



Summary

Monthly % Change (Trend):

Queensland	↑	0.1
Rest of Australia	↑	0.3

- Monthly growth in Queensland's nominal retail turnover continued to moderate in April 2004 and remained below the rest of Australia for the fourth consecutive month.

Analysis

Queensland

- Monthly nominal retail trade growth eased further to 0.1% in April 2004, the lowest monthly growth since August 2001. However, this follows a period of exceptionally strong growth in 2003 not seen since the Expo in 1988.
- As a result of the very strong growth in 2003, annual retail trade growth in Queensland was 11.5% in April 2004. The rest of Australia recorded 6.8% growth in annual terms.
- Household goods and food retailing contributed most to monthly retail trade growth in April, each contributing 0.1% point. Meanwhile, hospitality and services retailing declined for the third consecutive month, detracting 0.2% point from growth.
- In annual terms, Queensland continued to record the highest growth of all states for the sixth consecutive month. However, monthly growth in Queensland in April 2004 was exceeded by Western Australia, Victoria and South Australia, while retail growth in Tasmania and New South Wales equalled that in Queensland.

National

- Nationally, monthly growth eased to 0.2% in April 2004 from 0.3% in March. Annual growth also continued to ease, to 7.7% from a recent peak of 8.5% in January 2004.

Implications

- The moderation in retail trade growth in Queensland in recent months reflects the normal cyclical pattern of retail trade growth.
- The extraordinary retail trade growth recorded in mid 2003 reflected a combination of increased activity associated with the very strong housing market, strong employment growth and the appreciating \$A. With growth of activity in the housing market moderating, employment growth easing and the exchange rate stabilising in recent months, retail turnover growth has eased.
- However, while retail trade growth may remain relatively subdued in the short term, Queensland businesses expect an improvement in sales in coming months, which is likely to be supported by the State's strong population growth.

Table 1. Retail Turnover, April 2004

States/Australia	% change	
	Monthly trend	Annual trend
Queensland	0.1	11.5
New South Wales	0.1	5.6
Victoria	0.4	9.1
South Australia	0.3	5.0
Western Australia	0.6	7.8
Tasmania	0.1	10.6
Rest of Australia	0.3	6.8

Chart 1. Nominal Retail Turnover (monthly % change, trend)

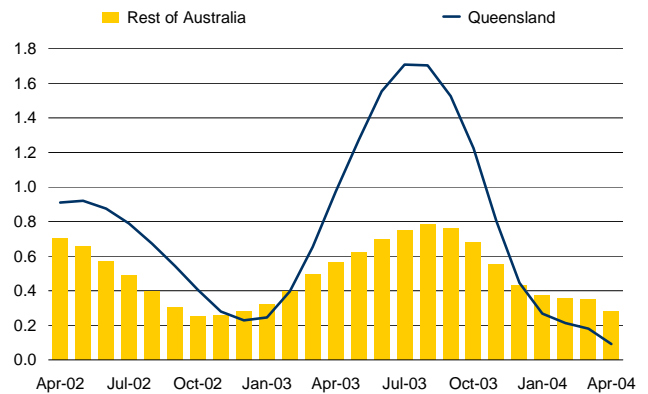


Chart 2. Retail Turnover by Industry Group (% point contribution to growth, trend, April 2004)

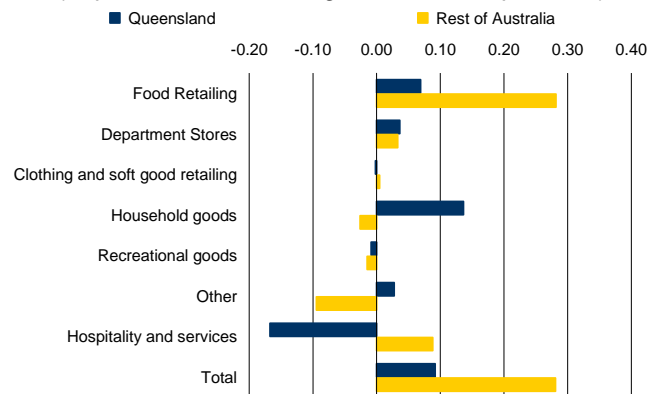


Chart 3. Retail Turnover – Interstate Comparison (annual % change, trend, April 2004)

