

# WEEKLY CONSUMER SPENDING SERIES

Week ending  
3 December 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
+1.51%	+3.12%	+3.35%
TRANSACTIONS	TRANSACTIONS	TRANSACTIONS
+4.05%	+4.94%	+4.34%

## THIS WEEK AT A GLANCE

### Discretionary on the back burner as December begins

Consumer spending growth came back down last week, after a busy week for Black Friday. Spending was up 1.51% on the same week last year, while transactions were up 4.05%.

The top growth categories this week were once again dominated by fuel and takeaways, a theme we have seen for much of 2017.

The regions with the biggest growth (excluding fuel) last week were Otago (+6.4%), Mid/South Canterbury (+6.0%), and Nelson/Marlborough/West Coast (+5.1%).

#### Going up

Fuel	+11.7%
Takeaways	+8.2%
Hardware and homeware	+8.2%



#### November sales slow down December

With less than one month until Christmas, it might be surprising to some to see consumer spending slow down. Last week spending growth was less than half of the 12 month trend.

Last week, the lackluster spending growth was mostly attributable to a downturn in spending on discretionary categories (with the exception of hospitality). Department stores, clothing, sport and stationery stores were all down on last year, despite the holiday season in full swing. A week prior almost all categories were up on last year, a dramatic turnaround in just a few days. However it was the most likely the retail event during that week - Black Friday - that contributed to the peak, and this week's slump, as consumers take a breather from November's blow out (there were also two other online 'retail events' during the month).

This late November/early December peak and trough of spending is a bit of déjà vu, as similar trends were seen last year. In 2016, the first two weeks of December experienced spending growth at about half the rate of the 12 month trend (1% and 1.3% vs 2.6% for 12 month growth). The third week of December was also slower, with a mad rush of spending (+10%) in the week of Christmas. If these trends continue to repeat this year, retailers may need to prepare for a last minute dash to the finish line for Christmas shopping.

**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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