



NAB ECONOMICS DATA INSIGHTS

IMPACTS OF CORONAVIRUS ON CONSUMPTION BASED SPENDING AND BUSINESS PAYMENT INFLOWS

NAB Group Economics

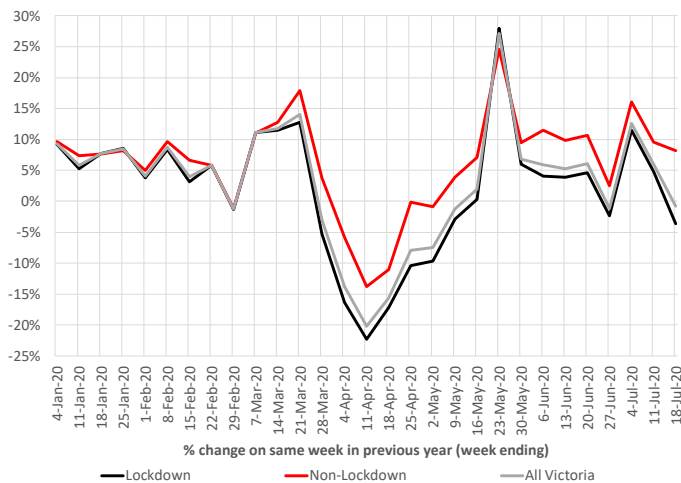
July 2020

During these extraordinary times, we have taken the decision to publish aggregated customer data categorised by industry segment with the view to helping provide clarity around which segments of the economy have been most affected by the broader macroeconomic trends at play. NAB takes data privacy very seriously. All customer transaction data has been aggregated and no individual's data is specifically identified or analysed as part of this process. The data used in this report will not be sold or made publicly available, but insights from the data will be shared with the Australian people.

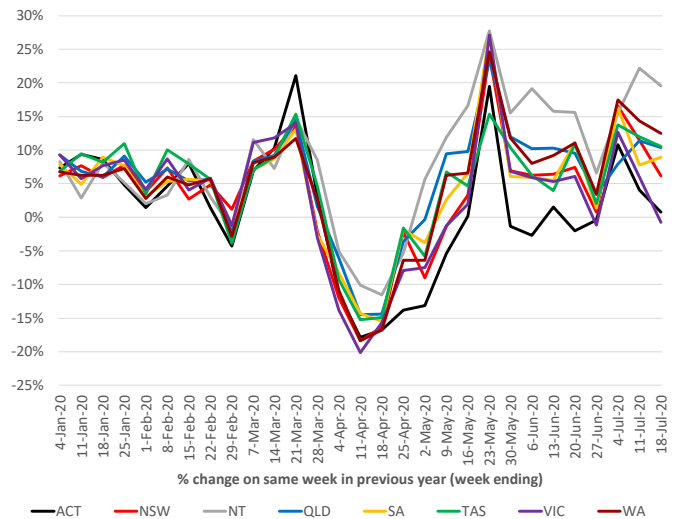
NAB's latest Data Insights highlight a slowdown in consumption spending in recent weeks, with overall growth easing to 5.8% y/y for the week ended July 18. Spending slowed in all states and territories (except SA/NT). It is now weakest in VIC (-0.7%) with this result heavily influenced by lockdown in metropolitan Melbourne. NSW is also weakening faster than most. Relative to last year, overall spending growth slowed (or fell further) in all industries, but overall growth continues to be supported mainly by spending on Construction and Retail Trade.

Payment inflows across all industries were flat (0.1%) in the 4-weeks to July 18 (4-week average terms). Inflows are still falling heaviest for corporates. By industry, they were down most in Mining, Transport and Hospitality, and were strongest in Agriculture, Retail Trade and Professional, Scientific & Technical Services.

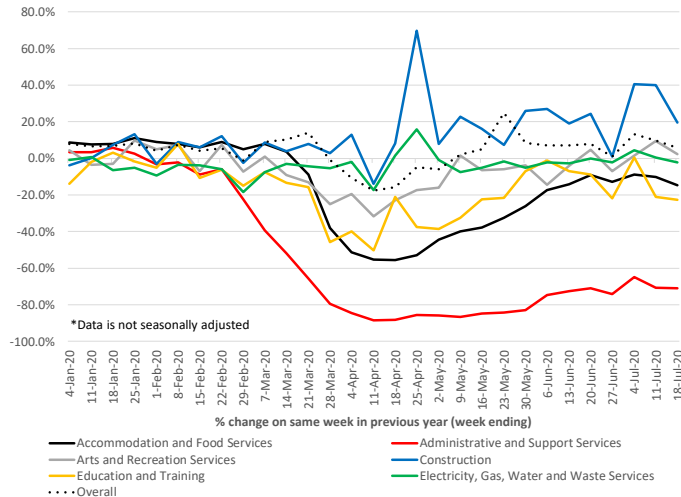
**CONSUMPTION SPENDING: WEEKLY CHANGE (Y/Y)
VICTORIA - LOCKDOWN AREAS**



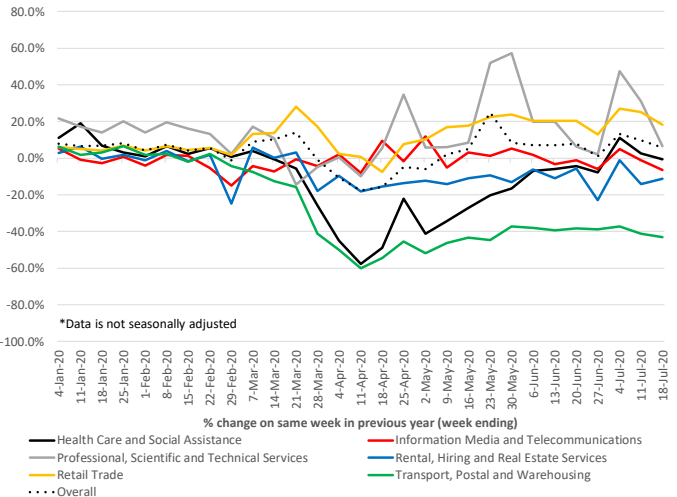
CONSUMPTION SPENDING BY STATE



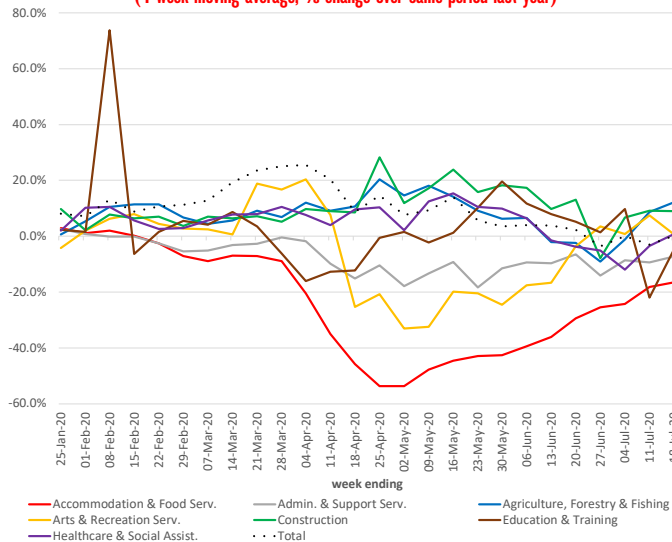
CONSUMPTION SPENDING: BY INDUSTRY



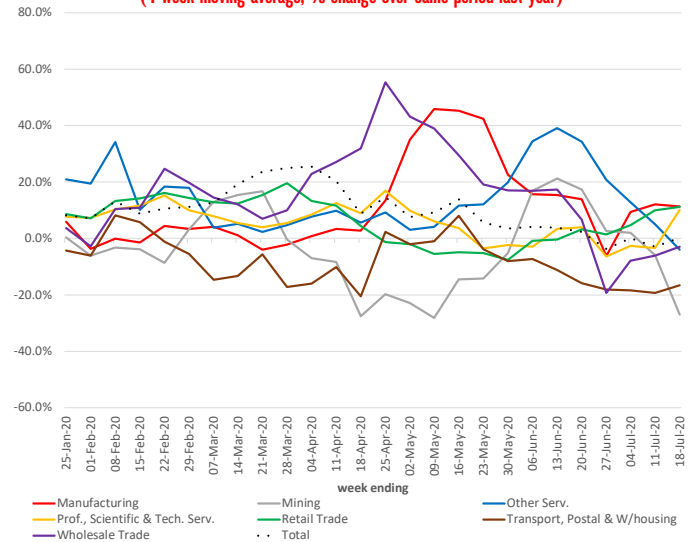
CONSUMPTION SPENDING: BY INDUSTRY



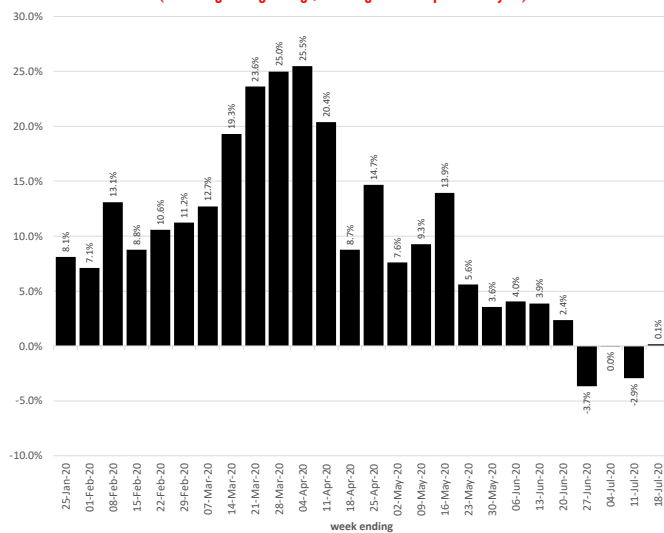
PAYMENT INFLOWS INTO NAB MERCHANTS
(4-week moving average, % change over same period last year)



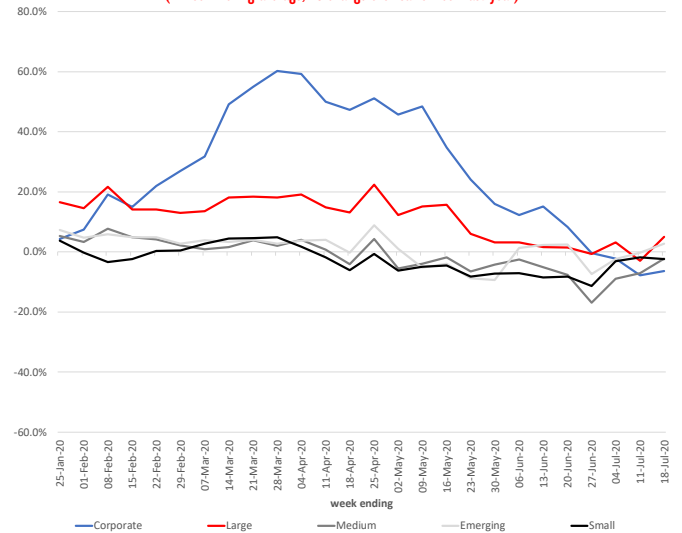
PAYMENT INFLOWS INTO NAB MERCHANTS
(4-week moving average, % change over same period last year)



PAYMENT INFLOWS INTO NAB MERCHANTS
(4-week moving average, % change over same period last year)



PAYMENT INFLOWS INTO NAB MERCHANTS - BY MERCHANT SIZE
(4-week moving average, % change over same week last year)



- NAB’s latest Data Insights point to a slowdown in consumption spending in recent weeks, with overall growth easing to 5.8% y/y in the week ending July 18 (9.8% in the previous week), but still roughly at levels seen in late-February.
- Consumption spending eased in all states except SA/NT (8.9%). It fell sharply in VIC, which is now the only state showing a negative result (-0.7%). This spending hit was driven by sharp falls in lockdown areas (-3.6%), with non-lockdown areas still growing by more than 8%. Spending growth halved in NSW (6.1%) compared to the previous week, and was strongest in the NT (19.6%) and WA (12.5%).
- Relative to last year, overall spending growth eased (or fell faster) in all industries. But overall growth continues to be underpinned mostly by spending on Construction (albeit slowing to 19.6% from 39.9% in the previous week) and Retail Trade (which also eased to 18.3% from 25.1% in the previous week). Spending on Hospitality (the biggest sector of the economy) fell 14.6% (down 10.1% last week). Spending on Administration & Support Services is still very weak (-70.9%), with sizeable falls also persisting in Transport, Postal & Warehousing (-43.0%) and Education & Training (-22.6%). **See Appendix 1 for more detailed industry data.**
- Payment inflows (in year-on-year 4-week moving average terms) were basically flat (0.1%) for the 4 weeks ending July 18 compared to the same time last year, but improved from the previous week (-2.9%). By business size, inflows grew in both large (5.0%) and emerging (2.7%) firms. Inflows into corporates however fell for the fourth straight week (-6.4%), with smaller falls of around 2½% in both medium and small firms.
- By industry, payment inflows into Accommodation continue falling steeply (-16.5%), although this was the slowest rate of decline seen since late-March. Inflows into Mining firms however turned down sharply (-26.9%), with inflows into Transport, Postal & Warehousing also still falling heavily (-16.6%). Inflows into Education fell 4.6% after falling 22.0% in the previous week. Payment inflows were strongest into Agriculture (12.2%), Manufacturing (11.4%), Retail Trade (11.2%) and Professional, Scientific & Technical Services (10.0%). **See Appendix 2 for more detailed Industry data.**

NAB CONSUMPTION-BASED SPENDING BY INDUSTRY SECTOR & SELECTED SUB-INDUSTRIES (year-on-year change on same week in previous year - week ending 18 July 2020)

	% change on same week in previous year**
Accommodation & Food Services	-14.6%
Administrative & Support Services (incl. Travel Agents)	-70.9%
Arts & Recreation Services	2.3%
Construction	19.6%
Education & Training	-22.6%
Electricity, Gas & Water & Waste Services	-2.2%
Healthcare & Social Assistance	-0.7%
Information, Media & Telecommunications	-6.5%
Professional, Scientific & Technical Services	6.5%
Rental, Hiring & Real Estate Services	-11.2%
Retail Trade	18.3%
Transport, Postal & Warehousing	-43.0%
TOTAL	5.8%
Best Performers (Sub-Division)	
- Internet Publishing & Broadcasting	45.2%
- Publishing (except Internet & Music Publishing)	38.0%
- Gambling Activities	37.7%
- Motor Vehicle & Motor Vehicle Parts Retailing	27.1%
- Other Store-Based Retailing	26.1%
- Construction Services	22.8%
- Building Cleaning, Pest Control & Other Support Services	21.8%
Worst Performers (Sub-Division)	
- Water Transport	-92.7%
- Air & Space Transport	-89.4%
- Motion Picture & Sound Recording Activities	-85.8%
- Rail Transport	-82.7%
- Administrative Services	-73.7%
- Other Transport	-71.7%
- Creative & Performing Arts Activities	-60.7%
- Accommodation	-49.3%

*This data excludes government services, taxes, direct to consumer manufacturers, mortgage and other credit facility repayments. Spending includes both online and offline transactions. Transaction data may include EFTPOS, Credit Card, BPAY, Bank Transfers, Direct Debits and PayPal services where available.

**Data is not seasonally adjusted.

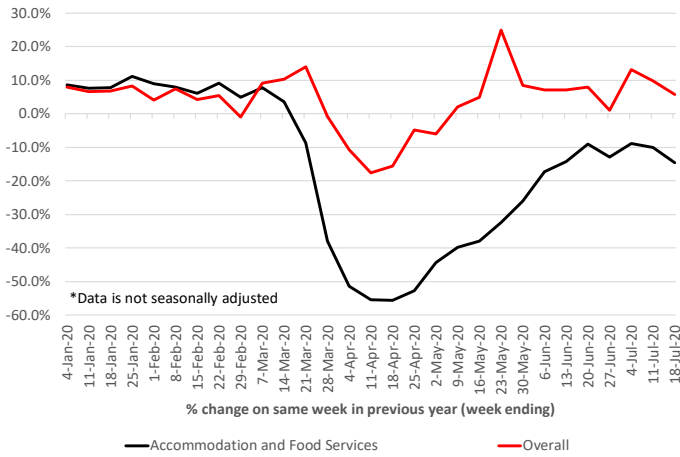
PAYMENT INFLOWS INTO NAB MERCHANTS BY INDUSTRY SECTOR & SELECTED SUB INDUSTRIES (4-week moving avg, year-on-year change on same period in previous year, 4-weeks ending 18 July 2020)

	4-weeks ending 18 July 2020
Accommodation & Food Services	-16.5%
Administration & Support Services	-7.2%
Agriculture, Forestry & Fishing	12.2%
Arts & Recreation Services	0.6%
Construction	9.0%
Education & Training	-4.6%
Healthcare & Social Assistance	0.8%
Manufacturing	11.4%
Mining	-26.9%
Other Services	-4.0%
Professional, Scientific & Technical Services	10.0%
Retail Trade	11.2%
Transport, Postal & Warehousing	-16.6%
Wholesale Trade	-2.9%
TOTAL	0.1%
Business Size	
- Small	-2.4%
- Emerging	2.7%
- Medium	-2.3%
- Large	5.0%
- Corporate	-6.4%
Best Performers (Sub-Division)	
- Pulp, Paper & Converted Paper Product Manufacturing	96.7%
- Non-Metallic Mineral Product Manufacturing	58.3%
- Exploration & Other Mining Support Services	35.7%
- Building Cleaning, Pest Control & Other Support Services	28.9%
- Gambling Activities	27.0%
- Computer System Design & Related Services	25.6%
- Heavy & Civil Engineering Construction	21.1%
Worst Performers (Sub-Division)	
- Air & Space Transport	-64.0%
- Coal Mining	-46.6%
- Heritage Activities	-35.9%
- Metal Ore Mining	-34.7%
- Non-Metallic Mineral Mining & Quarrying	-34.0%
- Aquaculture	-31.3%
- Beverage & Tobacco Product Manufacturing	-31.0%

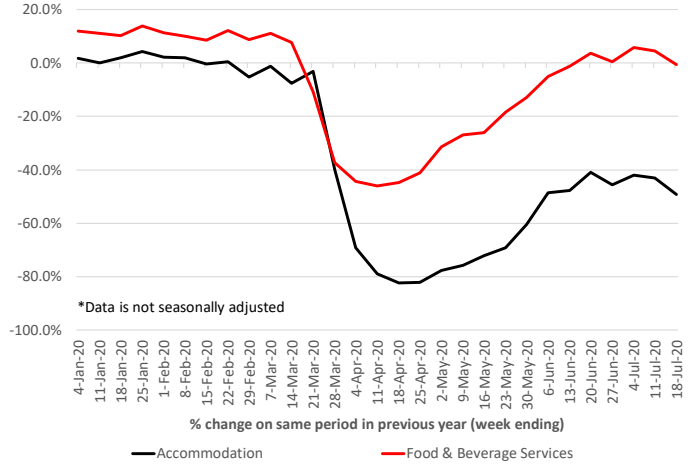
* Payment Inflows are credits to a NAB merchant's account that is not a financing credit from NAB or a transfer from related accounts.

APPENDIX 1: SPENDING CHANGES BY INDUSTRY & INDUSTRY SUB-DIVISION

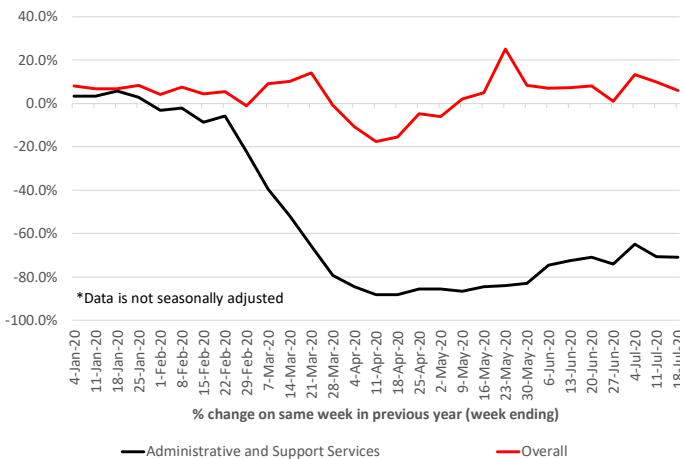
ACCOMMODATION & FOOD SERVICES



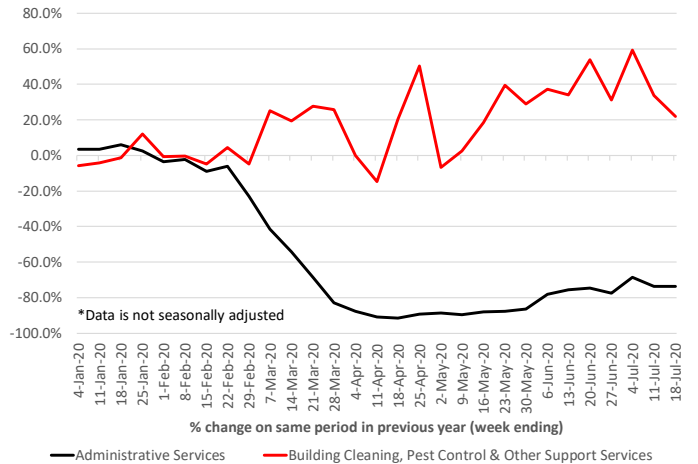
ACCOMMODATION & FOOD SERVICES



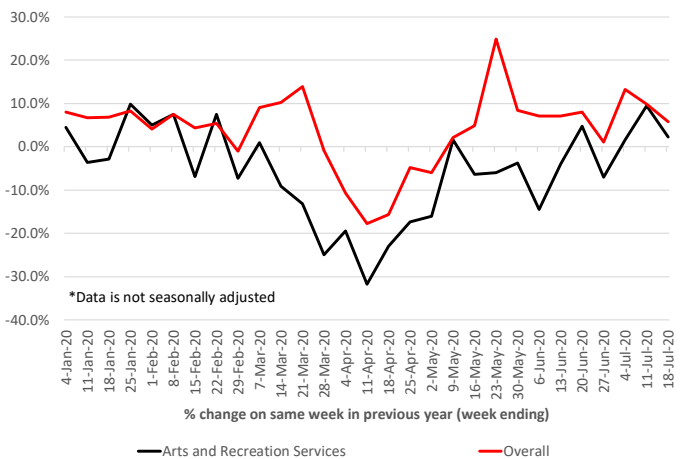
ADMINISTRATIVE & SUPPORT SERVICES



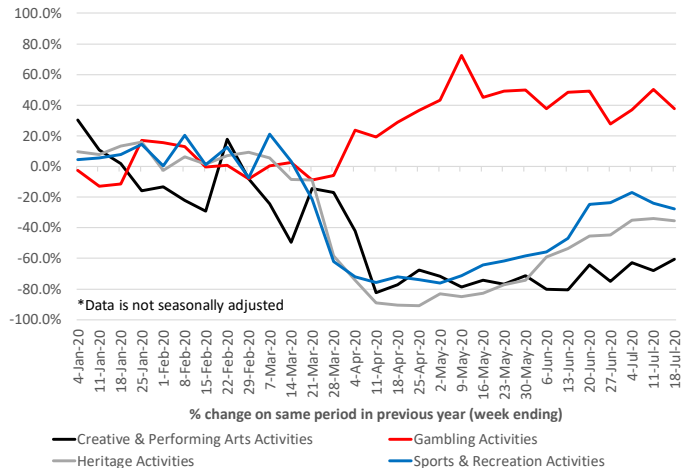
ADMINISTRATIVE & SUPPORT SERVICES



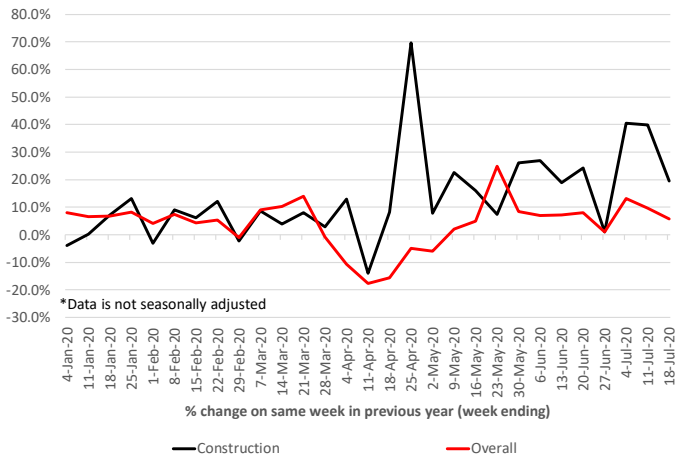
ARTS & RECREATION SERVICES



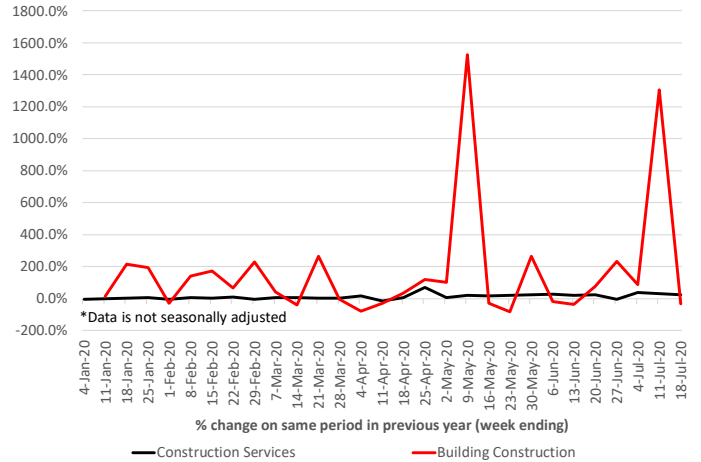
ARTS & RECREATION SERVICES



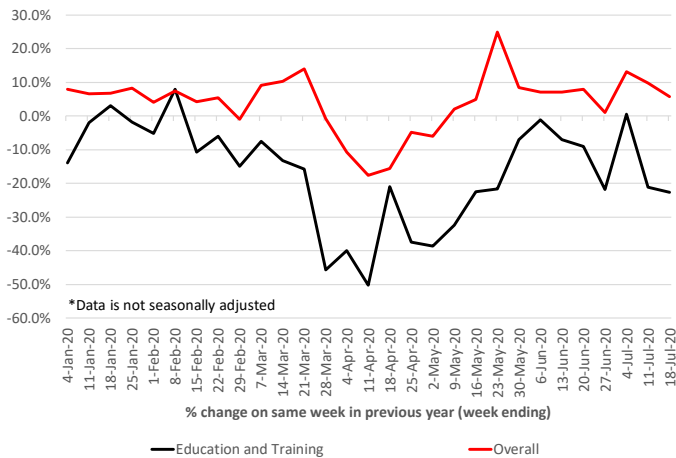
CONSTRUCTION



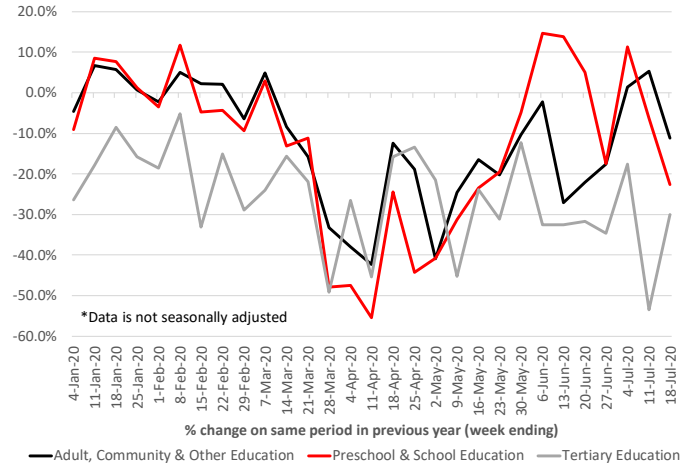
CONSTRUCTION



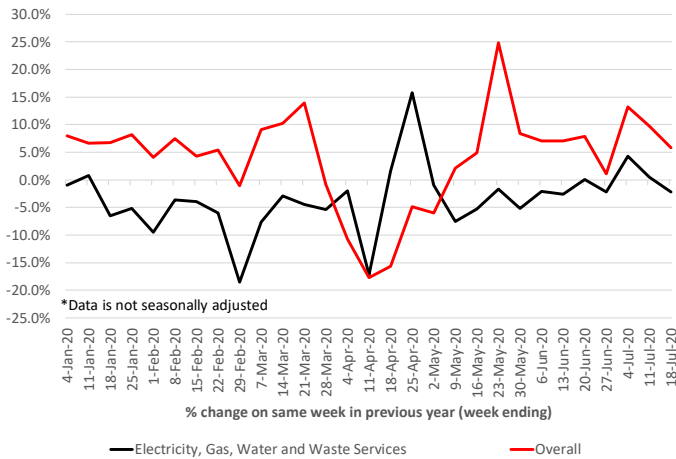
EDUCATION & TRAINING



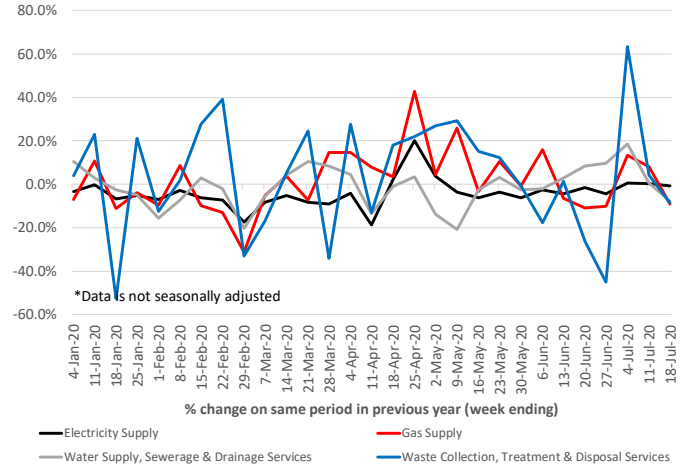
EDUCATION & TRAINING



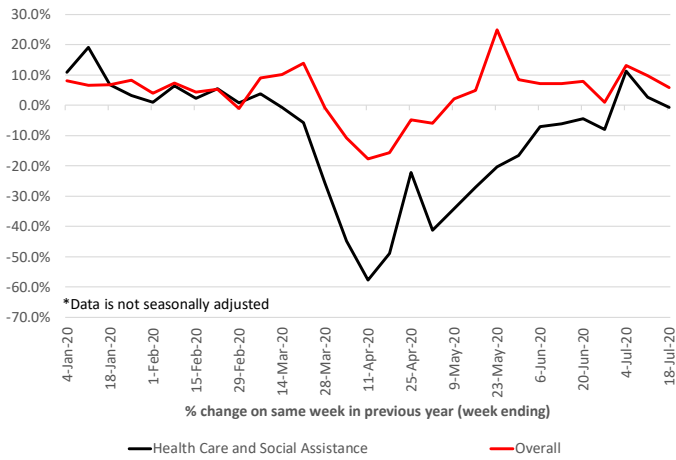
ELECTRICITY, GAS, WATER & WASTE SERVICES



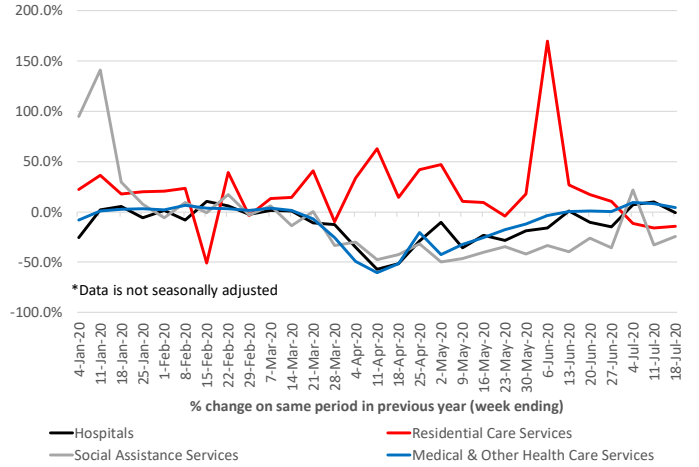
ELECTRICITY, GAS, WATER & WASTE SERVICES



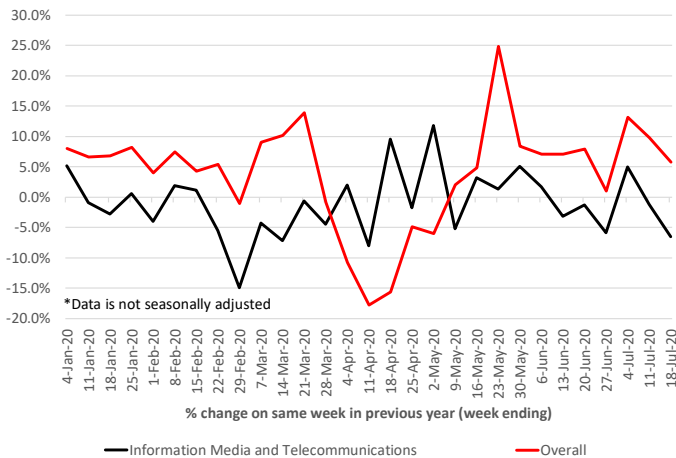
HEALTH CARE & SOCIAL ASSISTANCE



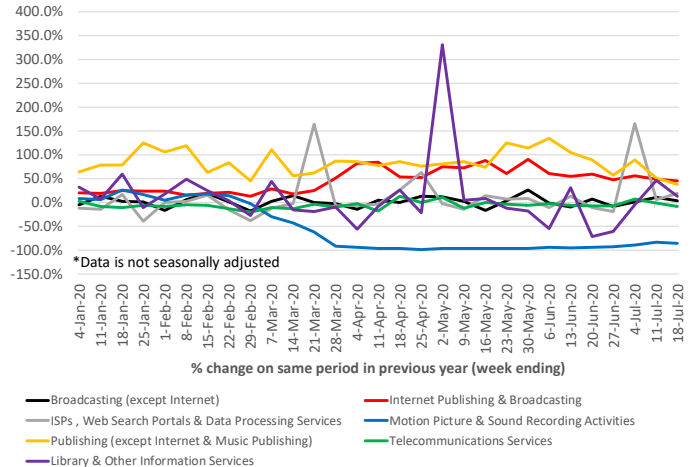
HEALTH CARE & SOCIAL ASSISTANCE



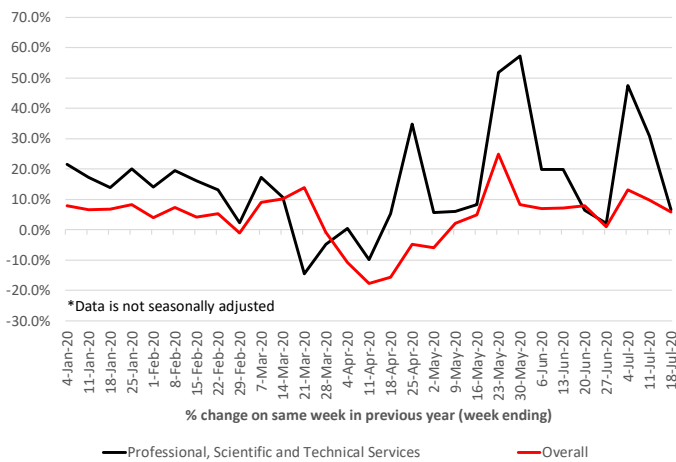
INFORMATION MEDIA & TELECOMMUNICATIONS



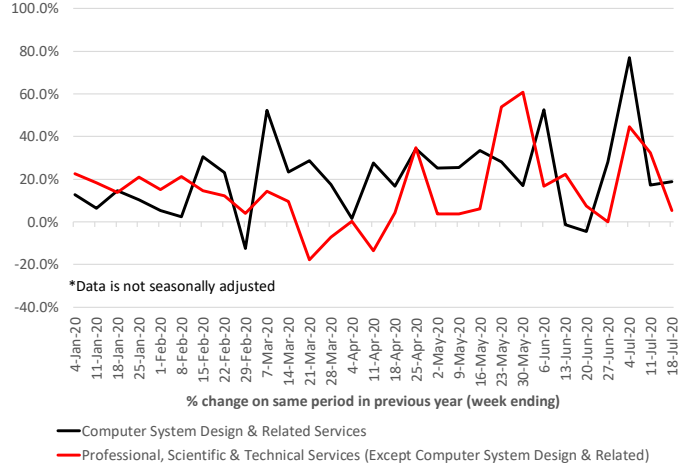
INFORMATION MEDIA & TELECOMMUNICATIONS



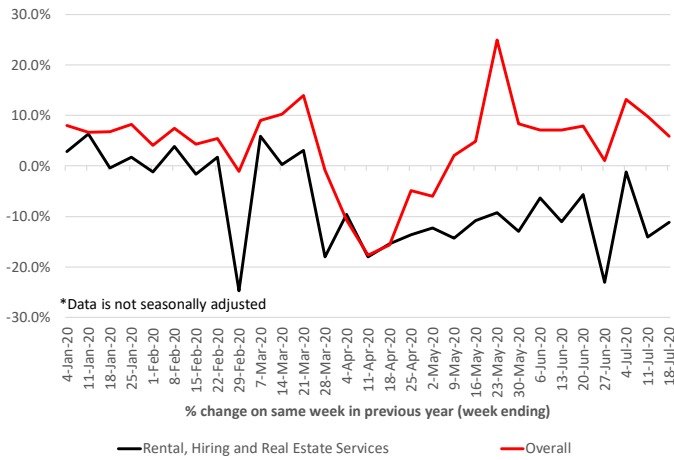
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES



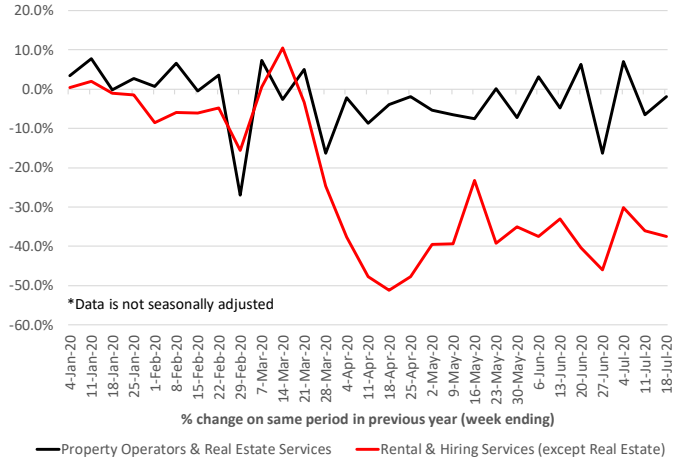
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES



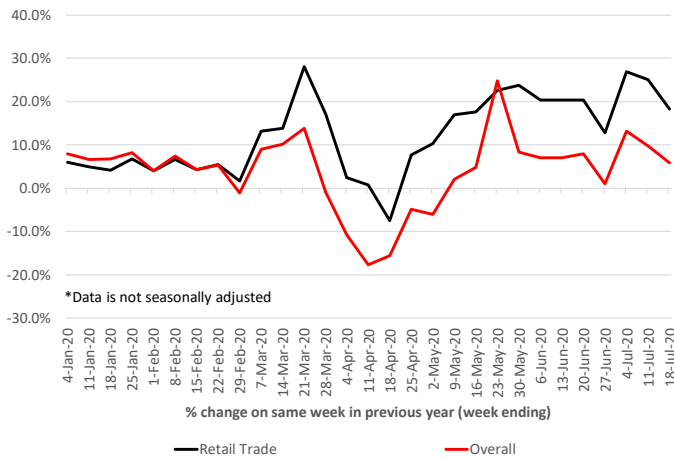
RENTAL, HIRING & REAL ESTATE SERVICES



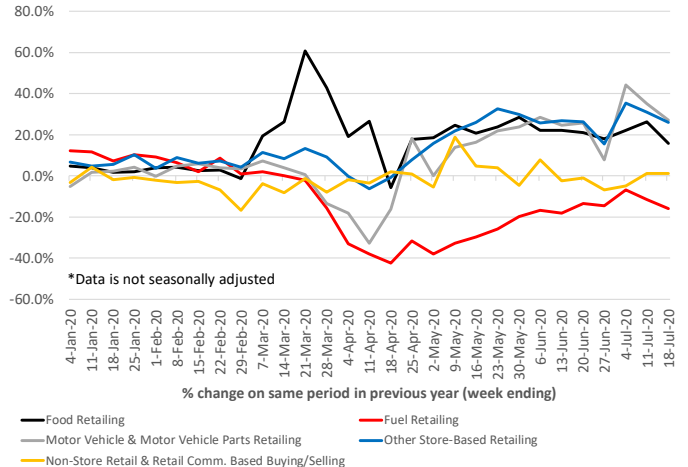
RENTAL, HIRING & REAL ESTATE SERVICES



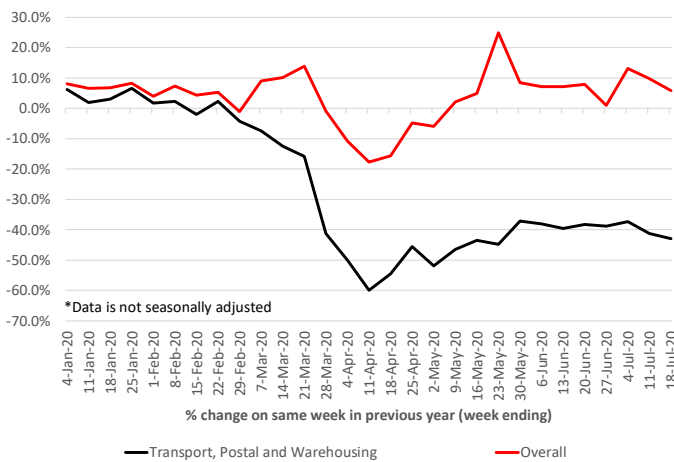
RETAIL TRADE



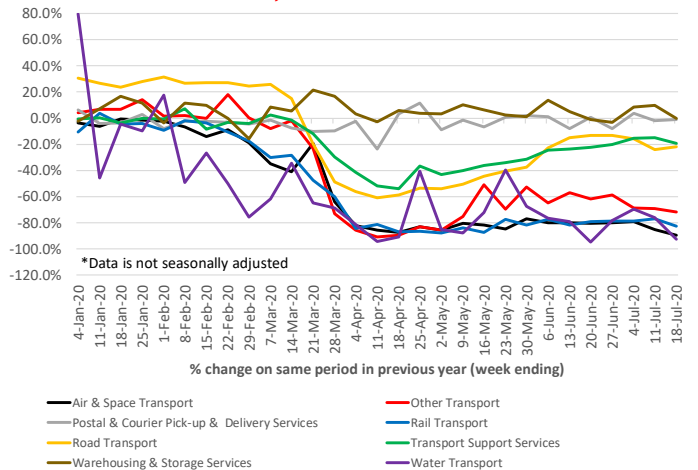
RETAIL TRADE



TRANSPORT, POSTAL & WAREHOUSING

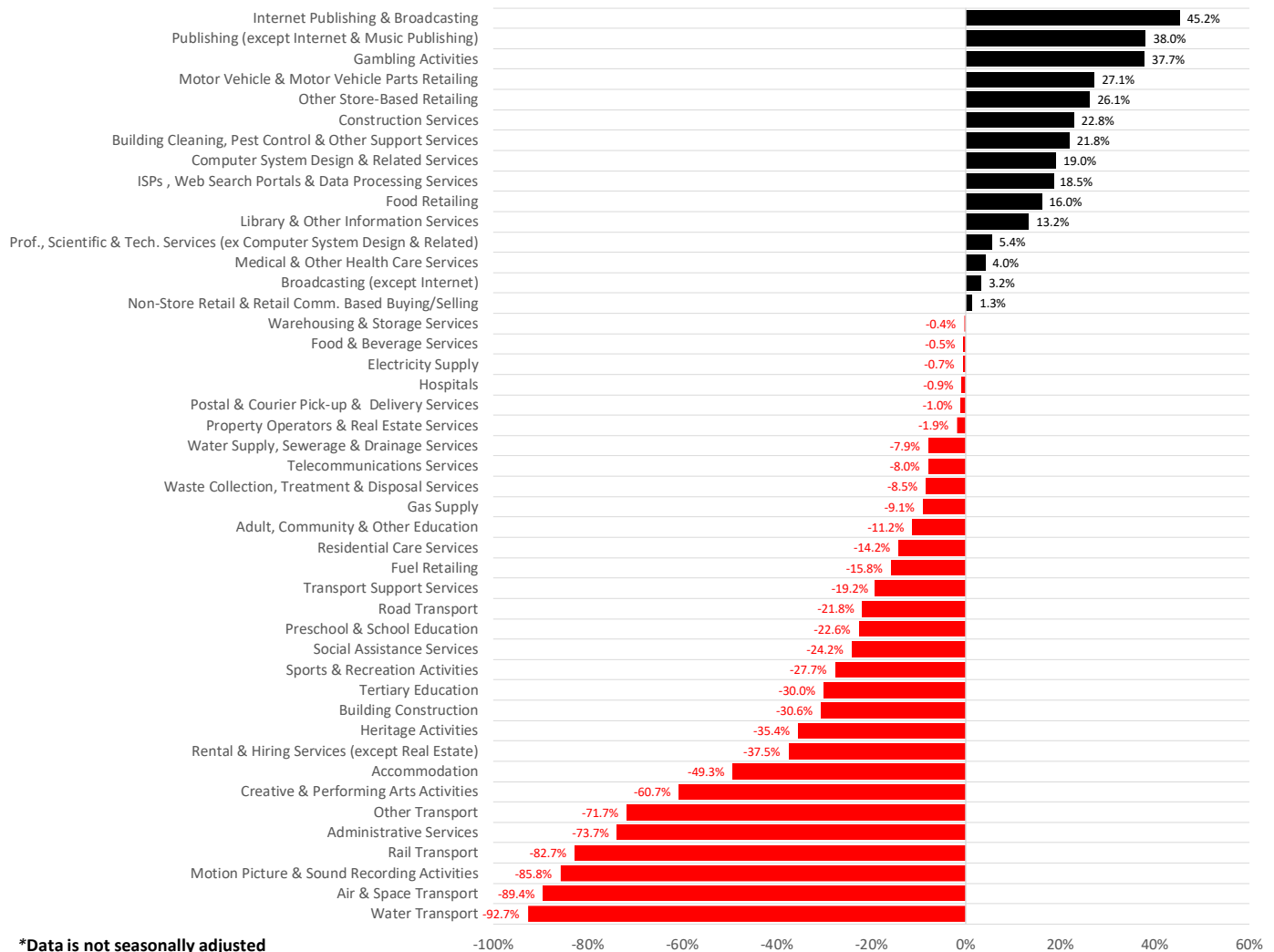


TRANSPORT, POSTAL & WAREHOUSING



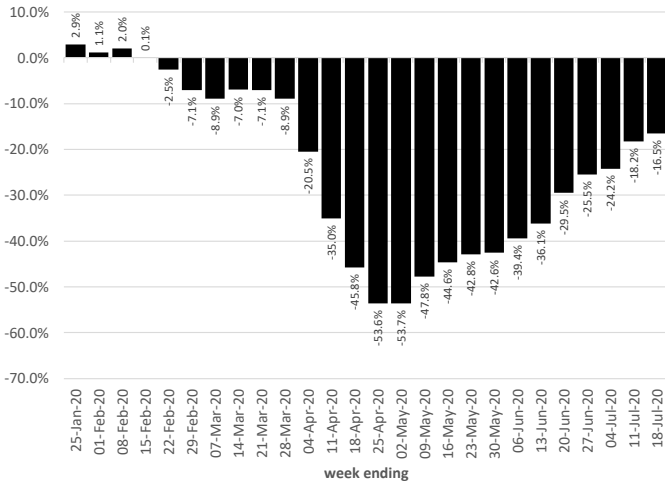
CONSUMPTION SPENDING BY INDUSTRY SUB-DIVISION - RANKED

CHANGE IN CONSUMPTION SPENDING ON THE SAME PERIOD IN THE PREVIOUS YEAR BY INDUSTRY SUB-DIVISION - WEEK ENDING 18 JULY 2020

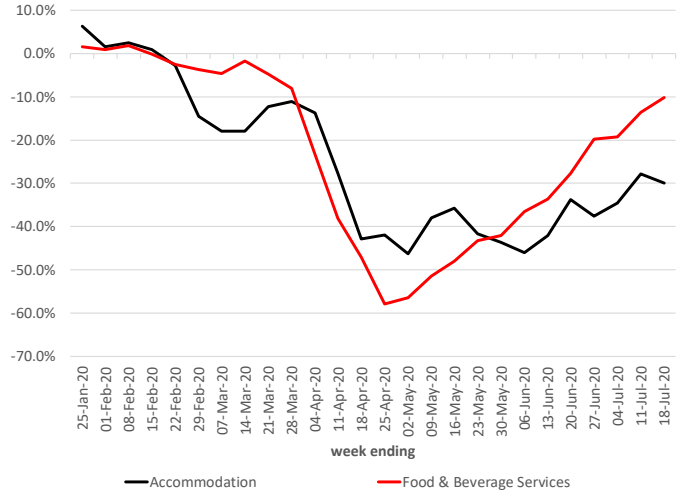


APPENDIX 2 - PAYMENT INFLOWS INTO NAB MERCHANTS BY INDUSTRY & INDUSTRY SUB-DIVISION

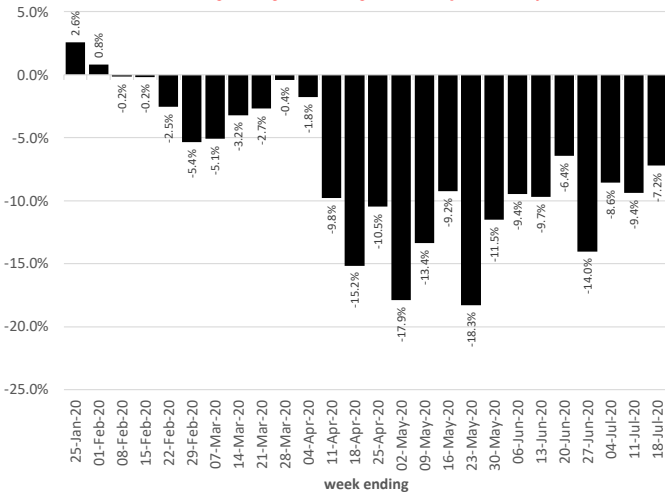
ACCOMMODATION & FOOD SERVICES
(4-week moving average, % change on same period last year)



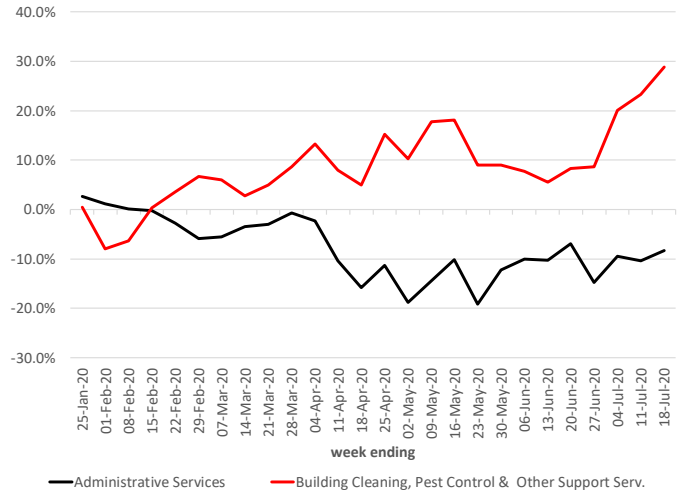
ACCOMMODATION & FOOD SERVICES
(4-week moving average, % change on same period last year)



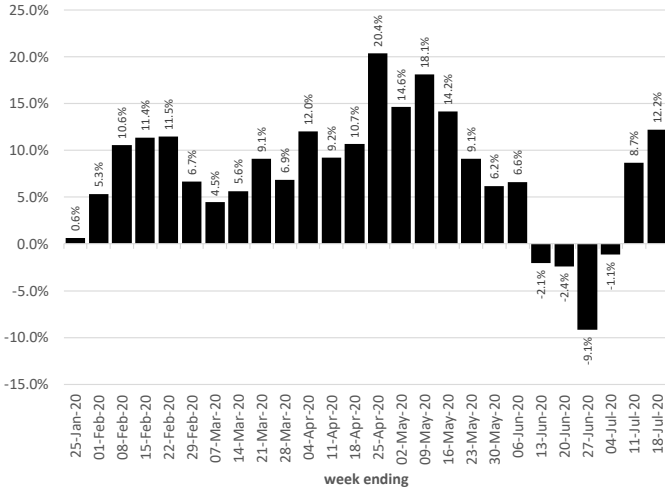
ADMINISTRATIVE & SUPPORT SERVICES
(4-week moving average, % change on same period last year)



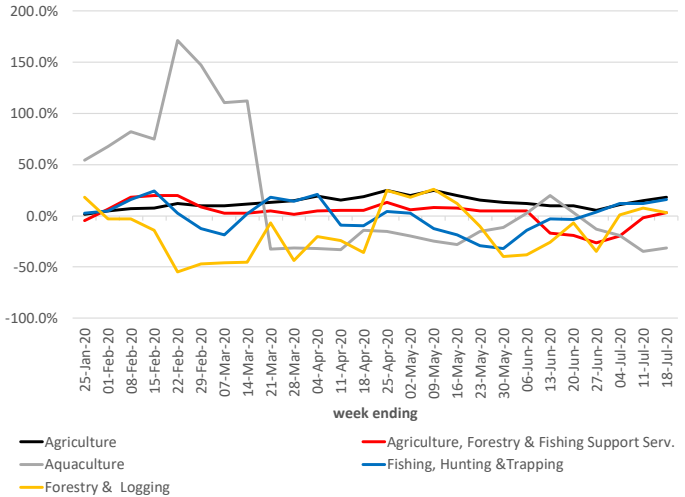
ADMINISTRATIVE & SUPPORT SERVICES
(4-week moving average, % change on same period last year)



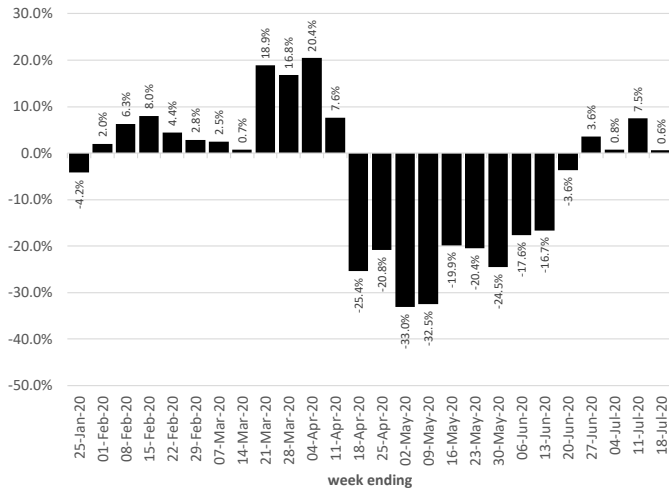
AGRICULTURE, FORESTRY & FISHING
(4-week moving average, % change on same period last year)



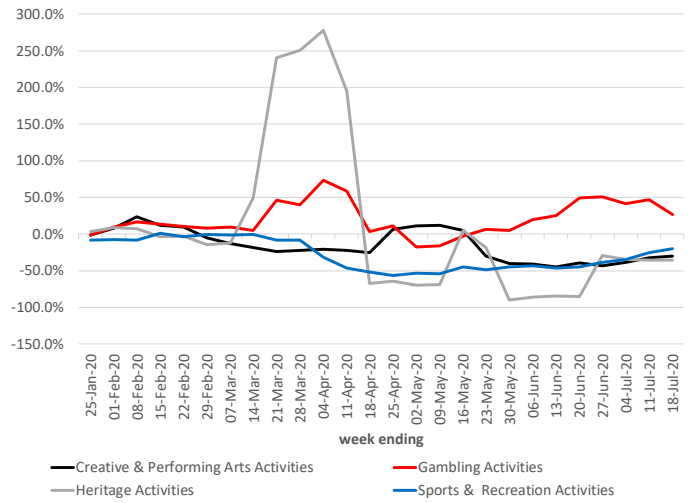
AGRICULTURE, FORESTRY & FISHING
(4-week moving average, % change on same period last year)



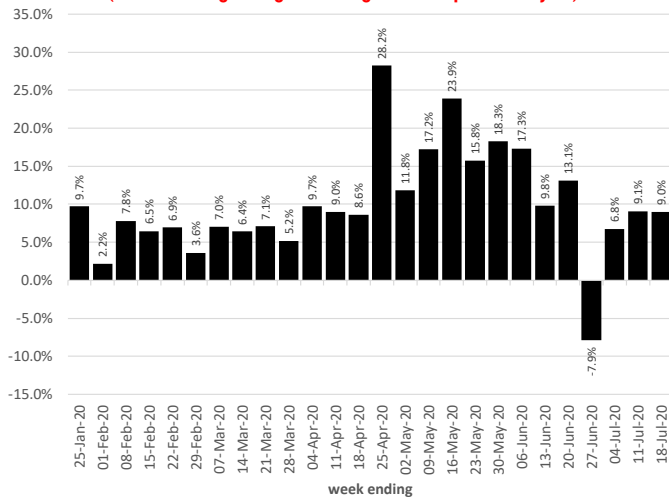
ARTS & RECREATION SERVICES (4-week moving average, % change on same period last year)



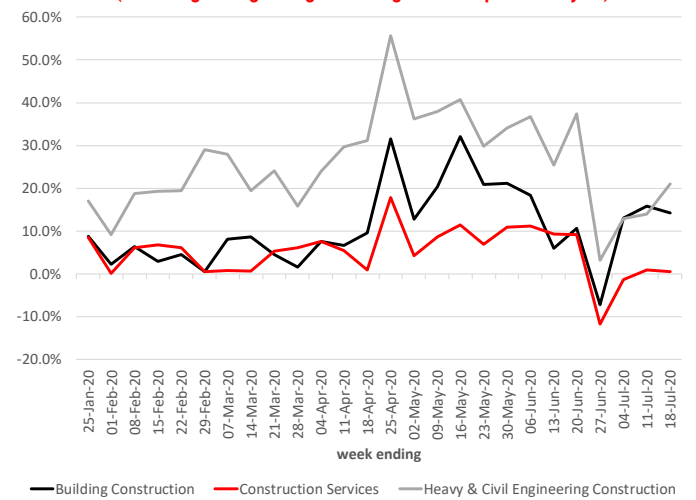
ARTS & RECREATION SERVICES (4-week moving average, % change on same period last year)



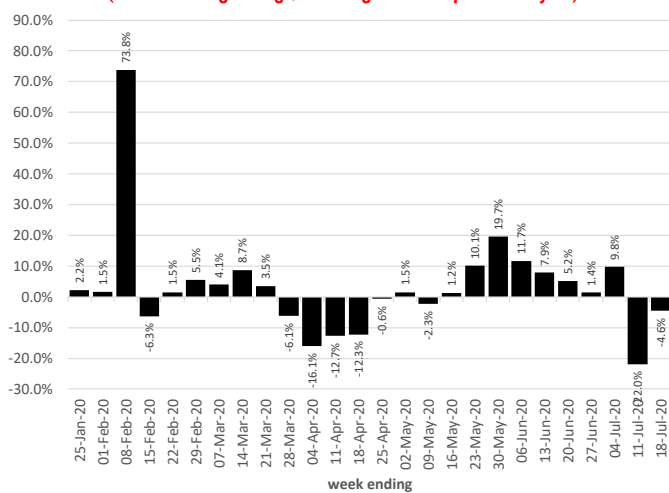
CONSTRUCTION (4-week moving average, % change on same period last year)



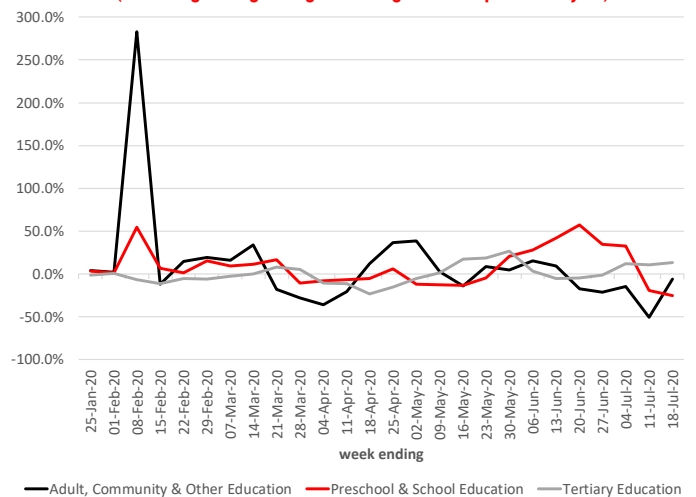
CONSTRUCTION (4-week moving average, % change on same period last year)



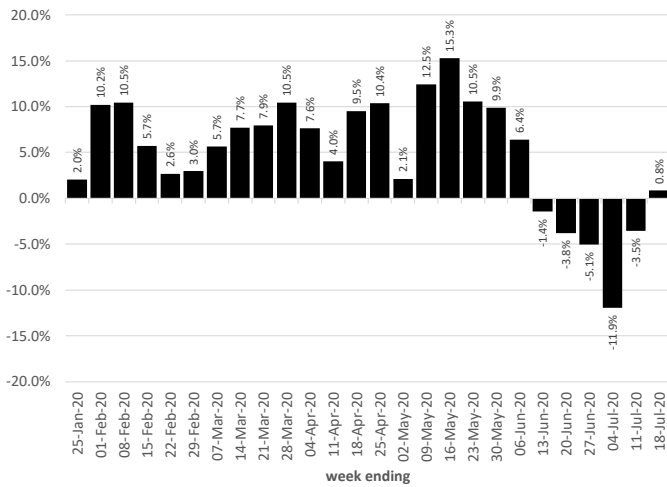
EDUCATION & TRAINING (4-week moving average, % change on same period last year)



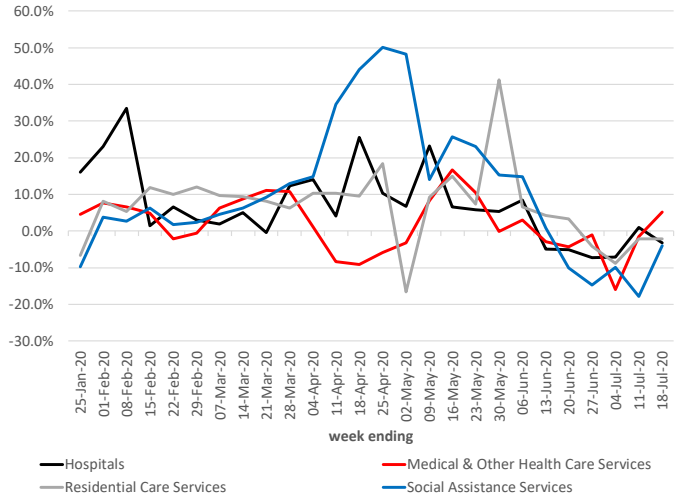
EDUCATION & TRAINING (4-week moving average, % change on same period last year)



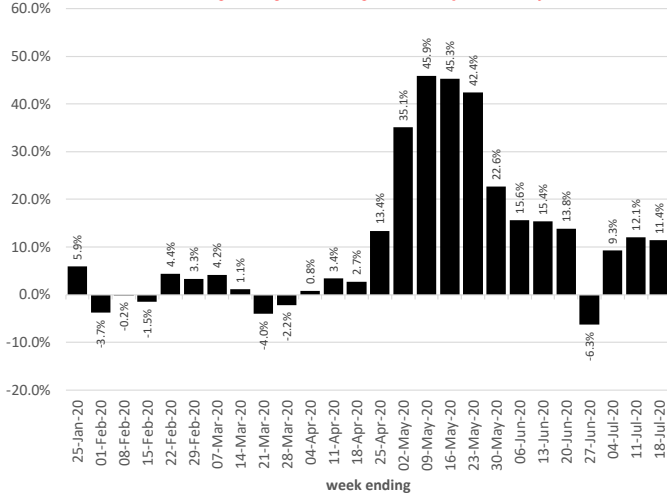
HEALTH CARE & SOCIAL ASSISTANCE (4-week moving average, % change on same period last year)



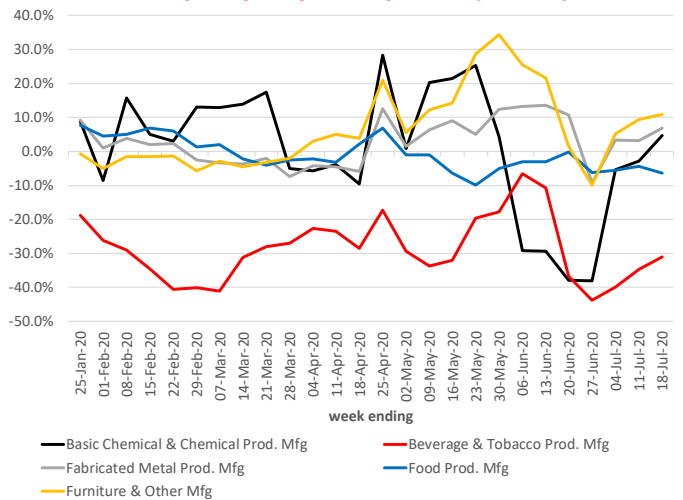
HEALTH CARE & SOCIAL ASSISTANCE (4-week moving average, % change on same period last year)



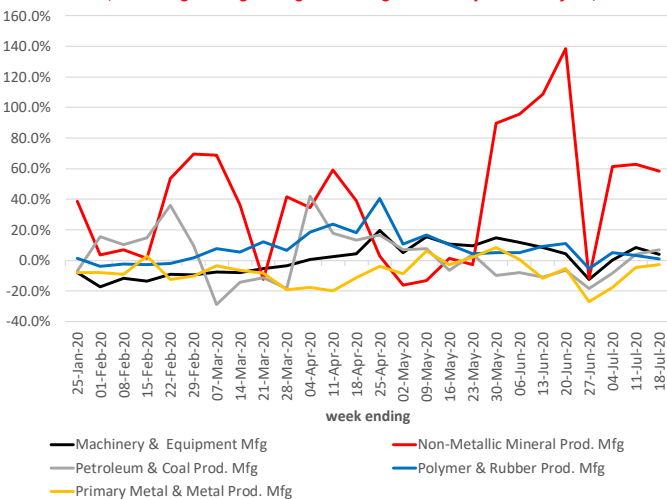
MANUFACTURING (4-week moving average, % change on same period last year)



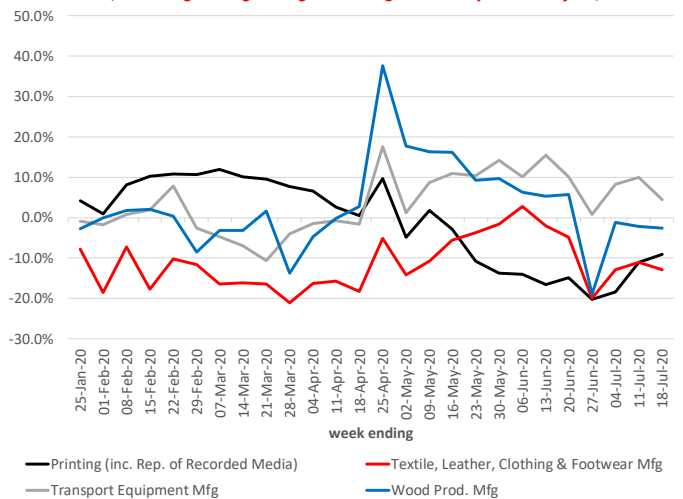
MANUFACTURING (1) (4-week moving average, % change on same period last year)



MANUFACTURING (2) (4-week moving average, % change on same period last year)

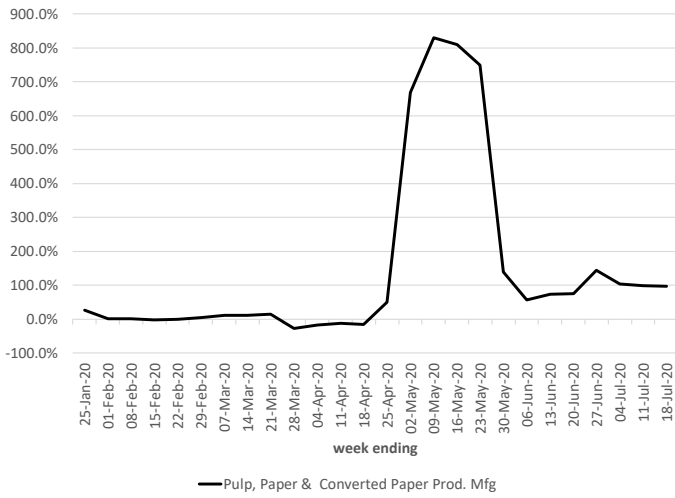


MANUFACTURING (3) (4-week moving average, % change on same period last year)



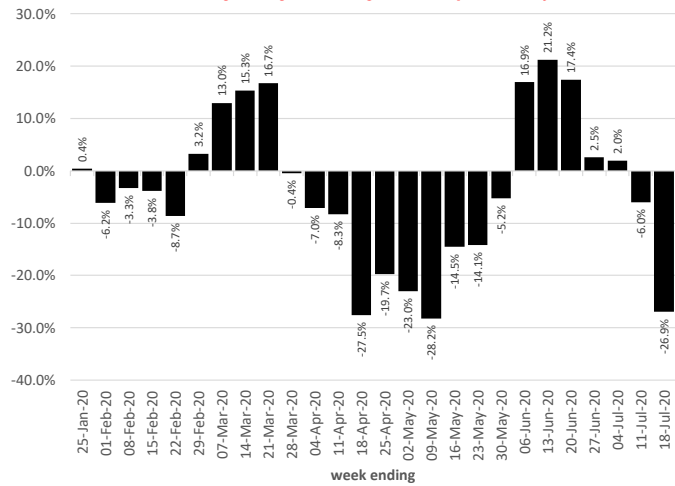
MANUFACTURING (4)

(4-week moving average, % change on same period last year)



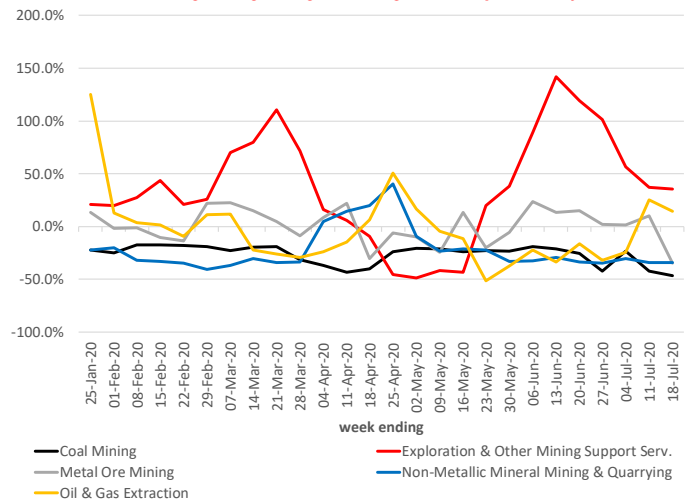
MINING

(4-week moving average, % change on same period last year)



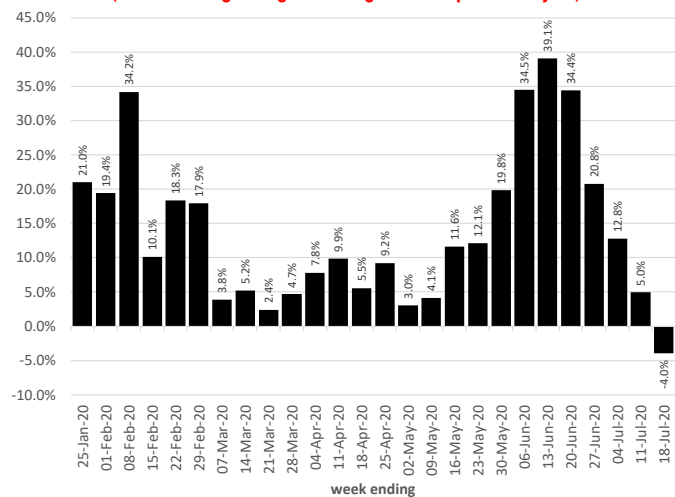
MINING

(4-week moving average, % change on same period last year)



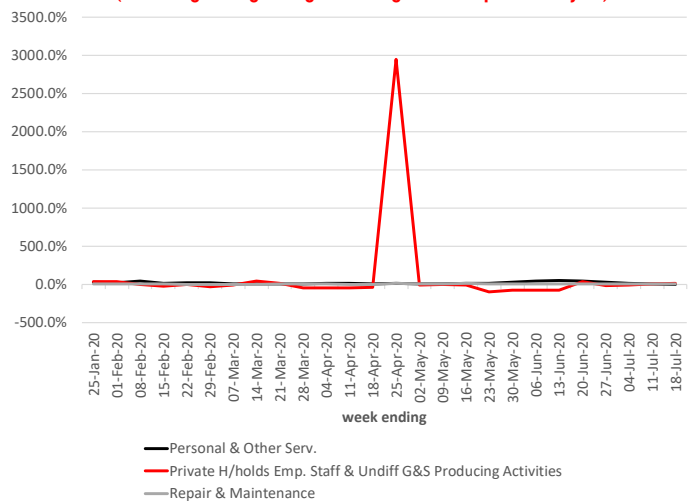
OTHER SERVICES

(4-week moving average, % change on same period last year)

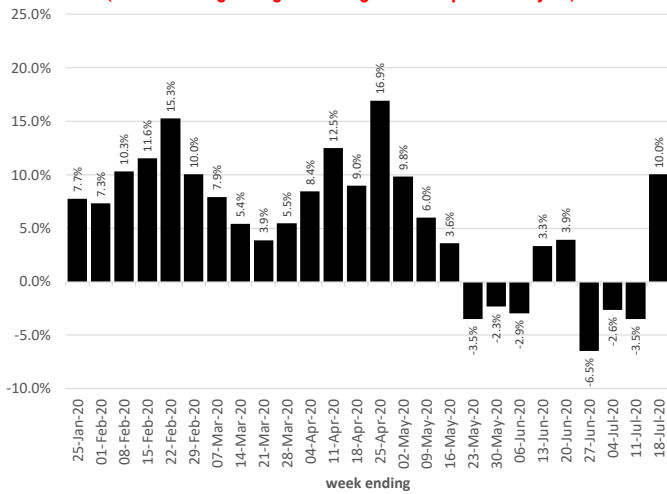


OTHER SERVICES

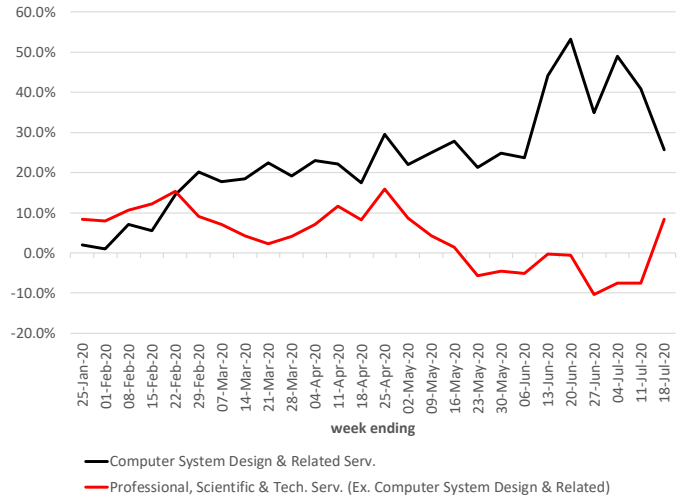
(4-week moving average, % change on same period last year)



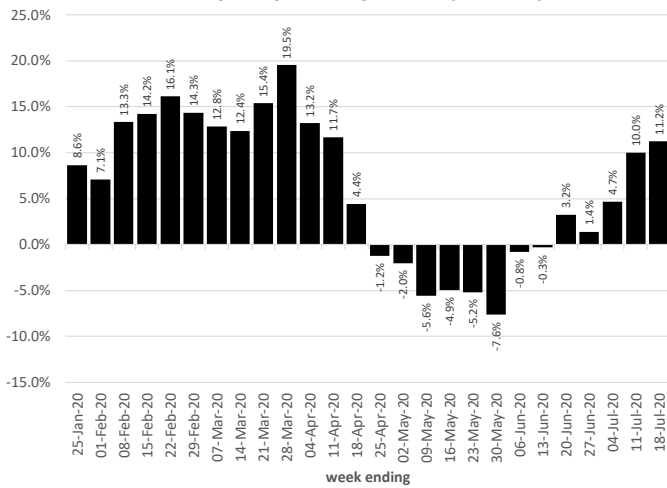
PROFESSIONAL, SCIENTIFIC & TECH SERVICES (4-week moving average, % change on same period last year)



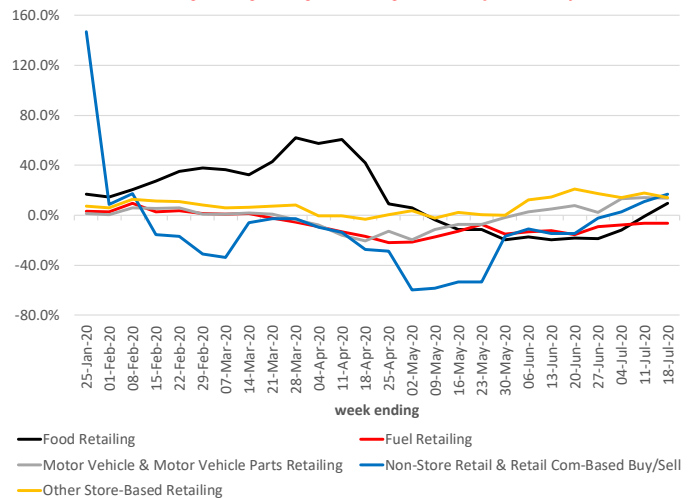
PROFESSIONAL, SCIENTIFIC & TECH SERVICES (4-week moving average, % change on same period last year)



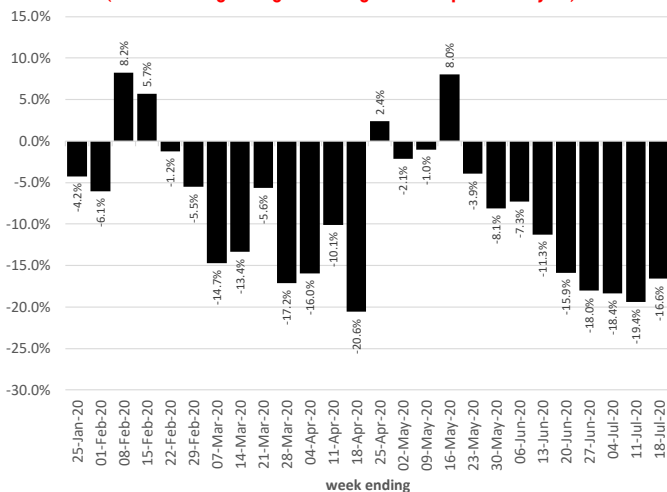
RETAIL TRADE (4-week moving average, % change on same period last year)



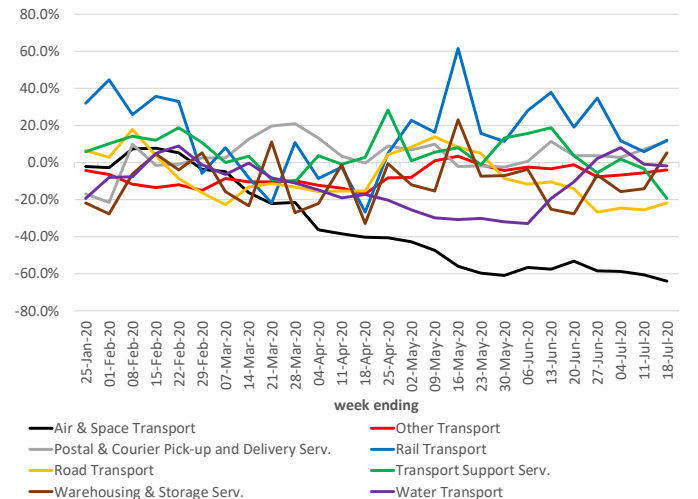
RETAIL TRADE (4-week moving average, % change on same period last year)



TRANSPORT, POSTAL & WAREHOUSING (4-week moving average, % change on same period last year)

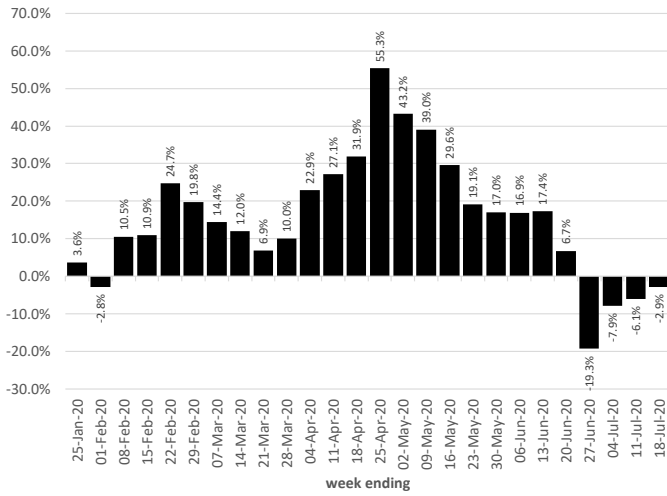


TRANSPORT, POSTAL & WAREHOUSING (4-week moving average, % change on same period last year)



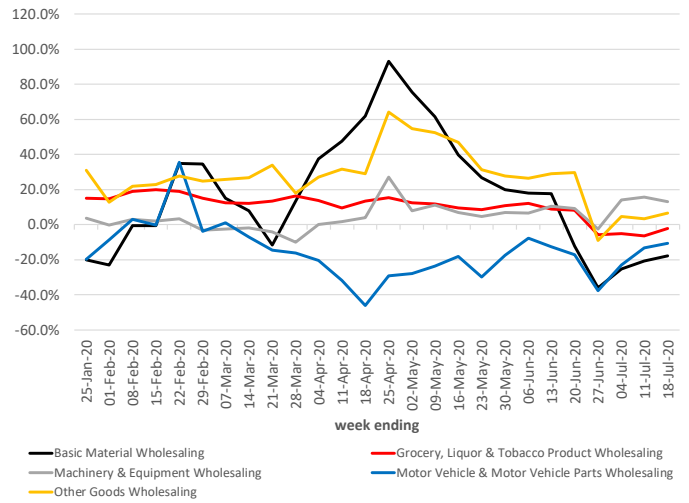
WHOLESALE TRADE

(4-week moving average, % change on same period last year)



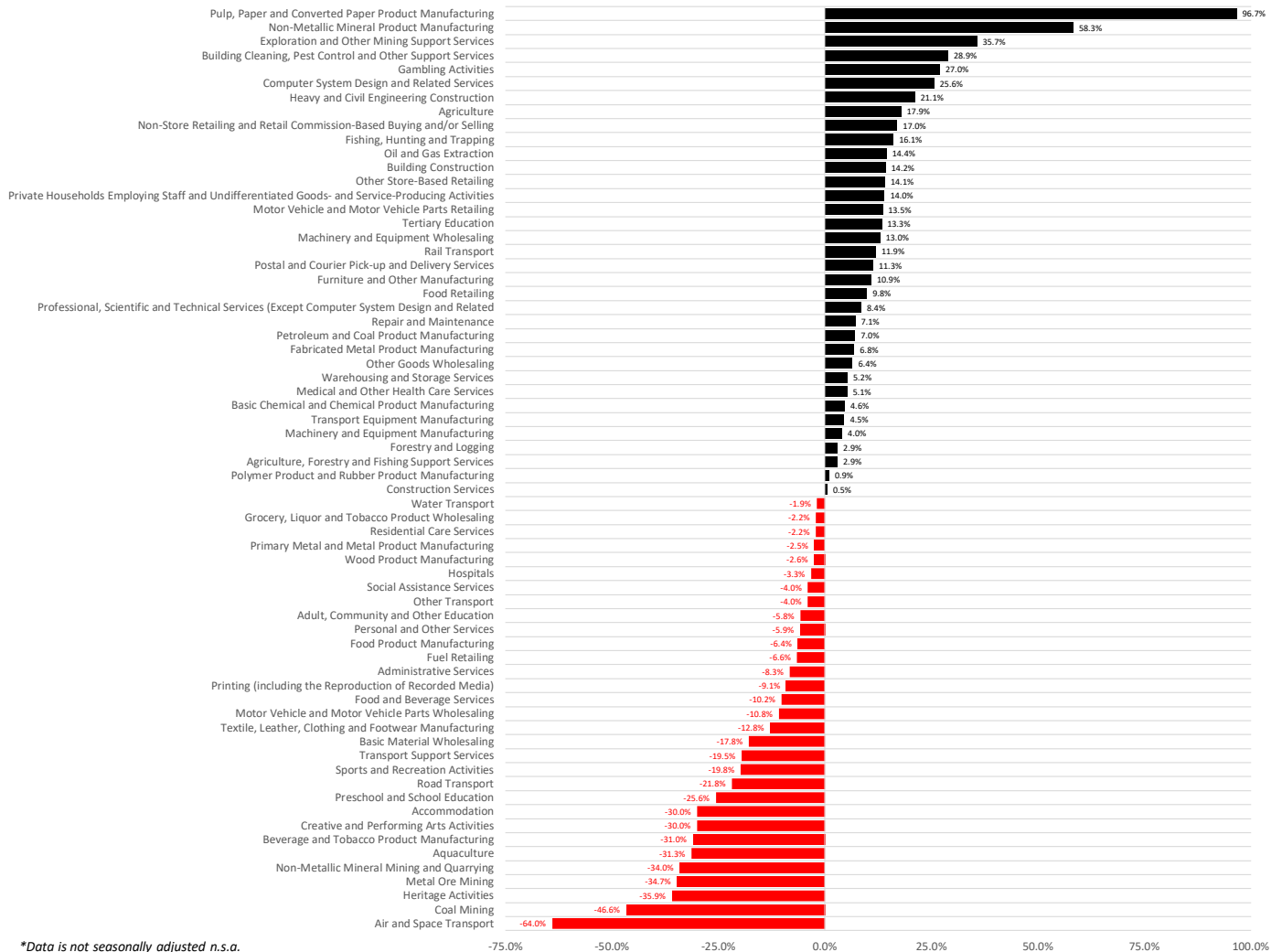
WHOLESALE TRADE

(4-week moving average, % change on same period last year)



PAYMENT INFLOWS BY INDUSTRY SUB-DIVISION - RANKED

CHANGE IN PAYMENT INFLOWS INTO NAB MERCHANTS OVER PREVIOUS YEAR
BY INDUSTRY SUB-DIVISION - WEEK ENDING 18 JULY 2020 (4-WEEK MOVING AVG)*



*Data is not seasonally adjusted n.s.a.

AUTHORS

Alan Oster

Group Chief Economist
Alan.Oster@nab.com.au
+61 (0)414 444 652

Brien McDonald

Associate Director - Economics
Brien.McDonald@nab.com.au
+613 8634 3837

Steven Wu

Associate Director - Economics
Steven.A.Wu@nab.com.au
+(613) 9208 2929

Dean Pearson

Head of Behavioural & Industry Economics
Dean.Pearson@nab.com.au
+613 8634 2331

Robert De Iure

Associate Director Economics
Robert.De.Iure@nab.com.au
+613 8634 4611

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