

7 April 2026

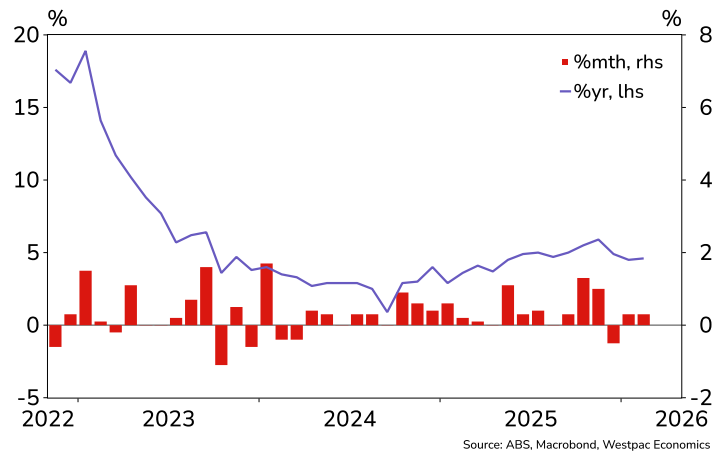
HOUSEHOLD SPENDING INDICATOR BULLETIN

Steady print amid softer signals

Key points

- Household spending rose 0.3%*mth* in February, matching January's outcome and in line with its average monthly pace over the past two years. Annual growth edged up to 4.6%*yr*.
- Services continued to drive overall growth, rising 0.5%*mth*, supported by holiday-related spending across recreation & culture, transport and accommodation. Goods spending reversed recent weakness to post a modest 0.1%*mth* gain.
- State outcomes were mixed. WA led the gains, with SA, Qld and Vic also recording increases. NSW was the only state to post a decline.
- Looking ahead, risks to the spending outlook remain skewed to the downside. Weaker consumer sentiment, ongoing monetary policy restraint and signals from our Westpac–DataX Card Tracker suggest spending growth is likely to moderate over coming months.

Monthly Household Spending Indicator Growth



February household spending indicator: 0.3%*mth*, 4.6%*yr*

Services spending supports in February



Luka Belobrajdic
Economist

The monthly household spending indicator rose 0.3%*mth* in February, matching January's outcome and in line with the average monthly pace recorded over the past two years. This was stronger than we had expected, with Westpac forecasting a -0.2%*mth* decline given weakness evident in our Westpac-DataX Card Tracker ([see here](#)). Annual growth edged up to 4.6%*yr*, with the January 2026 annual pace revised slightly lower to 4.5%*yr* (from 4.6%*yr*).

By broad category, services continued to drive overall spending growth in February. The segment rose by 0.5%*mth* to be 6.2%*yr* higher over the year, with the ABS attributing this strength to increased recreation and culture, travel, and accommodation spending. Goods spending reversed some of its recent weakness, posting a modest 0.1%*mth* gain (3.1%*yr*). Discretionary spending rose 0.5%*mth* after holding flat in January, while non discretionary spending was unchanged. Both categories are growing at an annual pace of 4.6%*yr*.

At the detailed level, gains were concentrated across five categories. Recreation & culture led the lift, rising 1.1%*mth*, followed by food, which increased 1.0%*mth*. Hotels, cafes & restaurants reversed some of last month's decline, up 0.4%*mth*. Health and clothing & footwear recorded smaller increases of 0.2%*mth* and 0.1%*mth* respectively.

Once again, the main drag on the month came from alcohol & tobacco, which fell -0.5%*mth*. While this category has detracted from spending in recent months, the February decline was modest relative to earlier volatility. Transport spending declined -0.4%*mth*, reflecting lower fuel prices earlier in the month, while furnishings & household equipment recorded a third consecutive fall (-0.3%*mth*), consistent with subdued housing turnover ([see here](#)).

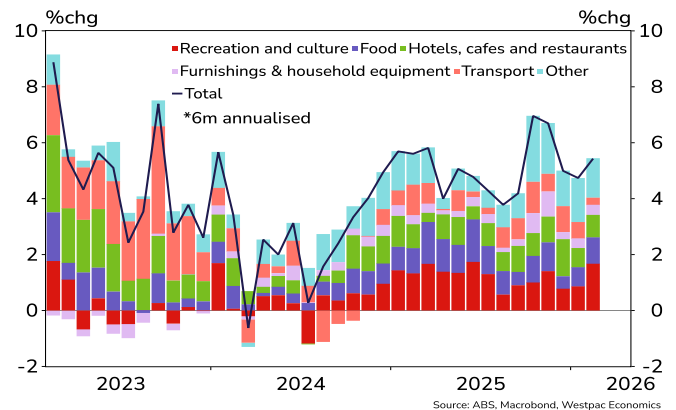
State outcomes were mixed. WA was the standout, with spending rising 0.9%*mth*. SA rebounded with a 0.6%*mth* increase following a -0.2%*mth* fall in January. Queensland and Victoria also recorded gains of 0.5%*mth* and 0.4%*mth* respectively. NSW was the only state to post a decline, with spending down -0.2%*mth* in February, leaving it with the weakest annual growth rate among the states at 3.3%*yr*.

Looking ahead, risks to the spending outlook remain skewed to the downside. Consumer sentiment has softened amid escalating conflict in the Middle East and ongoing monetary policy tightening ([see here](#)). In addition, our Westpac-DataX Card Tracker shows that monthly growth momentum has softened since February, especially in non-fuel card activity. Taken together, this points to a risk of further moderation in household spending over the coming months, despite February's firmer than expected outcome.

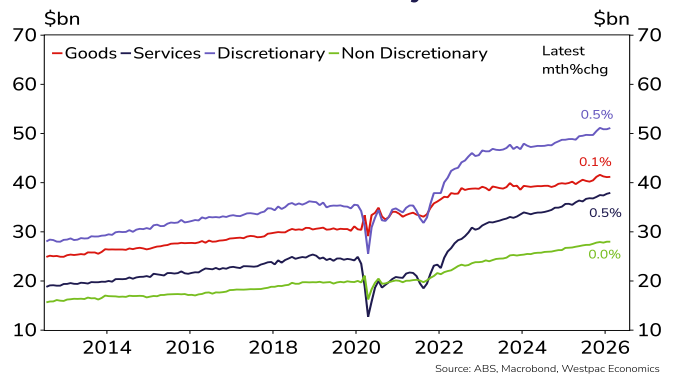
Household spending indicator – Feb 2026

	\$bn		% chg mth		% chg yr	
	Feb-26	Jan-26	Feb-26	Jan-26	Feb-26	Jan-26
sa	79.11	79.11	0.3	0.3	4.5	4.6
trend	79.15	79.15	0.3	0.2	4.9	4.7

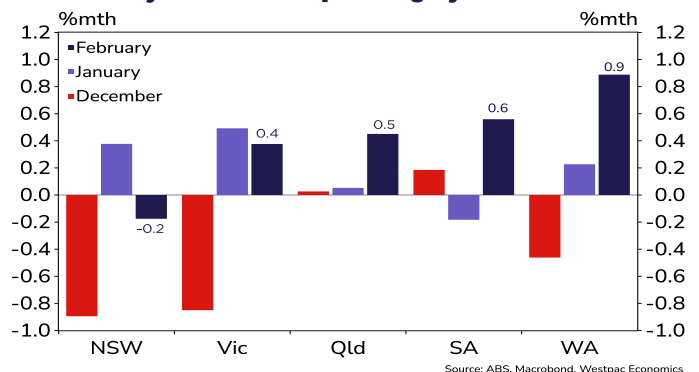
Source: ABS, Macrobond, Westpac Economics.



Goods, services, discretionary & non-discret.



Monthly household spending by state



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