NAB Monthly Data Insights
January 2025
NAB Economics

Key Points

- **Consumer spending,** according to NAB's transaction data, went down 0.3% in January, which was driven by a decrease in discretionary spending.
- **Retail** spending went down by 0.8% m/m after growing strongly in the last quarter of 2024. Total retail increased 1.4% in 3-month average terms and 4.7% over the past 12 months.
- **Non-discretionary spending** was broadly unchanged in January. Meanwhile, **discretionary spending** decreased 0.5%.
- Overall, consumer spending increased 1.3% in 3-month average terms and 4.9% over the past 12 months.
- **Business credits** decreased 0.7% in January after strong growth last month. Business credits increased by 7.5 % over the past 12 months, or 7.7% excluding mining and agriculture.

Monthly Consumer Spending

- Total spending declined 0.3% m/m. Overall, total consumer spending increased 1.3% in 3-month average terms and 4.9% over the past 12 months.
- Retail spending decreased 0.8%, which was driven by decreases in both goods retail (-0.4%) and cafes & restaurant (-2.3%). For detail on retail spending, see **page 3**.
- Spending on vehicles & fuel increased 0.2%, while spending on essential services and other spending grew 0.6% and 0.4% respectively. For details on non-retail categories, see **page 4**.
- Total spending contracted in both goods (-0.3%) and services (-0.2%). Discretionary spending declined 0.5% while non-discretionary spending was broadly unchanged.

Table 1: Key Consumer Spending Growth Statistics (%)

	Nov-24	Dec-24	Jan-25		
	m/m	m/m	m/m	3m/3m	y/y
Goods Retail	0.2	0.3	-0.4	1.3	4.8
Cafes & Restaurants	0.8	0.5	-2.3	1.6	4.4
Total Retail	**0.3**	**0.3**	**-0.8**	**1.4**	**4.7**
Vehicles & Fuel	0.4	2.3	0.2	-0.1	-1.1
Essential Services	0.5	1.3	0.6	0.9	4.3
Other Spending	-0.7	1.5	0.4	1.8	8.2
Total Spending	**0.1**	**0.9**	**-0.3**	**1.3**	**4.9**
Goods	0.3	0.6	-0.3	1.1	3.9
Services	0.0	1.2	-0.2	1.5	6.2
Discretionary	0.0	0.9	-0.5	1.7	6.4
Non-Discretionary	0.4	0.9	0.1	0.6	2.4
Total ex Fuel	**0.1**	**0.8**	**-0.3**	**1.4**	**5.4**

Chart 1: Consumer Spending Index (Jan 2020 = 100)
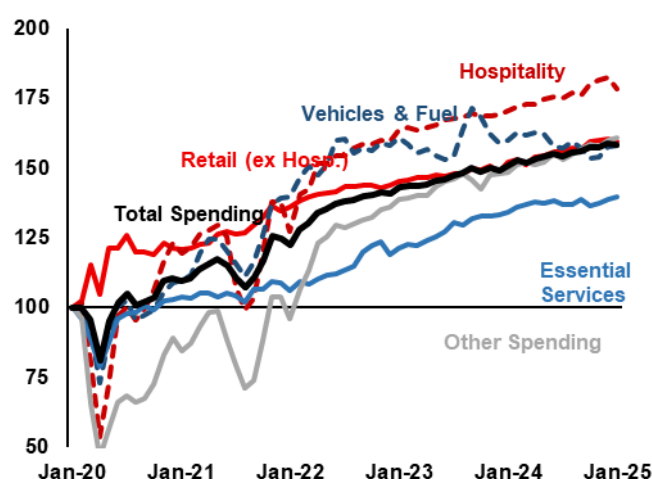
Note: Spending data excludes taxes, rent, mortgages, gambling, finance, insurance, and other non-consumer transactions. Data are seasonally adjusted and subject to revision. "Goods" includes goods retail, vehicles and fuel, and "services" includes all other categories. "Non-discretionary" includes food, health, education, utilities, media & comms, and fuel, and "discretionary" includes all other categories.
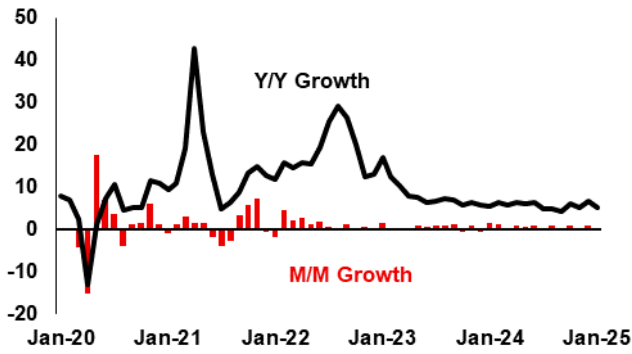
Chart 2: Total Spending Growth (%)
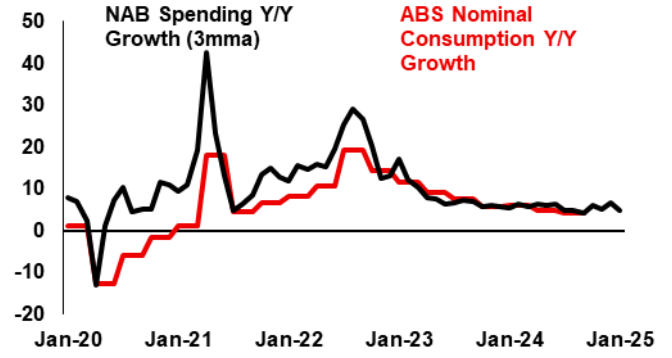

Chart 3: Comparison to ABS Consumption Growth (%)

Chart 4: Goods vs Services Index (Jan 2020 = 100)
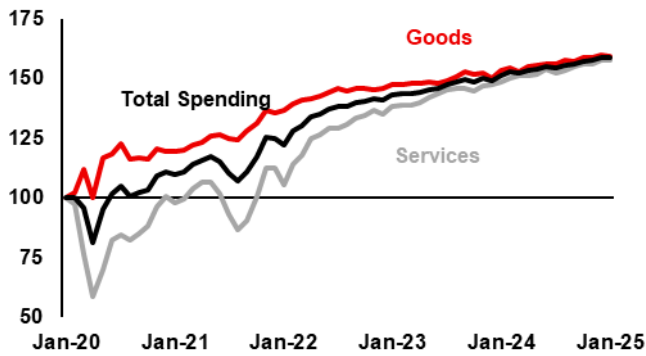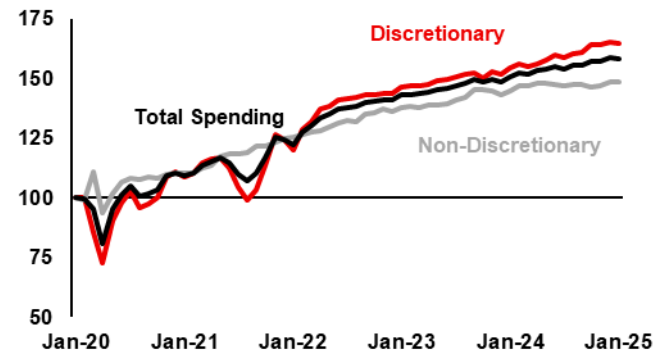

Chart 5: Discretionary Spending Index (Jan 2020 = 100)

Monthly Consumer Spending – Detail by State

- Spending went up in all states except for WA (-0.4%) in January.
- The strongest growth was in NT (3.0%), SA (1.6%) and TAS (1.4%). Spending also went up in VIC (0.9%) and NSW (0.5%).

Table 2: Spending Growth by State (%)

	Nov-24	Dec-24	Jan-25		
	m/m	m/m	m/m	3m/3m	y/y
NSW	0.8	-0.2	0.5	1.6	5.2
VIC	0.8	-0.5	0.9	1.8	4.3
QLD	0.7	0.2	0.8	1.6	6.1
WA	0.6	0.9	-0.4	2.0	6.6
SA	1.4	-1.1	1.6	1.8	5.9
TAS	-0.4	-0.3	1.4	1.5	5.2
ACT	0.8	0.3	0.5	1.9	5.6
NT	1.8	0.4	3.0	3.1	11.4

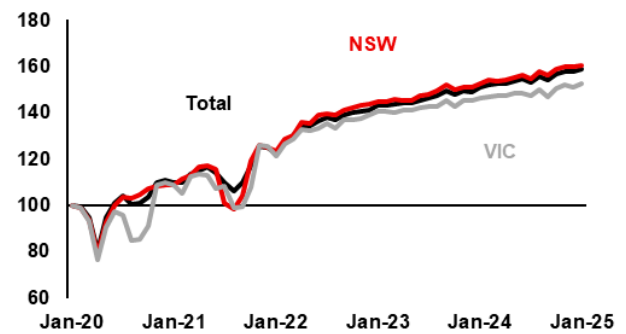**Chart 6: Spending by State (Index, Jan 2020 = 100)**

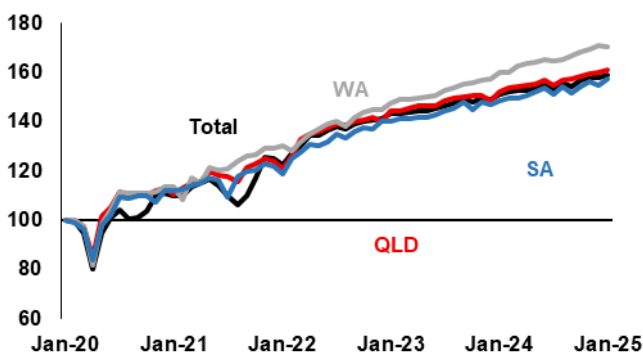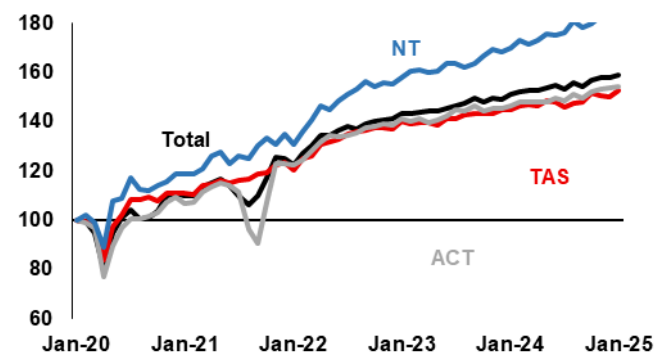**Chart 7: Spending by State (Index, Jan 2020 = 100)**

Chart 8: Spending by State (Index, Jan 2020 = 100)

Note: State spending totals differ from industry totals due to availability of geographic information. Spending data excludes taxes, rent, mortgages, gambling, finance, insurance, and other non-consumer transactions. Data are seasonally adjusted and subject to revision.

Monthly Consumer Spending – Retail Sector Detail

- Retail spending went down 0.8% in January after growing solidly across all months in Q4 2024. Spending declined in both goods (-0.4%) and cafes & restaurant (-2.3%). Total retail spending increased 1.4% in three-month average terms and 4.7% y/y.

- Goods retail declined 0.4% with strongest decreases in clothing (-1.8%) and department stores (-0.6%). Spending on food and household goods also declined 0.5% and 0.3% respectively, while other retail was broadly steady. Overall goods retail spending went up 1.3% in three-month-average terms and 4.8% y/y.

- Hospitality spending increased 1.6% in three-month-average terms and 4.4% y/y.

Table 3: Retail Spending Growth (%)

	Nov-24	Dec-24	Jan-25		
	m/m	m/m	m/m	3m/3m	y/y
Food	0.4	0.0	-0.5	0.7	2.6
Hhld Goods	-0.4	0.4	-0.3	2.1	6.3
Clothing	1.1	0.7	-1.8	1.5	5.0
Dept. Stores	-0.2	-1.1	-0.6	-0.3	2.6
Other Retail	0.4	0.7	0.2	1.9	7.4
Total Goods Retail	**0.2**	**0.3**	**-0.4**	**1.3**	**4.8**
Cafes & Restaurants	0.8	0.5	-2.3	1.6	4.4
Total Retail	**0.3**	**0.3**	**-0.8**	**1.4**	**4.7**

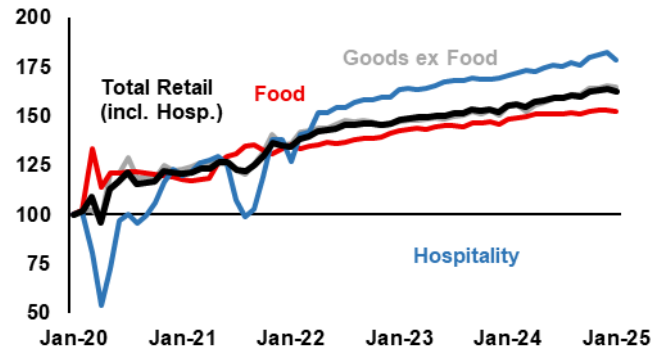**Chart 9: Retail Spending Index (Jan 2020 = 100)**

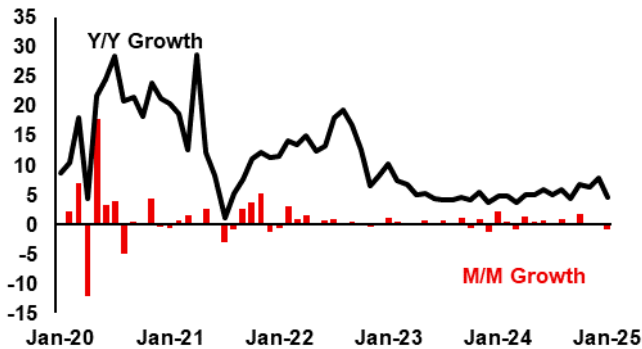**Chart 10: Total Retail Spending Growth (%)**

Chart 11: Comparison to ABS Retail Sales Growth (%)
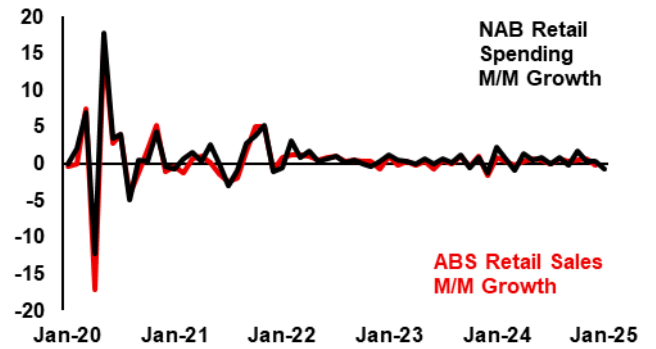

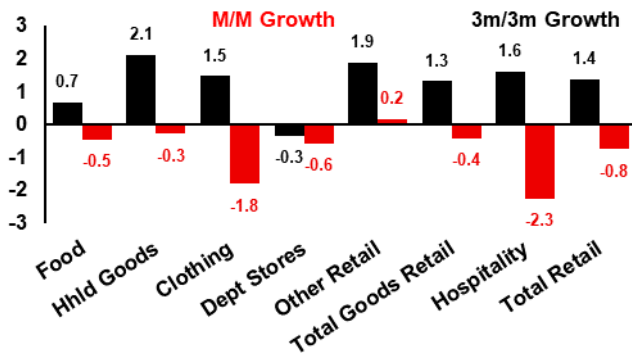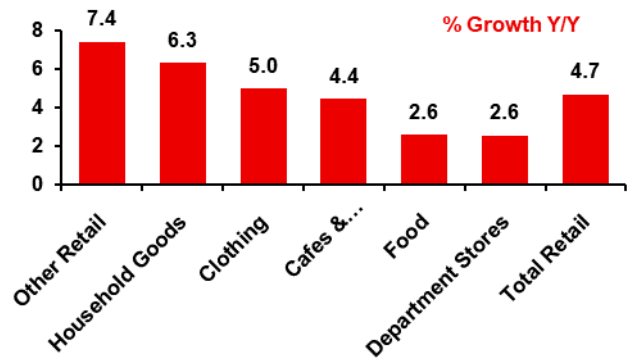
Chart 12: Contribution to Monthly Growth (%)

Chart 13: Y/Y Growth, Retail Subcategories

Note: Data are seasonally adjusted and subject to revision.

Monthly Spending – Detail for Non-Retail Subcategories

- Spending on vehicles & fuel in January was relatively stable (+0.2%) after strong growth last month. Spending on fuel went up 1.0%, which was offset by a decrease of 1.5% in vehicles.

- Spending on essential services grew 0.6%, with increases in health (2.7%) and media (0.2%) offset by decreases in education (-2.9%) and utilities (-0.1%). Overall, spending on essential services grew 0.9% in three-month average terms and 4.3% in the past 12 months.

- Other spending rose 0.4% with an increase of 1.4% in both arts, recreation & travel and transportation. Spending declined 1.7% in professional services and 0.4% in other services. Overall, other spending went up 1.8% in three-month average terms and 8.2% y/y.

Table 4: Spending Growth by Subcategory (excl. Retail) (%)

	Nov-24	Dec-24	Jan-25				Nov-24	Dec-24	Jan-25		
	m/m	m/m	m/m	3m/3m	y/y		m/m	m/m	m/m	3m/3m	y/y
Vehicles	0.4	1.1	-1.5	0.8	2.3	Arts, Rec. & Travel	0.0	1.4	1.4	2.9	11.1
Fuel	0.3	3.0	1.0	-0.5	-2.8	Construction	-1.7	-0.1	0.4	-1.5	0.3
Vehicles & Fuel Total	**0.4**	**2.3**	**0.2**	**-0.1**	**-1.1**	Professional Services	-4.0	1.6	-1.7	-0.9	5.1
						Transport & Postal	2.0	1.1	1.4	3.3	9.1
Education	0.5	1.0	-2.9	-2.4	2.6	Other Services	-1.2	2.2	-0.4	1.3	7.0
Utilities	0.6	2.3	-0.1	0.1	-5.0	**Other Spending Total**	**-0.7**	**1.5**	**0.4**	**1.8**	**8.2**
Health & Care	-0.4	0.5	2.7	1.5	8.4						
Media & Comms	1.5	2.0	0.2	2.9	7.6						
Essential Svcs Total	**0.5**	**1.3**	**0.6**	**0.9**	**4.3**						

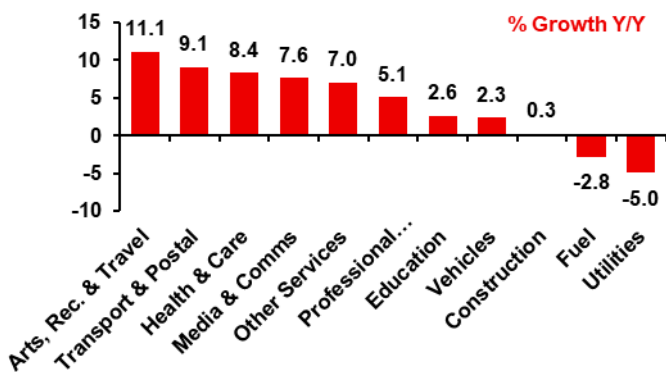**Chart 14: Y/Y Growth, Non-Retail Subcategories**

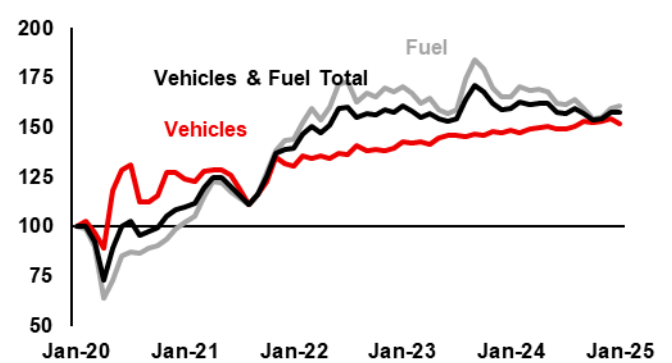**Chart 15: Vehicles & Fuel Index (Jan 2020 = 100)**

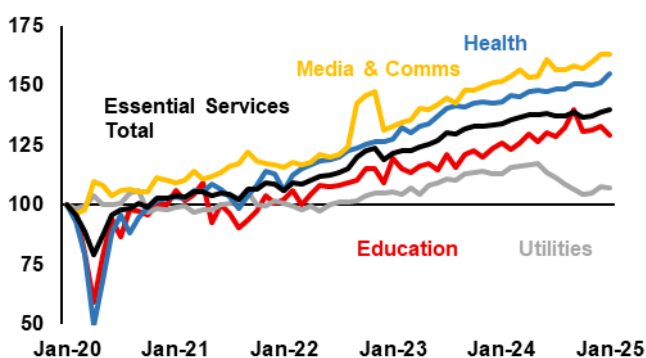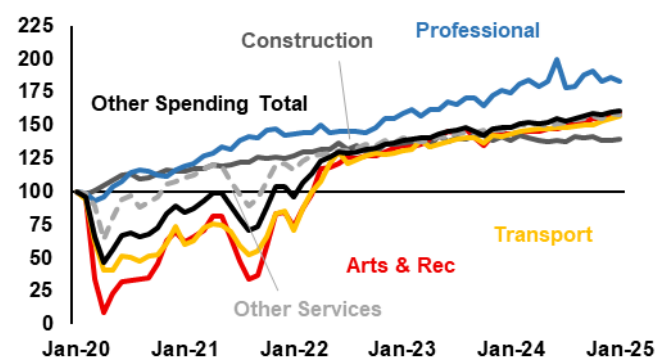**Chart 16: Essential Services Index (Jan 2020 = 100)**

Chart 17: Other Spending Index (Jan 2020 = 100)

Note: Data are seasonally adjusted and subject to revision. 'Arts, Recreation & Travel' amalgamates Arts & Recreation Services, Accommodation (as Food Services are captured separately under Retail) and Travel Agencies (which make up the bulk of consumer Administration & Support Services spending). 'Other Services' includes some residual Administration & Support Services and Rental, Hiring & Real Estate services.

Monthly Business Credits

- Business credits went down 0.7% m/m in January after strong growth in December.
- In year-on-year term, only admin & support (-1.8%) and manufacturing (-0.2%) showed marginal negative growth. There was strong growth in utilities (46.2%) and info & media (29.5%), which reflects strong inflows into green energies and cloud and data services.
- Overall, business credits increased 7.5% in the last 12 months, or 7.7% excluding mining and agriculture.

Table 5: Business Credits Growth by Industry (%)

| | Nov-24 | Dec-24 | Jan-25 | | |
	m/m	m/m	m/m	3m/3m	y/y
Total	**1.0**	**2.1**	**-0.7**	**2.8**	**7.5**
Total ex Mining & Agri	*0.6*	*2.3*	*-1.1*	*2.3*	*7.7*
Accom & Food	1.1	0.7	-2.0	2.1	2.0
Admin & Support	-0.1	1.1	-2.5	1.3	-1.8
Agriculture	4.5	0.8	0.3	4.5	11.7
Arts & Rec.	-0.2	-0.3	-1.8	0.1	4.6
Construction	2.1	1.2	-2.0	3.6	11.7
Education	-5.6	-1.4	-1.5	-5.9	4.8
Utilities	1.8	13.8	-5.8	12.4	46.1

| | Nov-24 | Dec-24 | Jan-25 | | |
	m/m	m/m	m/m	3m/3m	y/y
Health	-0.3	2.1	0.9	2.6	6.3
Info & Media	7.3	3.9	6.3	15.4	29.5
Manufacturing	-0.1	3.0	-3.9	0.4	-0.2
Mining	3.3	0.8	3.8	7.5	3.5
Other Services	0.9	0.3	-1.1	2.6	19.7
Professional Services	0.3	1.7	-1.3	1.6	9.5
Rental & Real Estate	0.5	2.2	0.4	2.1	13.6
Retail Trade	-0.3	1.5	-0.5	0.2	2.6
Transport & Postal	3.0	6.6	-3.2	8.7	13.2
Wholesale Trade	0.7	2.4	0.5	1.4	3.3

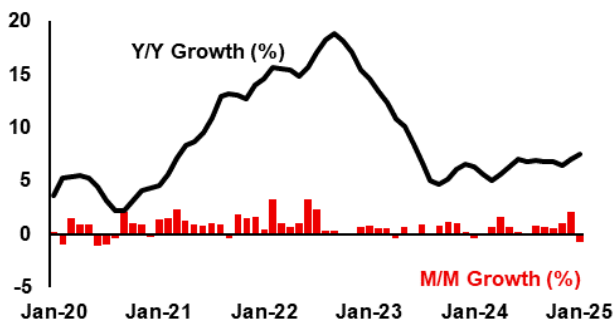**Chart 18: Business Credits Growth (%)**

Chart 19: Business Credits Index (Jan 2020 = 100)
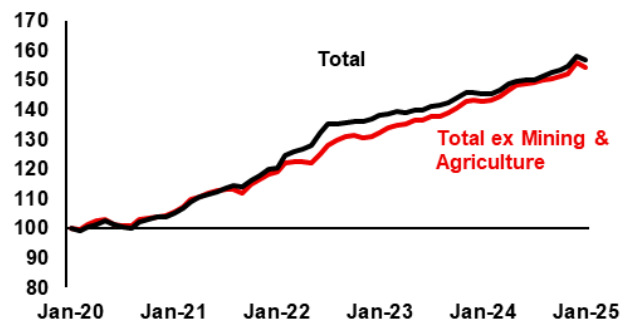

Chart 20: Credits Index by Industry (Jan 2020 = 100)
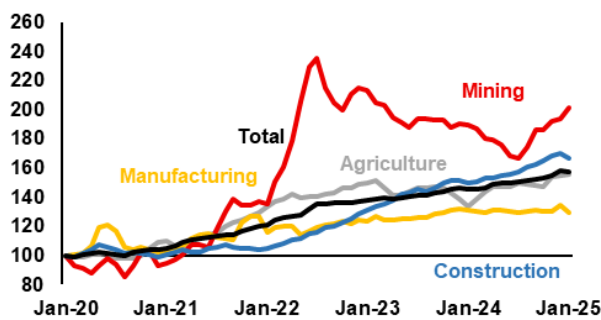

Chart 21: Credits Index by Industry (Jan 2020 = 100)
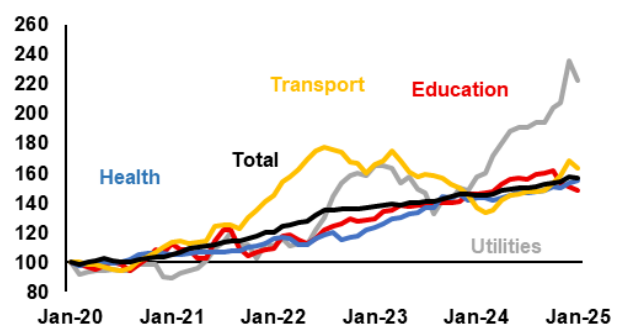

Chart 22: Credits Index by Industry (Jan 2020 = 100)
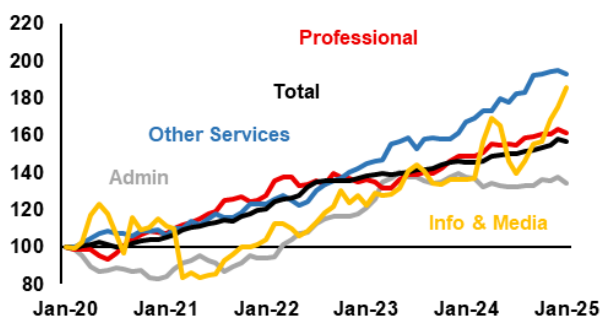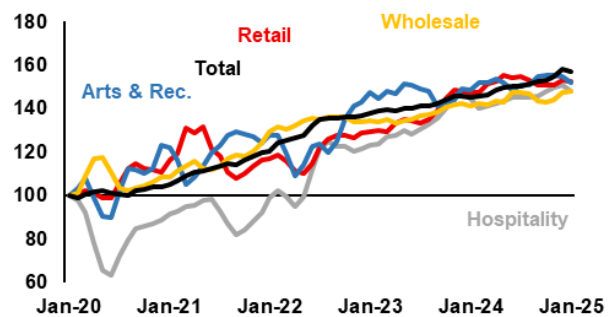

Chart 23: Credits Index by Industry (Jan 2020 = 100)

Note: All data calculated as a three-month moving average of seasonally adjusted monthly data.

About this report

NAB publishes aggregated customer transaction data with the view to providing real-time insights into economic activity in Australia. 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 underlying data used in this report are not sold or made publicly available. This monthly report replaced the fortnightly *Data Insights* report and the monthly *NAB Cashless Retail Sales Index*, which were discontinued in October 2022.

Consumer Spending Methodology

Data on consumer spending are derived from NAB electronic transactions data, encompassing more than 4 million transactions per day. The data include transactions made by EFTPOS, Credit Card, BPAY, Bank Transfers, Direct Debits and Paypal services where available, and include transactions with Australian and international merchants. Spending includes both online and offline transactions. The data excludes cash withdrawals made during a purchase and purchases made offline in an overseas location. As the data only capture electronic transactions, results can be affected by changes in the take-up rate of electronic payment methods relative to cash. State splits of spending are based on where the customer lives, which may or may not be where the actual spending activity occurs. Customers without an Australian residential address are excluded. Transactions attributable to non-consumer sectors including Manufacturing, Mining, and Wholesale are excluded, as are Financial & Insurance Services transactions and Public Administration transactions (largely tax payments). Gambling spending and rental and mortgage payments are also excluded. Opportunities to expand coverage to include spending in these areas will be explored in the future. Individual industry and state series are seasonally adjusted using the X-11 method.

Business Inward Credits Methodology

Data on business inward credits are derived from credits paid into the accounts of NAB business banking customers, and are intended to approximate business revenues. Data do not account for business expenses and therefore are not reflective of profits or margins. Credits related to financing arrangements and capital raising are excluded where possible. Industry growth rates can also be affected by significant changes in the composition of NAB's business banking customer base. Businesses in the Financial & Insurance Services sector and Public Administration & Safety are excluded. Individual industry series are seasonally adjusted using the X-11 method and a three-month moving average is used to smooth volatility related to the timing of payments made to businesses. History for these series are limited and as such seasonal variation remains difficult to capture accurately. Opportunities to extend the available history to improve analysis will be explored in the future.

Authors

Alan Oster
Group Chief Economist
Alan.Oster@nab.com.au
+(61 0) 414 444 652

Brien McDonald
Senior Economist – Behavioural &
Industry Economics
+(61 0) 455 052 520

Thao Nguyen
Senior Economist – Data & Analytics
Thao.nguyen5@nab.com.au
+(61 0) 451 203 008

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