

ifo Business Climate Saxony Falls Slightly

Dresden, September 3, 2021 – In August 2021, the ifo Business Climate Index Saxony took a slight dip. The barometer of business sentiment in Saxony’s economy fell from 103.0 to 102.6 points, due primarily to a distinct drop in business expectations. Over the same period, assessments of the current situation improved greatly.

Sentiment in Saxony’s *manufacturing* worsened slightly in August. Both manufacturers’ assessments of the situation and their business expectations fell back somewhat.

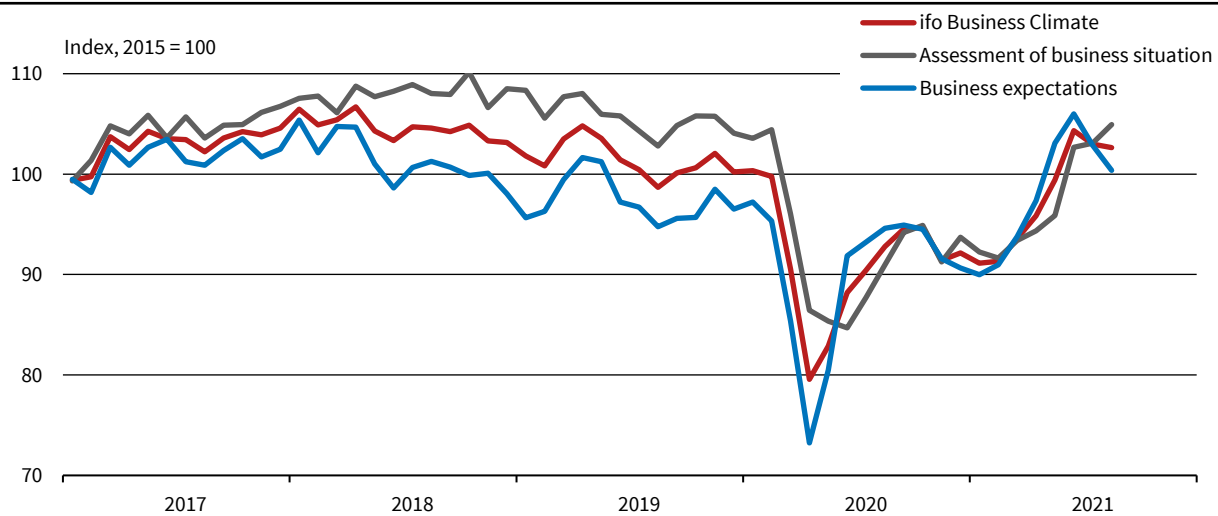
In Saxony’s *service sector*, the Business Climate Index fell somewhat in August. Service companies lowered their expectations significantly again in August, but they raised their assessments of the current situation palpably.

Sentiment in Saxony’s *trade* cooled a little in August. This was mostly due to a clear drop in current business. At the same time, trading companies’ business expectations rose noticeably.

In Saxony’s *construction*, the business climate cooled markedly in August. The construction companies surveyed revised both their assessments of the situation and their business expectations slightly downward.

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ifo Business Climate Saxony^a Seasonally adjusted



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

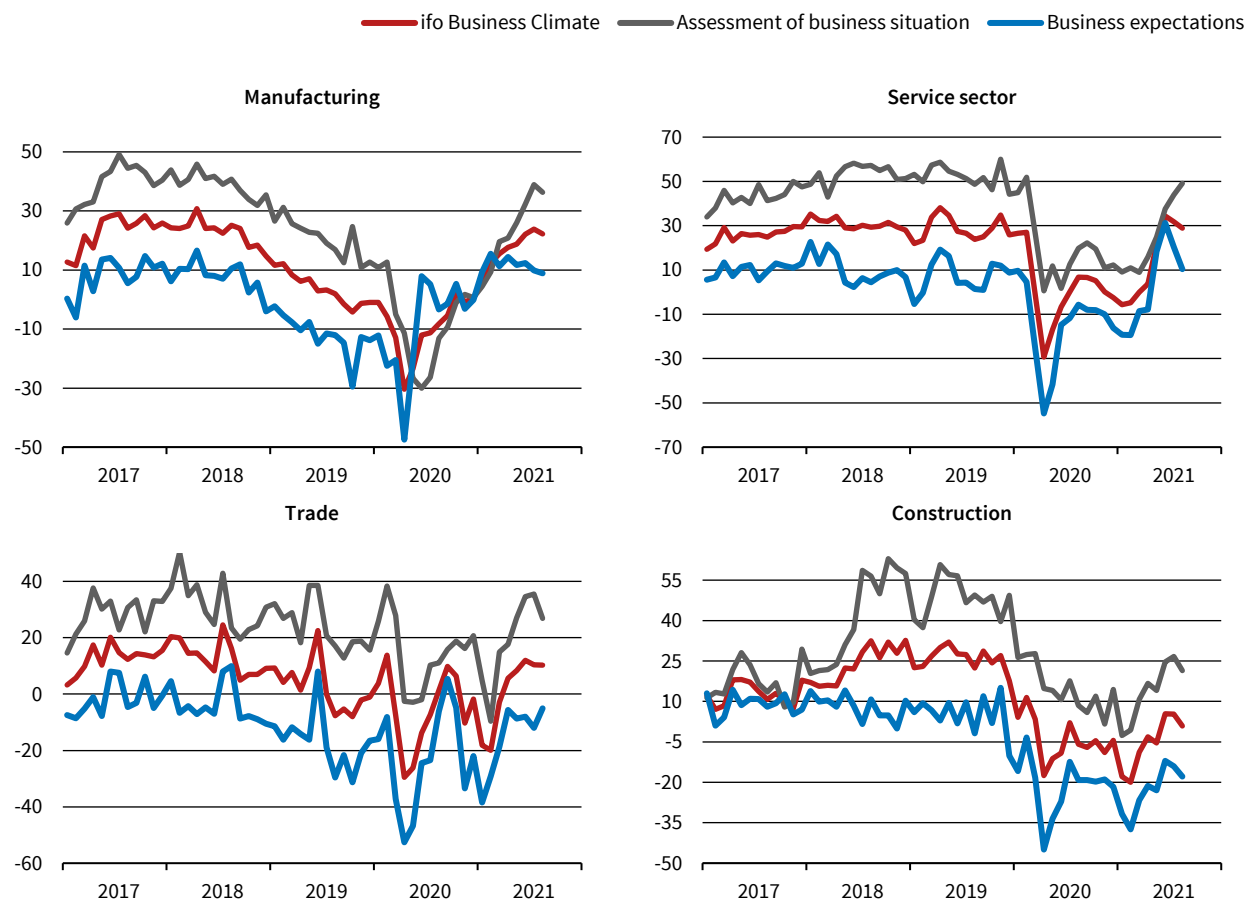
ifo Business Climate Saxony (Index, 2015 = 100, seasonally adjusted)

	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21	05/21	06/21	07/21	08/21
Climate	92.8	94.6	94.7	91.4	92.2	91.1	91.3	93.6	95.8	99.4	104.3	103.0	102.6
Situation	91.0	94.2	94.9	91.3	93.7	92.3	91.6	93.4	94.4	95.9	102.7	103.1	104.9
Expectations	94.6	94.9	94.5	91.6	90.6	90.0	91.0	93.8	97.3	103.1	106.0	102.9	100.4

Source: ifo Business Survey

For long time series in Excel format, please see www.ifo.de/en/umfragen/time-series.

Business Situation and Expectations Saxony by Sector
Balances, seasonally adjusted



Source: ifo Business Survey, August 2021

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ifo Business Climate Saxony (Balances, seasonally adjusted)

	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21	05/21	06/21	07/21	08/21
Saxony	0.6	4.5	4.8	-2.3	-0.7	-2.9	-2.5	2.4	7.3	15.0	25.6	22.7	22.0
Manufacturing	-8.3	-5.4	2.1	-0.7	0.3	6.8	12.4	15.4	17.6	18.7	22.1	23.9	22.2
Service sector	6.7	6.6	5.2	0.2	-2.5	-5.6	-4.8	0.0	3.7	21.5	34.4	31.8	28.9
Trade	1.3	9.8	6.4	-10.2	-1.8	-18.1	-20.0	-2.8	5.6	8.4	11.9	10.4	10.3
Construction	-5.8	-7.0	-4.6	-8.9	-4.4	-17.8	-20.0	-8.9	-3.2	-5.3	5.5	5.3	0.8

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.



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