



10 FEBRUARY 2025

WESTPAC-DATAX CARD TRACKER

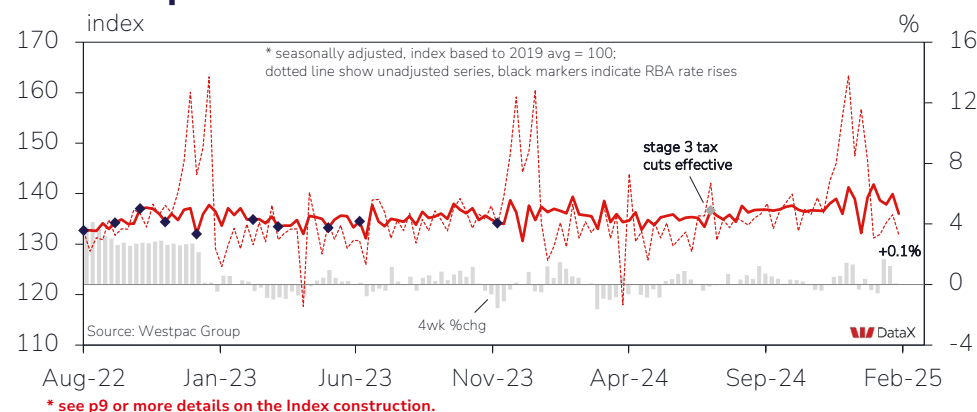
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Back where we started

- The **Westpac-DataX Card Tracker Index*** has eased further over the past two weeks, with a latest index read of 136.0, down -1.9pts over the last fortnight and -5.8pts below its record level in early-January. The index has retraced its festive season gains, falling back to September-October levels - as has usually been the case in prior years.
- The quarterly pulse however has remained more stable through this week-to-week volatility. Quarterly growth is tracking at 1.0%qtr, up slightly from 0.8%qtr a month ago. Base effects usually cause the quarterly measure to strengthen at the turn of the year. The monthly pulse is more subdued and has slowed to 0.1%mt from 1.7%mt in mid-January, a shift that bears watching.
- The details highlight that discretionary goods remain the key driver behind the quarterly growth pulse. Additionally, fuel spending made its first positive contribution to the headline growth figure in over a year.
- By state, the growth pulse is holding firm in Qld, SA and WA, tracking in the 1.5-1.8%qtr range. Qld in particular is contributing almost twice its weight to the national growth figure. Results for these regions are also robust in per capita terms, running at 1.1-1.2%qtr.
- NSW has strengthened recently (1.0%qtr) and results are also encouraging in per capita terms, but Vic continues to lag at 0.3%qtr, with declines in per capita terms.
- Our retail card index continues to track stronger than broader card activity and is supported by firm spending in non-food retail.
- Over the past fortnight we also received December results of retail trade and the monthly household spending indicator from the ABS. Both measures printed firmer than the pace suggested by our card data. However, the broader run of updates still suggests risks are balanced around our 0.7%qtr forecast for real consumption forecast in the December quarter national accounts (due March 5). The ABS monthly business turnover indicator for December (due February 10) will be the last piece before the big reveal.

... card activity has retraced all of its festive season gains, falling back to Sep-Oct levels.

1. Westpac-DataX Card Tracker Index*



The **Westpac-DataX 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 p9 for a detailed explanation.

This report is produced by Westpac Economics.

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This issue was finalised on 7 February 2025.

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Quarterly momentum tracking above six-month average

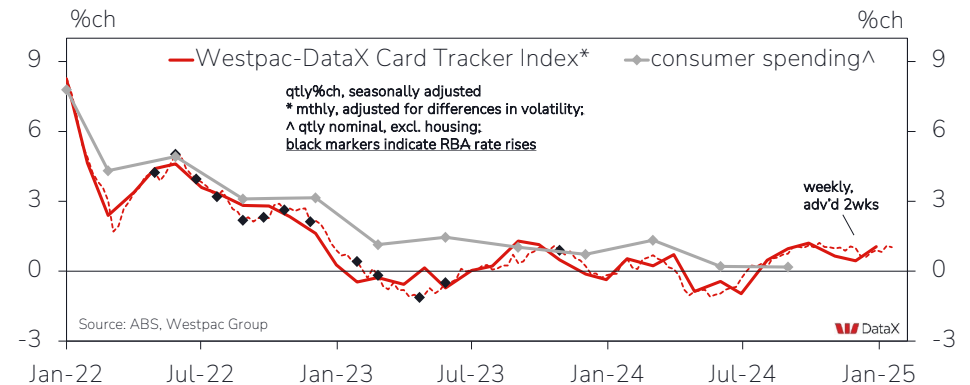
- The quarterly growth pulse has edged up to 1.0%qtr. This is in line with the pace recorded in the September quarter but a noticeable lift from the December quarter. In past years, the quarterly pace has strengthened at the turn of the year but this has mostly been due to base effects.
- Chart 3 compares growth in the **Westpac-DataX Card Tracker** with the ABS monthly household spending indicator (MHSI) and consumer-related sectors from the ABS monthly business turnover indicator (MBTI).
- The December update of the MHSI showed nominal spending up 1.7%qtr. This compares to 0.5%qtr as measured by the **Westpac-DataX Card Tracker**.
- The results also differed for the September quarter with the MHSI up 0.5%qtr and the card tracker showing a more robust 1.0%qtr rise. Divergences reflect a mix of measurement and technical differences (e.g. adjusting for cash purchases in the MHSI) that mean the two measures are not directly comparable (see [here](#) for further details).
- The MHSI is pointing to spending volumes rising 0.9-1.3%qtr. This presents a slight upside risk to our December quarter forecast of 0.7%qtr for consumption in the national accounts (see [here](#) for further details).
- The MBTI December update is due February 10.

qtrly%ch	Q2	Q3	Q4	latest
Westpac-DataX Card Tracker	-0.4	1.0	0.5	1.0
Other indicators (nominal)				
ABS monthly household spending indicator*	0.2	0.5	1.7	n.a.
ABS monthly business turnover indicator^	1.5	-1.1	n.a.	-0.1
Consumer spending (qtrly)#				
Nominal	0.2	0.2	n.a.	n.a.
Real	-0.5	-0.1	n.a.	n.a.

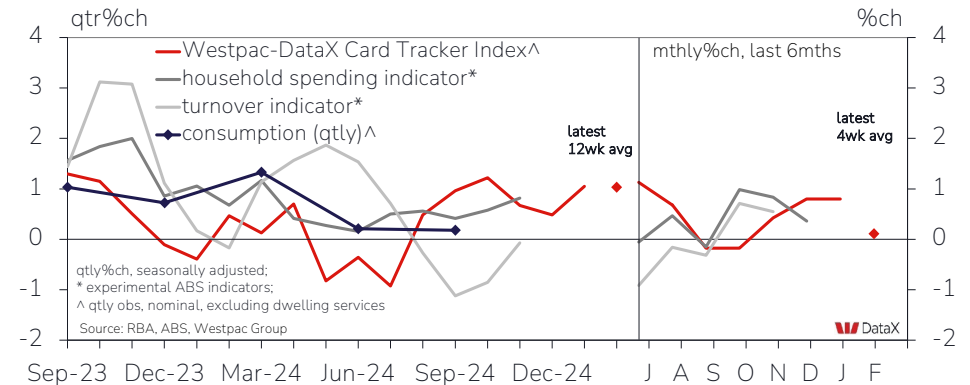
All series seasonally adjusted. Latest is either the latest weekly obs (12wks %ch on previous 12wks) or latest monthly obs (3mths %ch on previous 3mths). See p9 for more details.
 * ABS monthly household spending indicator based on card transaction, supermarket transaction and new vehicle sales data.
 ^ ABS monthly business turnover indicator based on BAS returns - figures show weighted estimate for consumer-sector businesses only.
 # Consumer spending excludes housing costs.

Sources: ABS, Westpac Group

2. Card activity and spending: growth momentum



3. Consumer spending: selected indicators



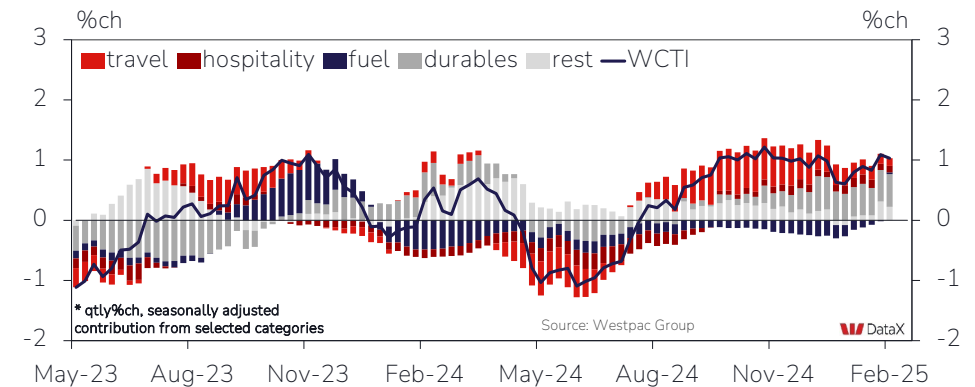
Durables running ahead; discretionary services in the slow lane

- Charts 4 and 5 respectively illustrate the category and state contributions to the quarterly growth pulse of card activity.
- By category, growth continues to be led by discretionary goods, in particular the durable goods segment which accounted for a little over a half of the growth in headline card activity.
- After driving much of growth through mid-2024, discretionary services are now idling. Hospitality and travel have each accounted for around 10% of headline growth in recent weeks.
- Fuel made its first positive contribution since December 2023, though largely trivial at 3%.
- State trends remain broadly consistent with prior weeks, with Qld continuing to punch above its weight. Since December it has accounted for around a third of the growth in headline card activity, despite only accounting for 17% of transactions. Qld is also ahead in per capita terms, with card activity rising 1.8%qtr.
- NSW has strengthened recently, accounting for just over a third of the quarterly momentum, in line with its total spending share.
- Vic, while improving, stays falling short of expectations. The results are even grimmer in per capita terms, Vic being the only state still contracting.

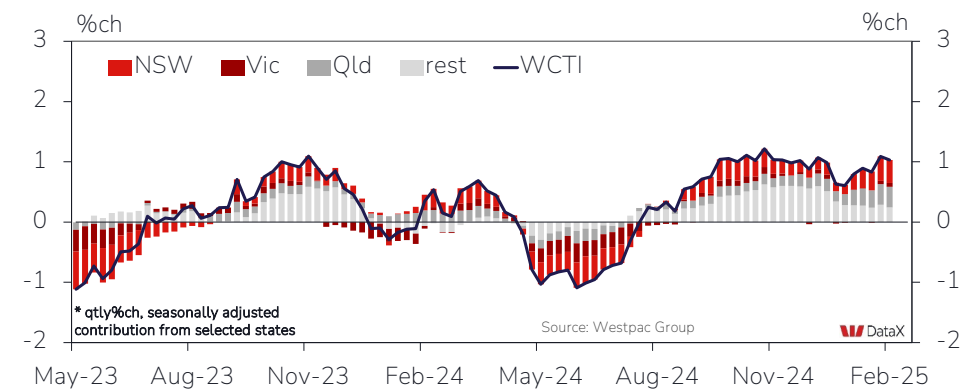
	Nov	Dec	Jan	1/2
Westpac-DataX Card Tracker	137.7	138.8	139.9	136.0
By category				
– discretionary	138.4	139.2	139.8	134.0
– essential	133.4	133.5	131.1	134.8
By state				
– NSW	132.0	134.2	133.0	147.2
– Vic	133.0	134.5	133.7	146.1
– Qld	150.5	151.6	153.8	168.7
– WA	149.6	150.4	151.3	165.4
– SA	146.5	147.8	148.2	163.7

All indexes based on the value of spending-related transactions, seasonally adjusted, 2019 avg=100, see p9 for more details including classifications.
Sources: ABS, Westpac Group

4. Card activity: major categories



5. Card activity: states



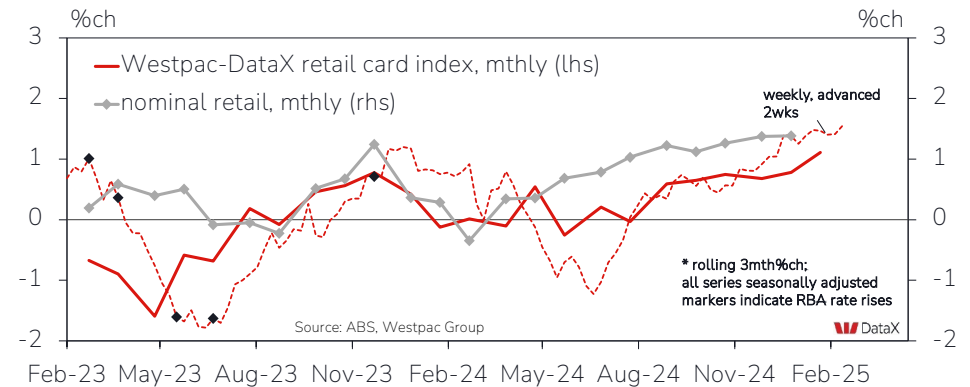
Retail sales showing further gains

- Our 'retail' measure covers a narrower subset of card activity that aligns more closely to the ABS retail survey.
- The growth pulse has lifted further in recent weeks and is running at the hottest pace since November 2022 at 1.5%qtr. It is also marginally above the long-term average now.
- The details show non-food retail gaining additional momentum, running at a 2.3%qtr pace. This is largely led by discretionary goods.
- Food retail is staying on an even path, tracking 0.8%qtr pace for basic food and a 0.7%qtr pace for hospitality retail.
- Non-retail segments took a dip in recent weeks, with the quarterly pace slowing to 0.4%qtr.
- The ABS retail trade measure showed a -0.1%qtr fall in Dec, finishing the quarter up 1.4%qtr (see [here](#) for more details) - this latter was stronger than the 0.8%qtr print suggested by our retail card index.
- With retail prices rising 0.4%qtr in Q4, volumes were up 1.0%qtr, rising for the second consecutive quarter. The volumes result presents a slight downside risk to our December quarter consumption forecast, but balances out some of the upside risks from the MHSI.

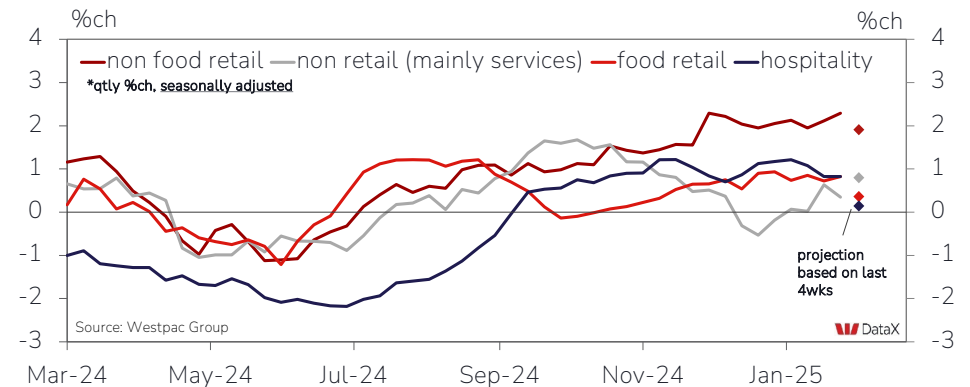
	Nov	Dec	Jan	1/2
By retail/non retail				
Retail card index	143.5	144.8	145.7	143.3
– qtly%ch	0.7	0.8	1.1	1.5
– qtly, ann%ch	1.0	1.5	2.4	2.0
Non-retail card index	131.3	132.3	133.6	130.1
ABS retail sales				
– %ch	0.7	-0.1	n.a.	n.a.
– ann%ch	3.1	4.6	n.a.	n.a.
– qtly%ch	1.4	1.4	n.a.	n.a.
– qtly ann%ch	3.0	3.7	n.a.	n.a.

All indexes based on the value of spending-related transactions, seasonally adjusted. 2019 avg=100, see p9 for more details.
Sources: ABS, Westpac Group

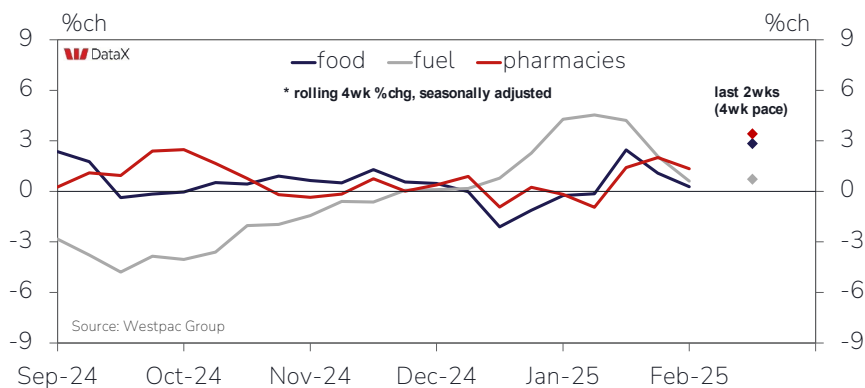
6. Card activity: retail



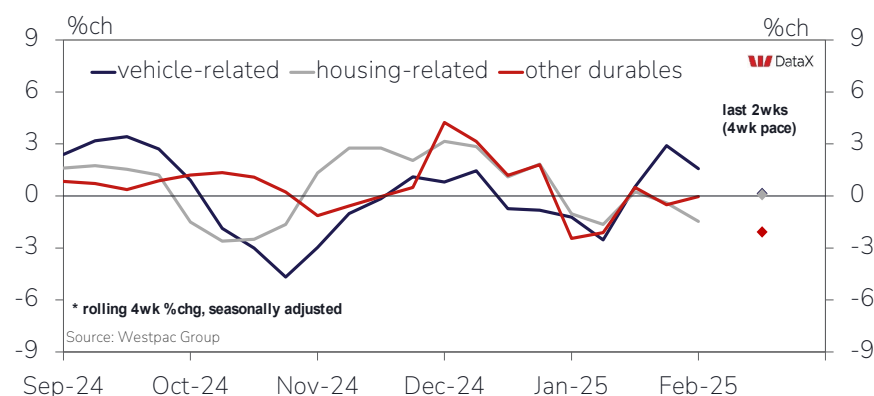
7. Card activity: broad retail and non-retail groups



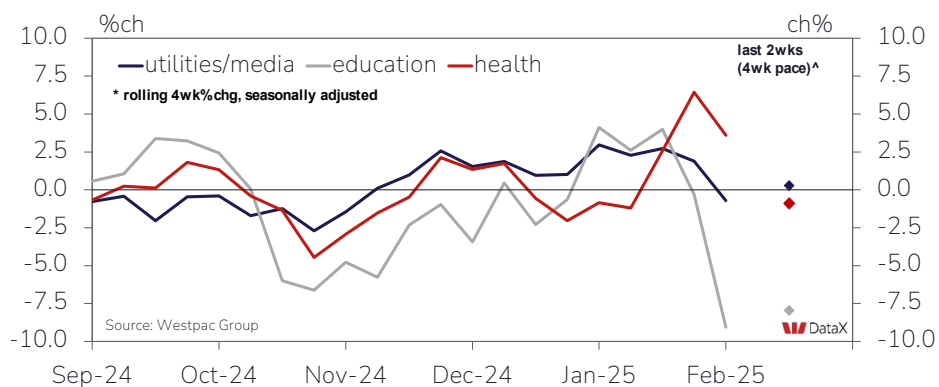
8. Card activity: essential goods



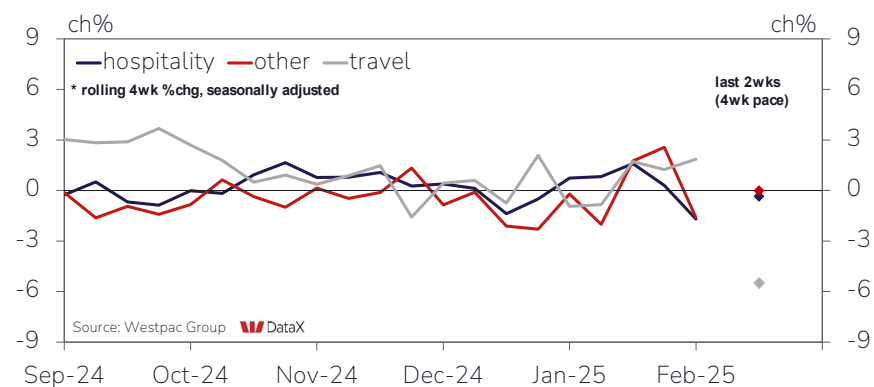
9. Card activity: discretionary goods



10. Card activity: essential services

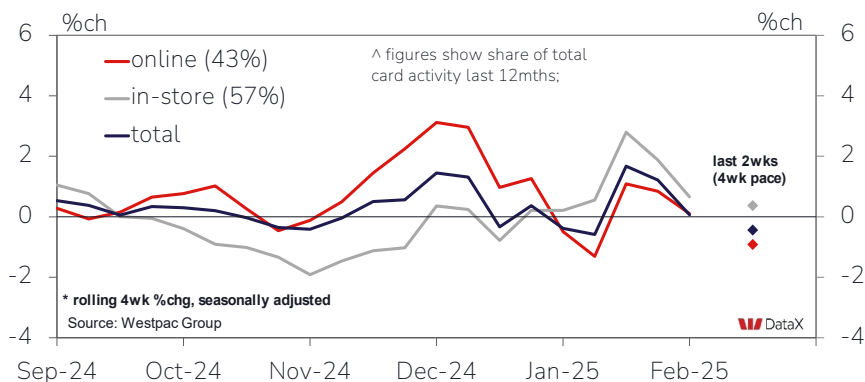


11. Card activity: discretionary services

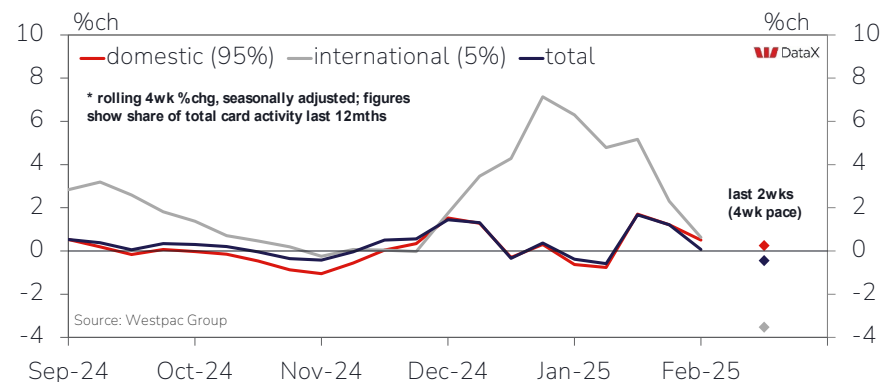


Past performance is not a reliable indicator of future performance. The forecasts given above are predictive in character. Whilst every effort has been taken to ensure that the assumptions on which the forecasts are based are reasonable, the forecasts may be affected by incorrect assumptions or by known or unknown risks and uncertainties. The results ultimately achieved may differ substantially from these forecasts.

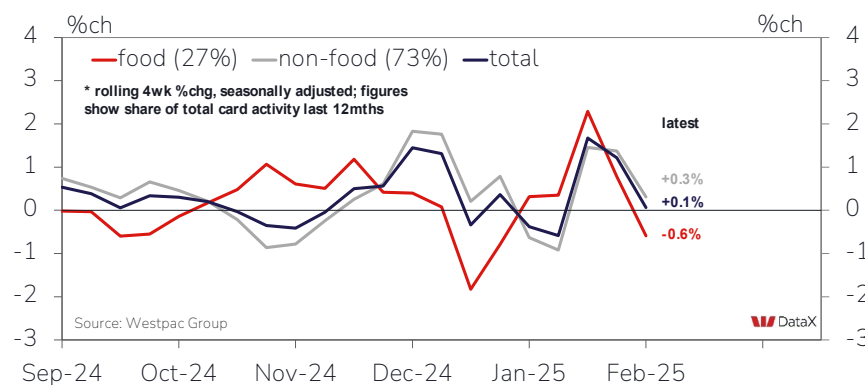
12. Card activity: online and in-store



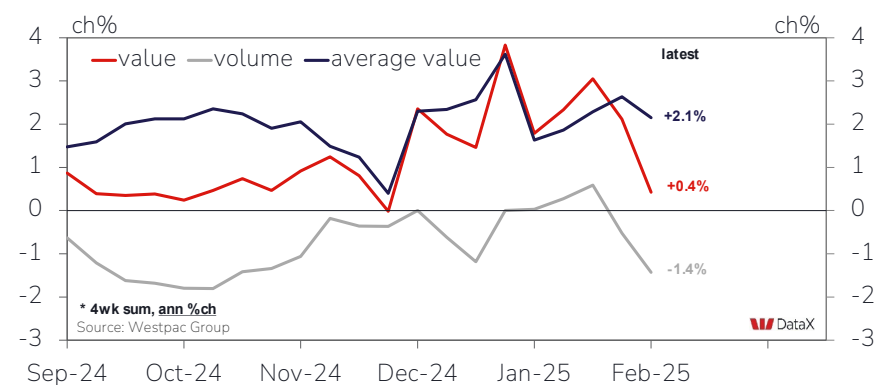
13. Card activity: domestic and international



14. Card activity: food and non-food



15. Card activity: value and volume



Past performance is not a reliable indicator of future performance. The forecasts given above are predictive in character. Whilst every effort has been taken to ensure that the assumptions on which the forecasts are based are reasonable, the forecasts may be affected by incorrect assumptions or by known or unknown risks and uncertainties. The results ultimately achieved may differ substantially from these forecasts.

	2023				2024				week ending:						
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Nov	Dec	Jan	11/1	18/1	25/1	1/2
Westpac–DataX Card Tracker Index	135.6	134.7	136.4	136.3	136.4	135.9	137.2	137.9	137.7	138.8	139.9	138.7	137.9	139.9	136.0
qtly%ch	–0.3	–0.7	1.3	–0.1	0.1	–0.4	1.0	0.5	0.7	0.5	1.0	0.9	0.8	1.1	1.0
qtly, ann%ch	10.5	4.0	1.9	0.2	0.6	1.0	0.6	1.2	0.8	1.2	2.0	1.7	1.7	1.8	1.5
By category															
– discretionary	135.8	134.9	137.3	135.8	135.7	134.9	137.6	138.6	138.4	139.2	139.8	138.0	137.1	139.0	134.0
– essential	132.6	132.3	133.2	134.4	135.5	135.6	134.3	133.3	133.4	133.5	19.1	135.4	135.1	137.4	134.8
services	130.4	130.8	134.0	131.5	132.9	131.7	134.5	134.4	134.4	134.7	18.5	135.0	133.2	136.4	129.7
– discretionary services	131.8	132.1	135.6	131.9	133.2	130.8	134.7	135.3	135.0	135.6	135.6	134.1	133.4	135.5	129.9
– essential services	125.8	127.1	129.6	130.5	131.5	134.7	134.4	132.4	132.9	132.5	23.5	137.7	132.3	139.3	129.0
goods	137.8	136.9	137.1	138.4	137.9	138.1	137.9	139.0	138.2	140.8	21.3	138.9	139.1	140.1	138.3
– discretionary goods	139.6	139.1	138.8	139.7	138.5	140.1	140.8	142.3	141.5	143.9	144.1	142.6	141.3	143.0	138.8
– essential goods	135.3	134.6	135.1	136.7	137.2	135.9	134.4	135.2	134.6	136.3	17.4	134.3	136.4	136.4	137.6
retail*	141.4	140.4	141.1	141.7	141.5	141.8	142.7	143.9	143.5	144.8	145.7	143.1	143.2	143.5	143.3
qtly%ch	–1.0	–0.7	0.5	0.4	–0.1	0.2	0.6	0.8	0.7	0.8	1.1	1.5	1.4	1.4	1.5
qtly, ann%ch	6.2	2.0	–0.7	–0.7	0.1	1.0	1.2	1.5	1.0	1.5	2.4	1.9	1.9	1.9	2.0
By state															
– NSW	130.3	129.6	130.2	130.7	131.9	130.4	131.2	132.6	132.0	134.2	133.0	150.1	148.4	150.9	147.2
– Vic	134.3	133.9	135.2	133.2	134.1	132.7	133.4	133.4	133.0	134.5	133.7	150.3	149.9	152.5	146.1
– Qld	144.1	144.6	146.1	146.4	147.1	147.5	148.7	150.4	150.5	151.6	153.8	170.8	169.8	172.3	168.7
– WA	141.4	141.8	143.2	145.5	146.1	146.4	147.9	149.5	149.6	150.4	151.3	166.8	165.6	168.2	165.4
– SA	141.9	141.8	143.9	144.3	142.9	145.0	145.6	146.9	146.5	147.8	148.2	166.4	164.9	167.4	163.7

All indexes based on the value of spending–related transactions, seasonally adjusted by Westpac, 2019 avg=100. See p9 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.



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