

# **WESTPAC CARD TRACKER**

**19 JANUARY 2024.**

**WESTPAC INSTITUTIONAL BANK**

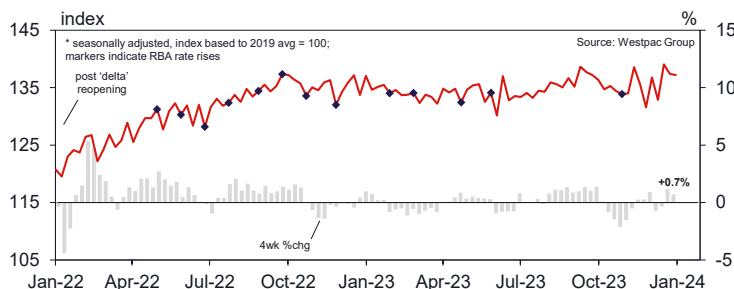


# Spending sputters through Christmas-New Year period



- The Christmas-New Year period has been a sporadic one for consumer-related card activity with bursts around key sales weeks followed by sharp pull-backs. Through this, the underlying trend still looks to be weak albeit with volatility making trends less certain.
- Overall, the **Westpac Card Tracker Index\*** has posted a net 3pt gain since our last report in mid-December. At 137.2 the latest index read for the week ending January 13 is slightly above the four week average, a relatively good result given the absence of special sales events. However, quarterly growth remains negative after moving back into contraction in December.
- Note that recent swings are over and above the normal large seasonal shifts seen around this time of year. In raw, unadjusted terms card activity surged 20% in the lead-in to Christmas, reversing almost all of this since the turn of the year.
- The 'choppy' theme is also evident in the performance of key sales periods. As noted previously, 'Black Friday' saw non-food discretionary card activity up 1% on the previous year but 'Cyber-week' activity was down slightly, by 0.3%, on last year. 'Super Saturday' was weaker still, down 1.2% on the previous year but Boxing Day activity was relatively strong, activity up 3.4% on last year. The picture is broadly consistent with consumers more actively seeking out discounts to deal with cost of living pressures.
- The category detail continues to show the latest slowing in quarterly momentum being driven by discretionary services – hospitality and travel in particular – with lower fuel prices also having a discernible effect.
- By state, weakness centres on Victoria and NSW with activity still posting reasonable gains across other states.

## 1. Westpac Card Tracker Index\*



\* see p10 or more details on the Index construction.

*“... quarterly growth remains negative after moving back into contraction in December.”*

The **Westpac Card Tracker** presents indicators based on the millions of credit and debit card transactions processed by Westpac every day. The measures are a timely guide to shifts in spending. See p10 for a detailed explanation.

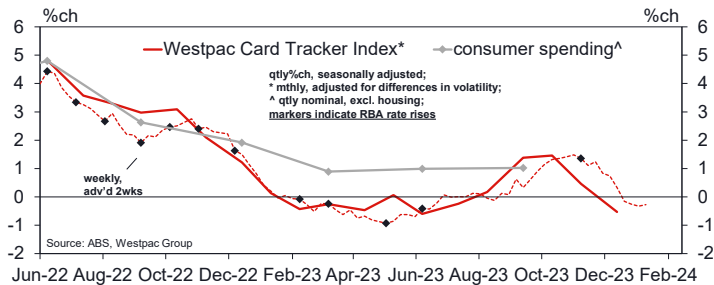
This report is produced by Westpac Economics.  
**Matthew Hassan**, Senior Economist  
Email: [economics@westpac.com.au](mailto:economics@westpac.com.au)  
This issue was finalised on 19 January 2024.

**If you would like more insights into your sector or your own business from this and other Westpac data please visit [Westpac DataX](https://www.westpac.com.au/datax) or contact [datax@westpac.com.au](mailto:datax@westpac.com.au).**

# Momentum back in contractionary territory

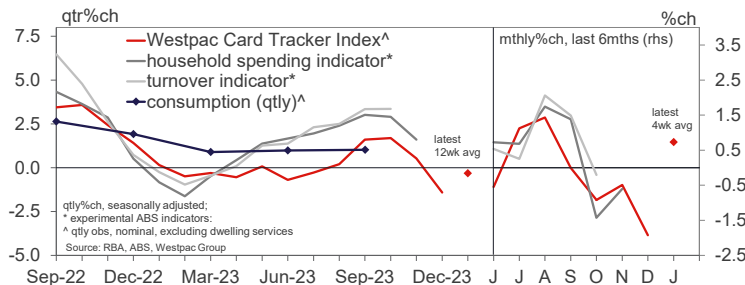


## 2. Card activity and spending: growth momentum



- Chart 2 shows the **Westpac Card Tracker's** quarterly growth pace alongside nominal spending growth from the national accounts. After recovering somewhat through August-September, the growth pulse fell back into contractionary territory in the final quarter of 2023 and remains in slight negative in early January. Latest reads have quarterly momentum running at around -0.25%qtr in nominal terms, implying a sizeable decline in inflation-adjusted terms, especially per capita. Inflation is currently running at just over 1%qtr and population growth is running at just over 0.6%qtr.
- Other timely ABS indicators are starting to confirm the loss of momentum into year-end. In particular, the ABS household spending indicator showed a slowdown consistent with the Westpac data for November. The next turnover indicator update is due January 23.

## 3. Consumer spending: selected indicators



qtly%ch	Q2	Q3	Q4	latest
<b>Westpac Card Tracker*</b>	<b>-0.7</b>	<b>1.6</b>	<b>-1.4</b>	<b>-0.3</b>
<b>Other indicators (nominal)</b>				
Household spending*	1.7	3.0	n.a.	2.9
Turnover*	1.4	3.3	n.a.	3.4
<b>Consumer spending (qtly)#</b>				
Nominal	1.0	1.0	n.a.	n.a.
Real	0.0	-0.1	n.a.	n.a.

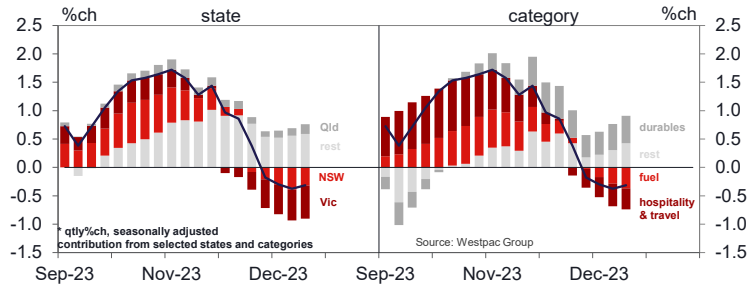
All series are seasonally adjusted, latest is latest weekly obs (12wks %ch on previous 12wks) or latest monthly obs (3mths %ch on previous 3mths). See p10 for more details.  
 \* ABS experimental measures. Household spending indicator based on bank transaction data (seasonally adjusted by Westpac). Turnover based on BAS returns for consumer-sector businesses; #Consumer spending excludes housing costs.

Sources: ABS, Westpac Group

# Hospitality, travel, Vic & NSW driving weakness

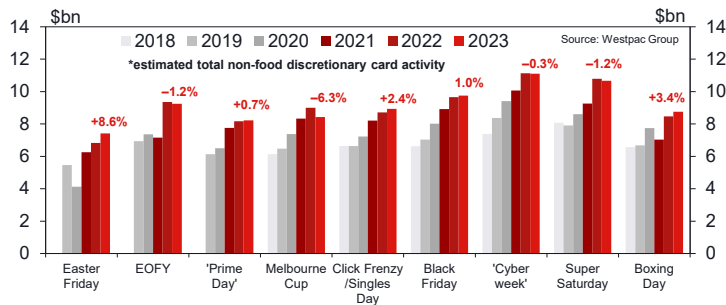


## 4. Card activity: contribution to quarterly growth



- The category and state detail continue to show weakness centred on discretionary services, especially hospitality, and in NSW and Victoria. That said, in both cases the quarterly pace of contraction has levelled out with some tentative signs in the last few weeks that the pace of decline is slowing, particularly in NSW.
- Chart 4 shows how selected states and categories have contributed to the weakening in growth momentum. Some of the slowdown also reflects declining fuel prices since October. Notably, activity has continued to rise across 'the rest'.
- As noted, non-food discretionary card activity was down materially on last year for the 'Super Saturday' week (-1.2%) but up strongly 'Boxing Day' week (+3.4%).

## 5. Card activity: sales periods compared



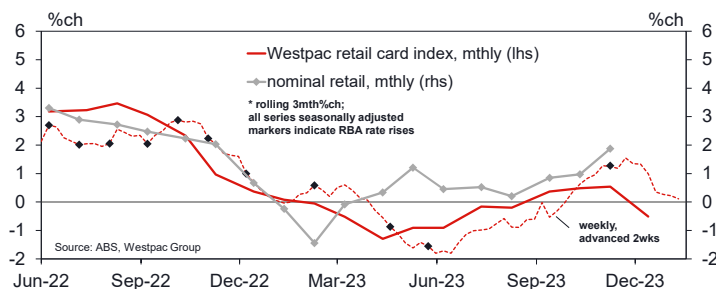
	Oct	Nov	Dec	13/1
<b>Westpac Card Tracker</b>	<b>136.2</b>	<b>135.5</b>	<b>132.9</b>	<b>137.2</b>
<b>By category</b>				
– discretionary	134.7	135.2	131.8	137.7
– essential	135.2	133.1	128.8	133.9
<b>By state</b>				
– NSW	129.6	129.6	127.0	134.1
– Vic	134.4	133.3	128.3	135.8
– Qld	145.0	145.5	144.3	152.3
– WA	144.4	145.1	143.9	146.3
– SA	143.6	145.4	141.6	146.0

All indexes based on the value of spending-related transactions, seasonally adjusted, 2019 avg=100, see p10 for more details incl. classifications. Sources: ABS, Westpac Group

# Retail down but basic food, non-food segments steady

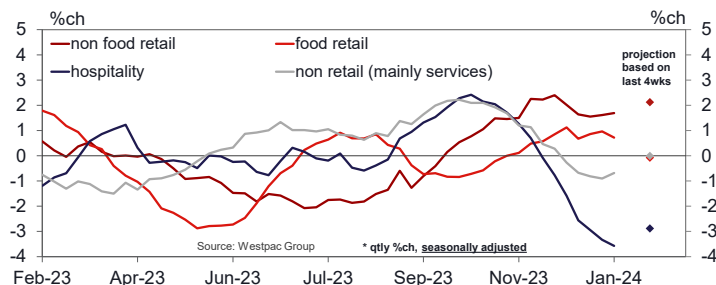


## 6. Card activity: retail



- Retail components of card activity also weakened into year-end, again largely driven by the ‘hospitality’ components. Basic food retail instead lifted through the period, some of which may be switching from dining out to self-catering as an effort to economise. Non food retail has seen steady gains, a significant improvement on the material declines recorded for much of the year.
- ABS retail sales surprised to the high side in November, recording a 2% jump led by big gains for non-food retail during the ‘Black Friday’ sales. Shifting sales patterns may be exaggerating this effect with previous November sales estimates revised lower once December and January updates are available (see [here](#) for more details). Preliminary December figures are due January 30 with Q1 real retail sales due out on February 6.

## 7. Card activity: broad retail and non-retail groups



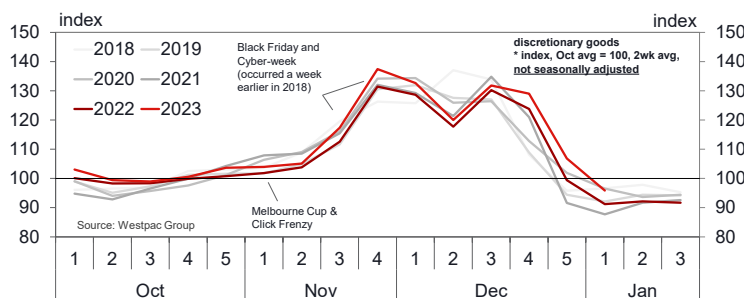
	Oct	Nov	Dec	13/1
<b>By retail/non retail</b>				
Retail card index	141.3	141.2	138.4	142.1
– qtly%ch	0.5	0.5	-0.5	0.1
– qtly, ann%ch	-0.9	-0.6	-1.6	-0.8
Non-retail card index	130.4	129.2	126.7	132.4
<b>ABS retail sales</b>				
– %ch	-0.4	2.0	n.a.	n.a.
– ann%ch	1.2	2.2	n.a.	n.a.
– qtly%ch	1.0	1.9	n.a.	n.a.
– qtly ann%ch	1.6	1.8	n.a.	n.a.

All indexes based on the value of spending-related transactions, seasonally adjusted. 2019 avg=100, see p10 for more details.  
Sources: ABS, Westpac Group

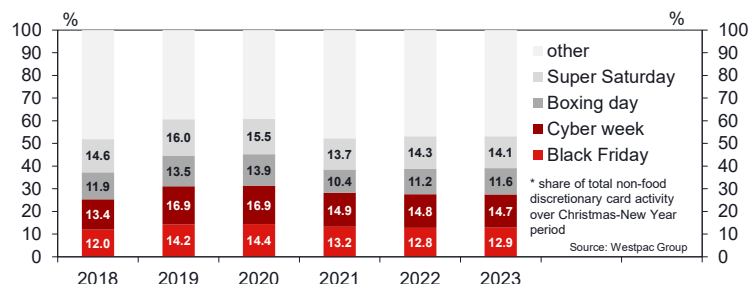
# Full Christmas-New Year 'wash-up'



## 8. Christmas sales periods: 2023 vs history



## 9. Non food discretionary card activity: Christmas-NY period

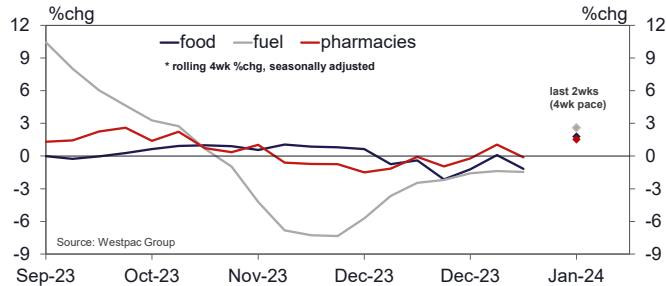


- Our last few reports tracked the lead-in to Christmas compared to previous years. This report looks at the final 'wash-up'.
- Chart 8 shows how 'discretionary goods' card activity has tracked compared to previous years in non seasonally adjusted terms. The comparison shows a strong initial lift over the Black Friday week was followed by a 'Cyber-week' gain more in line with previous years and a fairly patchy finish - 'Super Saturday' week a little underdone compared to previous years but 'Boxing Day' week performing noticeably better. It also shows a somewhat milder 'let down' into the new year.
- Chart 9 shows the share of total non-food discretionary card activity over the entire Christmas-New Year period that occurred in each of these sales event weeks (for the 2023 this covers the eight weeks from the week ending November 25 through to the week ending January 13). Interestingly, despite the strong initial lift, both 'Black Friday' and 'Cyber-week' saw a reduced share of total activity compared to last year and the years prior. 'Super Saturday' activity was also down a touch on 2022. However, 'Boxing Day' week activity was up noticeably, to a 3yr high as a share of total activity. 'Cyber week' was still the biggest week of the year overall.
- No doubt there are many things going on here. It may be that buyers see Boxing Day sales as potentially offering better bargains than the early Christmas sales. They may also be more inclined to shop in-store. However it may also be the case that Black Friday and Cyber week effect is becoming more spread out as retailers maintain specials for longer rather than target the specific sales event days.

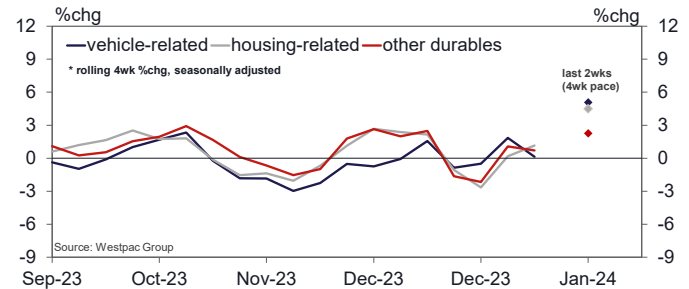
# Detailed charts



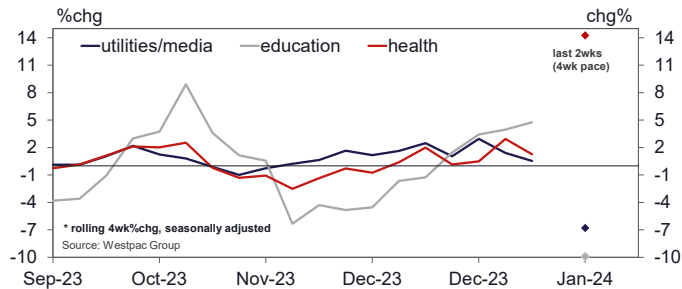
## 10. Card activity: essential goods



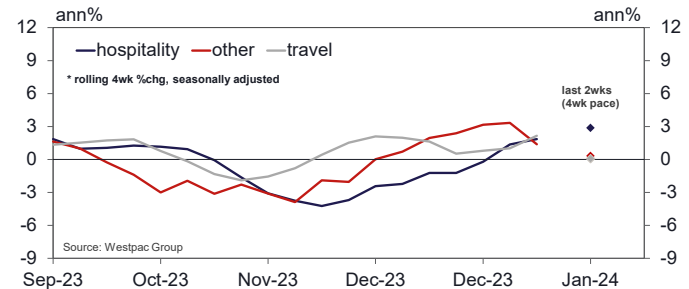
## 11. Card activity: discretionary goods



## 12. Card activity: essential services



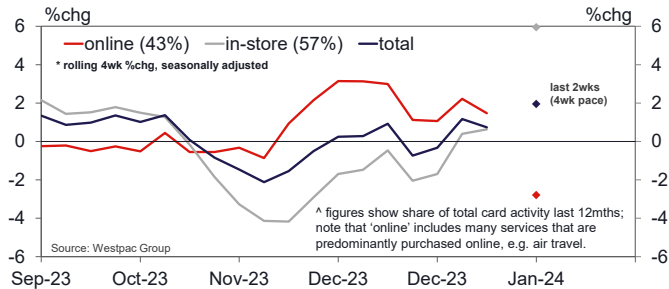
## 13. Card activity: discretionary services



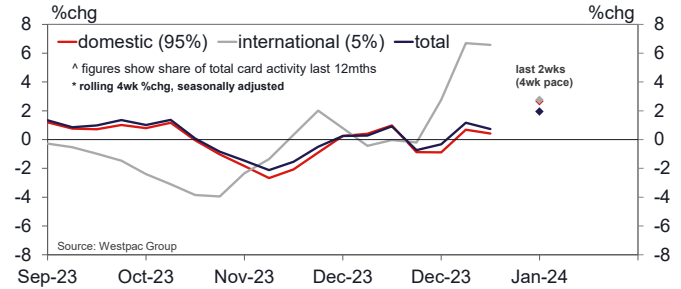
# Detailed charts



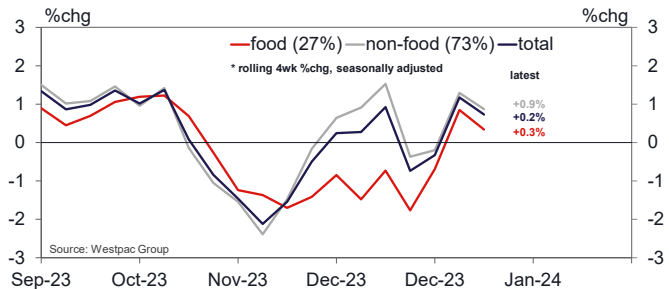
## 14. Card activity: online vs in-store



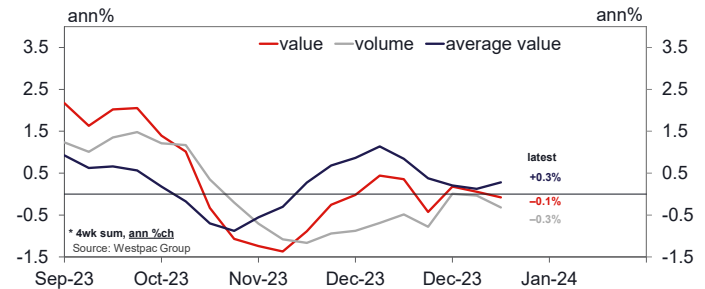
## 15. Card activity: domestic vs international



## 16. Card activity: food vs non-food



## 17. Card activity: value vs volume (ann%ch)





# Westpac card indicators\*



	2022				2023				week ending:						
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Oct	Nov	Dec	23/12	30/12	6/1	13/1
Westpac Card Tracker Index	122.7	129.6	134.1	136.0	135.6	134.6	136.8	134.8	136.2	135.5	132.9	132.9	139.1	137.4	137.2
qtlly%ch	3.1	5.6	3.4	1.4	-0.3	-0.7	1.6	-1.4	1.7	0.5	-1.4	-0.2	-0.3	-0.4	-0.3
qtlly, ann%ch	11.6	15.4	25.6	14.2	10.4	3.9	2.0	-0.8	1.0	0.3	-0.8	-0.2	-0.1	0.2	0.3
By category															
- discretionary	121.4	130.9	135.6	136.5	136.2	135.4	137.2	133.9	134.7	135.2	131.8	133.5	138.7	137.2	137.7
- essential	123.7	127.3	129.2	131.7	132.9	132.7	133.1	132.4	135.2	133.1	128.8	129.4	138.0	135.8	133.9
services	107.6	121.6	127.9	128.6	130.2	131.4	135.3	128.6	130.6	128.8	126.4	129.7	135.7	132.6	134.5
- discretionary services	105.8	123.1	130.4	130.6	131.7	132.6	137.0	128.8	131.1	128.9	126.4	129.9	135.3	132.3	134.5
- essential services	112.7	116.7	120.2	123.6	125.6	127.5	130.1	128.9	129.5	129.1	128.1	129.1	137.1	133.5	134.6
goods	133.9	136.8	139.2	139.5	138.4	137.4	137.1	137.0	137.9	138.1	135.1	134.2	140.9	140.4	138.1
- discretionary goods	137.8	140.5	142.3	140.8	140.4	139.0	137.6	136.7	136.8	139.5	133.7	137.9	142.8	143.2	141.6
- essential goods	128.0	132.2	133.7	136.5	135.8	134.8	134.7	135.2	139.0	136.8	129.7	129.6	138.4	137.0	133.6
retail*	133.6	137.8	142.0	142.6	141.8	140.5	141.0	140.3	141.3	141.2	138.4	137.0	145.0	144.0	142.1
qtlly%ch	2.1	3.2	3.1	0.4	-0.5	-0.9	0.4	-0.5	0.5	0.5	-0.5	0.4	0.3	0.2	0.1
qtlly, ann%ch	9.4	11.7	15.7	9.0	6.2	2.0	-0.7	-1.6	-0.9	-0.6	-1.6	-1.1	-1.0	-0.8	-0.8
By state															
- NSW	120.1	127.3	129.9	131.8	131.4	129.9	130.2	128.7	129.6	129.6	127.0	130.5	136.5	135.2	134.1
- Vic	122.8	130.6	135.5	135.1	133.6	134.7	135.8	132.0	134.4	133.3	128.3	132.3	137.1	135.8	135.8
- Qld	127.4	135.7	139.6	143.4	144.7	144.6	145.9	144.9	145.0	145.5	144.3	145.1	152.9	151.1	152.3
- WA	125.2	130.3	134.6	140.3	142.1	141.7	142.8	144.5	144.4	145.1	143.9	143.5	149.7	148.8	146.3
- SA	126.9	134.7	138.0	142.4	142.6	141.2	142.7	143.5	143.6	145.4	141.6	142.0	149.1	149.0	146.0

All indexes based on the value of spending-related transactions, seasonally adjusted by Westpac, 2019 avg=100. See p10 for more details.

\*composite based on transactions in retail categories; seasonal adjustment and rounding may result in small revisions to previously published estimates.

Sources: ABS, Westpac Group

# About the Westpac card data indicators



The indicators presented in this report are based on the millions of credit and debit card transactions processed by Westpac every day. Transactions covering over ten million merchants are classified into over 700 categories. These are in turn grouped into higher level aggregates that provide a timely guide to wider economic trends.

The main focus of these indicators is consumer spending. Where possible, we have sought to exclude 'non spending' transactions such as: money transfers; tax payments; loan repayments; charitable donations; and superannuation contributions.

It should also be noted that these indicators will also be affected by shifts between card and non card transactions. This may be a significant factor during the COVID-19 pandemic – health concerns about the use of physical cash are likely seeing higher use of cards, particularly where contact-less transactions are available. Transaction flows also include reversals/refunds which have been a significant phenomenon in areas such as travel.

All transaction data is compiled at a highly aggregated level so that individual customer or merchant data is never revealed.

## Index construction

The key metrics used in this report are indexes of spending-related card activity where the base of 100 is average activity in 2019. As an example, if transaction flows are 5% above their average level in 2019, the index read for the period is 105. If flows in a subsequent period are 8% above the average level in 2019, the index read for this period is 108. Growth between the two periods can be calculated simply as the change between the two index reads, i.e. 2.9%.

All measures are adjusted for regular seasonality. Weekly estimates are generated using the US Bureau of Labor's MoveReg weekly seasonal adjustment program. Note that in some cases, high levels of volatility during the COVID period mean it is not possible to produce seasonally adjusted estimates for some historical periods.

Also, note that previous versions of this report used different approaches to seasonal adjustment and measurement more generally. This means Index reads will not be comparable. See the 'About the Westpac card data indicators' sections from earlier reports to view detail.

## Classifications

Note that the measures and classifications used for card data and this report do not align completely with those used in official ABS statistics on retail sales and consumer spending. There are a range of differences including around both coverage and classification. As such, the card data should be treated as broadly indicative.

The transaction data is grouped into 29 categories that are then combined into four main as follows:

**Discretionary goods:** durable goods, clothing and vehicle-related.

**Discretionary services:** recreation, gambling, professional services, hotels, restaurants and cafes, airlines, car rental, travel agencies and transport.

**Essential goods:** food, fuel and pharmacies.

**Essential services:** utilities, education and healthcare.

The report also uses two additional classifications:

**Retail/non retail:** based on the extent to which categories cover sales that are in scope for the [ABS retail survey](#).

**COVID group:** based on a classification Westpac developed to assess the impact of the Coronavirus (see [here](#) for more). 'Most exposed' is travel, tourism, hospitality and recreational services; 'big ticket' is vehicles and major household items; 'stock-piling' is food, pharmaceuticals and healthcare; 'residual' is all other categories combined.

# Westpac Economics directory



## **Sydney**

Level 19, 275 Kent Street  
Sydney NSW 2000  
Telephone (61-2) 8254 8720  
Facsimile (61-2) 8254 6907

## **Luci Ellis**

Chief Economist  
Westpac Group

## **Matthew Hassan**

Senior Economist

## **Andrew Hanlan**

Senior Economist

## **Justin Smirk**

Senior Economist

## **Elliot Clarke**

Senior Economist

## **Ryan Wells**

Economist

## **Illiana Jain**

Economist

## **Auckland**

Takutai on the Square  
Level 8, 16 Takutai Square  
Auckland, New Zealand  
Telephone (64-9) 336 5671  
Facsimile (64-9) 336 5672

## **Kelly Eckhold**

Chief Economist, New Zealand

## **Darren Gibbs**

Senior Economist

## **Satish Ranchhod**

Senior Economist

## **Paul Clark**

Industry Economist

## **London**

Camomile Court,  
23 Camomile St,  
London EC3A 7LL  
United Kingdom

## **Singapore**

12 Marina View  
#27-00, Asia Square Tower 2  
Singapore, 018961

## **New York**

39<sup>th</sup> Floor  
575 Fifth Avenue  
New York, 10017 USA

Publication enquiries, Westpac Economics, [economics@westpac.com.au](mailto:economics@westpac.com.au)

# DISCLAIMER



© 2024 Westpac Institutional Bank is a division of Westpac Banking Corporation ABN 33 007 457 141, AFSL233714 ('Westpac'). References to the "Westpac Group" are to Westpac and its subsidiaries and includes the directors, employees and representatives of Westpac and its subsidiaries.

## Disclaimer

This information has been prepared by the Westpac Institutional Bank and is intended for information purposes only. It is not intended to reflect any recommendation or financial advice and investment decisions should not be based on it. This information does not constitute an offer, a solicitation of an offer, or an inducement to subscribe for, purchase or sell any financial instrument or to enter into a legally binding contract. To the extent that this information contains any general advice, it has been prepared without taking into account your objectives, financial situation or needs and before acting on it you should consider the appropriateness of the advice. Certain types of transactions, including those involving futures, options and high yield securities give rise to substantial risk and are not suitable for all investors. We recommend that you seek your own independent legal or financial advice before proceeding with any investment decision. This information may contain material provided by third parties. While such material is published with the necessary permission none of Westpac or its related entities accepts any responsibility for the accuracy or completeness of any such material. Although we have made every effort to ensure this information is free from error, none of Westpac or its related entities warrants the accuracy, adequacy or completeness of this information, or otherwise endorses it in any way. Except where contrary to law, Westpac Group intend by this notice to exclude liability for this information. This information is subject to change without notice and none of Westpac or its related entities is under any obligation to update this information or correct any inaccuracy which may become apparent at a later date. This information may contain or incorporate by reference forward-looking statements. The words "believe", "anticipate", "expect", "intend", "plan", "predict", "continue", "assume", "positioned", "may", "will", "should", "shall", "risk" and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. These forward-looking statements include all matters that are not historical facts. Past performance is not a reliable indicator of future performance, nor are forecasts of future performance. Whilst every effort has been taken to ensure that the assumptions on which any forecasts are based are reasonable, the forecasts may be affected by incorrect assumptions or by known or unknown risks and uncertainties. The ultimate outcomes may differ substantially from any forecasts.

**Conflicts of Interest:** In the normal course of offering banking products and services to its clients, the Westpac Group may act in several capacities (including issuer, market maker, underwriter, distributor, swap counterparty and calculation agent) simultaneously with respect to a financial instrument, giving rise to potential conflicts of interest which may impact the performance of a financial instrument. The Westpac Group may at any time transact or hold a position (including hedging and trading positions) for its own account or the account of a client in any financial instrument which may impact the performance of that financial instrument.

**Author(s) disclaimer and declaration:** The author(s) confirms that no part of his/her compensation was, is, or will be, directly or indirectly, related to any views or (if applicable) recommendations expressed in this material. The author(s) also confirms that this material accurately reflects his/her personal views about the financial products, companies or issuers (if applicable) and is based on sources reasonably believed to be reliable and accurate.

## Additional country disclosures

**Australia:** Westpac holds an Australian Financial Services Licence (No. 233714).



**Note:** Luci Ellis, Westpac Chief Economist is a member of the Australian Statistics Advisory Council (ASAC) which is a key advisory body to the Minister and the Australian Bureau of Statistics on statistical services. Luci does not have access to sensitive data/ reports in her capacity as a member of ASAC.

**New Zealand:** In New Zealand, Westpac Institutional Bank refers to the brand under which products and services are provided by either Westpac (NZ division) or Westpac New Zealand Limited (company number 1763882), the New Zealand incorporated subsidiary of Westpac ("WNZL"). Any product or service made available by WNZL does not represent an offer from Westpac or any of its subsidiaries (other than WNZL). Neither Westpac nor its other subsidiaries guarantee or otherwise support the performance of WNZL in respect of any such product. WNZL is not an authorised deposit-taking institution for the purposes of Australian prudential standards. The current disclosure statements for the New Zealand branch of Westpac and WNZL can be obtained at the internet address [www.westpac.co.nz](http://www.westpac.co.nz).

**Singapore:** This material has been prepared and issued for distribution in Singapore to institutional investors, accredited investors and expert investors (as defined in the applicable Singapore laws and regulations) only. Recipients of this material in Singapore should contact Westpac Singapore Branch in respect of any matters arising from, or in connection with, this material. Westpac Singapore Branch holds a wholesale banking licence and is subject to supervision by the Monetary Authority of Singapore.

**US:** Westpac operates in the United States of America as a federally licensed branch, regulated by the Office of the Comptroller of the Currency. Westpac is also registered with the US Commodity Futures Trading Commission ("CFTC") as a Swap Dealer, but is neither registered as, or affiliated with, a Futures Commission Merchant registered with the US CFTC. The services and products referenced above are not insured by the Federal Deposit Insurance Corporation ("FDIC"). Westpac Capital Markets, LLC ("WCM"), a wholly-owned subsidiary of Westpac, is a broker-dealer registered under the U.S. Securities Exchange Act of 1934 ('the Exchange Act') and member of the Financial Industry Regulatory Authority ('FINRA'). This communication is provided for distribution to U.S. institutional investors in reliance on the exemption from registration provided by Rule 15a-6 under the Exchange Act and is not subject to all of the independence and disclosure standards applicable to debt research reports prepared for retail investors in the United States. WCM is the U.S. distributor of this communication and accepts responsibility for the contents of this communication. Transactions by U.S. customers of any securities referenced herein should be effected through WCM. All disclaimers set out with respect to Westpac apply equally to WCM. If you would like to speak to someone regarding any security mentioned herein, please contact WCM on +1 212 389 1269. Investing in any non-U.S. securities or related financial instruments mentioned in this communication may present certain risks.

The securities of non-U.S. issuers may not be registered with, or be subject to the regulations of, the SEC in the United States. Information on such non-U.S. securities or related financial instruments may be limited. Non-U.S. companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect in the United States. The value of any investment or income from any securities or related derivative instruments denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related derivative instruments.

The author of this communication is employed by Westpac and is not registered or qualified as a research analyst, representative, or associated person of WCM or any other U.S. broker-dealer under the rules of FINRA, any other U.S. self-regulatory organisation, or the laws, rules or regulations of any State. Unless otherwise specifically stated, the views expressed herein are solely those of the author and may differ from the information, views or analysis expressed by Westpac and/or its affiliates.



**UK and EU:** The London branch of Westpac is authorised in the United Kingdom by the Prudential Regulation Authority (PRA) and is subject to regulation by the Financial Conduct Authority (FCA) and limited regulation by the PRA (Financial Services Register number: 124586). The London branch of Westpac is registered at Companies House as a branch established in the United Kingdom (Branch No. BR000106). Details about the extent of the regulation of Westpac's London branch by the PRA are available from us on request.

Westpac Europe GmbH ("WEG") is authorised in Germany by the Federal Financial Supervision Authority ('BaFin') and subject to its regulation. WEG's supervisory authorities are BaFin and the German Federal Bank ('Deutsche Bundesbank'). WEG is registered with the commercial register ('Handelsregister') of the local court of Frankfurt am Main under registration number HRB 118483. In accordance with APRA's Prudential Standard 222 'Association with Related Entities', Westpac does not stand behind WEG other than as provided for in certain legal agreements (a risk transfer, sub-participation and collateral agreement) between Westpac and WEG and obligations of WEG do not represent liabilities of Westpac.

This communication is not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. This communication is not being made to or distributed to, and must not be passed on to, the general public in the United Kingdom. Rather, this communication is being made only to and is directed at (a) those persons falling within the definition of Investment Professionals (set out in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order")); (b) those persons falling within the definition of high net worth companies, unincorporated associations etc. (set out in Article 49(2) of the Order; (c) other persons to whom it may lawfully be communicated in accordance with the Order or (d) any persons to whom it may otherwise lawfully be made (all such persons together being referred to as "relevant persons"). Any person who is not a relevant person should not act or rely on this communication or any of its contents. In the same way, the information contained in this communication is intended for "eligible counterparties" and "professional clients" as defined by the rules of the Financial Conduct Authority and is not intended for "retail clients". Westpac expressly prohibits you from passing on the information in this communication to any third party.

This communication contains general commentary, research, and market colour. The communication does not constitute investment advice. The material may contain an 'investment recommendation' and/or 'information recommending or suggesting an investment', both as defined in Regulation (EU) No 596/2014 (including as applicable in the United Kingdom) ("MAR"). In accordance with the relevant provisions of MAR, reasonable care has been taken to ensure that the material has been objectively presented and that interests or conflicts of interest of the sender concerning the financial instruments to which that information relates have been disclosed.

Investment recommendations must be read alongside the specific disclosure which accompanies them and the general disclosure which can be found here: <https://www.westpaciq.com.au/terms-and-conditions/investment-recommendation-disclosure>. Such disclosure fulfils certain additional information requirements of MAR and associated delegated legislation and by accepting this communication you acknowledge that you are aware of the existence of such additional disclosure and its contents.

To the extent this communication comprises an investment recommendation it is classified as non-independent research. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and therefore constitutes a marketing communication. Further, this communication is not subject to any prohibition on dealing ahead of the dissemination of investment research.

