

# NAB ECONOMICS DATA INSIGHTS

## IMPACTS OF CORONAVIRUS ON CONSUMPTION BASED SPENDING AND BUSINESS PAYMENT INFLOWS



July 2020

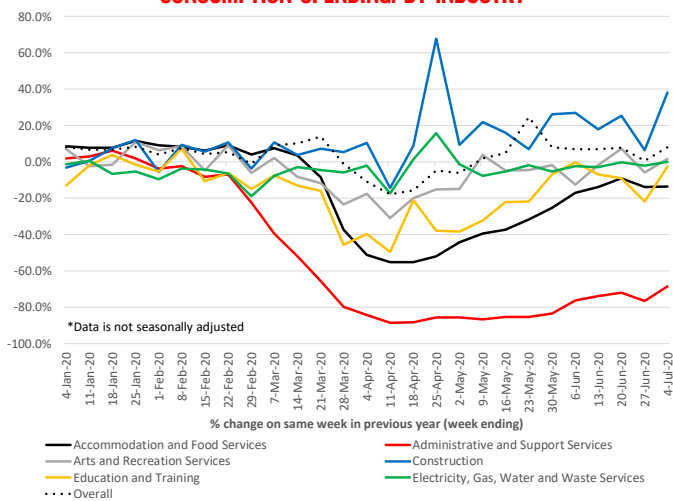
*NAB Group Economics*

*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.*

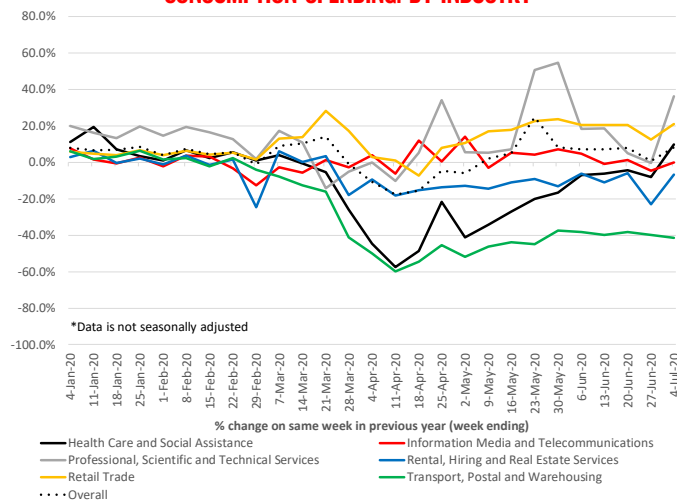
NAB's latest Data Insights report shows quite strong consumption spending leading into the Victoria shut down. Spending was up 8% and higher in most states in the week ending July 4 compared to the same time last year, with key industries such as Retail and Construction leading the way. Spending on Accommodation & Food Services (the largest sector of the economy) has however levelled out. We have moved to reporting consumer data on a weekly year-on-year basis to identify turning points more quickly.

Payment inflows data was flat over the 4-weeks to July 4 (4-week average terms). The downturn in inflows into Corporates is gathering speed, with heavy falls also still being reported in Admin & Support Services, Hospitality and Transport, Postal & Warehousing. Inflows were strongest in Other Services, Education and Manufacturing.

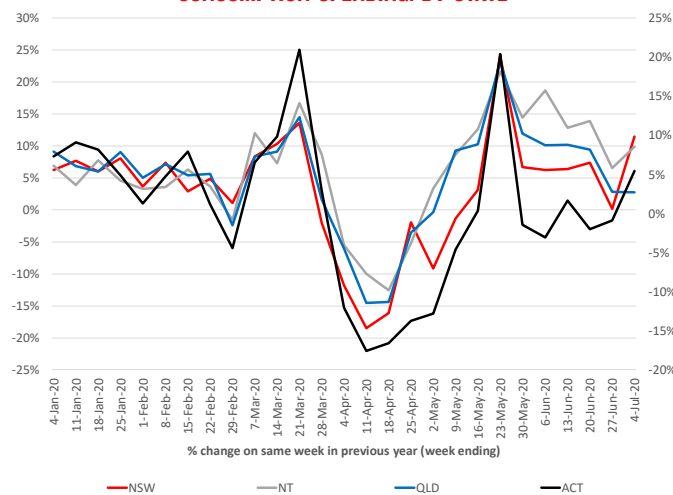
**CONSUMPTION SPENDING: BY INDUSTRY**



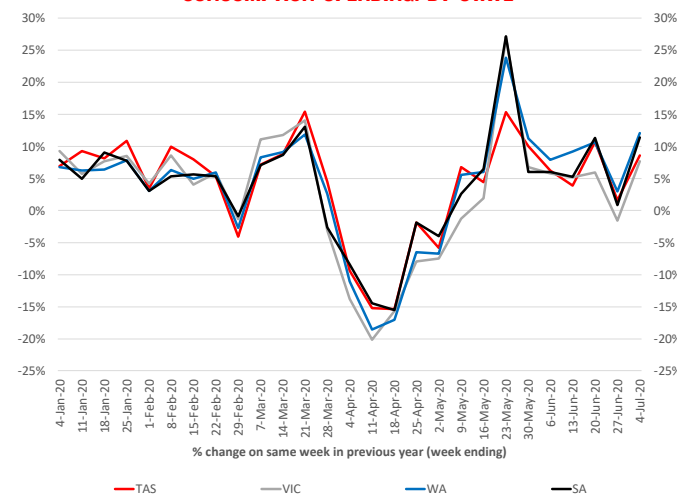
**CONSUMPTION SPENDING: BY INDUSTRY**

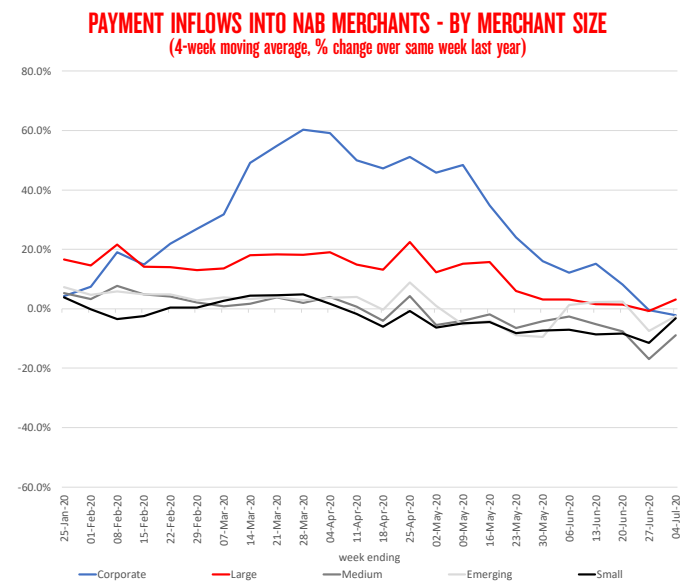
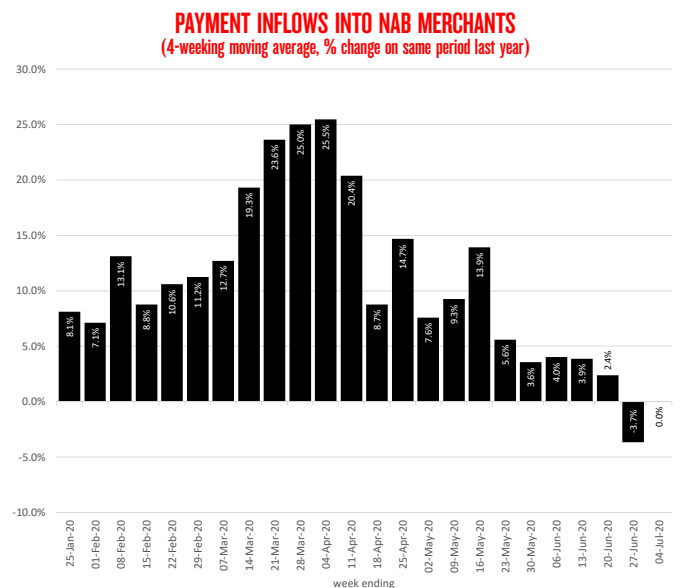
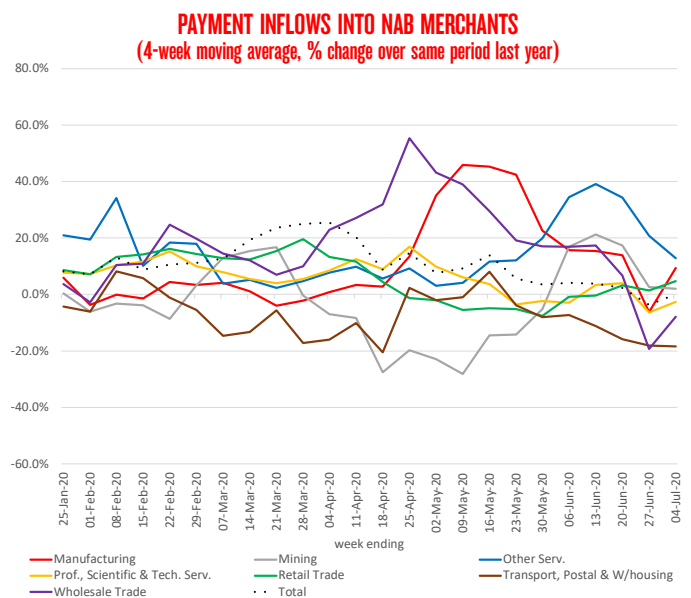
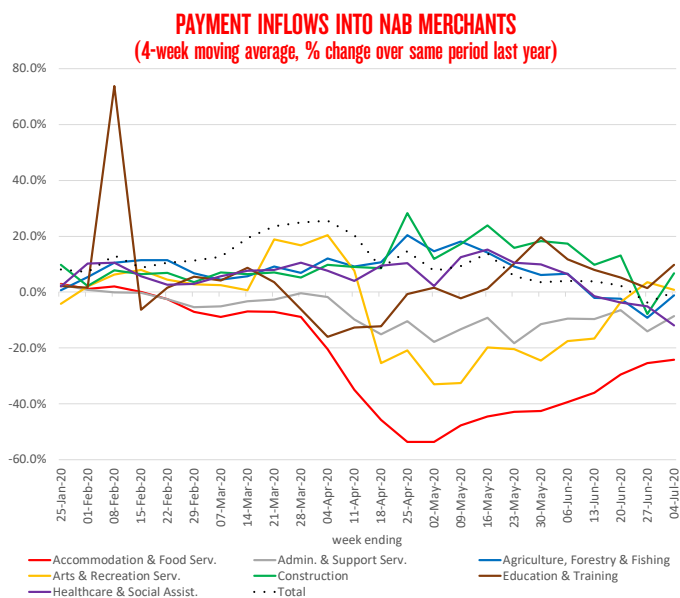


**CONSUMPTION SPENDING: BY STATE**



**CONSUMPTION SPENDING: BY STATE**





NAB has moved to reporting consumption spending on a weekly year-on-year basis (previously 4-week moving average terms year-on-year basis) to identify potential turning points more quickly - these can sometimes be masked by 4-week average data.

For the week ending July 4, consumption spending grew by a solid 8.1% over the same week in 2019. This was the biggest increase in weekly spending since the last week in May. Solid increases were reported in all states, led by WA (12.1%), NSW (11.5%) and SA (11.4%), with VIC (9.9%) also quite strong ahead of the lockdown. Spending growth was slowest in QLD (2.8%).

By industry, spending was highest in Construction (38.3%), Professional, Scientific & Technical Services (36.1%) and Retail (20.9%), led by Motor Vehicles & Parts and Other Store Based Retailing. It fell heavily in Transport, Storage & Warehousing (-41.4%), led by very steep falls in spending on Air, Rail and Other Transport. Hospitality (-13.5%) spend also looks to have levelled off at weak levels (after steadily improving over recent weeks), as mildly positive spending on Food & Beverage Services was offset by heavy falls in Accommodation spend - **see Appendix 1 for more detailed Industry data.**

Payment inflows into NAB merchants were flat in year-on-year terms in the 4 weeks to July 4. Inflows into Corporates continued to trend down, and were -2.2% lower over the year. Inflows also continued falling across all other business sizes (although the rate of decline has eased in recent weeks), except for Large firms (up 3.1%).

By industry, payment inflows grew fastest for Other Services (12.8%), Education & Training (9.8%) and Manufacturing (9.3%), and were weakest in Accommodation & Food Services (-24.2%), although this was the slowest pace of decline since late-March. Inflows into Transport, Postal & Warehousing (-18.4%) are however continuing to drift down (mainly Air Transport related) - **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 4 July 2020)

	% change on same week in previous year**
Accommodation & Food Services	-13.5%
Administrative & Support Services (incl. Travel Agents)	-68.3%
Arts & Recreation Services	1.8%
Construction	38.3%
Education & Training	-2.6%
Electricity, Gas & Water & Waste Services	0.1%
Healthcare & Social Assistance	9.8%
Information, Media & Telecommunications	-0.2%
Professional, Scientific & Technical Services	36.1%
Rental, Hiring & Real Estate Services	-6.8%
Retail Trade	20.9%
Transport, Postal & Warehousing	-41.4%
<b>TOTAL</b>	<b>8.1%</b>
<b>Best Performers (Sub-Division)</b>	
- ISPs, Web Search Portals & Data Processing Services	164.2%
- Building Construction	86.7%
- Computer System Design & Related Services	68.5%
- Waste Collection, Treatment & Disposal Services	56.7%
- Publishing (except Internet & Music Publishing)	42.5%
- Motor Vehicle & Motor Vehicle Parts Retailing	40.9%
- Gambling Activities	39.9%
- Construction Services	37.6%
<b>Worst Performers (Sub-Division)</b>	
- Air & Space Transport	-90.2%
- Motion Picture & Sound Recording Activities	-89.4%
- Rail Transport	-80.0%
- Administrative Services	-71.2%
- Water Transport	-70.8%
- Other Transport	-69.2%
- Creative & Performing Arts Activities	-62.6%
- Accommodation	-48.7%

\*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.

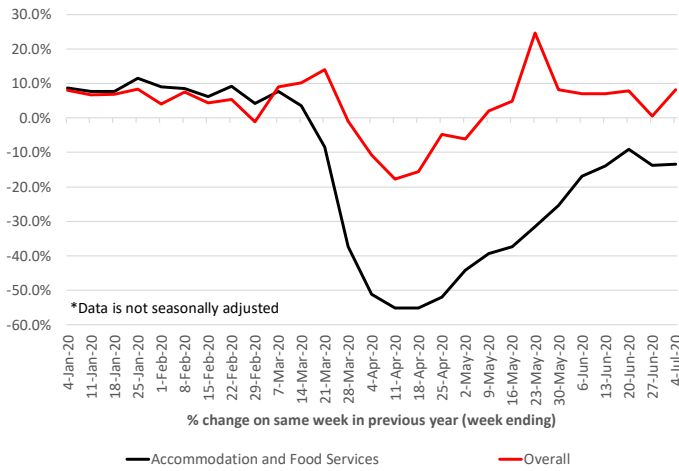
## PAYMENT INFLOWS INTO NAB MERCHANTS BY INDUSTRY SECTOR & SELECTED SUB INDUSTRIES (4-week moving avg, year-on-year change on same period in previous year, 4-weeks ending 4 July 2020)

	4-weeks ending 4 July 2020
Accommodation & Food Services	-24.2%
Administration & Support Services	-8.6%
Agriculture, Forestry & Fishing	-1.1%
Arts & Recreation Services	0.8%
Construction	6.8%
Education & Training	9.8%
Healthcare & Social Assistance	-11.9%
Manufacturing	9.3%
Mining	2.0%
Other Services	12.8%
Professional, Scientific & Technical Services	-2.6%
Retail Trade	4.7%
Transport, Postal & Warehousing	-18.4%
Wholesale Trade	-7.9%
<b>TOTAL</b>	<b>0.0%</b>
<b>Business Size</b>	
- Small	-3.1%
- Emerging	-2.4%
- Medium	-9.0%
- Large	3.1%
- Corporate	-2.2%
<b>Best Performers (Sub-Division)</b>	
- Pulp, Paper & Converted Paper Product Manufacturing	103.6%
- Non-Metallic Mineral Product Manufacturing	61.3%
- Exploration & Other Mining Support Services	56.6%
- Computer System Design & Related Services	49.0%
- Gambling Activities	41.0%
- Pre-school & School Education	32.7%
<b>Worst Performers (Sub-Division)</b>	
- Air & Space Transport	-58.9%
- Beverage & Tobacco Product Manufacturing	-39.9%
- Creative & Performing Arts Activities	-39.0%
- Sports & Recreation Activities	-35.2%
- Heritage Activities	-35.1%
- Accommodation	-34.6%

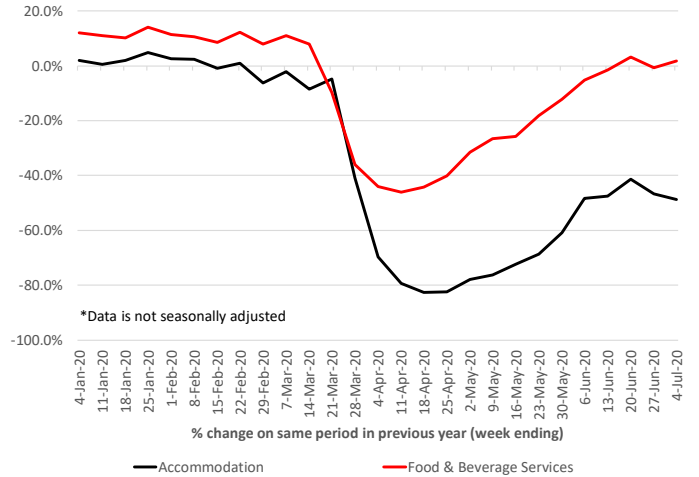
\* Payment Inflows are credits to a NAB merchant's account that is not a financing credit from NAB or a transfer from related accounts.

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

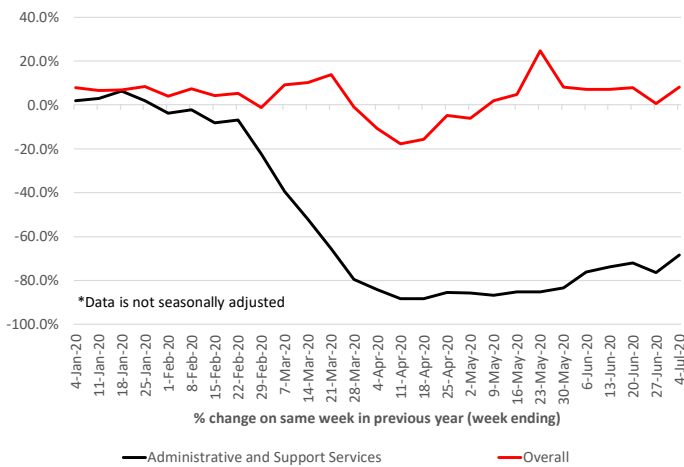
## ACCOMMODATION & FOOD SERVICES



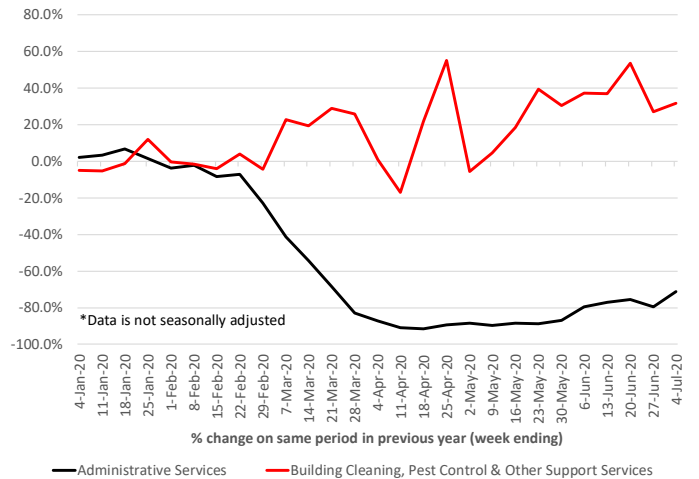
## ACCOMMODATION & FOOD SERVICES



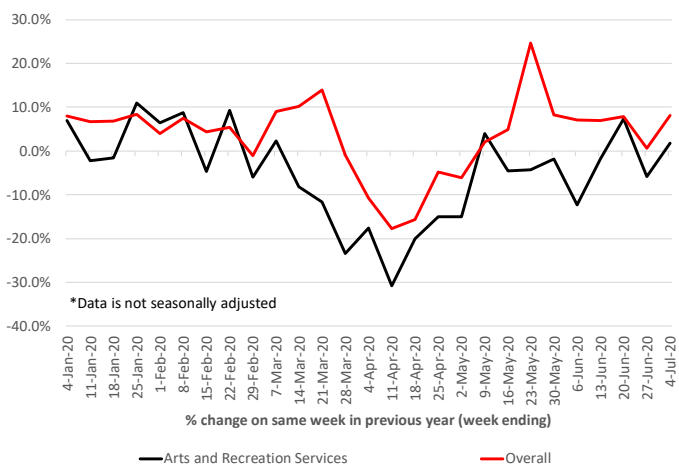
## ADMINISTRATIVE & SUPPORT SERVICES



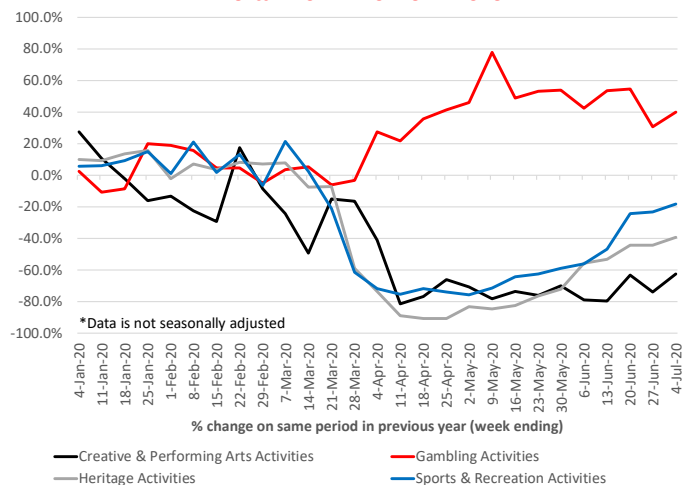
## ADMINISTRATIVE & SUPPORT SERVICES



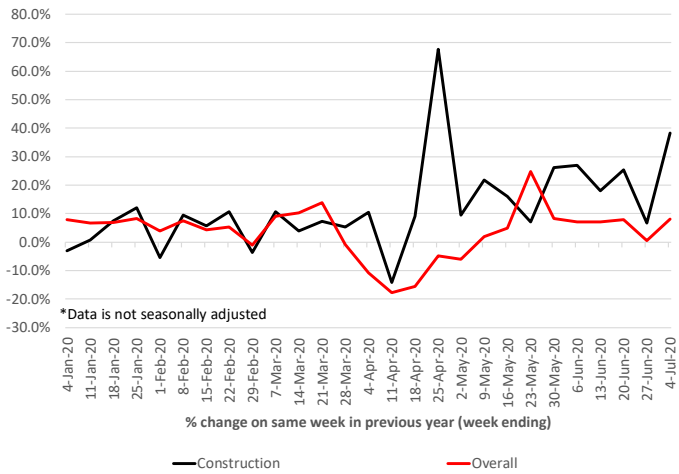
## ARTS & RECREATION SERVICES



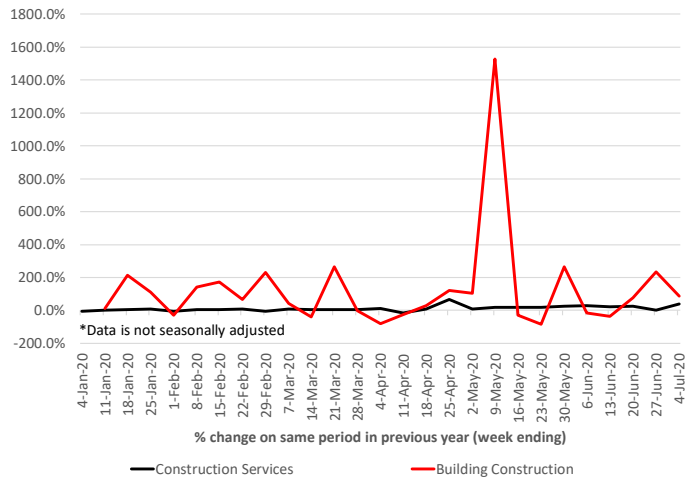
## ARTS & RECREATION SERVICES



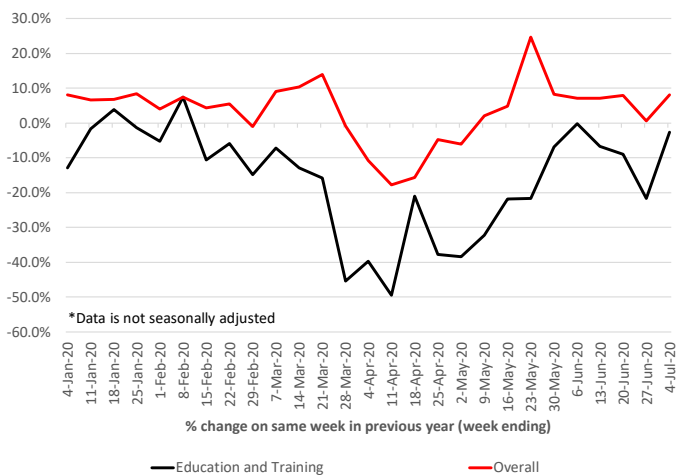
### CONSTRUCTION



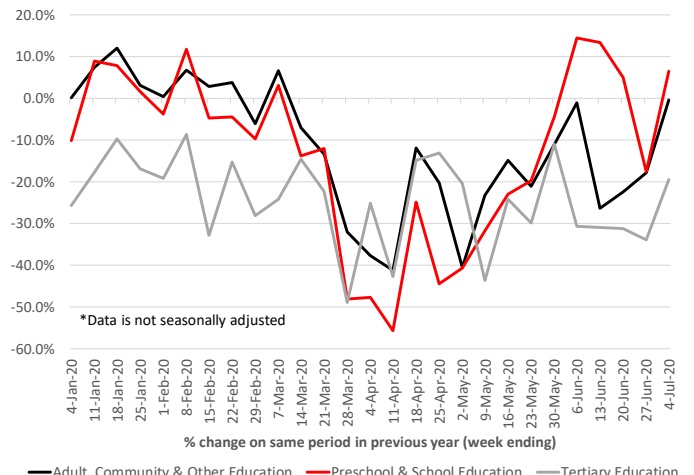
### CONSTRUCTION



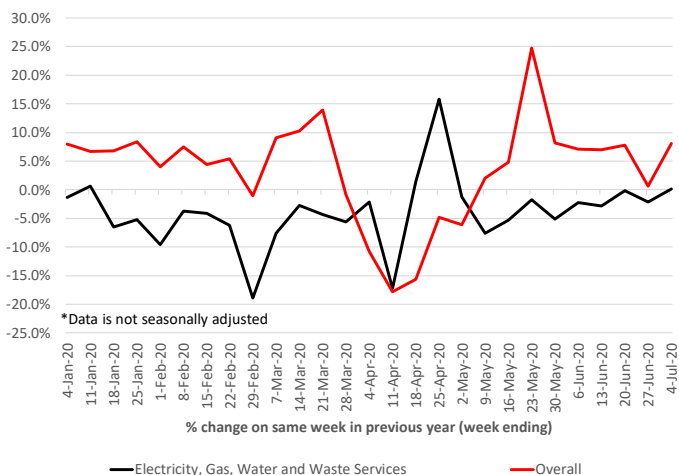
### EDUCATION & TRAINING



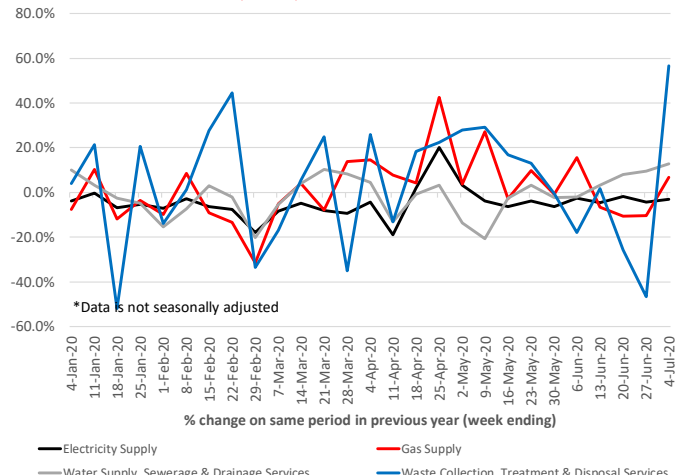
### EDUCATION & TRAINING



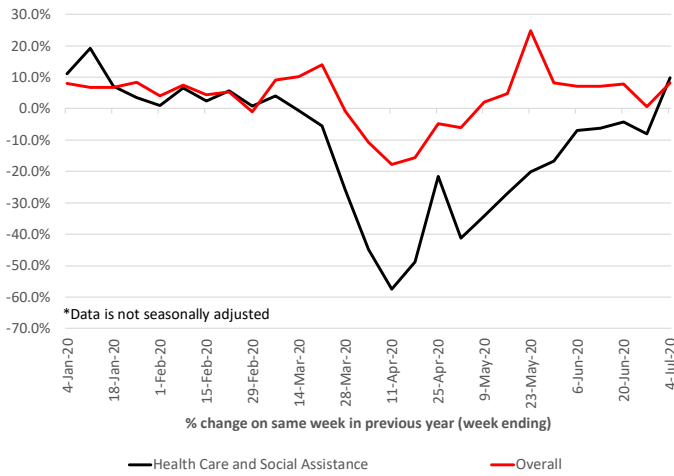
### ELECTRICITY, GAS, WATER & WASTE SERVICES



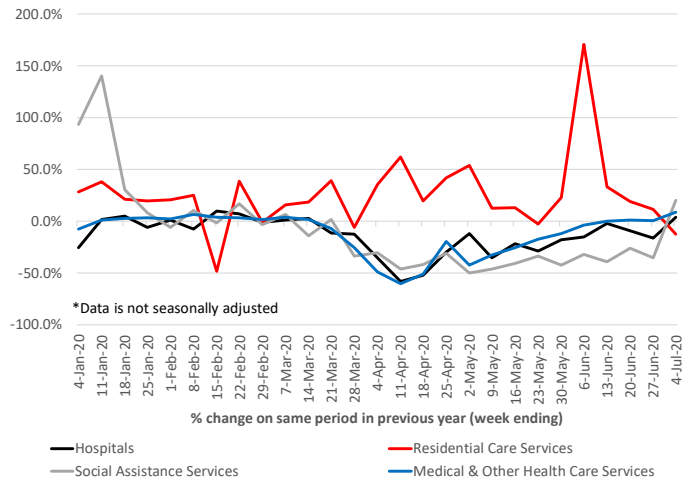
### ELECTRICITY, GAS, WATER & WASTE SERVICES



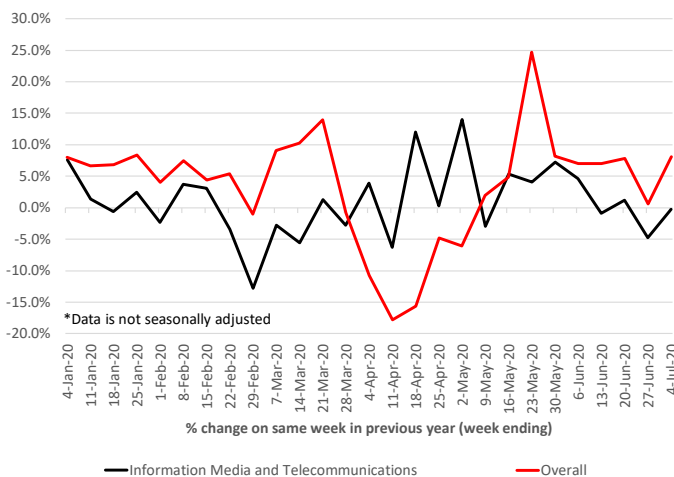
### HEALTH CARE & SOCIAL ASSISTANCE



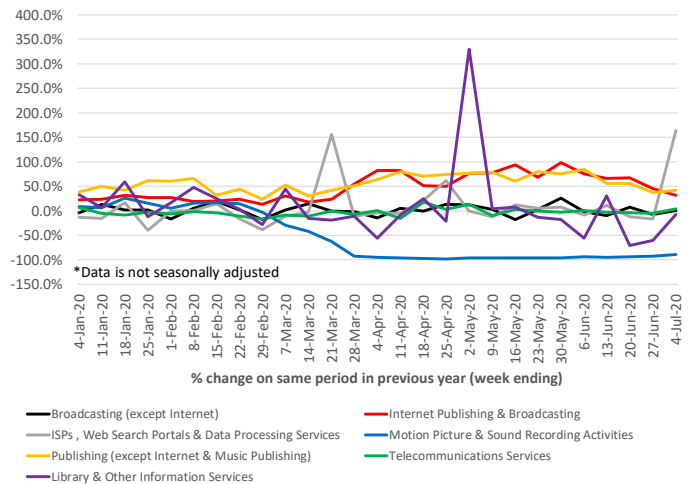
### HEALTH CARE & SOCIAL ASSISTANCE



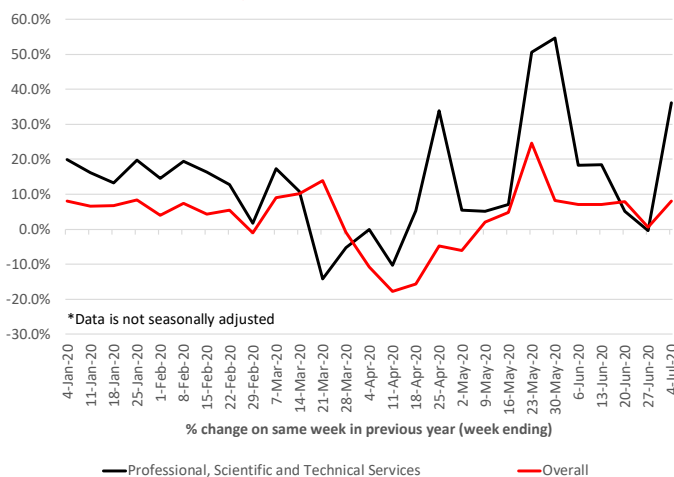
### INFORMATION MEDIA & TELECOMMUNICATIONS



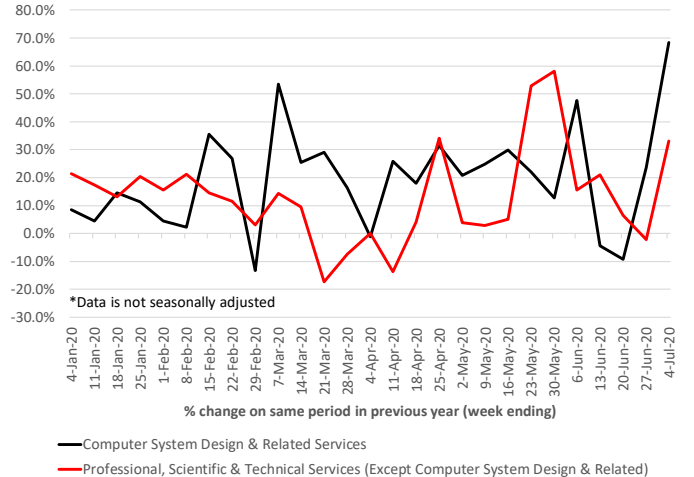
### INFORMATION MEDIA & TELECOMMUNICATIONS



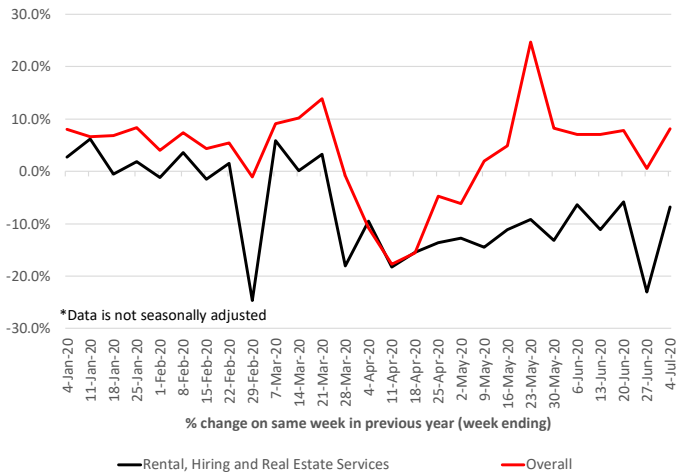
### PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES



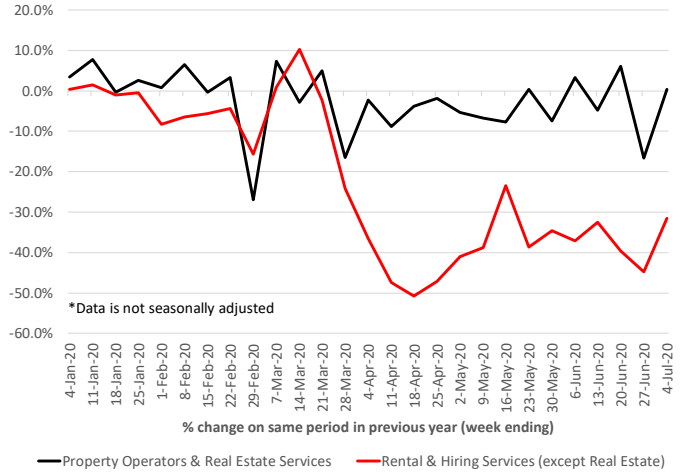
### PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES



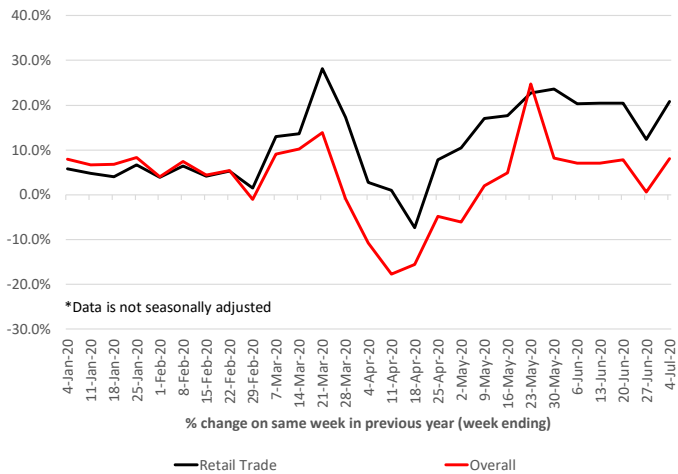
### RENTAL, HIRING & REAL ESTATE SERVICES



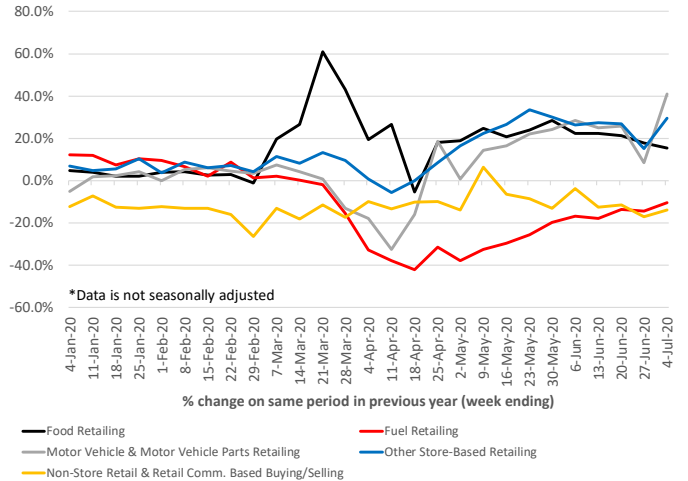
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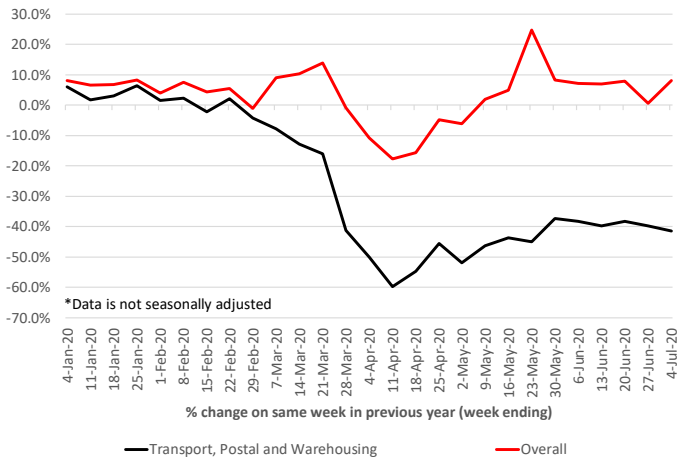
### RETAIL TRADE



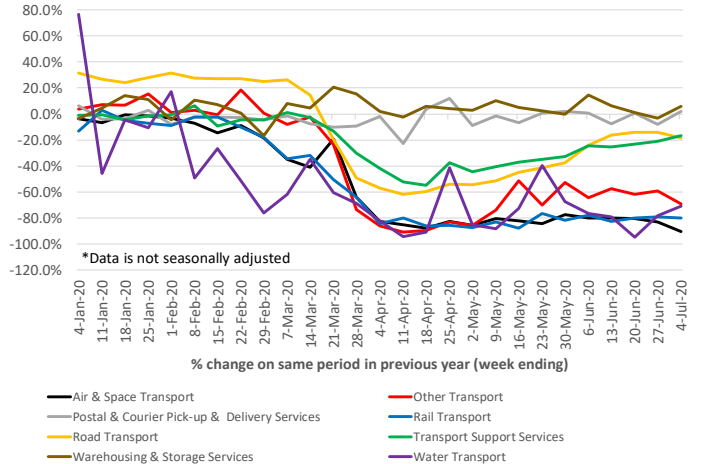
### RETAIL TRADE



### TRANSPORT, POSTAL & WAREHOUSING



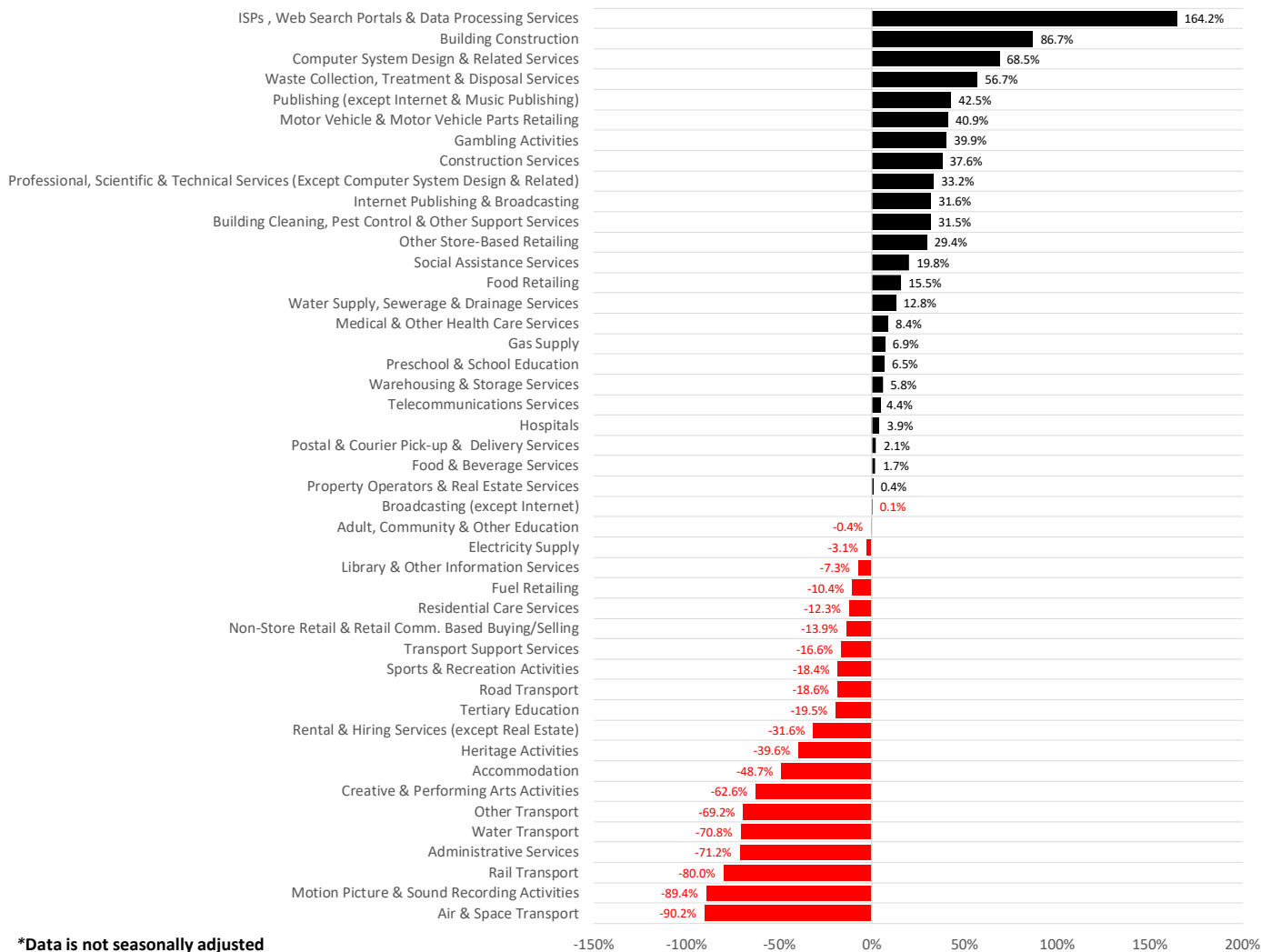
### TRANSPORT, POSTAL & WAREHOUSING





# CONSUMPTION SPENDING BY INDUSTRY SUB-DIVISION - RANKED

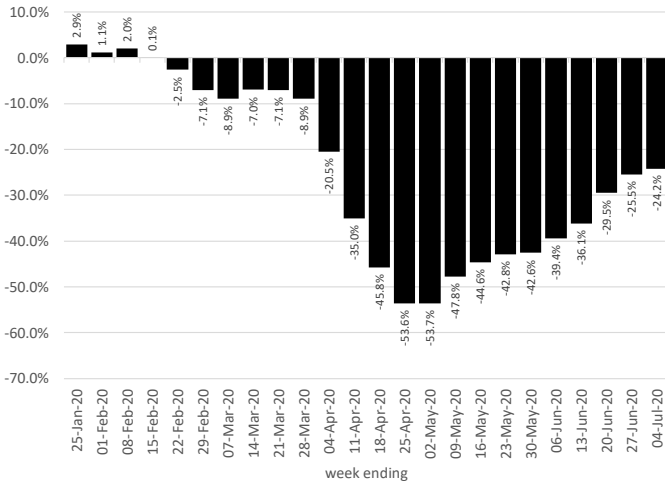
## CHANGE IN CONSUMPTION SPENDING ON THE SAME PERIOD IN THE PREVIOUS YEAR BY INDUSTRY SUB-DIVISION - WEEK ENDING 4 JULY 2020



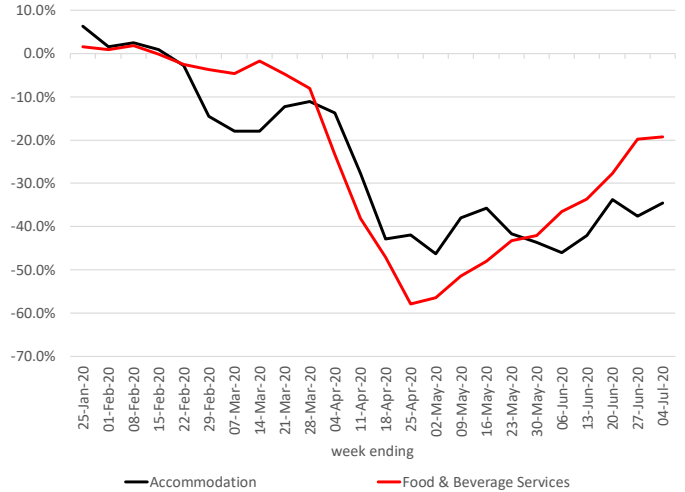
\*Data is not seasonally adjusted

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

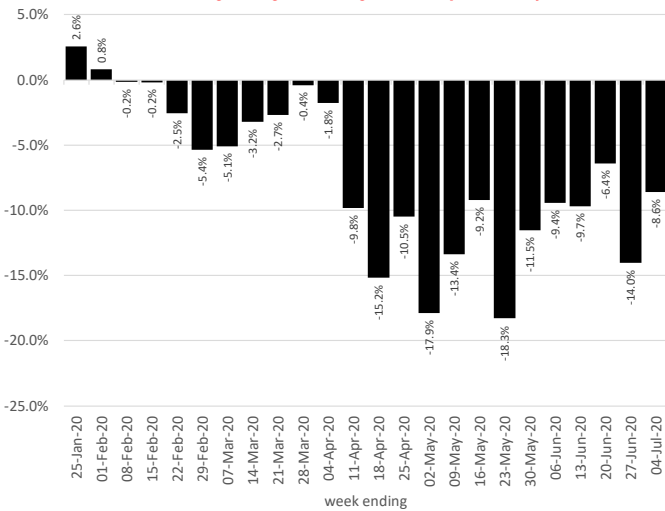
**ACCOMMODATION & FOOD SERVICES**  
(4-week moving average, % change on same period last year)



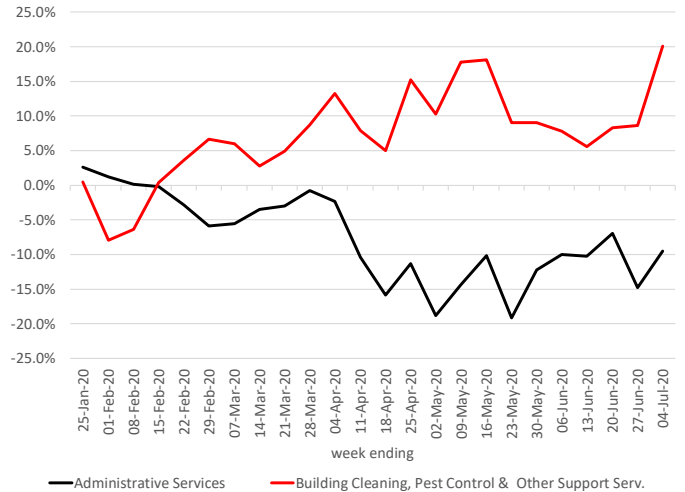
**ACCOMMODATION & FOOD SERVICES**  
(4-week moving average, % change on same period last year)



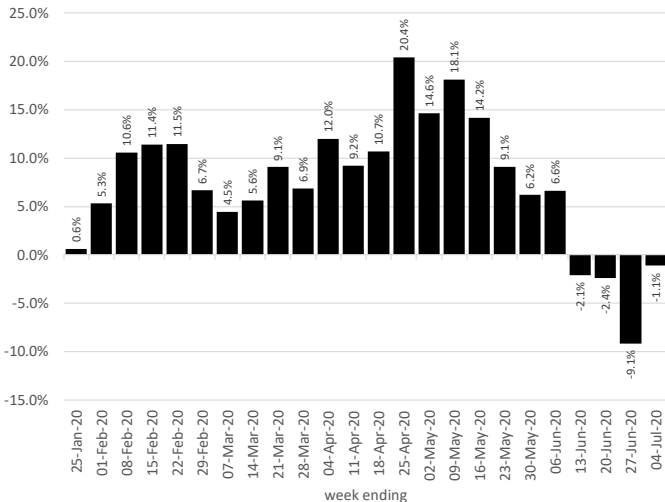
**ADMINISTRATIVE & SUPPORT SERVICES**  
(4-week moving average, % change on same period last year)



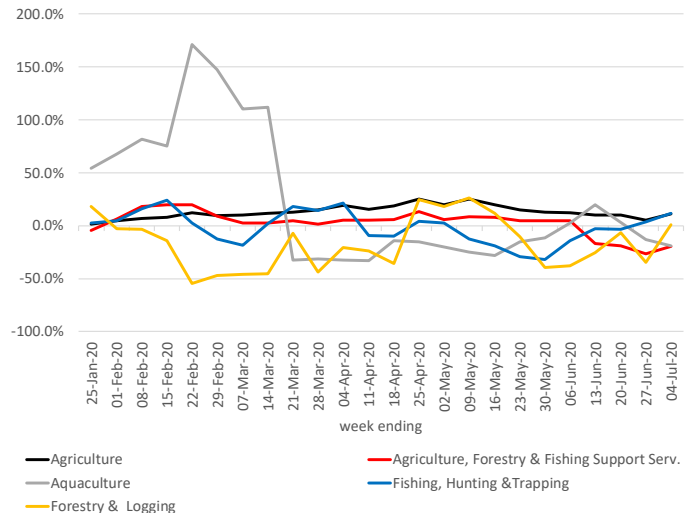
**ADMINISTRATIVE & SUPPORT SERVICES**  
(4-week moving average, % change on same period last year)



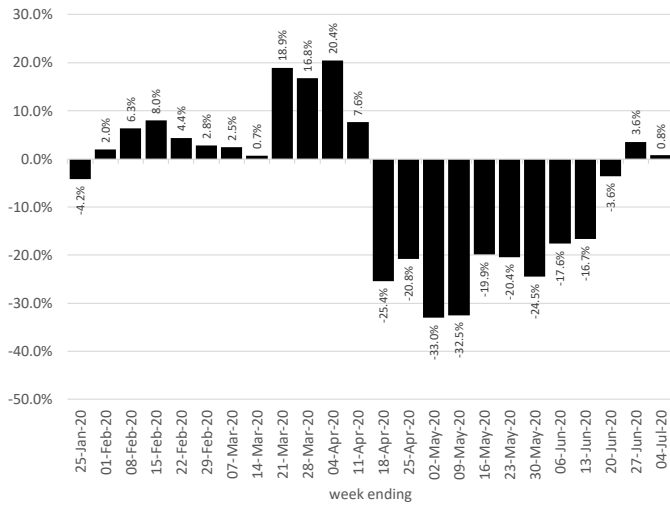
**AGRICULTURE, FORESTRY & FISHING**  
(4-week moving average, % change on same period last year)



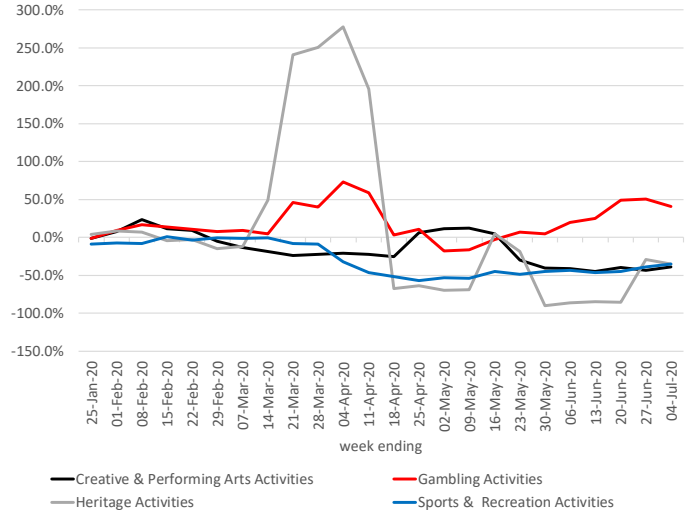
**AGRICULTURE, FORESTRY & FISHING**  
(4-week moving average, % change on same period last year)



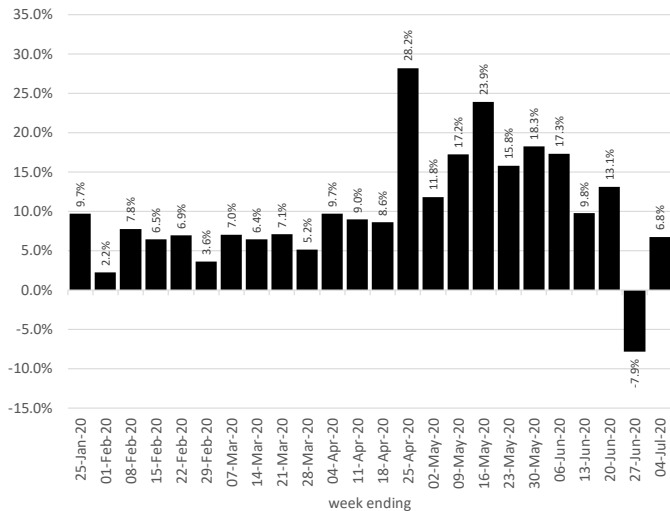
### ARTS & RECREATION SERVICES (4-week moving average, % change on same period last year)



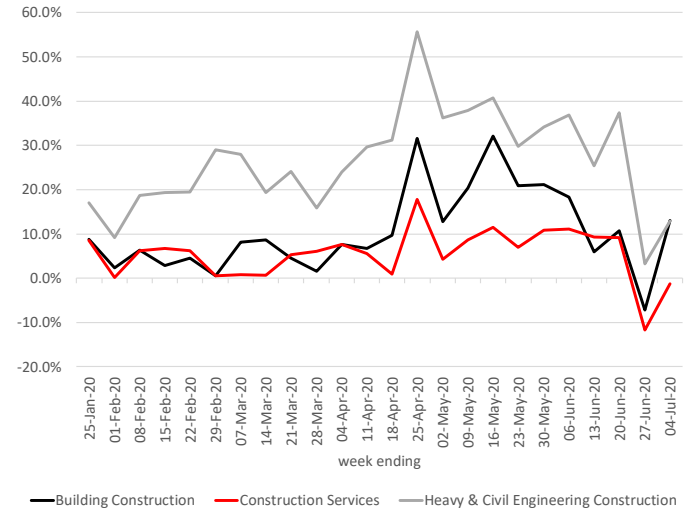
### ARTS & RECREATION SERVICES (4-week moving average, % change on same period last year)



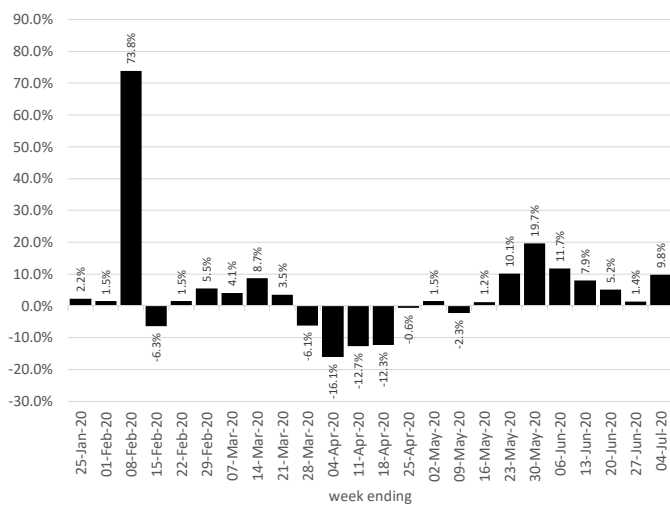
### CONSTRUCTION (4-week moving average, % change on same period last year)



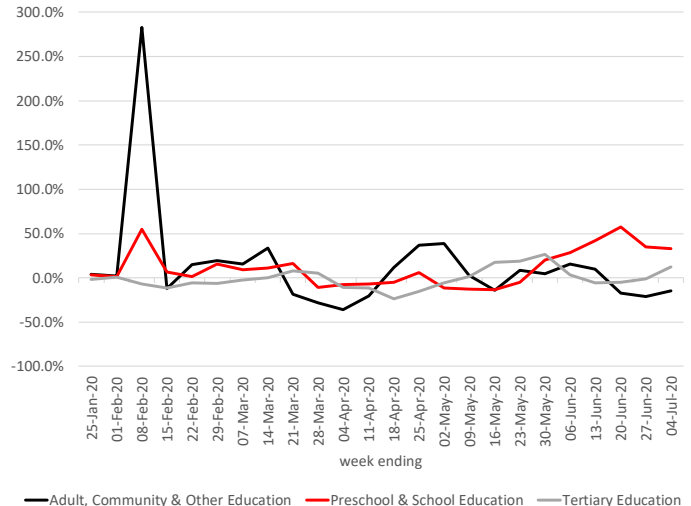
### CONSTRUCTION (4-week moving average, % change on same period last year)



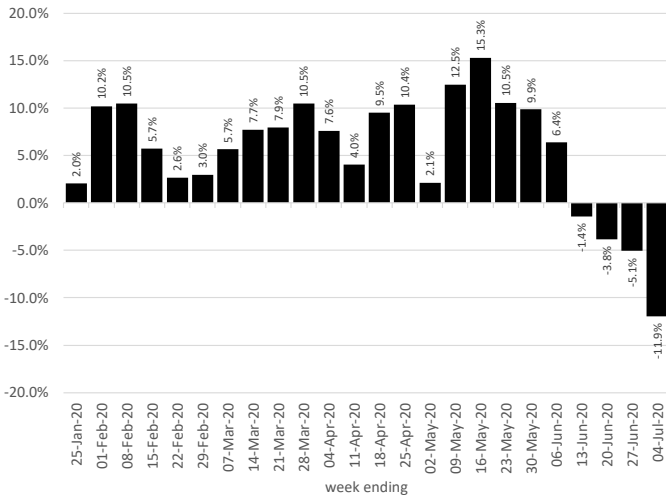
### EDUCATION & TRAINING (4-week moving average, % change on same period last year)



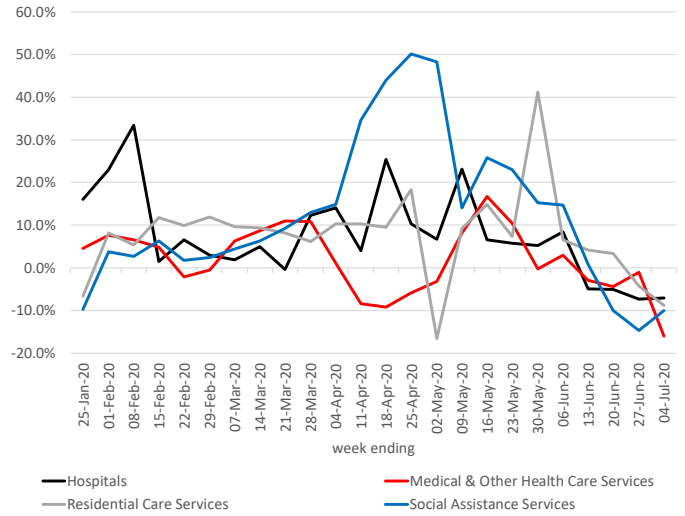
### EDUCATION & TRAINING (4-week moving average, % change on same period last year)



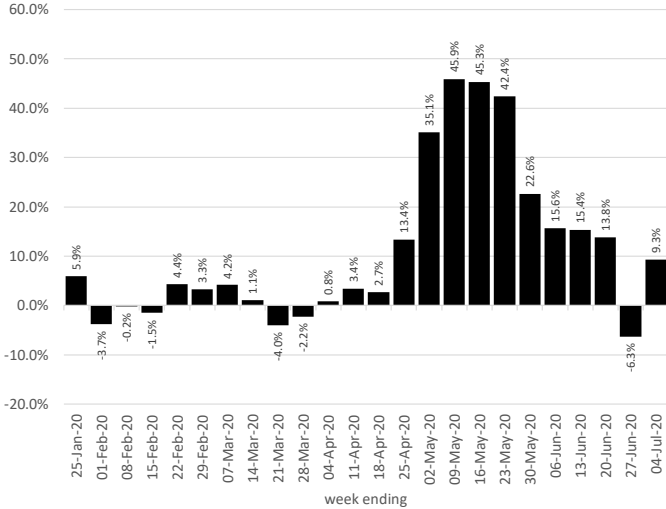
### HEALTH CARE & SOCIAL ASSISTANCE (4-week moving average, % change on same period last year)



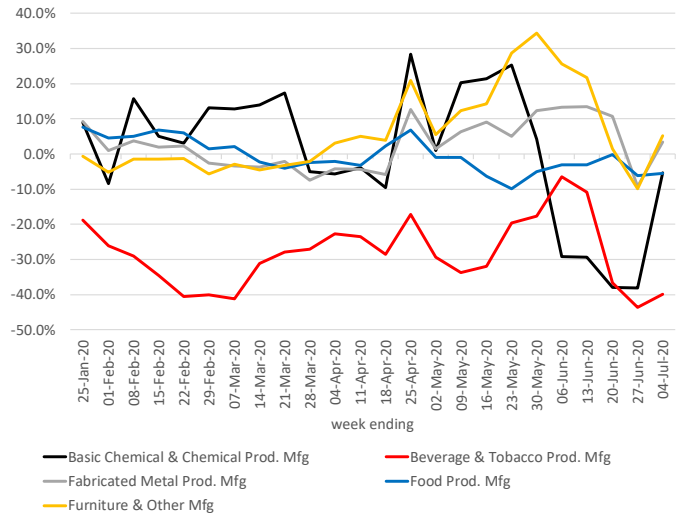
### HEALTH CARE & SOCIAL ASSISTANCE (4-week moving average, % change on same period last year)



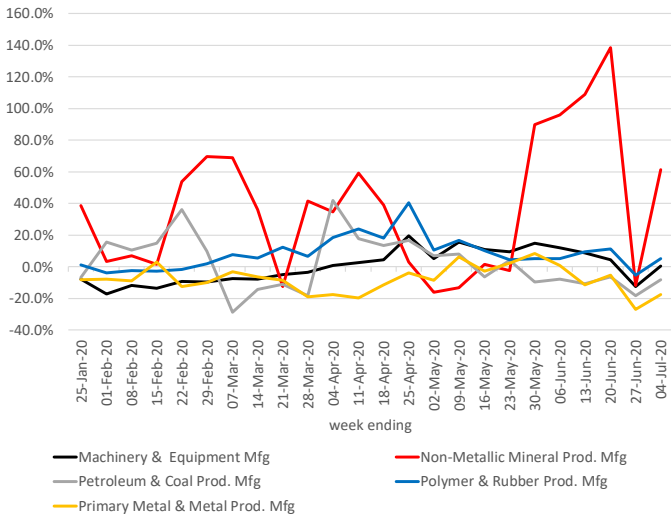
### MANUFACTURING (4-week moving average, % change on same period last year)



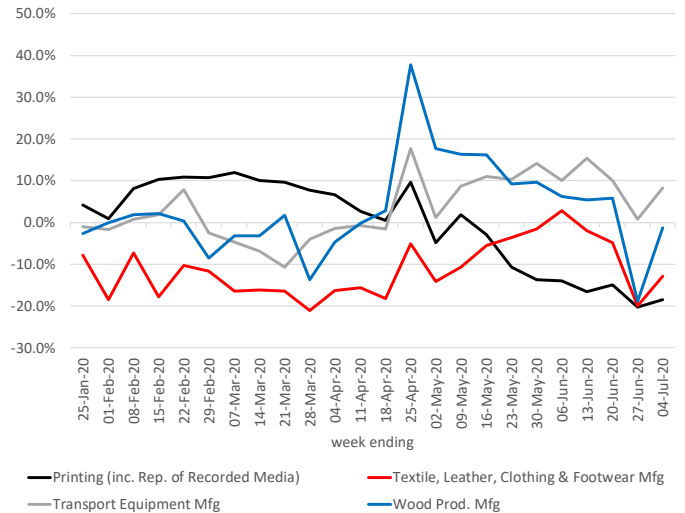
### MANUFACTURING (1) (4-week moving average, % change on same period last year)



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

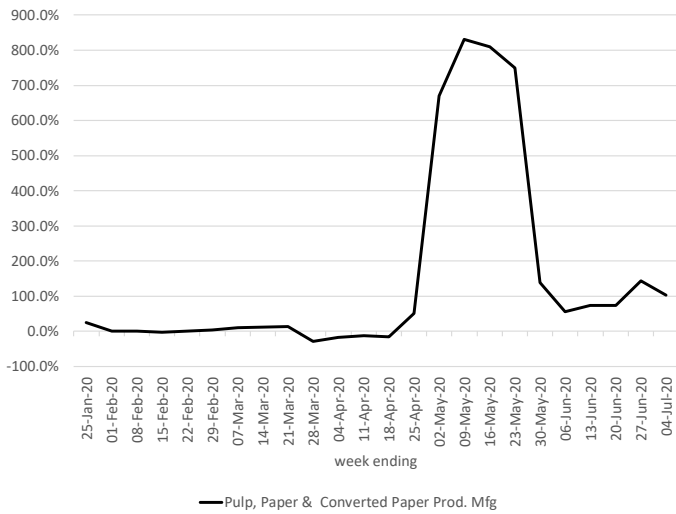


### MANUFACTURING (3) (4-week moving average, % change on same period last year)



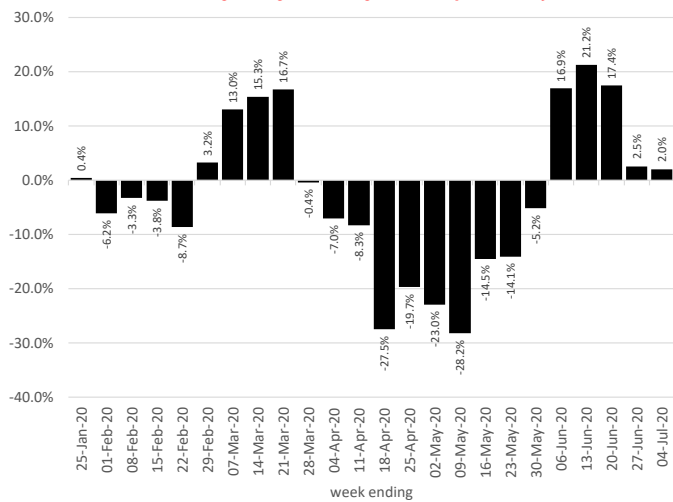
### MANUFACTURING (4)

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



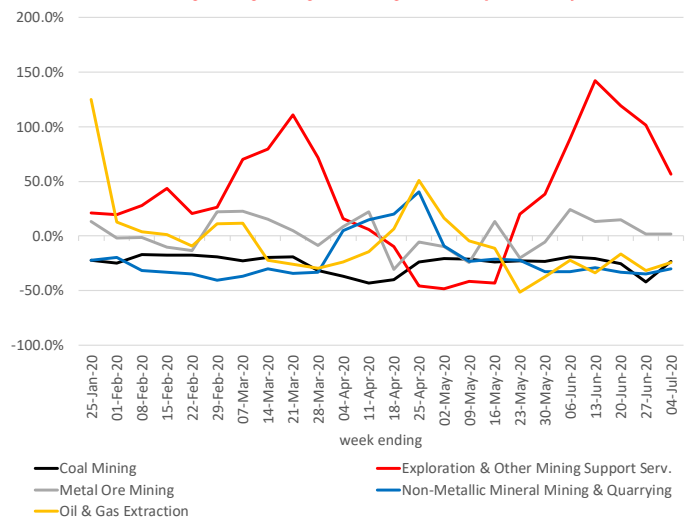
### MINING

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



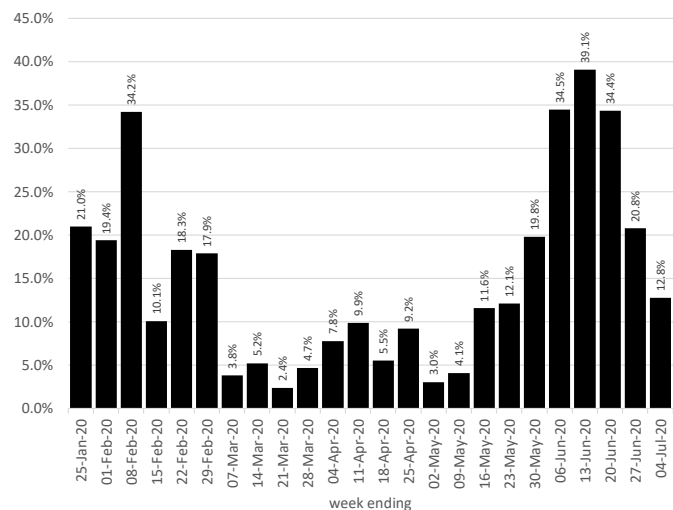
### MINING

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



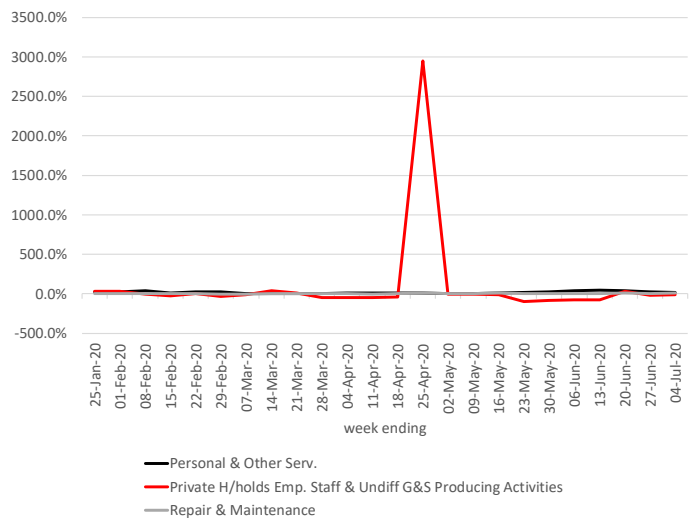
### OTHER SERVICES

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

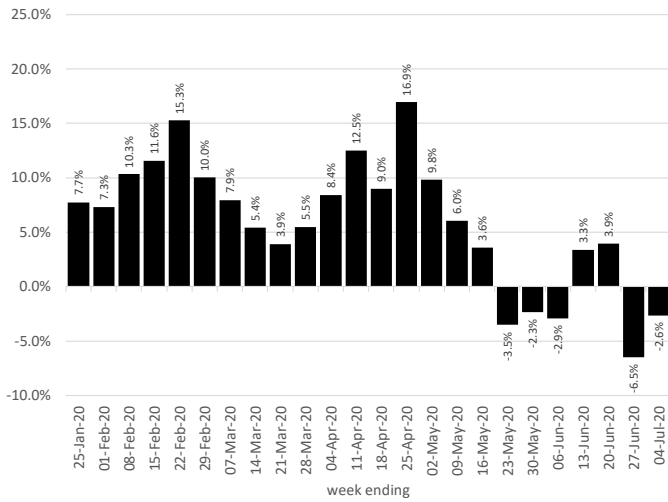


### OTHER SERVICES

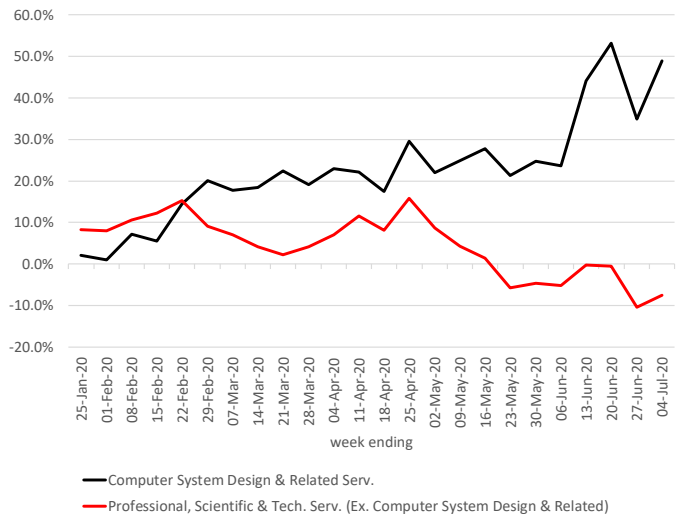
(4-week moving average, % change on same period last year)



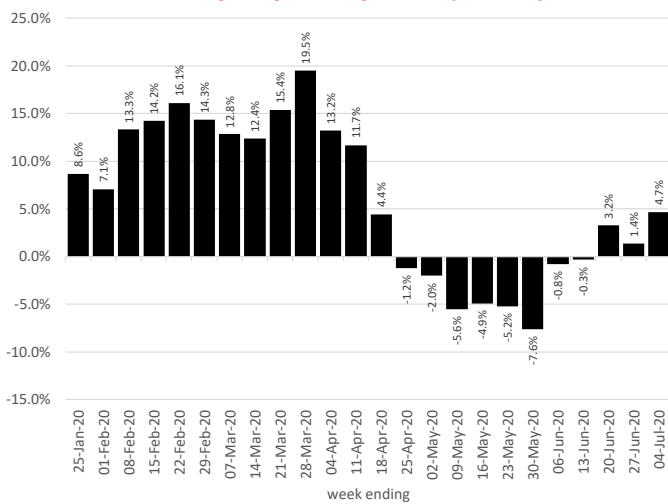
### PROFESSIONAL, SCIENTIFIC & TECH SERVICES (4-week moving average, % change on same period last year)



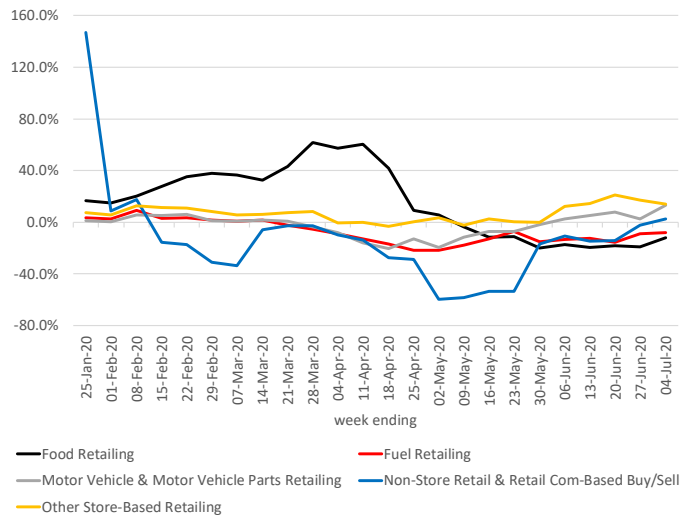
### PROFESSIONAL, SCIENTIFIC & TECH SERVICES (4-week moving average, % change on same period last year)



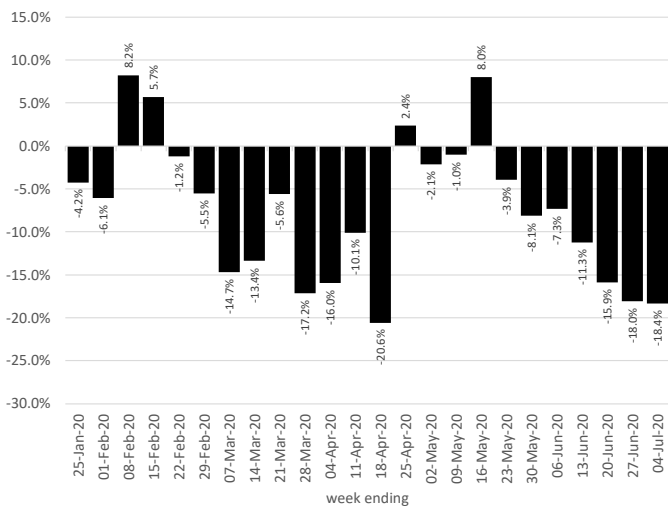
### RETAIL TRADE (4-week moving average, % change on same period last year)



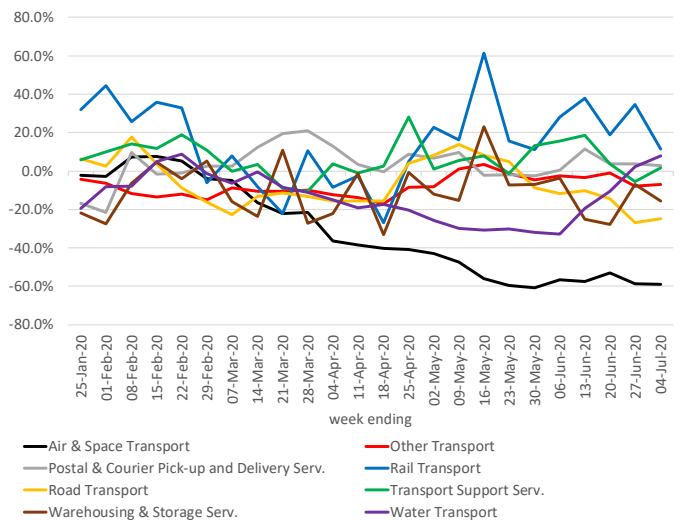
### RETAIL TRADE (4-week moving average, % change on same period last year)



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

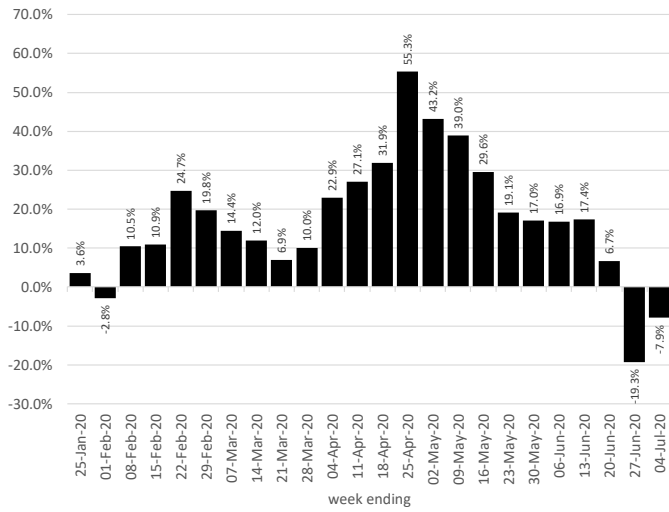


### TRANSPORT, POSTAL & WAREHOUSING (4-week moving average, % change on same period last year)



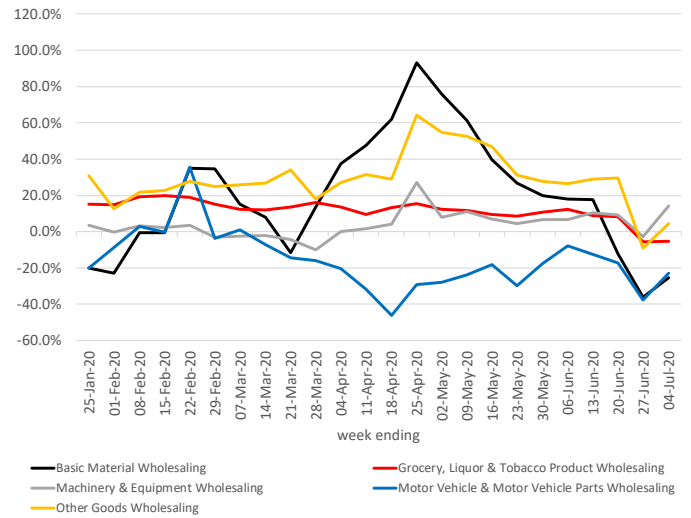
### WHOLESALE TRADE

(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 4 JULY 2020 (4-WEEK MOVING AVG)\*



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

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