

ECONOMIC BRIEFING

PRESENTATION TO HUNTER BUSINESS CHAMBER
“COVID Outlook – what might 2021 hold?”

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HUNTER RESEARCH
FOUNDATION CENTRE



THE UNIVERSITY OF
NEWCASTLE
AUSTRALIA

HUNTER OUTLOOK 2021

An aerial photograph of a coastal city, likely Newcastle, Australia. The image shows a mix of modern high-rise buildings and older residential structures. A prominent feature is a large, rectangular swimming pool or lagoon situated near the beach. The ocean is a vibrant blue, with white waves crashing onto the sandy shore. In the background, a large body of water, possibly a harbor or bay, is visible, along with distant hills under a clear sky.

- National economy
- Local labour market – COVID impacts
- Consumer and business performance
- Local housing market
- Way forward?

2020: WORLD AND AUSTRALIAN ECONOMY

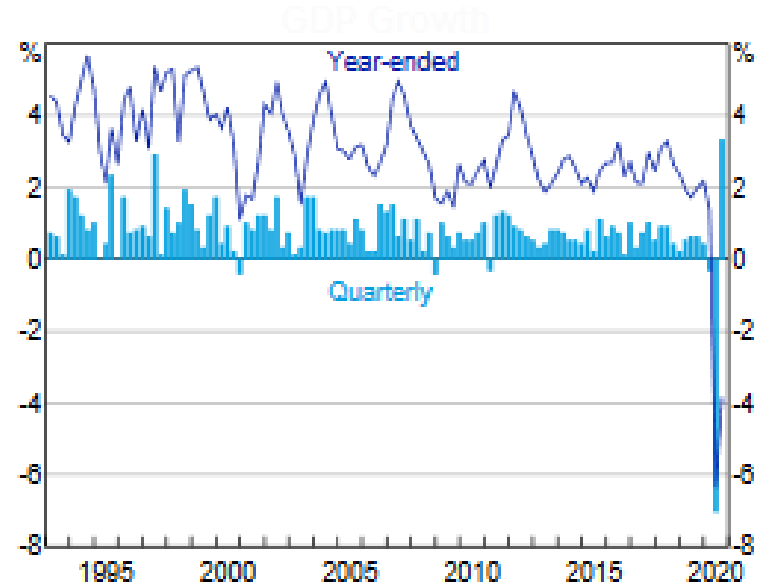
GDP Growth – World (Year Ended)



* Weighted using Australian export shares
** PPP-weighted; accounts for 85 per cent of world GDP
Sources: ABS; CEIC Data; IMF; RBA; Refinitiv

Source: Reserve Bank Australia, 2021.

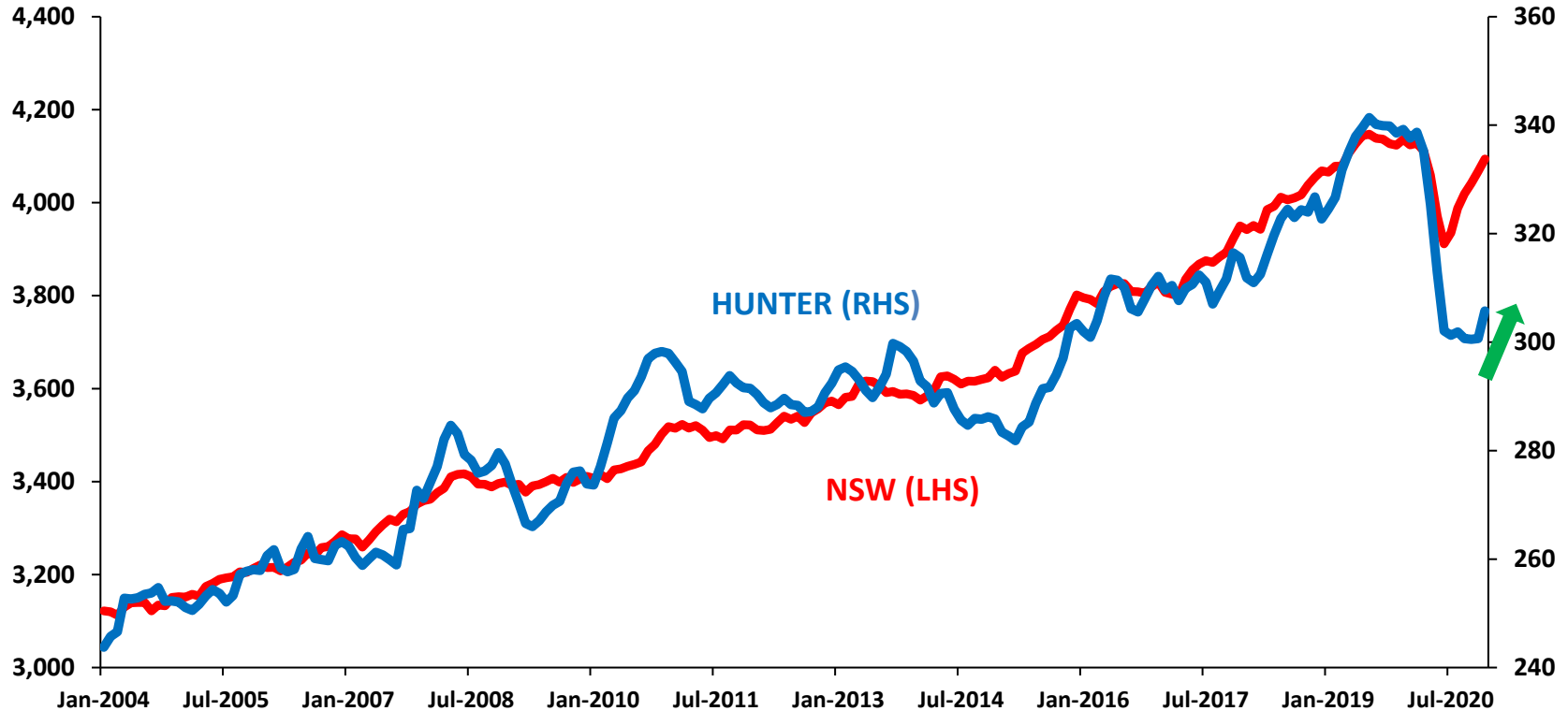
GDP Growth – Australia



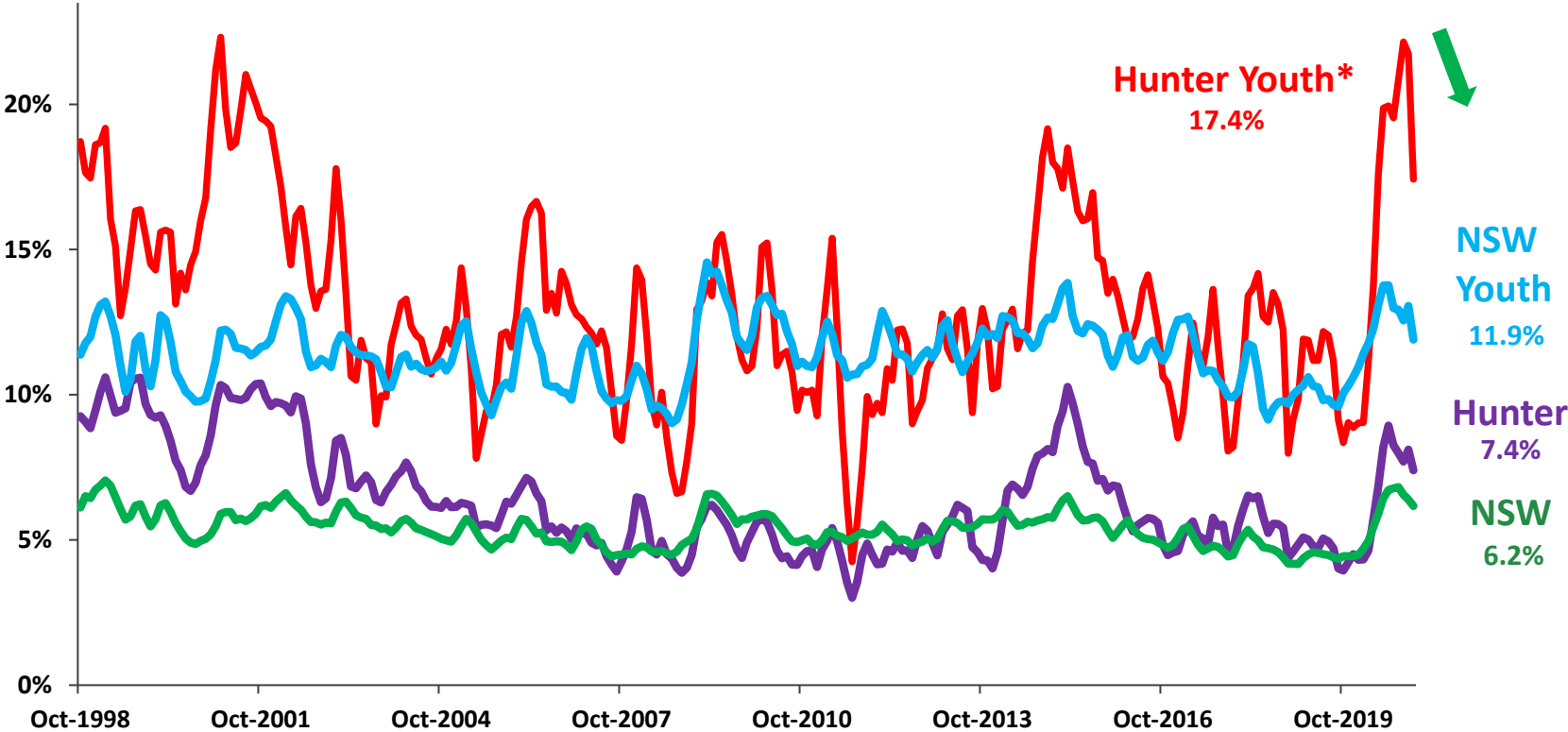
Source: ABS

Source: Reserve Bank Australia, 2021.

LABOUR MARKET: COVID IMPACTS EMPLOYMENT (3-month moving average)

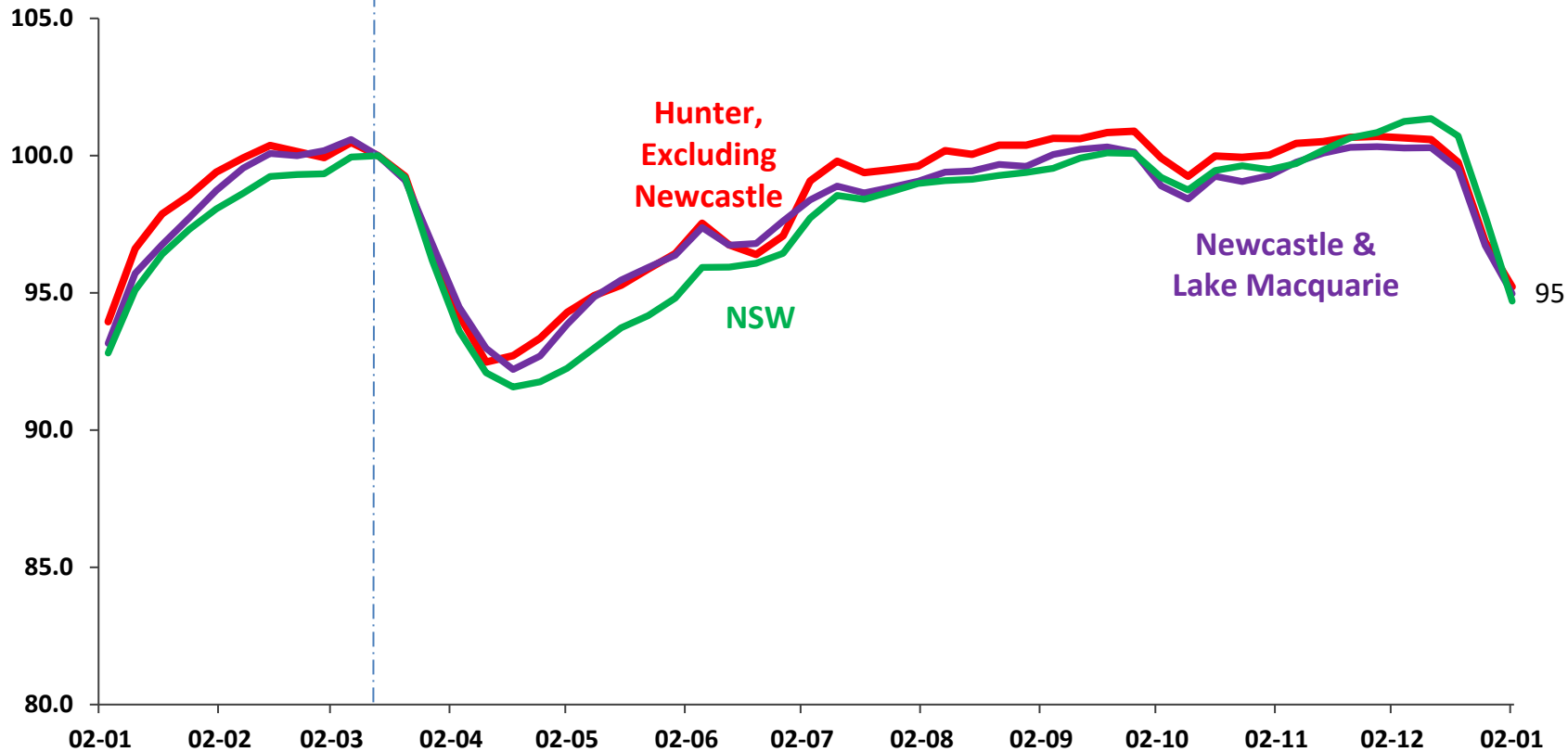


UNEMPLOYMENT RATE (3-month moving average)



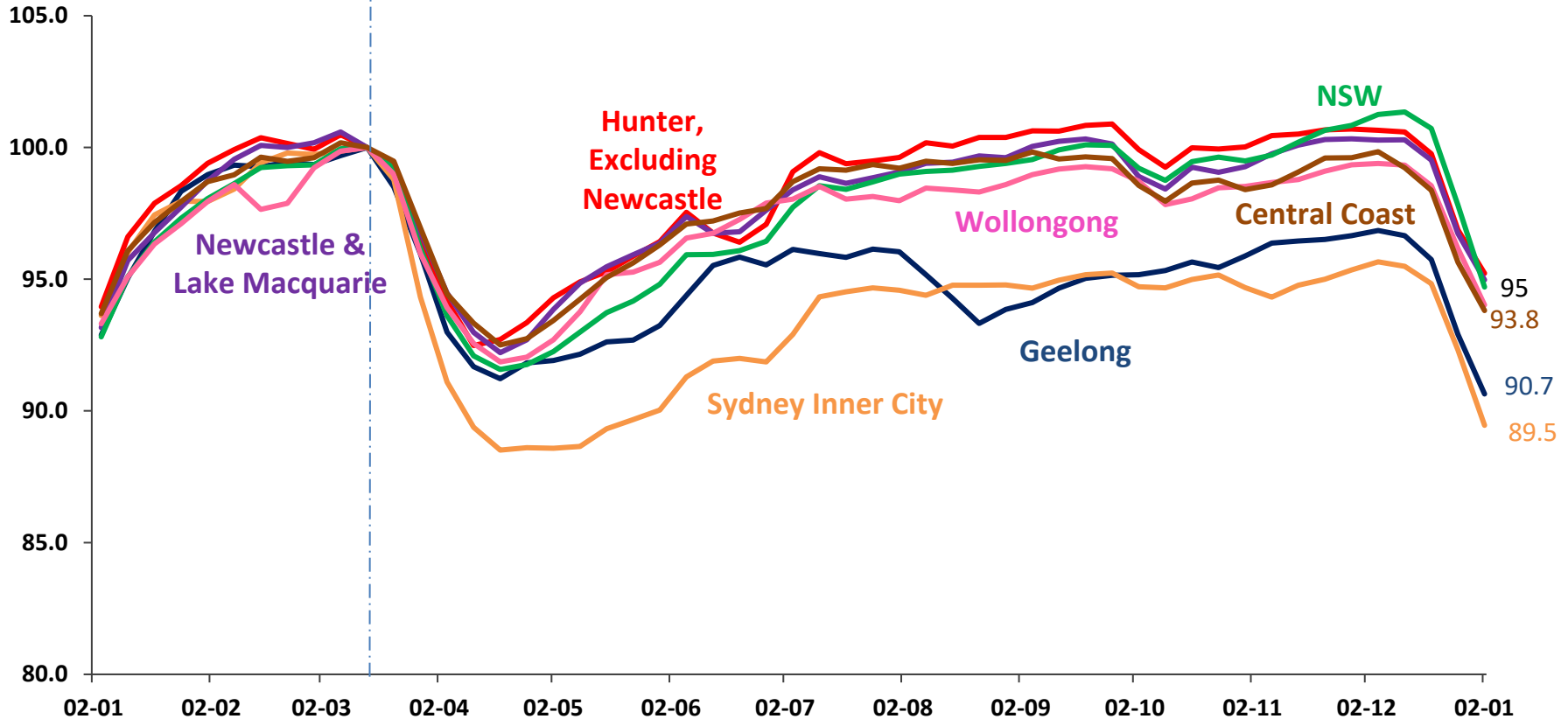
PAYROLL JOBS DATA

Index=100, Mar 14th Australia's 100th COVID Case)



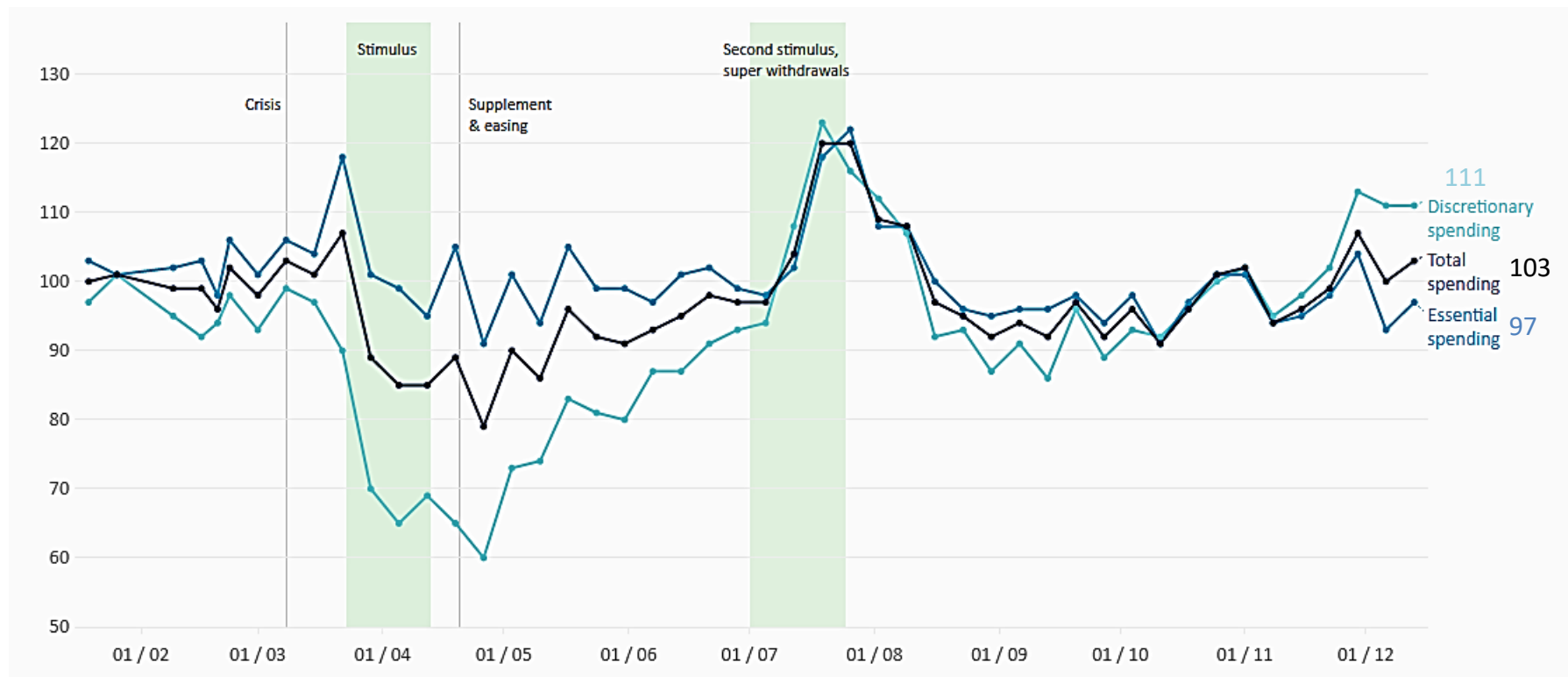
PAYROLL JOBS DATA

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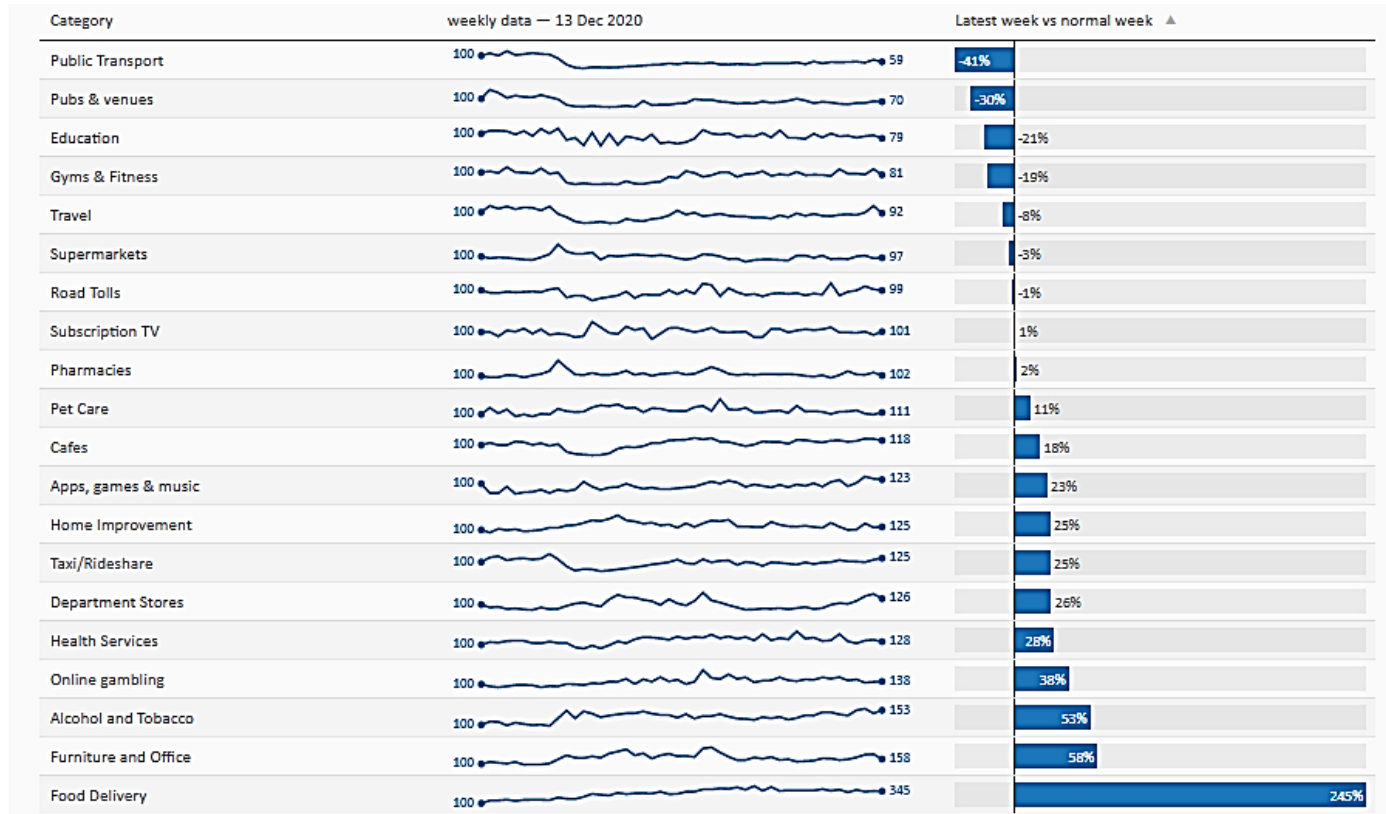
SPENDING BY CONSUMERS IN AUSTRALIA

(Weekly index of consumers per person, 100 = normal weekly base excluding Christmas)



SPENDING BY CATEGORY, AUSTRALIA

(Last week, 13 Dec vs normal week)

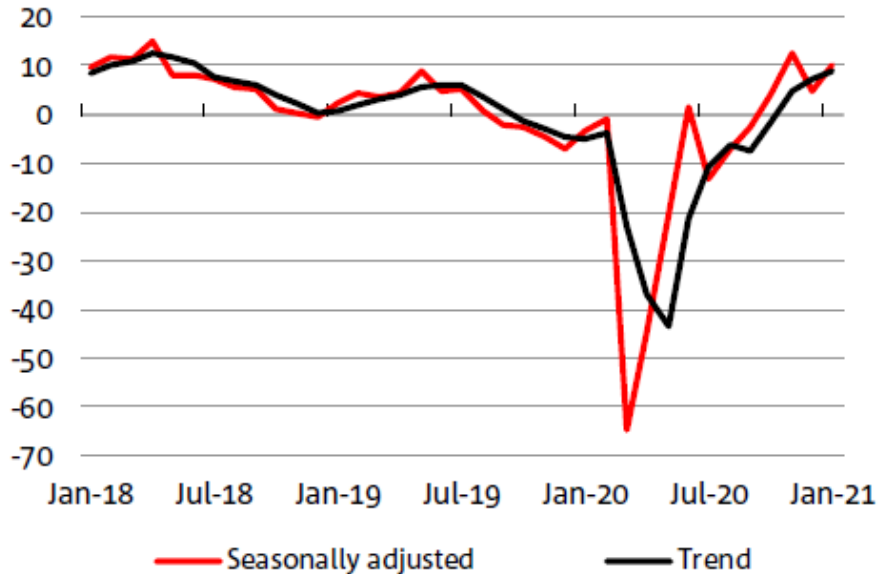


Source: Illion and AlphaBeta (part of Accenture)
Based on a weekly sample of the transactions of c.250,000 Australian consumers

BUSINESS CONFIDENCE

(Net balance)

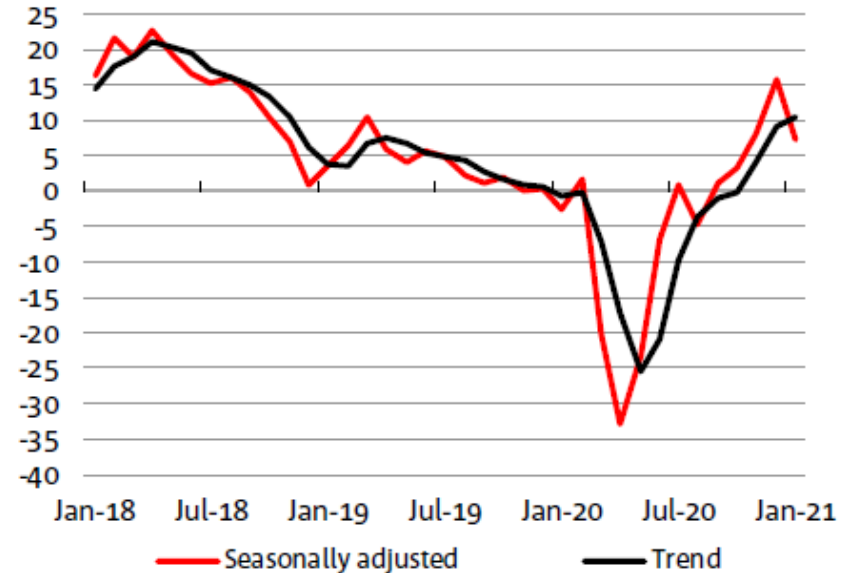
CHART 5: BUSINESS CONFIDENCE (NET BALANCE)



BUSINESS CONDITIONS

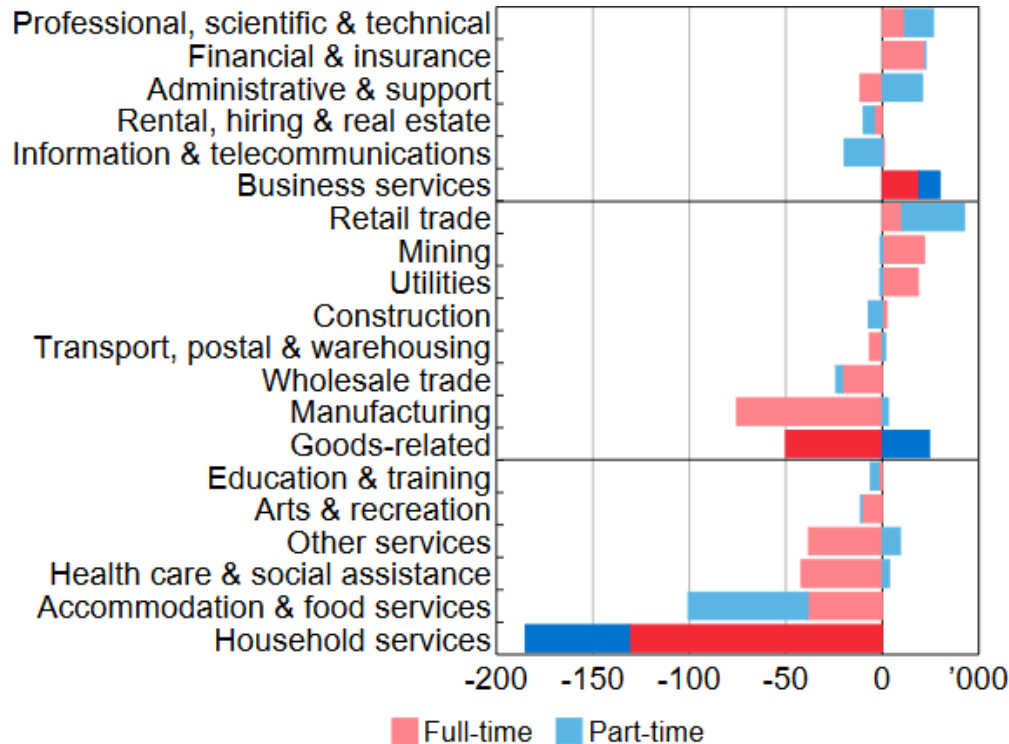
(Net balance)

CHART 6: BUSINESS CONDITIONS (NET BALANCE)



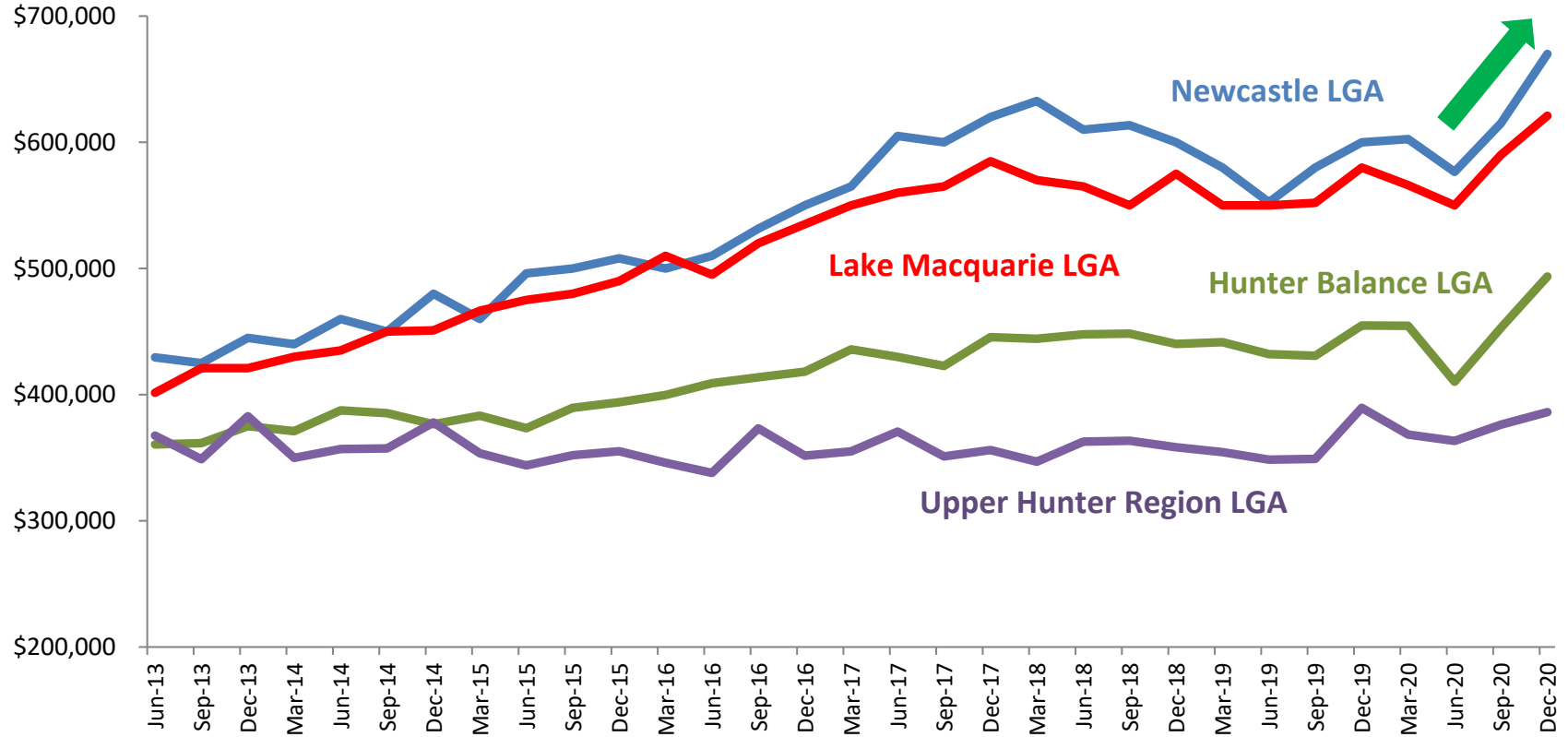
AUSTRALIA, EMPLOYMENT BY INDUSTRY

(Cumulative Change in Employment by Industry, Feb-November 2020)



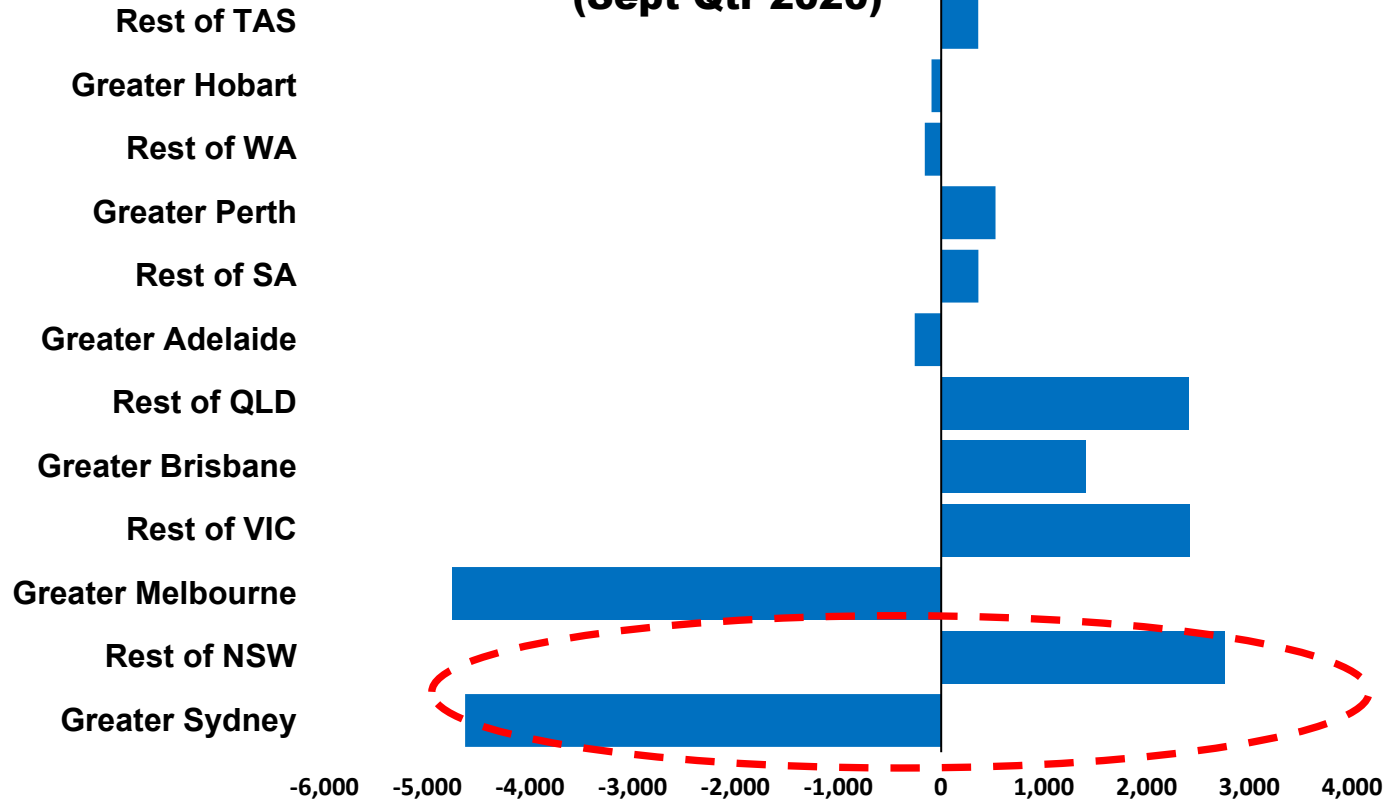
* Darker colours indicate cumulative change in employment by sector

MEDIAN HOUSE PRICES

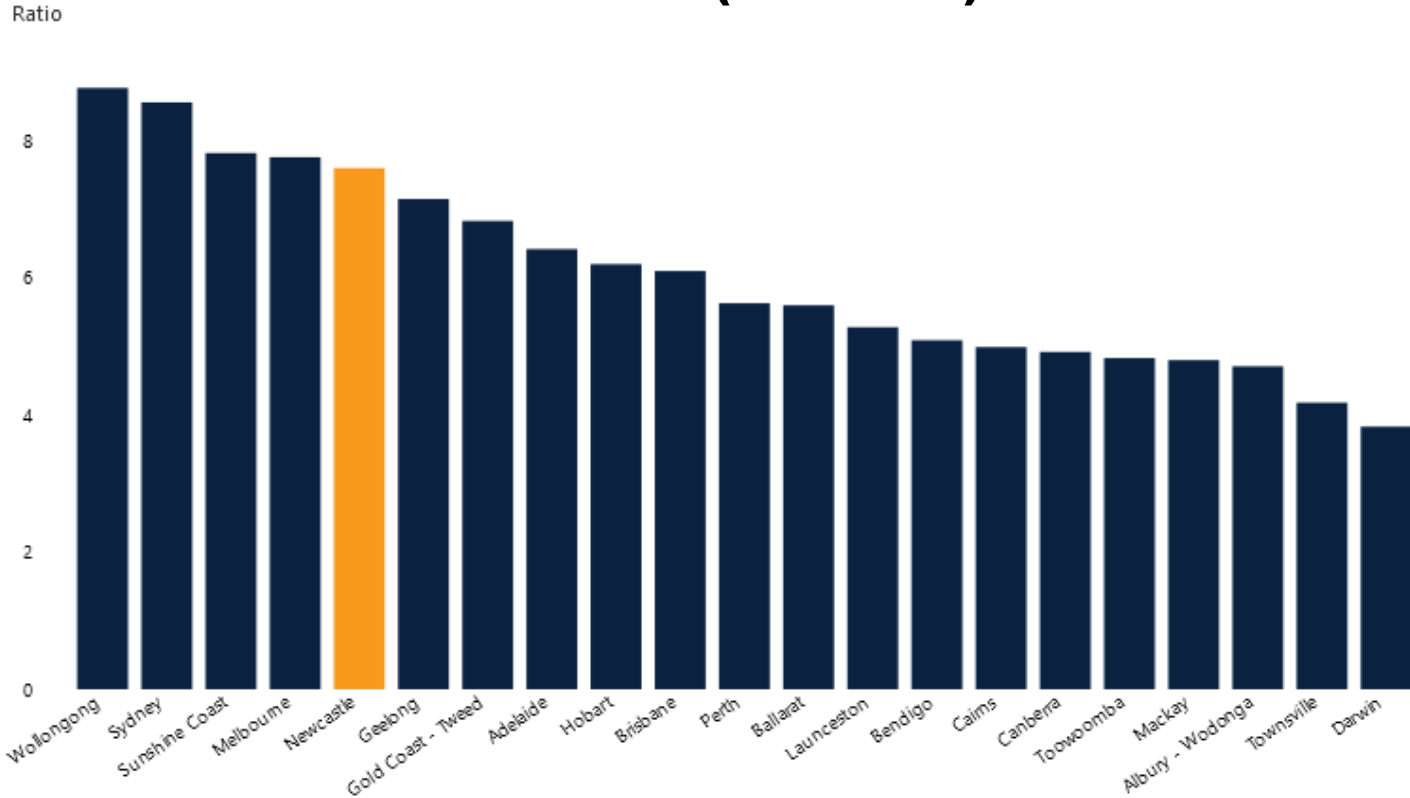


NET MIGRATION, 25-64 YEAR OLDS

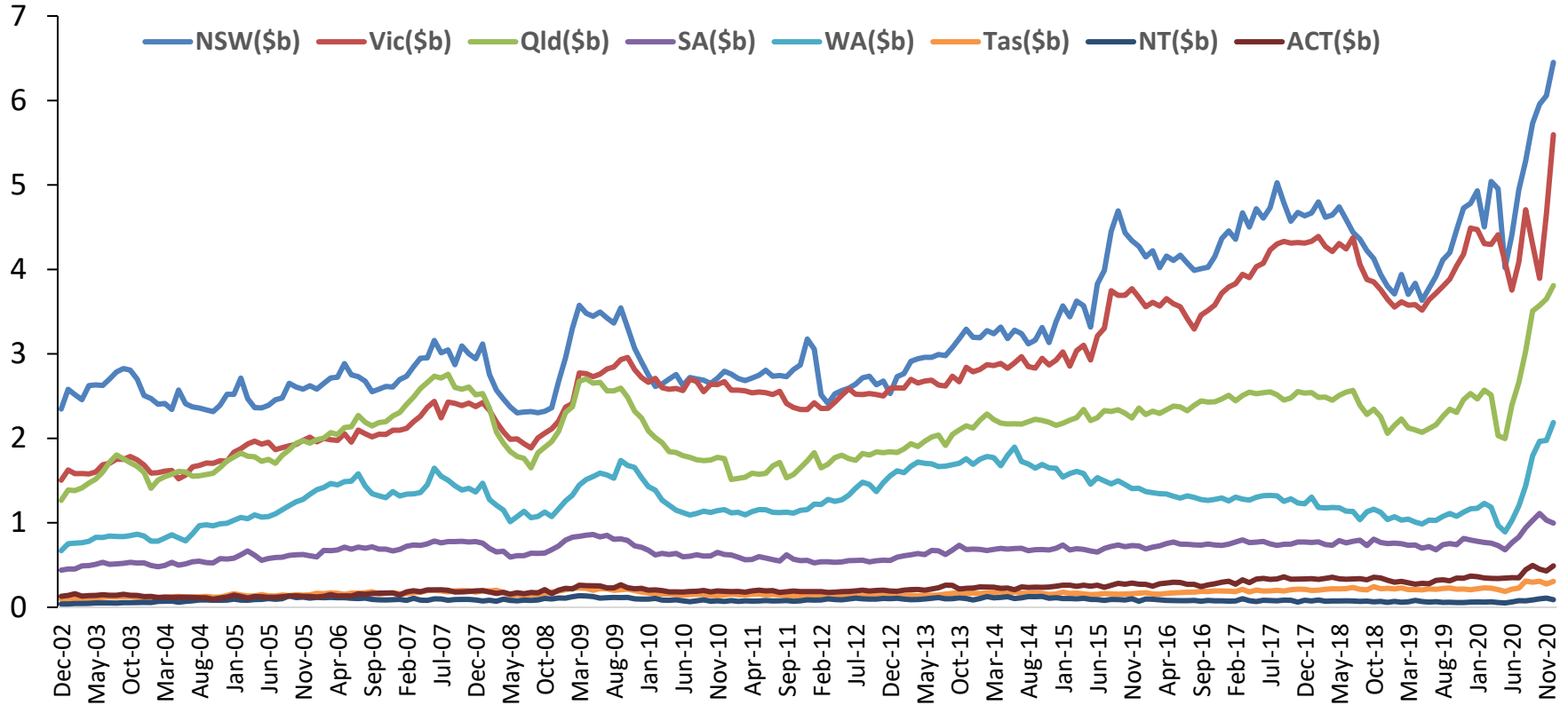
(Sept Qtr 2020)



HOUSING AFFORDABILITY: DWELLING PRICE TO HOUSEHOLD INCOME RATIO (2018-19)

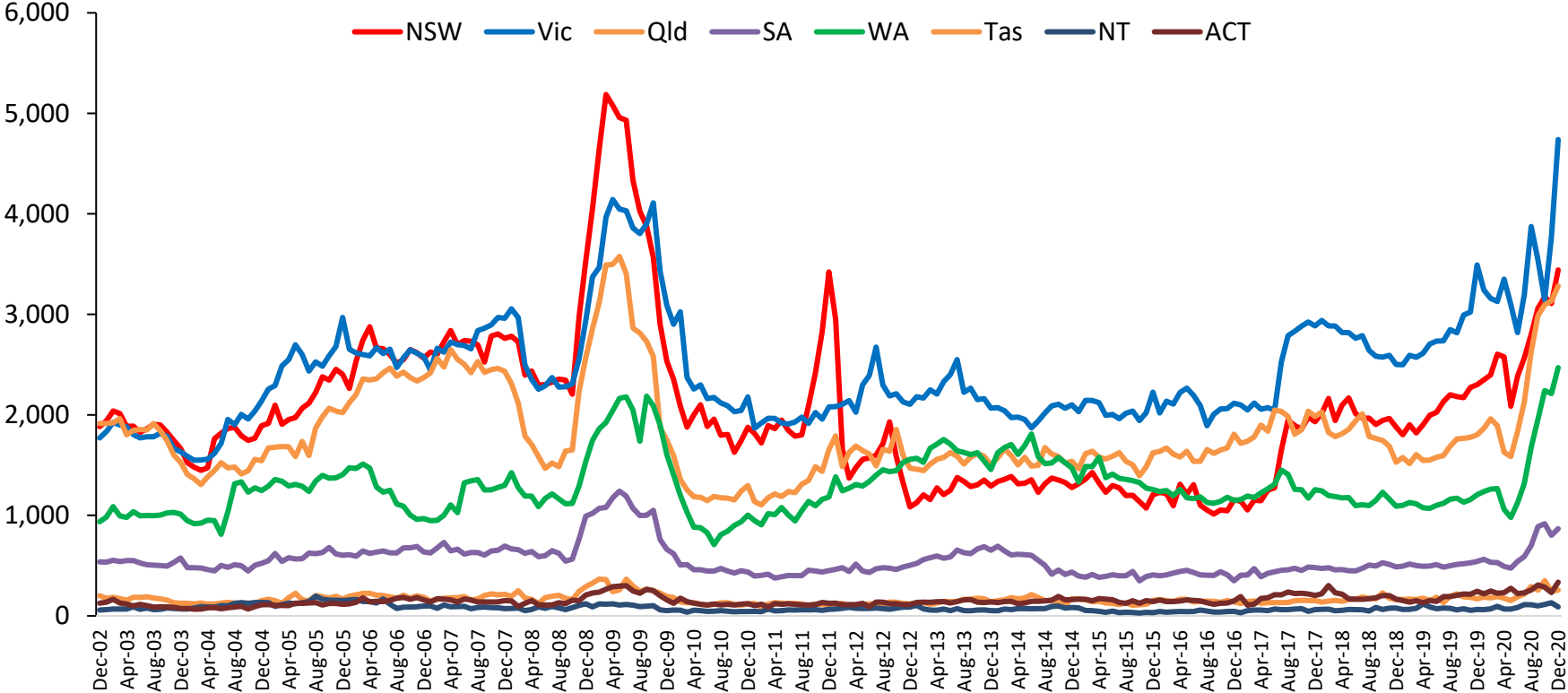


NEW LOANS FOR OWNER OCCUPIER HOUSING (seasonally adjusted)



Source: Australian Bureau of Statistics, Lending indicators December 2020.

NEW LOAN COMMITMENTS TO OWNER OCCUPIER FIRST HOME BUYERS (seasonally adjusted)



Source: Australian Bureau of Statistics, Lending indicators December 2020.

THANK YOU



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