

NAB CONSUMER BEHAVIOUR SURVEY Q3 2018



INSIGHTS INTO THE MINDSET OF AUSTRALIAN CONSUMERS – ANXIETIES AROUND FUTURE SPENDING AND SAVINGS PLANS, HOUSEHOLD FINANCES, THE ECONOMY, FINANCIAL CONCERNS & HOW THESE ARE IMPACTING SPENDING BEHAVIOURS AND LEVELS OF FINANCIAL HARDSHIP.

NAB Behavioural & Industry Economics

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Consumer anxiety rises a little further. Australians have loosened the reins on spending, but remain conservative. Over the next year, we expect to spend more on holidays, home renovations & school fees and less on major household items, cars, investments and residential property. Australians perceive their standard of living today only moderately better than their grandparent's generation & not much better than their parents. On average, Australian consumers believe they need a gross annual household income of \$102,000 to have a 'reasonable' standard of living.

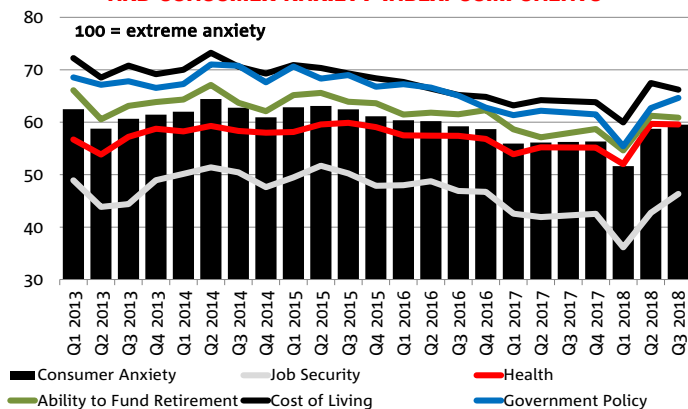
NAB's Consumer Anxiety Index increased slightly in Q3 following a big spike in Q2, as concerns about job security and government policy increased. The cost of living is still the biggest overall concern. Consumers living in WA and VIC were the most anxious and those living in TAS the least anxious (by some margin). Consumers worried less about their household financial position, but financing retirement, providing for their family's future and raising \$2,000 for an emergency weighed most heavily on their financial position. In 'highly' concerned households, utility bills continue to have the biggest impact on their financial position (but less than in Q2). Around 35% of consumers experienced some form of financial stress or hardship in the past 3 months (unchanged). Being unable to pay a bill and not having enough for food and basic necessities were the key causes of hardship.

Consumer spending behaviours were a little more positive in Q3, but still conservative. More consumers increased their spending on 'essentials', but fewer consumers also spent less on 'non-essentials' than did those who spent more, particularly when it came to eating out, entertainment and personal goods.

When asked to compare their standard of living today, consumers said it was only 'moderately' better than their grandparent's generation, a little better than their parents' and about the same as their children's generation.

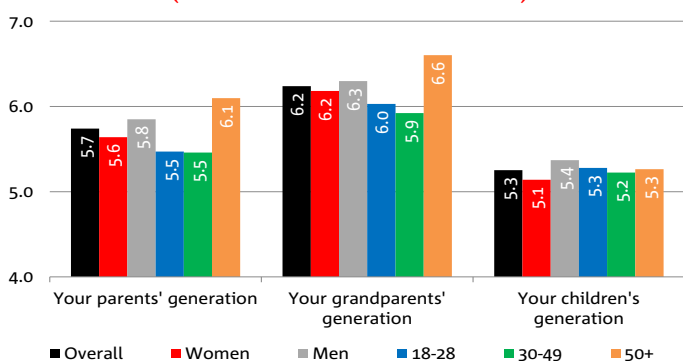
Consumer anxiety rises a little in Q3 ...

NAB CONSUMER ANXIETY INDEX: COMPONENTS



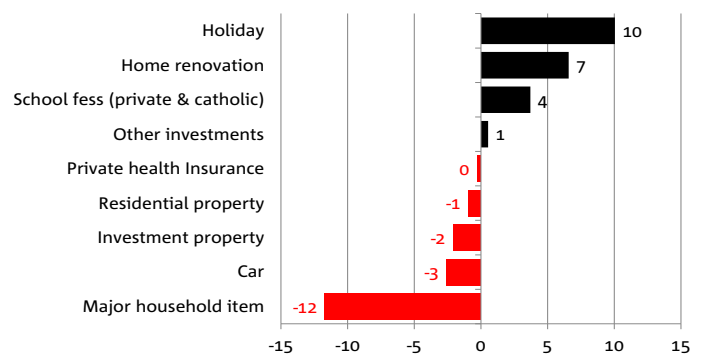
Standard of living better than our grandparents...

HOW STANDARD OF LIVING COMPARES TODAY (score out of 10 where 10 = 'a lot better')



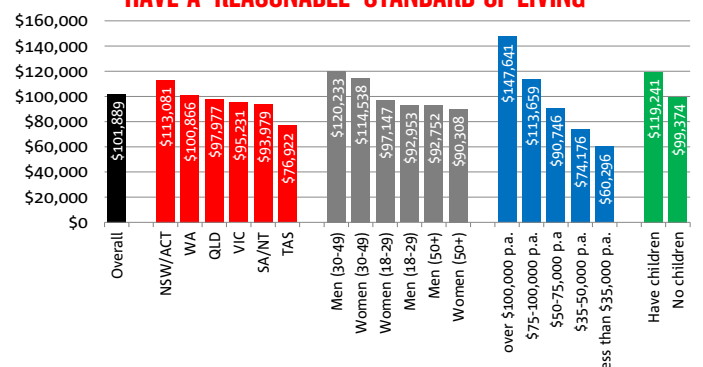
Consumers plan to spend more on holidays...

EXPECTATIONS IN REGARDS TO MAKING MAJOR PURCHASES IN NEXT 12 MONTHS (NET BALANCE)



Standard of living better than our grandparents...

GROSS ANNUAL HOUSEHOLD INCOME NEEDED TO HAVE A 'REASONABLE' STANDARD OF LIVING



EXECUTIVE SUMMARY

Consumer Anxiety – impact of jobs, health, retirement, cost of living & govt. policy on spending/savings

- The NAB Consumer Anxiety Index increased slightly in Q3 to 59.5 points (58.8 points in Q2), underpinned by higher concern over job security and government policy. Consumer concern over the cost of living, retirement funding and health expenditure moderated.
- Cost of living is still the biggest driver of consumer anxiety, while job security is still causing the least stress. But anxiety over our jobs has now risen to its highest level since late-2016. Anxiety was highest for consumers in the lowest income group, house renters, women aged 30-49 and for consumers with children. It was lowest for widows, consumers living in TAS and men over the age of 50.

Household Spending – How are these factors impacting household spending behaviours?

- NAB's overall spending indicator fell to -2 in Q3 (-5 in Q2), meaning the number of consumers that cut back spending still out-numbered those that increased their spending. But this was the strongest result since we started compiling this data in Q3 2014. More consumers increased spending on 'essentials', but fewer consumers spent less on 'non-essentials' in Q3 than did those who spent more, particularly when it came to eating out, entertainment and personal goods.
- For the first time, we asked consumers about their expectations for major purchases in the next 12 months. Overall, the number who planned to spend more out-weighed those intending to spend less for holidays, home renovations, school fees and other investments.
- We also asked them to judge their standard of living today against other generations. It was 'moderately' better than their grandparents, a little better than their parents and about the same than their children's generation. On average, Australian consumers said around \$102,000 (gross annual household income) would help them have a 'reasonable' standard of living. This is above full time average total earnings of around \$86,000 per year (around \$16,000 more) and may help explain why cost of living pressures weigh most heavily on consumers and why they may not believe they've made strides in improving their standard of living against other generations.

Economy – How concerned are consumers about the general economic situation?

- The level of concern about the general economic situation in Australia and its impact on consumer's future spending and savings plans was basically unchanged in Q3. Consumers in TAS continue to be the least concerned about the economy, but VIC overtook WA as the most concerned state.

Household Finances – How concerned are consumers about their current household financial position?

- Consumers were less worried about their household financial position in Q3 and its impact on their future spending and savings plans. While there the large gap between the highest and lowest income group widened, the level of concern converged for Australian consumers in all other income groups.

Drivers – What factors are most impacting the financial position of "highly" concerned households?

- Utility bills are still having the biggest impact on the financial position of the most 'highly' concerned households, but less so than in Q2. Insufficient savings emerged as the next biggest issue, followed by low pensions and/or other benefits and grocery bills
- A lot more women were impacted by utility bills than men. More young people were impacted by not enough work, rents and grocery bills. More 30-49 year olds said children's expenses, mortgage repayments and personal household debt had a bigger impact on their financial position, while significantly more over 50s cited utility bills, low pensions & other benefits, medical expenses, insufficient superannuation and low interest rates.

Fears – What consumers most worry about in relation to their current household financial position?

- Being able to finance retirement is still the biggest worry for consumers in relation to their current household financial position, followed by their ability to provide for their family's future and raise \$2,000 for an emergency - with consumers somewhat more worried than they were one year ago.

Financial Hardship – Prevalence of financial stress or hardship and the most common causes.

- Around 35% of consumers experienced some form of financial stress or hardship in the past 3 months. Mid-aged consumers (45%) experienced the most hardship by age, while twice as many consumers in the lowest income group (48%) faced some financial stress or hardship in Q3 than those in the highest income group (24%). Being unable to pay a bill is still the most frequently cited cause of stress or hardship (19%), followed by not having enough for food and basic necessities (16%).

NAB CONSUMER ANXIETY INDEX (100 = extremely concerned)

	Q3 2017	Q2 2018	Q3 2018
Overall Index	56.2	58.8	59.5
- Job security	42.2	42.7	46.3
- Health	55.2	59.7	59.6
- Ability to fund retirement	57.9	61.2	60.9
- Cost of living	64.0	67.5	66.2
- Government policy	61.8	62.7	64.6

CURRENT HOUSEHOLD FINANCIAL POSITION (100 = extremely concerned)

Q3 2017	Q2 2018	Q3 2018
59.3	62.1	60.9

CONCERN RELATING TO THE HOUSEHOLD FINANCIAL POSITION OF CONSUMERS (100 = extremely concerned)

	Q3 2017	Q2 2018	Q3 2018
Medical bills/healthcare	41	43	41
Mortgage, rent, housing costs	38	39	38
Credit card repayments	31	31	30
Personal loan repayments	32	36	37
Children's education	34	37	39
Food/basic necessities	36	35	35
Monthly household bills	40	40	38
Non-essentials (holidays, eating out)	41	39	39
Raising \$2,000 in emergency	46	45	42
Financing retirement	53	53	53
Providing for family's future	48	46	45

HOUSEHOLD SPENDING BEHAVIOURS (net balance - spending more/spending less)

	Q3 2017	Q2 2018	Q3 2018
Non-essential spending	-14	-14	-9
Essential spending	9	8	8
Financial spending	-3	-3	-1
Overall Spending Behaviours	-5	-5	-2

HOUSEHOLD SPENDING BEHAVIOURS - SPENDING CATEGORY (net balance - spending more/spending less)

	Q3 2017	Q2 2018	Q3 2018
Travel	-9	-9	2
Eating out (coffee, take-away, restaurants, etc.)	-20	-21	-16
Entertainment (movies, sports, concerts, etc.)	-20	-18	-14
Groceries (food, alcohol etc.)	5	7	9
Home improvements and maintenance	-2	-1	2
Major household items (appliances, furniture etc.)	-18	-17	-16
Utilities (electricity, gas, phone, etc.)	23	19	15
Personal goods (clothes, toiletries, sports, pets, etc.)	-15	-16	-13
Medical expenses (doctors, pharmacy, optical etc.)	11	9	10
Transport (car running costs and public transport)	8	7	9
Children (school fees, childcare, activities etc.)	-1	-2	-5
Paying off debt	7	9	12
Use of credit	-13	-15	-19
Savings, investments and super contributions	-3	-4	4
Charitable donations	-18	-19	-12

PART 1: CONSUMER ANXIETY

How concerned are consumers that their spending and savings will be impacted by their job security, health, retirement, cost of living and government policy?

Consumer anxiety levels rose sharply across all components of the index in Q2...

The NAB Consumer Anxiety Index - which measures concerns about future spending and savings plans arising from job security, health, retirement funding, cost of living and government policy - increased slightly in Q3 2018.

The overall Index rose to 59.5 points in Q3, up from 58.8 points in the previous quarter. As a result, NAB's Consumer Anxiety Index currently stands at its highest level since Q2 2016, and has returned to long-term average levels (59.8 points).

Higher anxiety was driven by higher levels of concern relating to job security and government policy, as concerns over cost of living, retirement funding and health expenditure moderated.

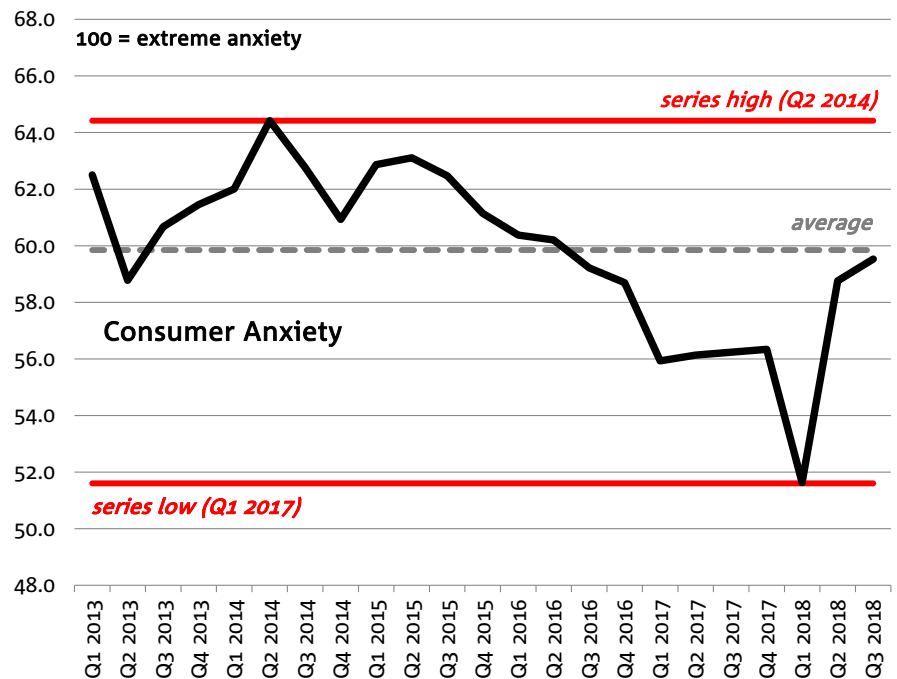
Despite an improvement during the quarter, cost of living (down 1.3 points to 66.2) continues to be the biggest driver of consumer anxiety. Around 57% of consumers reported 'medium' or 'high' levels of anxiety over their living costs, but was down from 61% in the previous quarter.

Government policy was the next biggest driver of stress and the level of concern increased (up 1.9 points to 64.6). Over 1 in 2 consumers reported 'medium' or 'high' levels of anxiety over government policy.

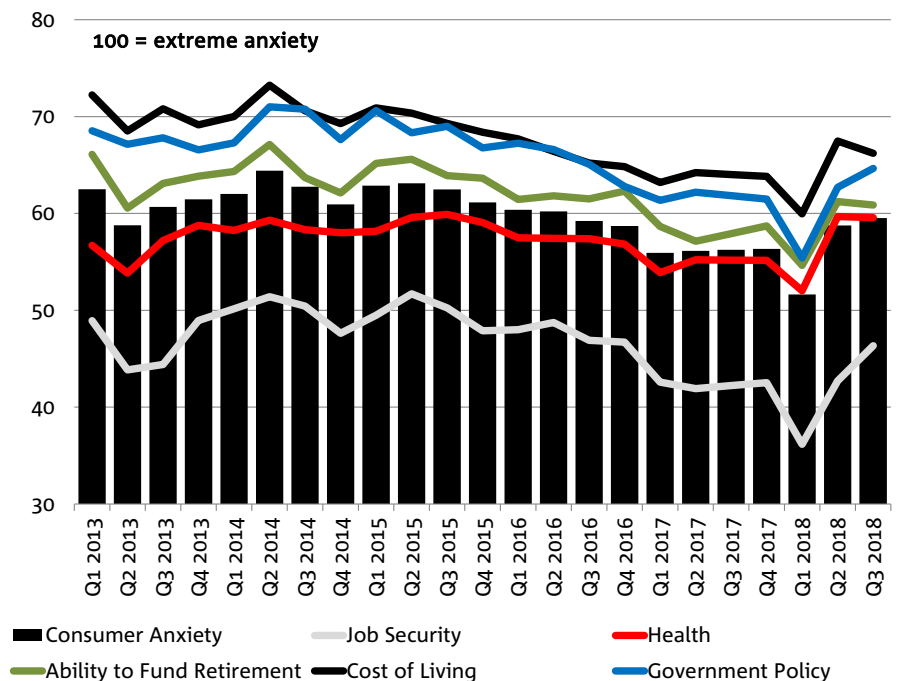
Consumer anxiety around retirement funding (down 0.4 points to 60.9) and health expenditure (down 0.1 points to 59.6) moderated a little

Concern over job security is still causing the least stress for consumers (by some margin). But the level of concern increased for the second consecutive quarter (up 3.6 points to 46.3 points) and anxiety levels have risen to their highest level since late-2016. Moreover, the number of consumers reporting 'medium' or 'high' anxiety about their jobs rose to 35% in Q3, up from 31% in Q2 and 30% at the same time last year.

NAB CONSUMER ANXIETY INDEX



NAB CONSUMER ANXIETY INDEX: COMPONENTS



In key groups, anxiety was highest in the lowest income group (63.5 points), for house renters (62.6 points), women aged 30-49 (62.6 points) and for those with children (62.2 points). Other highly anxious groups were men 30-49 (61.8 points), households with 3+ people (61.5 points), divorced people (61.4 points), apartment renters (61.3 points), people in WA (61.3 points) and VIC (61.2 points), high school leavers (61.2 points) and labourers (61.0 points).

Consumer anxiety was lowest for widows (54.4 points), people living in TAS (54.5 points), followed by people living in SA/NT 56.6 points), young men (56.9 points), people in living in 2 person households (56.9 points) and people earning over \$100,000 p.a. (57.0 points).

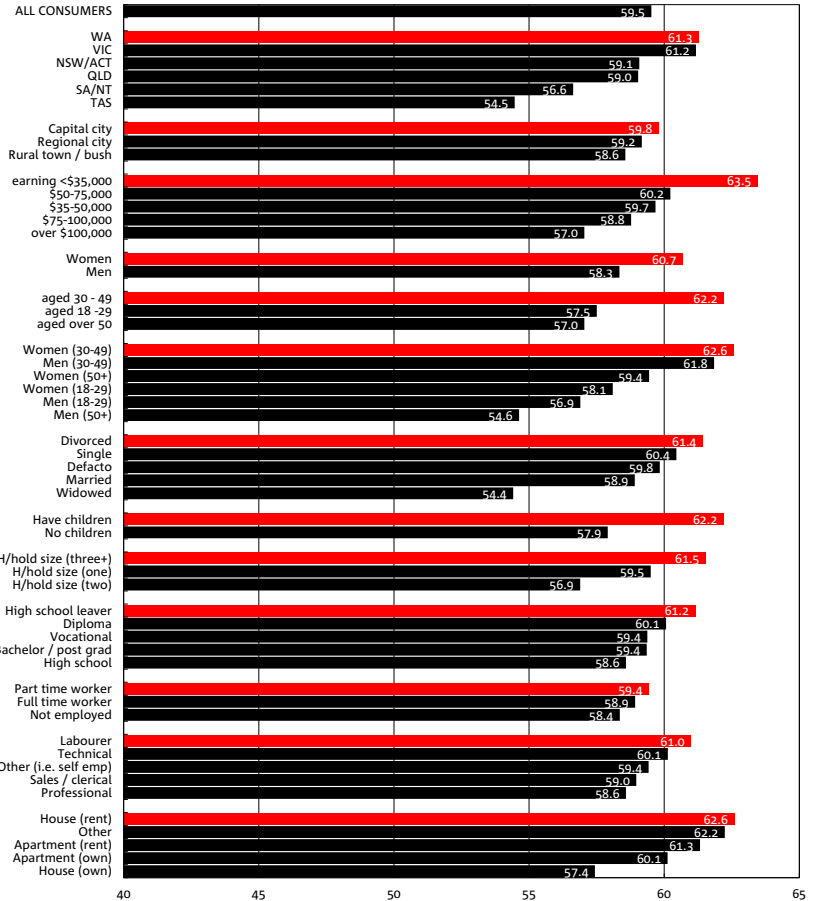
By state, anxiety continues to be highest in WA (61.3 points), led by elevated concerns over job security, retirement funding and cost of living. They were closely followed by VIC (61.2 points), where consumers were the most worried about their health expenditure and government policy.

Anxiety also remains significantly higher for women (60.7 points) than men (58.3 points). Women continue to report higher levels of anxiety around all components of the Index (except government policy), particularly when it came to their ability to fund retirement and the cost of living.

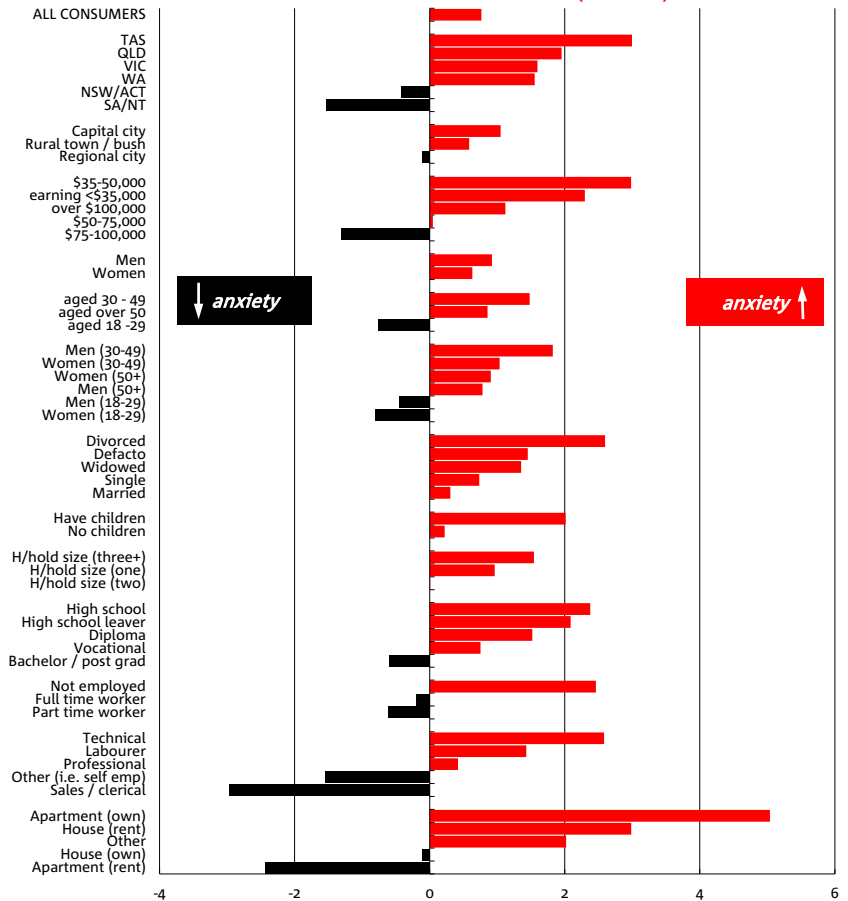
By age, 30-49 year olds reported much higher levels of anxiety overall (62.2 points). It was also significantly higher for both middle-aged women (62.6 points) and men (61.8 points), underpinned by much higher levels of stress about living costs and retirement funding. In the over 50 age group, men (54.6 points) were far less anxious than women (59.4 points), particularly when it came to retirement funding and cost of living. Young women (58.1 points) were somewhat more anxious than young men (56.9 points) overall, particularly when it came to cost of living.

By income, there remains a very big (and widening) gap in consumer anxiety levels between the highest income earning group (57.0 points) and the lowest income earning group (63.5 points). Not surprisingly, the lowest income earning consumers reported higher levels of anxiety around all key drivers, led by retirement funding and health expenditure.

NAB CONSUMER ANXIETY INDEX: ALL GROUPS



NAB CONSUMER ANXIETY: ALL GROUPS (CHANGE)



PART 2: HOUSEHOLD SPENDING BEHAVIOURS

How has the household financial position of Australian consumers impacted their overall spending behaviours?

Consumer spending behaviours are still cautious, but less so than in the previous quarter...

Despite higher levels of consumer anxiety in Q3, consumer spending behaviour was more positive. NAB's measure of household spending behaviour (which counts the number of consumers that spent more on a range of items against those that spent less on these items) showed consumers were on balance still cutting back, but less so than in the previous quarter.

NAB's overall spending indicator fell to -2 in Q3 (-5 in Q2 2018 and -5 in the same period last year). This means the number of consumers that cut back on their overall spending still out-numbered those that increased their overall spending. But it was the strongest result since we started compiling this data in Q3 2014.

But there were some differences in how consumers chose to spend by category.

Overall, the net number of consumers who increased their spending on 'essential' goods and services was unchanged at +8 and down slightly from +9 at the same time last year.

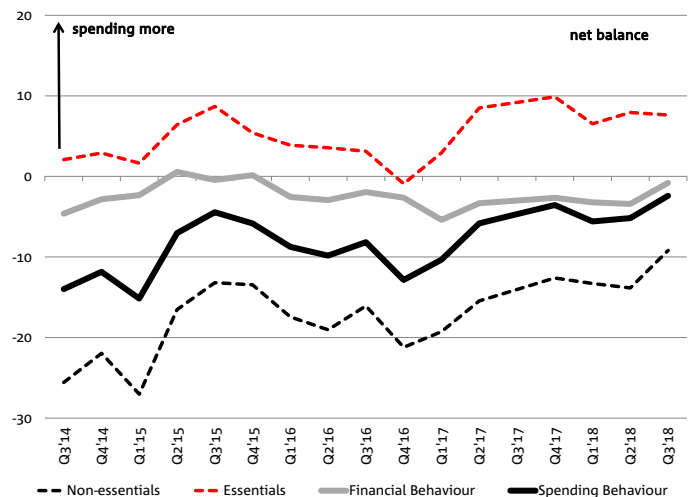
Higher spending on essentials continues to be mainly driven by utilities, although the net number of consumers who spent more on utilities in Q3 fell to +15 (down from +19 in the previous quarter and +23 one year ago). However, slightly more consumers spent more on groceries (+9) and on medical expenses (+10) than in the previous quarter.

In contrast, fewer consumers told us they spent less on 'non-essential' goods and services during the quarter than did those who said they spent more - and that number fell to -9 from -14 in the previous quarter and at the same time last year.

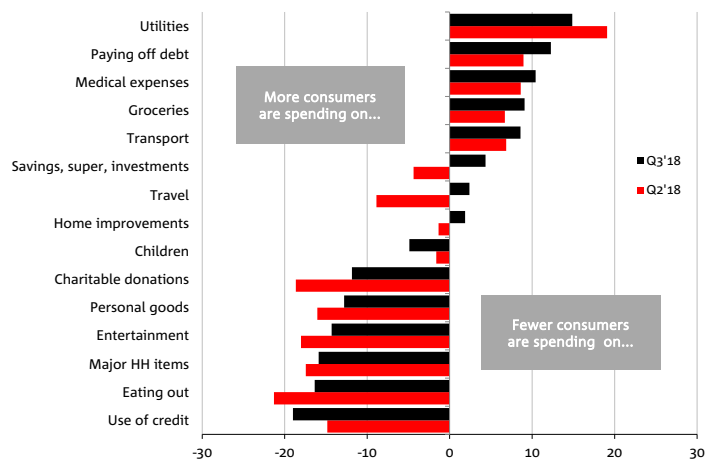
This mainly reflected a noticeable reduction in the number of consumers that cut back their spending on eating out (-16), entertainment (-14) and personal goods (-13). Also for the first time since we started asking this question, the number of consumers who spent more on travel (+2) exceeded the number that spent less during the quarter.

Financial spending behaviour (paying off debt, using credit cards and savings, investments & superannuation) also improved in Q3 (-1) relative to the previous quarter and the same period last year (-5). This was mainly due to a higher net number of consumers who added to their savings & super (+4) and who paid down debt (+12).

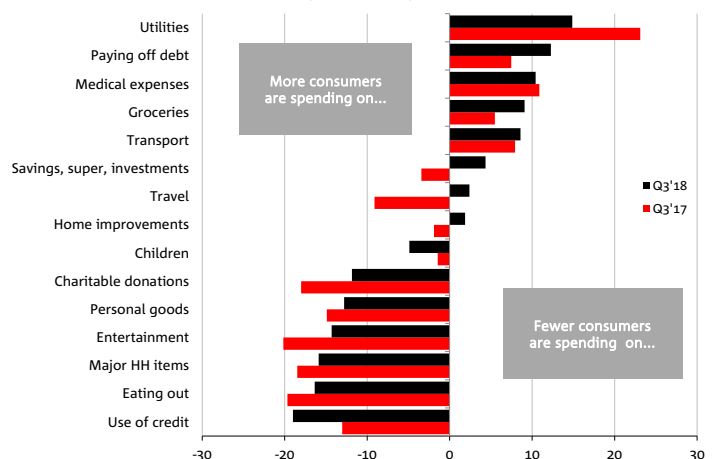
HOUSEHOLD SPENDING BEHAVIOURS



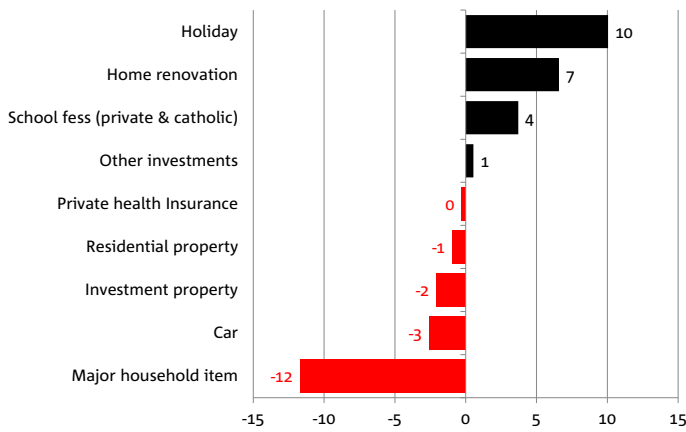
CHANGES IN HOUSEHOLD SPENDING BEHAVIOURS (Q/Q) (NET BALANCE)



CHANGES IN HOUSEHOLD SPENDING BEHAVIOURS (Y/Y) (NET BALANCE)



EXPECTATIONS IN REGARDS TO MAKING MAJOR PURCHASES IN NEXT 12 MONTHS (NET BALANCE)

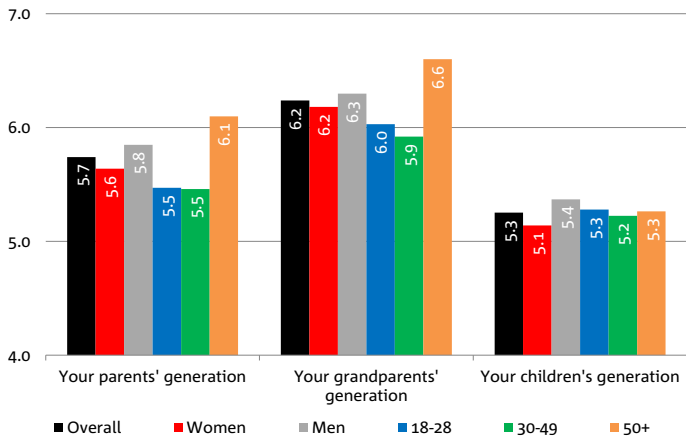


For the first time, we asked consumers about their expectations in regards to making major purchases in the next 12 months. Overall, the number who planned to spend more out-weighed those intending to spend less on holidays (+10), home renovations (+7), school fess (+4) and other investments (+1). But more also expected to spend less major household items (-12), cars (-3), investment (-2) and residential property (-1).

There were few differences by gender, except private health insurance (women +3 and men -4) and holidays (women +12 and men +8).

By age, notably more over 50s planned to spend more on private health insurance (+4), home renovation (+10) and holidays (+1&), while more 30-49 year olds planned to spend less on holidays (+1) and private health (-4).

HOW STANDARD OF LIVING COMPARES TODAY (score out of 10 where 10 = 'a lot better')

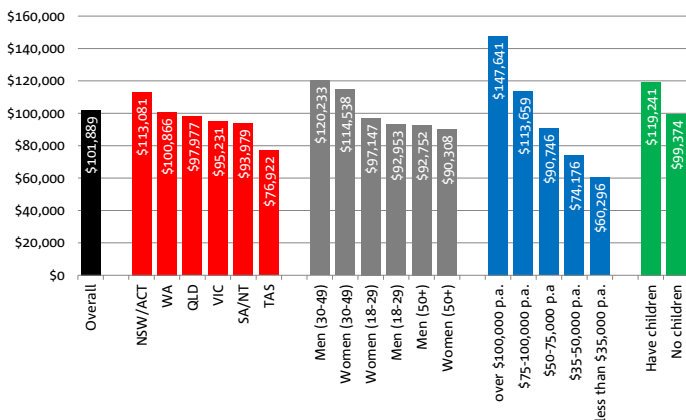


When asked to compare their standard of living today against other generations, consumers said it was 'moderately' better than their grandparents' (6.2 points out of 10). But for over 50s (6.6 points) it was much better.

Interestingly they also said it was only a little better than their parents' generation (5.7 points), except for over 50's who said it was 'moderately' better (6.1 points).

But when it comes to their children's generation, they believe it's about the same - irrespective of gender or age.

GROSS ANNUAL HOUSEHOLD INCOME NEEDED TO HAVE A 'REASONABLE' STANDARD OF LIVING



Australian consumers have consistently told us cost of living is the single biggest cause of their anxiety. When asked how much money they would need to earn to have a 'reasonable' standard of living, on average they said around \$102,000 (gross annual household income). This is significantly higher than full time average total earnings of around \$86,000 per year - around \$16,000 more - and may help explain why cost of living pressures weigh most heavily on consumers and why they may not believe they have made great strides in improving their standard of living against other generations.

There are however, some big differences by state. Consumers in NSW/ACT said they need the most (\$113,000) and those in TAS (\$77,000) the least.

By age and gender, 30-49 year olds needed the most - and men (\$120,000) more than women (\$115,000). Young women (\$97,000) said they needed more than men (\$93,000), but men over 50 (\$93,000) needed slightly more than women over 50 (\$90,000).

There amount of money needed increased as incomes rose. In the highest income group, the amount needed was almost \$150,000, more than twice that needed by the lowest income earners (\$60,000).

Not surprisingly, consumers with children (\$119,000) said they need more than those without (\$99,000).

How concerned are consumers about the general economic situation in Australia?

The level of concern about the economic situation in Australia is unchanged...

The level of concern consumers had about the general economic situation in Australia and how it was impacting on their future spending and savings plans was largely unchanged in Q3 at 63.9 points (where 100 is 'extremely' concerned).

It was also unchanged in all states bar SA/NT (down 2.5 to 61.1 points) and TAS (up 5.1 to 57.8 points).

TAS remains the least concerned state while VIC overtook WA as the most concerned state.

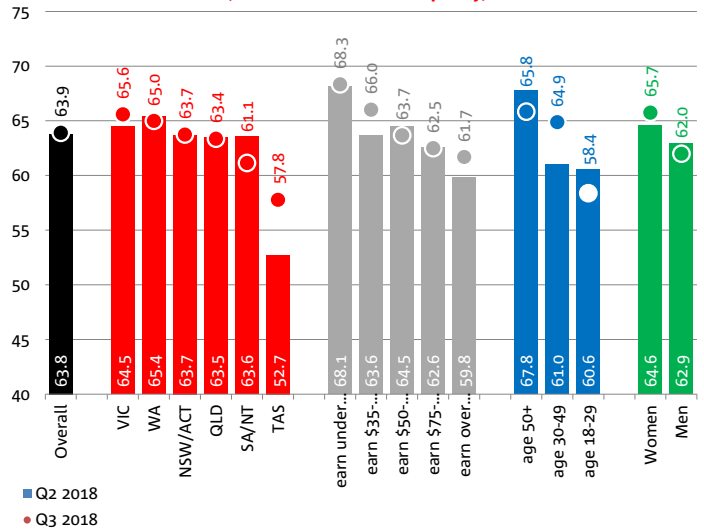
The lowest income earning consumers were most concerned about the impact the economy (68.3 points) and the highest income earners the least concerned (up 2.9 to 61.7 points).

By age, the economy continued to cause the most concern for over 50s (down 2.0 points 65.8), but the level of concern increased most for 30-49 year olds (up 3.9 to 64.9 points).

Women said they were slightly more worried about the general economic situation in Australia in Q3 (up 1.1 points to 65.7), but men were slightly less worried (down 0.9 points to 62.0 points)

HOW CONCERNED ARE CONSUMERS ABOUT THE GENERAL ECONOMIC SITUATION IN AUSTRALIA?

(0 = not at all; 100 = completely)



PART 3: HOUSEHOLD FINANCIAL POSITION & DRIVERS OF FINANCIAL STRESS

How concerned are consumers about their current household financial position?

Australian consumers were less concerned about their household financial position...

When asked to rate their level of concern relating to their future spending and savings plans arising from their current financial position, Australian consumers scored 60.9 points out of 100 (100 is 'extremely' concerned), down from 62.1 points in Q2 2018, but higher than at the same time last year (59.3 points).

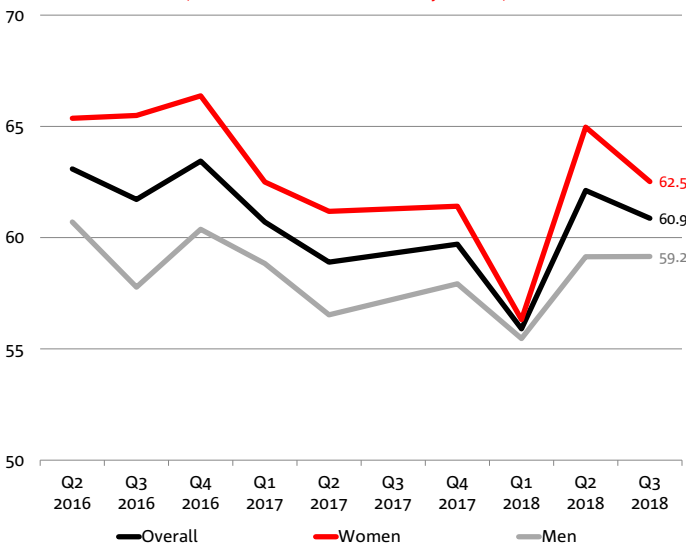
By gender, the level of concern fell for women (down 2.5 points to 62.5) but was broadly unchanged for men (59.2 points). As a result, the gap between women and men has narrowed to just 3.3 points, from almost 6 points in the previous quarter.

The level of concern was also lower in all age groups. It fell most for 18-29 year olds (down 2.3 points to 62.0), but 30-49 year olds continue to be the most worried about their current financial position (down 0.7 points to 65.4) Over 50s are still the least concerned age group by some margin (down 1.2 points to 56.4).

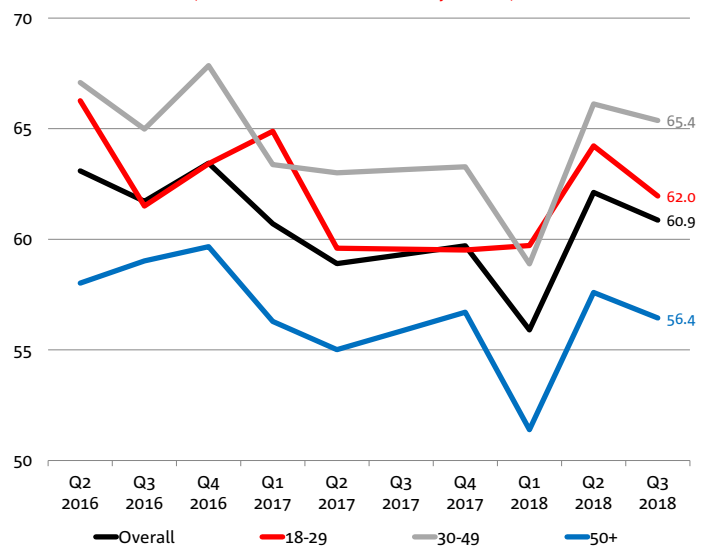
The level of concern fell for women in all age groups. It fell most for 18-29 year old women (down 3.3 points to 63.4) but was highest for 30-49 year old women (down 1.7 points to 65.5 points).

The level of concern was unchanged for young men. It was highest for 30-49 year old men (65.2 points), and lowest for men over 50 (53.1 points) and much lower than for women over 50 (59.6 points).

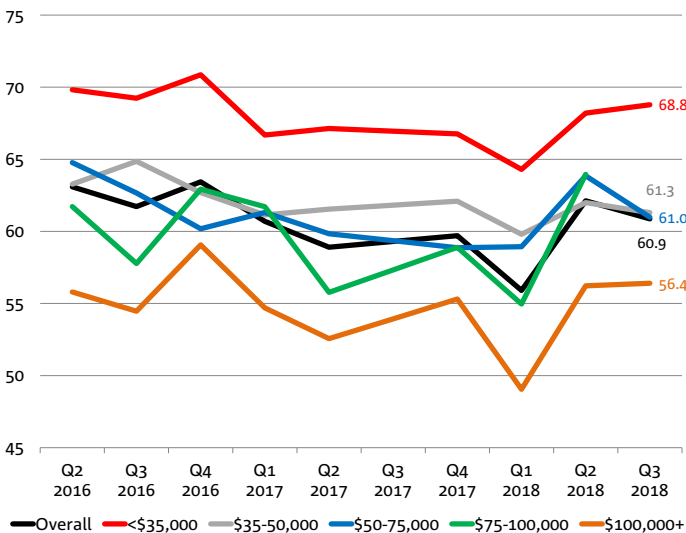
CONCERN OVER HOUSEHOLD FINANCIAL POSITION: GENDER
(0 = not at all concerned; 100 = extremely concerned)



CONCERN OVER HOUSEHOLD FINANCIAL POSITION: AGE
(0 = not at all concerned; 100 = extremely concerned)



CONCERN OVER HOUSEHOLD FINANCIAL POSITION: INCOME
(0 = not at all concerned; 100 = extremely concerned)



By income, the level of concern about their household financial position fell in all income groups, except the very lowest (up 0.6 points to 68.8) and the highest (up 0.2 points to 56.4).

But a relatively smaller increase in the level of concern among the highest income earning consumers and the lowest income earners meant the gap between the highest and lowest income group also widened to 12.4 points, from 12.0 points in Q2.

Interestingly the level of concern about their household financial position converged for Australian consumers in all other income groups.

What are consumers most worried about in relation to their current household financial position?

Consumers still worry most about being able to finance their retirement...

Being able to finance their retirement is still the biggest worry for Australian consumers in relation to their current household financial position, followed by their ability to provide for their family's future and their ability to raise \$2,000 for an emergency.

The level of concern over these factors was broadly unchanged over the quarter, except when it came to raising money for an emergency, where consumers were somewhat less worried.

Consumers worried least about meeting their minimum credit card repayments, having enough to pay for food and basic necessities, their personal loan repayments, their mortgage loan repayments or rents, monthly household bills and their children's education and 'non-essentials'.

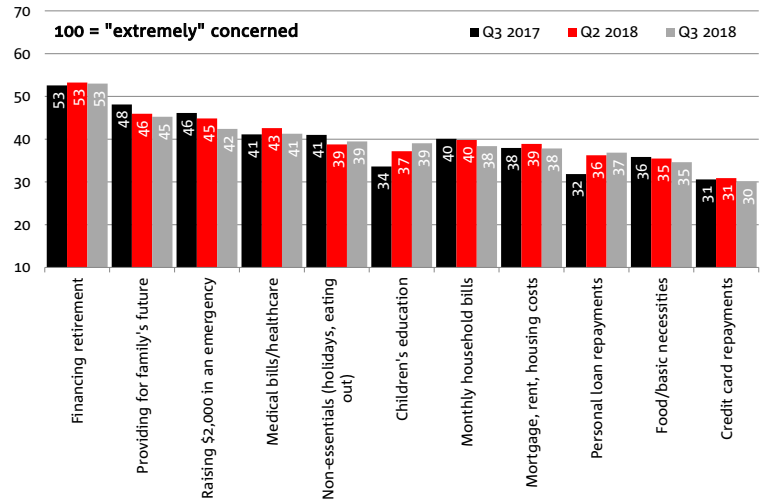
While the level of concern about these factors was broadly unchanged from the previous quarter, consumers were noticeably more worried about their children's education and personal loan repayments than they were at the same time last year.

By gender, women expressed higher levels of concern over all factors, except their children's education (similar). This was most obvious when it came to financing their retirement (55.5 women vs. 50.4 men), medical bills and healthcare (43.5 vs. 39.0) and raising \$2,000 for an emergency (44.2 vs. 40.5).

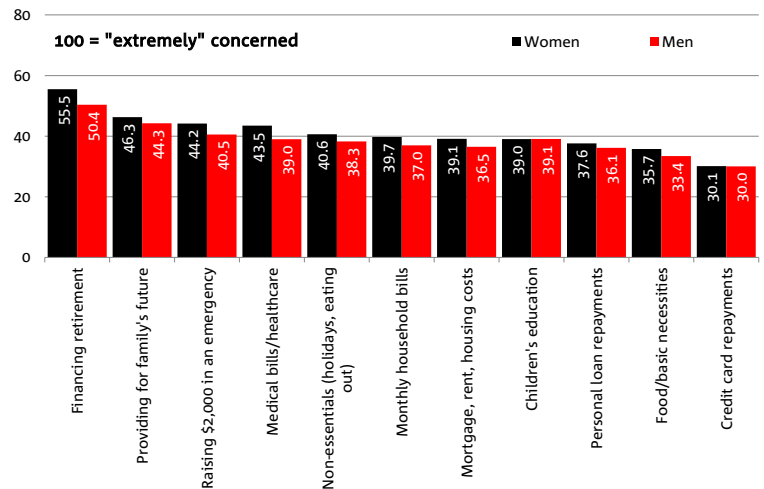
By income, consumers earning less than \$35,000 p.a. expressed higher levels of concern over all drivers than any other income group.

Areas in which low income earners were significantly more concerned included being able to raise \$2,000 for an emergency (55.0 low income vs. 34.5 high income), not having enough for food and basic necessities (44.7 vs. 27.2), not having enough money to meet their normal monthly household bills (47.9 vs. 32.5), not being able to meet the cost of their medical bills or healthcare (50.7 vs. 36.3) and financing retirement (61.4 vs. 47.7).

WHAT WORRIES CONSUMERS MOST ABOUT THEIR CURRENT HOUSEHOLD FINANCIAL POSITION



WHAT WORRIES CONSUMERS MOST ABOUT THEIR CURRENT HOUSEHOLD FINANCIAL POSITION: WOMEN VS. MEN



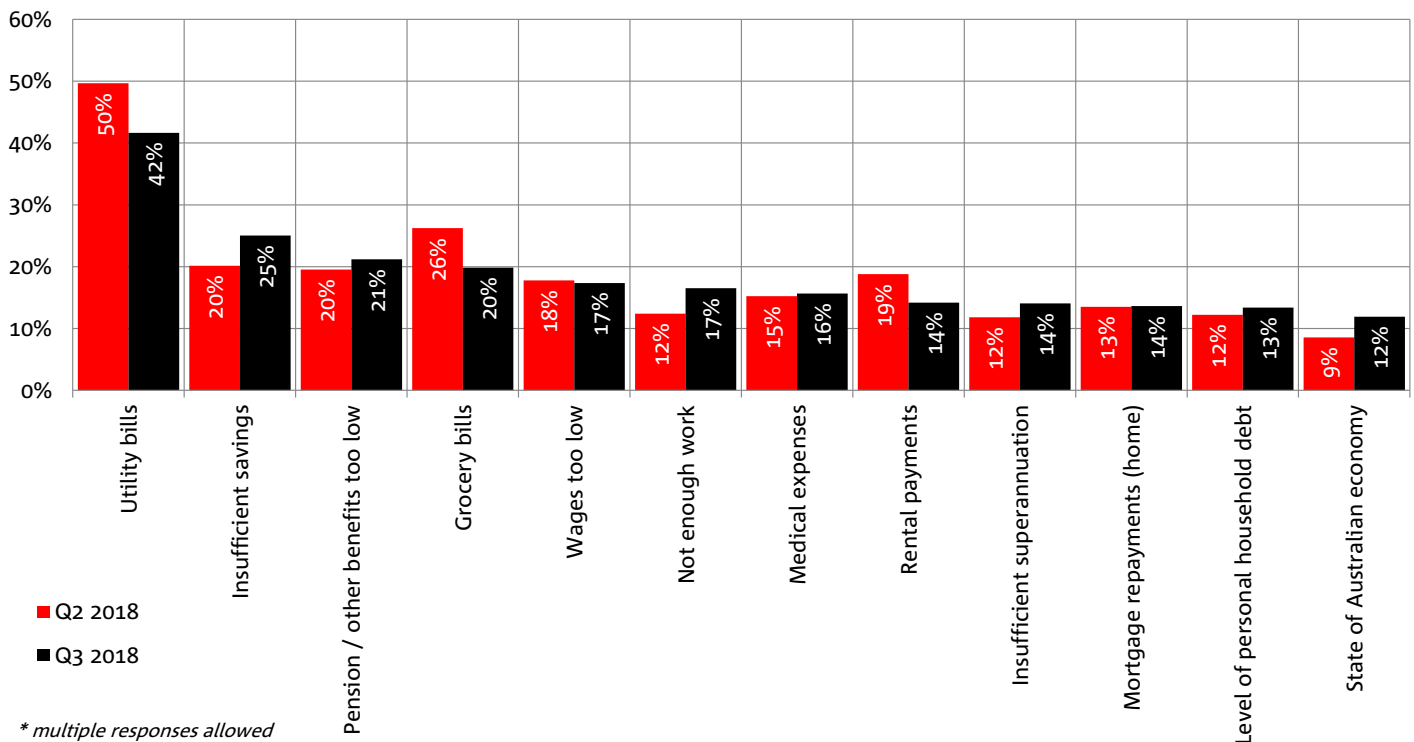
What factors most impact the financial position of 'highly' concerned households?

Utility bills are still having the biggest impact on the financial position of most 'highly' concerned households, but less so than in Q2...

Australian consumers who said they were 'extremely' concerned about their current financial position were also asked to tell us what issues in particular were having the biggest impact on their current financial position.

The biggest impact in Q3 came from utility bills according to 42% of 'extremely' concerned consumers, but it impacted fewer consumers than in the previous quarter (50%). Insufficient savings emerged as the next biggest issue according to 25% of 'extremely' concerned consumers, followed by low pensions and/or other benefits (21%) and grocery bills (20% and down from 26% in Q2).

TOP FACTORS IMPACTING CURRENT FINANCIAL POSITION OF "HIGHLY" CONCERNED HOUSEHOLDS*



The table on the following page highlights some key differences by gender. In particular, significantly more women (48%) than men (34%) were being impacted by their utility bills and somewhat more women also impacted by insufficient savings (27% vs. 23%).

But somewhat more men said they were being impacted by insufficient savings (27% vs. 23%) and superannuation (16% vs. 12%)

By age, notably more young people (18-29) said they were impacted by not enough work (46%), rental payments (26%) and grocery bills (24%).

A lot more 30-49 year olds said that children's expenses (15%), home mortgage repayments (18%) and level of personal household debt (18%) had a bigger impact on their current financial position.

But significantly more over 50s said utility bills (48%), low pensions and other benefits (41%), medical expenses (20%), insufficient superannuation (28%) and low interest rates (10%) impacted their current financial position.

When it came to income, significantly more people in the lowest income group were impacted by low pensions and other benefits (41%) and utility bills (47%).

In contrast, a lot more consumers in the highest income group said they were impacted by their home mortgage repayments (27%), level of household debt (23%), low wages (20%) and children expenses (15%).

FACTORS IMPACTING CURRENT FINANCIAL POSITION OF “HIGHLY” CONCERNED HOUSEHOLDS: BY GENDER, AGE & HIGH/LOW INCOME

	Overall	Women	Men	18-29	30-49	50+	Low Income	High Income
Utility bills	42%	48%	34%	19%	30%	48%	47%	39%
Insufficient savings	25%	23%	27%	27%	26%	29%	27%	27%
Pension / other benefits too low	21%	22%	21%	4%	10%	41%	41%	4%
Grocery bills	20%	20%	19%	24%	17%	19%	23%	20%
Wages too low	17%	19%	16%	24%	22%	5%	10%	20%
Not enough work	17%	16%	17%	46%	14%	5%	18%	14%
Medical expenses	16%	17%	15%	12%	11%	20%	15%	10%
Rental payments	14%	13%	15%	26%	14%	11%	14%	10%
Insufficient superannuation	14%	12%	16%	8%	10%	28%	13%	14%
Mortgage repayments (home)	14%	14%	13%	12%	18%	8%	7%	27%
Level of personal household debt	13%	12%	15%	14%	18%	11%	6%	23%
State of Australian economy	12%	11%	14%	17%	13%	12%	8%	17%
Transport expenses	10%	11%	8%	15%	7%	7%	11%	12%
Absence of a pay rise	9%	9%	9%	9%	12%	4%	3%	11%
Children expenses	8%	9%	8%	4%	15%	3%	4%	14%
Low interest rates	7%	7%	6%	5%	4%	10%	6%	3%
Home improvements & maintenance	5%	6%	5%	3%	3%	7%	5%	4%
Poor investment returns	4%	3%	6%	4%	4%	9%	4%	5%
State of global economy	4%	3%	5%	6%	5%	5%	2%	2%
Mortgage repayments (investment property)	3%	3%	4%	7%	4%	2%	1%	6%
Other	3%	3%	3%	6%	3%	2%	4%	3%
Major household items	2%	3%	2%	3%	1%	1%	2%	2%

TOP 5	1	2	3	4	5
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PART 4: FINANCIAL STRESS & HARDSHIP

How prevalent is financial stress or hardship, and what are the most common causes of stress or hardship people face?

Just over 1 in 3 Australian consumers continued to experience some form of financial stress or hardship in the last 3 months...

Around 35% of Australians experienced some form of financial stress or hardship in the past 3 months (unchanged from the previous quarter).

But the overall result masks some important differences. While more men experienced hardship in Q3 (35% vs. 30% in Q2), the number for women that did fell from 40% to 35%.

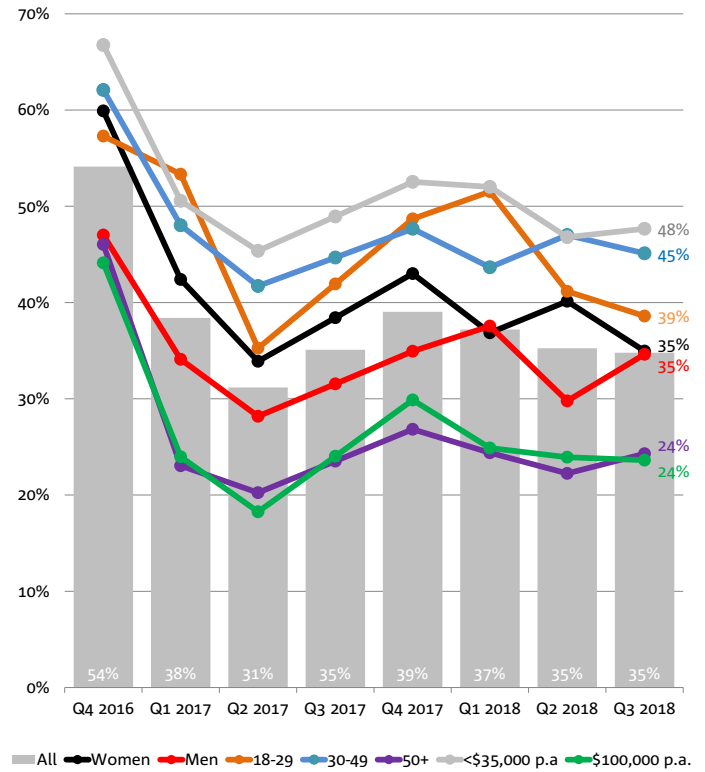
By age, over 50s were the only group to experience more financial stress or hardship in Q3 (24% vs. 22% in Q2), although they were still the least impacted of all groups. Mid-aged Australians (30-49 year olds) continued to experience the most hardship (45%), ahead of 18-29 year olds (39%).

By income, twice as many consumers in the lowest income group (48%) faced some financial stress or hardship in Q3 than did consumers in the highest income group (24%).

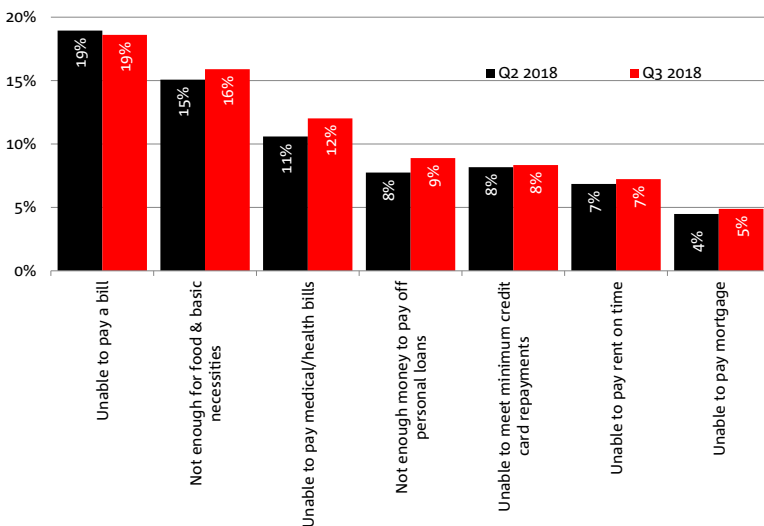
Being unable to pay a bill is still the most frequently cited cause of stress or hardship - for 19% of Australians overall, but for 24% of 30-49 year olds and 28% of consumers in the lowest income group.

Not having enough for food and basic necessities was the next biggest cause of financial stress or hardship - affecting 16% of all consumers in total, but 1 in 4 (25%) low income earners and 22% of 18-29 year olds.

NUMBER OF CONSUMERS THAT HAVE EXPERIENCED FINANCIAL STRESS OR HARDSHIP IN LAST 3 MONTHS



TYPE OF FINANCIAL STRESS OR HARDSHIP EXPERIENCED IN THE LAST 3 MONTHS



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