



Australian National
Retailers Association

MEDIA RELEASE

ANRA is the voice of Australia's leading retailers

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RBA decision to 'press pause' is welcomed by retailers

"The Reserve Bank's decision to press the pause and leave interest rates unchanged at 3.75 per cent is a sensible move and is welcomed by the country's leading retailers," CEO of the Australian National Retailers Association Margy Osmond said today.

"Traditionally the first quarter of the year is the 'dead zone' for retailers and we're already seeing the sector slow in this post-stimulus economy," ANRA CEO Margy Osmond said. "It's extremely pleasing to see the Reserve Bank has listened to the concerns of retailers especially given the Christmas period was softer than we'd hoped for."

"It's only now, after the Christmas tree has been packed away and the credit card statements are on the kitchen table that people really begin to start factoring in the last three interest rate increases into their budgets and cutting back on their spending. Another interest rate rise would have been too much too soon."

Margy Osmond said official retail turnover figures for the month of December which will be released by the Australian Bureau of Statistics will give the first official indication of the strength of the Christmas trading period.

"Christmas was not as strong as retailers had hoped for, and apart from the burst of activity on Boxing Day, anecdotally we're hearing the post Christmas sales were patchy."

Retail is in for a tough year, with Access Economics forecasting that real retail sales will only grow by 2.1% in 2009-10, and 1.4% in 2010-11, before stronger growth returns in 2011-12 of 3.1%.

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