

GERMANY TRADE & INVEST

ECONOMIC OVERVIEW AUSTRALIA

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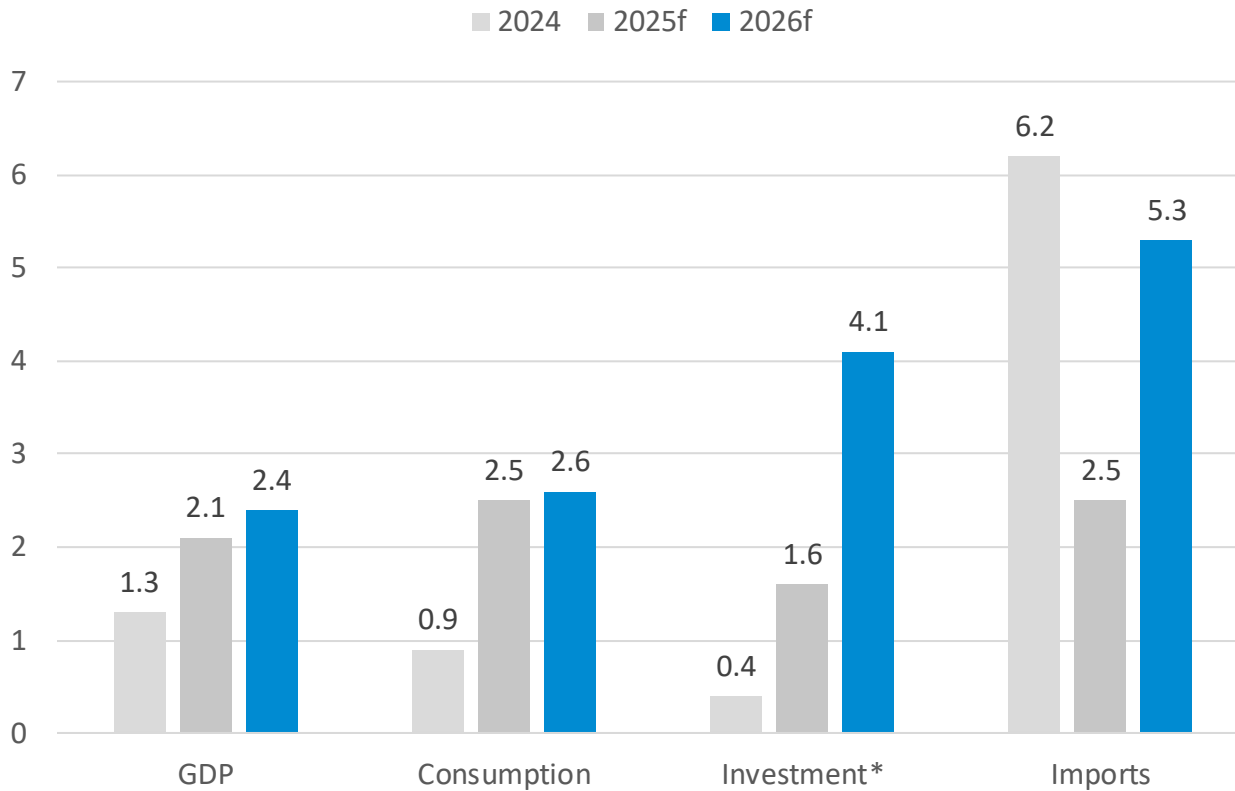
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1. ECONOMIC OUTLOOK – IT'S COMPLICATED

State of Economy & Outlook

Economic Indicators 2024-2026 (real growth in %)



**Business investment (Non-residential); f Forecast*

Source: Westpac Market Outlook October 2025

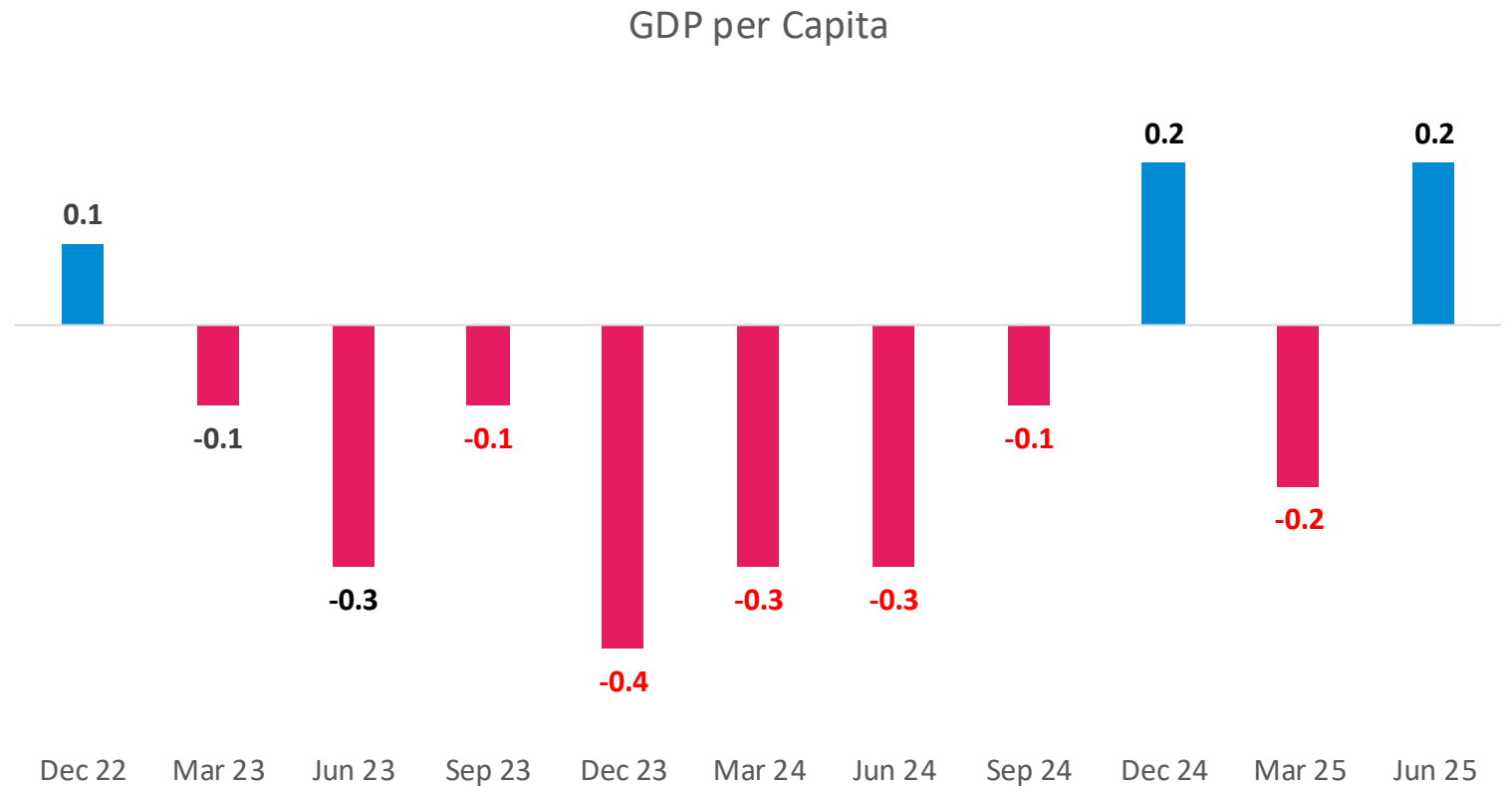
Return of Economic growth?

Most GDP projections more optimistic than popular & business sentiment.



Australia - Economic Indicator

GDP per capita – some relieve after a long drought .



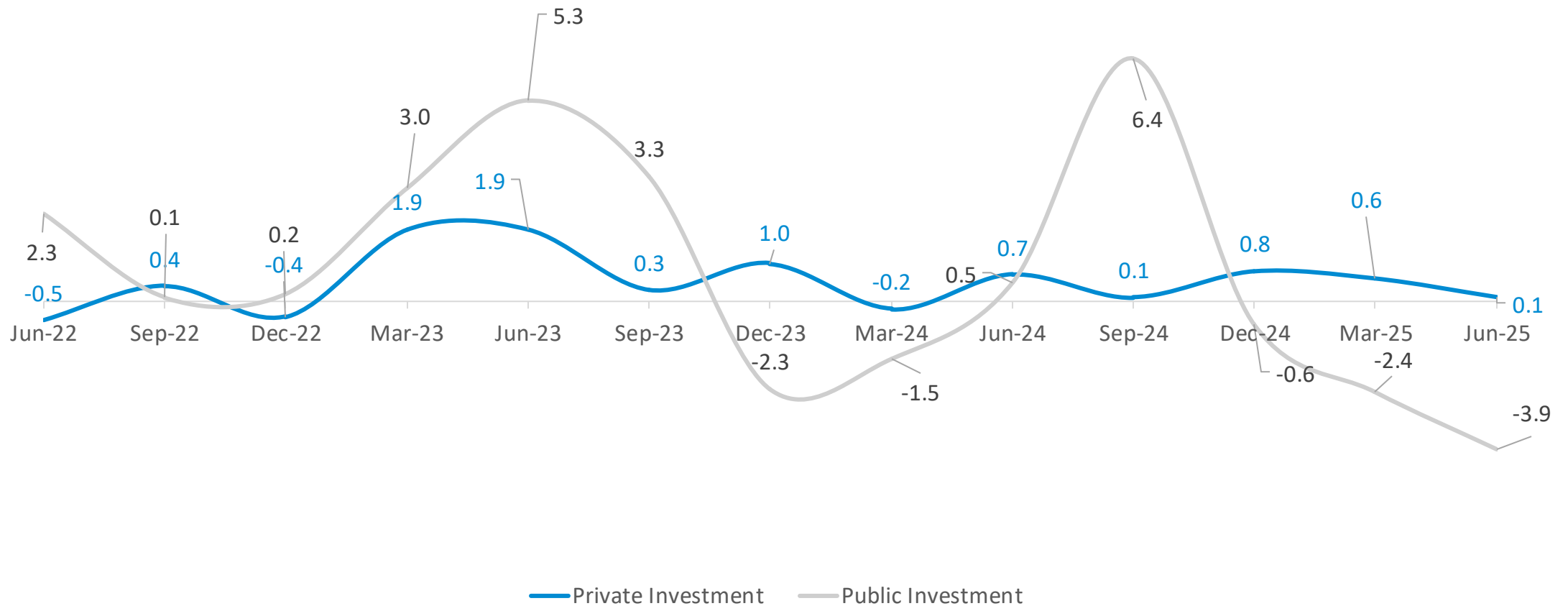
Source: Australian Bureau of Statistics (ABS) 5206.1 Table 1, GDP per Capita, seasonally adjusted Release 3.9.2025; © Johnny Greig/istock.com



INVESTMENT – STILL ON A DOWNTREND

State of Economy & Outlook

Development of Private and Public Investment (real change in %)

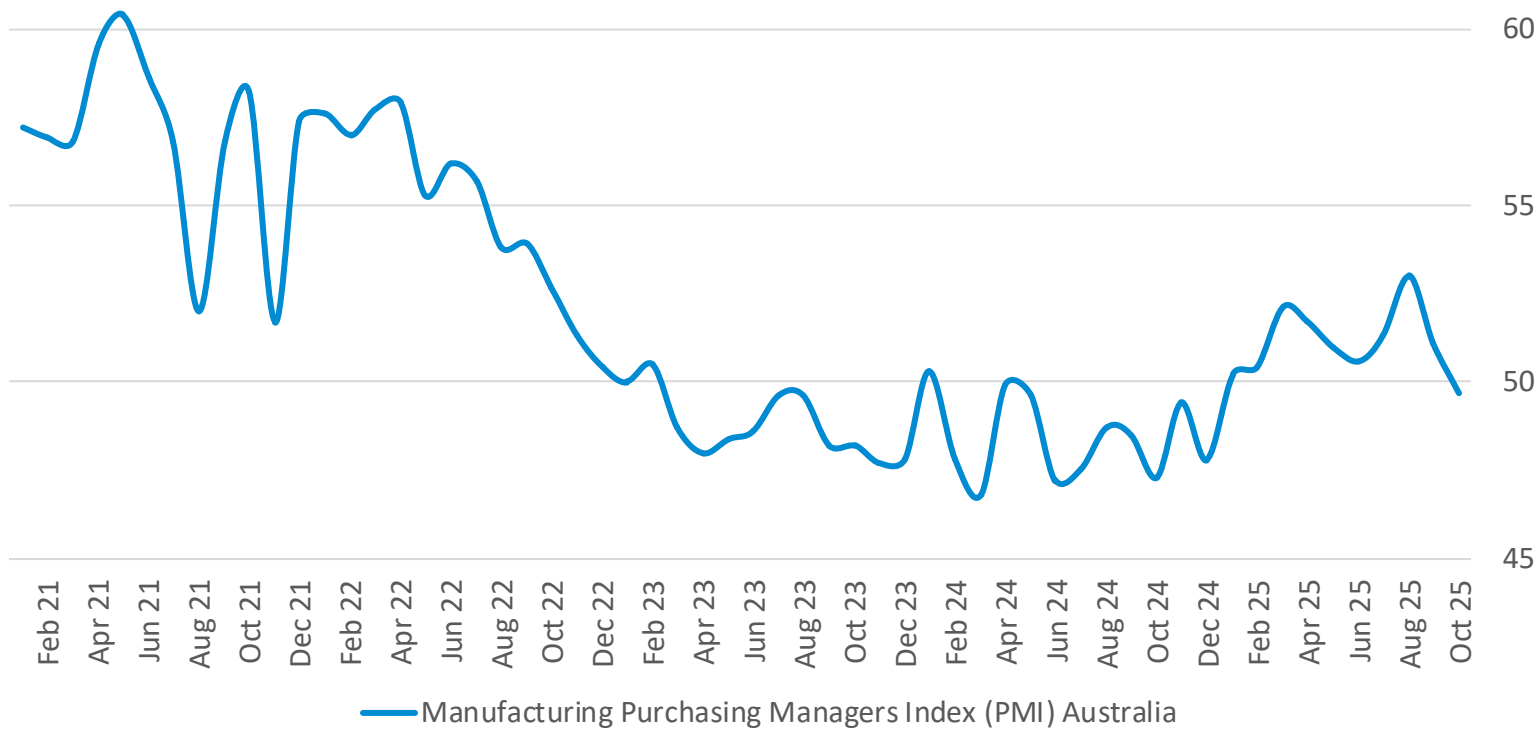


Source: Australian Bureau of Statistics (ABS) seasonally adjusted 3.9.2025 (LHS)

Australia – PMI

Manufacturing **Purchasing Managers Index** has been on a long downtrend

Manufacturing Purchasing Managers Index (PMI) Australia



- Companies signaling lack of investment
- Capital goods demand will slow further
- Until we get a big shift in monetary policy/global demand picking up

Takeaways Australian Economy:

- a few analysts more optimistic about growth
- Investment still sluggish
- Population Growth slowing
- Monetary policy easing but stays restrictive
- Consumers starting to spend more but risks remain

= Economy with moderate growth outlook with plenty of remaining risks.

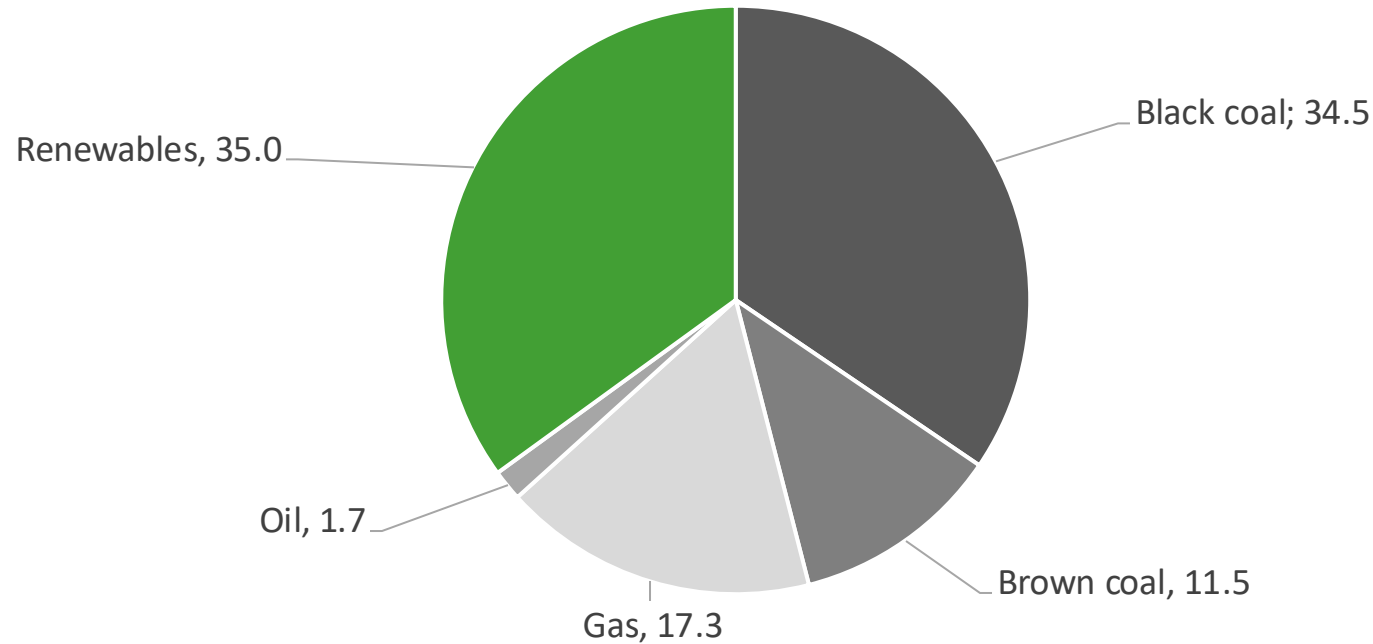


AUSTRALIA'S ENERGY MARKET

Australian Electricity Mix

Target: 82% renewable electricity by 2030

2024, Share in %

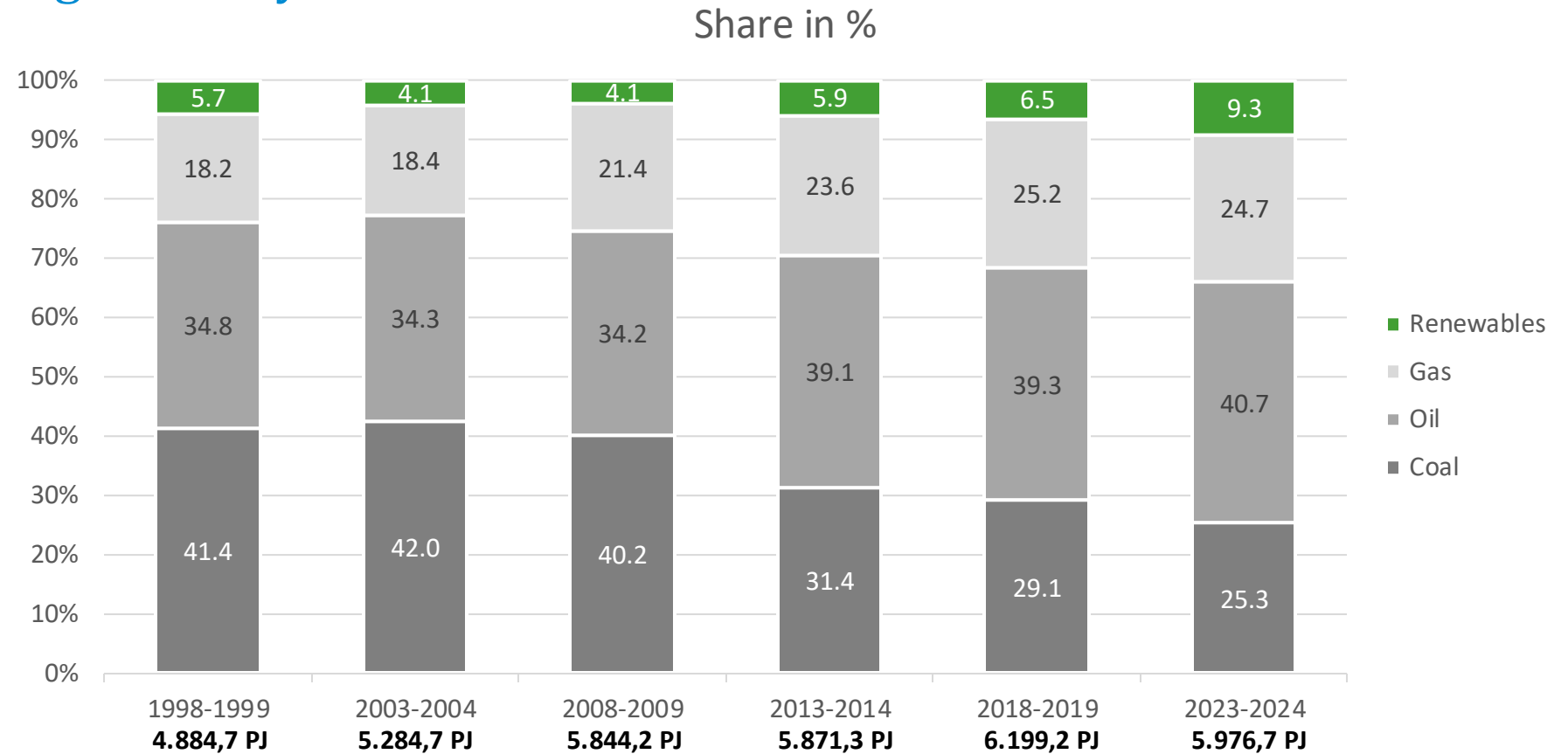


Source: DCCEE 2025 Australian Energy Statistics, Table O;
© GettyImages/jia yu



Primary Energy Consumption

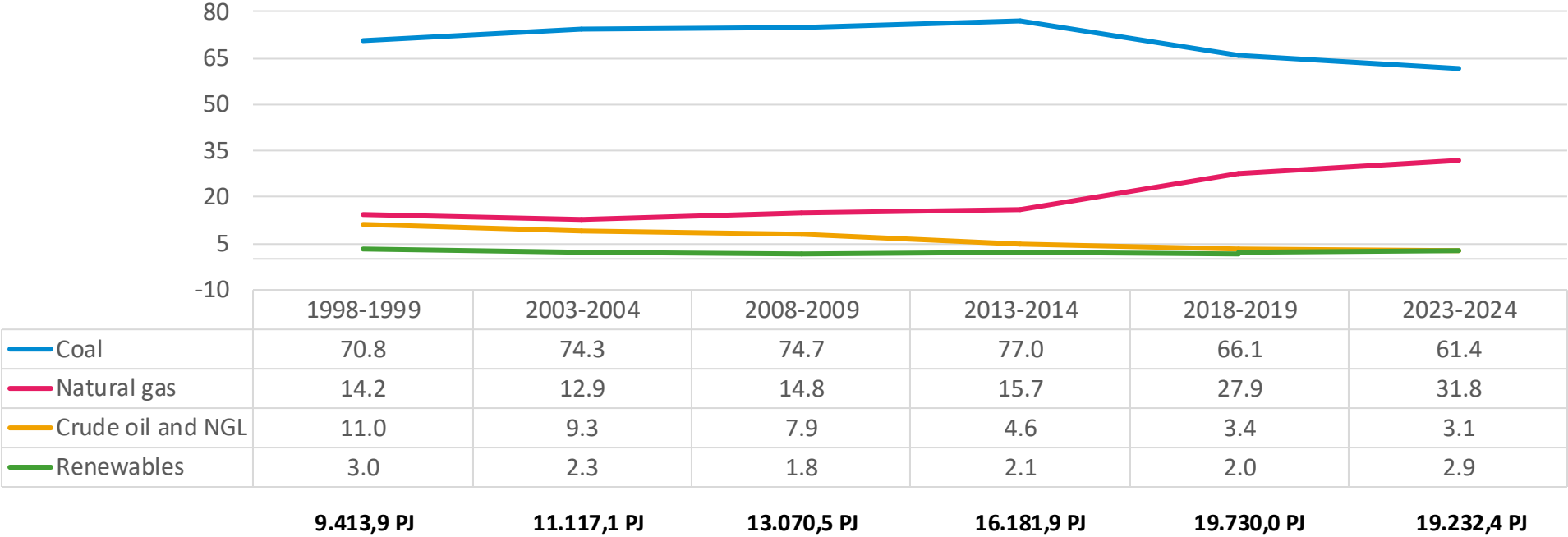
Not enough electrification, yet, to push renewables shares significantly



Australian Energy Production

Natural gas makes up for coal's decline

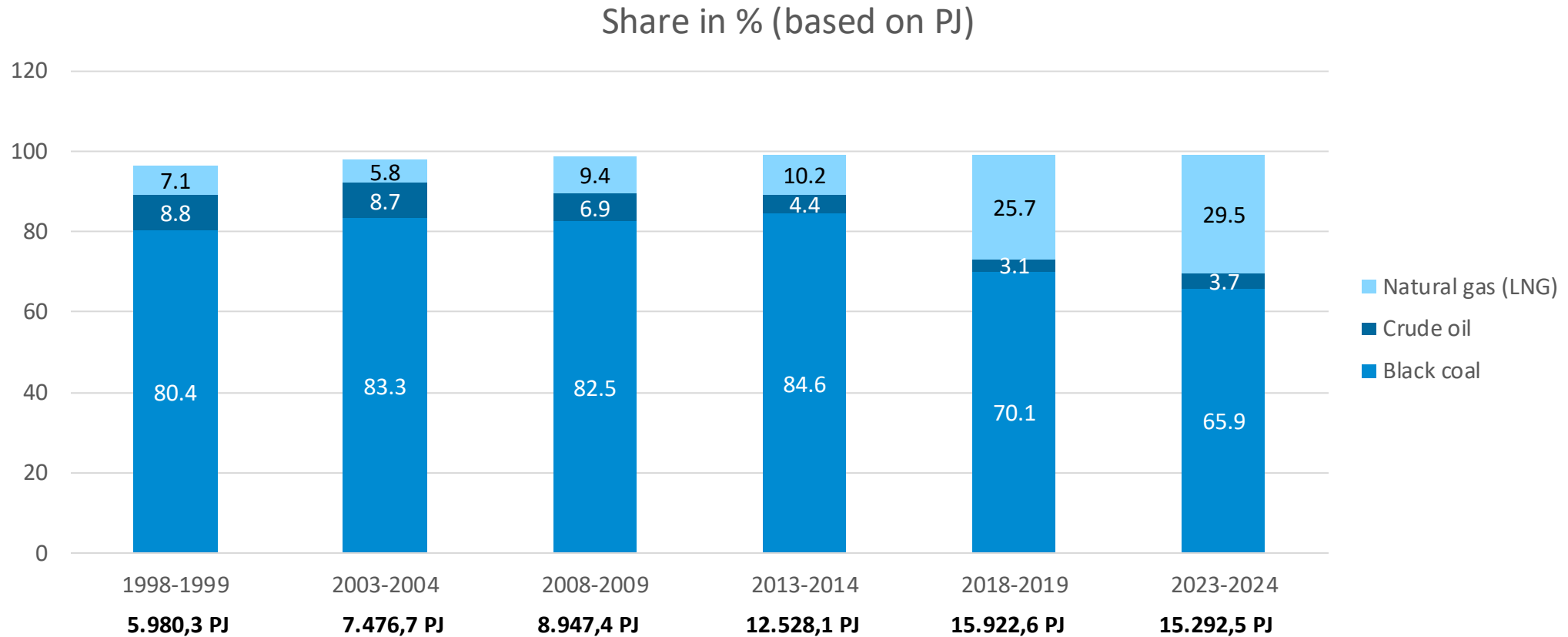
Share in % (based on PJ)



Source: DCCEEW 2025 Australian Energy Statistics, Table J, J1

Australian Energy Trade - Exports

Australia second largest gas and coal exporter on the planet

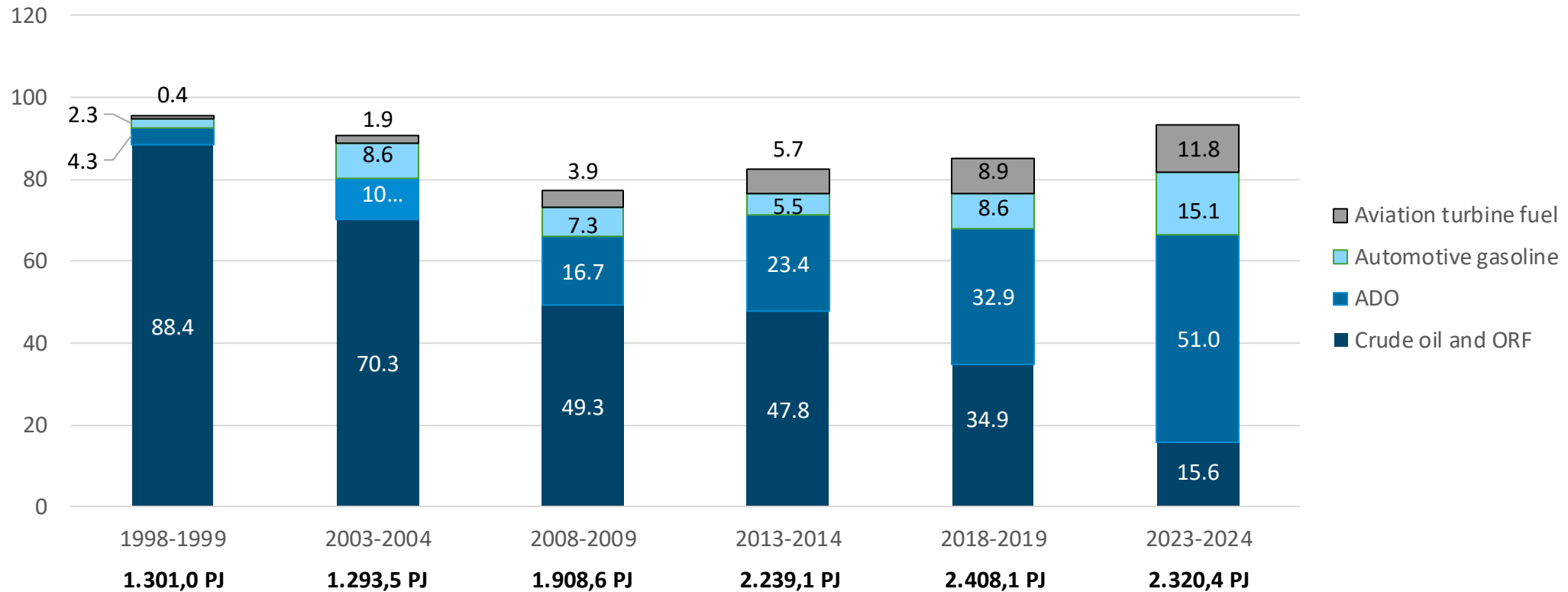


Source: DCCEEW 2025 Australian Energy Statistics, Table J, J1

Australian Energy Trade - Imports

Loss of refinery capacity over the years – more refined fuel imports

Share in % (based on PJ)



Source: DCCEEW 2025 Australian Energy Statistics, Table J, J1

AUSTRALIA'S EMISSIONS/H2 TARGETS

Australia's Emission Reduction Targets

New 2035 goal announced recently

Goal by 2030	To reduce emissions to 43% below 2005 levels
Goal by 2035	To reduce emissions to 62-70% below 2005 levels
Goal by 2050	Achieve net zero emissions

Australia's Hydrogen Targets

Less concrete – but some commitment

Hydrogen Strategy (2024)

Make Australia a global hydrogen leader and deliver industry at scale.

Policy and Programs

Major funding measures in the 2024–25 Budget to support scale-up of green hydrogen production.

Including **Green Hydrogen Headstart** program and a **Green Hydrogen Production Tax Incentive** – estimated at **A\$10 billion**

Export hopes

Establish trade at scale with international partnerships and export pathways.

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Thank you very much!

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