



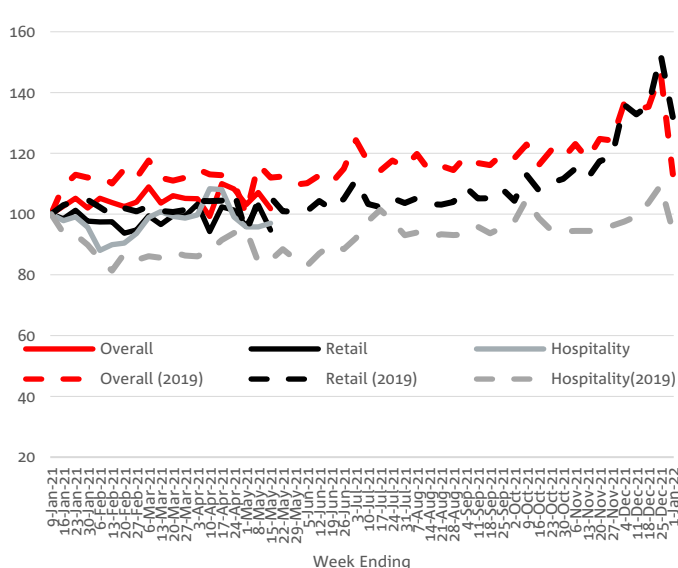
# NAB ECONOMICS DATA INSIGHTS

## WEEK ENDING 15 MAY 2021

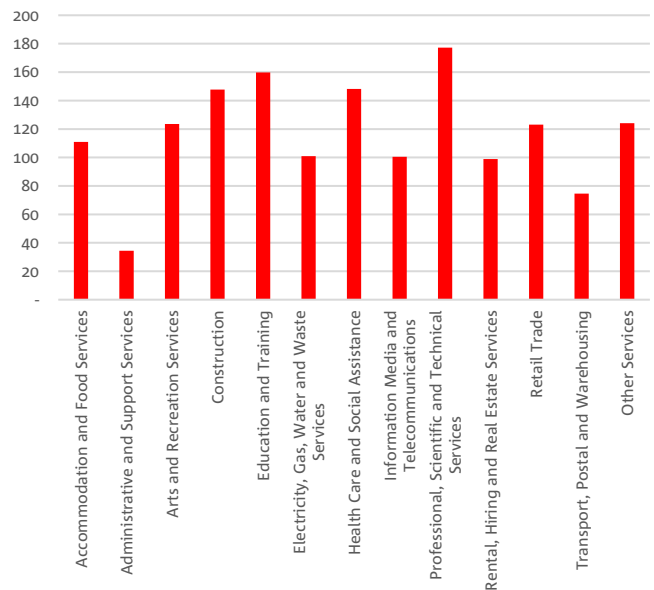
### COMMENTS FROM NAB GROUP CHIEF ECONOMIST ALAN OSTER

- 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.
- Soft consumption – particularly retail – was the headline result for the week ending 15 May 2021. While previous reads in 2021 had been encouraging, the last fortnight’s results represent something of a disappointment. Retail spending is down around 5% compared to the start of the year, compared to 2019 (the last “normal” year), in which retail was up over 5% at the same time that year. All states showed signs over weakness, and there were no domestic lockdowns over the last fortnight. While disappointing, this result is not yet concerning. We will however be closely watching consumption trends this year. Despite very strong business conditions and confidence in the NAB Monthly Business Survey, business investment is yet to turn up in a big way. This – along with wage growth – will be a key focus for the remainder of 2021.
- In Index terms (2019 base), for week 19 of 2021, the overall series stood at 126.8, is still above where it was 52 weeks prior (+111.6). Using a base reset at the start of the year to get some idea of seasonality, the overall index stood at 101.8, i.e. just above the start of the year, but weakened relative to a week prior (revised up, 107.1). Comparing this to the same week in 2019 (112), i.e. 12% above, it appears that consumption continues to soften.
- Retail trade in particular is providing weak results, using an annual base reset, retail trade (+94.7) deteriorated from a week prior (revised up 103). On the same basis, in 2019 (105.5), retail was 5.5% above week 1 of that year. However, hospitality (97, base reset) improved relative to a week prior (+95.8), and encouragingly stands above the index value in 2019 (84.8).
- Our inward credits data was somewhat more encouraging (104.7 on an annual reset index) but was still lower than the same period in 2019 (111.8). SMEs outperformed, with the index standing at 107.9, but were again lower than the same time in 2019. Hospitality was weaker – standing at 91.8 compared to 95.3 at the same time in 2019. Manufacturing, construction and agriculture remain strong performers. Agriculture has just come off one of the best seasons ever, so it is likely that there will be some moderation from here.

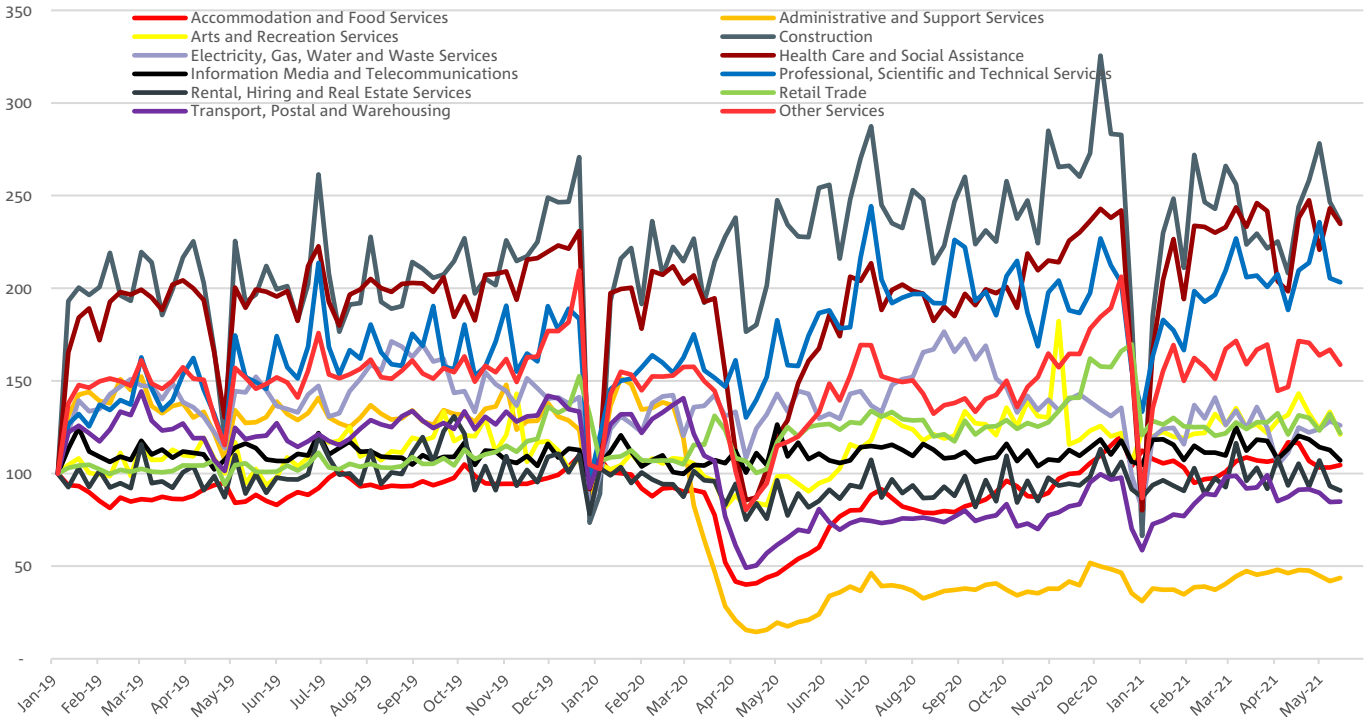
### WEEKLY INDEX- BASE RESET ANNUALLY



### CONSUMPTION SPENDING (4W MMA 2019 BASE)

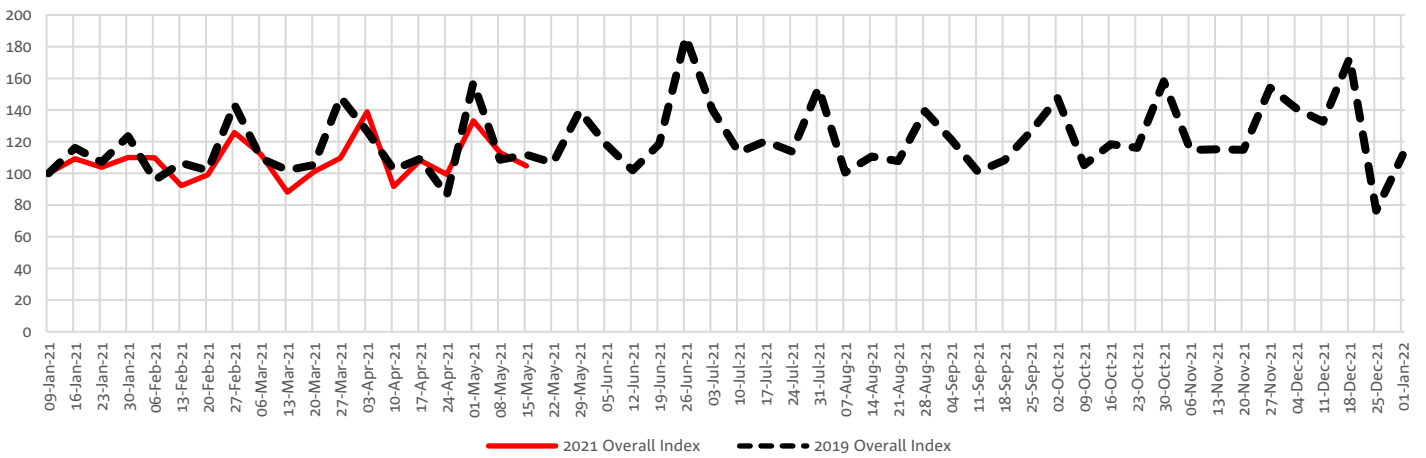


# CONSUMPTION SPENDING BY INDUSTRY (INDEX, 100 = JAN 2019)

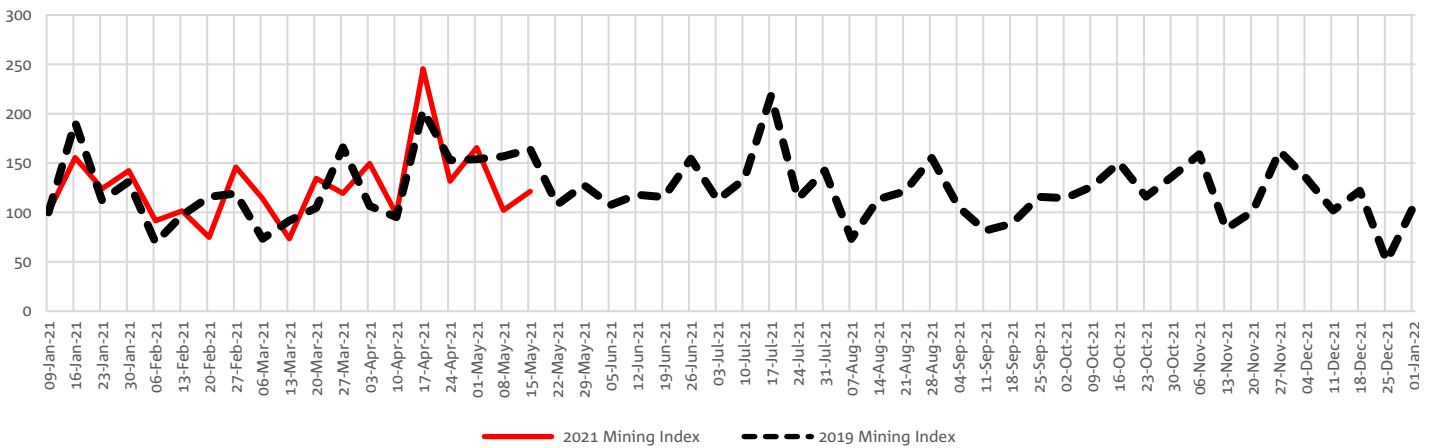


# PAYMENT INFLOWS INTO NAB MERCHANTS – BASE RESET ANNUALLY

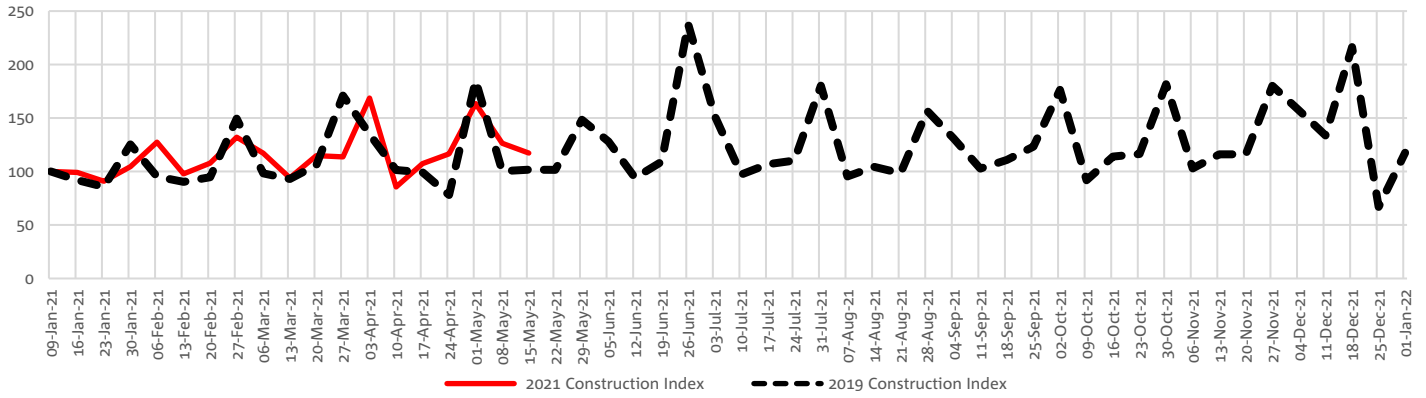
## Overall



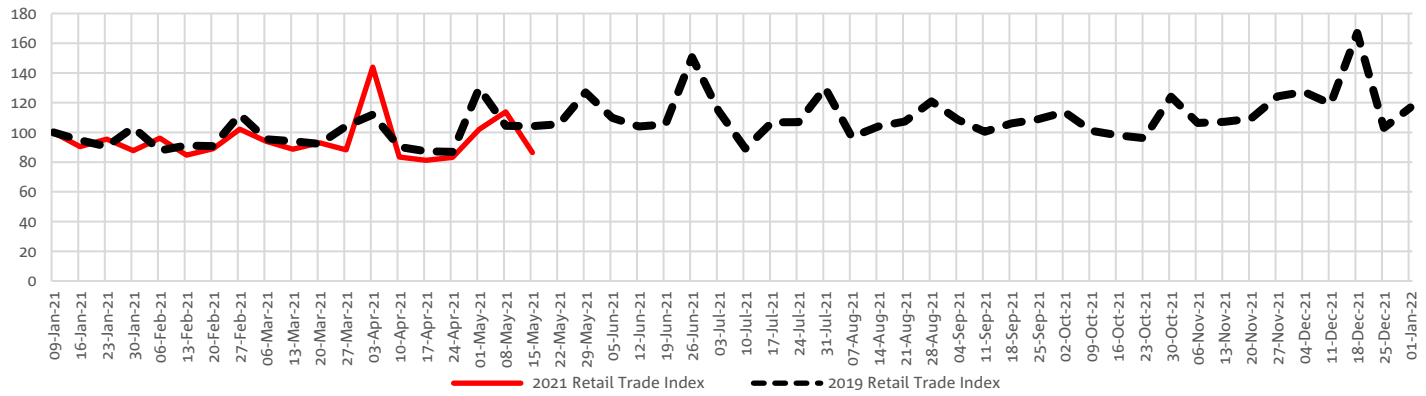
## Mining



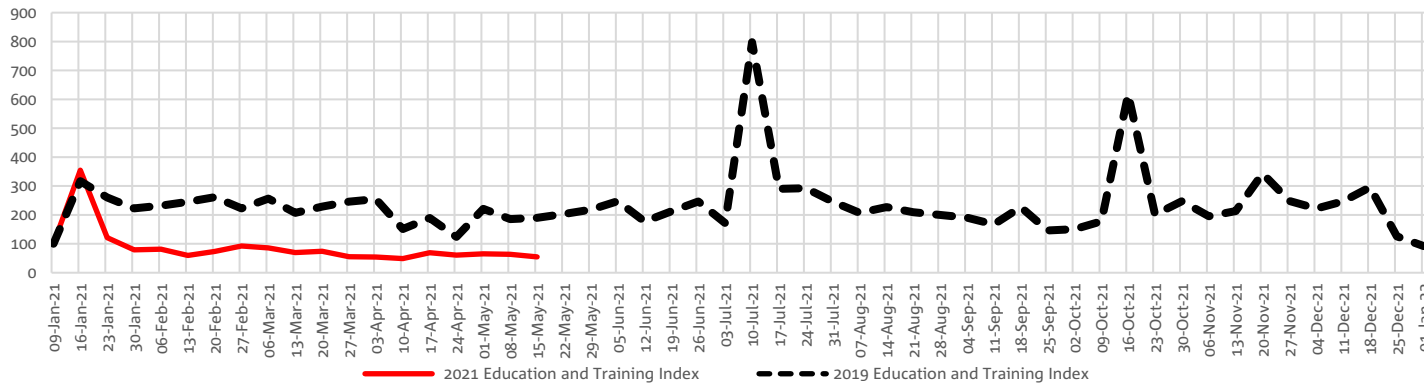
## Construction



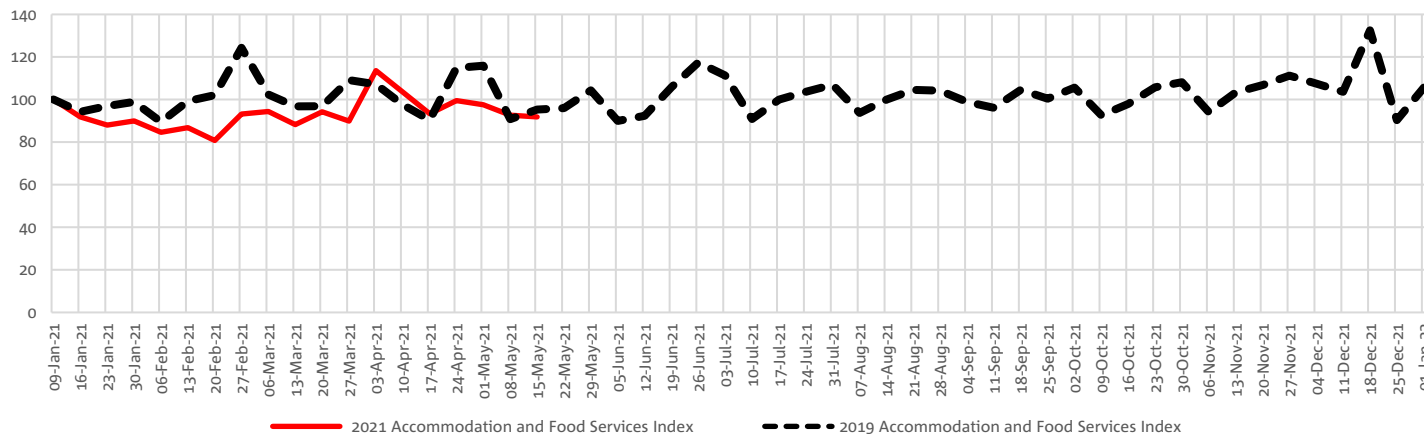
## Retail



## Education



## Hospitality



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