

Australians tighten their belts after the holidays with 10.2% spending decline in January

5 February 2024

Sydney, Australia – Consumer spending in January declined 10.2% from December, according to the latest Beforepay Cost of Living Index. Australians reduced their average daily spending to \$58.12 in the month, down from \$64.69 in December 2023.

The month-on-month decline was greater than that seen between December 2022 and January 2023, when spending fell 8.4%, indicating slightly higher holiday spending this year and correspondingly greater cutbacks. The January figures are up 2.3% year-on-year from \$56.83 in January 2023.

Consumers decreased their spending in all categories tracked by the index with the exception of utilities, which saw a slight increase of 1.3%, rising to \$6.10 from \$6.02, driven in part by the warmer weather. Groceries experienced a slight dip of 1.7%, from \$15.43 to \$15.17, with more people eating at work than over the holidays.

Spending on food and drink, petrol and auto, along with durable goods shopping, entertainment, and fitness and health, all fell. The fitness and health sector observed a 12.5% decline, dropping to \$2.45 from \$2.80, while entertainment and durable goods shopping fell by 10.4% and 14.4%, respectively. The most significant drop was in general shopping, which plummeted by 33.3% to \$6.80 from \$10.19, following a spike over the holiday.

Jamie Twiss, CEO of Beforepay (ASX:B4P), commented on the latest data: "The January 2024 figures show that Australians are making sensible decisions about spending after relaxing during the holidays. Across-the-board reductions, while never fun, are an appropriate response to the higher spending we saw in December."

January 2024

Beforepay Cost of Living Index

The Beforepay Cost of Living Index tracks the Australian average daily spend across key spending categories including shopping, petrol, utilities, and groceries.

\$ 58.12

January 2024

⚡ **10.2%**
m/m

⬆️ **2.3%**
y/y

\$ 64.69

December 2023

\$ 56.83

January 2023



Note: Data is derived from Beforepay data, not adjusted for seasonality. It is provided for general info only and shouldn't be relied on. See full disclaimer at: blog.beforepay.com.au/the-beforepay-cost-of-living-index-january-2024

Beforepay													Cost of Living Index	
													Jan 2024 Update	
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	
Cost Of Living Index	\$56.83	\$58.23	\$57.17	\$58.84	\$55.49	\$58.88	\$65.13	\$61.92	\$61.14	\$60.52	\$62.23	\$64.69	\$58.12	
Sub Categories														
Groceries	\$15.27	\$15.27	\$15.06	\$15.24	\$14.62	\$14.70	\$15.85	\$15.60	\$15.34	\$15.43	\$15.28	\$15.43	\$15.17	
Food & Drink	\$10.22	\$10.08	\$10.15	\$10.52	\$10.06	\$10.45	\$12.02	\$11.65	\$11.24	\$11.12	\$11.07	\$11.32	\$10.53	
Petrol And Auto	\$7.60	\$7.95	\$7.87	\$7.85	\$7.35	\$7.46	\$7.99	\$8.09	\$8.30	\$8.18	\$8.41	\$7.95	\$7.53	
Shopping	\$6.44	\$6.59	\$6.53	\$7.04	\$6.58	\$8.30	\$8.56	\$7.47	\$7.36	\$7.37	\$8.06	\$10.19	\$6.80	
Utilities	\$5.80	\$6.18	\$6.01	\$5.96	\$5.76	\$5.98	\$6.47	\$6.14	\$6.21	\$6.06	\$6.34	\$6.02	\$6.10	
Entertainment & Leisure	\$3.07	\$3.10	\$3.00	\$3.10	\$2.89	\$3.05	\$3.52	\$3.28	\$3.35	\$3.29	\$3.29	\$3.56	\$3.19	
Durable Shopping	\$6.08	\$6.58	\$6.21	\$6.69	\$6.01	\$6.55	\$8.08	\$7.09	\$6.77	\$6.61	\$7.20	\$7.42	\$6.35	
Fitness & Health	\$2.35	\$2.48	\$2.34	\$2.44	\$2.23	\$2.39	\$2.64	\$2.60	\$2.57	\$2.46	\$2.58	\$2.80	\$2.45	

Note: Data is derived from Beforepay data, not adjusted for seasonality. It is provided for general info only and shouldn't be relied on. See full disclaimer at: blog.beforepay.com.au/the-beforepay-cost-of-living-index-january-2024



About the Beforepay Cost of Living Index

The Beforepay Cost of Living Index shows the average daily spend of Beforepay registered users across multiple household expense categories. As of June 2023, the average annual individual Beforepay customer gross income was \$60,469 (counting only the main source of income) with a broadly representative geographic and gender breakdown. The data may vary depending on the main bank account linked with Beforepay. To the maximum extent permitted by law, Beforepay and its related bodies corporate, make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this article and do not accept any liability for any loss whatsoever arising from the use of this article or its contents or otherwise arising in connection with it.

For more information about the Cost of Living Index visit the Beforepay website:

<https://blog.beforepay.com.au/tag/cost-of-living-index>

For more information, please contact:

Noeleene Yap

+61 489 995 082

Marketing & Communications Manager, Beforepay

mediaenquiries@beforepay.com.au

About Beforepay

Beforepay was founded in 2019 to support working Australians who have not been well-served by the traditional financial-services industry.

Beforepay is an ethical, customer-friendly way to help people manage temporary cash- flow challenges.

We've created a simple, transparent and inexpensive fee model that gives our customers total control. Importantly, unlike traditional products like credit cards, we charge only a small transaction fee, zero interest and no late fees.

We take our commitment to providing funds responsibly very seriously, and that includes only providing funds to people who meet our strict safeguards.

Our app also includes free budgeting tools and spending insights.

For more information visit: www.beforepay.com.au