

WEEKLY CONSUMER SPENDING SERIES

Week ending
13 August 2017



CHANGE IN SPENDING

Note: Calculations exclude spending on fuel

LAST 7 DAYS VS. SAME WEEK LAST YEAR	LAST 30 DAYS VS. SAME PERIOD LAST YEAR	LAST 52 WEEKS VS. SAME WEEKS YEAR PRIOR
SPENDING	SPENDING	SPENDING
+2.39%	+3.25%	+3.52%
TRANSACTIONS	TRANSACTIONS	TRANSACTIONS
+3.60%	+4.02%	+4.18%

THIS WEEK AT A GLANCE

Status quo returns with food categories driving growth

After a busy end to July, consumer spending was back to normal last week. Spending was up 2.39% on the same time last year, while transactions were up 3.60%.

Growth was seen in 11 out of 18 categories, driven again by food consumables, and durables. Fuel prices are still creeping back up - MBIE reported prices in the week ending 11 August were 195cpl, up 9% on the same week last year (+6% for discounted prices). Spending on fuel last week was up 6.3% on last year.

Going up

	Takeaways	+7.8%
	Travel Agents	+7.6%
	Appliances	+7.2%



Appliances back on the shopping list

Retailers of appliances and whiteware have had a slow few months, with spending down 1.7% over the last six months, and up just 1.1% over the last four weeks. Last week however, spending was up 7.2% at these retailers, while transactions were up 5.6%.

The up-tick in activity at appliance stores could be a result of a number of factors. The currently high New Zealand dollar is making big ticket purchases relatively cheaper, combined with end of winter sales at many retailers. Alongside this, interest rates are still low, making high value purchases on credit more accessible for many Kiwis.

A recently released survey from ANZ and Roy Morgan also revealed that 38% of consumers feel it is a good time to purchase major household items. Although down from earlier in the year, this is still a high result. Combined with other figures from the survey, consumers appear to be feeling confident overall, and are splashing out on big ticket purchases.

These results come after a recent announcement from the Wellington City Council that they are introducing a voluntary warrant of fitness for rental properties in the capital. With property standards a current hot topic, especially in an election year, retailers selling home improvement products such as appliances will be hoping for a continued positive fallout in their sales.

NB: The BNZ Marketview Consumer Spending Series provides a measure of national consumer spending trends in the core retail categories (excluding fuel). It is based on the monthly credit and debit card spending of BNZ customers. It includes GST, but excludes other forms of electronic transactions such as overseas cards, gift cards, corporate and fuel cards. Numbers reported are actual values and volumes i.e. not seasonally or inflation adjusted. Accordingly the series may differ from other electronic transaction data reports.

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