



Paymark

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Spending momentum continues as winter comes to an end

Figures released today by leading payments provider Paymark show spending through the Paymark network continued to increase in the final month of winter, with figures up 7.6 per cent nationally from August 2012 to August 2013.

In fact, the surge of activity in the last three months has been the largest jump, in seasonally adjusted terms, since the three months ending February 2008. Spending on items, excluding fuel, was up a seasonally adjusted 2.7 per cent in the June to August three-month period compared with March to May this year. When including the more volatile fuel spend, the quarterly growth rate rises to 3.5 per cent.

Paul Whiston, Paymark Acting CEO, says the ongoing growth suggests the positive trend is more than just an anomaly. "While the growth spurt we've seen over the last few months has come during the traditional quiet winter months, and it's still inconsistent across regions and sectors, it's very promising to see the higher spending patterns continue."

Paymark, which processes around three quarters of all electronic transactions in New Zealand, saw that building outlets and hospitality providers were once again the big winners during August.

Year-on-year spending growth through hardware stores (+15.6%), furniture and floor covering outlets (+9.8%) and appliance stores (+8.1%) continued its upward trend of late. Likewise annual growth rates increased amongst cafés and restaurants (+11.7%), bars and clubs (+7.4%) and accommodation providers (+9.3%) remained solid.

Amongst the regions, the annual growth rate was highest in Marlborough, up 11.8 per cent year-on-year, followed closely by Palmerston North (10.5%) and consistent performer Canterbury (+9.5%).

“Canterbury spending has now well and truly superseded levels prior to the 2010 and 2011 earthquakes,” says Whiston. “It’s clearly benefiting from the rebuild as forecast. Canterbury is the region with the fastest spending growth rate through the Paymark network for the year-to-date, recording a healthy 8.1 per cent, which is significantly higher than the national year-to-date average of 5.3 per cent.”

Bucking the trend from a regional perspective this month was Southland which experienced comparatively low growth at 3.9 per cent, and the West Coast where spending showed a decline (-1.1%).

PAYMARK Regional Data (August 2013 versus same month 2012)						
Region	Volume (million transactions)			Value of spending (\$millions)		
	Last Year	Current Year	Volume Difference	Last Year	Current Year	Value Difference
Auckland/Northland	31.30	33.41	6.7%	\$1,524.4	\$1,657.6	8.7%
Waikato	5.75	6.00	4.4%	\$271.2	\$284.7	5.0%
BOP	4.74	5.01	5.7%	\$231.6	\$245.2	5.9%
Gisborne	0.71	0.75	5.6%	\$31.7	\$34.1	7.6%
Taranaki/Taupo	1.86	1.97	6.1%	\$87.1	\$92.2	5.8%
Hawke's Bay	2.11	2.26	7.2%	\$99.4	\$106.9	7.6%
Wanganui	0.90	0.97	7.0%	\$38.8	\$41.2	6.1%
Palmerston North	2.47	2.61	5.6%	\$124.5	\$137.5	10.5%
Wairarapa	0.72	0.75	5.4%	\$33.5	\$35.4	5.6%
Wellington	8.75	9.17	4.8%	\$385.2	\$403.0	4.6%
Nelson	1.40	1.50	7.1%	\$71.0	\$77.0	8.4%
Marlborough	0.75	0.81	8.8%	\$36.6	\$40.9	11.8%
West Coast	0.49	0.48	-0.2%	\$26.8	\$26.5	-1.1%
Canterbury	8.64	9.45	9.4%	\$423.2	\$463.5	9.5%
South Canterbury	1.22	1.31	7.9%	\$66.5	\$71.8	8.0%
Otago	4.36	4.67	7.1%	\$214.0	\$229.0	7.0%
Southland	1.77	1.85	4.7%	\$91.1	\$94.6	3.9%
New Zealand	77.94	83.00	6.5%	\$3,789.1	\$4,076.6	7.6%
	(growth rate this time last year)		5.9%			5.5%

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For more information or an interview with a Paymark spokesperson please contact:

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About Paymark

In November 2009, Paymark honoured a significant business, retail, and economic milestone with the celebration of its 20th birthday. Since its inception in

1989 when three banks came together to form Electronic Transaction Services Limited (now known as Paymark Limited), Paymark has grown to become an integral part of New Zealand's economic landscape with arguably the best EFTPOS system in the world.

Quick facts:

- By March 1990 volumes through the network exceeded 1 million transactions a month

- 1994 the company increased its computer processing power to accommodate volumes exceeding 10 million transactions a month

- 28 August 1996, Paymark makes history by installing an off-shore EFTPOS terminal at a general store, Scott Base, Antarctica

- In 1998 Paymark passed another milestone as the 1 billionth EFTPOS transaction was processed

- In February 2012, Paymark processed its 10 billionth transaction

- More than 74,000 merchants and 116,000 terminals are currently connected to the network that is now 3DES and EMV compliant. Today, the Paymark network processes over 75% of all electronic transactions in the New Zealand retail market on behalf of more than 50 card issuers and acquirers.