

## ifo Business Climate Saxony Rises

Dresden, May 3, 2021 – The ifo Business Climate Index Saxony rose considerably in April 2021. The barometer of business sentiment jumped from 93.5 to 95.7 points. This was driven by companies' substantially improved business expectations. Their assessments of the current situation also improved slightly.

In Saxony's *manufacturing*, sentiment brightened somewhat in April. Assessments of the current situation and expectations both improved moderately. Capacity utilization in manufacturing, recorded quarterly, rose to 85.1 percent in April – well above its long-run average of 81.8 percent.

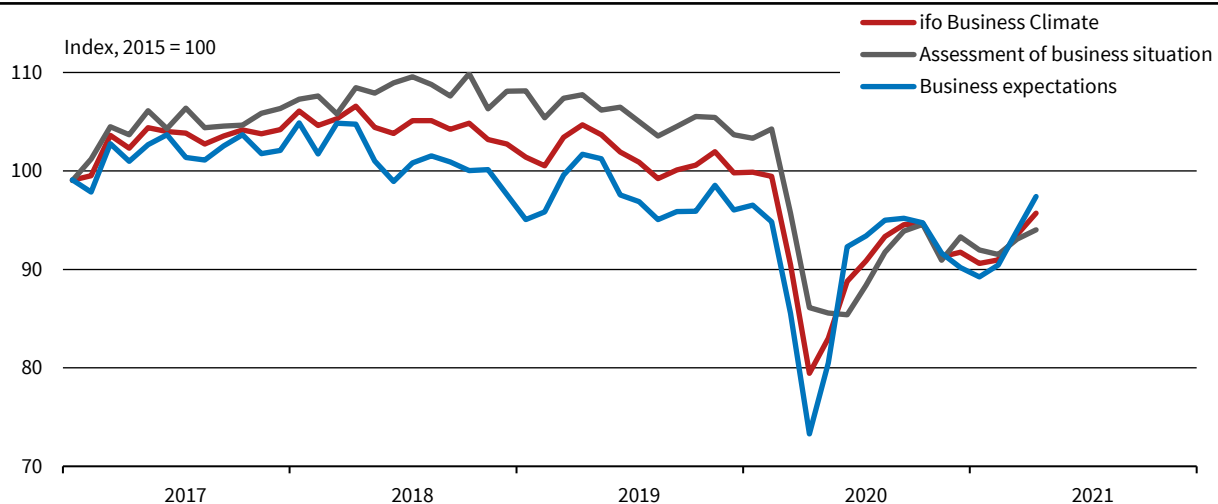
In Saxony's *service sector*, the Business Climate Index rose further in April. Survey participants reported a notable improvement in their assessments of the current situation, while their outlook for the coming months was also somewhat less pessimistic.

April saw a continued brightening of the business climate in Saxony's *trade*. This was driven by a strong improvement in business expectations for the coming six months. Assessments of the current situation improved a little.

In Saxony's *construction*, the Business Climate Index rose perceptibly in April. Participating construction companies reported a palpable improvement in their assessments of the current situation, and their business expectations for the coming six months also improved.

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### ifo Business Climate Saxony<sup>a</sup> Seasonally adjusted



<sup>a</sup> Manufacturing, service sector, trade and construction.  
Source: ifo Business Survey, April 2021.

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

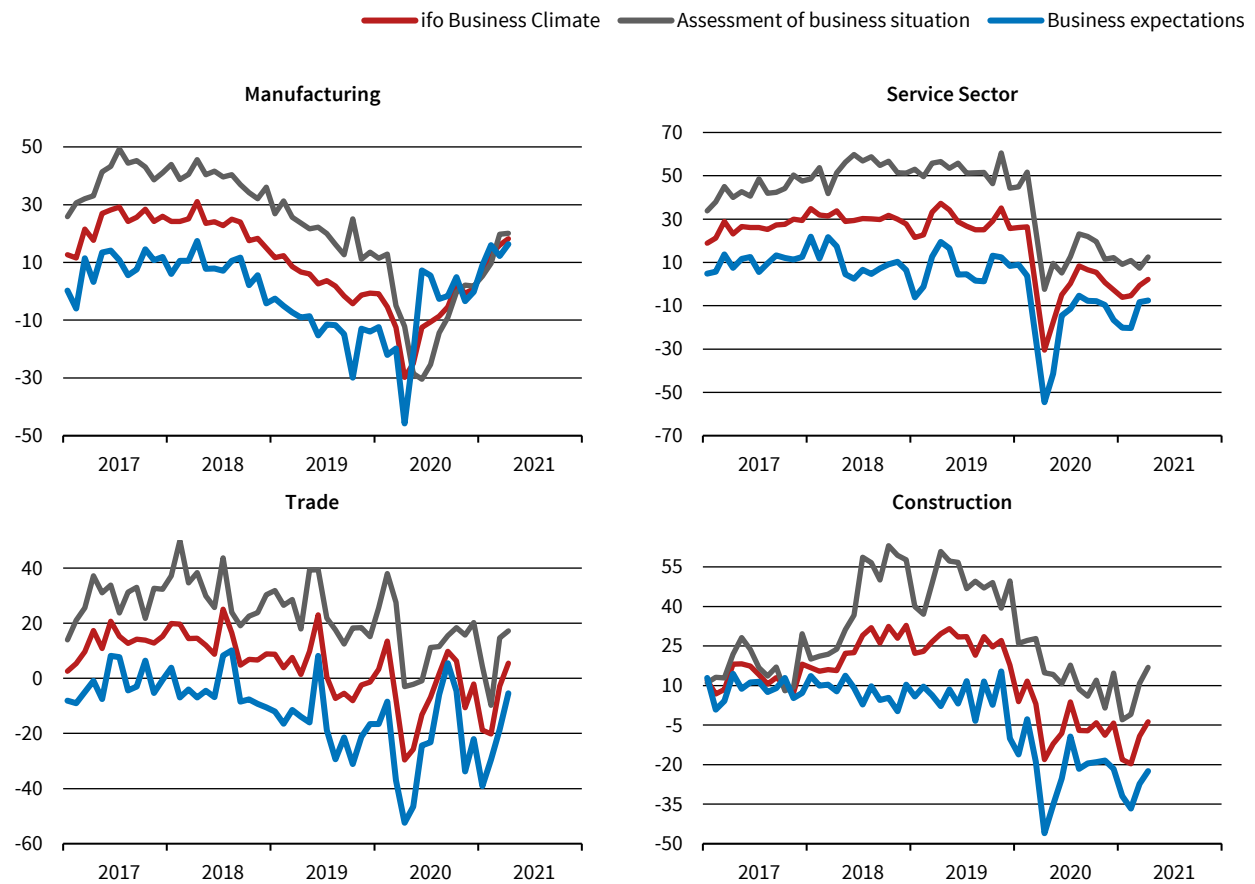
	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21
<b>Climate</b>	79.4	83.0	88.8	90.9	93.3	94.6	94.7	91.3	91.7	90.6	91.0	93.5	95.7
<b>Situation</b>	86.1	85.6	85.4	88.4	91.7	93.9	94.6	90.9	93.3	92.0	91.5	93.1	94.0
<b>Expectations</b>	73.3	80.5	92.3	93.4	95.0	95.2	94.7	91.7	90.2	89.2	90.4	94.0	97.4

Source: ifo Business Survey

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For long time series in Excel format, please see [www.ifo.de/en/umfragen/time-series](http://www.ifo.de/en/umfragen/time-series).

**Business Situation and Expectations Saxony by Sector**  
Balances, seasonally adjusted



Source: ifo Business Survey, April 2021.

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**ifo Business Climate Saxony** (Balances, seasonally adjusted)

	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21
<b>Saxony</b>	-28.2	-20.5	-8.0	-3.5	1.9	4.5	4.7	-2.5	-1.6	-4.0	-3.2	2.3	7.0
Manufacturing	-29.8	-25.1	-12.6	-10.6	-8.6	-5.4	2.2	-0.7	0.8	7.1	12.8	15.9	18.2
Service sector	-30.5	-17.7	-5.0	0.2	8.4	6.6	5.4	0.6	-2.7	-6.1	-5.3	-0.6	2.2
Trade	-29.6	-25.8	-13.2	-6.8	1.6	9.8	6.3	-10.6	-2.1	-18.7	-20.2	-2.9	5.4
Construction	-18.1	-12.2	-8.1	3.7	-7.1	-7.2	-4.1	-8.8	-4.3	-18.1	-19.7	-9.2	-3.8

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.



The ifo Institute Dresden Branch is partly financed by tax revenues on the basis of the budget approved by the members of Saxony’s state parliament.