THE AUSTRALIAN CENTRE FOR
RETAIL STUDIES

Retail Trends

ABS Retail Trade Data for April 2009

MONASH University
Business and Economics

NOTES:

ORIGINAL FIGURES represent raw sales data from around 3,200 retail and selected service businesses each quarter. Around 500 'large' businesses are included in the survey, while a sample of about 2,700 'smaller' businesses is selected. Around 900 of these smaller businesses are allocated to each month of the quarter. The 'large' business' contribution of approximately 62% of the total estimate ensures a highly reliable Australian total turnover estimate.

SEASONALLY ADJUSTED ESTIMATES are derived by estimating and removing systematic calendar related effects from the original series and trading day influences (e.g. varying length of each month and varying number of Sundays, Mondays etc.)

TREND ESTIMATES have been obtained by smoothing seasonally adjusted series. Trend estimates are used to analyse the underlying behaviour of the series over time. As a result of the introduction of The New Tax System, a break in the monthly trend series has been inserted in October 2000. Provide the most robust assessment of performance over time.

TURNOVER includes retail sales, wholesale sales, takings from repairs, meals and hiring of goods, and commissions from agency activity and takings from gaming machines.

THE FOLLOWING INDUSTRIES INCLUDED IN THE ABS SURVEY ARE AS DEFINED IN ANZSIC:

Please note the changes in sector breakdown, Recreational Good retailing has been merged with Other Retailing and Hotels, Licensed Clubs and Selected Services has been removed

- Food retailing
  Supermarkets and grocery stores and non-petrol sales of convenience stores of selected petrol stations; Liquor retailing; and Other food retailing (Fresh meat, fish and poultry retailing; Fruit and vegetable retailing; Bread and cake retailing; and, Specialised food retailing).

- Department stores

- Clothing and soft good retailing
  Clothing retailing; Footwear, fabric and other soft good retailing; Footwear retailing; and, Fabric and other soft good retailing.

- Household good retailing
  Furniture and floor covering retailing: Furniture retailing and Floor covering retailing; Domestic hardware and houseware retailing; Domestic appliance and recorded music retailing: Domestic appliance retailing and Recorded music retailing.

- Other retailing
  Newspaper, book and stationery retailing; Other recreational goods retailing: Sport and camping equipment retailing, Toy and game retailing, and Photographic equipment retailing; Pharmaceutical, cosmetic and toiletry retailing; and, Other Retailing n.e.c (Antique and used good retailing; Garden supplies retailing; Flower retailing; Watch and jewellery retailing; and, Retailing n.e.c.).

- Cafes, Restaurant's and Takeaway food services
  Takeaway food retailing and Cafes and restaurants

CHANGES IN THIS ISSUE:

SUSPENSION OF TREND ESTIMATES: From November 2008, the original and seasonally adjusted estimates include consumer spending resulting from payments received by families and pensioners as part of the Federal Government Economic Security Strategy Package. In addition to contributing to retail turnover in April, the one-off payments may be spent in the retail industry in future months, be spent on non-retail activities, or may be used to reduce debt or to contribute to savings (which may in turn impact on future spending patterns).The retail trend series has therefore been suspended as at November 2008, and it may be some time before the underlying behaviour of the series can be accurately estimated. The trend series will be reintroduced when more certainty emerges in the underlying trend in retail turnover.

ACRS Retail Trends is a monthly publication analysing retail sales figures and performance for members and affiliates of the Australian Centre for Retail Studies. Please contact us if you have any comments, questions or would like to add colleagues to the mailing list.

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ABS Fact Sheet – April 2009

Released 1st June 2009

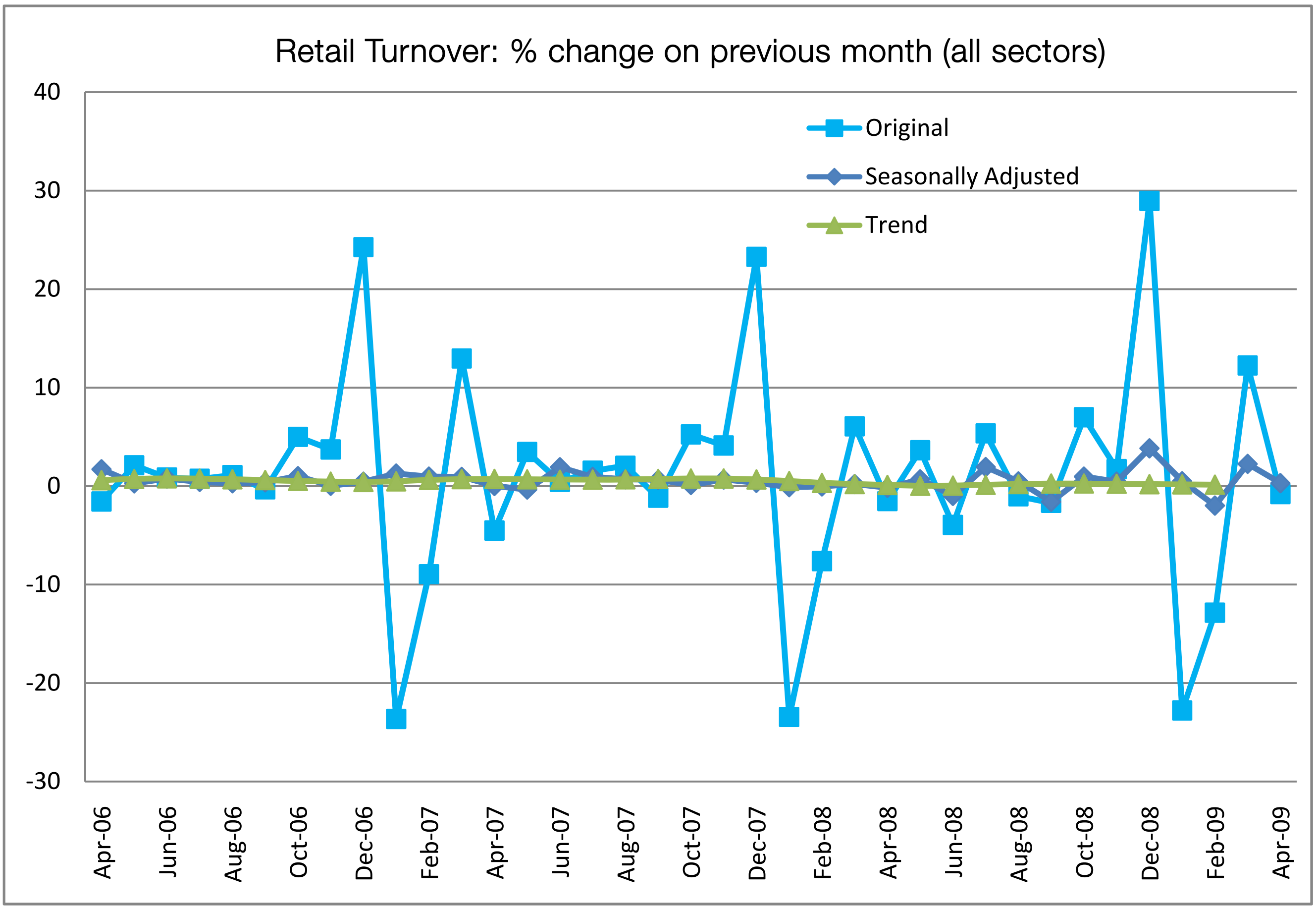
OVERVIEW

Original Figures	April 2009	March 2009	% Change
Turnover at current prices ($ million)	18,510.5	18,663.2	-0.8
Seasonally Adjusted	April 2009	March 2009	% Change
Turnover at current prices ($ million)	19,351.4	19,295.7	0.3
Moving Annual Total (Original)	April 2009	April 2008	% Change
Turnover at current prices ($ million)	224,348.1	215,613.7	4.1

According to the Australian Bureau of Statistics' (ABS) monthly original figures, sales growth from March to April decreased slightly at a rate of 0.8% to $18,510.5 million, which many analysts predict is line with the current state of consumer confidence. Seasonally adjusted figures show an increase in sales growth, with sales jumping slightly by 0.3%. Year-to-date retail sales showed a solid improvement from 2008, with sales of $224,348.1 million; a 4.1% increase. The graphs on the following page help to highlight the fluctuation in figures during the year so far.

According to the Roy Morgan consumer confidence rating, the first week of April was positive, which jumped 5.4 points to 106.6 and 2.5 points higher than April 2008. This is the first time since December 2007 that the Roy Morgan Consumer Confidence Rating is higher than it was a year ago. An increased majority of Australians, 39% compared to 32% previously, are expecting to be better off financially this time next year in comparison to 16% of Australians expecting their family to be worse off financially. In the second week of April, consumers still remained positive, with confidence increasing 0.8 points to 103.4, 3.3 points higher than April 2008 (100.1). Experts suggest this was attributed to Australian's becoming more confident about the future, with 37% of Australians expecting Australia to have good times economically over the next 5 years compared to only 17% expecting bad times.

Unfortunately, consumer confidence did not remain stable, dropping slightly by 0.8 points to 102.6 in the third week of April. Despite the small fall, the number of Australians expecting 'good times' economically for the country over the next five years has risen to 39% - its highest level since December 2007. The final week of April reported a decline in consumer confidence, down 3 points to 99.6, as a result of Australians increased concern about the immediate future. Only 15% of Australians down from a previous 18% expect to see good times financially over the next 12 months, in contrast to a remarkable 53% expecting bad times.



Retail Turnover: % change on previous month (all sectors)
40
30
20
10
0
-10
-20
-30
Original
Seasonally Adjusted
Trend
Apr-06
Jun-06
Aug-06
Oct-06
Dec-06
Feb-07
Apr-07
Jun-07
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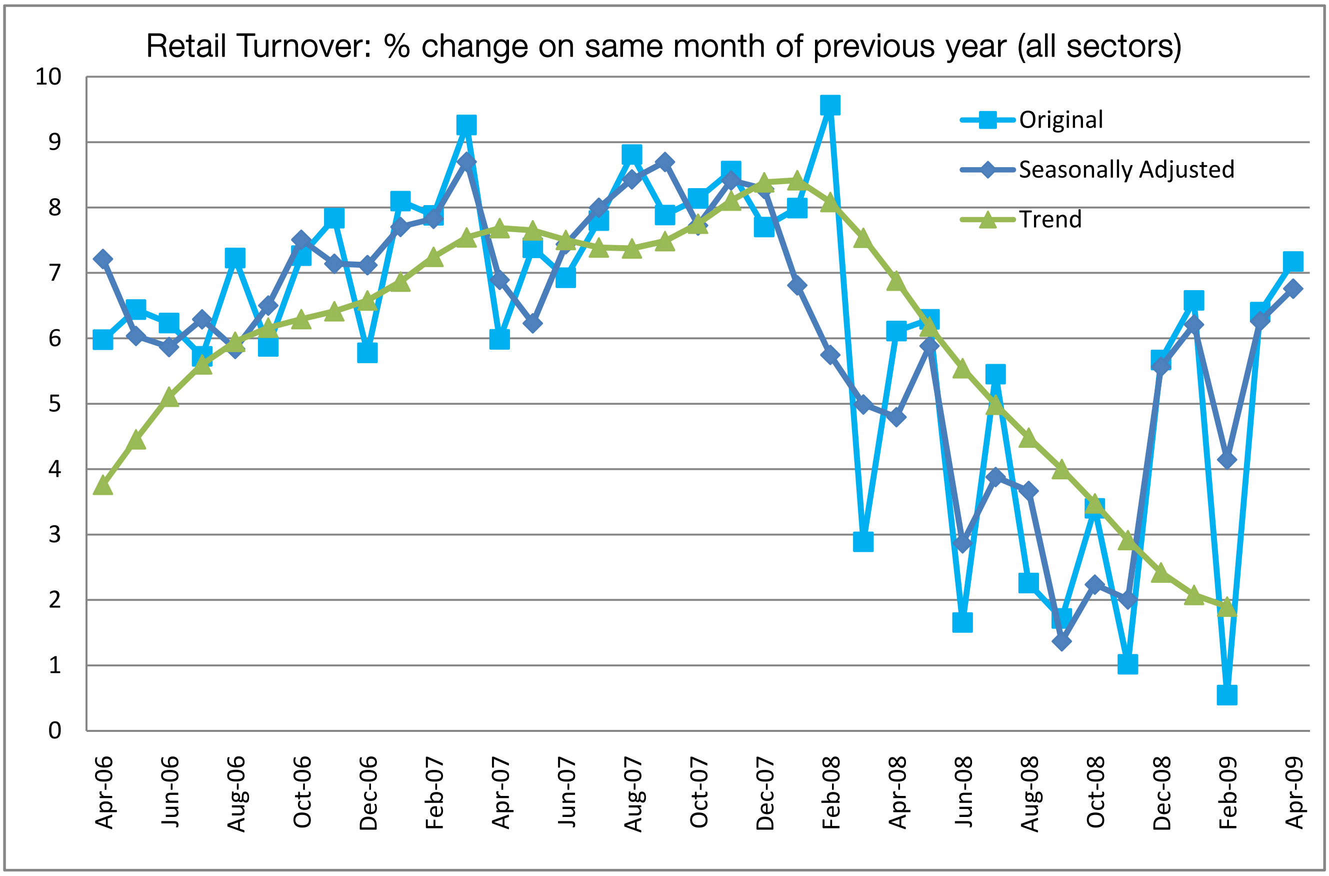
Apr-09



Retail Turnover: % change on same month of previous year (all sectors)
10
9
8
7
6
5
4
3
2
1
0
Original
Seasonally Adjusted
Trend
Apr-06
Jun-06
Aug-06
Oct-06
Dec-06
Feb-07
Apr-07
Jun-07
Aug-07
Oct-07
Dec-07
Feb-08
Apr-08
Jun-08
Aug-08
Oct-08
Dec-08
Feb-09
Apr-09

APRIL 2009 SUMMARY OF ORIGINAL FIGURES

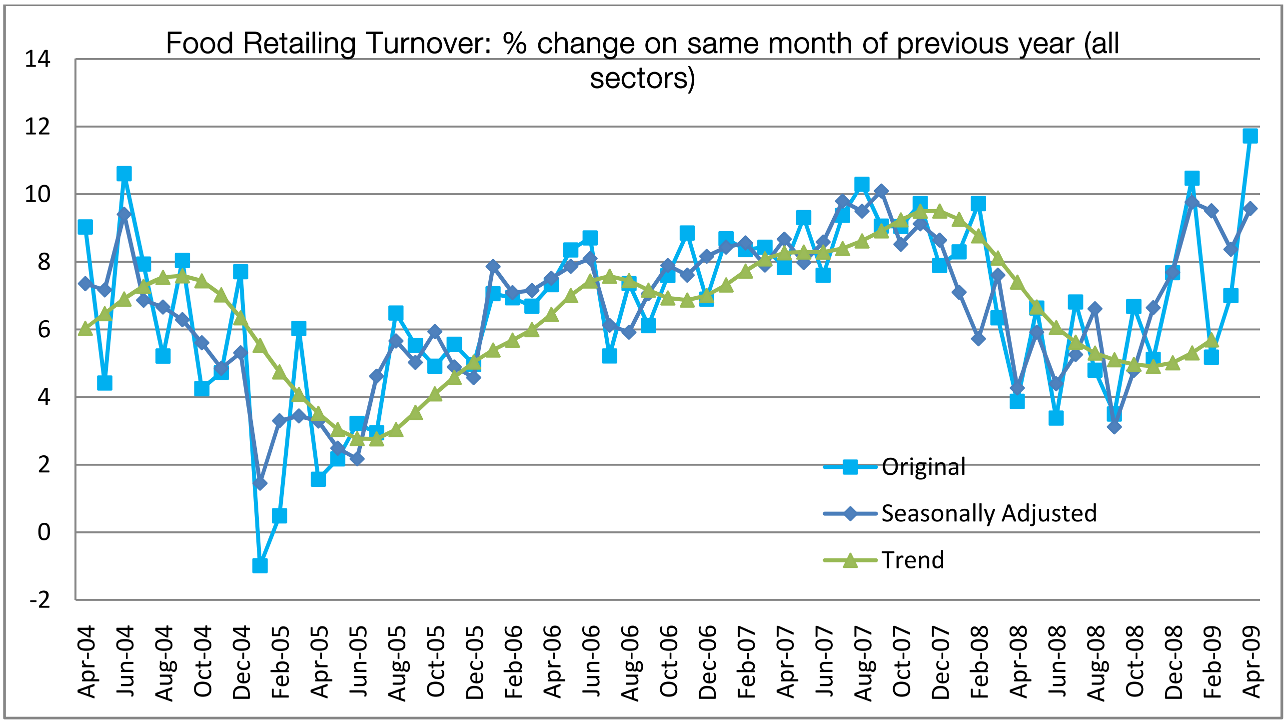
	Turnover ($ million)			% change from same month of previous year			% change from previous month
SECTORS	Feb.	March	April	Feb.	March	April	April – March
Food	7,320.1	8,017.9	7,878.5	5.2	7.0	11.7	-1.7
Department Stores	1,056.6	1,386.9	1,509.1	-7.4	2.6	8.1	8.8
Clothing and Soft Goods	1,043.5	1,290.9	1,368.3	-1.8	13.6	6.3	6.0
Household Goods	2,612.3	2,889.8	2,801.9	-4.5	3.1	-1.2	-3.0
Other Retailing	2,526.4	2,774.5	2,675.4	-0.8	7.0	5.1	-3.6
Cafes, Restaurants and Takeaway Food	2,068.9	2,303.2	2,277.2	-1.2	6.4	5.7	-1.1
Total Turnover	16,627.9	18,663.2	18,510.5	0.5	6.4	7.2	-0.8

	Turnover ($ million)			% change from same month of previous year			% change from previous month
STATES	Feb.	March	April	Feb.	March	April	April – March
NSW	5,185.4	5,745.2	5,762.3	-0.4	4.4	6.6	0.3
VIC	4,196.0	4,746.3	4,697.0	1.8	8.7	9.0	-1.0
QLD	3,354.3	3,816.1	3,764.9	0.1	6.6	8.5	-1.3
SA	1,178.1	1,332.1	1,305.9	-0.3	7.0	5.9	-2.0
WA	1,818.3	2,026.3	1,997.3	-0.1	4.4	2.1	-1.4
TAS	388.9	428.6	423.1	5.1	10.7	11.5	-1.3
NT	181.4	209.1	203.2	11.6	19.9	12.7	-2.8
ACT	325.6	359.5	356.7	-0.2	4.1	4.5	-0.8

The April ABS Retail Trade statistics show a relatively negative month-on-month and year-on-year performance for all sub-sectors and states. Food Retailing reported the highest year-on-year growth with an increase of 11.7% in sales, and Household Goods posted the lowest increase at 1.2%. The Department Store sector has continued to improve on last month, with sales jumping by 8.8%. Year-on-year growth for Australian states was very positive with NT topping all results for the fourth consecutive time this year, reaching a sales increase of 12.7%. WA reported the smallest margin in growth - just a 2.1% increase compared to last year.

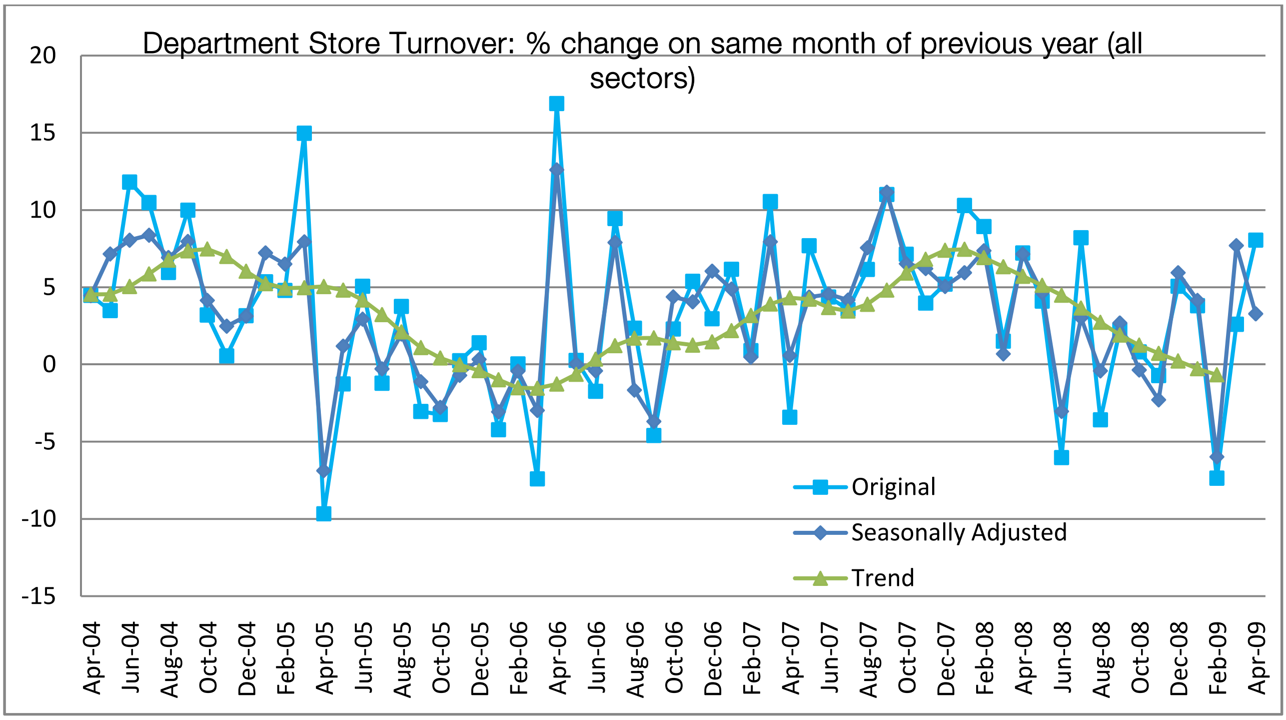
Food Retailing:

Original figures	April 2009	March 2009	% Change
Turnover ($ millions)	7,878.5	8,017.9	-1.7
Original figures	April 2009	April 2008	% Change
Turnover ($ millions)	7,878.5	7,051.7	11.7



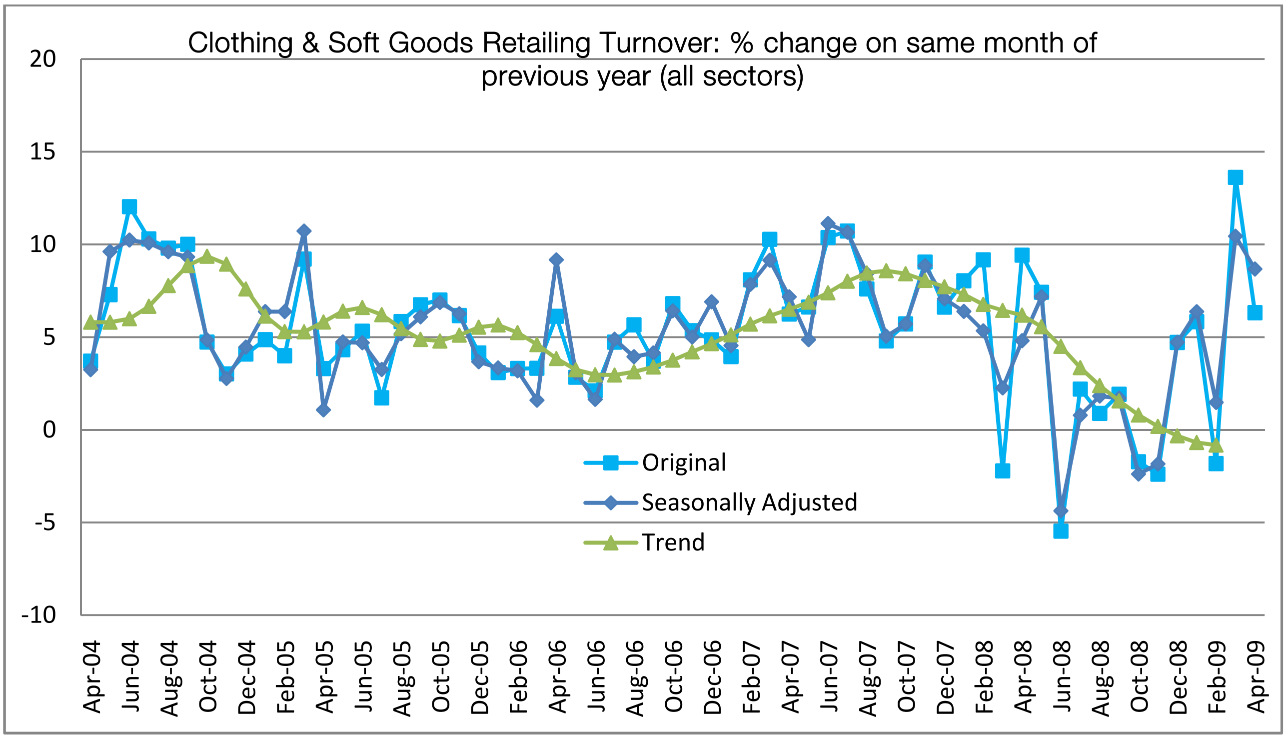
Department Store Retailing:

Original figures	April 2009	March 2009	% Change
Turnover ($ millions)	1,509.1	1,386.9	8.8
Original figures	April 2009	April 2008	% Change
Turnover ($ millions)	1,509.1	1,396.6	8.1



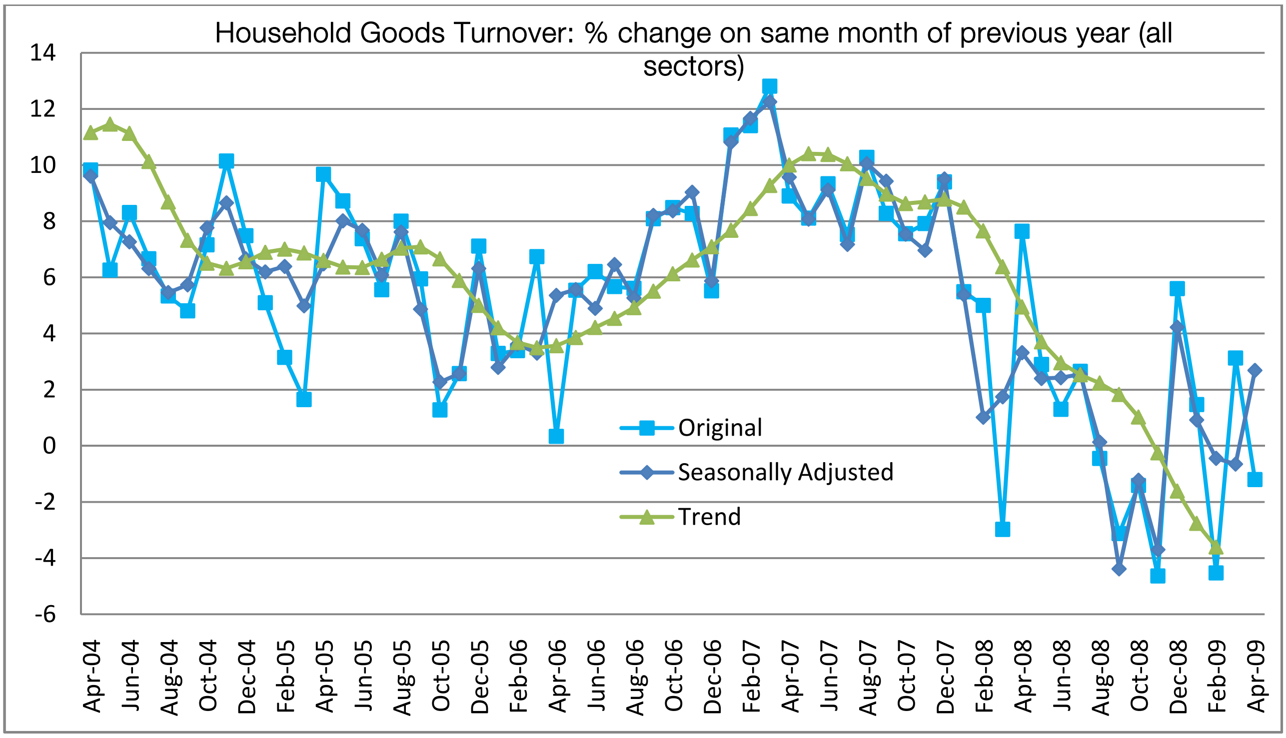
Clothing & Soft Goods Retailing:

Original figures	April 2009	March 2009	% Change
Turnover ($ millions)	1,368.3	1,290.9	6.0
Original figures	April 2009	April 2008	% Change
Turnover ($ millions)	1,368.3	1,287.0	6.3



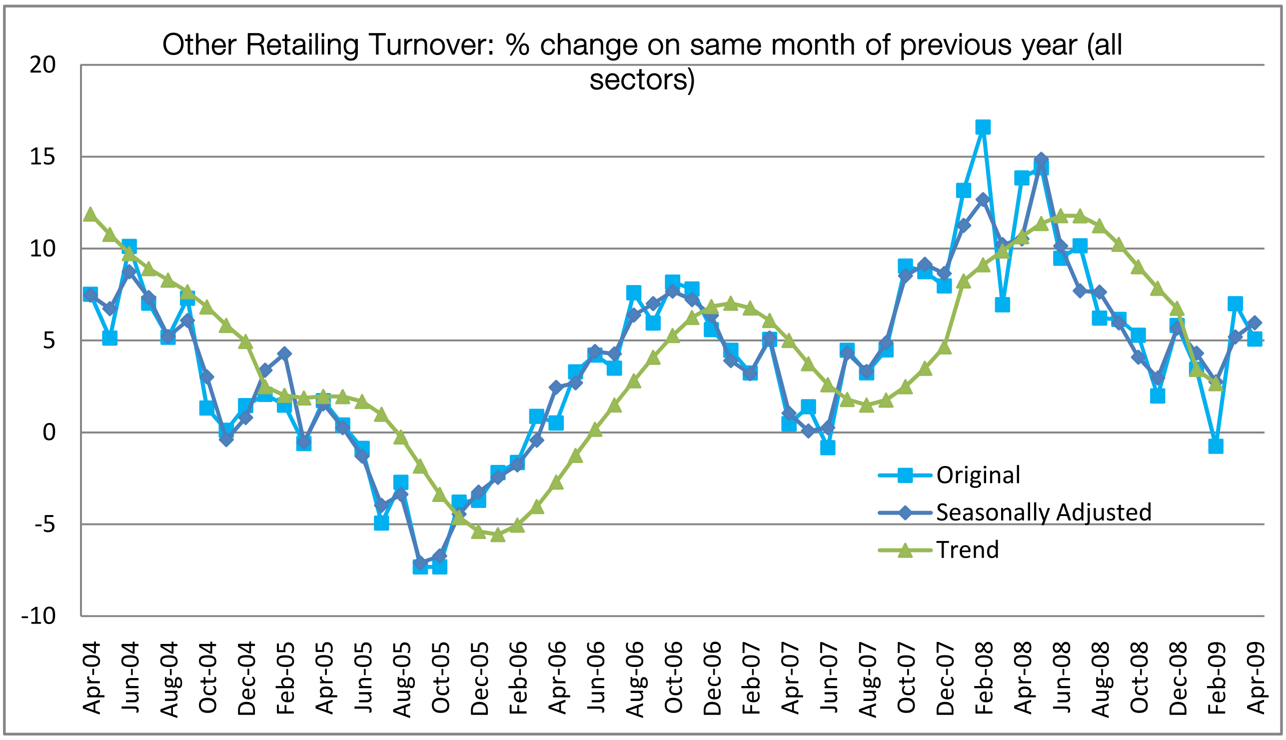
Household Goods Retailing:

Original figures	April 2009	March 2009	% Change
Turnover ($ millions)	2,801.9	2,889.8	-3.0
Original figures	April 2009	April 2008	% Change
Turnover ($ millions)	2,801.9	2,836.0	-1.2



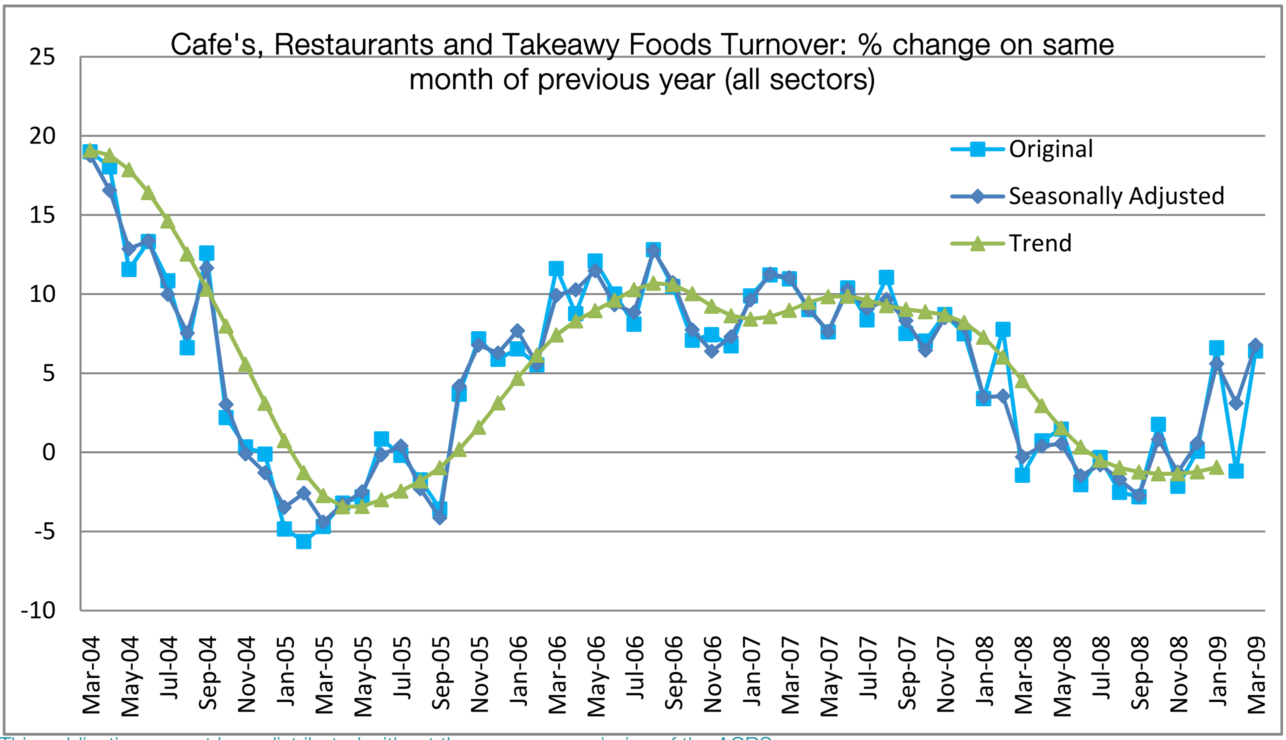
Other Retailing:

Original figures	April 2009	March 2009	% Change
Turnover ($ millions)	2,675.4	2,774.5	-3.6
Original figures	April 2009	April 2008	% Change
Turnover ($ millions)	2,675.4	2,545.9	5.1



Cafés, Restaurants and Takeaway Food:

Original figures	April 2009	March 2009	% Change
Turnover ($ millions)	2,277.2	2,303.2	-1.1
Original figures	April 2009	April 2008	% Change
Turnover ($ millions)	2,277.2	2,154.2	5.7



ORIGINAL FIGURES – SUBSECTOR SALES

SUB-SECTOR	April 2008 Turnover ($mill)	April 2009 Turnover ($mill)	% change from April 2008	% change from March 2008
Supermarkets and Grocery Stores	5,652.7	6,290.7	11.3	-2.0
Liquor	553.6	660.5	19.3	-0.3
Other Food	845.4	927.3	9.7	-0.7
Total Food	7,051.7	7,878.5	11.7	-1.7
Total Department Stores	1,396.6	1,509.1	8.1	8.8
Clothing	923.7	1,009.2	9.3	8.9
Footwear, fabric and other soft goods	363.3	359.1	-1.2	-1.5
Total Clothing and Soft Goods	1,287.0	1,368.3	6.3	6.0
Furniture and Floor Covering	632.3	642.6	1.6	0.5
Domestic Hardware and Houseware	814.1	844.7	3.8	-2.4
Domestic Appliance and Recorded Music	1,389.6	1,314.7	-5.4	-5.1
Total Household Goods	2,836.0	2,801.9	-1.2	-3.0
Newspaper, Book and Stationery	432.9	388.4	-10.3	-13.5
Total Recreational Goods	272.1	282.5	3.8	0.1
Pharmaceutical, Cosmetic and Toiletry	883.1	980.2	11.0	-1.6
Other Retailing	957.8	1,024.3	6.9	-2.2
Total Other Retailing	2,545.9	2,675.4	5.1	-3.6
Takeaway Foods	909.9	1,002.7	10.2	-0.0
Cafes and Restaurants	1,244.3	1,274.5	2.4	-2.0
Total Cafes, Restaurants and Takeaway foods	2,154.2	2,277.2	5.7	-1.1
Total all Industries	17,271.3	18,510.5	7.2	-0.8

From the table above, it can be seen that most sectors had positive results compared to last year, with all industries increasing by 7.2% to $18,510.5. Liquor was a standout performer on last year, recording 19.3% growth. The next closest was the Supermarkets and Grocery store retail sub-sector, which experienced an 11.3% increase on last year, notably due to consumers shifting away from restaurants to home cooking. Total Household Goods experienced the largest decline on last year's figures, with a decrease in sales of 1.2% although analysts suggest this figure may improve, as first home owners take advantage of the government grant and furnish new houses. Month-on-month performance was negative across the board, with a decrease in all industry sales of 0.8%.

SECTOR AND STATE ANALYSIS

SECTOR by STATE (original)	Turnover for April 2009 ($million)							
	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Supermarket & Grocery Retailing	1,849.4	1,619.2	1,370.5	459.0	640.6	144.6	89.2	118.3
Liquor Stores	214.4	131.1	175.4	35.4	82.5	-	-	-
Other Food Retailing	286.0	301.9	126.0	79.7	84.5	-	-	-
Total Food Retailing	2,349.8	2,052.2	1,671.9	574.1	807.5	182.2	99.2	141.5
Department Stores	497.7	365.2	283.1	122.7	162.1	-	-	33.4
Clothing Retailing	367.8	307.7	151.6	49.8	84.1	19.7	6.0	22.4
Footwear, fabric and other soft goods	133.3	84.2	64.6	24.0	37.3	6.5	2.0	7.2
Total Clothing & Soft Goods	501.1	391.9	216.2	73.8	121.3	26.2	8.1	29.7
Furniture and Floor Covering Retailing	209.4	150.7	123.7	50.7	78.5	11.7	4.7	13.2
Domestic Hardware and Houseware Retailing	266.7	201.8	170.6	53.9	90.9	29.5	11.4	19.9
Domestic Appliance and Recorded Music Retailing	414.4	300.4	257.0	101.9	164.0	29.6	12.8	34.5
Total Household Goods	890.6	653.0	551.4	206.4	333.4	70.7	28.9	67.5
Newspaper, Book and Stationery Retailing	114.1	87.1	94.2	20.2	45.3	16.2	2.8	8.3
Total Recreational Goods	78.1	57.4	74.7	23.3	31.5	5.8	4.6	7.1
Pharmaceutical, Cosmetic and Toiletry Retailing	254.3	280.1	216.9	79.8	110.5	23.0	8.0	7.6
Other Retailing n.e.c.	358.0	257.1	202.5	57.7	100.3	-	-	12.3
Total Other Retailing	804.6	681.8	588.3	181.0	287.6	-	-	35.3
Takeaway Food Retailing	319.2	236.7	222.8	53.9	117.9	23.0	14.9	14.4
Cafes and Restaurants	399.3	316.4	231.1	94.0	167.4	19.1	12.2	35.0
Total Cafes, restaurants and takeaway food services	718.5	553.1	453.9	147.8	285.3	42.1	27.1	49.3
Total all industries	5,762.3	4,697.0	3,764.9	1,305.9	1,997.3	423.1	203.2	356.7

Analysing year-on-year sector performance across all states below, it is possible to see mixed results across many sectors. **Cafés and Restaurants** once again topped all sectors in the **NT**, polling a 67.4% increase in sales from last year. **Newspaper, Book and Stationery Retailing** recorded the poorest results in WA, with a drop in sales of 34.1%. The **Department Store, Liquor Store and Supermarkets and Grocery** sub-sectors remained most consistent during the period, polling positive results in all states. **Total Household Goods** experienced mixed performances, with growth of 9.9% in **ACT** and a 6.6% sales decline in **VIC**.

SECTOR by STATE	% change from same month of previous year (April '09 – April '08)							
(original)	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Supermarket & Grocery Retailing	7.9	14.6	15.6	8.2	6.3	18.3	14.5	4.7
Liquor Stores	5.6	36.3	19.1	11.7	48.1	-	-	-
Other Food Retailing	7.4	19.3	-9.9	11.9	16.2	-	-	-
Total Food Retailing	7.6	16.5	13.5	8.9	10.4	20.6	13.6	3.4
Department Stores	7.0	11.3	7.2	7.5	0.7	-	-	10.6
Clothing Retailing	8.1	18.2	16.3	8.0	-17.5	8.8	5.3	8.2
Footwear, fabric and other soft goods	15.6	-23.4	10.6	12.7	-16.4	14.0	-9.1	22.0
Total Clothing & Soft Goods	10.0	5.8	14.5	9.5	-17.3	10.1	2.5	11.7
Furniture and Floor Covering Retailing	8.9	-2.5	-10.2	-5.1	30.2	-14.6	-29.9	-5.0
Domestic Hardware and Houseware Retailing	12.2	0.4	-0.8	-1.6	-2.0	-2.0	5.6	31.8
Domestic Appliance and Recorded Music Retailing	-2.7	-12.5	-3.0	2.0	-7.7	-6.9	-3.0	6.2
Total Household Goods	4.0	-6.6	-4.0	-0.8	0.8	-6.5	-5.9	9.9
Newspaper, Book and Stationery Retailing	-10.4	-3.0	-6.5	5.2	-34.1	14.1	-9.7	-15.3
Total Recreational Goods	6.1	-0.9	21.1	17.7	-26.2	9.4	0.0	7.6
Pharmaceutical, Cosmetic and Toiletry Retailing	-0.5	12.6	31.3	3.6	12.9	5.5	50.9	-33.3
Other Retailing n.e.c.	19.3	-0.5	3.2	-5.9	6.6	-	-	0.0
Total Other Retailing	6.3	4.1	12.3	2.1	-5.2	-	-	-11.8
Takeaway Food Retailing	6.3	18.5	15.8	4.5	1.3	1.3	67.4	-20.0
Cafes and Restaurants	3.5	7.6	-9.1	7.1	0.7	3.8	28.4	24.1
Total Cafes, restaurants and takeaway food services	4.7	12.0	1.6	6.0	1.0	2.7	47.3	6.7
Total all industries	6.6	9.0	8.5	5.9	2.1	11.5	12.7	4.5