

New Zealand Online Retail Sales

Monthly Update: August 2015 online retail sales



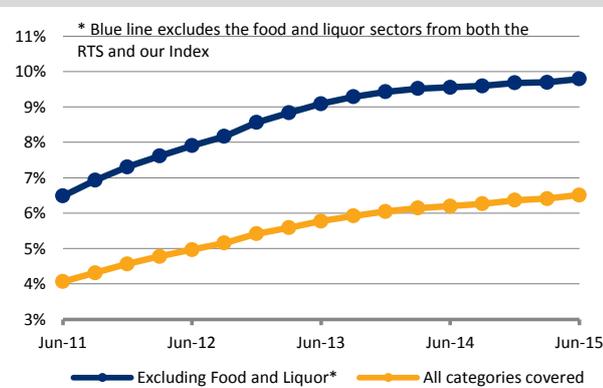
1 October 2015

A fairly flat month for online retail, but sales are still well up on last year's levels

- Total online retail spending in August was a fraction down on July, but up 12% compared to August 2014.
- Recent trends have continued. Online spending at international sites is still running strong - up 21% on August 2014 (partly due to NZD effects). Online spending at local merchants is up 5% on August last year. International merchants accounted for 45% of online spending in August, well up on the 35% level prevailing 3 years ago.
- For the categories we cover, online retail sales are equivalent to approximately 6.5% of reported retail sales. This figure rises to 9.8% if we exclude the food and liquor sectors from both official retail and online statistics.
- The review to improve the Online Retail Sales Index mentioned last month is continuing. The quarterly reports will resume once the review is completed. In the meantime, extra charts are included in this monthly.

Annual online retail as a % of reported retail sales*

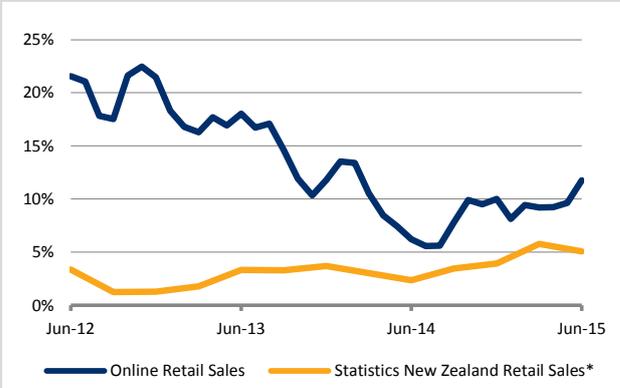
Online retail sales / Retail sales reported in official Retail Trade Survey (RTS)



*Official retail sales statistics are sourced from Statistics New Zealand. We only include the same categories used in the online index. Online data is from BNZ/Marketview.

Growth in online retail sales and reported retail sales*

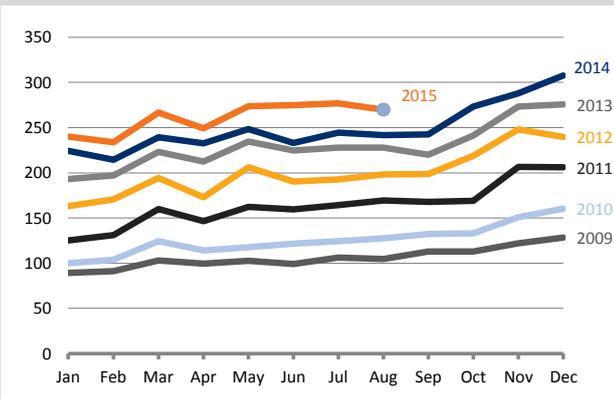
Quarterly spending compared to same period in prior year



*Official retail sales statistics are sourced from Statistics New Zealand. We only include the same categories used in the online index. Online data is from BNZ/Marketview.

Total Online Retail Sales Index

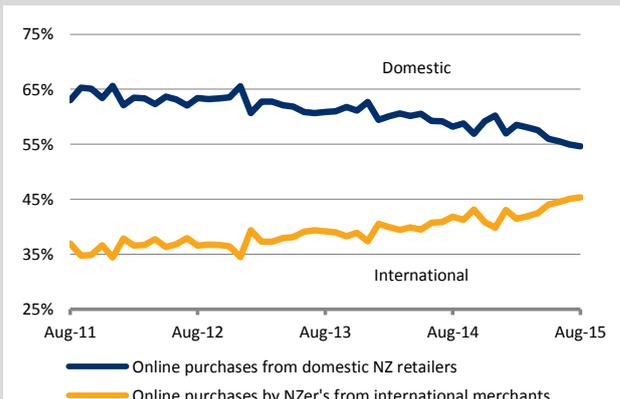
January 2010 = 100



Source: BNZ and Marketview

Share of online sales by retailer location

Monthly share



Source: BNZ and Marketview

Growth Rates	Total Online Index			Domestic Online Purchases			International Online Purchases		
	Jun-15	Jul-15	Aug-15	Jun-15	Jul-15	Aug-15	Jun-15	Jul-15	Aug-15
Month ended >>>									
Monthly spending vs Same month prior year	18%	13%	12%	11%	5%	5%	29%	25%	21%
3-monthly average vs Same period prior year	12%	14%	14%	5%	6%	7%	22%	26%	25%

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/onlineretailindex 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.

For more information, contact:**Gary Baker**

Director, Institutional Research, BNZ

+64 9 924 9353

+64 21 436 763

Stephen Bridle

Managing Director, Marketview

+64 4 472 1991

+64 274 740 141

**BNZ Disclaimer**

The information in this document (Information) is provided for general information purposes only. The Information does not constitute, in any jurisdiction, any advice, recommendation, opinion, guidance, offer, inducement or solicitation with respect to the purchase or sale or any financial product or the engaging (or refraining to engage) in any transaction. The Information is governed by, and is to be construed in accordance with, the laws of New Zealand and any dispute or claim arising from, or in connection with, the Information is subject to the non-exclusive jurisdiction of the courts of New Zealand. To the extent that any Information could constitute financial advice, it does not take into account any person's particular financial situation or goals. Any statements as to past performance do not represent future performance. The Information may contain forward-looking statements that may be based on certain assumptions. Actual events may differ from those assumed. All forward-looking statements included are based on information available on the date hereof and no Relevant Person assumes any duty to update any forward-looking statement. Accordingly, there can be no assurance that any forward-looking statements will materialise or will not be materially worse than those presented. The Information may include estimates and projections and involves elements of subjective judgement and analysis.

None of BNZ or any of its directors, officers, employees, agents, advisers or contractors (each a Relevant Person) provides any legal, tax, accounting, financial or other advice in respect of the Information. Anyone proposing to rely on or use the Information should obtain independent and specific advice, including (without limitation) legal, tax, accounting and financial advice, from appropriate professionals or experts, and should independently investigate and verify, and reach their own conclusions in respect of, the Information. No Relevant Person gives any representation or warranty, express or implied, that any of the Information is accurate, reliable, complete, current or reasonable, and no Relevant Person undertakes to update the Information. To the maximum extent permissible by law, each Relevant Person disclaims all liability and responsibility for any loss, damage, cost or liability whatsoever suffered or incurred by any person directly or indirectly resulting from the content of or any omission from the Information (including by reasons of fault, negligence, negligent misstatement or otherwise). Where the Information is provided by a specific author in this document, that Information is the personal view of the author and does not necessarily reflect the views of BNZ.

National Australia Bank Limited is not a registered bank in New Zealand.