

ifo Business Climate Saxony Rises

Dresden, January 31, 2022 – The ifo Business Climate Index Saxony rose in January. The barometer of business sentiment in Saxony’s economy rose from 97.0 to 100.5 points, bringing the downward trend of recent months to an end for the time being. This rise was due mainly to a major improvement in companies’ business expectations. The survey participants’ assessments of their current situation also improved slightly.

The mood in Saxony’s *manufacturing* brightened a little in January. The companies surveyed raised their overall assessments of the current situation somewhat. Business expectations for the coming six months were slightly lower.

In Saxony’s *service sector*, sentiment was much improved at the beginning of the year. This was driven by survey participants’ thoroughly improved business expectations. Compared to the previous month, assessments of the current situation barely changed at all.

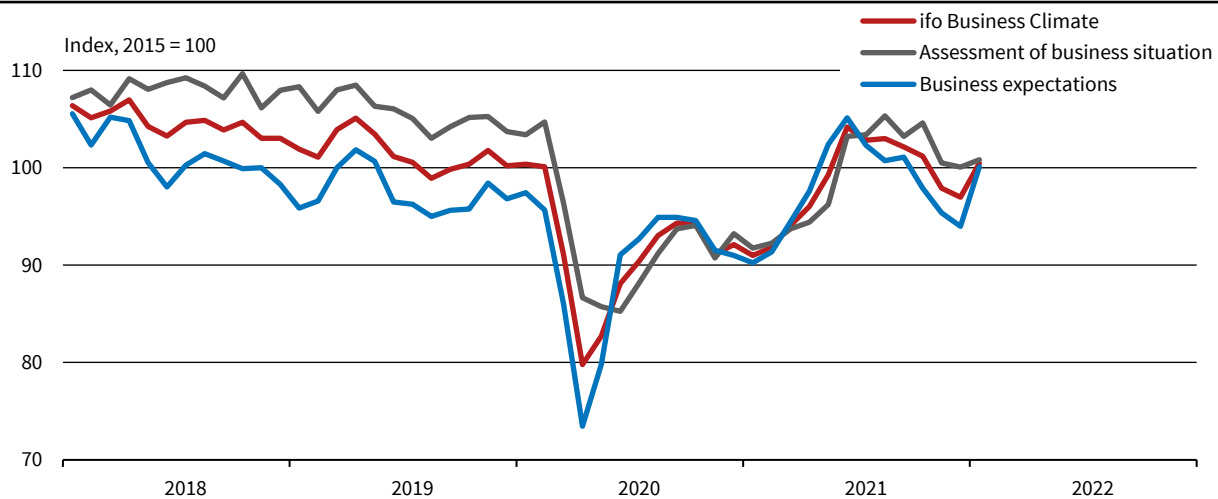
In Saxony’s *trade*, the barometer of business sentiment continued to cool, with businesses stating that they were less satisfied with their current situation. Expectations for the coming six months drifted marginally lower.

In Saxony’s *construction*, the ifo Business Climate Index rose slightly in January. While business expectations for the coming six months improved, assessments of the current situation remained at the previous month’s level.

Joachim Ragnitz and Marcel Thum
Executive Directors, Dresden Branch of the ifo Institute

ifo Business Climate Saxony^a

Seasonally adjusted



^a Manufacturing, service sector, trade, and construction.
Source: ifo Business Survey, January 2022

© ifo Institute

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

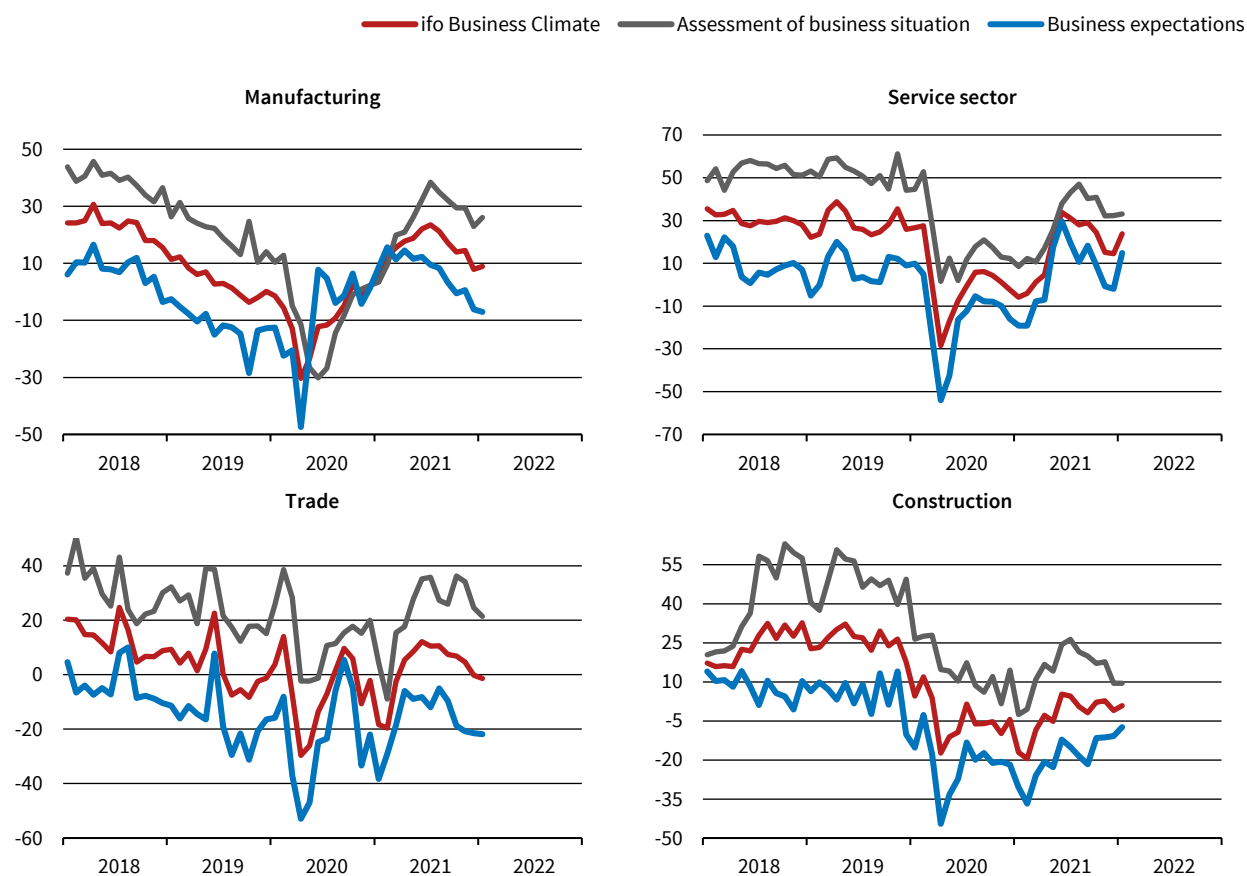
	01/21	02/21	03/21	04/21	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22
Climate	91.0	91.8	94.1	96.0	99.3	104.2	102.8	103.0	102.2	101.2	97.9	97.0	100.5
Situation	91.7	92.2	93.7	94.4	96.2	103.2	103.4	105.3	103.2	104.6	100.5	100.1	100.8
Expectations	90.2	91.4	94.5	97.6	102.4	105.1	102.3	100.7	101.1	97.9	95.4	94.0	100.1

Source: ifo Business Survey

© ifo Institute

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, January 2022

© ifo Institut

ifo Business Climate Saxony (Balances, seasonally adjusted)

	01/21	02/21	03/21	04/21	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22
Saxony	-3.2	-1.5	3.5	7.6	14.7	25.3	22.4	22.8	20.9	18.9	11.7	9.8	17.3
Manufacturing	6.0	12.6	15.6	17.7	18.8	22.0	23.5	21.2	17.2	14.0	14.6	7.9	8.9
Service sector	-5.8	-4.1	1.2	4.7	21.6	33.8	31.1	28.1	29.0	24.4	15.1	14.5	23.8
Trade	-18.3	-19.6	-2.5	5.4	8.5	12.1	10.5	10.6	7.4	6.9	4.6	-0.2	-1.4
Construction	-17.0	-19.5	-8.4	-2.9	-5.1	5.3	4.6	0.5	-1.9	2.2	2.6	-1.0	0.9

Source: ifo Business Survey

© ifo Institute

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.