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ANZ-observed spending is proprietary data sourced from ANZ's internal systems and includes but is not limited to card transaction data and merchant facility transaction data.

It is:

- desensitised, de-identified and aggregated
- not scaled up to represent total retail spending in Australia.

'National ANZ-observed spending' includes data from all states, as well as transaction data that was not able to be mapped to a location. The sum of all state data is less than the national data.

ANZ-observed Aus spending: soft despite 'Barbenheimer'

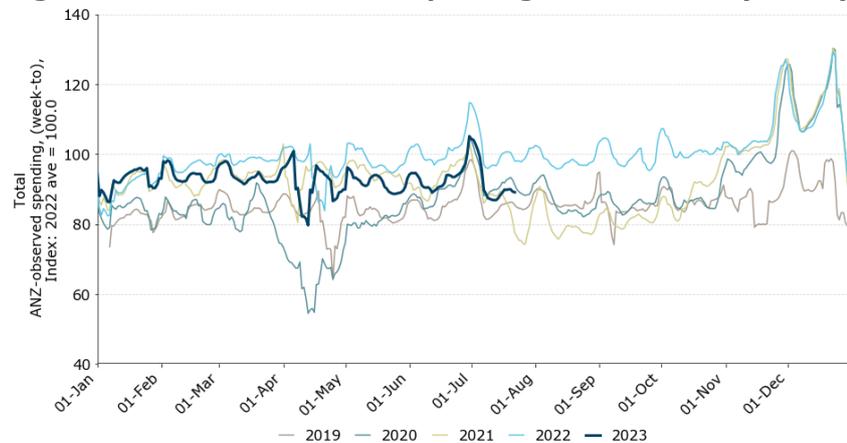
ANZ-observed spending is down 10.3% y/y for the first 22 days of July (note that for this report y/y refers to 1–22 July 2023 vs 1–22 July 2022). The level of total ANZ-observed spending has now dipped below both 2020 and 2022 levels, despite ongoing inflation and strong population growth.

Many households are tightening their belts as interest payments and inflation squeeze some cashflows. Consumer confidence is subdued, and the ANZ-Roy Morgan 'time to buy a major household item' subindex is near record lows. The spending slowdown suggests monetary policy is getting real traction. And it is one of the reasons we think the **RBA has finished tightening, for the meantime**.

Non-food retail has declined sharply and is down 11% y/y since the end-of-financial year sales. Travel and dining/takeaway are also weak, down 17% y/y and 12% y/y respectively.

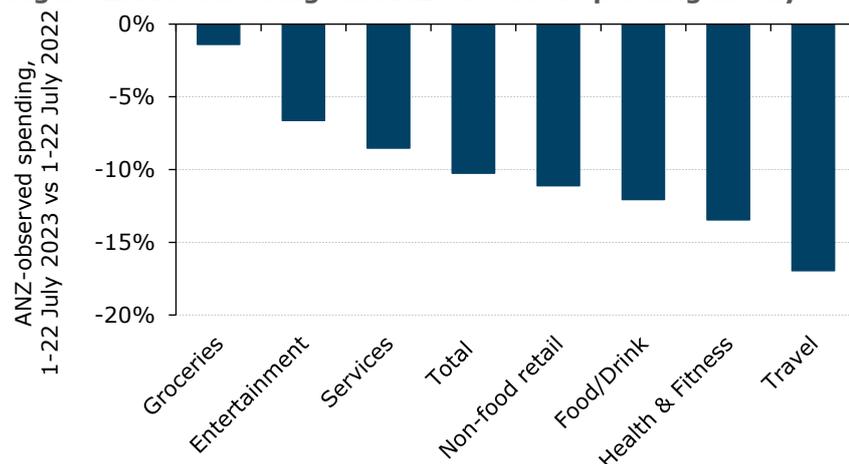
But patrons have flocked to the cinema to embrace the 'Barbenheimer' phenomenon, which **smashed box office records**. Since the films were released, cinema spending from Thursday to Saturday is up more than 75% compared to the previous week (see Figure 5).

Figure 1. Total ANZ-observed spending has fallen away in July



Note: all data to Saturday 22 July 2023. Source: ANZ Research

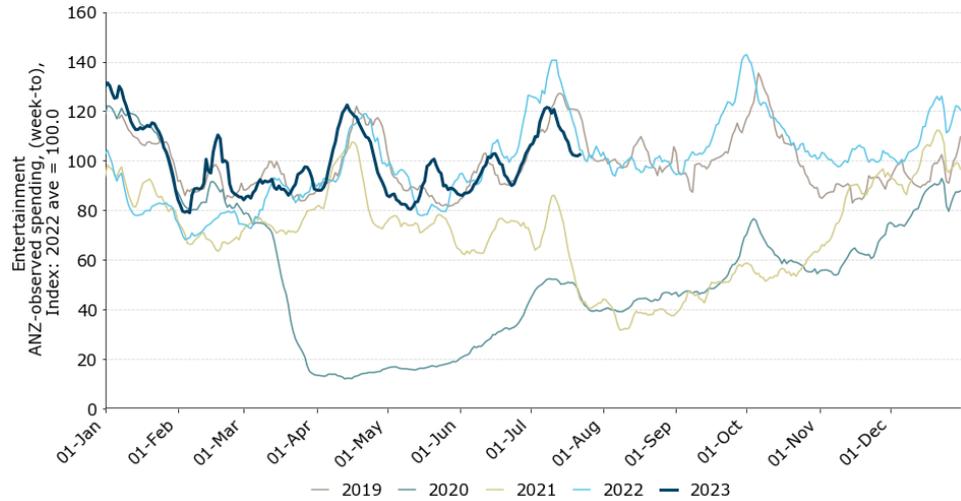
Figure 2. Annual change in ANZ-observed spending in July



Source: ANZ Research

Recreation

Figure 3. Entertainment



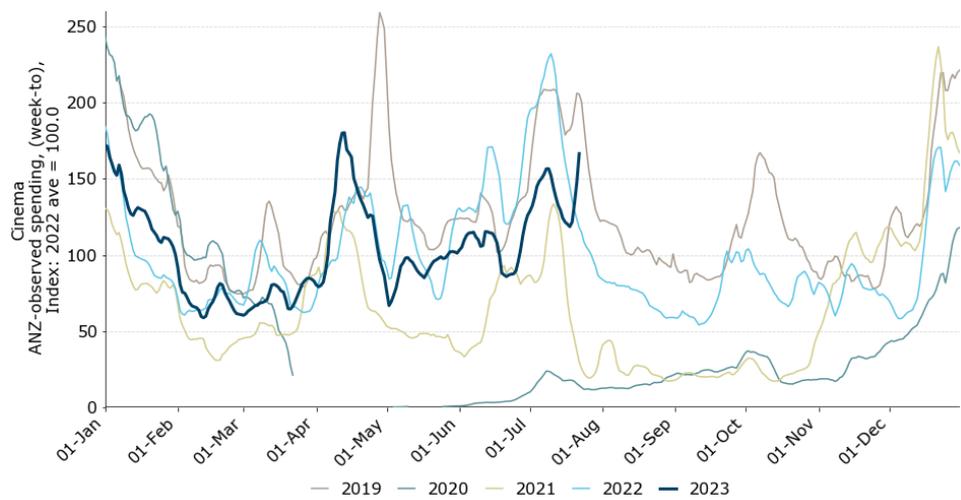
Source: ANZ Research

Figure 4. Food and drink



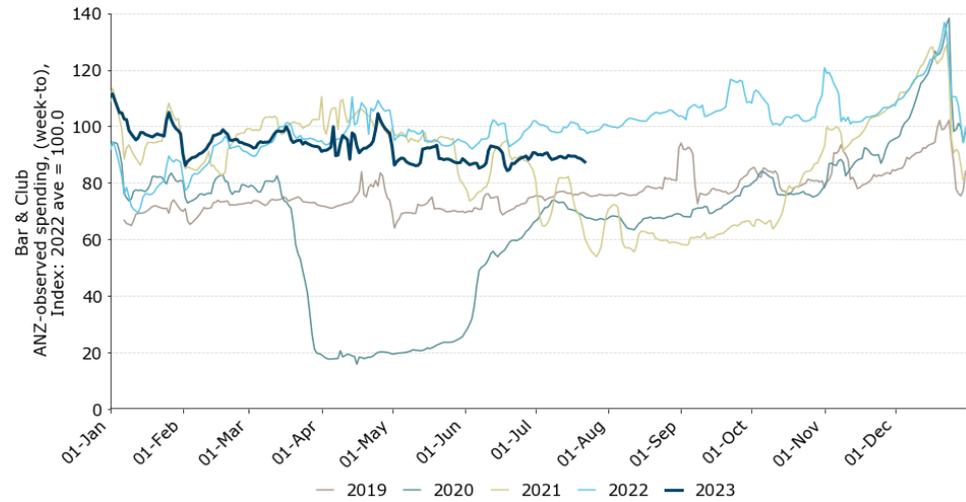
Source: ANZ Research

Figure 5. Cinema



Source: ANZ Research

Figure 6. Bar and club



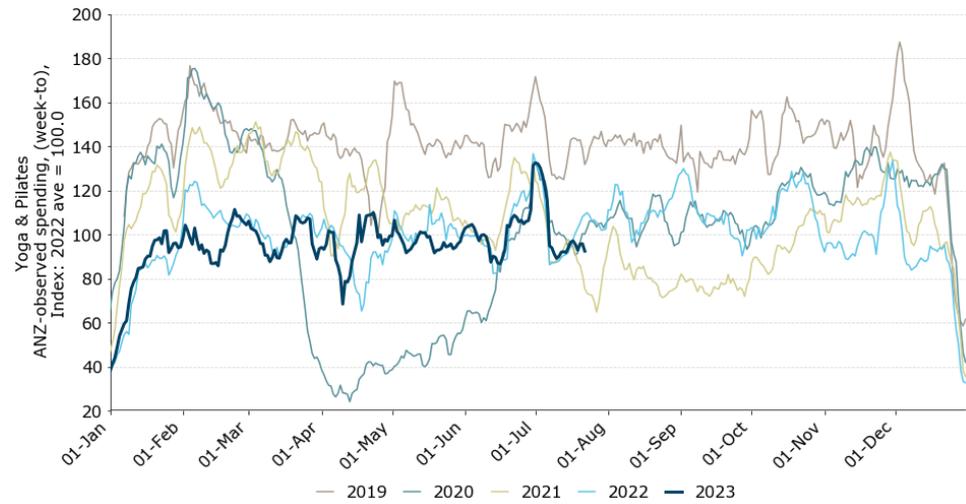
Source: ANZ Research

Figure 7. Health and fitness



Source: ANZ Research

Figure 8. Yoga and pilates



Source: ANZ Research

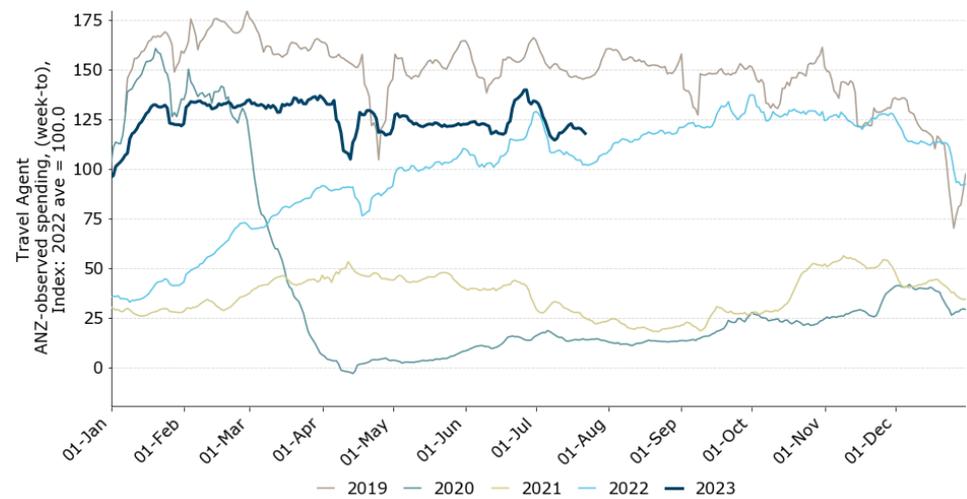
Travel and movement

Figure 9. Travel



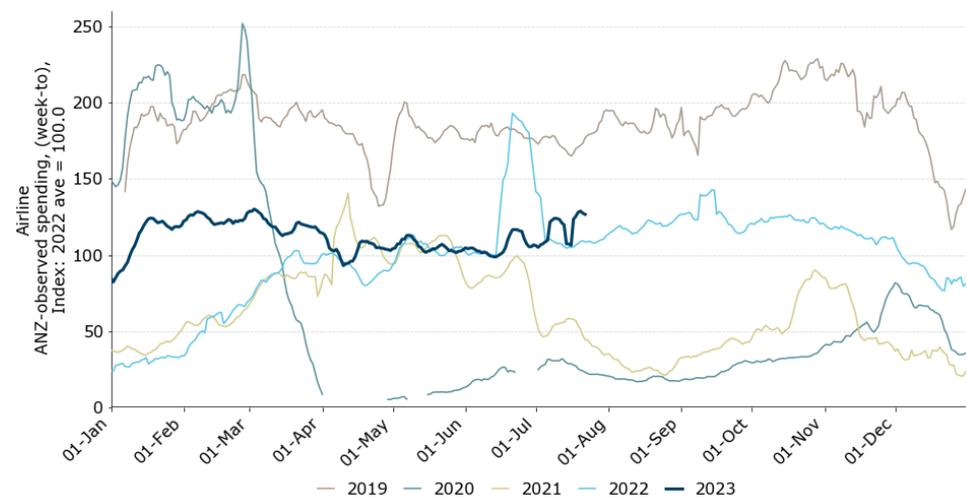
Source: ANZ Research

Figure 10. Travel agent



Source: ANZ Research

Figure 11. Airline



Source: ANZ Research

Figure 12. Accommodation



Source: ANZ Research

Figure 13. Car hire



Source: ANZ Research

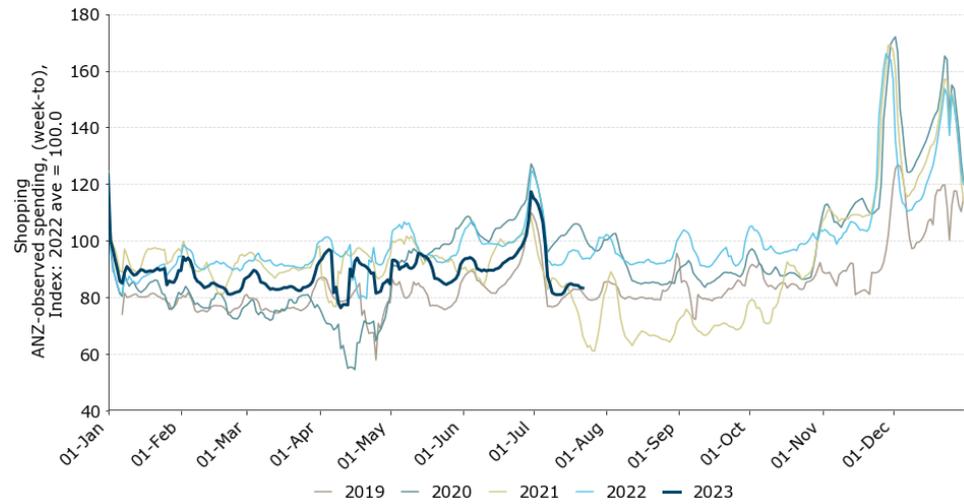
Figure 14. Petrol



Source: ANZ Research

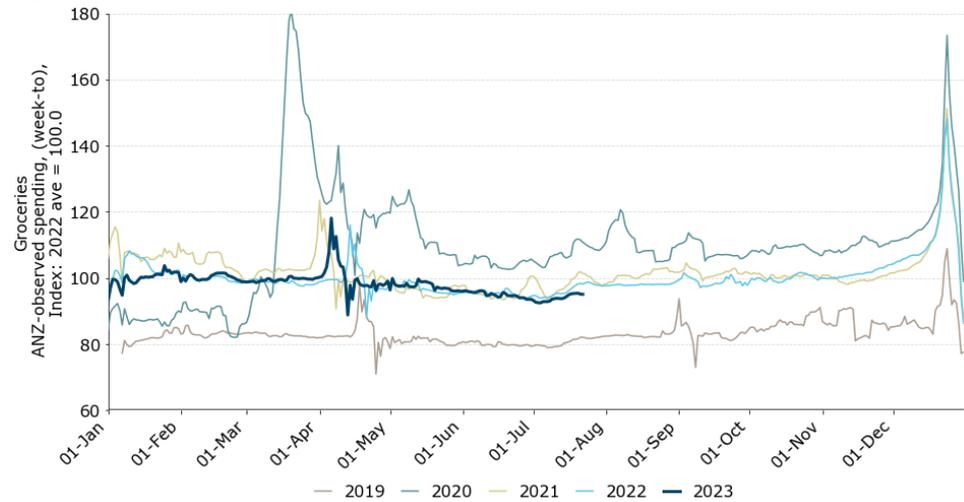
Shopping

Figure 15. Non-food retail



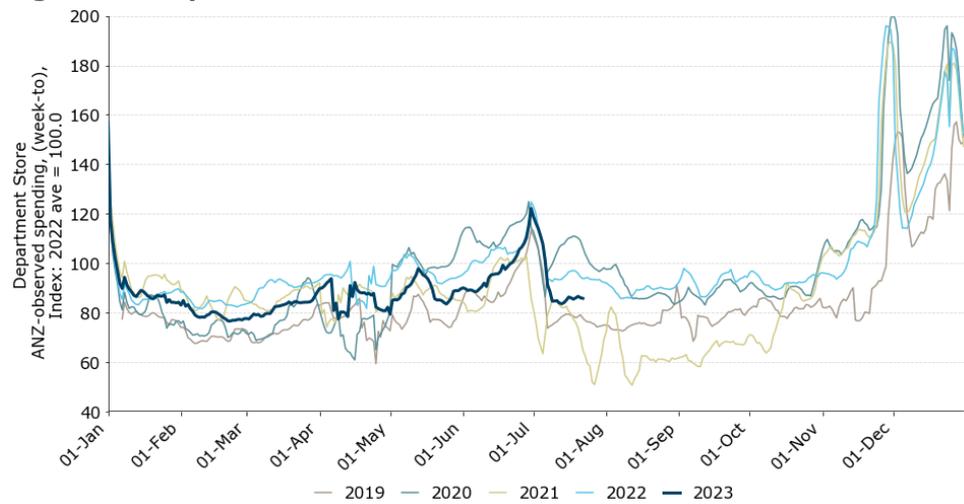
Source: ANZ Research

Figure 16. Groceries



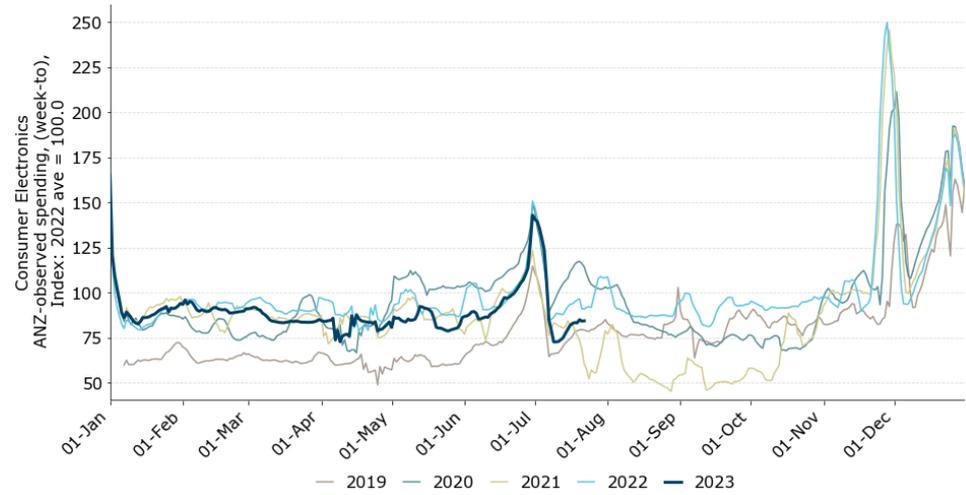
Source: ANZ Research

Figure 17. Department store



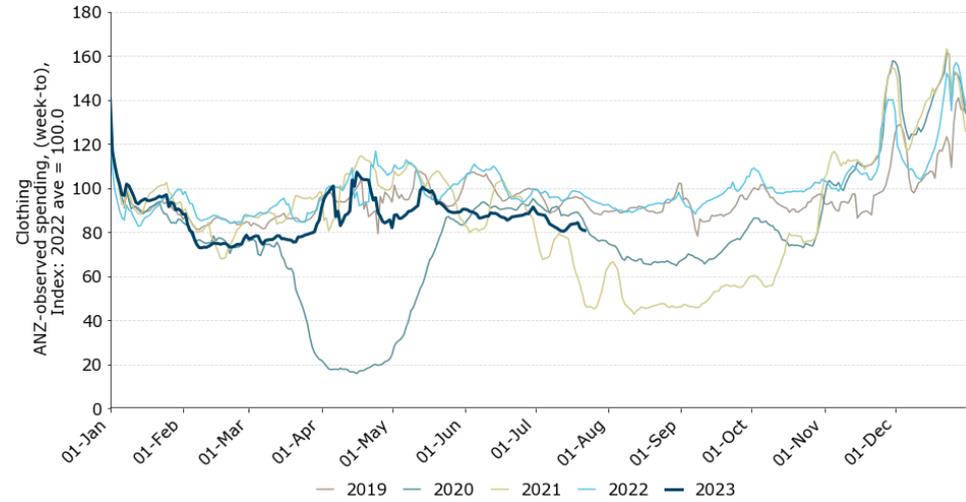
Source: ANZ Research

Figure 18. Electronics



Source: ANZ Research

Figure 19. Clothing



Source: ANZ Research

Figure 20. Beauty



Source: ANZ Research

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