



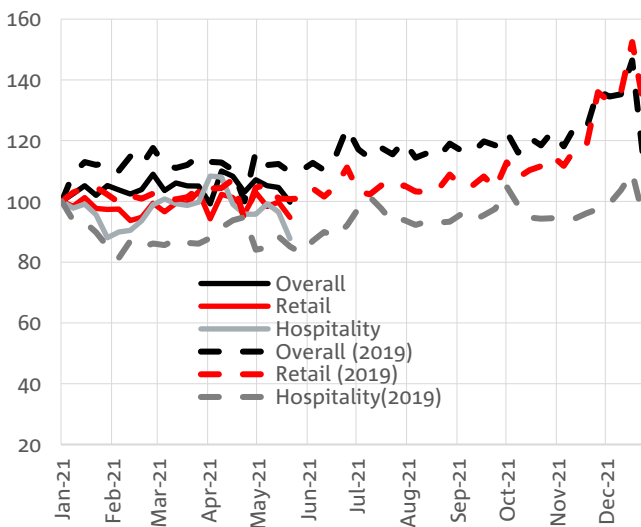
NAB ECONOMICS DATA INSIGHTS

WEEK ENDING 29 MAY 2021

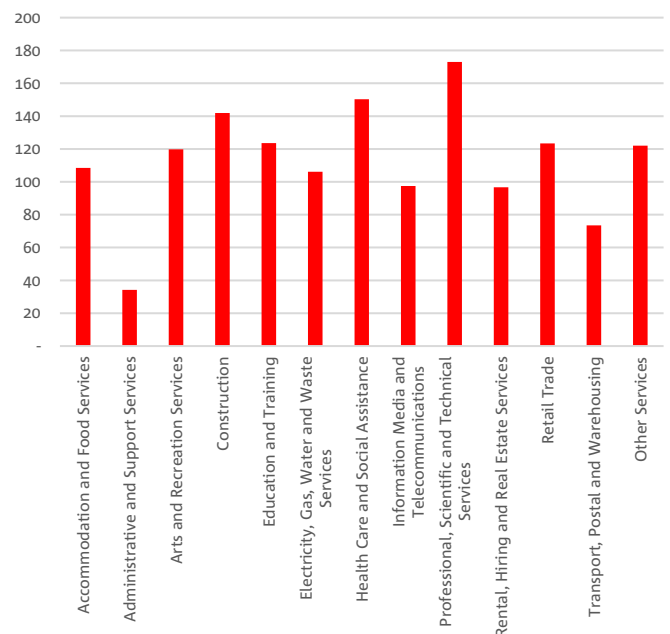
COMMENTS FROM NAB GROUP CHIEF ECONOMIST ALAN OSTER

- 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.
- The slowdown in consumption continued last week, indeed this concerning trend seemed to accelerate in all areas (retail, hospitality and other services). Victoria is back into circuit breaker restrictions, although only two days of the lockdown is captured in the data. However, the steep fall in Victoria (sending Victoria from fastest growing to second slowest in the space of a week) seems to reflect Victorians reducing their activity from cases being announced on Monday to lockdown being imposed at midnight on Thursday. While previous short lockdowns in Victoria, Queensland, Western Australia and South Australia saw a rapid snap back, it is as yet unclear the extent to which this will occur after the two-week restrictions this time.
- Importantly, the weakness in last week’s data was not solely a function of Victorian restrictions. All states and territories recorded a consumption slowdown last week, except for the ACT which was flat. In Index terms (2019 base), the overall series stood at 123.7 last week, still above where it was 52 weeks prior (117.0).
- Using a base reset at the start of the year to get some idea of seasonality, the overall consumption index(99.8) is currently just below the start of the year (i.e. about 0.2% below week one), and weakened relative to a week prior(revised up, 104.6). Comparing this to the same week 2019 (109.7), i.e. 9.7% above, softness in consumption since the start of 2021 continues. On the same basis, retail trade (+94.7) deteriorated from a week prior (revised up 99.8). In 2019 (100.8), retail was 1% above the first week of that year. The index for Hospitality (87.7, base reset) slowed relative to a week prior (+96.5) and is almost on par with the index value in 2019 (85.1).
- While our inward credits data picked up last week, it remained weaker than the usual seasonal trend. Manufacturing and construction were (unsurprisingly) strong performers, as was agriculture, following a record cropping season. Again, using an annual base reset, the overall index stood at 116.4 for week ending 29th of May 2021, while the same week in 2019 was 139.5. On the same basis, retail stood at 105.2 last week, compared to 127 in the same week in 2019.

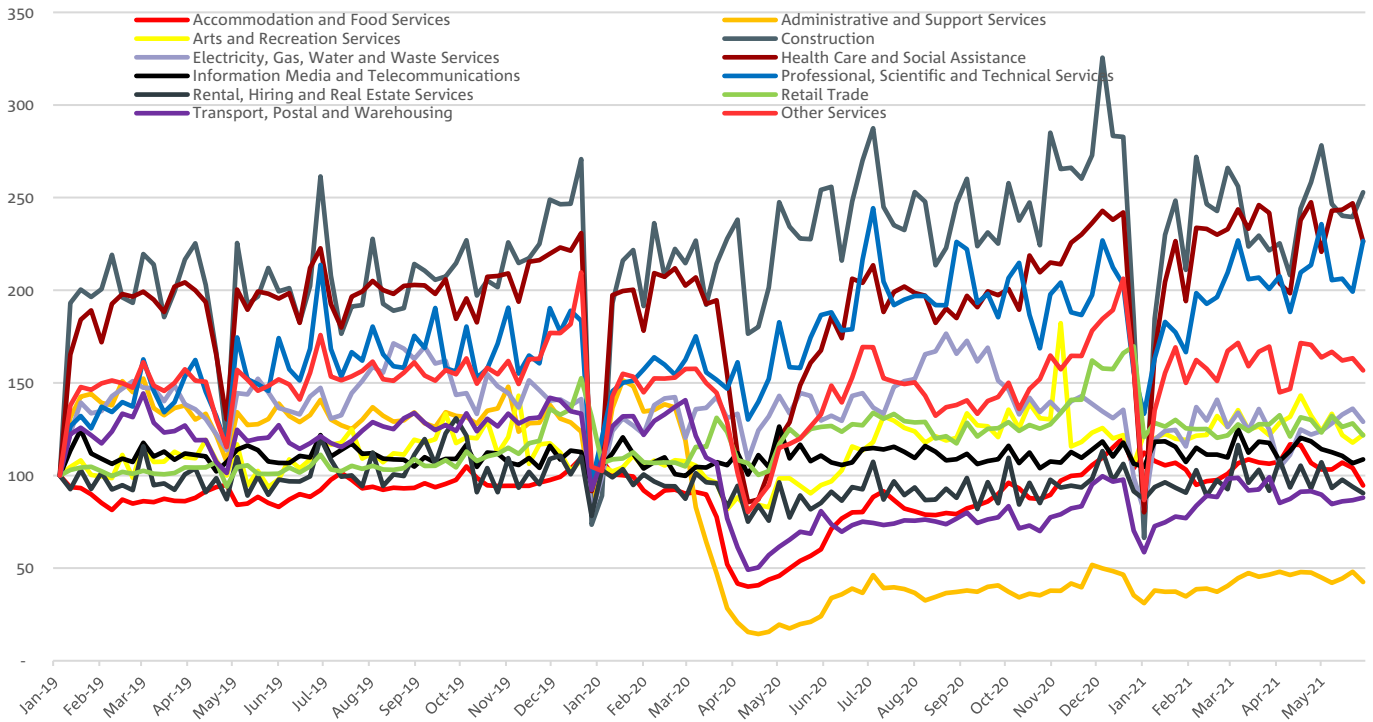
WEEKLY INDEX- BASE RESET ANNUALLY



CONSUMPTION SPENDING (4W MMA 2019 BASE)

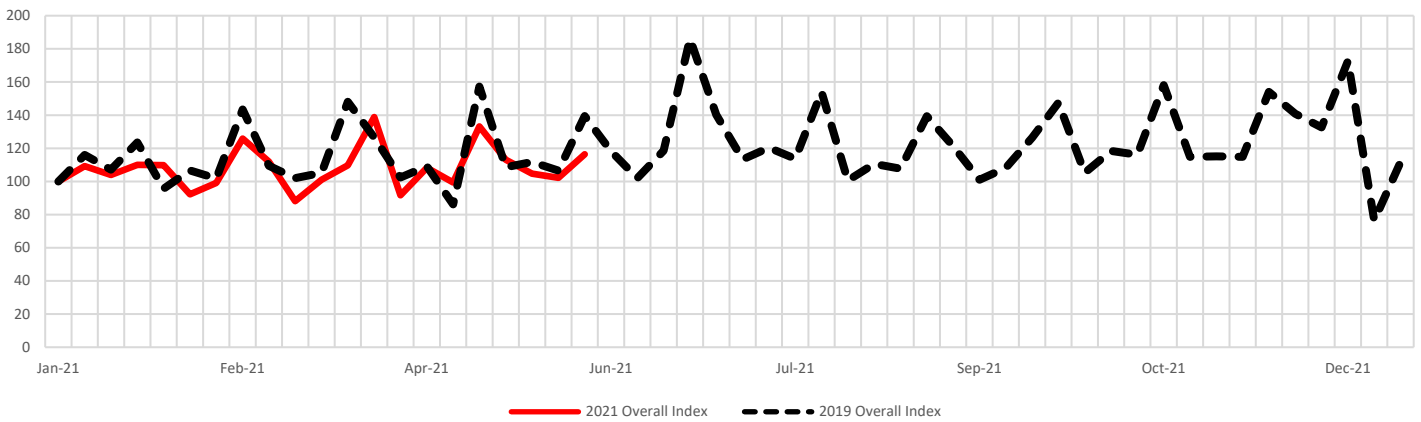


CONSUMPTION SPENDING BY INDUSTRY (INDEX, 100 = JAN 2019)

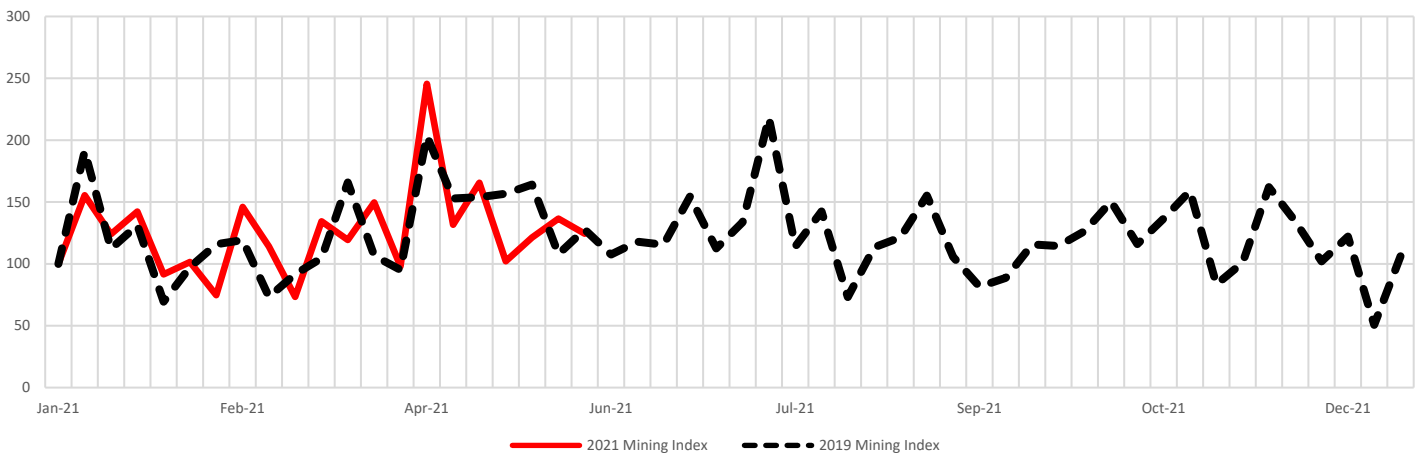


PAYMENT INFLOWS INTO NAB MERCHANTS – BASE RESET ANNUALLY

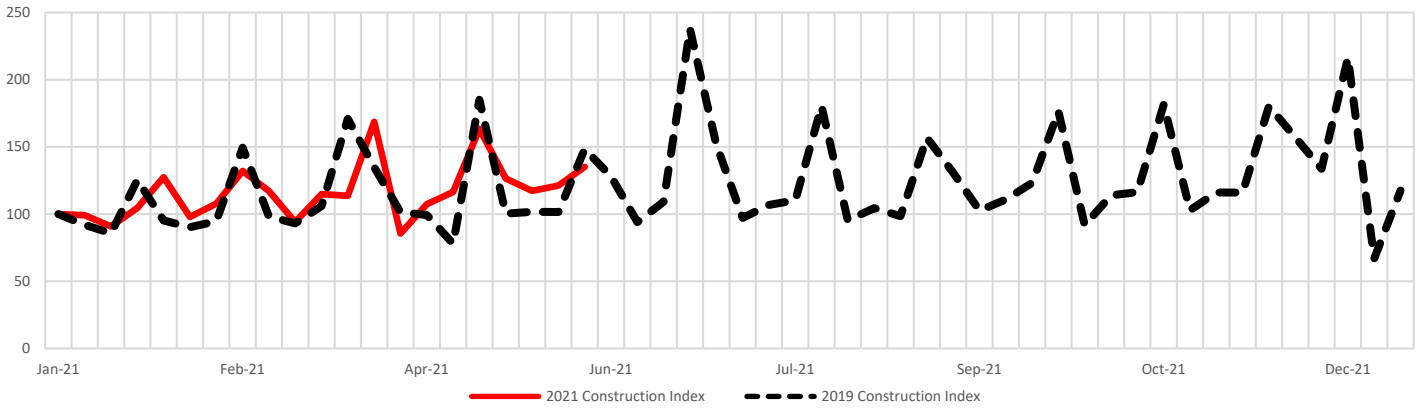
Overall



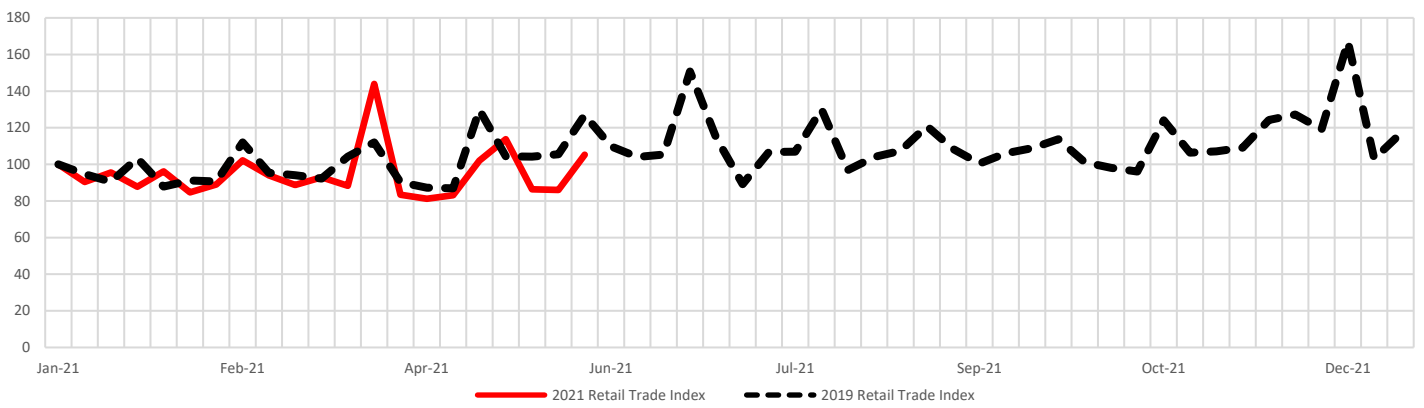
Mining



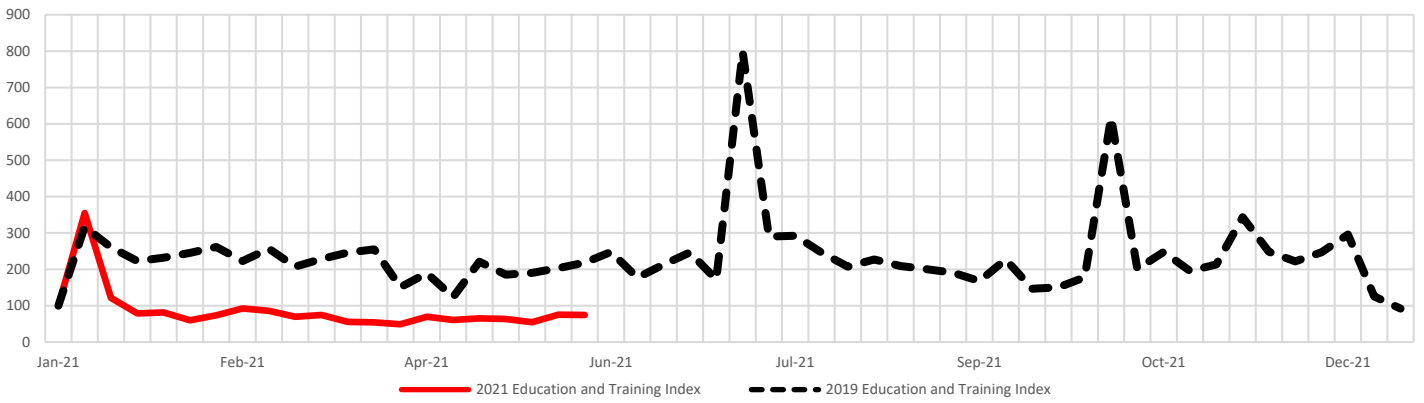
Construction



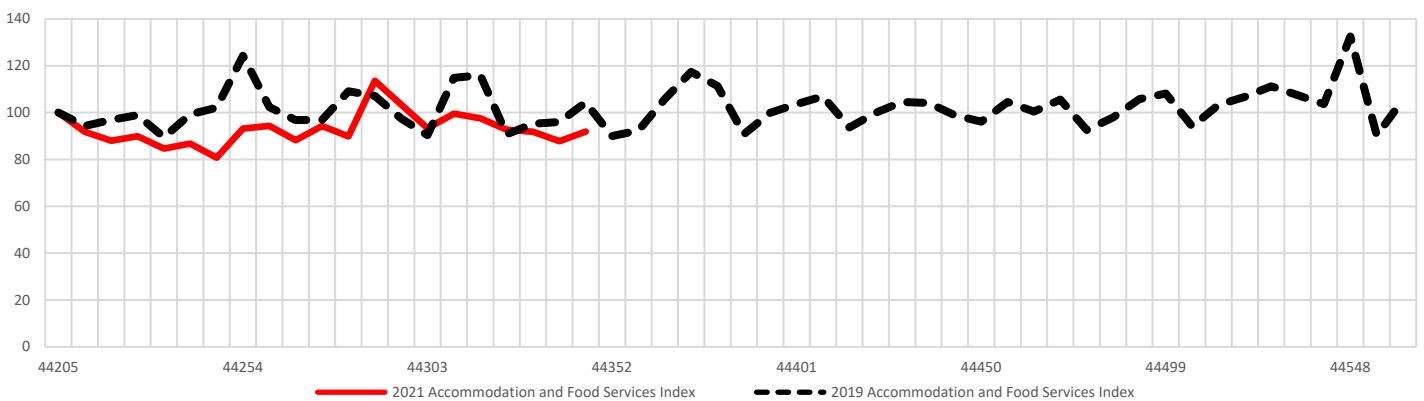
Retail



Education



Hospitality



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