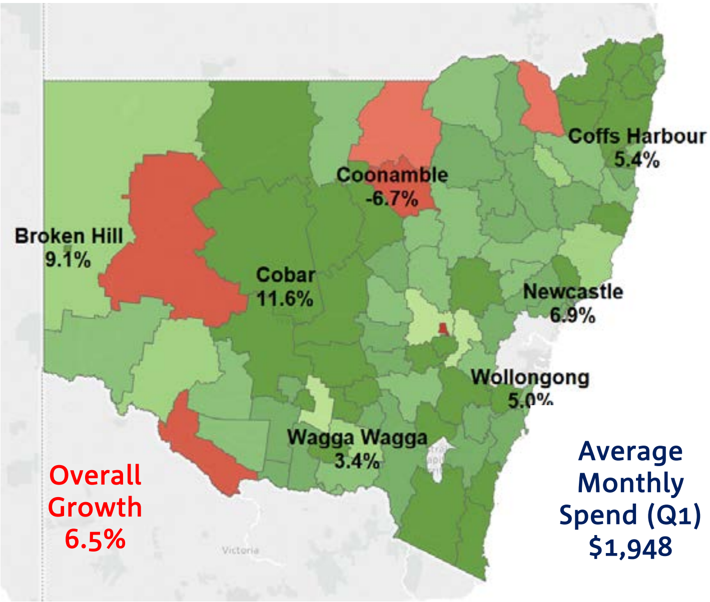
KEY TAKEOUTS

- Overall customer spending in greater Sydney grew 7.5% y/y in Q1’18 (5.6% in Q4’17 and 2.6% in Q1’17).
- Average spending per customer was $2,197 in Q1’18 ($2,368 in Q4’17 & $2,021 in Q1’17) - highest of all metro and regional areas.
- Spending growth was fastest for Accommodation & Food Services (15.0%), Arts & Recreation Services (12.9%) and Transport Postal & Warehousing (11.0%).
- Spending on Education & Training fell (-1.7%), with very modest growth in Information Media & Telecoms (0.4%) and Construction (0.5%)
- By individual postcode, spending growth was fastest in Georges Hall 2198 (49.1%), Rydalmere 2116 (46.2%), Mount Victoria 2786 (41.4%) and Croydon 2132 (35.5%).

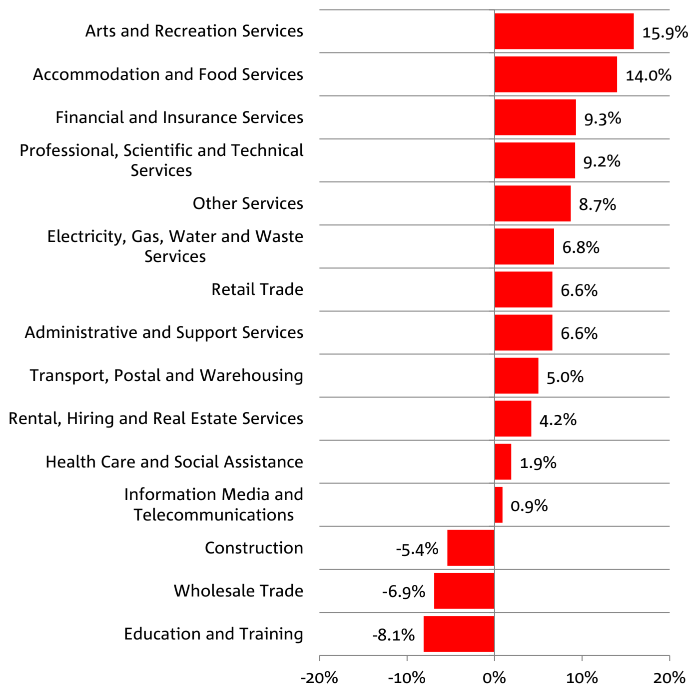
NSW - REGIONAL (EX. GREATER METRO AREA)

GROWTH IN NAB CUSTOMER SPENDING
(percentage change Q1 2018 on Q1 2017)

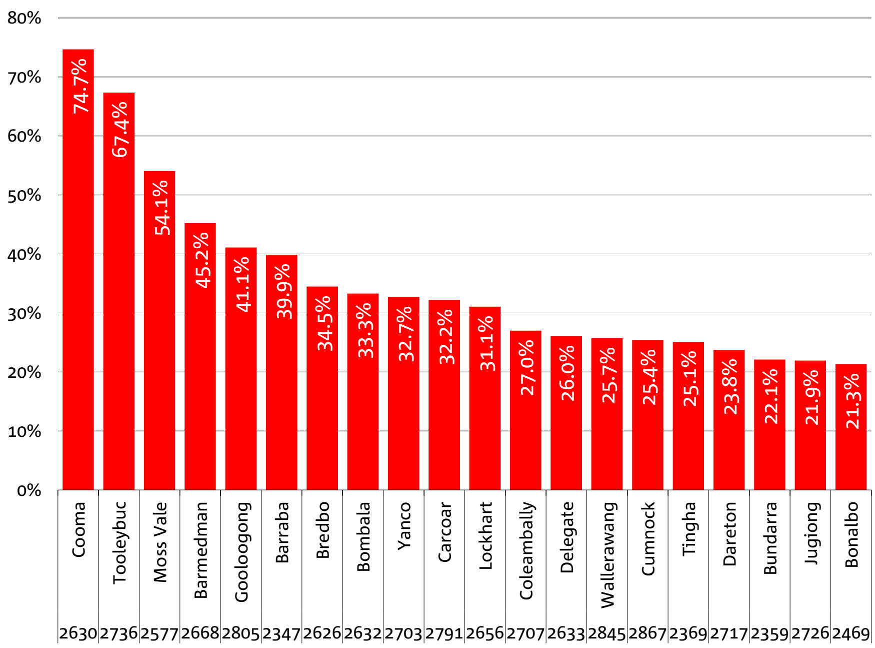
REGIONAL NSW (EX METRO)



GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spending Growth: NSW Regional
(Q1 2018 spend value on Q1 2017 spend value)



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

KEY TAKEOUTS

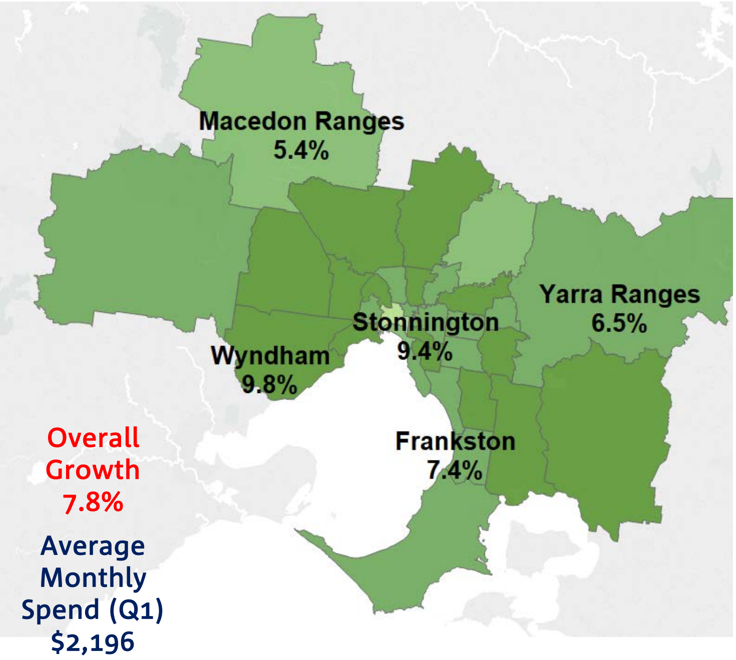
- Overall customer spending in regional NSW grew 6.5% y/y in Q1 2018 (5.1% in Q4'17 & 4.4% in Q1'17) - slower than in Sydney metro (7.5%).
- Average customer spending was $1,948 in Q1'18 ($2,096 in Q4'17 & $1,896 in Q1'17), below Sydney metro ($2,197).
- Customer spending grew fastest for Arts & Recreation (15.9%), Accommodation & Food (14.0%), Financial & Insurance Services (9.3%) and Professional, Scientific & Technical Services (9.2%).
- Spending fell for Education & Training (-8.1%), Wholesale Trade (-6.9%) and Construction (-5.4%).
- By postcode, spending growth was fastest in Cooma 2630 (74.7%), Tooleybuc 2736 (67.4%), Moss Vale 2577 (54.1%), 72.0%) and Barmedman 2668 (45.2%) and Gooloogong 2805 (41.1%).

VIC - MELBOURNE GREATER METROPOLITAN AREA

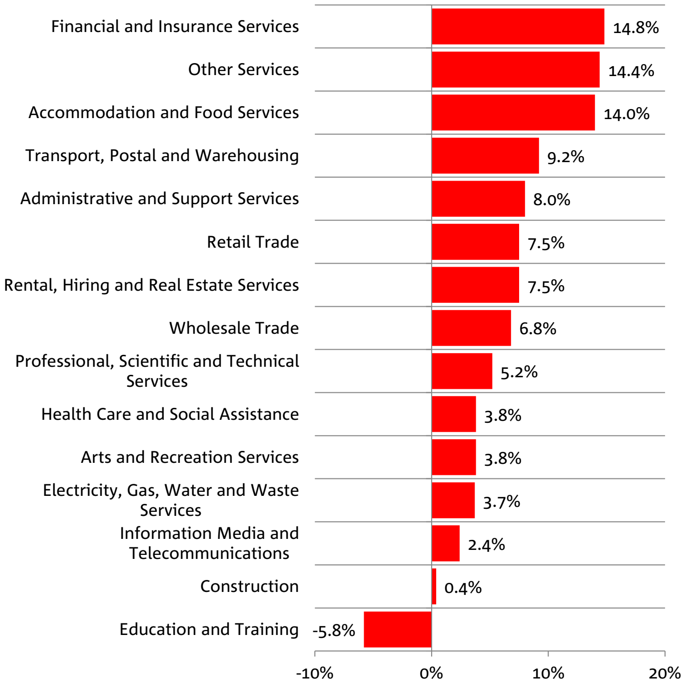
GROWTH IN NAB CUSTOMER SPENDING

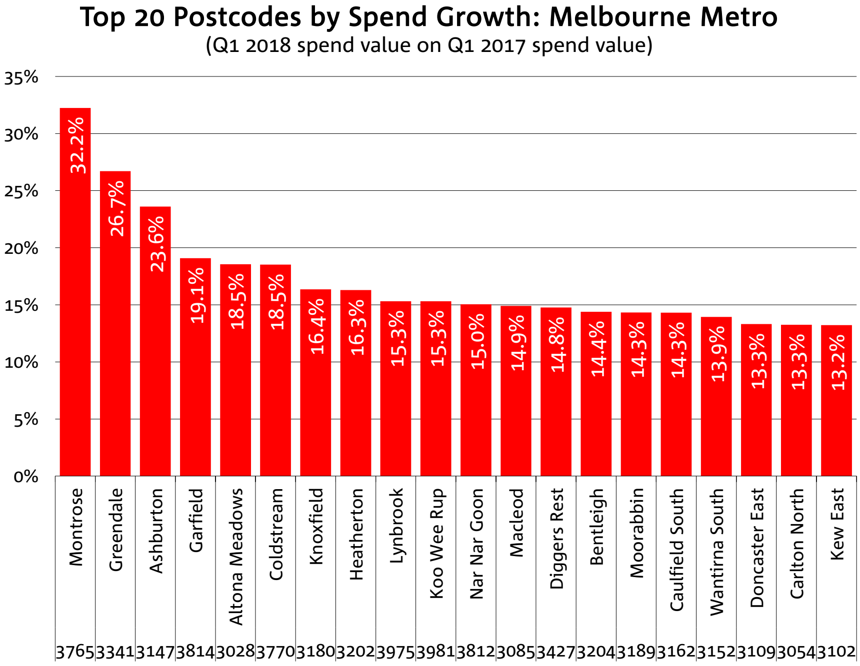
(percentage change Q1 2018 on Q1 2017)

MELBOURNE GREATER METROPOLITAN AREA



GROWTH BY SPENDING (%,Y/Y)





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

KEY TAKEOUTS

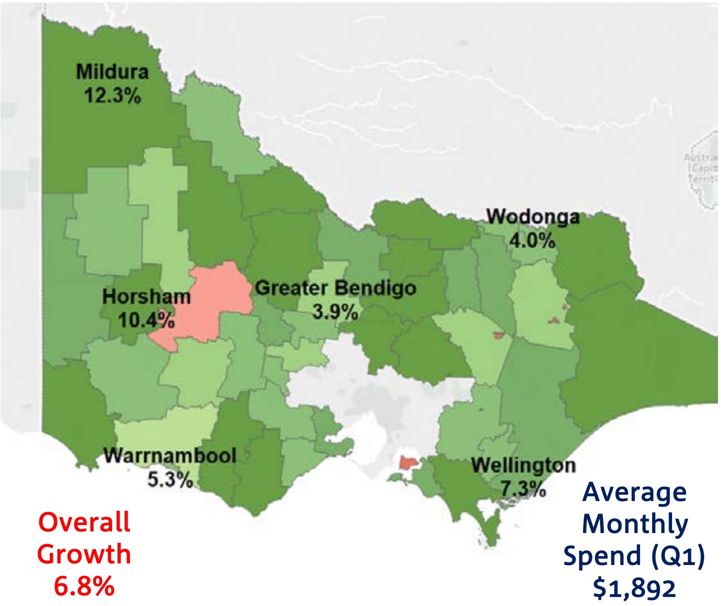
- Customer spending in Melbourne metro grew 7.8% y/y in Q1'18 (6.4% in Q4'17 & 2.4% in Q1'17) - fastest of all metro areas.
- Average monthly customer spending was $2,196 in Q1'18 ($2,361 in Q4'17 & $2,020 in Q1'17).
- Spending on Financial & Insurance Services (14.8%), Other Services (14.4%), and Accommodation & Food Services (14.0%) led the way.
- Spending on Education & Training fell (-5.8%). Construction (0.4%) was essentially flat, with relatively slow growth also seen in Information Media & Telecoms (2.4%).
- By postcode, spending growth was fastest in Montrose 3765 (32.2%), Greendale 3341 (26.7%), Ashburton 3147 (23.6%), Garfield 3814 (19.1%), Altona Meadows 3028 (18.5%) and Coldstream 3770 (18.5%).

VIC - REGIONAL (EX. GREATER METRO AREA)

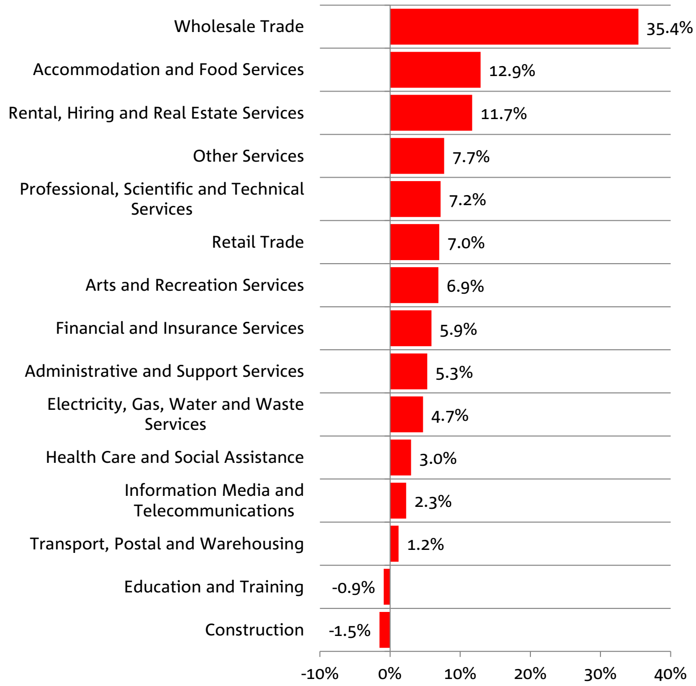
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q1 2018 on Q1 2017)

REGIONAL VIC (EX METRO)

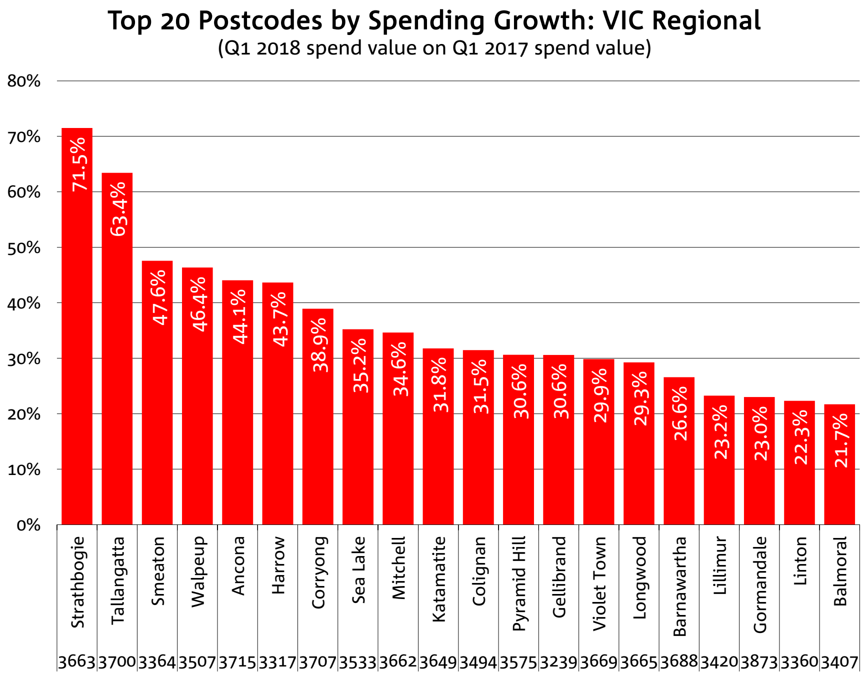


GROWTH BY SPENDING (%,Y/Y)



KEY TAKEOUTS

- Customer spending in regional VIC grew 6.8 % y/y in Q1'18 (6.6% in Q4'17 & 4.1% in Q1'17) - below Melbourne metro (7.8%).
- Average spending was $1,892 in Q1'18 ($2,047 in Q4'17 & $1,815 in Q1'17), below Melbourne metro ($2,196).
- Spending growth was fastest for Wholesale Trade (35.4%), Accommodation & Food Services (12.9%) and Rental, Hiring & Real Estate Services (11.7%).
- Spending on Construction (-1.5%) and Education & Training (-0.9%) fell. The next weakest categories were Transport, Postal & Warehousing (1.2%), Information Media & Telecoms (2.3%) and Healthcare & Social Assistance (3.0%).
- By individual postcode, spending growth was fastest in Strathbogie 3663 (71.5%), Tallangatta 3700 (63.4%), Smeaton 3364 (47.6%) and Walpeup 3507 (46.4%).



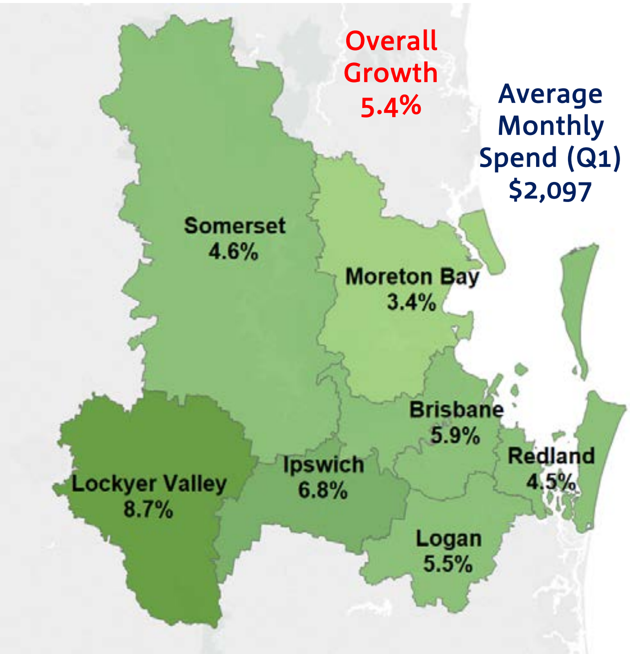
**postcodes with lower than a statistically significant number of customers were omitted.*

QLD - BRISBANE GREATER METROPOLITAN AREA

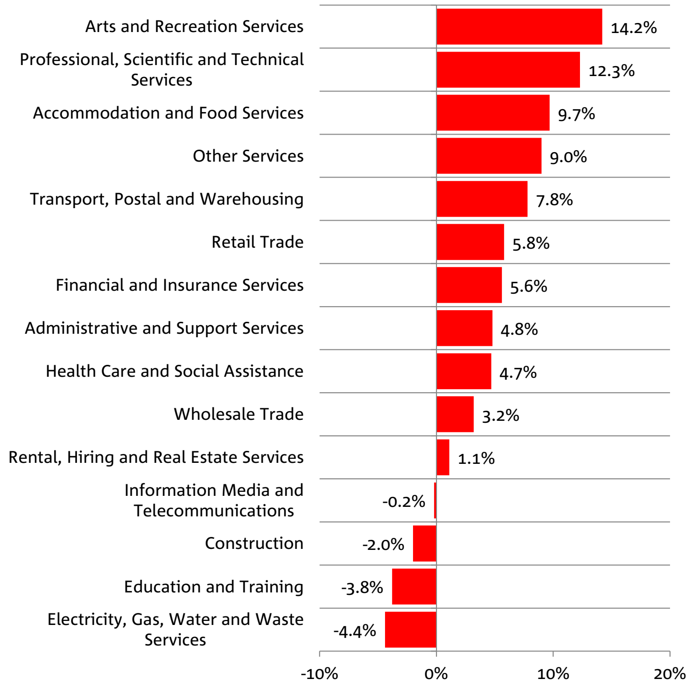
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q1 2018 on Q1 2017)

BRISBANE GREATER METROPOLITAN AREA

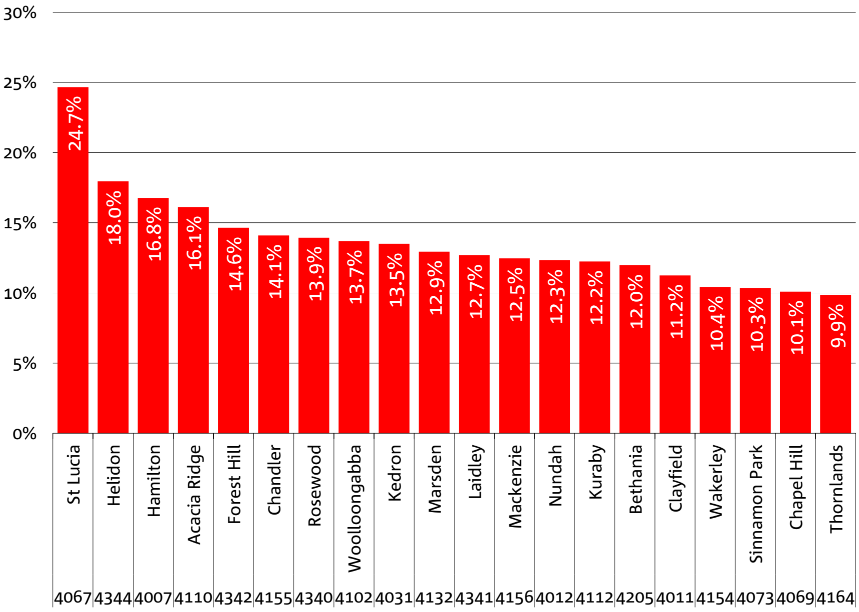


GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spend Growth: Brisbane Metro

(Q1 2018 spend value on Q1 2017 spend value)



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

KEY TAKEOUTS

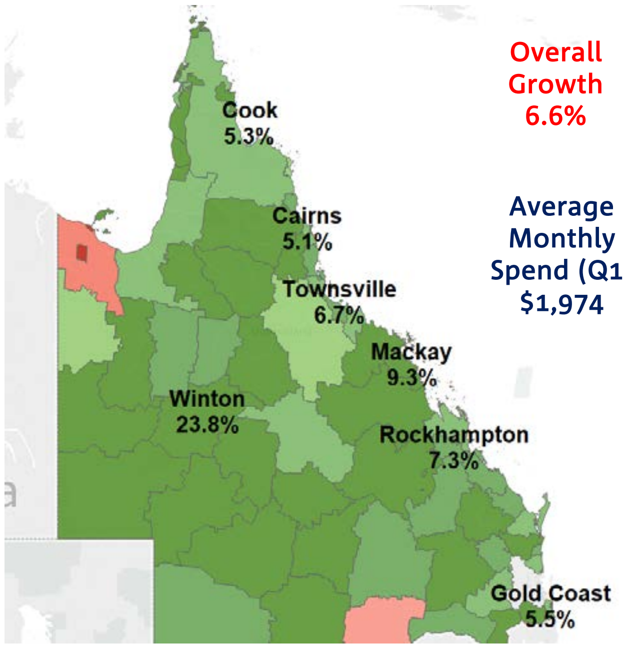
- Customer spending in the greater Brisbane metropolitan area grew 5.4% y/y in Q1’18 (3.5% y/y in Q4’17 & 1.0% in Q1’17).
- Average monthly customer spending was $2,097 in Q1’18 ($2,239 in Q4’17 & $1,966 in Q1’17).
- Customer spending grew fastest for Arts & Recreation Services (14.2%), Professional, Scientific & Technical Services (12.3%), Accommodation & Food Services (9.7%) and Other Services (9.0%).
- Spending fell for Utilities (-4.4%), Education & Training (-3.8%), Construction (-2.0%) and Information Media & Telecoms (-0.2%) contracted.
- By individual postcode, customer spending growth was fastest in St Lucia 4067 (24.7%), Helidon 4344 (18.0%), Hamilton 4007 (16.8%), Acacia Ridge 4110 (16.1%) and Forest Hill 4342 (14.6%).

QLD - REGIONAL (EX. GREATER METRO AREA)

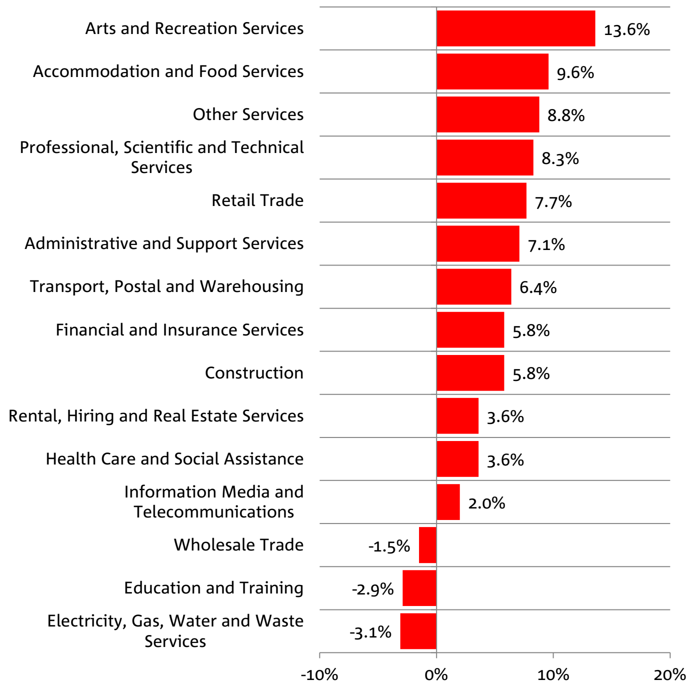
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q1 2018 on Q1 2017)

REGIONAL QLD (EX METRO)

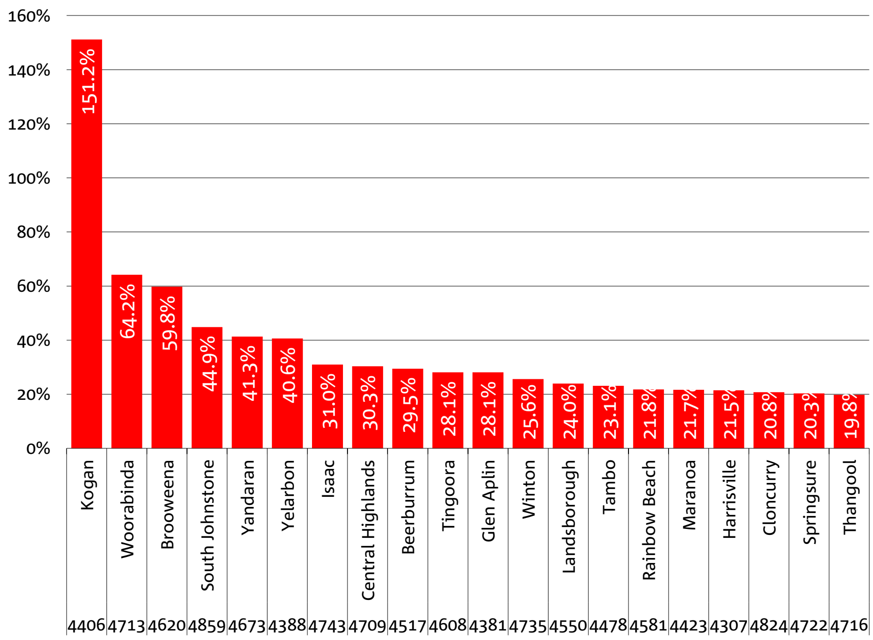


GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spending Growth: QLD Regional

(Q1 2018 spend value on Q1 2017 spend value)



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

KEY TAKEOUTS

- Customer spending in regional QLD grew 6.6% y/y in Q1'18 (4.8% in Q4'17 & 2.1% in Q1'17) and was faster than in Brisbane metro (5.4%).
- Average monthly customer spending was $1,974 in Q1'18 ($2,117 in Q4'17 & $1,872 in Q1'17), below average spending in metro Brisbane ($2,097).
- Spending growth was fastest for Arts & Recreation (13.6%), followed by Accommodation & Food Services (9.6%), Other Services (8.8%), Professional, Scientific & Technical Services (8.3%) and Retail Trade (7.7%).
- NAB Customer spending fell for Utilities (-3.1%), Education & Training (-2.9%) and Wholesale Trade (-1.5%).
- By postcode, spending grew fastest in Kogan 4406 (151.2%), significantly ahead of Woorabinda 4713 (64.2%), Brooweena 4620 (59.8%) and South Johnstone 4859 (44.9%).

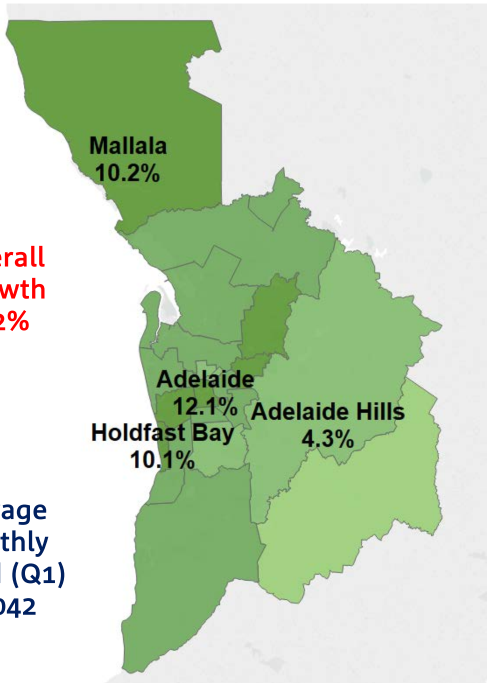
SA - ADELAIDE GREATER METROPOLITAN AREA

GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q1 2018 on Q1 2017)

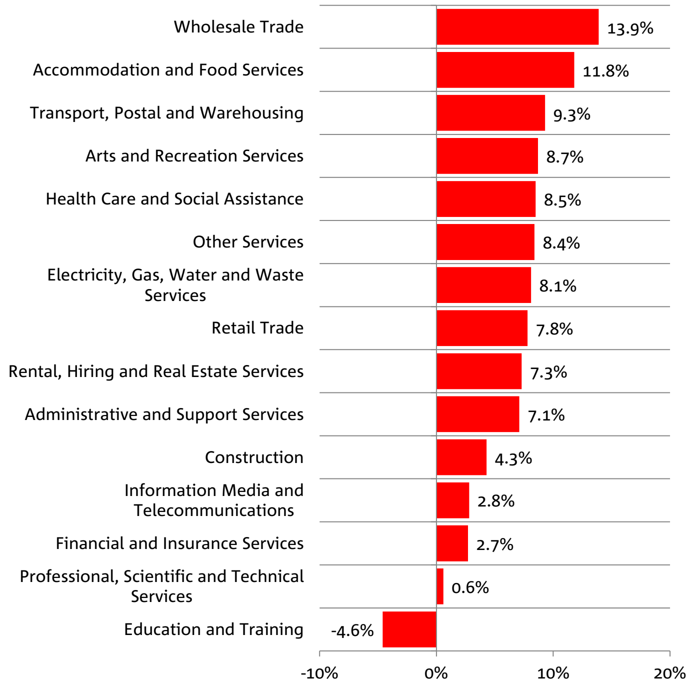
ADELAIDE GREATER METROPOLITAN AREA

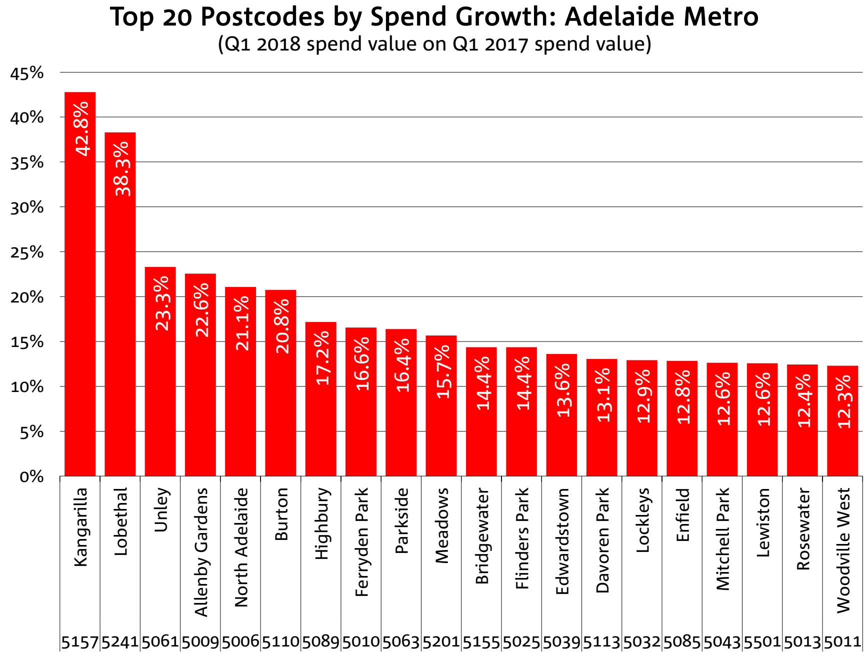
Overall Growth 7.2%



Average Monthly Spend (Q1) $2,042

GROWTH BY SPENDING (%,Y/Y)





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

KEY TAKEOUTS

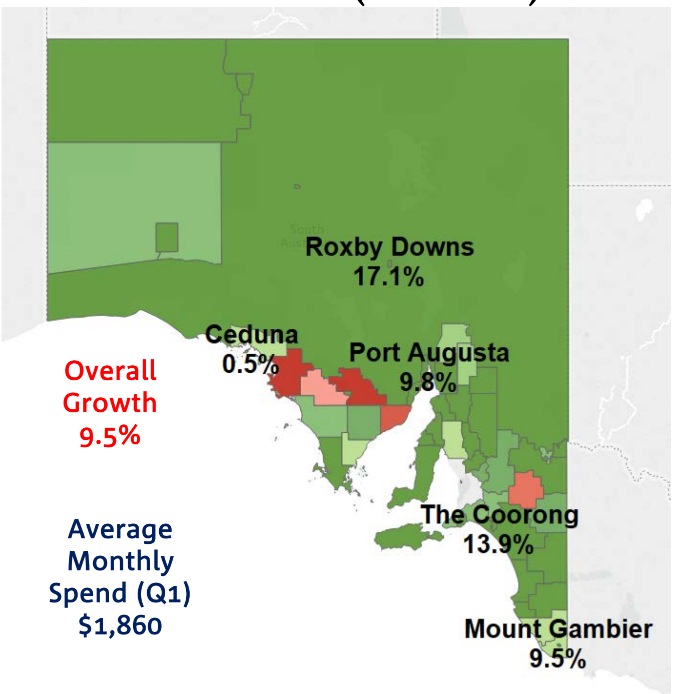
- NAB Customer spending in the greater Adelaide metro area grew 7.2% y/y in Q1'18 (3.9% in Q4'17 & 0.0% in Q1'17).
- Average monthly customer spending was $2,042 in Q1'18 ($2,155 in Q4'17 & $1,909 in Q1'17).
- Spending growth was fastest for Wholesale Trade (13.9%), Accommodation & Food Services (11.8%), Transport, Postal & Warehousing (9.3%) and Arts & Recreation (8.7%).
- Customer spending fell for Education & Training (-4.6%) and was essentially flat for Professional, Scientific and Technical Services (0.6%).
- By postcode, overall customer spending growth was fastest in Kangarilla 5157 (42.8%), Lobethal 5241 (38.3%), Unley 5061 (23.3%), Allenby Gardens 5009 (22.6%) and North Adelaide 5006 (21.1%).

SA - REGIONAL (EX. GREATER METRO AREA)

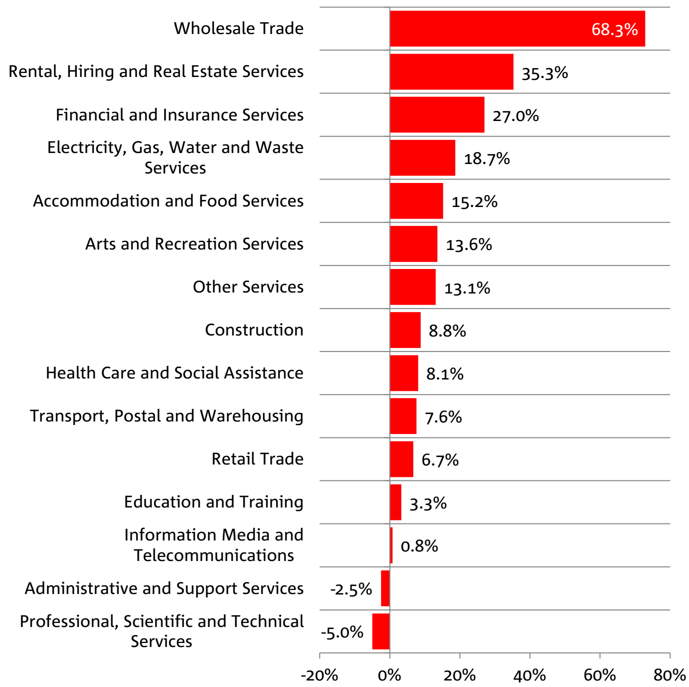
GROWTH IN NAB CUSTOMER SPENDING

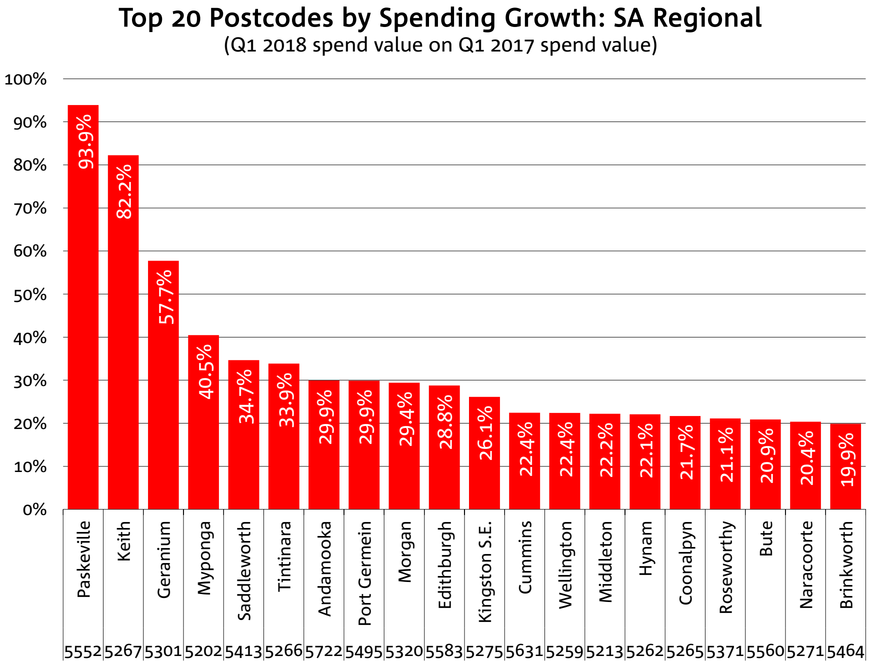
(percentage change Q1 2018 on Q1 2017)

REGIONAL SA (EX METRO)



GROWTH BY SPENDING (%,Y/Y)





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

KEY TAKEOUTS

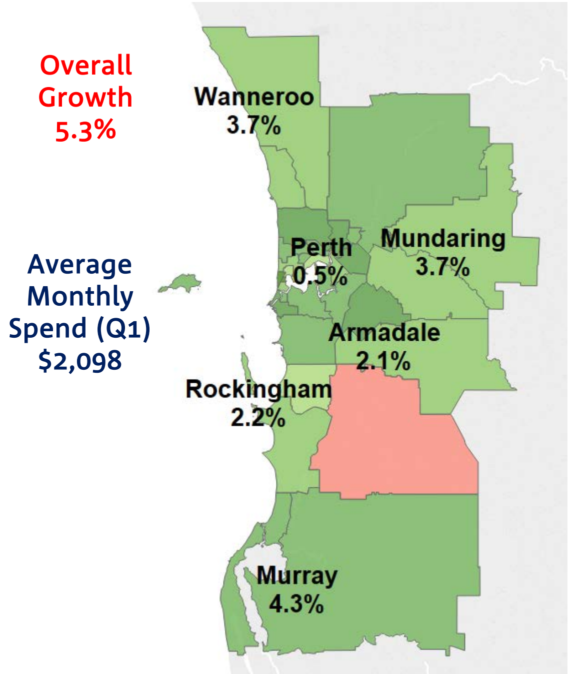
- Customer spending in regional SA grew 9.5% y/y in Q1'18 (7.9% in Q4'17 & 2.8% in Q1'17) and was the fastest growing area of regional (and metropolitan) spending in Australia.
- Average monthly spending was $1,860 in Q1'18 ($1,974 in Q4'17 & $1,711 in Q1'17), lower than Adelaide metro ($2,042).
- Spending was fastest for Wholesale Trade (68.3%), Rental, Hiring & Real Estate Services (35.3%), Financial & Insurance Services (27.0%) and Utilities (18.7%).
- Spending on Professional, Scientific & Technical Services (-5.0%) and Admin & Support Services (-2.5%) fell, and it was basically flat for Information Media & Telecoms (0.8%).
- By postcode, growth was fastest in Paskeville 5552 (93.9%), Keith 5267 (82.2%) and Geranium 5301 (57.7%).

WA - PERTH GREATER METROPOLITAN AREA

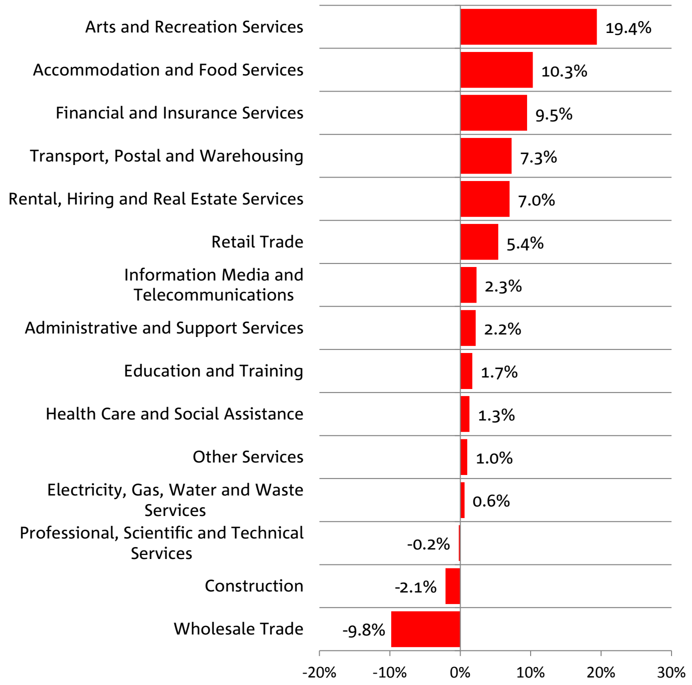
GROWTH IN NAB CUSTOMER SPENDING

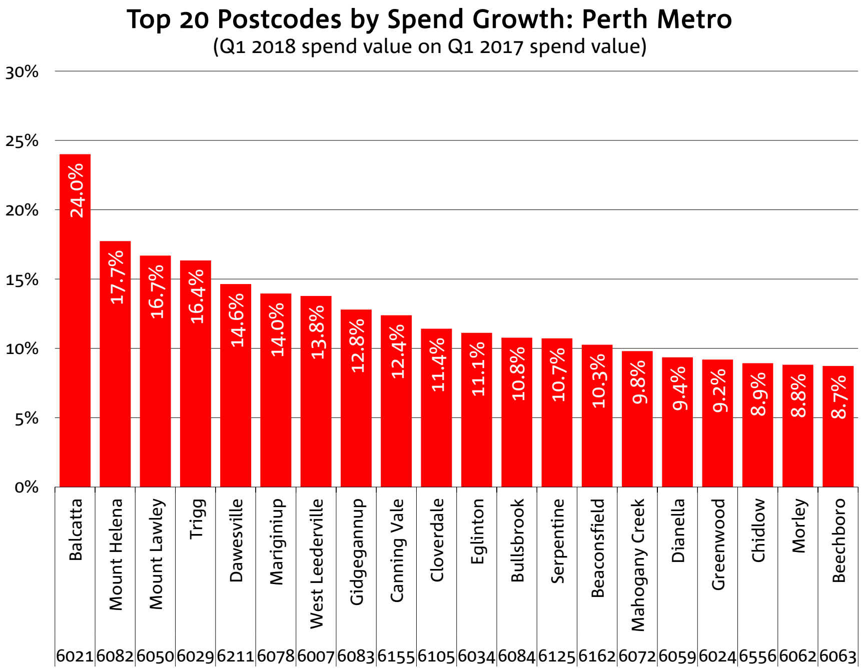
(percentage change Q1 2018 on Q1 2017)

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 greater Perth metro grew 5.3% in Q1'18 (0.9% in Q4'17 & -2.8% in Q1'17).
- Average monthly spending was $2,098 in Q1'18 ($2,246 in Q4'17 &$1,962 in Q1'17).
- Customer spending grew fastest for Arts & Recreation Services (19.4%), Accommodation & Food Services (10.3%), Financial & Insurance Services (9.5%), Transport, Postal & Warehousing (7.3%) and Rental, Hiring & Real Estate Services (7.0%).
- Spending on Wholesale Trade (-9.8%), Construction (-2.1%) and Professional, Scientific & Technical Services (-0.2%) fell, and was basically flat for Utilities (0.6%).
- By individual postcode, customer spending was fastest in Balcatta 6021 (24.0%), Mount Helena 6082 (17.7%), Mount Lawley 6050 (16.7%) and Trigg 6029 (16.4%).

WA - REGIONAL (EX. GREATER METRO AREA)

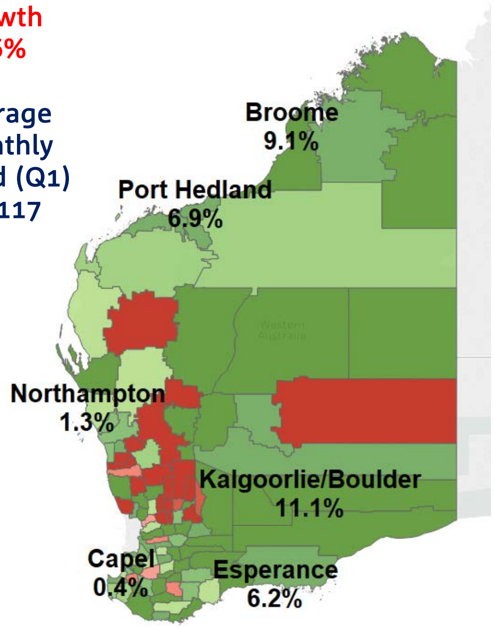
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q1 2018 on Q1 2017)

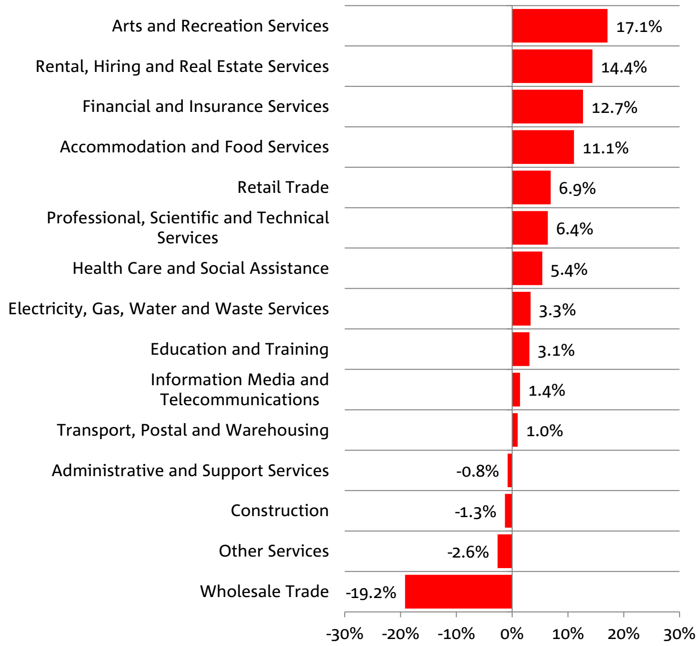
REGIONAL WA (EX METRO)

Overall Growth 5.6%

Average Monthly Spend (Q1) $2,117

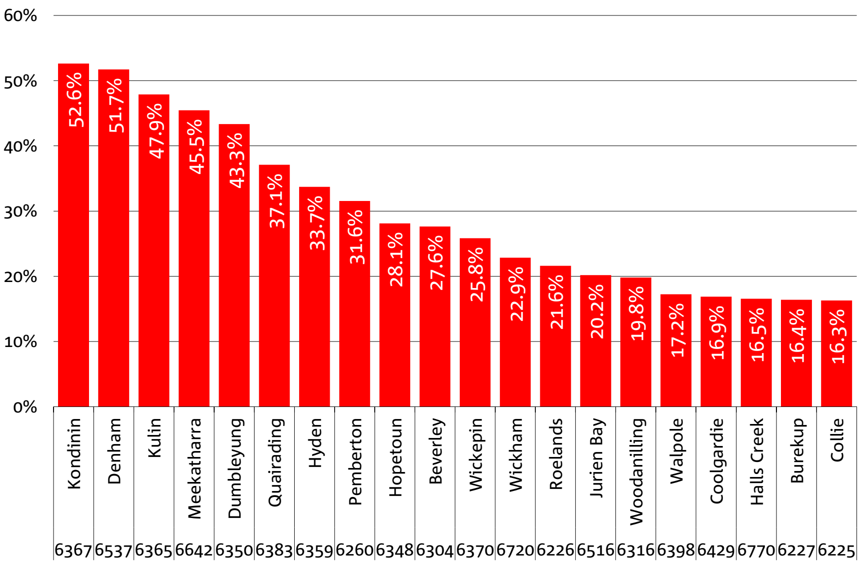


GROWTH BY SPENDING (%,Y/Y)



Top 20 Postcodes by Spending Growth: WA Regional

(Q1 2018 spend value on Q1 2017 spend value)



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

KEY TAKEOUTS

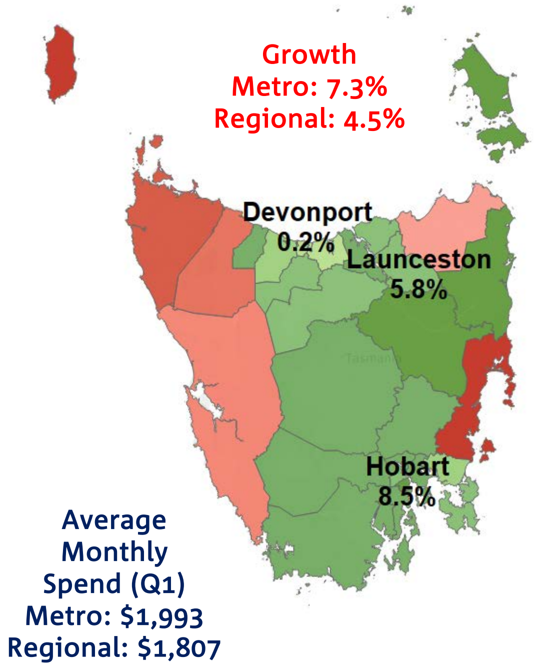
- Customer spending in regional WA (ex metro) grew 5.6% y/y in Q1'18 (2.8% in Q4'17 & 1.0% in Q1'17), faster than in Perth metro (5.3%).
- Average monthly spending was $2,117 in Q1'18 ($2,185 in Q4'17 & $2,005 in Q1'17) - the highest regional spend in Australia and also higher than in Perth metro ($2,098).
- Spending grew fastest for Arts & Recreation (17.1%), Rental, Hiring & Real Estate Services (14.4%), Financial & Insurance Services (12.7%) and Accommodation & Food (11.1%).
- Spending fell heavily on Wholesale Trade (-19.2%). It also fell for Other Services (-2.6%), Construction (-1.3%) and Administration & Support Services (-0.8%).
- By postcode, growth was fastest in Kondinin 6367 (52.6%), Denham 6537 (51.7%), Kulin 6365 (47.9%) and Meekatharra 6642 (45.5%).

TASMANIA

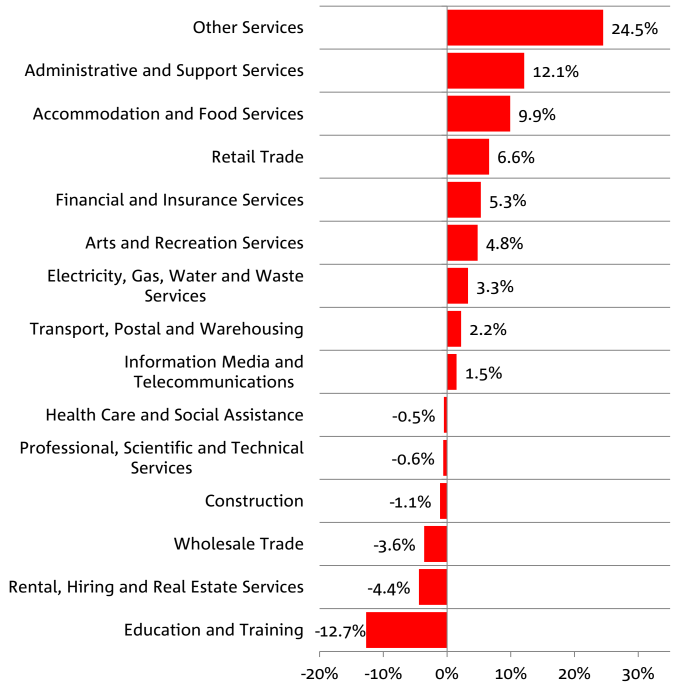
GROWTH IN NAB CUSTOMER SPENDING

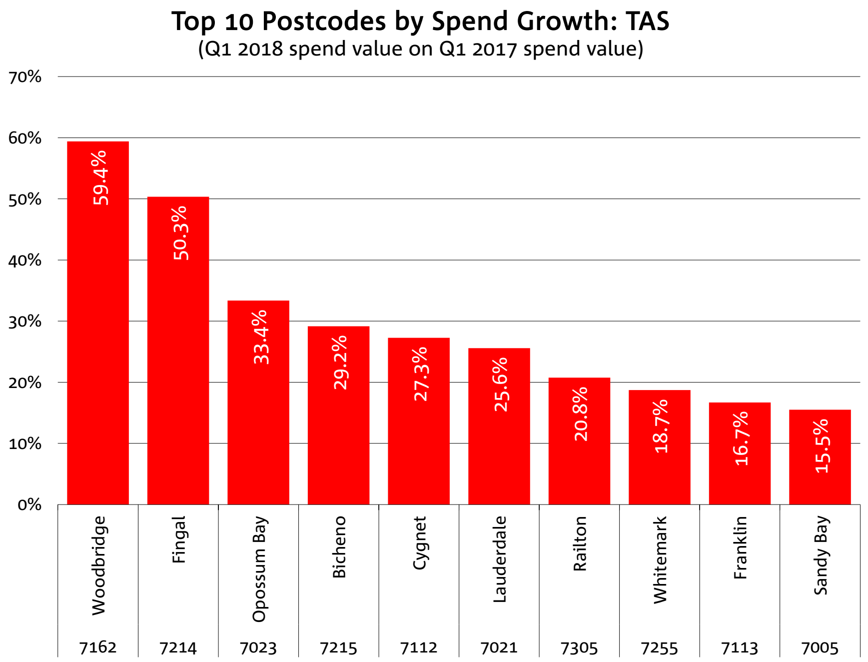
(percentage change Q1 2018 on Q1 2017)

TASMANIA - STATE



GROWTH BY SPENDING (%,Y/Y)





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

KEY TAKEOUTS

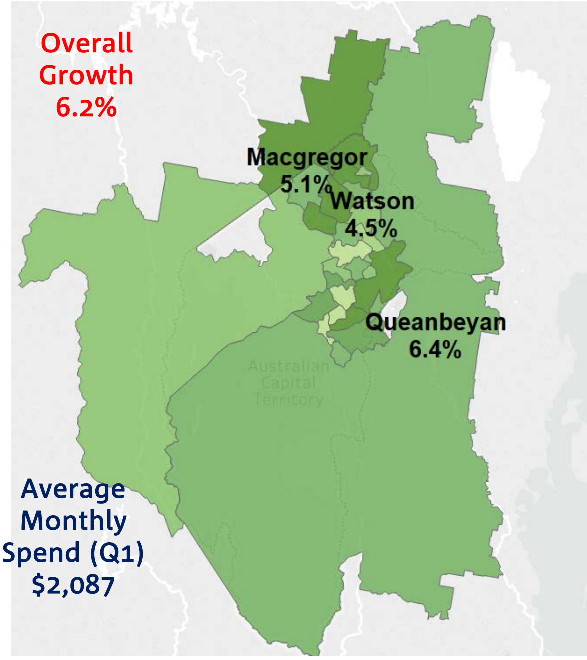
- Customer spending grew 7.3% y/y in Q1'18 in Hobart metro (6.0% in Q4'17 & 6.2% in Q1'17), and by 4.5% y/y in regional TAS (3.3% in Q4'17 & 2.5% in Q1'17) - the slowest of all regions.
- Average spending in Q1'18 was $1,993 in Hobart ($2,111 in Q4'17 & $1,845 in Q1'17) and $1,807 in regional TAS ($1,935 in Q4'17 & $1,705 in Q1'17).
- Spending (metro &regional) was fastest for Other Services (24.5%), Admin & Support (12.1%), Accommodation & Food (9.9%) and Retail Trade (6.6%).
- Customer spending on Education & Training (-12.7%), Rental, Hiring & Real Estate Services (-4.4%), Wholesale Trade (-3.6%), Construction (-1.1%), Professional, Scientific & Technical Services (-0.6%) and Healthcare & Social Assistance (-0.5%) fell.
- By postcode, growth was fastest in Woodbridge 7162 (59.4%), Fingal 7214 (50.3%) & Opossum Bay 7023 (33.4%).

ACT

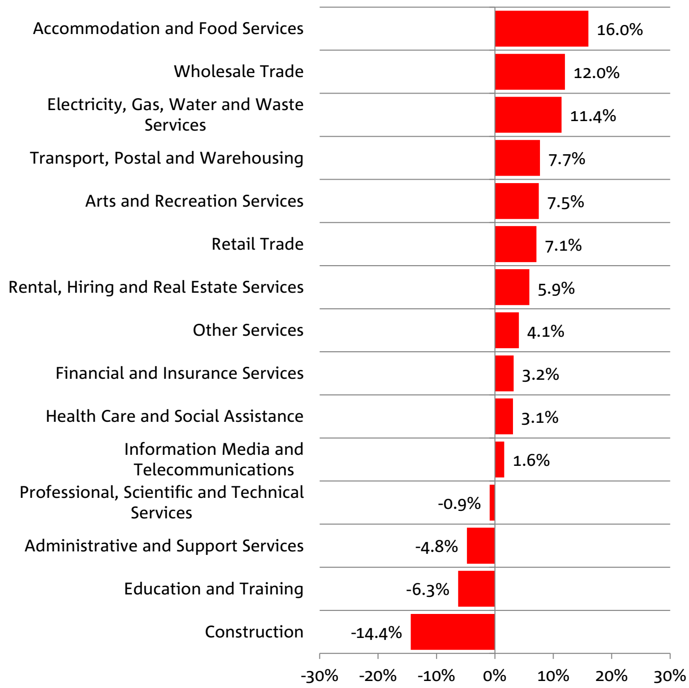
GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q1 2018 on Q1 2017)

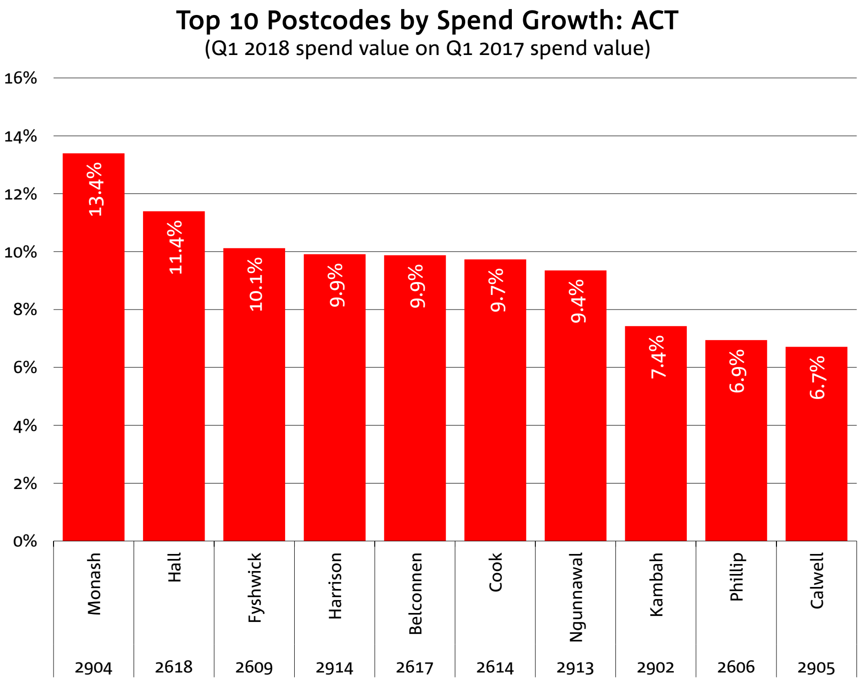
ACT



GROWTH BY SPENDING (%,Y/Y)



**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.*



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

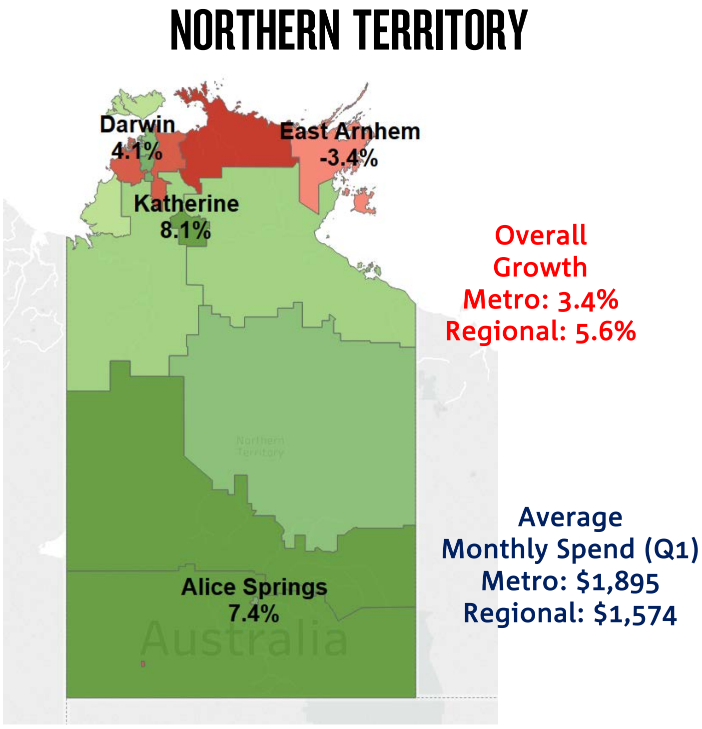
KEY TAKEOUTS

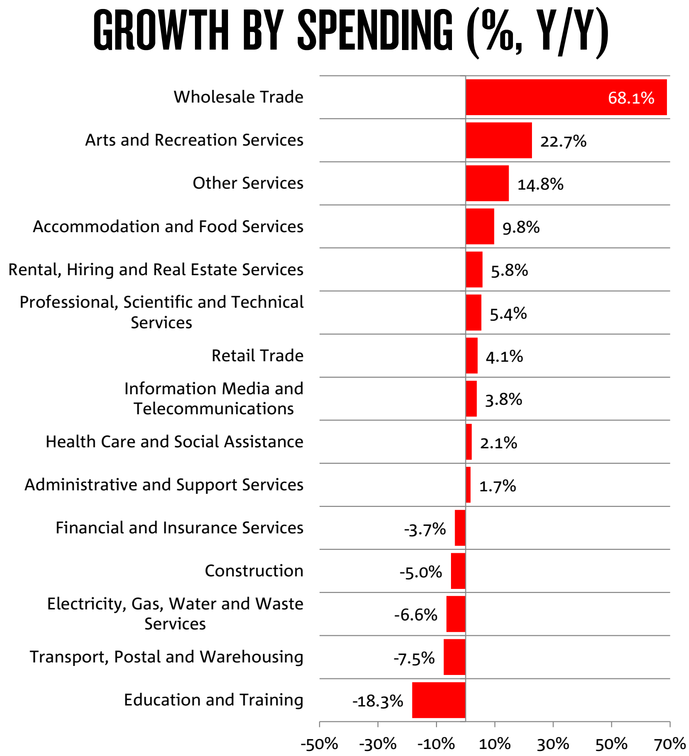
- Customer spending in the ACT grew 6.2% y/y in Q1'18 (5.2% in Q4'17 and 5.2% in Q1'17).
- Average monthly was $2,087 in Q1'18 ($2,261 in Q4'17 and $2,103 in Q1'17).
- Spending growth was fastest for Accommodation & Food Services (16.0%), Wholesale Trade (12.0%), Utilities (11.4%) and Transport, Postal & Warehousing (7.7%).
- Spending on Construction (-14.4%), Education & Training (-6.3%), Admin & Support Services (-4.8%) and Professional, Scientific & Technical Services (-0.9%) fell.
- By individual postcode, customer spending growth was fastest in Monash 2904 (13.4%), Hall 2618 (11.4%), Fyshwick 2609 (10.1%), Harrison 2914 (9.9%), Belconnen 2617 (9.9%), Cook 2614 (9.7%) and Ngunnawal 2913 (9.4%).

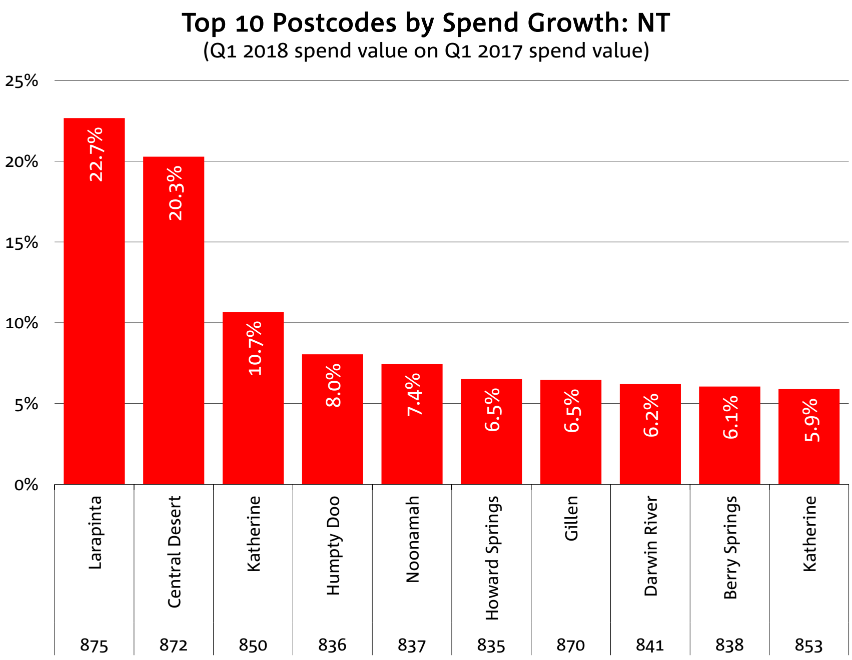
NORTHERN TERRITORY

GROWTH IN NAB CUSTOMER SPENDING

(percentage change Q1 2018 on Q1 2017)







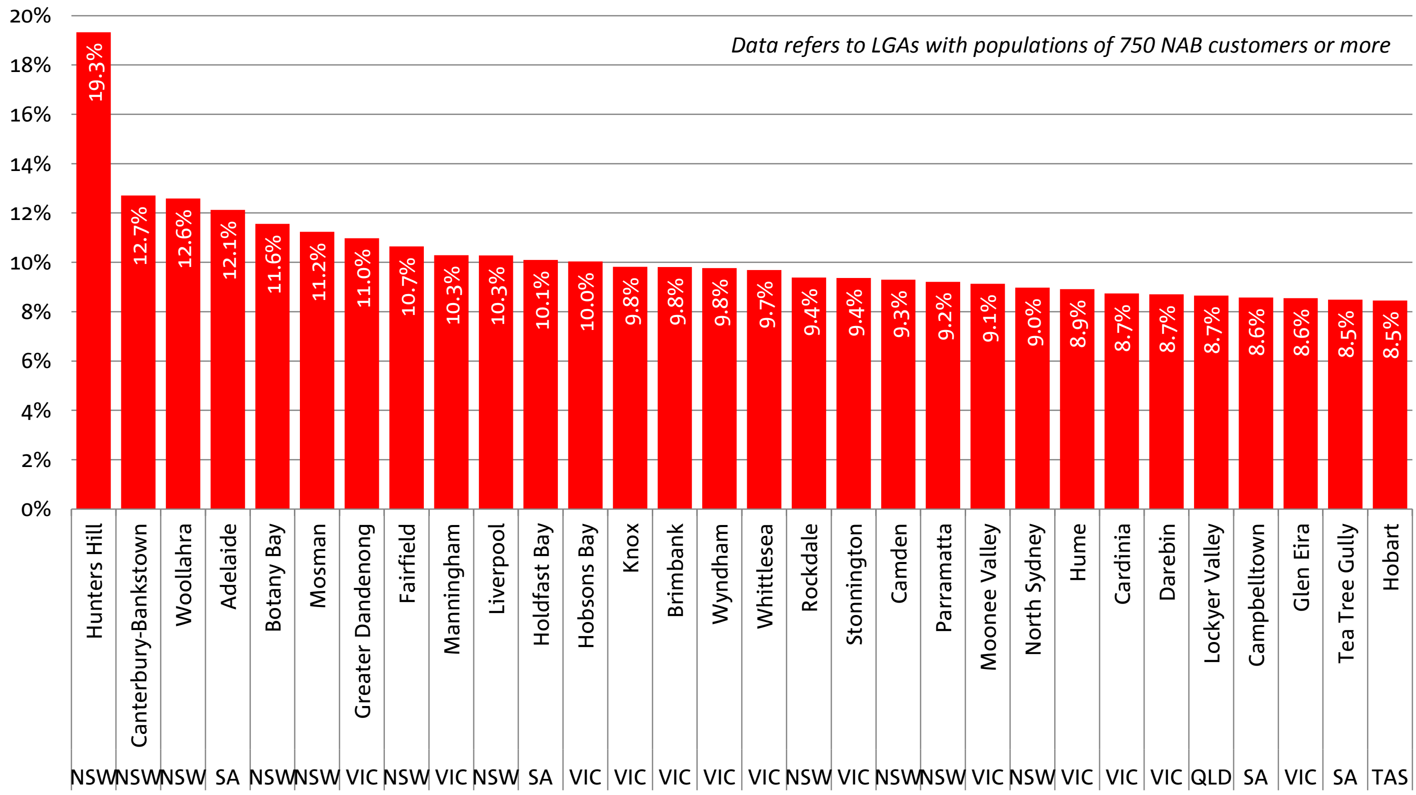
**postcodes with lower than a statistically significant number of customers were omitted.*

KEY TAKEOUTS

- Customer spending grew 3.4% y/y in Darwin metro in Q1'18 (6.1% in Q4'17 & 1.6% in Q1'17) - the slowest of all metro regions. In regional NT, spending grew 5.6% y/y (7.4% in Q4'17 & 3.7% in Q1'17).
- Average monthly spending in Q1'18 was $1,895 in Darwin metro ($2,118 in Q4'17 & $1,900 in Q1'17) - the lowest of all cities. In regional NT, average monthly spending was $1,574 in Q1'18 ($1,696 in Q4'17 & $1,832 in Q1'17) - also lowest of all regions.
- Spending was fastest for Wholesale Trade (68.1%), Arts & Recreation (22.7%) and Other Services (14.8%).
- Customer spending on Education & Training (-18.3%), Transport, Postal & Warehousing (-7.5%), Utilities (-6.6%), Construction (-5.0%) and Financial & Insurance Services (-3.7%).
- By postcode, spending was fastest in Larapinta 875 (22.7%), Central Desert 872 (20.3%) & Katherine 850 (10.7%).

APPENDIX 1

TOP 30 FASTEST GROWING AUSTRALIAN METROPOLITAN LGA'S



TOP 5 FASTEST GROWING METROPOLITAN LGA'S BY STATE

SYDNEY	% Y/Y
Hunters Hill	19.3%
Canterbury-Bankstown	12.7%
Woollahra	12.6%
Botany Bay	11.6%
Mosman	11.2%

MELBOURNE	% Y/Y
Greater Dandenong	11.0%
Manningham	10.3%
Hobsons Bay	10.0%
Knox	9.8%
Brimbank	9.8%

BRISBANE	% Y/Y
Lockyer Valley	8.7%
Ipswich	6.8%
Brisbane	5.9%
Logan	5.5%
Somerset	4.6%

ADELAIDE	% Y/Y
Adelaide	12.1%
Holdfast Bay	10.1%
Campbelltown	8.6%
Tea Tree Gully	8.5%
West Torrens	8.3%

PERTH	% Y/Y
Bayswater	7.6%
Belmont	7.5%
Stirling	7.5%
Gosnells	7.1%
Fremantle	6.2%

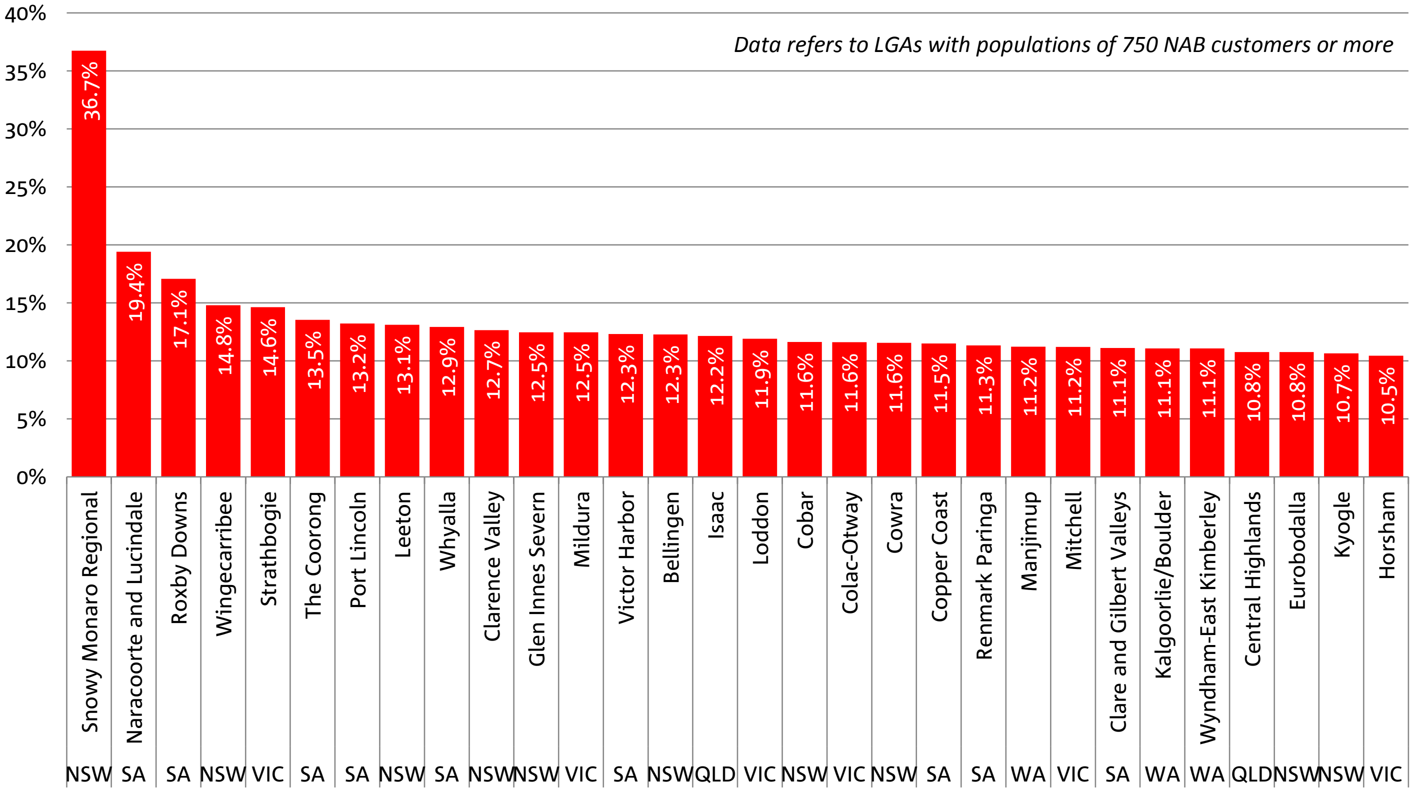
HOBART	% Y/Y
Hobart	8.5%
Brighton	7.9%
Kingborough	7.6%
Clarence	7.6%
Derwent Valley	6.4%

CANBERRA	% Y/Y
Unincorporated ACT*	6.2%

* The ACT does not have separate LGAs.

DARWIN	% Y/Y
Litchfield	4.4%
Darwin	4.1%
Palmerston	1.0%

TOP 30 FASTEST GROWING AUSTRALIAN REGIONAL LGA'S



TOP 5 FASTEST GROWING REGIONAL LGA'S BY STATE

NSW	% Y/Y
Snowy Monaro Regional	36.7%
Wingecarribee	14.8%
Leeton	13.1%
Clarence Valley	12.7%
Glen Innes Severn	12.5%

VIC	% Y/Y
Strathbogie	14.6%
Mildura	12.5%
Loddon	11.9%
Colac-Otway	11.6%
Mitchell	11.2%

QLD	% Y/Y
Isaac	12.2%
Central Highlands	10.8%
Torres Strait Island	10.4%
Torres	10.4%
Western Downs	10.4%

SA	% Y/Y
Naracoorte and Lucindale	19.4%
Roxby Downs	17.1%
The Coorong	13.5%
Port Lincoln	13.2%
Whyalla	12.9%

WA	% Y/Y
Manjimup	11.2%
Kalgoorlie/Boulder	11.1%
Wyndham-East Kimberley	11.1%
Albany	9.2%
Broome	9.1%

TAS	% Y/Y
Northern Midlands	8.0%
West Tamar	7.4%
Huon Valley	6.6%
Burnie	5.9%
Launceston	5.8%

NT	% Y/Y
Alice Springs	7.4%

APPENDIX 2

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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