

NAB Consumer Spend Trend March 2026



NAB Economics & Markets Research

Total spending

+2.1% MoM

+8.4% YoY

Total spending (ex. fuel)

+0.7% MoM

+7.5% YoY

Over the last month

+2.1%

Consumer spending

Essential items, particularly fuel, drove spending growth.

+3.7%

Goods spending

Goods spending growth was broad-based across categories.

+0.4%

Services spending

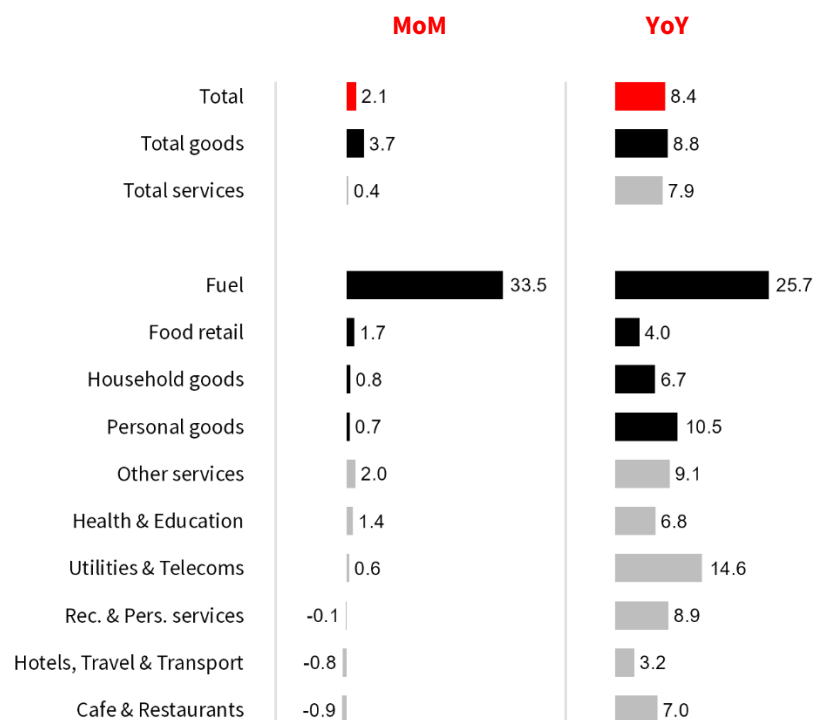
Higher services spending despite pullbacks in some discretionary services.

- Consumer spending rose 2.1% in March, driven by a sharp 33.5% increase in fuel spending.
- Excluding fuel, spending rose a solid 0.7% mom, supported by higher food spending (+1.7%), likely reflecting some stockpiling, and rising construction costs that lifted other services spending by 2.0%.
- While spending on discretionary goods remained resilient in March, consumers began to scale back on discretionary services.

Over the last year

- Excluding the March fuel price surge, personal goods led goods spending growth over the past year.
- In services, growth was led by utilities & telecoms and other services. Travel and hospitality spending rose more modestly.

NAB consumer spending by category

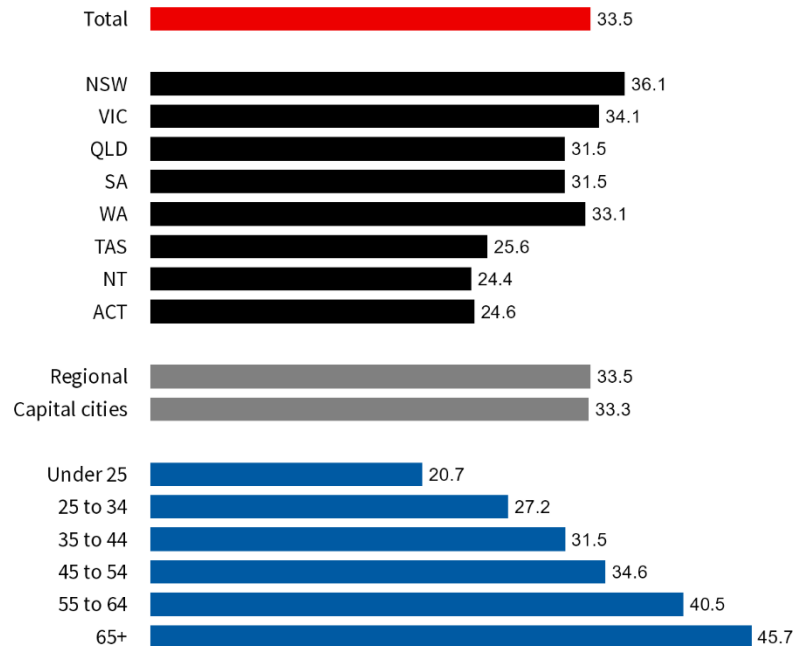


Special Topic: The surge in fuel spending

Fuel spending up 34%, led by older age groups

- Fuel spending was 34% higher mom to be 25.7% over the year. The rise in fuel spending in the month was in line with the rise in prices. Price growth outpaced spend per transaction, meaning the number of transactions also rose in March and pointing to precautionary purchases and smaller refuelling “top-ups” as prices rose.
- Fuel spending recorded the strongest month-on-month growth in NSW and Victoria, the two largest states.
- Fuel spending growth was higher in older age groups, which may reflect greater ability to absorb cost increases or stronger precautionary spending behaviour.

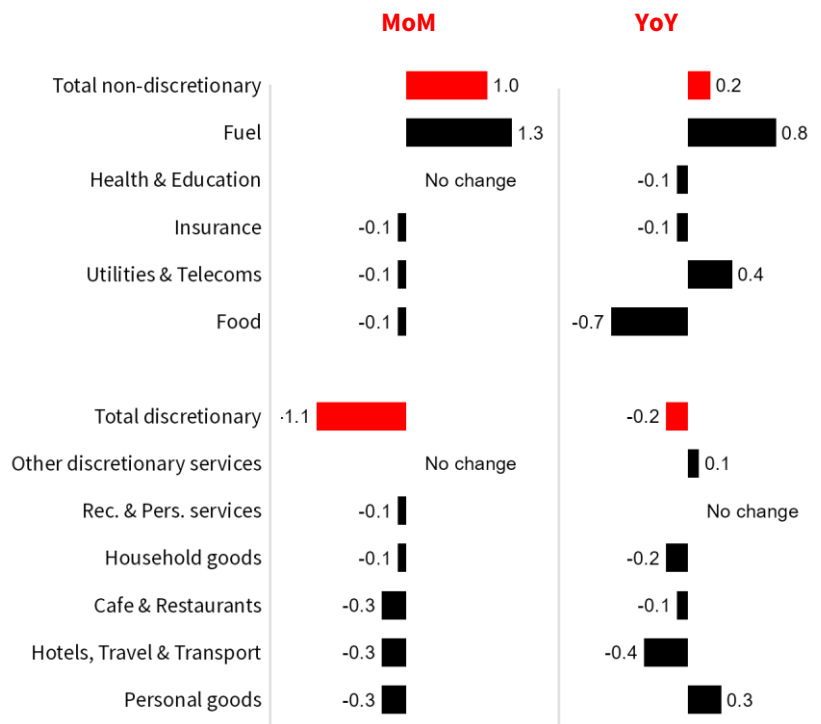
March fuel spending growth (% MoM)



Higher fuel drove increase in non-discretionary spending

- In March, spending shifted towards non-discretionary items, led by fuel, while discretionary spending declined, particularly on hospitality, hotels, travel & transport and personal goods.
- Outside of fuel, non-discretionary categories saw little change in their share of spend, reflecting limited flexibility in purchases and food spending benefitting from some households stockpiling non-perishable food items.
- For now, consumers have absorbed higher fuel expenses with only a small impact on their broader spending, though there is clear underperformance among discretionary categories. We expect renewed cost of living pressures to continue to place ongoing pressure on household budgets and weigh on discretionary purchases.

Change in share of total spend (ppt)



Spending by category

Personal goods

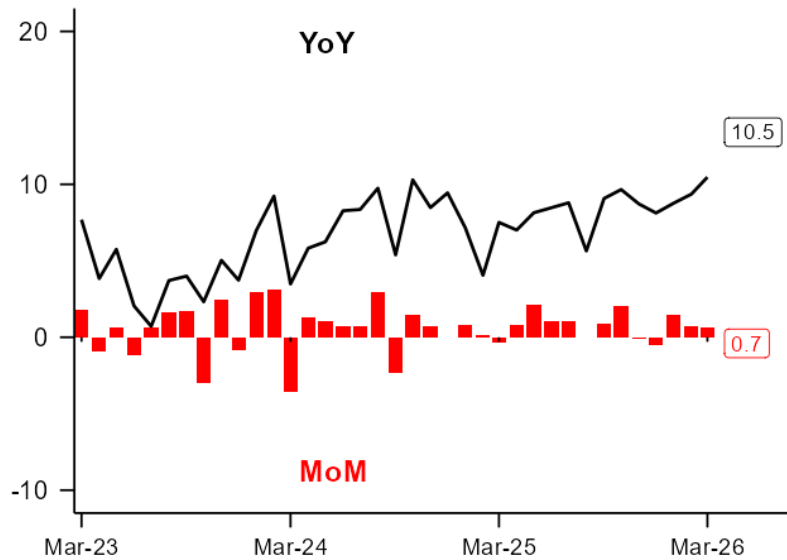
 **18%**
Share

 **+0.7%**
MoM

 **+1.7%**
3Mo3M

 **+10.5%**
YoY

- Personal goods spending rose for the third consecutive month, increasing 0.7% in March.
- Over the past 12 months, the strongest growth was recorded in toys and game retailing, pharmaceuticals, cosmetics, department stores and clothing.
- In contrast, spending on footwear and entertainment media declined over the past year.



Household goods

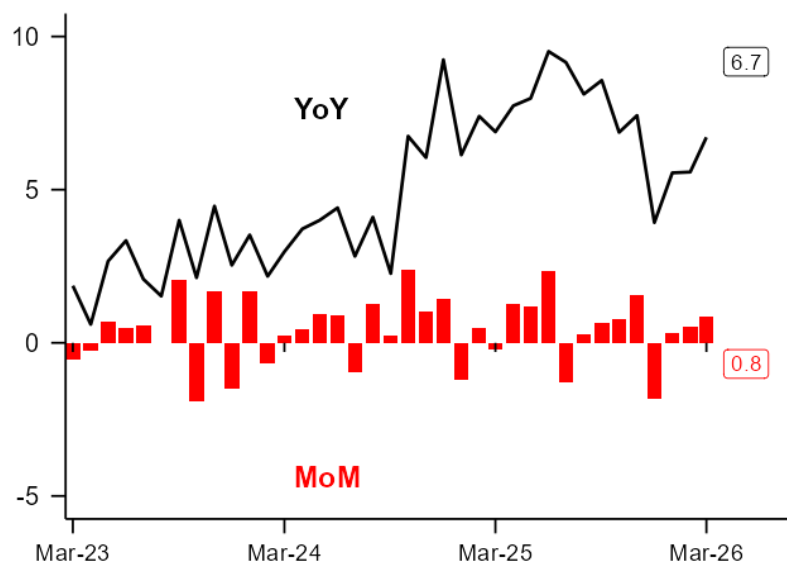
 **11%**
Share

 **+0.8%**
MoM

 **+0.2%**
3Mo3M

 **+6.7%**
YoY

- Despite higher fuel spending, consumers continued to spend on household goods. Spending in this category increased 0.8% in March and 6.7% over the past year.
- Motor vehicle parts, tyres and motor vehicle retailing were the main contributors to household goods spending growth over the year, with year-on-year growth in motor vehicle retailing accelerating sharply from February, potentially reflecting a lift in electric vehicle purchases following the fuel price shock.
- Meanwhile, spending on marine equipment and non-store retailing decreased relative to year ago levels.



Spending by category

Food retail



17%
Share



+1.7%
MoM

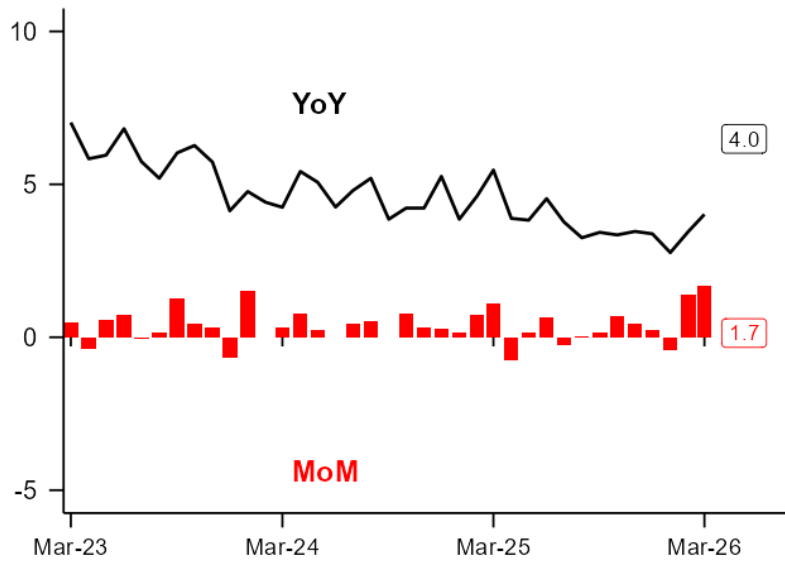


+1.3%
3Mo3M



+4.0%
YoY

- Food spending increased 1.7% in March and was up 4.0% over the past year. The recent acceleration may be the result of households stockpiling non-perishable food items.
- Over the past 12 months, spending at supermarkets and grocery stores drove the growth in food spending, which was partially offset by a decrease in spending on liquor.



Fuel



6%
Share



+33.5%
MoM

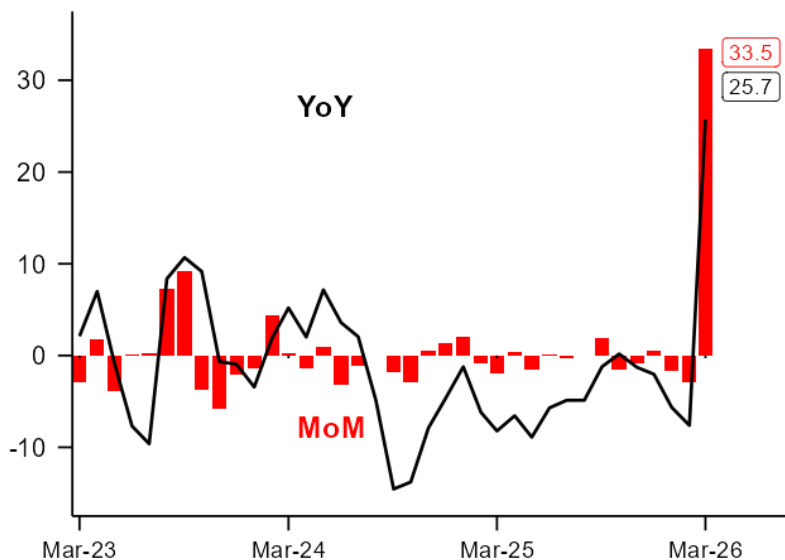


+7.1%
3Mo3M



+25.7%
YoY

- Fuel prices surged following the Middle East conflict, which drove fuel spending 33.5% higher in March and 25.7% over the past year.
- March data show that the increase in fuel spending was broadly similar across capital cities and regional areas.
- However, larger states such as NSW and VIC, along with older age groups (55 to 64 and 65+), recorded stronger fuel spending growth during the month.



Spending by category

Utilities & Telecoms



7%
Share



+0.6%
MoM

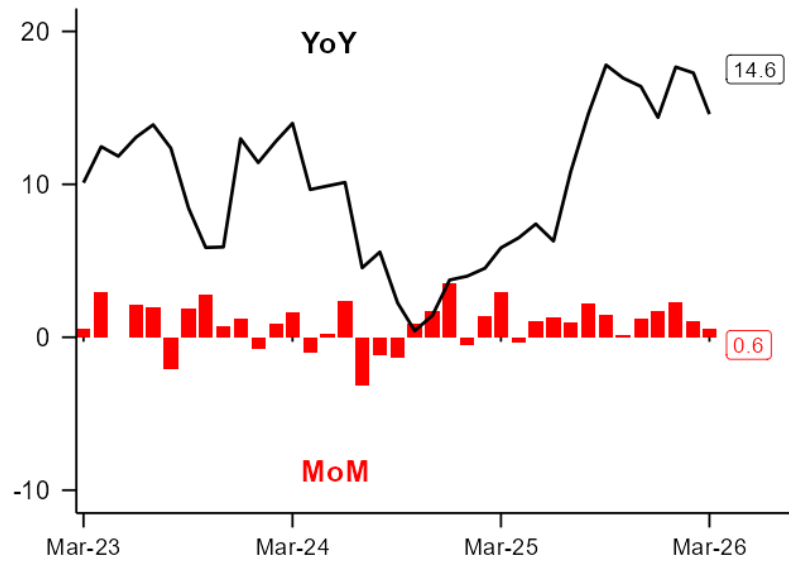


+4.9%
3Mo3M



+14.6%
YoY

- Utilities & telecoms spending lifted 0.6% in March, a slower pace of growth than seen in February.
- Over the past 12 months, growth in utilities & telecoms spending was largely driven by an increase in electricity spending following the end of energy bill rebates, alongside strong increases in internet publishing and broadcasting as well as software publishing.
- In contrast, spending on newspapers, books and other information services declined over the same period.



Health & Education



7%
Share



+1.4%
MoM

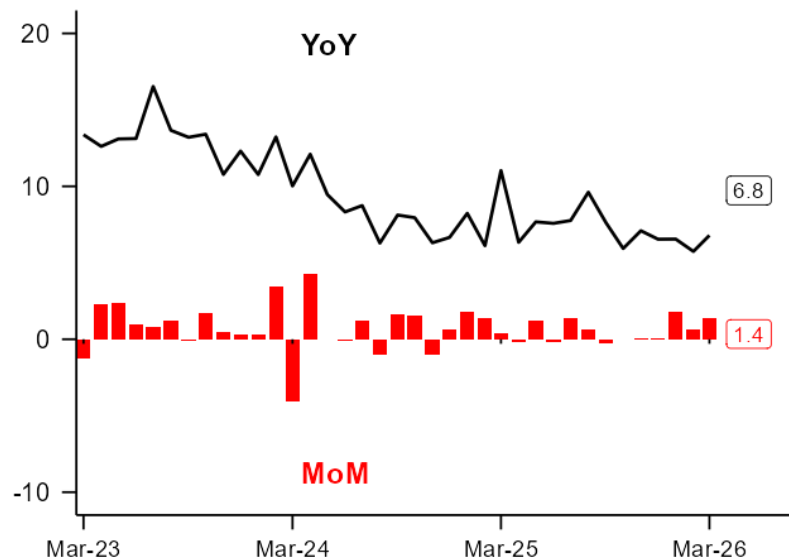


+2.8%
3Mo3M



+6.8%
YoY

- Health & education spending rose 1.4% in March, an acceleration from the more subdued growth last month.
- Over the past year, spending growth was strongest in pre-school education, pathology, and diagnostic imaging services.
- Meanwhile, spending on tertiary education, residential care services, and hospitals experienced slower growth.
- Earlier impacts of higher bulk-billing rates might have faded as medical services spending, particularly for GP services, picked up in March after several months of subdued growth.



Spending by category

Recreation & Personal services



4%
Share



-0.1%
MoM

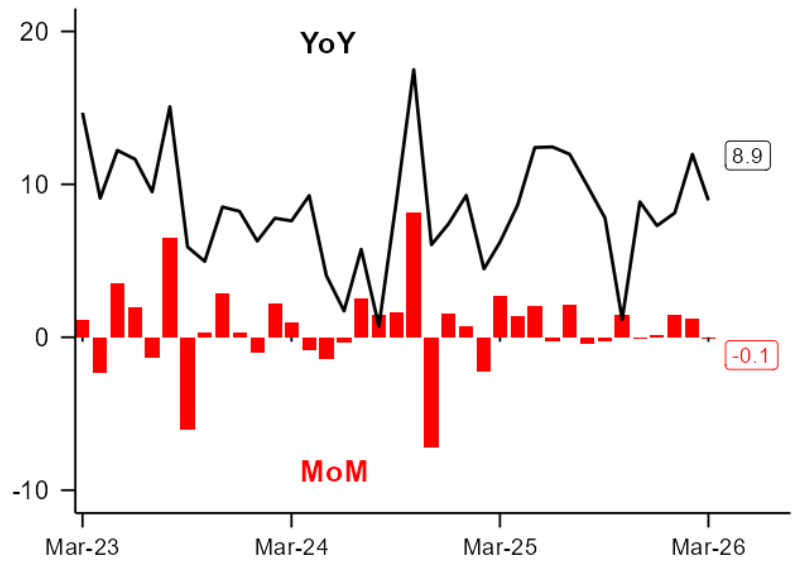


+2.3%
3Mo3M



+8.9%
YoY

- Recreation & personal services spending was broadly unchanged in the month, with growth easing to 8.9% over the year to March.
- Over the past year, strong spending growth was recorded in performing arts and sports and physical recreation activities.
- However, consumers cut back on gambling activities.



Hotels, Travel & Transport



9%
Share



-0.8%
MoM

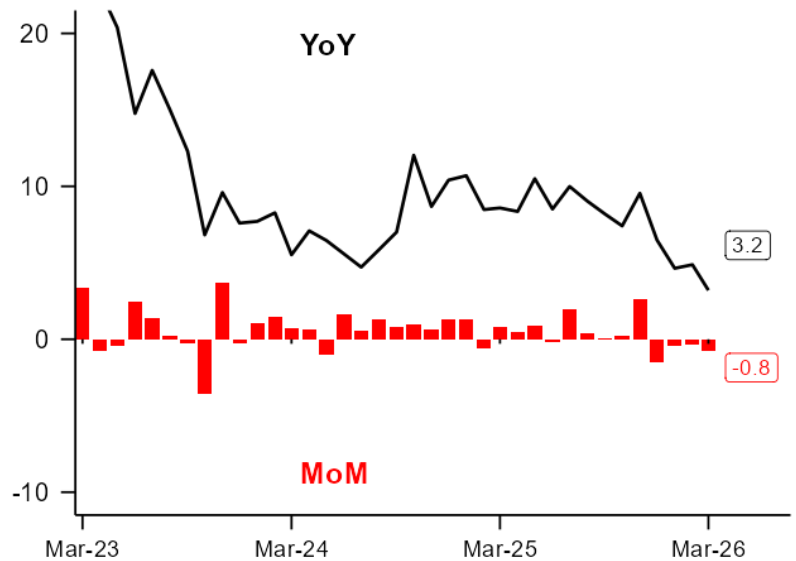


-1.2%
3Mo3M



+3.2%
YoY

- Hotels, travel & transport spending declined by 0.8% in March.
- The sharpest fall was in air and space transport, reflecting a rise in air ticket refunds following travel disruptions linked to the Middle East conflict. Notably, spending on accommodation and travel agency services held up, suggesting consumers largely proceeded with planned travel to geographies not impacted by the conflict.
- The decline was partly offset by a strong increase in rail passenger transport as more consumers shifted to public transport amid higher fuel prices. With states such as Victoria and Tasmania introducing free public transport from April, spending in this category is expected to moderate next month.



Spending by category

Cafe & Restaurants



10%
Share



-0.9%
MoM

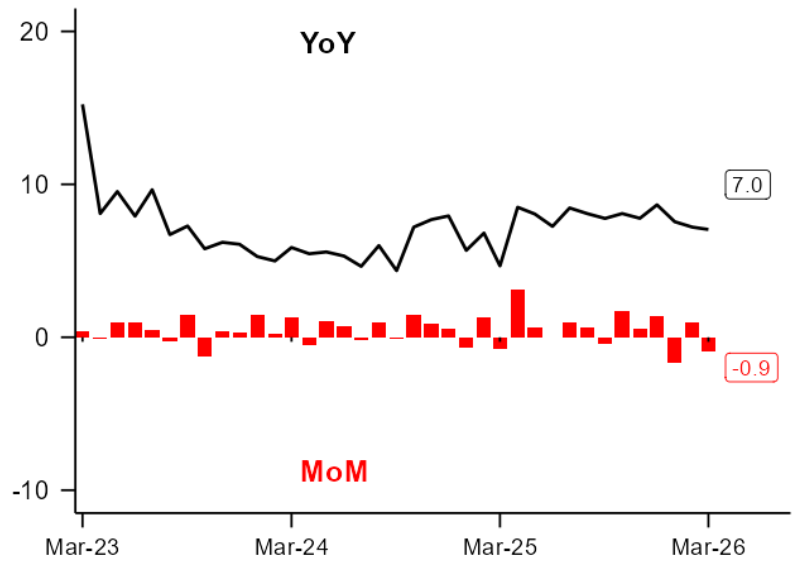


-0.3%
3Mo3M



+7.0%
YoY

- Hospitality spending fell 0.9% in March though it remained 7.0% higher over the past year. The annual growth in this component has eased since the peak in December.
- In March, consumers reduced spending on eating out while takeaway spending was broadly unchanged.
- Over the past year, the strongest spending growth was recorded in catering services and clubs while growth in takeaway food services and pubs was more moderate.



Other services



12%
Share



+2.0%
MoM

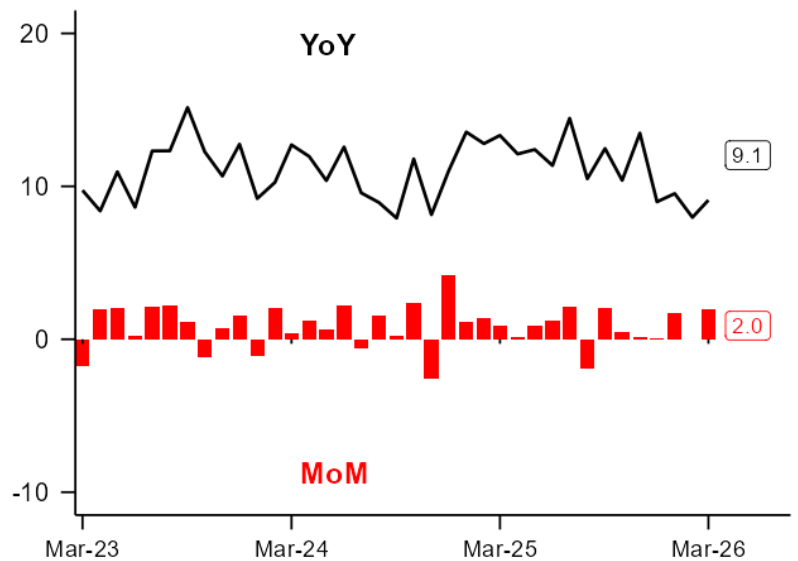


+2.4%
3Mo3M



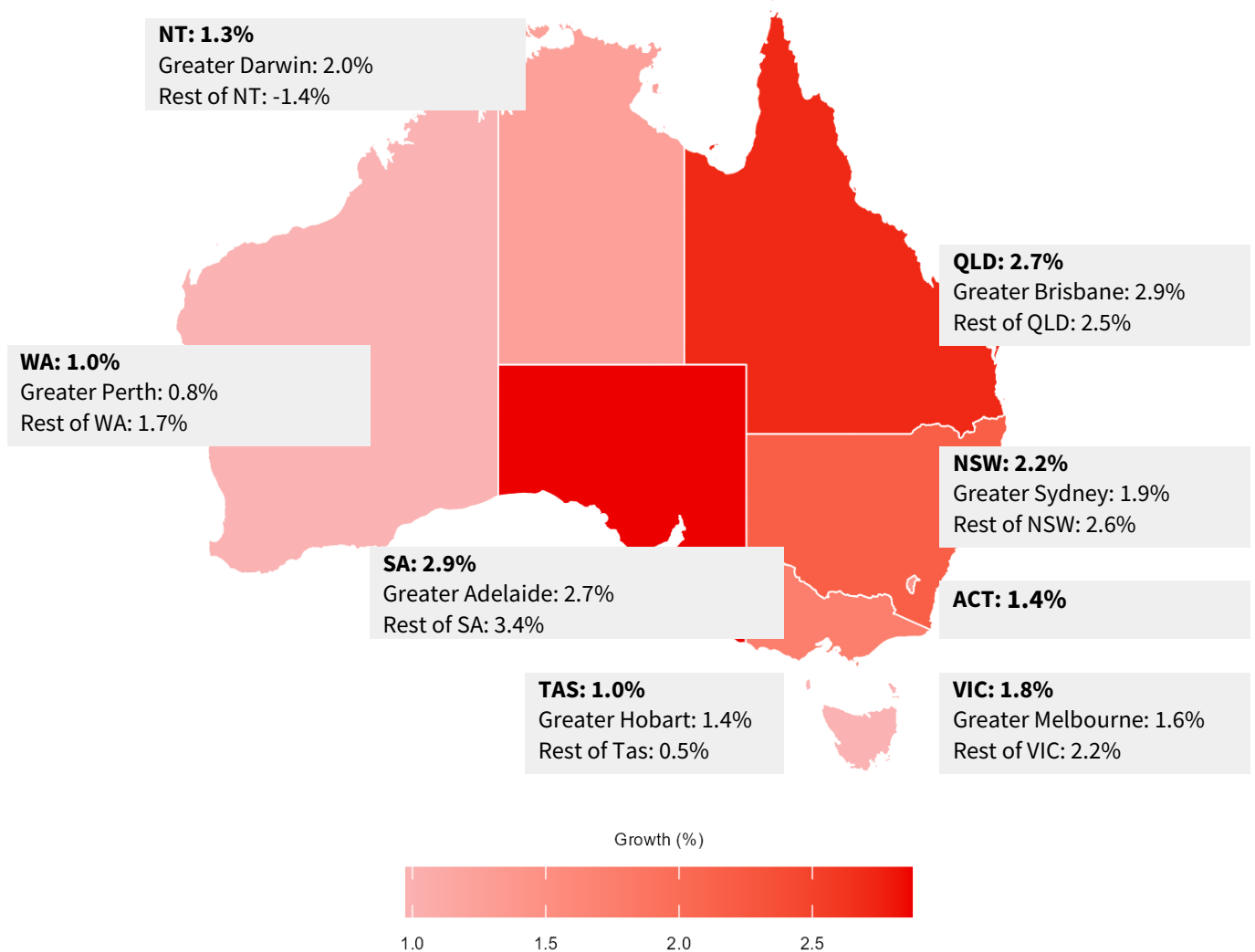
+9.1%
YoY

- Other services spending grew 2.0% in March, driven largely by increases in construction spending.
- Over the year to March, the strongest growth was recorded in spending on construction and maintenance activities. The recent pick-up potentially reflects higher cost of construction materials and expectations of further increased prices as a result of the Middle East conflict.
- Spending on general insurance including car insurance and house insurance also showed signs of acceleration over the past year, while spending on religious services and professional services declined.



Spending by region

Spending growth by region (MoM, %)



SA & QLD

Lead growth

+2.9%

Largest increase (SA)

+1.0%

Lowest increase (TAS & WA)

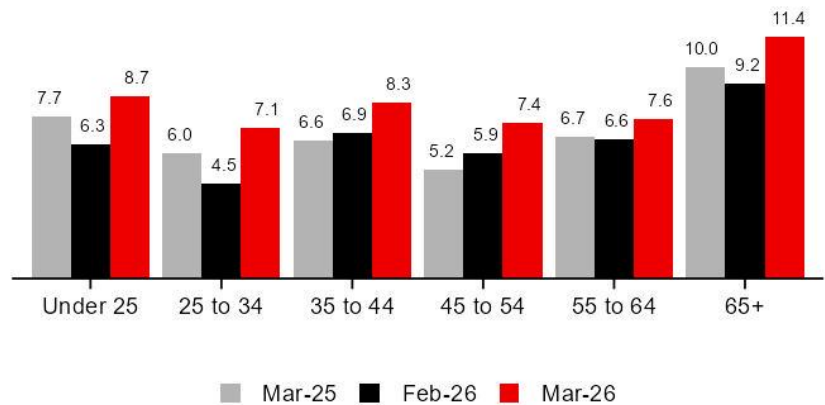
- Consumer spending grew across all states and territories, driven by a sharp lift in fuel spending following the fuel price surge.
- SA (2.9%) and QLD (2.7%) led the spending growth in March. Beyond fuel, spending growth in SA was supported by higher spending on hotels, travel and transport and household goods while QLD and larger states including NSW and VIC saw the highest growth in health & education and other services.
- Over the past year, spending growth across all states and territories has been driven primarily by essential categories, particularly utilities and fuel.

Spending by demographics



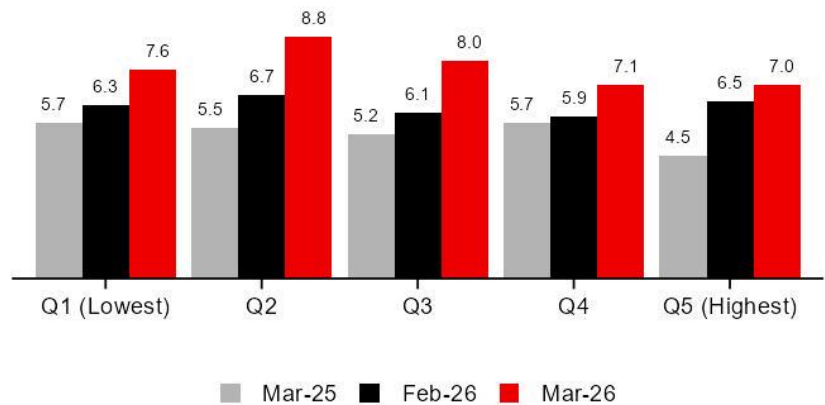
Spending by age (YoY, %)

- Higher fuel prices lifted spending growth across all age groups.
- Consumers aged over 65 experienced the strongest spending growth across most categories, particularly fuel, utilities and food, which may reflect stronger precautionary spending behaviour in response to the price shock compared to younger age groups.



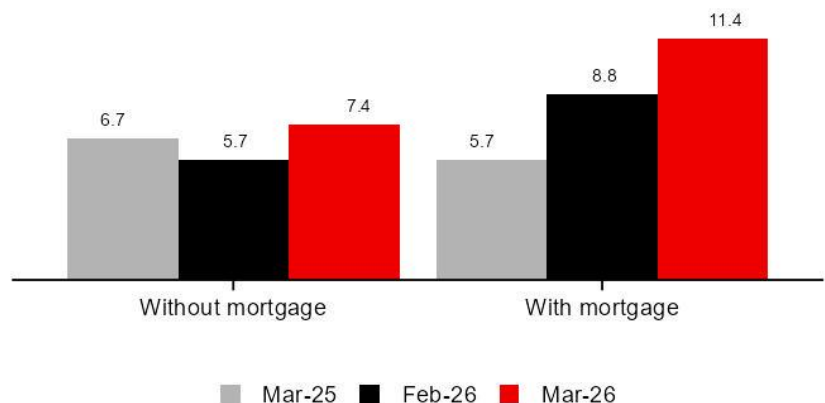
Spending by income (YoY, %)

- Over the year to March, people in lower income groups (Q1 – Q3) experienced stronger spending growth than people with higher income.
- While people with lower income saw stronger growth in spending on food, eating out and other services, people in top income quintiles spent more on recreation & personal services and hotels, travel & transport.



Spending by mortgage status (YoY, %)

- Spending growth among mortgage holders over the 12 months was around double that recorded over the same period last year.
- Except for utilities & telecoms, where spending growth was broadly similar, mortgage holders experienced stronger spending growth than non-mortgage holders across all other categories.
- As mortgage holders have higher average fuel spending and construction spending, the fuel price shock impacts may weigh more heavily on this group.



About this report

NAB publishes aggregated customer transaction data with the view to providing real-time insights into economic activity in Australia. NAB takes data privacy very seriously. All customer transaction data has been aggregated and no individual's data is specifically identified or analysed as part of this process. The underlying data used in this report are not sold or made publicly available. This monthly report replaces the fortnightly *Data Insights* report and the monthly *NAB Cashless Retail Sales Index*, which were discontinued in October 2022.

Consumer Spending Methodology

Data on consumer spending are derived from NAB electronic transactions data, encompassing more than 4 million transactions per day. The data include transactions made by EFTPOS, Credit Card, BPAY, Bank Transfers, Direct Debits and Paypal services where available, and include transactions with Australian and international merchants. Spending includes both online and offline transactions. The data excludes cash withdrawals made during a purchase and purchases made offline in an overseas location. As the data only capture electronic transactions, results can be affected by changes in the take-up rate of electronic payment methods relative to cash. State splits of spending are based on where the customer lives, which may or may not be where the actual spending activity occurs. Customers without an Australian residential address are excluded. Transactions attributable to non-consumer sectors including Manufacturing, Mining, and Wholesale are excluded, as are Financial & Insurance Services (excluding General Insurance, Health Insurance, Life Insurance and Auxiliary Insurance Services) transactions and Public Administration transactions (largely tax payments). Gambling spending and rental and mortgage payments are also excluded. Opportunities to expand coverage to include spending in these areas will be explored in the future. Individual industry and state series are seasonally adjusted using the X-11 method.

Spending categories

Personal goods	Pharmaceutical, cosmetic and toiletry goods, clothing, footwear, watches and jewellery, recreation goods including toys, games, newspapers, books, stationery, flowers
Household goods	Hardware, building and garden supplies, computers, electrical and electronic goods, furniture, vehicles and vehicle parts
Food retail	Supermarket and grocery stores, fresh fruit and vegetables, fresh meat, fish and poultry, liquor, other specialised food
Utilities & Telecoms	Electricity, water, waste collection, mobile phone services, internet, publishing and broadcasting services, data and other information services
Health & Education	Health services including GP, specialist, allied health, hospital, ambulance Childcare, school education, tertiary education, aged care, tutoring, arts and sports instruction
Recreation & Personal services	Sports, arts and recreation activities including event tickets, casino and lottery, personal care including hairdressing, parking, funeral and cemetery services
Hotels, Travel & Transport	Accommodation (hotels, short-term stays), transportation, rental vehicles, travel agent and tour arrangement services
Café & Restaurants	Cafes, restaurants, takeaways, pubs and clubs
Other services	Construction and home repairing/maintenance services, insurance, property management, professional services including accounting and legal services, vet, vehicle maintenance and repairing, other admin services and religious and interest group services

Spending by demographics

Spending analyses by age, income and mortgage status were conducted using restricted samples based on available customer data. Income includes earnings from wages, government allowances, rental income, interest and dividends. The sample excludes outliers and is segmented into 5 income quintiles with quintile 1 representing the lowest 20% of income earners and quintile 5 representing the highest 20%. Due to variations in sample composition, the results for spending by demographic groups may not correspond exactly to the overall totals.

Mortgage status

We have applied a cohort methodology to identify and track mortgage customers, matching to their spending over the analysis period. We may make changes to future iterations of the cohort, which may affect the time series.

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