



NAB ECONOMICS DATA INSIGHTS

WEEK ENDING 25 JUNE 2022

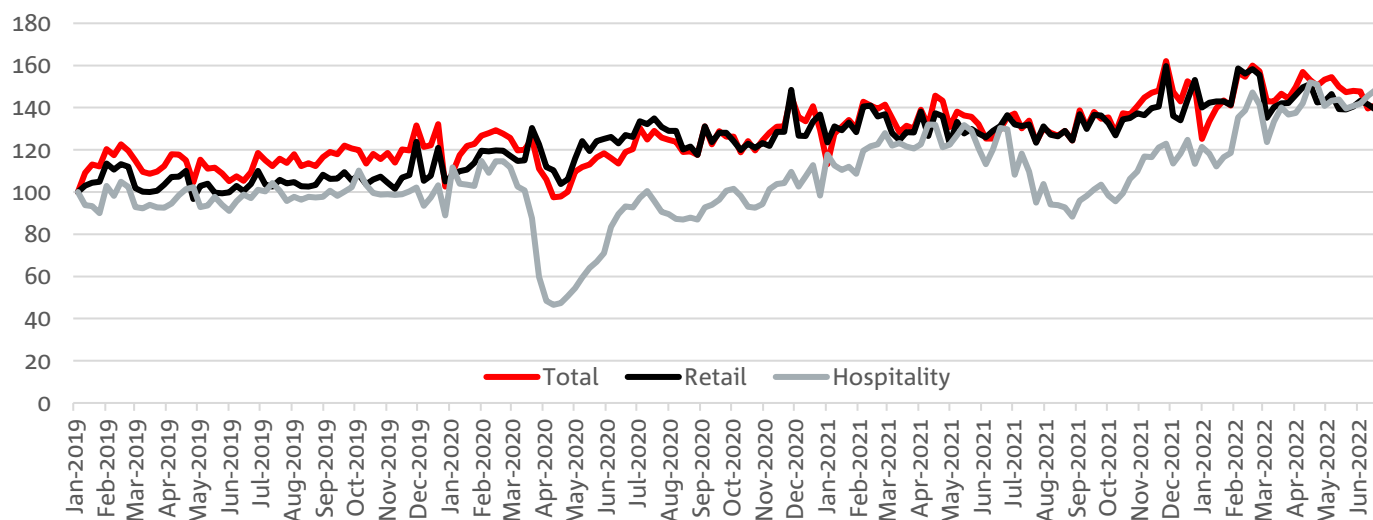
COMMENTS FROM NAB GROUP CHIEF ECONOMIST ALAN OSTER

- Our latest weekly consumer tracking data to 25 June shows something of a mixed picture. A combination of new data and revisions shows hospitality in a better position than we expected earlier this month, while retail looks weaker – perhaps a sign of an ongoing switch from goods to services post-pandemic restrictions.
- Other sectors are mixed to weaker overall, pointing to a consumer sector that is more apprehensive in the face of high inflation, rising official interest rates and increasing economic uncertainty. While rising rates are yet to hit the consumer (much of this impact will be delayed until 2023), the data point to increasing apprehension, especially on non-discretionary goods.
- Inflationary pressures are probably beginning to dent volumes, while keeping spending high. There are already signs of this in the monthly ABS retail sales data. The fact that fuel retailing is far and away the best retail performer in our weekly data (in growth terms, up over 25% on a year-on-year basis) is a case in point. While volumes are up compared to a year ago when much of New South Wales and Victoria were in lockdown, prices are a key driver of spending at present.
- Overall, our seasonally adjusted consumption series stood at 138.0 for the week ending 25 June 2022, using a 2019 base. This was slightly down on the week prior (140.9) but remains above the same time in 2021 (135.5). Retail stood at 136.2, down from 139.3 the week prior and basically flat compared to a year ago. Hospitality dropped from 148.1 a week prior to 136.6, but we continue to see big weekly data revisions in this sector. When we look through the weekly volatility, the four-week moving average shows it clearly performing better relative to other sectors.
- It is difficult to get a good handle on this week's inward credits data on account of esoteric end of financial year effects. Total inward credits data is above the level in 2021 but below 2019. We will have a better handle on the real picture in the next report.

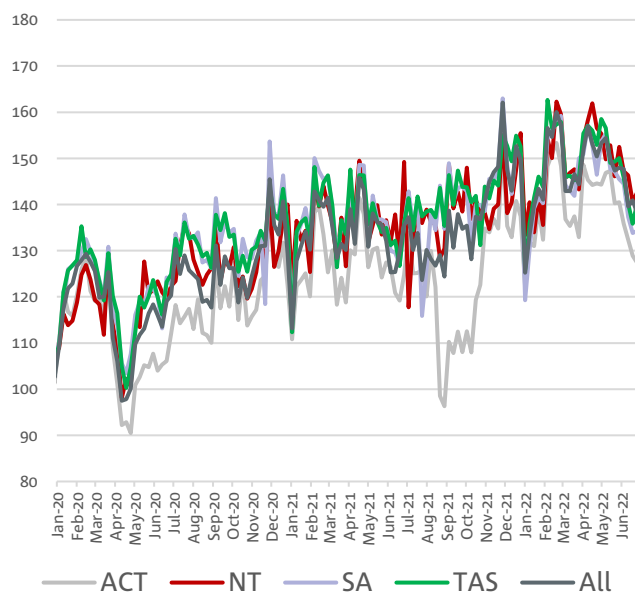
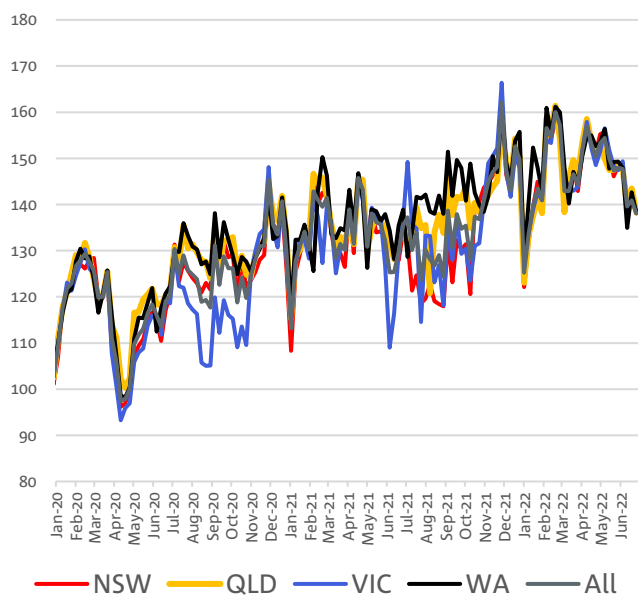
ABOUT THE REPORT

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. Insights will be shared with the Australian people.

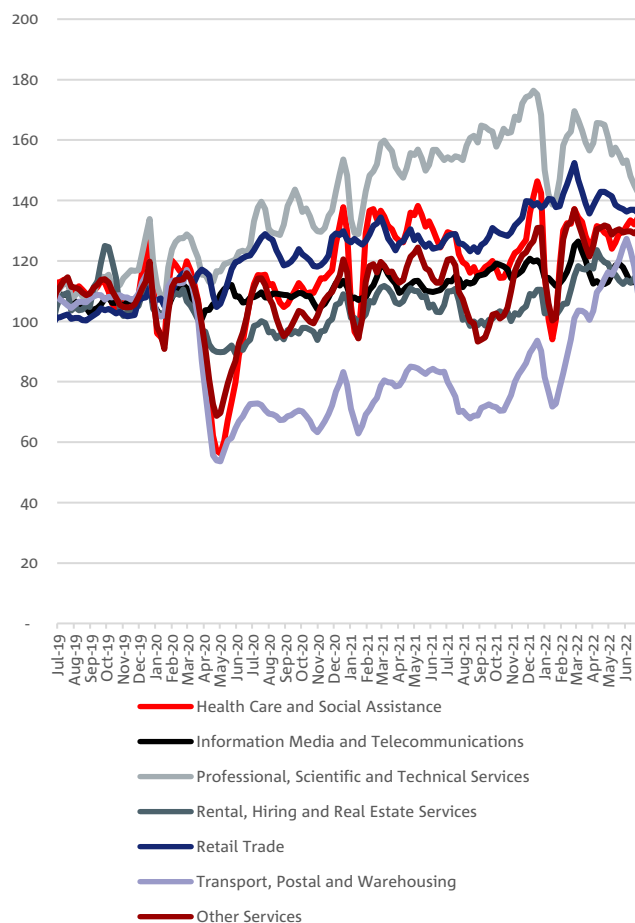
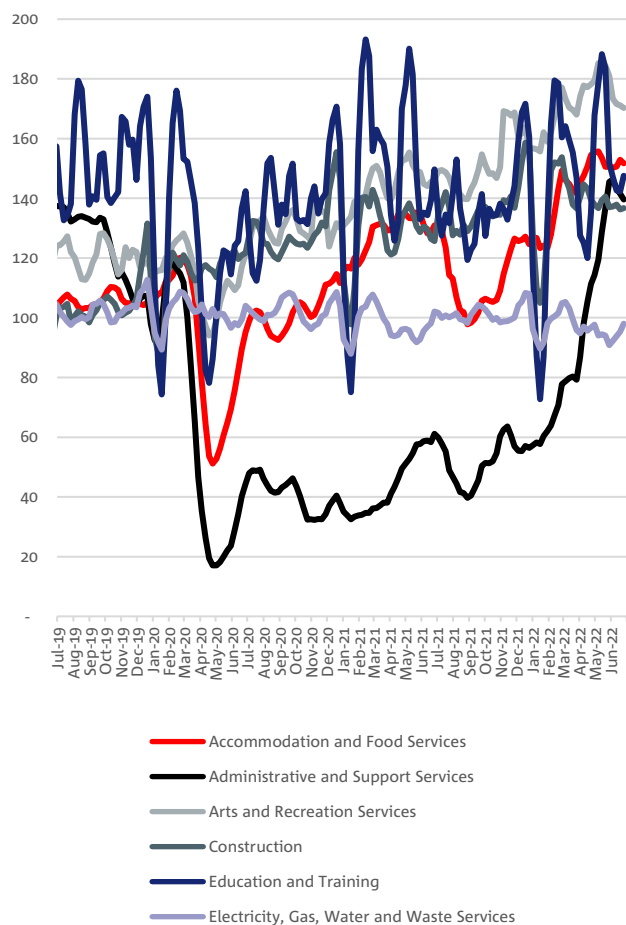
WEEKLY INDEX- JANUARY 2019 BASE, SEASONALLY ADJUSTED



CONSUMPTION BY STATE (INDEX, 2019 BASE, SEASONALLY ADJUSTED)

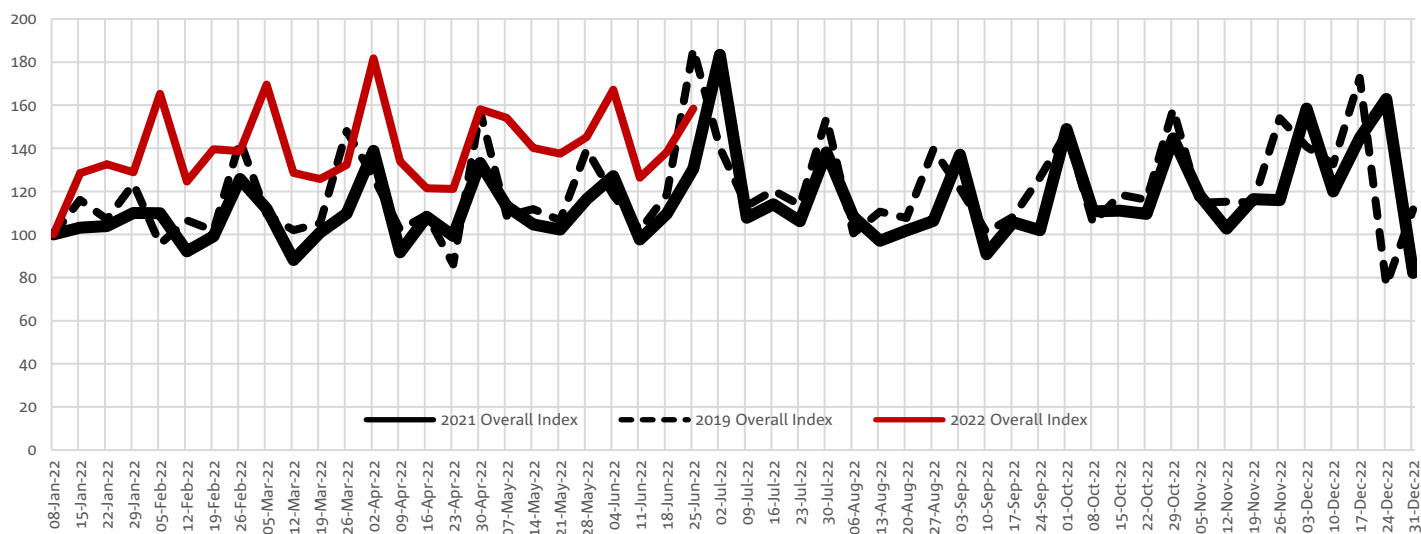


CONSUMPTION BY INDUSTRY (INDEX, 2019 BASE, 4 WK MOVING AVERAGE, SEASONALLY ADJUSTED)

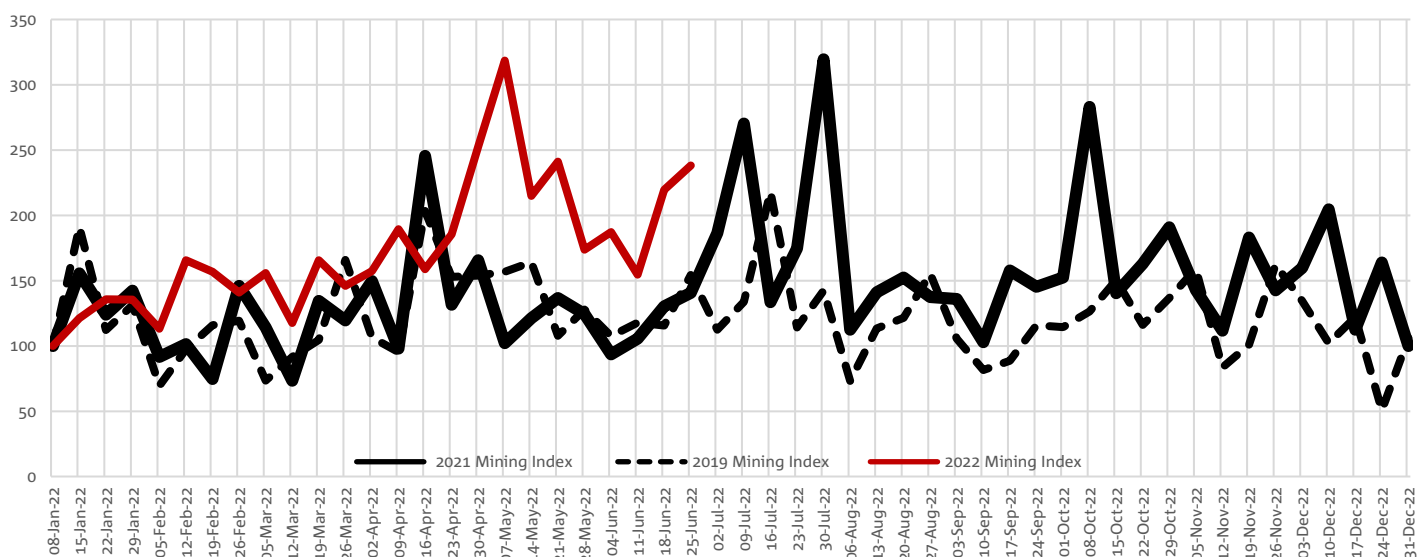


PAYMENT INFLOWS INTO NAB MERCHANTS – BASE RESET ANNUALLY

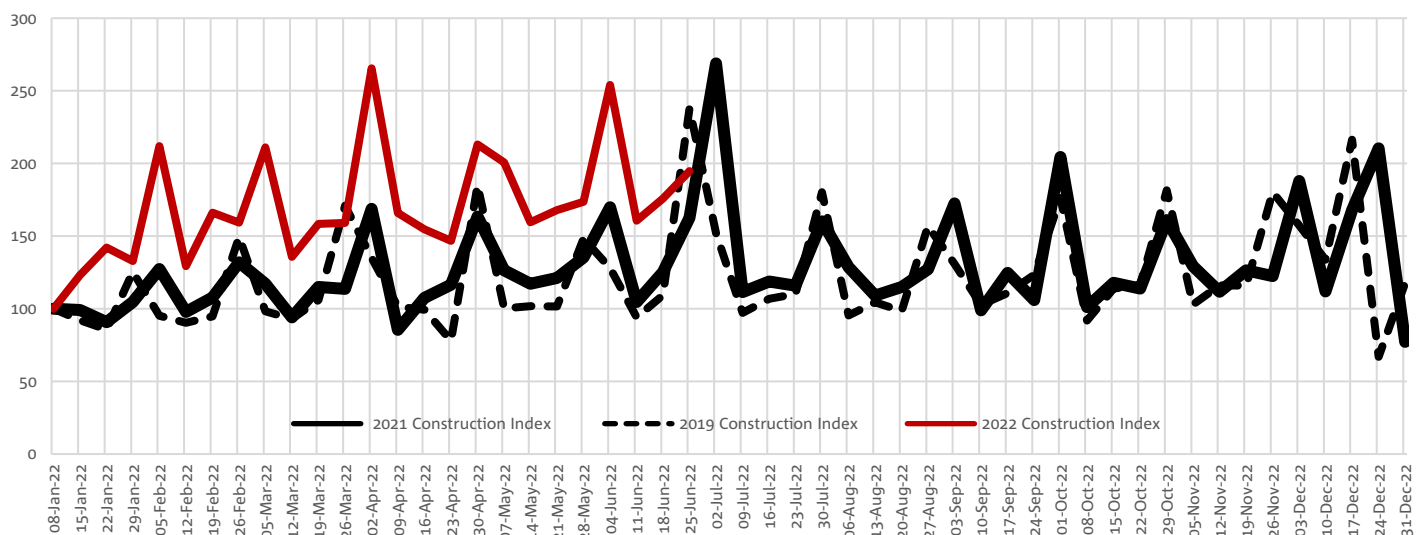
Overall



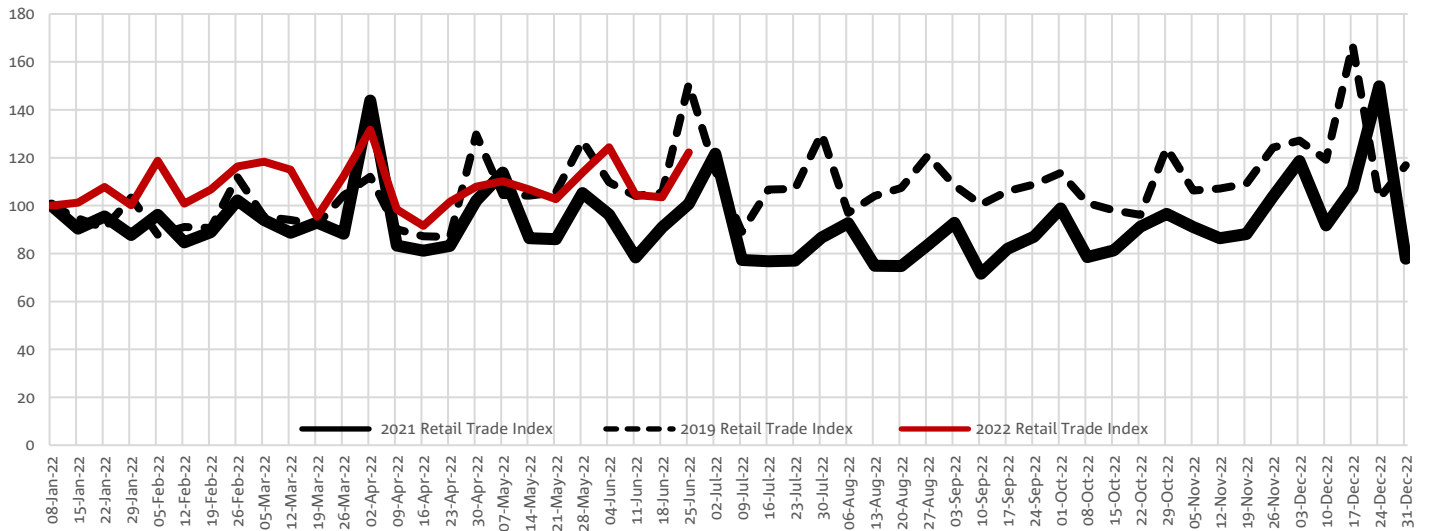
Mining



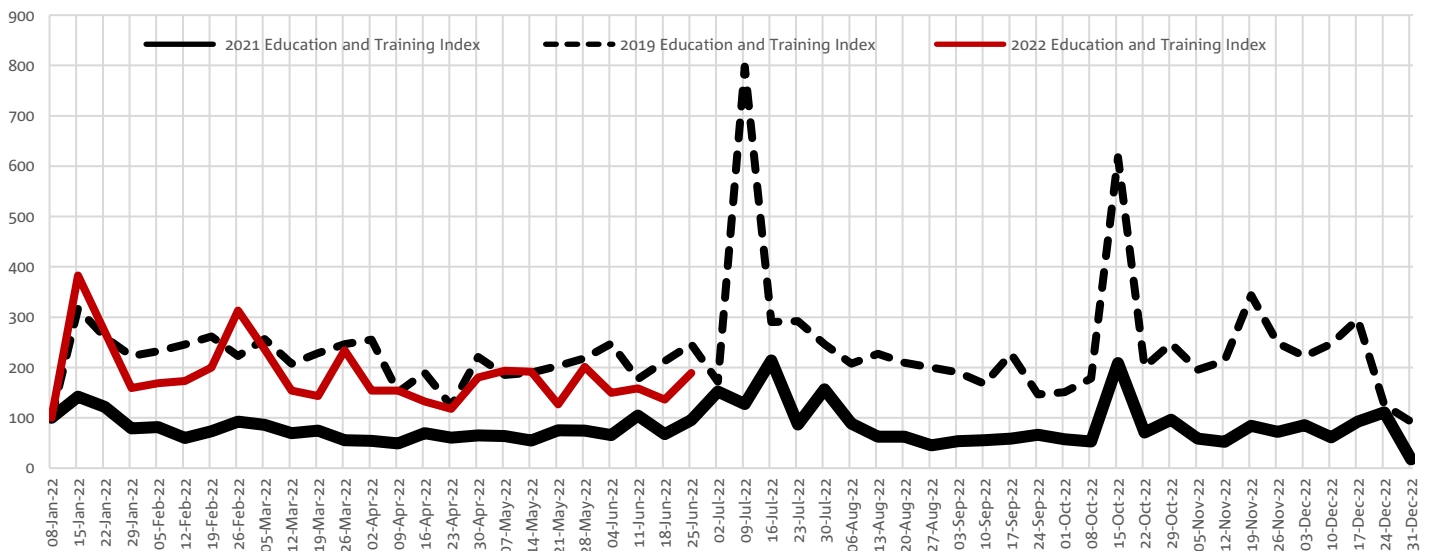
Construction



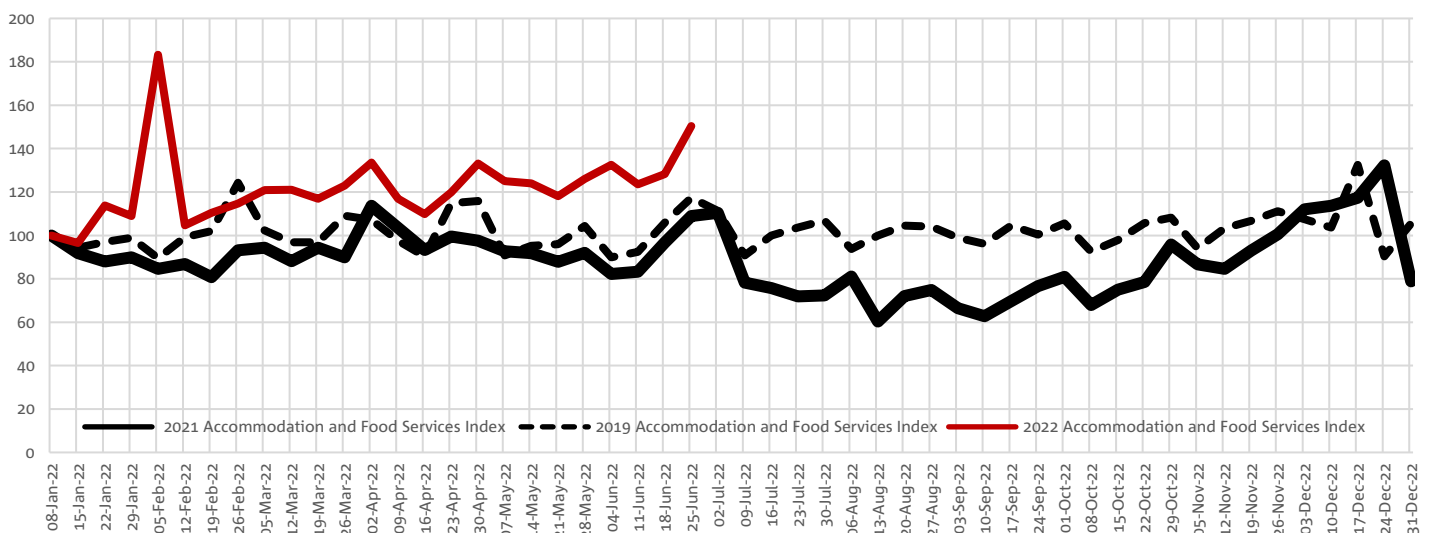
Retail



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Hospitality



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