

30 May 2025

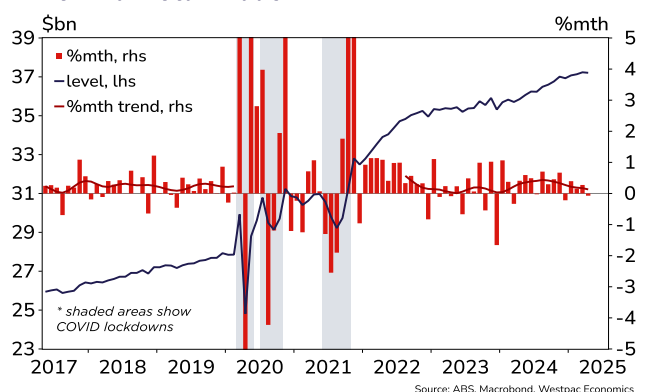
AUSTRALIAN RETAIL SALES BULLETIN

Holiday-related disruptions possibly at play

Key points

- Retail turnover ended its 2025 run of gains falling -0.1%*mth* in April to be 3.8%*yr* higher.
- The weakness was centred on clothing & footwear and department stores, which the ABS attributed to warmer weather delaying purchases.
- Retail trade rebounded in Qld (1.4%*mth*) following weather-related impacts last month. Excluding Qld would have resulted in a -0.5%*mth* fall in retail turnover. Meanwhile, NSW posted its sharpest decline in over a year.
- We suspect the April read has also been impacted by holiday-related disruptions. Our weekly **Westpac-DataX Card Tracker** showed significant disruptions from the late timing of Easter and its proximity to the ANZAC Day public holiday, spending only stabilising in mid-May.

Nominal Retail Trade



**April retail sales:
-0.1%*mth*,
3.8%*yr***

Retail turnover slips heading into Q2



Neha Sharma
Economist

After modest gains in the first quarter of 2025, retail trade slipped -0.1%*mth* in April. While we had expected a soft print this month (+0.1%*mth*), we noted there was a material risk of a contraction due to the timing of Easter and ANZAC Day holidays, which this year likely acted as a prolonged dampener on activity. The annual growth rate nudged lower to 3.8%*yr* from 4.3%*yr* in March.

The store type detail was mixed. Clothing & footwear and department stores were the main sources of weakness, both falling for second consecutive month – each down -2.5%*mth*. Basic food retail, which has driven much of the year-to-date growth, slipped -0.3%*mth* in April.

On the upside, turnover rose in cafes & restaurants (1.1%*mth*), other retailing (0.7%*mth*) and household goods (0.6%*mth*), with the latter breaking a three-month losing streak.

State-level data showed a strong rebound in Qld, where retail trade rose 1.4%*mth* after being impacted by weather disruptions in the previous month. WA also rose, extending its streak to 16 consecutive months of gains, with turnover up 0.4%*mth* and 6.1%*yr*. The weakness was concentrated in NSW where turnover fell -1.0%*mth* – the sharpest fall in over a year. This was followed by Vic (-0.3%*mth*) and SA (-0.1%*mth*).

Additional insights from the release showed a shift toward online shopping which rose 0.6%*mth* (7.3%*yr*). This implies a -0.2%*mth* (+3.3%*yr*) change for in-store shopping. By firm size, large food retailers saw turnover lift 0.4%*mth*, compared to a -0.2%*mth* decline for large non-food retailers. Small retailers saw a -0.3%*mth* drop in turnover.

Consumer spending was already subdued in the first quarter (with a fuller picture due in next Wednesday's National Accounts), and today's data suggests that this cautiousness has likely extended into the second quarter. However, the figures for March and April have been clouded by weather-and-holiday related noise. Our latest [Westpac-DataX Card Tracker update](#) to mid-May showed lots of noise but with spending growth stabilising at a pace in line with the December and March quarter gains. This points to a recovery that remains intact but is still proceeding relatively slowly. Tariff-related uncertainty has likely held back underlying momentum slightly in recent months.

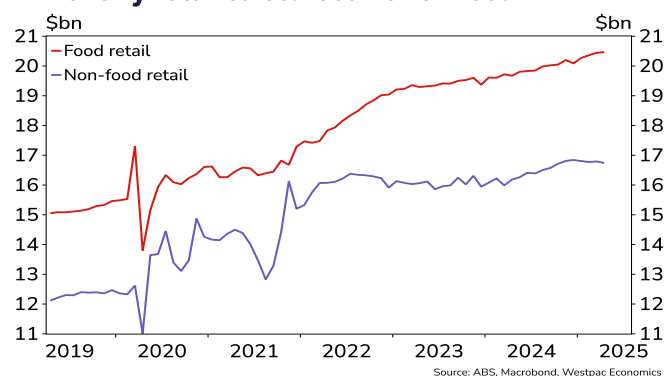
With the RBA delivering a second rate cut in May – and Westpac expecting two more cuts this year – there is more policy support on the way. How much of a boost this gives to spending remains to be seen. The consumer spending performance in early 2025 and conservative response to last year's tax cuts continue to point to a gradual recovery at best.

Retail sales – April 2025

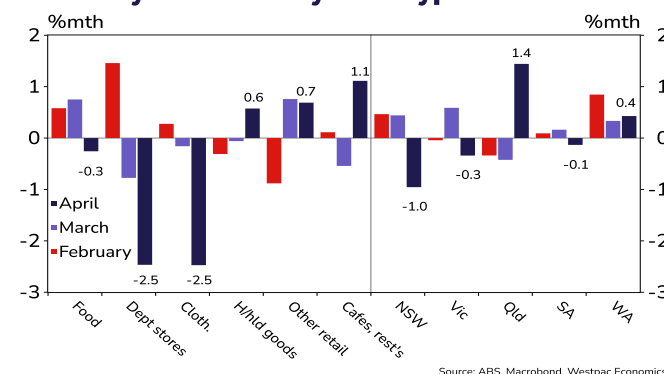
	\$bn	% chg mth	% chg yr
	Apr-25	Mar-25	Apr-25
sa	37.21	0.3	-0.1
trend	37.25	0.2	0.1

Source: ABS, Macrobond, Westpac Economics.

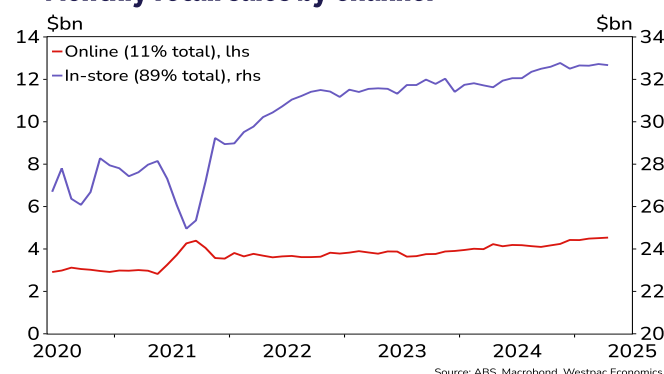
Monthly retail sales: food vs non-food



Monthly retail sales by store type and state



Monthly retail sales by channel





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