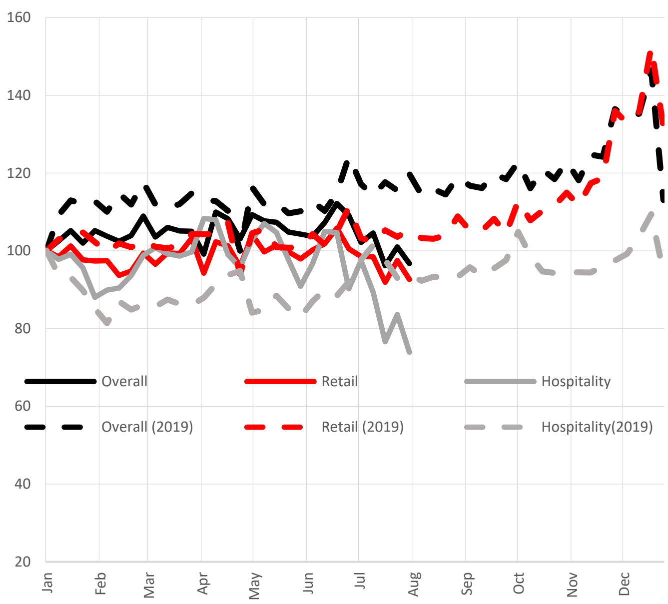
EMBARGOED UNTIL 11:30AM 12 AUGUST 2021

NAB ECONOMICS DATA INSIGHTS
WEEK ENDING 7 AUGUST 2021

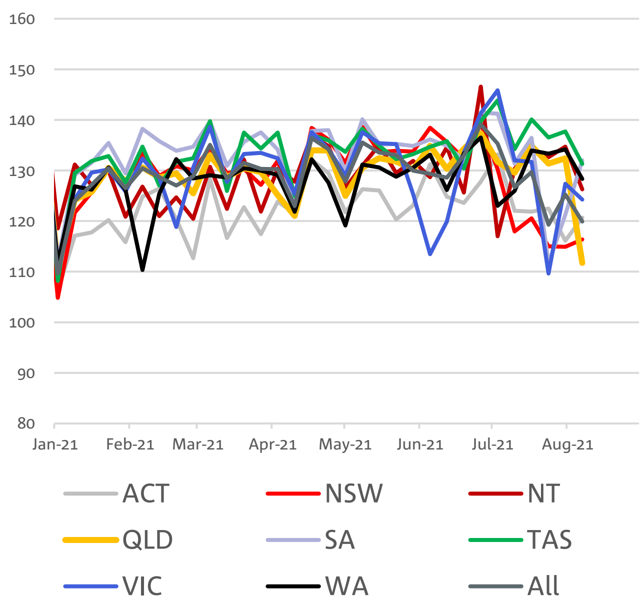
COMMENTS FROM NAB GROUP CHIEF ECONOMIST ALAN OSTER

- 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.
- Over the last two months, we have clearly seen a marked deterioration in Australia's pandemic situation. While New South Wales has been the focus, lockdowns have hit most of the population for some of this time. The impact on consumption (particularly retail and hospitality) is clear: our fortnightly tracking data has recorded another slowdown.
- These challenges continue to hit consumption, even in areas not subject to lockdown. In index terms (with a 2019 base), Queensland was weakest (112), reflecting lockdowns in the South East of the state. New South Wales remained weak (116) but looks to have stabilised over the last few weeks. South Australia was the only state to see a strong recovery, reflecting the end of their snap lockdown.
- Compared to the start of 2021, consumption is now down around 3%. In 2019 (the last comparatively more "normal" year), consumption was up almost 20% in the same week, compared to the start of that year. Retail results are even softer - now down just over 7% since the start of the year, below the "normal" seasonal pattern.
- Hospitality is down over 25% since the start of the year (compared to being down 6.1% in the same week in 2019), clearly reflecting ongoing lockdowns and border closures. Pubs, restaurants, cafes, and accommodation, all continue to struggle.
- Inward credits data surprised on the upside last week. The index stood at 108.3 in the week ending 7 August (annual base reset), compared to 100.6 in the same week in 2019. This partly reflects a pick-up in retail, which had been lagging. There will clearly be challenges over the coming months, particularly in New South Wales, but so far, the overall inward credits data has proven more resilient than we expected.

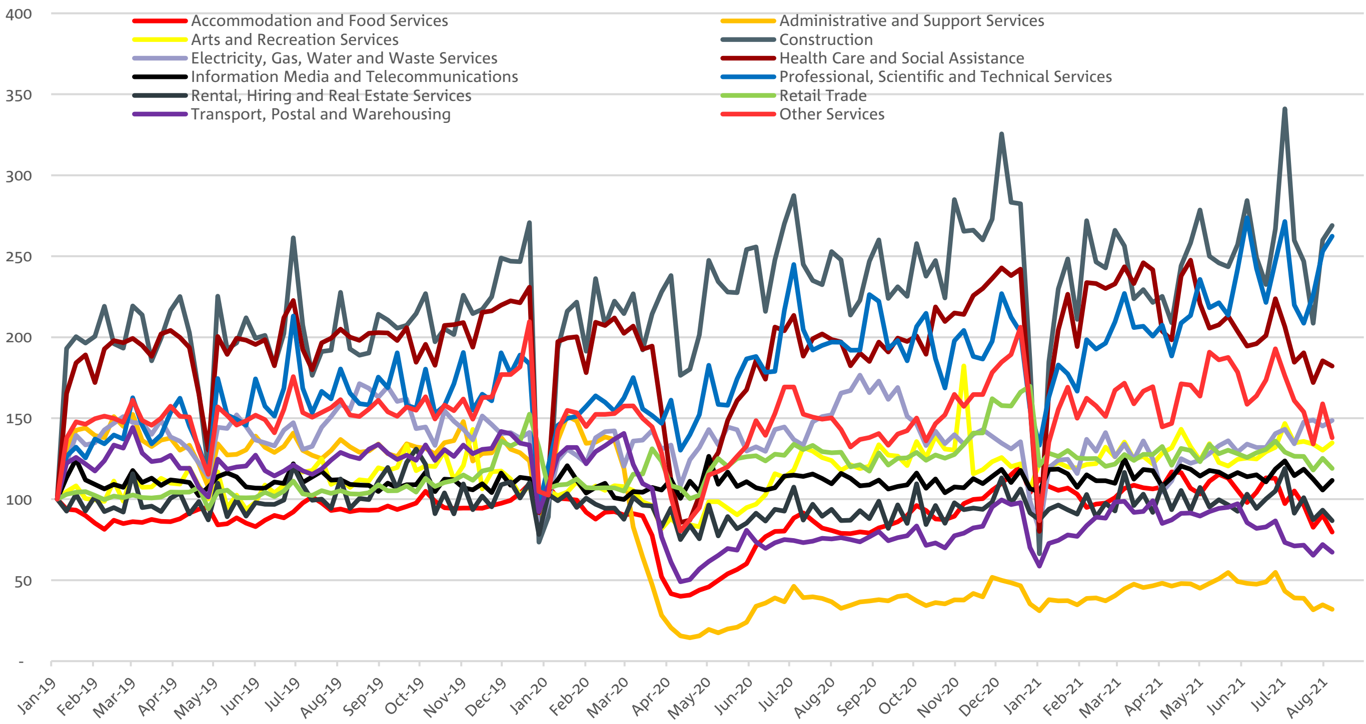
WEEKLY INDEX- BASE RESET ANNUALLY



CONSUMPTION BY STATE (2019 BASE INDEX)

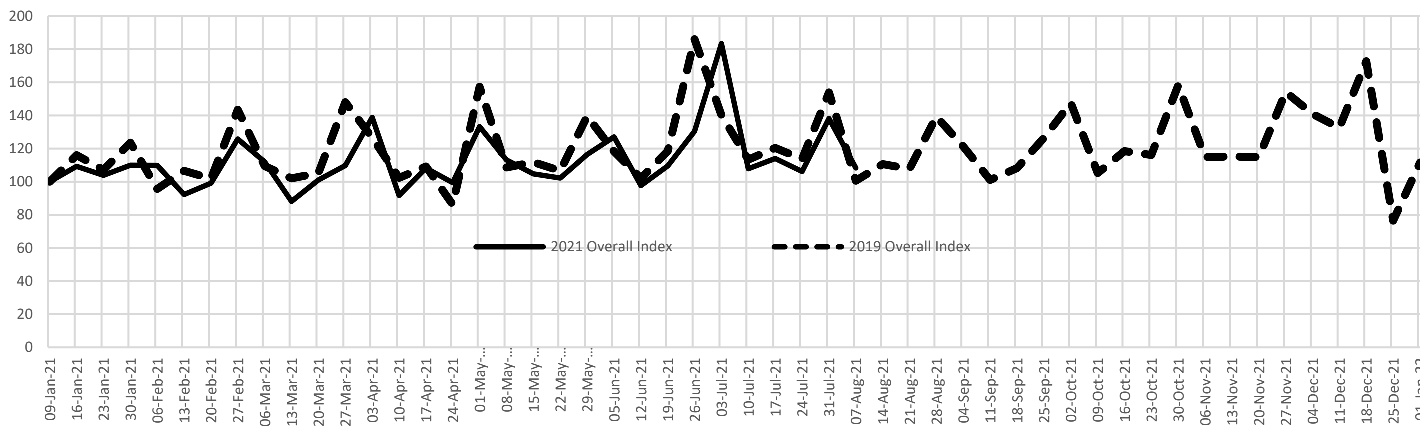


CONSUMPTION SPENDING BY INDUSTRY (INDEX, 100 = JAN 2019)

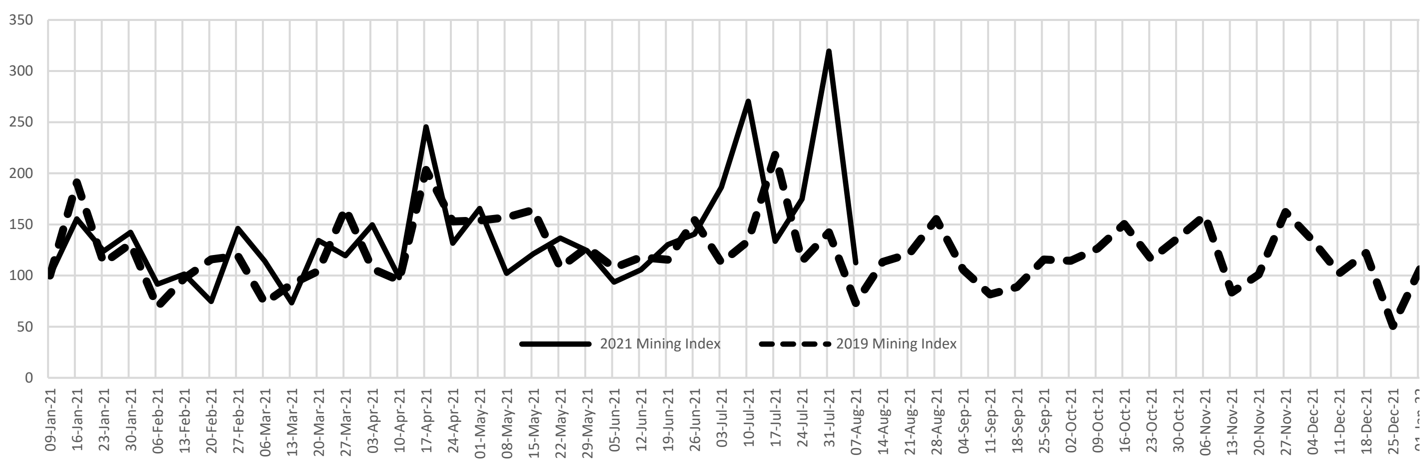


PAYMENT INFLOWS INTO NAB MERCHANTS – BASE RESET ANNUALLY

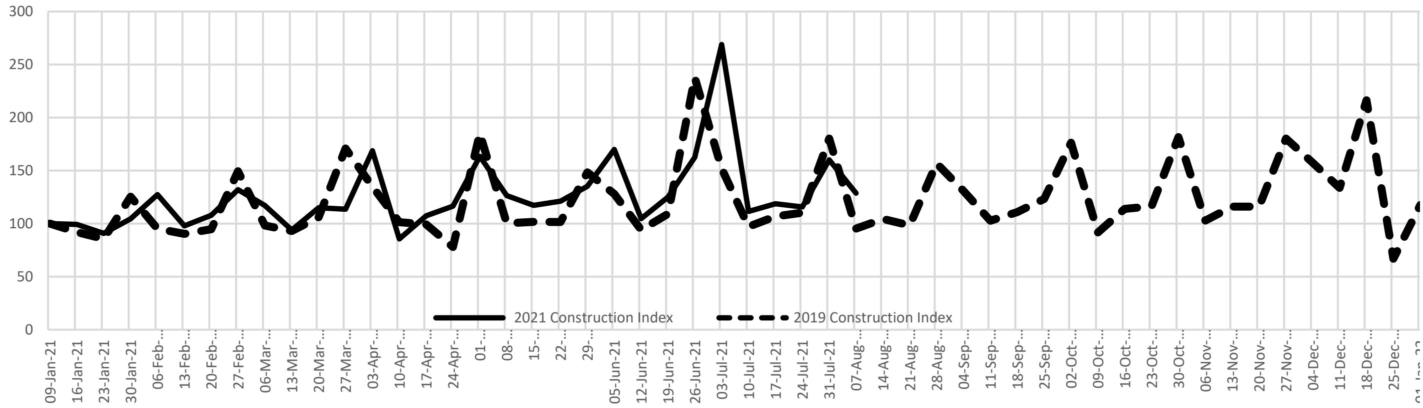
Overall



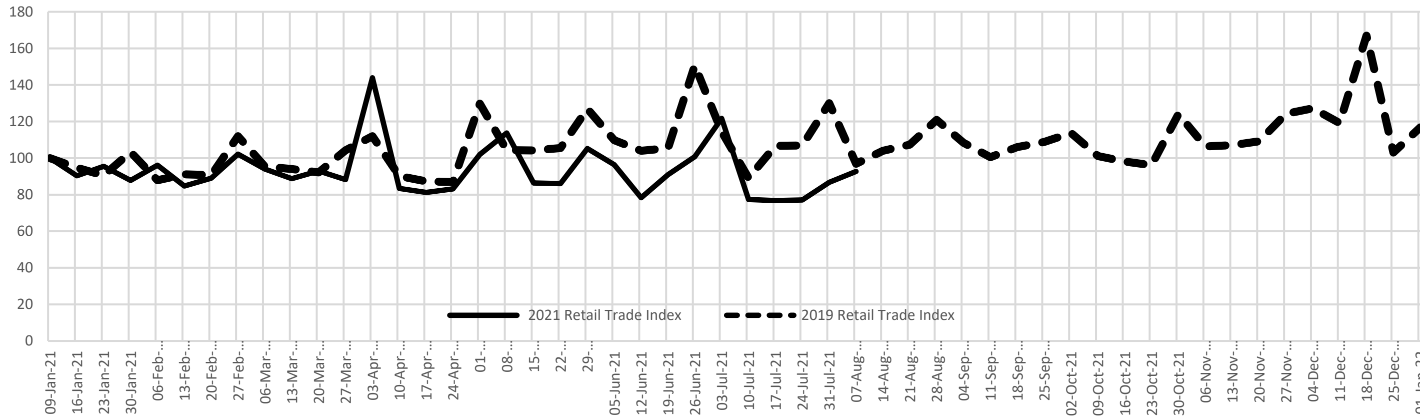
Mining



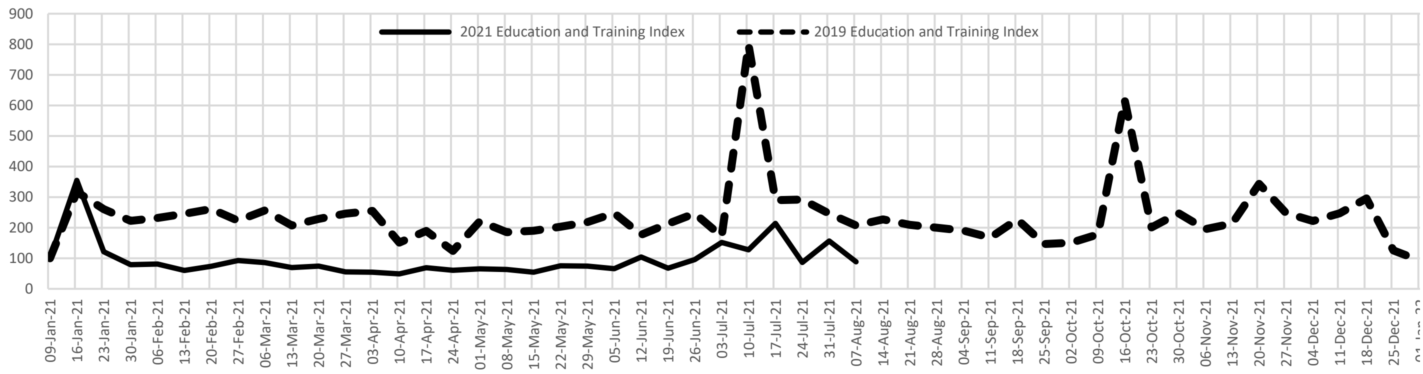
Construction



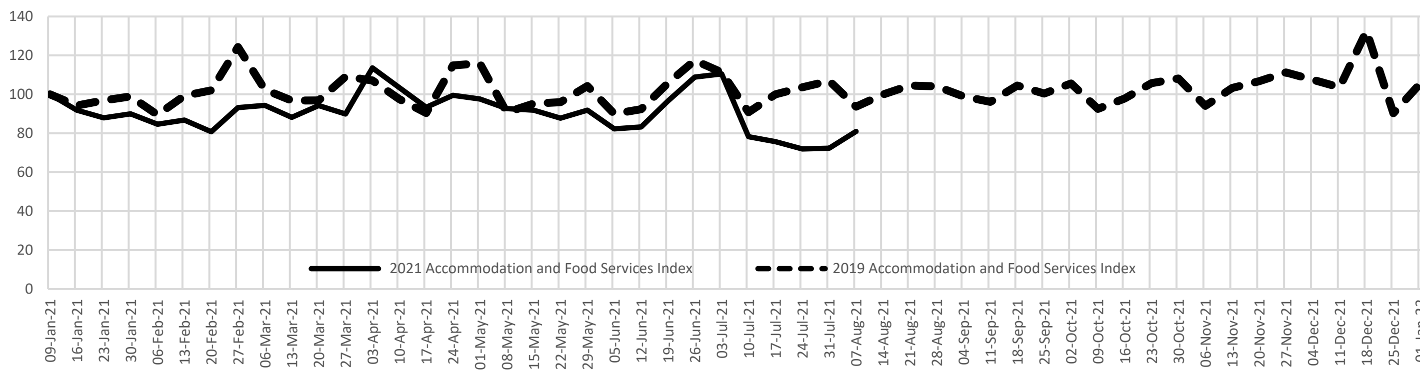
Retail



Education



Hospitality



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