

FINANCE > FOOD > FASHION > TRAVEL > MEDIA AND RECREATION > PHARMACEUTICALS > COSMETICS

# Australia's Islamic Economy Brief



2019/20 **STATE OF THE GLOBAL  
ISLAMIC ECONOMY REPORT**

ORGANISED BY:

**DinarStandard**

SUPPORTED BY:



**Salaam  
Gateway**





# Introduction

**Consumers are inherently ethical, enforcing their values on brands, as evidenced by the recent boycotts of Nike, and the ban by Armani on the use of animal fur, with 66% of consumers surveyed globally by Nielsen willing to pay more for ethical products.**

As the world pushes to meet the UN Sustainable Development Goals by 2030, consumers are playing an increasingly important role in addressing the annual \$2.5 trillion funding gap needed to meet those goals.

With more than two thirds of Australians affiliated with a religion according to Mccrindle, faith-based values can affect every area of a consumers lives, including the products and services they purchase.

Islam is the second largest region in the world and Islamic Faith-inspired ethical values are highly important for the world's 1.8 billion Muslim consumers, and in particular the 0.5 million Muslims residing in Australia.

The Islamic Economy reflects the combination of seven core consumer sectors structurally affected by Islamic faith-inspired ethical values spanning Finance, Food, Pharma, Cosmetics Media and Recreation, Fashion, Tourism, across which Muslim consumers spent \$2.2 trillion in 2018, with Islamic Finance assets totaling \$2.5 trillion. Referred to as the "next consumer mega-trend" by multiple media outlets, the Islamic Economy has created substantial economic opportunities for new and existing businesses alike, as well as investor and government stakeholders.



# Australia's Role in Halal Exports

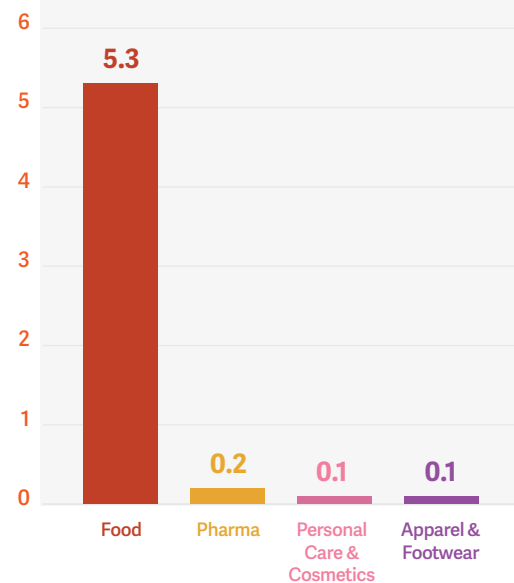
## Australia is the ninth top Islamic Economy exporter.

Australia's OIC-bound exports of products in Islamic Economy sectors, spanning food, pharma, cosmetics and apparel & footwear, totaled \$5.6 billion in 2018, accounting for 1.8% of total imports by the OIC, and representing 38.7% of the total \$144 billion exported across all products by Australia to the OIC.

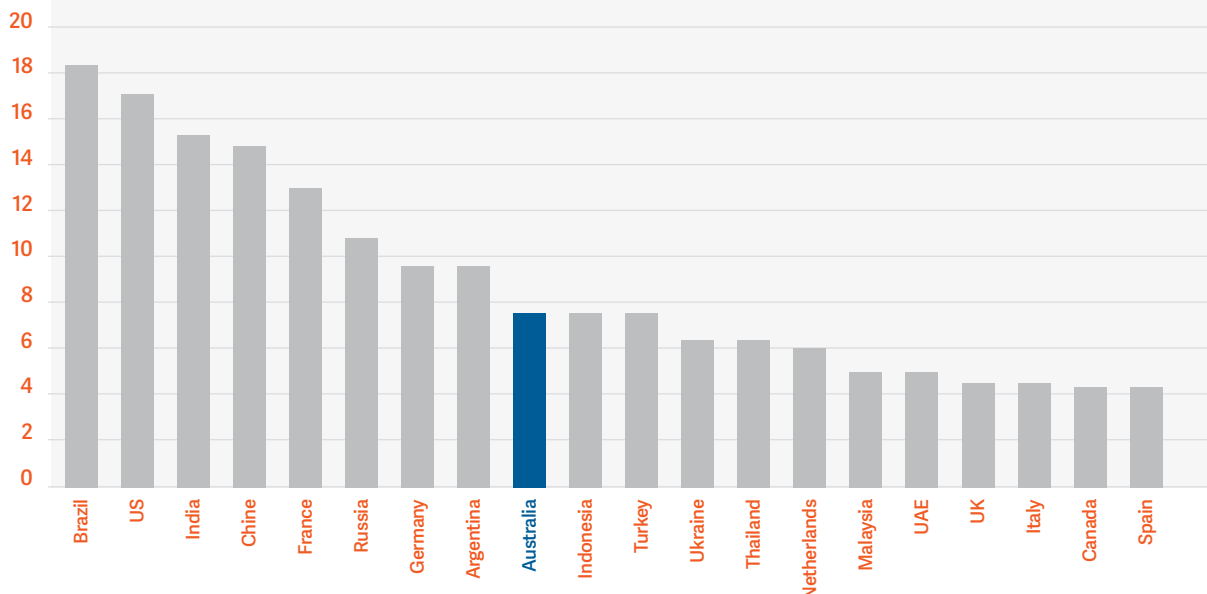
## Food is Australia's top export to OIC, led by Meat.

Australia exported \$5.3 billion of Food and Beverage to the OIC in 2018, with meat and live animals the largest category accounting for \$2.1 billion, followed by Cereals, totaling \$1.3 billion. The largest trade partner for Australia was Indonesia, importing \$790 million in meat and live animals in 2019.

## Australia's Exports to OIC 2018, \$ BILLIONS



## Top 20 Halal Economy Trade Suppliers to the OIC 2017, \$ BILLIONS



# Australia's Domestic Islamic Economy Opportunity

**Australia is the 17th best Islamic Economy globally, underpinned by robust drivers.**

Australia has a population of 0.5 Million Muslims, representing ~2% of Australia's population, and growing at 3% per annum, projected to reach 0.7 million Muslims by 2050. There were also 565 thousand Muslim tourists visiting the country in 2018.

**Muslim spend has reached \$5.3 billion.**

Media and Food are the largest sectors by Muslim spend, accounting for \$1.9 billion and \$1.7 billion respectively.

## KEY STATISTICS FOR 2018/19

**#17** Rank in GIE Index

**0.5 million** domestic Muslim population



**~565 thousand** Muslim tourists

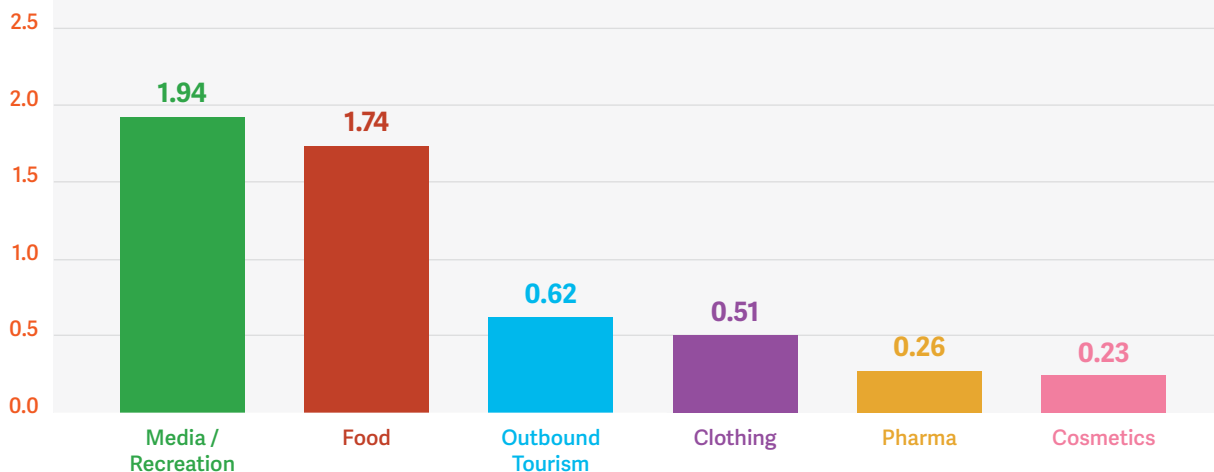


**\$5.3 billion** in domestic Muslim lifestyle spend\*



**\$36 million** in Islamic Finance assets

## Australia's Muslim Consumer Spend 2018, \$ BILLIONS



\*\*All figures are in US\$

SOURCE: STATE OF THE GLOBAL ISLAMIC ECONOMY REPORT; DINARSTANDARD IN-HOUSE DATA (BREAKDOWNS OF SPEND; RANKINGS); PEW RESEARCH (POPULATION DATA)

# Australia's Islamic Finance Industry and Ecosystem

## Islamic Finance assets total in excess of \$2 billion.

There are 2 major financial institutions in Australia being Crescent Wealth and MCCA.

Crescent Wealth provides superannuation and Islamic investment services whilst MCCA provides Islamic mortgage facilities.

## AUSTRALIA'S ISLAMIC FINANCE ECOSYSTEM

### Islamic Wealth Management

#### Islamic Finance & Investment



#### Training & Consulting Institutions



# CASE STUDY

## Crescent Wealth



Australia-based Crescent Wealth is a superannuation fund, which invests Islamically. It has four sharia compliant and ethical products.

### Opportunity being addressed

Through its Islamic and ethical propositions, Crescent Wealth is a pioneering organisation and is addressing several market opportunities:

- **The Australian Superannuation industry** was estimated at \$2.1 trillion in 2017, according to UBS, with 249 ARPA (Australian Prudential Regulatory Authority) funds with more than four members
- **Global Islamic Asset Management Funds** totaled \$108 billion in assets in 2018, part of the broader \$2.5 trillion global Islamic Finance assets, according to Refinitiv
- **The Global Impact Investing market** totaled at \$502 billion in 2018, with an estimated 1,300 impact investors around the world

### Key milestones

- The Fund has over 8,500 Australian members, with total investment assets in excess of \$250 million as of 30th June, 2019
- Partnership with CIMB Islamic to provide Asian investors with access to Australia's real estate and equity markets
- The fund has partnered with Mercer, National Australia Bank Services, Equity Trustees Ltd and the Sharia Board of Dubai Islamic Bank
- Crescent Wealth supports the Crescent Institute, Crescent Foundation and Crescent Think Tank to advance Australian thought leadership and charitable work.

\*Pension investments subject to Australian government regulations

\*\*All figures are in US\$

# Acknowledgements

## Organized by

### DinarStandard

DinarStandard™ is a growth strategy and execution management firm, empowering organizations for profitable and responsible global impact. DinarStandard specializes in the global halal/ethical economy, government innovation, and social impact space. Since 2008, DinarStandard has supported over 30 government entities, investment institutions, industry leaders, and multi-laterals from over 12 countries worldwide. Its unique value-proposition is rooted in delivering original facts and foresight-driven client impact grounded in excellence and ethics.

## Design Partner



Zileej is a truly diverse design & innovation team with a deep sense of shared purpose. For over 10 years, Zileej Studio has helped design, launch and grow sustainable brands for clients using a unique strategic process. Zileej Studio have pioneered the development of many Muslim-centric brands in the rapidly emerging Islamic lifestyle markets globally.

## Supporting Partners



مركز دبي لتطوير  
الاقتصاد الإسلامي  
DUBAI ISLAMIC ECONOMY  
DEVELOPMENT CENTRE

The Dubai Islamic Economy Development Centre (DIEDC) was established in 2013 to make Dubai the 'Capital of Islamic Economy', as envisioned by His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai. The DIEDC is equipped with the financial, administrative and legal tools to promote economic activities compatible with Islamic law in Dubai's goods and financial services sector, as well as the non-financial sector and seeks to boost the contribution of Shariah compliant activities to the emirate's economy.



Salaam  
Gateway

Launched in October 2015, Salaam Gateway (SG) is the world's leading news and insights platform on the global Islamic economy. It covers sectors across Islamic finance, halal, and Islamic lifestyle, with an eye on key producer and consumer markets. It is for professionals, business owners, decision-makers, and policy-makers who operate in fast-changing socio-economic environments and want reliable and accurate news, insights, data, and intelligence to inform their next moves.