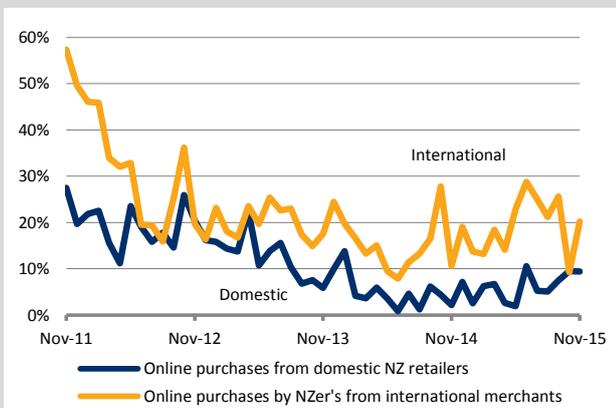


Strength in offshore purchases returns in November

- Total online retail spending in November was up 14% compared to November last year.
- November is usually the peak month for purchasing online goods from overseas, and this November saw purchases by Kiwi's from international merchants up 20% on the same month a year ago. The strong result is a healthy sign for Christmas stockings, albeit we're paying a bit more this year due to the lower NZ dollar.
- The strong November figure means it is likely that the softening in growth we saw for international purchases in October was not the herald of a new trend. The weak October growth now seems largely driven by the bringing forward of some electronic goods purchases into September; and cycling off a strong October 2014.
- Spending online at local merchants has been quite robust in recent months, with growth tracking ahead of that for physical stores in October and November (top right chart). Amongst the large categories, stand-out online growth areas for local merchants in October were Food, Clothing, and Department and Variety stores.

Growth in NZ online sales by retailer location

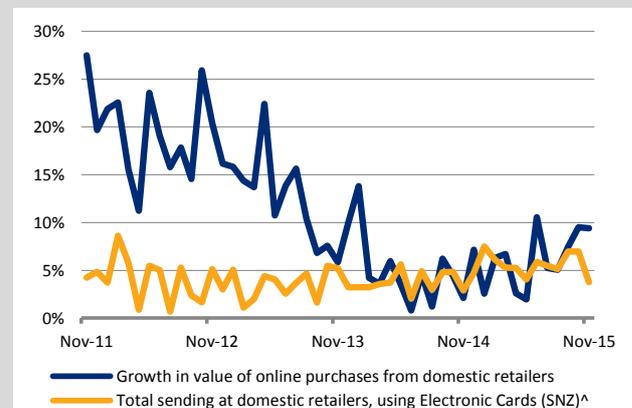
Monthly spending compared to the same month in prior year



Source: BNZ and Marketview.

NZ Domestic Online vs SNZ Electronic Card Transactions[^]

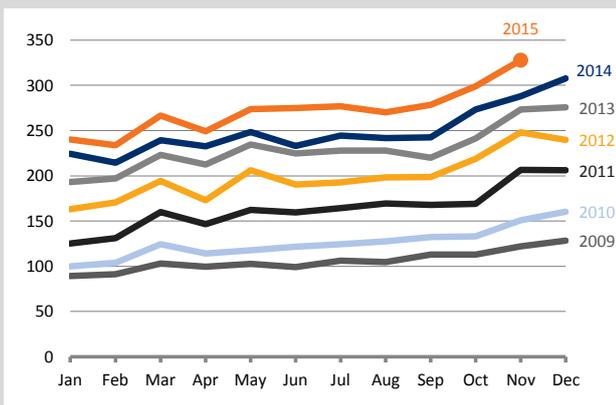
Monthly spending compared to same month in prior year



[^]“SNZ” refers to official figures released by Statistics New Zealand. The SNZ ECT data used in our calculations is for core retail excluding hospitality. Online data is from BNZ & Marketview.

Index of Total NZ Online Retail Sales

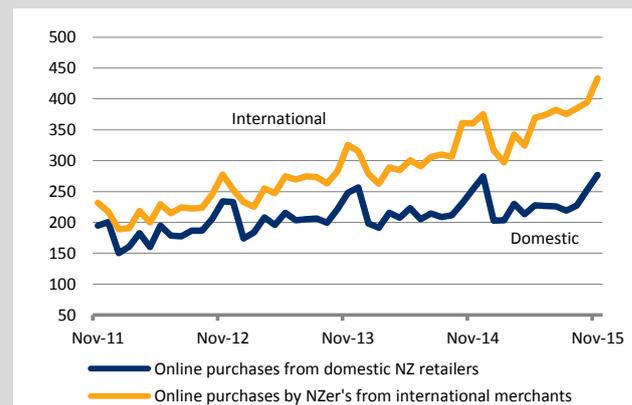
January 2010 = 100



Source: BNZ and Marketview

Index of NZ Online Retail Sales, by retailer location

January 2010 = 100



Source: BNZ and Marketview

Growth Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	Sep-15	Oct-15	Nov-15	Sep-15	Oct-15	Nov-15	Sep-15	Oct-15	Nov-15
Month ended >>>									
Monthly spending vs Same month prior year	15%	9%	14%	7%	9%	9%	26%	9%	20%
3-monthly average vs Same period prior year	13%	12%	13%	6%	7%	9%	24%	18%	18%

Data notes: Online sales data is produced by Marketview. Traditional retail sales data is from Statistics New Zealand quarterly releases. For both data sets, the figures we use correspond to Statistics New Zealand's ANZSIC Division G (Retail Trade) excluding fuel, motor vehicles and parts, and marine. The annual value of official retail sales in the categories we monitor is approximately \$44 billion.

Categories included in the BNZ Online Retail Index are: supermarket and grocery stores; specialised food and liquor; furniture, floor coverings, houseware and textile goods; electrical and electronic goods; hardware, building and garden supplies; recreational goods; clothing, footwear and personal accessories; department stores; pharmaceutical and other store-based retailing; non-store retailing; and retail commission-based buying and/or selling.

Reports can be downloaded here:

www.bnz.co.nz/onlinetailindex and www.marketview.co.nz/our-reports/

For technical notes, please refer to one of our “Quarterly update” reports.

For details on how our measure compares with other studies of online sales in New Zealand please refer to the “Quarterly update” report released in February 2014 and the report on May 2014 online sales released on 2 July 2014.

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