



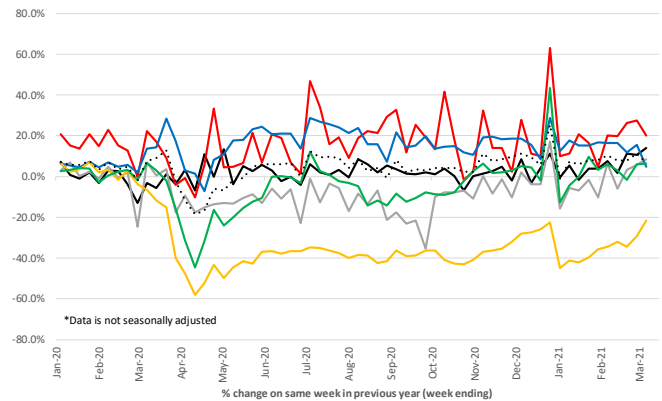
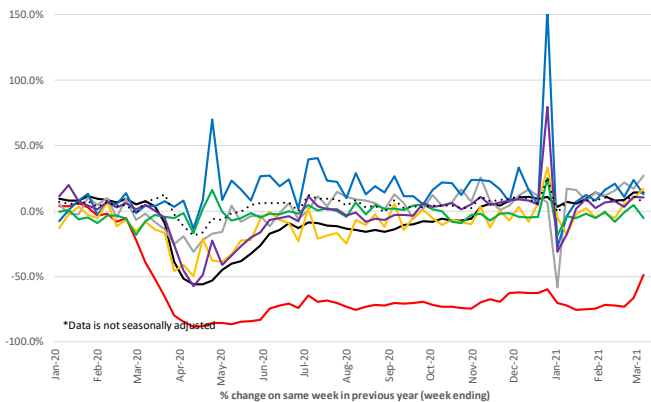
NAB ECONOMICS DATA INSIGHTS

WEEK ENDING 6 MARCH 2021

HIGHLIGHTS

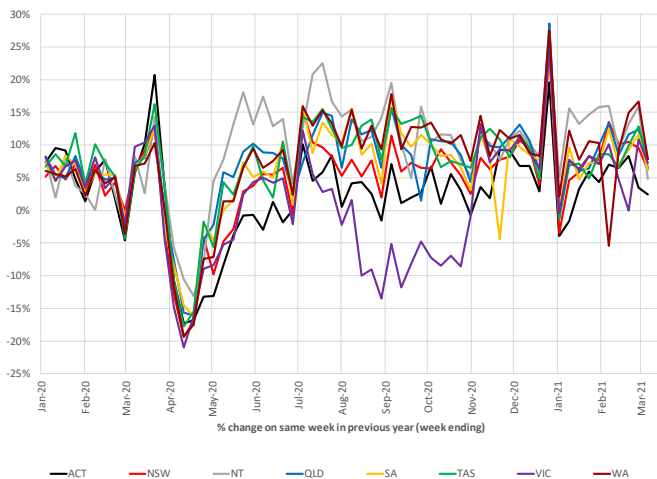
- During these extraordinary times, NAB has taken the decision to publish aggregated customer data categorised by industry segment with the view to helping provide clarity around which segments of the economy have been most affected by the broader macroeconomic trends at play. NAB takes data privacy 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.
- The generally slowing trend in consumption growth continued in the week ending 6 March 2021, although we are now squarely approaching the pointy end of the one-year anniversary of the onset of the pandemic. This means that year-on-year growth figures will begin to reflect the dramatic base effects from that period.
- Consumption spending clocked in at 6.7% y/y last week, while business inflows have also lost momentum recently, although remain positive overall. NAB business inflows stood at 8.2% growth in 6 week rolling y/y terms. Without JobKeeper this growth was likely around 7.9%.
- Attached to this report is an in-focus note on spending trends in CBDs compared to metropolitan areas more broadly. For more information see the attached note.

CONSUMPTION SPENDING BY INDUSTRY

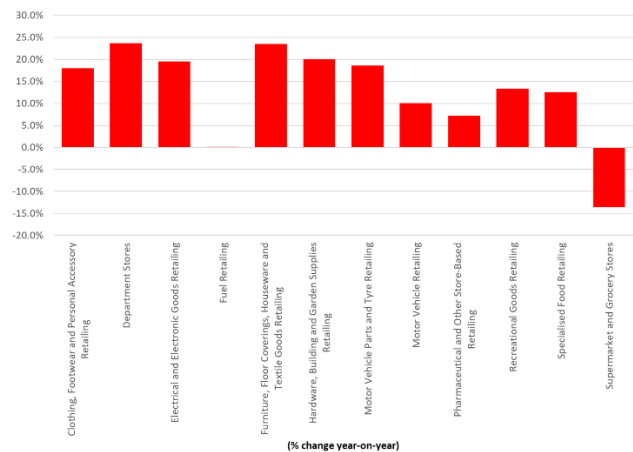


- Accommodation and Food Services
- Administrative and Support Services
- Arts and Recreation Services
- Construction
- Education and Training
- Electricity, Gas, Water and Waste Services
- Health Care and Social Assistance
- Information Media and Telecommunications
- Professional, Scientific and Technical Services
- Rental, Hiring and Real Estate Services
- Retail Trade
- Transport, Postal and Warehousing
- Other Services
- Overall

CONSUMPTION SPENDING BY STATE



RETAIL TRADE BY INDUSTRY GROUP



COMMENTS FROM NAB GROUP CHIEF ECONOMIST ALAN OSTER

The generally slowing trend in consumption growth continued in the week ending 6 March 2021, although the significance of this is increasingly limited when using year-on-year growth figures. We are now not far off a year from the first wave of pandemic-induced panic buying at supermarkets and collapse elsewhere as first wave lockdowns came into force. This will severely limit the usefulness of data expressed in these terms.

In index terms, for the week ending 6 March 2021, the overall series (+120) was above its level at the same time in 2020 (+107). The overall index has been above the retail index in recent weeks, driven by spend on construction, utilities, health, education, and professional services. Overall, consumption grew 6.7% y/y last week. Retail was up 4.8% y/y last week, while hospitality was up 14.2% y/y. However, given both of these figures are being referenced to a base period at the onset of the pandemic (coinciding with the emergence of supermarket panic buying and a decline in hotel spending), caution is urged.

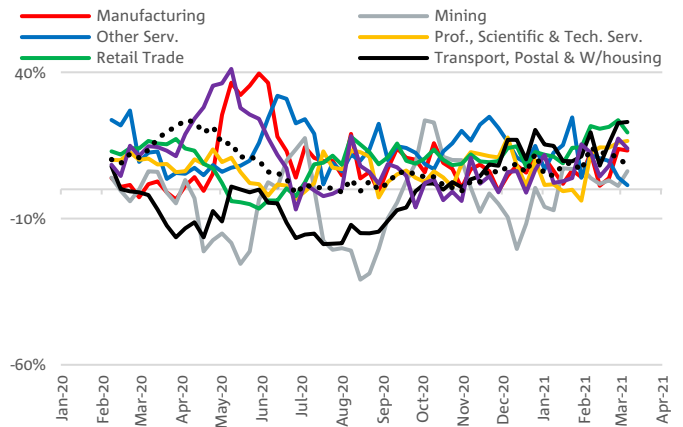
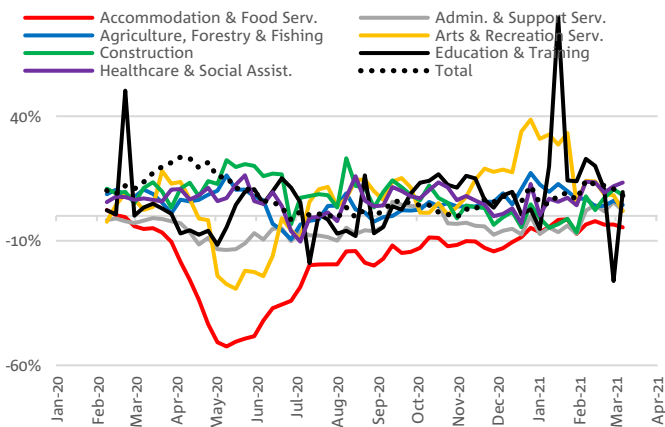
On a state basis, growth was strongest in WA and Tas (7.9%), followed by Vic emerging from the circuit breaker, up 7.3%. Qld was up 6.5%, NSW 6.3% and SA 6.1%, while the territories recorded slower growth.

NAB business inflows grew 8.2% on 6 week rolling average y/y terms. Sans JobKeeper, this would have been around 7.9%, demonstrating that the program is now having a relatively small impact overall (but remains important for some areas).

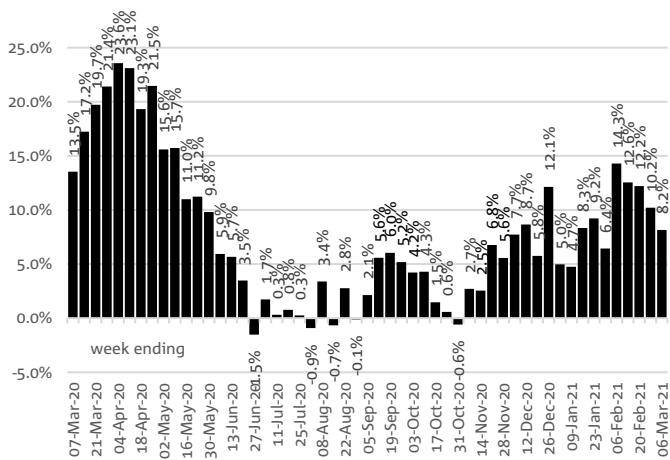
By size, small businesses were up 21.4%, followed by emerging at 15.8%, large 9.4%, medium 2.5% and corporates at 0.2%. Without JobKeeper, small businesses would be at around 20.7% growth, emerging 15.3%, medium 2.3%, large 9.3% and corporates would be unchanged.

Our special report this week on CBDs this week shows that while it comes as no surprise that accommodation, cafes and restaurants and pubs and bars remained well below pre-pandemic levels in Melbourne in February (particularly given the five-day "circuit breaker" lockdown), the extent of weakness in other Australian CBDs was higher than we expected. For example, pub and bar spending stood at 53% of October 2019 levels, but the other CBDs were likewise below pre-pandemic levels – even Perth, which had been on a CBD drinking spree in the second half of 2020.

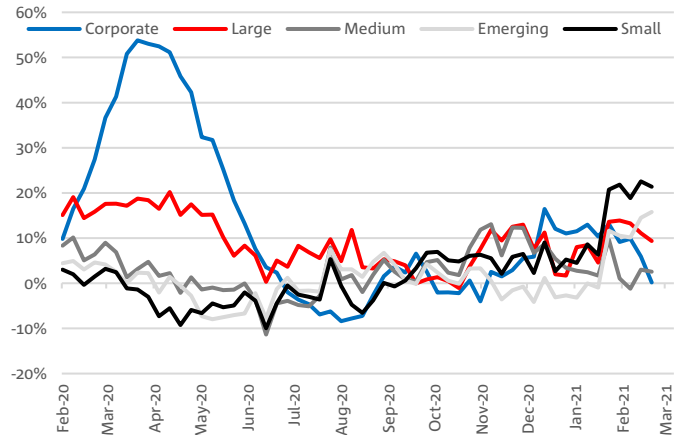
PAYMENT INFLOWS INTO NAB MERCHANTS (6 WEEK ROLLING AVERAGE YOY CHANGE)



PAYMENT INFLOWS INTO NAB MERCHANTS



RETAIL TRADE BY INDUSTRY GROUP



NAB CONSUMPTION-BASED SPENDING BY INDUSTRY SECTOR & SELECTED SUB-INDUSTRIES

year-on-year change on same week in previous year - week ending 6 March 2021

	% change on same week in previous year**
Accommodation & Food Services (Hospitality)	14.2%
Administrative & Support Services (incl. Travel Agents)	-49.0%
Arts & Recreation Services	27%
Construction	12.5%
Education & Training	16.9%
Electricity, Gas & Water & Waste Services	-5.3%
Healthcare & Social Assistance	10.5%
Information, Media & Telecommunications	14.2%
Other Services	6.3%
Professional, Scientific & Technical Services	20.2%
Rental, Hiring & Real Estate Services	8.6%
Retail Trade	4.8%
Transport, Postal & Warehousing	-21.7%
TOTAL	6.7%
Best Performers (Sub-Division)	
- Building Construction	183.1%
- Library and Other Information Services	108.3%
- Publishing (except Internet and Music Publishing)	76.4%
- Waste Collection, Treatment and Disposal Services	44.9%
- Gambling Activities	39.8%
- Internet Publishing and Broadcasting	35.3%
- Preschool and School Education	33.4%
- Broadcasting (except Internet)	32.0%
- Residential Care Services	28.3%
Worst Performers (Sub-Division)	
- Air & Space Transport	-78.5%
- Administrative Services	-53.1%
- Rail Transport	-44.0%
- Other Transport	-38.6%
- Motion Picture and Sound Recording Activities	-34.3%
- Water Transport	-27.4%
- Internet Service Providers, Web Search Portals and Data Processing Services	-18.1%
- Road Transport	-17.2%
- Food Retailing	-8.1%

PAYMENT INFLOWS INTO NAB MERCHANTS BY INDUSTRY SECTOR & SELECTED SUB INDUSTRIES

6-week moving avg, year-on-year chg on same period in previous year, 6-wks ended 6 March 2021

	6-weeks ending 6 March 2021
Accommodation & Food Services	-4.6%
Administration & Support Services	2.1%
Agriculture, Forestry & Fishing	4.4%
Arts & Recreation Services	2.0%
Construction	8.4%
Education & Training	9.6%
Healthcare & Social Assistance	13.4%
Manufacturing	13.2%
Mining	6.2%
Other Services	1.4%
Professional, Scientific & Technical Services	16.5%
Retail Trade	19.4%
Transport, Postal & Warehousing	23.0%
Wholesale Trade	14.0%
TOTAL	8.2%
Business Size	
- Small	21.4%
- Emerging	15.8%
- Medium	2.5%
- Large	9.4%
- Corporate	0.2%
Best Performers (Sub-Division)	
- Oil and Gas Extraction	118.5%
- Rail Transport	114.3%
- Warehousing and Storage Services	62.3%
- Computer System Design and Related Services	47.1%
- Furniture and Other Manufacturing	39.4%
- Motor Vehicle and Motor Vehicle Parts Wholesaling	37.6%
Worst Performers (Sub-Division)	
- Aquaculture	-56.1%
- Air and Space Transport	-47.8%
- Coal Mining	-34.2%
- Creative and Performing Arts Activities	-31.8%
- Defence	-23.2%
- Adult, Community and Other Education	-21.9%
- Transport Support Services	-21.3%
- Private H/holds Emp. Staff & Undiff. G&S Producing Activities	-17.8%

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