

## ifo World Economic Climate Recovers Slightly

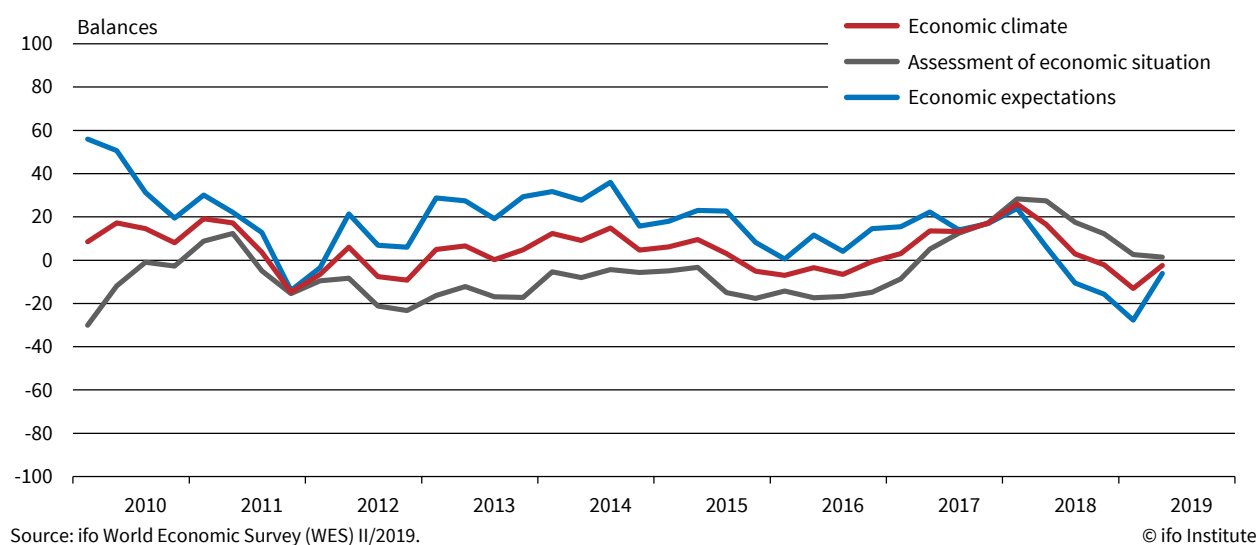
Munich, May 8, 2019 – The ifo World Economic Climate has recovered somewhat. In the second quarter, the indicator rose from -13.1 points to -2.4 points, having previously fallen four times in a row. Expectations for the coming months have brightened considerably. In contrast, the assessment of the current situation has deteriorated only slightly. This means the global economy should gradually strengthen again over the course of the year. The experts expect the global economy to grow by 3.4 percent this year.

The economic climate recovered in almost all regions of the world as economic expectations brightened. In most emerging and developing countries, the experts' assessment of the current economic situation was better than it has been recently. This contrasts with a deterioration in the assessment of the current situation in advanced economies. Only in Latin America did the economic climate continue to deteriorate, with the assessment of the situation and the outlook for the coming months both less favorable.

Economic momentum in private consumption, investment, and world trade should recover slightly over the course of the year. Unlike three months ago, experts no longer expect interest rates to rise. Growing income inequality is the most frequently cited problem for the global economy.

Clemens Fuest  
 President of the ifo Institute

### ifo World Economic Climate



### ifo World Economic Climate (Balances)

Quarter/Year	II/2017	III/2017	IV/2017	I/2018	II/2018	III/2018	IV/2018	I/2019	II/2019
<b>Climate</b>	13.5	13.2	17.1	26.0	16.5	2.9	-2.2	-13.1	-2.4
<b>Situation</b>	5.1	12.5	17.2	28.3	27.4	17.5	12.2	2.6	1.4
<b>Expectations</b>	22.2	14.0	16.9	23.9	6.1	-10.6	-15.7	-27.7	-6.1

Source: ifo World Economic Survey (WES) II/2019.

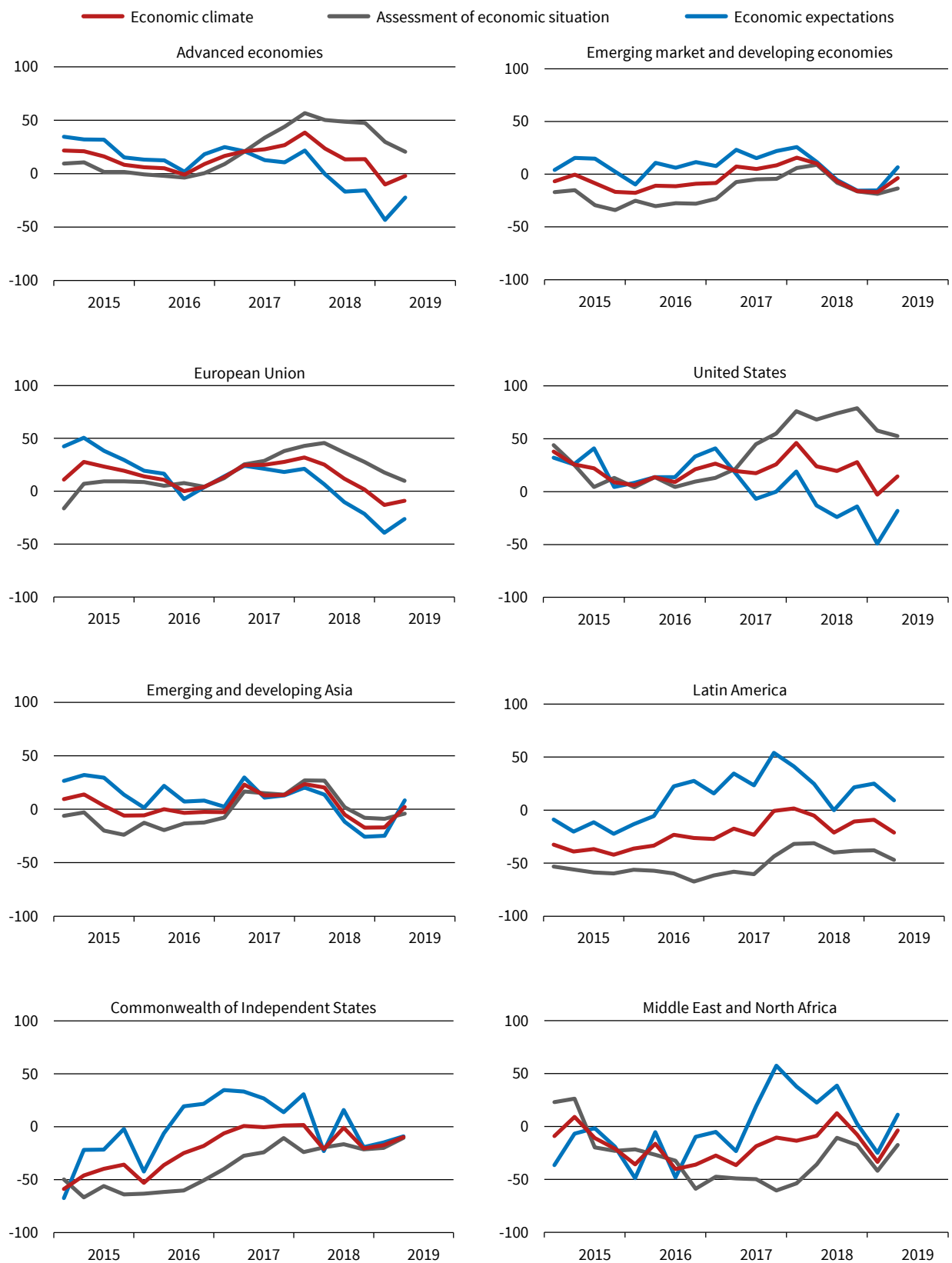
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For long time-series in Excel format consult [www.cesifo-group.de/langereihen](http://www.cesifo-group.de/langereihen).

Since 1989 the ifo Institute has conducted a quarterly survey in numerous countries on business cycle developments and other economic factors in the experts' home countries. The April 2019 survey received responses from 1,281 experts in 119 countries. A detailed regional analysis appears in the quarterly journal: ifo World Economic Survey. This press release contains advance information on the most important results.

**ifo Economic Climate for World Regions**

Balances

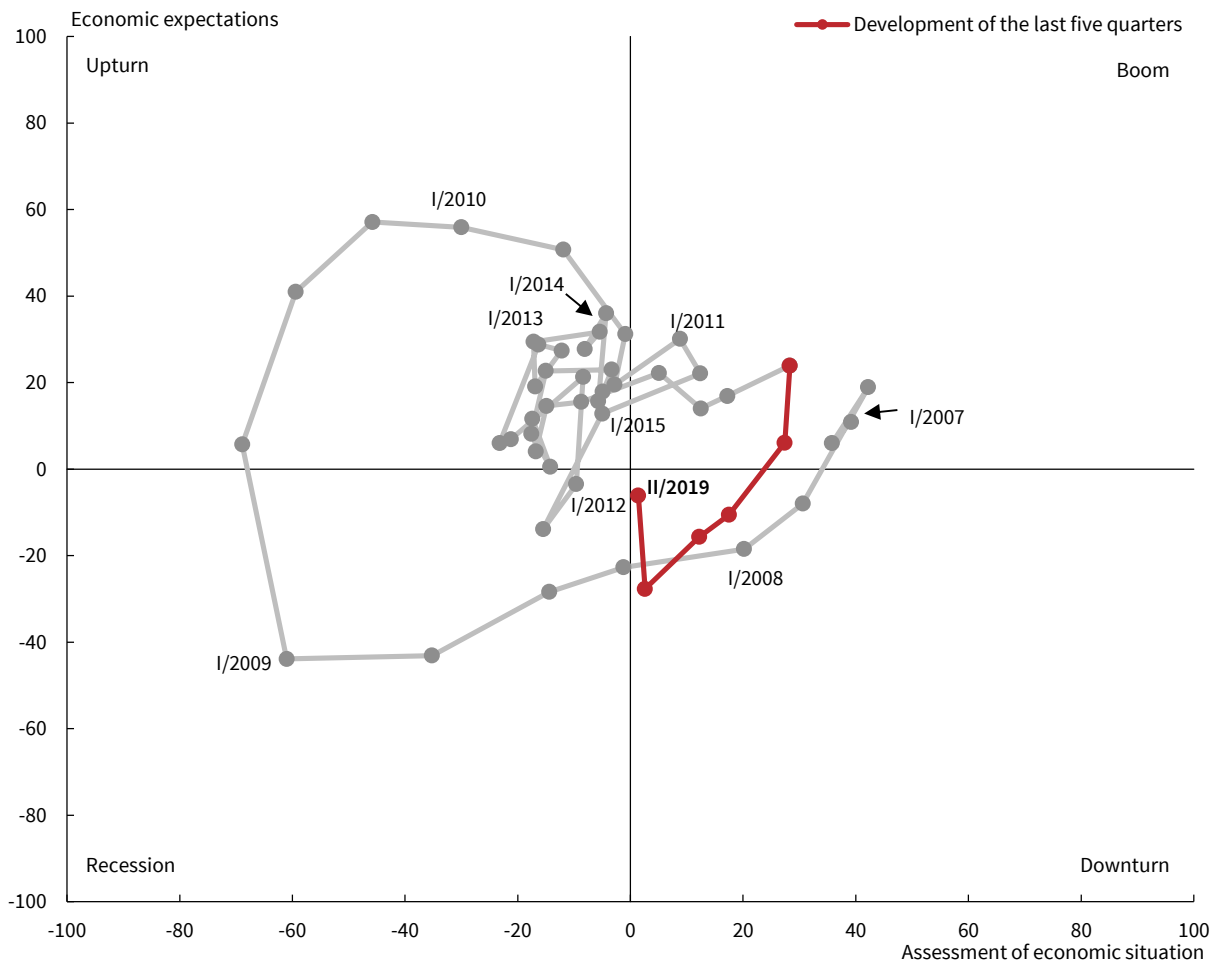


Source: ifo World Economic Survey (WES) II/2019.

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**ifo Business Cycle Clock World Economy**

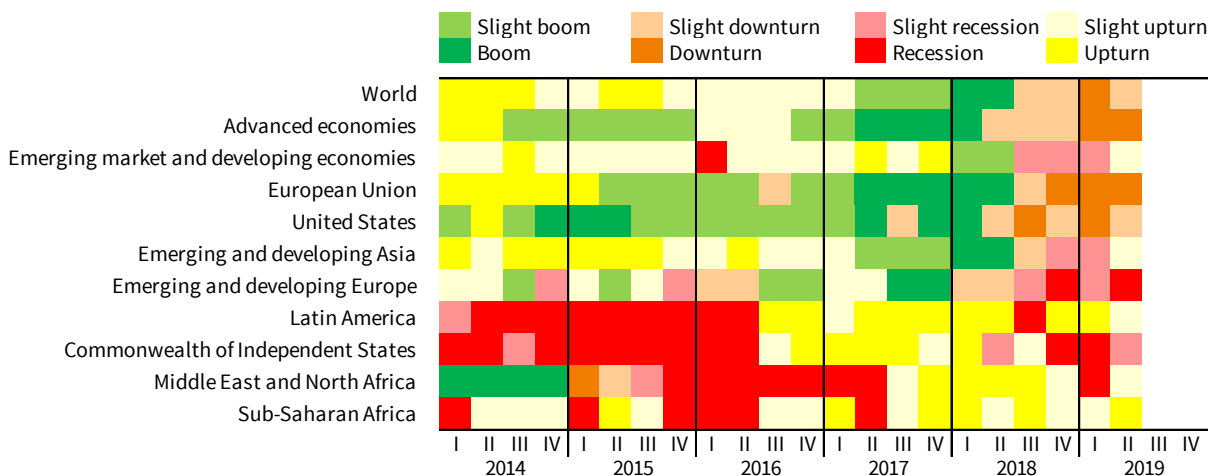
Balances



Source: ifo World Economic Survey (WES) II/2019.

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**ifo World Economic Survey – Heatmap <sup>a</sup>**



<sup>a</sup> The assessments of the current situation and economic expectations for the next six months are visualised by a four colour scheme that illustrates the four phases of a business cycle: boom, downturn, recession, upturn. The transition areas between these four phases are illustrated with lighter colours and are defined as follows: *Slight boom* when the current situation is smaller than +20. *Slight downturn* when expectations are between 0 and -20. *Slight recession* when the current situation is between 0 and -20. *Slight upturn* when expectations are smaller than +20.

Source: ifo World Economic Survey (WES) II/2019.

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