Media Release – 13 November 2019

ARA/ROY MORGAN PRE-CHRISTMAS PREDICTIONS OFFER CHEER DESPITE TRYING TIMES ACROSS MUCH OF AUSTRALIA

The Executive Director of the Australian Retailers Association, Russell Zimmerman, said ARA/Roy Morgan forecasts for pre-Christmas retail trade offered some cheer for a sector that has struggled in 2019, but acknowledged this came as much of Australia faced risks of natural disaster and a bleak Christmas indeed.

Speaking at the release of annual joint ARA/Roy Morgan pre-Christmas predictions for 2019 – covering 12 November to 24 December – Mr Zimmerman said Australians will spend almost $53bn before Christmas, but emphasised this was predicated on the regions "getting lucky" by avoiding bushfires or other natural disasters.

"We live in the best country on Earth, but that comes with some terrible drawbacks; one of those is summer disasters – fires, cyclones, floods – that sadly afflict some parts of the country," Mr Zimmerman said.

The ARA is expecting a solid if unspectacular retail trade as Christmas approaches," he added.

Mr Zimmerman said the ARA/Roy Morgan forecast of 2.6% retail sales growth from the equivalent period in 2018 reflected the difficult year the sector has faced in 2019, but offered retailers some cheer and the prospect of better times in 2020.

"While the headline figure is down on 2018, it's better than we've seen in recent months," Mr Zimmerman said.

"Sales of food are tipped to be very strong, at over $21bn; whether it's a cold seafood buffet or a roast turkey with the trimmings, Australians love their Christmas lunch or dinner, and these figures show 2019 will be no different," he said.

Mr Zimmerman noted Australians were set to spend $4.17bn on clothing, footwear and accessories, and almost $8bn on "other retail," which covered online, and was set to deliver the strongest increase (3.7%) across all retail categories.

Across the states and territories, Queensland (3.6%) and Victoria (3.0%) led predicted pre-Christmas retail sales growth, which Mr Zimmerman said mirrored trading trends seen throughout the year in official ABS retail sales data.

Mr Zimmerman said the ARA was deeply sensitive to the threat of bushfires faced across Queensland and New South Wales at the time the predictions for pre-Christmas trade were released, and said the Association's thoughts and prayers for a safe, secure and happy summer season and Christmas were with those people in affected areas.

"Thousands of our members – their families, their employees, their communities – are located outside major cities and in areas threatened by disasters like this, so we know many of them and feel for them all," Mr. Zimmerman said.

"The best Christmas present they could get is to avoid these disasters altogether – today it's a fire risk – that unfortunately are part and parcel of living in this wonderful but drought-ravaged and fire-prone country," he added.

We wish all retailers a very Merry Christmas, and all Australians, a wonderful time with their families and friends."

Mr Zimmerman said annual ARA/Roy Morgan pre-Christmas forecasts were the only professionally researched industry predictions in Australia, and said today's forecasts offered a comprehensive preview of retail trade ahead of Christmas.

ARA/Roy Morgan Pre-Christmas Sales Predictions – 12 November-24 December 2019

Forecast 2019 Pre-Christmas Sales Growth, by Category

Category	2018 Pre-Xmas sales ($m)	2019 Pre-Xmas sales forecast ($m)	Forecast growth
Food	20,996	21,678	3.2%
Household Goods	8,750	8,801	0.6%
Clothing, Footwear and Accessories	4,051	4,174	3.0%
Department Stores	2,960	2,975	0.5%
Other Retailing	7,373	7,649	3.7%
Hospitality	7,284	7,451	2.3%
National	**51,414**	**52,728**	**2.6%**

[ARA/ROY MORGAN]

Forecast 2019 Pre-Christmas Sales Growth, by State

State/Territory	2018 Pre-Xmas sales ($m)	2019 Pre-Xmas sales forecast ($m)	Forecast growth
New South Wales	16,449	16,782	2.0%
Victoria	13,443	13,844	3.0%
Queensland	10,257	10,624	3.6%
South Australia	3,350	3,420	2.1%
Western Australia	5,432	5,524	1.7%
Tasmania	1,036	1,060	2.3%
Northern Territory	488	490	0.4%
Australian Capital Territory	959	984	2.6%
National	**51,414**	**52,728**	**2.6%**

[ARA/ROY MORGAN]

For more Christmas predictions, visit www.australian-retailers-association.com/christmas-predictions

To interview Mr Zimmerman or for more details: Tim Janczuk (m) 0431 045 373 (e) media@retail.org.au