

# RETAIL SPENDING PULSE

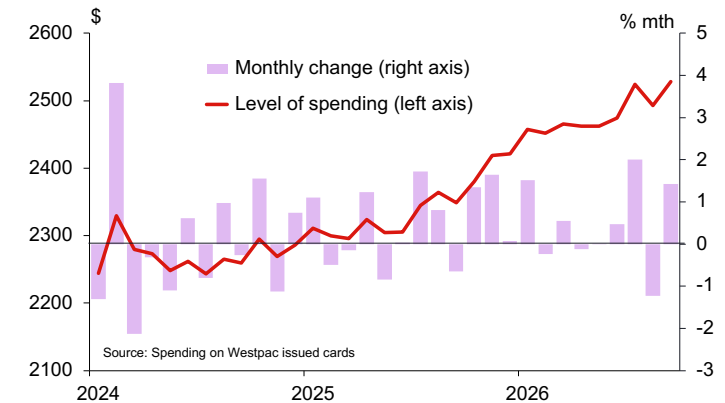
7 October 2026



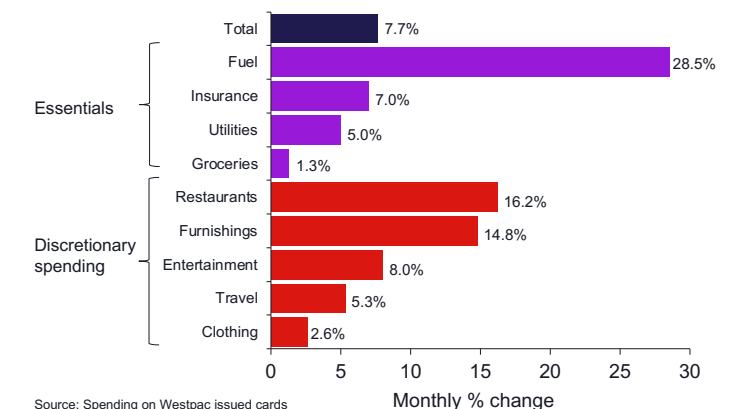
# Spending holding up (for now) as fuel prices rocket higher

- Per-person spending on Westpac issued credit and debit cards was up 1.4% in September and is up 7.7% compared to this time last year.
- Part of the reason for the lift in spending over the past month was the large increase in fuel prices. That saw spending on fuel rising 3.8% over the past month, even as the volume of petrol purchased fell. Fuel spending is up 28% compared to this time last year.
- However, even excluding spending on fuel, spending levels have continued to climb.
- Looking under the surface, we are spending more on essentials and in non-discretionary areas. Notably, spending on utilities (like electricity) is up 5% over the past year, while spending on insurance is up 7%. Those are both areas where we have seen big cost increases.
- But there's also been a sizeable lift in discretionary spending categories, like furnishings (up 15%yr) and dining out (+16%). That points to resilience in spending appetites in the face of cost of living pressures and other headwinds.
- Spending on travel has also held up in the wake of the Middle East war, though many of us are choosing to travel to more budget-friendly destinations or those that are viewed as less risky.

Monthly retail spending (per person, seasonally adjusted)



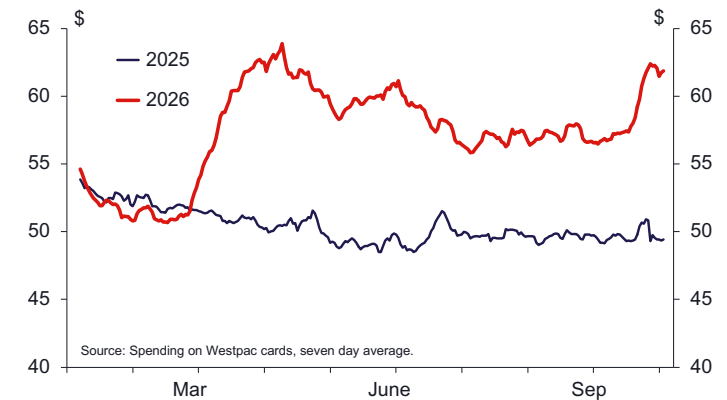
Annual spending growth (per person)



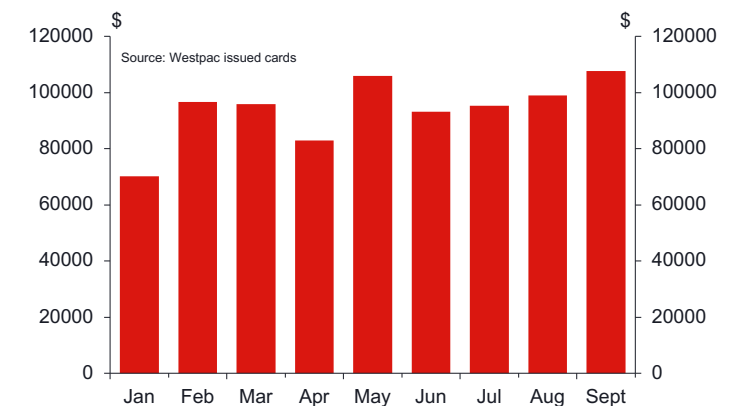
## Continued pain at the pump

- Fuel prices have rocketed higher over the past month, with the nationwide average price for 91 unleaded reaching \$3.53/litre in recent days. That's higher than we saw in the early stages of the Middle East war.
- That sharp rise in fuel costs is draining money from households' wallets, with spending on fuel up 28% compared to this time last year.
- In response to those higher prices, New Zealanders are driving less and filling up less often. That has seen the volume of fuel sold drop by around 9% compared to this time last year.
- Higher fuel prices have prompted other changes also. Daily spending on public transport is up about 12% since the end of February.
- Households have also told us that they've been more cautious about their discretionary spending since fuel prices have risen. Even when it comes to spending on essentials like groceries, many households have said they're now purchasing fewer or cheaper items.

Average fuel spend per transaction



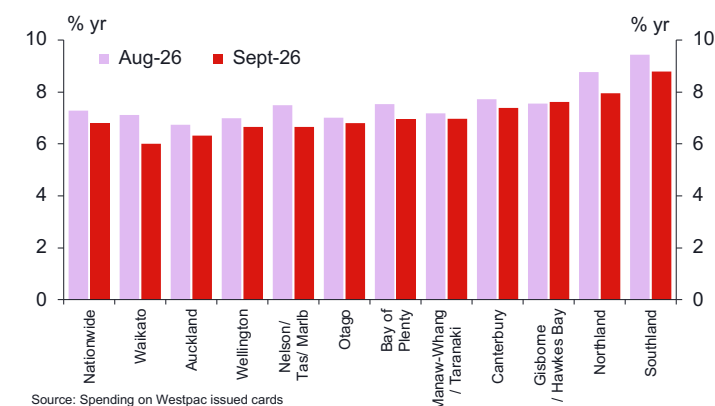
Average daily spending on public transport



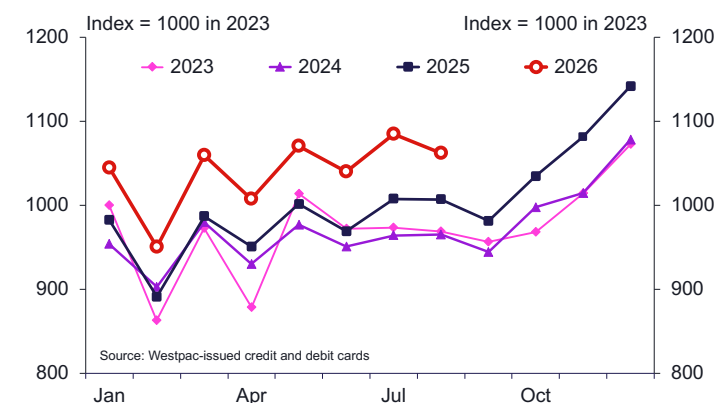
## Regional breakdown

- The impact of higher fuel prices and increases in other living costs is being felt right across the country. That has seen spending growth slowing in every region over the past month.
- Southland has continued to record the strongest spending growth in the country. However, the strength in commodity export earnings is helping to support earnings, confidence and spending in many areas with strong rural backbones.
- In contrast, spending growth in Auckland and Wellington is continuing to trail most other parts of the country, consistent with the softness in their labour markets.

Annual spending growth - past three months compared to same time last year



Spending on Westpac credit and debit cards (per person)



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