

ifo Business Climate Saxony Improves

Dresden, April 1, 2021 – The ifo Business Climate Index Saxony rose in March 2021. The barometer of business sentiment climbed from 91.0 to 93.4 points. Compared to the previous month, the business situation and expectations for the coming six months were better.

In Saxony's *manufacturing*, the mood improved once again. The survey participants' assessments of their current situation saw a tremendous upswing in March, but their business expectations for the coming months declined somewhat.

In Saxony's *service sector*, the business climate brightened considerably, driven by the rise in business expectations. However, assessments of the current situation fell slightly.

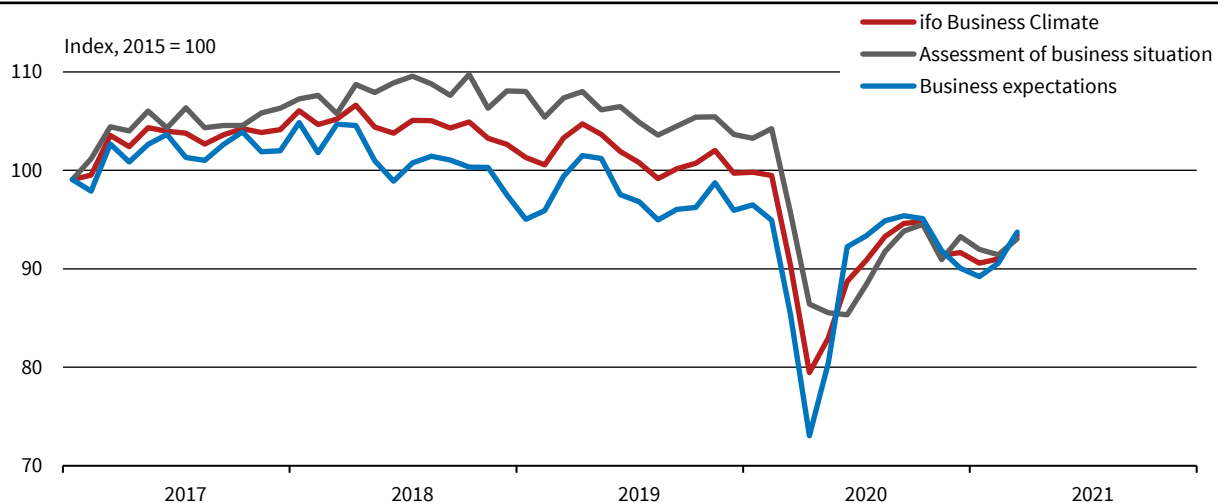
The mood in Saxony's *trade* improved significantly in March, a change largely attributable to the better mood in retail. Retailers' assessments of the business situation and business expectations surged, while sentiment in wholesale clouded over slightly.

In Saxony's *construction* industry, the ifo Business Climate Index rose markedly in March. The construction companies participating in the survey reported a very clear improvement in their assessments of the current situation, and their business expectations climbed as well.

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ifo Business Climate Saxony^a

Seasonally adjusted



^a Manufacturing, service sector, trade, and construction.
Source: ifo Business Survey, March 2021

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ifo Business Climate Saxony (Index, 2015 = 100, seasonally adjusted)

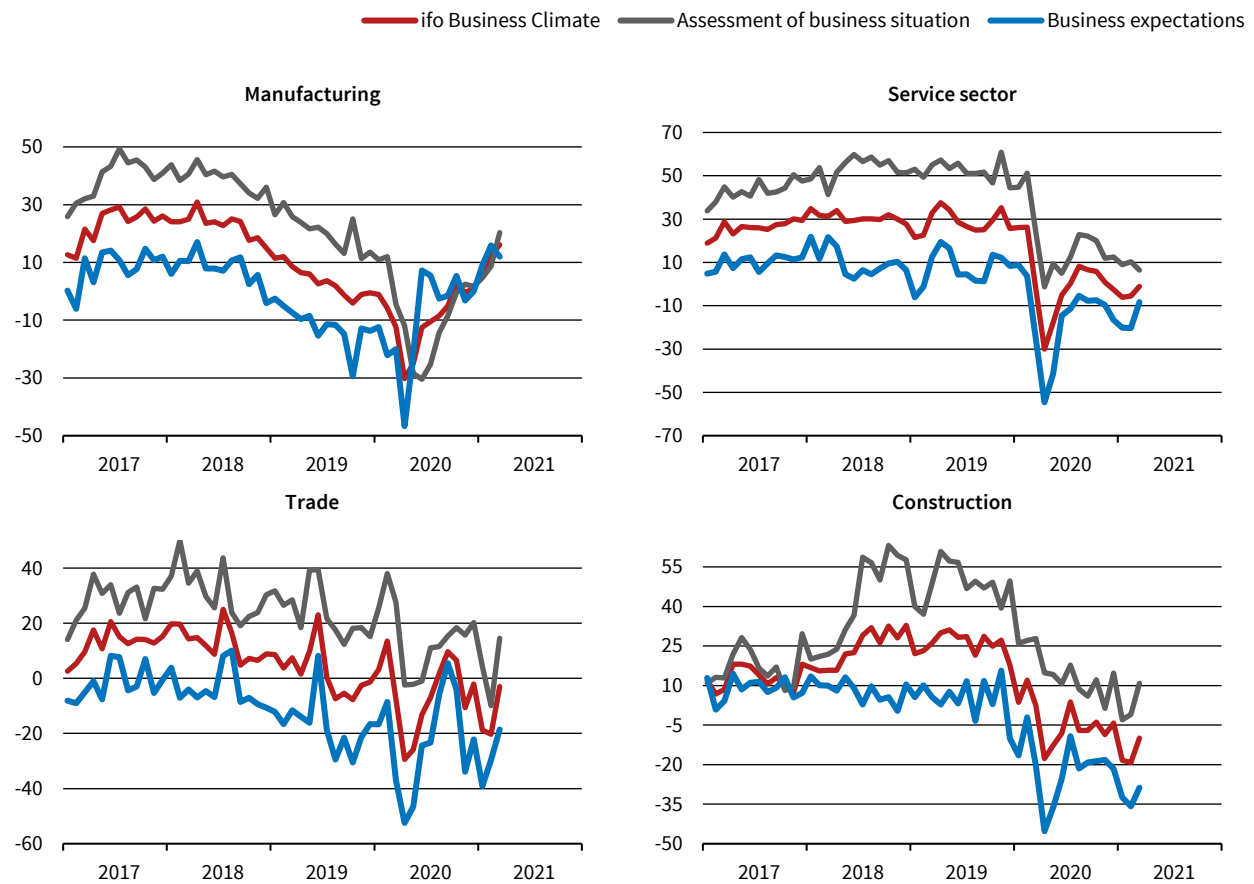
	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21
Climate	90.4	79.5	83.0	88.7	90.8	93.3	94.6	94.8	91.4	91.7	90.6	91.0	93.4
Situation	95.7	86.4	85.5	85.3	88.4	91.7	93.8	94.5	90.9	93.3	92.0	91.4	93.1
Expectations	85.3	73.0	80.4	92.2	93.4	94.9	95.4	95.1	91.9	90.1	89.2	90.6	93.7

Source: ifo Business Survey

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Business Situation and Expectations Saxony by Sector
Balances, seasonally adjusted



Source: ifo Business Survey, March 2021

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ifo Business Climate Saxony (Balances, seasonally adjusted)

	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21
Saxony	-4.6	-28.1	-20.6	-8.1	-3.6	1.8	4.6	5.1	-2.3	-1.7	-4.1	-3.2	2.0
Manufacturing	-12.4	-30.2	-25.1	-12.5	-10.5	-8.5	-5.1	2.5	-0.4	0.9	6.8	12.2	16.1
Service sector	-2.3	-30.0	-17.8	-5.1	0.2	8.3	6.6	5.9	0.8	-2.6	-6.1	-5.6	-1.1
Trade	-7.7	-29.4	-25.8	-13.3	-6.9	1.6	9.7	6.6	-10.7	-2.1	-18.8	-20.3	-3.0
Construction	2.4	-17.7	-12.7	-8.2	3.8	-7.0	-7.0	-3.9	-8.7	-4.3	-18.3	-19.2	-10.0

Source: ifo Business Survey

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The ifo Business Climate for Saxony is based on approx. 500 monthly survey responses from businesses in manufacturing, the service sector, trade, and construction. Companies are asked to give their assessments of the **current business situation** and their **expectations** for the next six months. They can describe their situation as “good,” “satisfactory,” or “poor” and their business expectations for the next six months as “more favorable,” “unchanged,” or “less favorable.” The **balance value** of the current business situation is the difference in the percentage shares of the responses “good” and “poor”; the balance value of the expectations is the difference in the percentage shares of the responses “more favorable” and “less favorable.” The **business climate** is a transformed mean of the balances of the business situation and the expectations. To calculate the **index values**, the transformed balances are all normalized to the average for the year 2015.



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