

German exports rebound in September but remain below pre-‘Liberation Day’ levels

Today's data is more evidence of the small rebound of the German economy after the summer. However, the September increase in exports is too weak to dispel concerns about persistent structural weakness



German exports increased by 1.4% month-on-month in September, from -0.6% MoM in August. At the same time, imports improved by 3.1% MoM, narrowing the German trade surplus to €15.3bn. Despite the rebound, German exports remained below their March 2025 level. After the frontloading reversal of recent months, German exports to the US increased by almost 12%.

Structural shifts in German exports

A more structural shift in Germany's exports has also emerged since the start of the year. The share of exports to the US has dropped to some 9.5% this year, from 10.5% last year. At the same time, the share of exports to China has dropped further to 5%, from almost 6% last year and

almost 8% in the years before the Covid-19 pandemic.

Possibly due to post-pandemic supply chain restructuring, the share of exports to CEE countries has risen. Currently, Germany exports more to Poland, Hungary and the Czech Republic than to the US. Overall, the US remains the single most important destination for German exporters. If you need another example of how trade relationships can structurally change, have a look at German trade with the UK; in 2014, almost 8% of all German exports went to the UK, but it now stands at some 5%.

Exports are still facing rough headwinds

Looking ahead, German exports are still facing rough headwinds. US tariffs are still weighing on exports and will probably only show their full impact over the coming months, notwithstanding the risk of new tariffs. At the same time, German exporters are currently facing a triple China shock: weaker demand for German products in China, increased competition from Chinese producers in third markets and Germany's home market, the EU, and finally the dependence on Chinese rare earths.

Today's data shows that German exports are not falling off a cliff. However, half a year after US President Trump's 'Liberation Day', German exports have still not fully recovered. Given the ongoing structural challenges, it currently requires a lot of imagination to see a quick return of the export sector as a powerful growth engine for the German economy.

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