

News Release Retail Trade Results JUNE 2009

Released August 3rd 2009 - FOR IMMEDIATE USE

The erratic behaviour of the retail market continues with a downturn of 2.9% in June, compared to May (Orig \$), but that figure was up 7.9% on June 08. There was good news for small business, which was up 5.7% for the financial year, trailing the big retailers who were 9.2% ahead..

Following revisions to the April & May results, the June figures are not inspiring, with negatives in most categories except for Household Goods which performed well ~ up 8.2% (Orig \$) or 2.9% (Seas Adj). But was this for building related goods or just 'entertainment' items?

So we still await confirmation that the difficult times are over, as it appears that there simply isn't enough money going into retailing to lift all sectors. The public remains cautious.

Food: Yes, Australian's are dieting, with turnover falling by 4.8% (Orig \$), over May, or --0.7%, (Seasonally Adjusted). But the spend is up 8.6% on June 08, which was also a one-off poor performance. Seasonally Adjusted, the spend is up 8.4%, making the food industry still a long term performer.

State Performances:

The revised figures for April & May pointed to the market moving into a slow recovery, but the spend stopped & uncertainty has returned. Luckily, in Annual Terms, spending is up, but where is the market really going?

General Comment:

It certainly doesn't pay to draw any conclusion from monthly results, such are the swings. But on a quarterly basis, we have now had three quarters of growth and with the June quarter at 1.4% up, it's pointing in the right direction.

This is the 4th best result in 3 years and not that much below the high recorded in the June 07 quarter

Contact:

John Brownsea (08) 8352 8233
Peter Strong (02 0 6161 9711 0414 961 073