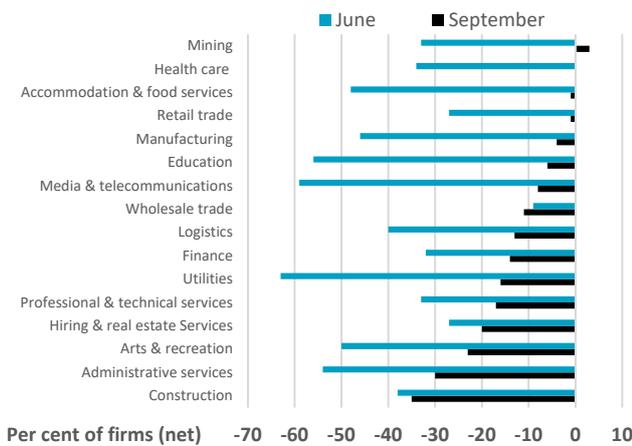


# ASFA Economic Snapshot: week ending 23 October

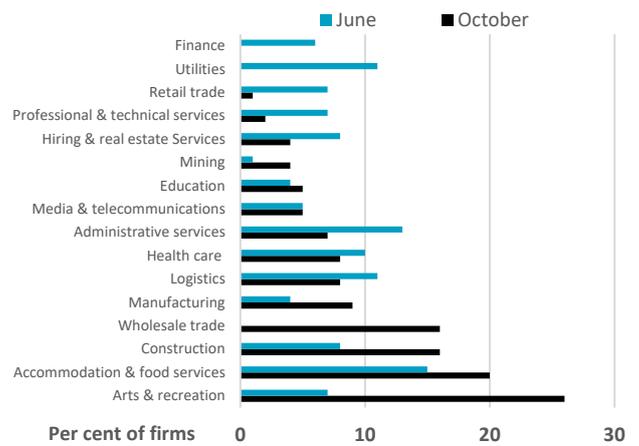
This is a weekly update on the impact of the COVID-19 pandemic on financial and economic conditions, in Australia and globally, and government policy measures to support economic activity and employment.

## Conditions for firms improving, but not in all sectors ...



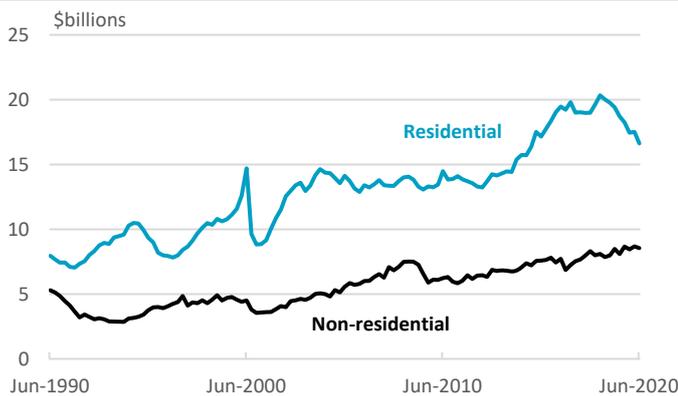
For each industry, this chart shows the proportion of firms that recorded a rise in monthly revenue, less the proportion that recorded a fall (in revenue). Conditions have improved across much of the economy since June. However, for September, only in the mining industry did more firms record a rise in revenue than a fall, and for some industries (e.g. construction) conditions appear little changed.

## ... while financial resilience has diminished in some



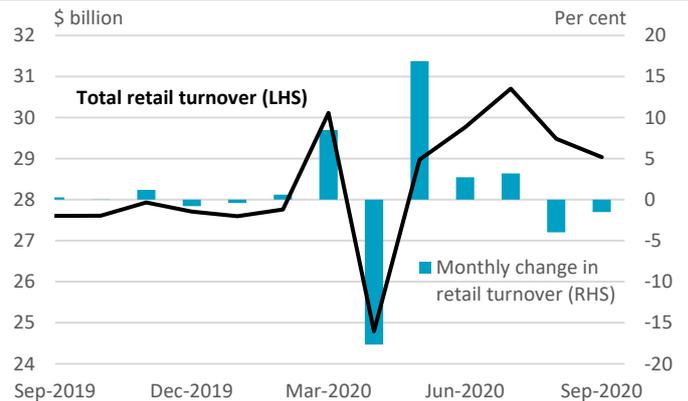
For each industry, this chart shows the proportion of firms for which cash-on-hand can only sustain business operations for less than one month (where cash includes savings, assets that can easily be sold, and unused credit facilities). Firms in industries that have been hit hardest by the crisis, and been under sustained pressure, have had to run-down cash to sustain operations – and are now less resilient to shocks.

## Less new building projects coming on-line ...



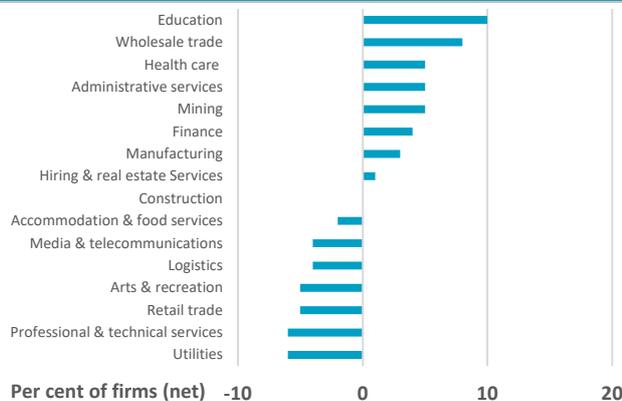
This chart shows the value of new building projects commenced each quarter – and thus is a leading indicator of building investment over coming months. Commencements of residential projects fell by 5% in the June quarter, while non-residential commencements fell by 2%.

## ... and retail spending down slightly



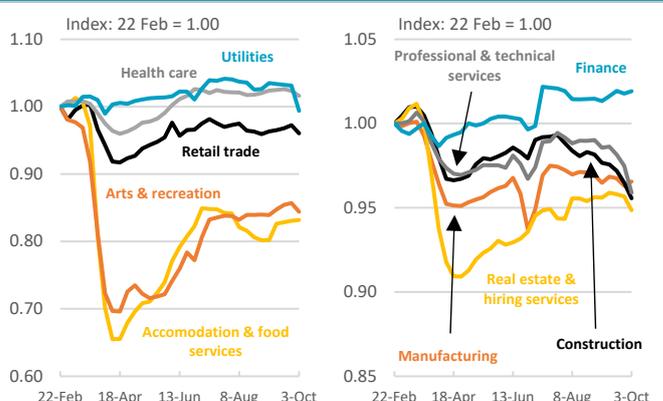
Preliminary retail trade data shows that total retail turnover fell by 2% in September, following a 4% fall in August (although total turnover remains higher than this time last year). Total turnover fell in every state and territory in September, except for the Northern Territory.

## Job conditions differ markedly across industries ...



For each industry, this chart shows the proportion of firms that recorded a rise in employment in September, less the proportion that recorded a fall (in employment). Consistent with data for business conditions (Panels 1 & 2), in around half of all industries, more firms reduced staff numbers than increased staff numbers (in September).

## ... with employment dropping quickly in some



Updated data for the number of payroll jobs emphasises the increasingly divergent conditions across (selected) industries into October. While employment is trending-up in some (e.g. finance), job-shedding has gained pace in others – particularly in construction and professional services (including those that support construction).

Sources for each panel: (1 & 2) ABS, *Business Indicators, Business Impacts of COVID-19*, October; (3) ABS, *Building Activity*, June; (4) ABS, *Retail Trade*, preliminary, September; (5) ABS, *Business Indicators, Business Impacts of COVID-19*, October; (6) ABS, *Weekly Payroll Jobs and Wages*, week ending 3 October.