

25 June 2026

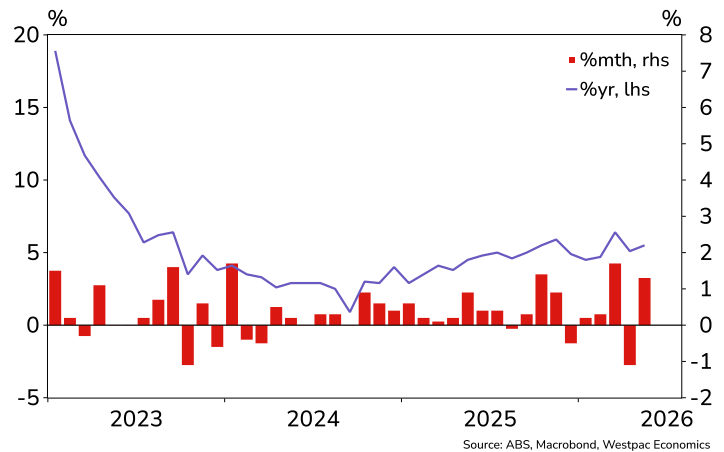
# HOUSEHOLD SPENDING INDICATOR BULLETIN

Spending sees broad-based support

## Key points

- Household spending rose 1.3%*mt* in May, fully unwinding April's -1.1%*mt* fall, with annual growth strengthening to 5.5%*yr*.
- Services led the rebound after a sharp fall in April, while goods spending rose modestly. Discretionary spending outperformed, while non-discretionary spending edged lower.
- The increase was broad based, with all nine spending categories recording gains. Clothing & footwear, miscellaneous goods & services, and hotels, cafes & restaurants led the gains, while transport spending rebounded as travel-related refunds normalised following April's disruption.
- All states except Tasmania posted gains, with WA outperforming and recording its strongest monthly increase since 2022.
- The outlook for consumer spending remains soft, with consumer sentiment continuing to decline and card activity pointing to a clear moderation in momentum.

Monthly Household Spending Indicator Growth



**May household spending indicator: 1.3%*mt*, 5.5%*yr***

# All spending categories see a rise



**Luka Belobrajdic**  
Economist

The monthly household spending indicator rose 1.3%*mt* in May, fully unwinding April's -1.1%*mt* fall. Today's result came in stronger than both our expectation for a 0.7%*mt* rise and the market's expectation of 0.5%*mt*. With March data revised slightly higher to a 1.7%*mt* increase, annual growth strengthened to 5.5%*yr*. The three-month growth pace also firmed, rising to 1.7%*qtr* from 1.1%*qtr* previously.

By broad category, services led the rise, posting a 2.6%*mt* gain (5.1%*yr*) following a -1.8%*mt* result in April. Meanwhile, goods spending rose a modest 0.1%*mt* (5.9%*yr*), nevertheless marking a reversal in last month's weakness. Discretionary spending increased 2.1%*mt* (5.6%*yr*), while non-discretionary spending declined -0.2%*mt* (5.2%*yr*).

Across the detail, all nine spending categories recorded gains, highlighting the broad-based nature of the increase. Clothing & footwear led the gains, rising 2.7%*mt*, with the ABS attributing the increase to base effects associated with sales events in April. Miscellaneous goods & services also posted a solid rise, increasing 2.2%*mt* in May. Hotels, cafes & restaurants rose 1.9%*mt*, driven primarily by restaurant meals, takeaway and dining out, supported by sporting and cultural events across Australia as well as higher hospitality prices.

Transport spending rose 1.4%*mt*, following April's sizeable decline associated with the halving of the fuel excise. The ABS noted that the increase largely reflected travel-related refunds returning to more typical levels after being significantly elevated in April due to flight cancellations associated with the Middle East conflict. Excluding air transport spending, total household spending would have risen 0.6%*mt*. Elsewhere, all remaining categories recorded gains, with food spending rising 1.1%*mt*, alcoholic beverages & tobacco 1.0%*mt*, furnishings & household equipment 0.8%*mt*, recreation & culture 0.8%*mt*, and health 0.2%*mt*.

State outcomes were broadly positive, with all jurisdictions except Tasmania recording gains. Tasmania declined -0.5%*mt*, while WA outperformed, rising 2.6%*mt*, its strongest result since 2022, consistent with the state's strength in non-fuel spending observed in our latest Westpac-DataX Card Tracker data (see [here](#)). Victoria (+1.7%*mt*), SA (+1.6%*mt*), Queensland (+1.1%*mt*) and NSW (+0.7%*mt*) also posted gains in the month.

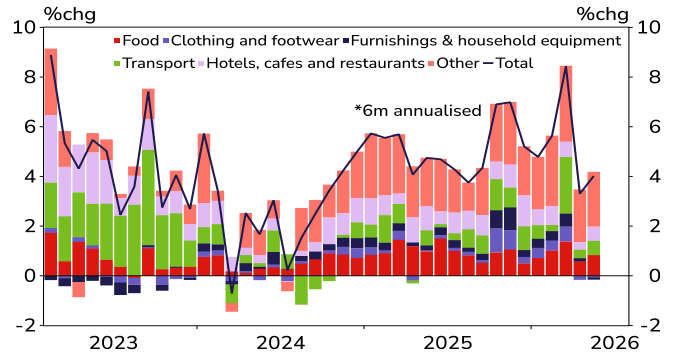
Looking ahead, the outlook for consumer spending remains soft. Our Westpac-DataX Card Tracker points to a clear moderation in activity excluding fuel through to end-May, while consumer sentiment declined further in June from already historically low levels, with cost-of-living pressures remaining front of mind (see [here](#)).

## Household spending indicator – May 2026

	\$bn		% chg mth		% chg yr	
	May-26	Apr-26	May-26	Apr-26	May-26	May-26
sa	80.64	-1.1	1.3	5.1	5.5	
trend	80.20	0.4	0.3	5.1	5.1	

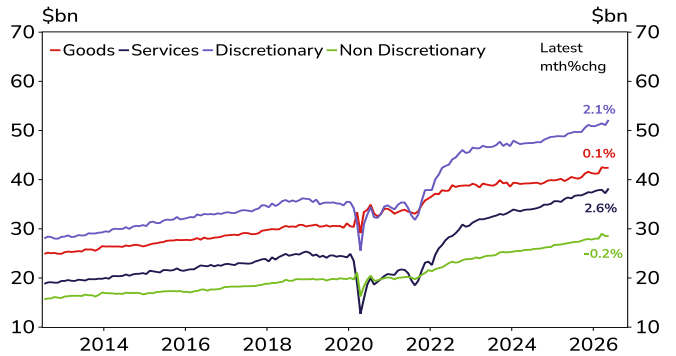
Source: ABS, Macrobond, Westpac Economics.

## Contribution to growth by category



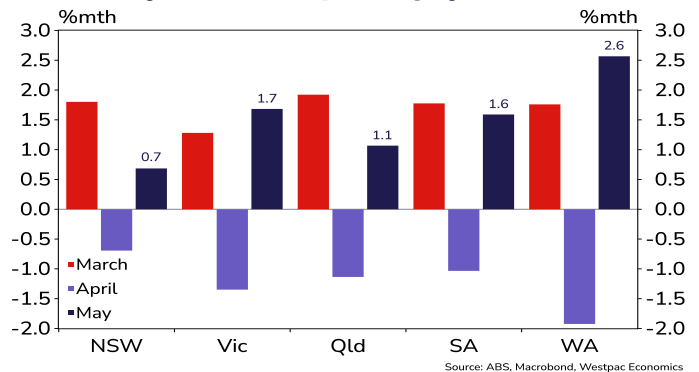
Source: ABS, Macrobond, Westpac Economics

## Goods, services, discretionary & non-discret.



Source: ABS, Macrobond, Westpac Economics

## Monthly household spending by state



Source: ABS, Macrobond, Westpac Economics

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,



# Corporate Directory

## Westpac Economics / Australia

**Sydney**  
Level 19, 275 Kent Street  
Sydney NSW 2000  
Australia

E: [economics@westpac.com.au](mailto:economics@westpac.com.au)

**Luci Ellis**  
Chief Economist Westpac Group  
E: [luci.ellis@westpac.com.au](mailto:luci.ellis@westpac.com.au)

**Matthew Hassan**  
Head of Australian Macro–Forecasting  
E: [mhassan@westpac.com.au](mailto:mhassan@westpac.com.au)

**Elliot Clarke**  
Head of International Economics  
E: [eclarke@westpac.com.au](mailto:eclarke@westpac.com.au)

**Sian Fenner**  
Head of Business and Industry Economics  
E: [sian.fenner@westpac.com.au](mailto:sian.fenner@westpac.com.au)

**Justin Smirk**  
Senior Economist  
E: [jsmirk@westpac.com.au](mailto:jsmirk@westpac.com.au)

**Pat Bustamante**  
Senior Economist  
E: [pat.bustamante@westpac.com.au](mailto:pat.bustamante@westpac.com.au)

**Mantas Vanagas**  
Senior Economist  
E: [mantas.vanagas@westpac.com.au](mailto:mantas.vanagas@westpac.com.au)

**Ryan Wells**  
Economist  
E: [ryan.wells@westpac.com.au](mailto:ryan.wells@westpac.com.au)

**Illiana Jain**  
Economist  
E: [illiana.jain@westpac.com.au](mailto:illiana.jain@westpac.com.au)

**Neha Sharma**  
Economist  
E: [neha.sharma1@westpac.com.au](mailto:neha.sharma1@westpac.com.au)

**Luka Belobrajdic**  
Economist  
E: [luka.belobrajdic@westpac.com.au](mailto:luka.belobrajdic@westpac.com.au)

## Westpac Economics / New Zealand

**Auckland**  
Takutai on the Square  
Level 8, 16 Takutai Square  
Auckland, New Zealand

E: [economics@westpac.co.nz](mailto:economics@westpac.co.nz)

**Kelly Eckhold**  
Chief Economist NZ  
E: [kelly.eckhold@westpac.co.nz](mailto:kelly.eckhold@westpac.co.nz)

**Michael Gordon**  
Senior Economist  
E: [michael.gordon@westpac.co.nz](mailto:michael.gordon@westpac.co.nz)

**Darren Gibbs**  
Senior Economist  
E: [darren.gibbs@westpac.co.nz](mailto:darren.gibbs@westpac.co.nz)

**Satish Ranchhod**  
Senior Economist  
E: [satish.ranchhod@westpac.co.nz](mailto:satish.ranchhod@westpac.co.nz)

**Paul Clark**  
Industry Economist  
E: [paul.clarke@westpac.co.nz](mailto:paul.clarke@westpac.co.nz)

## Westpac Economics / Fiji

**Suva**  
1 Thomson Street  
Suva, Fiji

**Shamal Chand**  
Senior Economist  
E: [shamal.chand@westpac.com.au](mailto:shamal.chand@westpac.com.au)



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