

ifo Business Climate Saxony Rises Further

Dresden, February 28, 2022 – The ifo Business Climate Index Saxony continued to climb in February. The barometer of business sentiment in Saxony's economy rose from 100.5 to 101.7 points. This is the second consecutive improvement in the index. The main reason for this was a sharp improvement in assessments of the current situation. Business expectations for the coming six months were slightly lower.

In Saxony's *manufacturing*, sentiment brightened somewhat in February. Participating manufacturers were much more positive about their current business, but their expectations for the coming six months dipped once again.

Sentiment in Saxony's *service sector* improved perceptibly in February, with survey respondents raising their assessments of the current situation considerably. Business expectations for the coming six months were slightly lower.

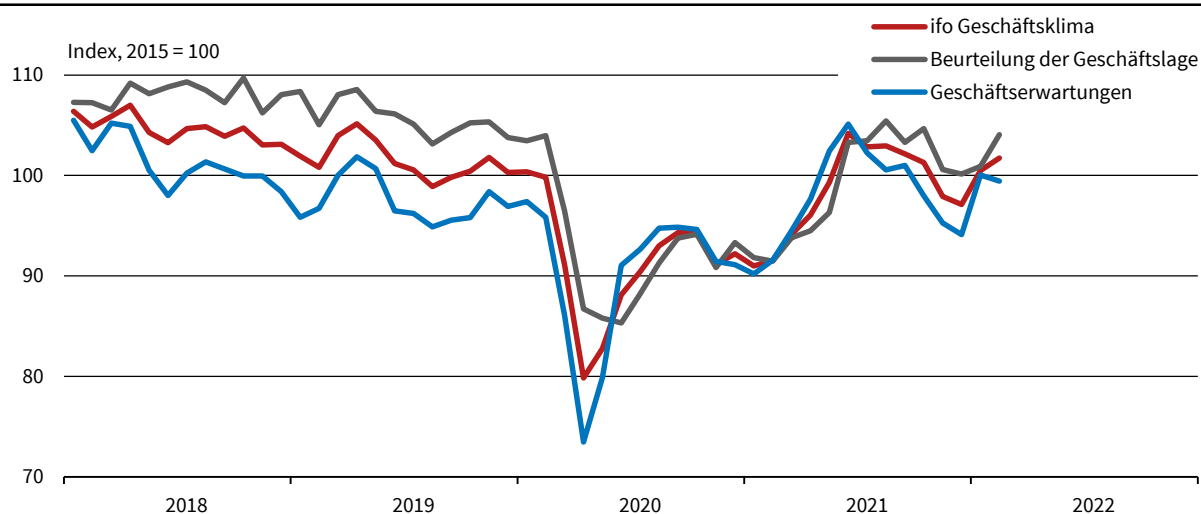
The business climate in Saxony's *trade* turned much brighter. This was mainly due to a major improvement in business expectations; assessments of the situation improved a little as well.

In Saxony's *construction industry*, the barometer of business sentiment tumbled, primarily as a result of a sharp drop in business expectations. There was a marginal improvement in business expectations.

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, February 2022

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

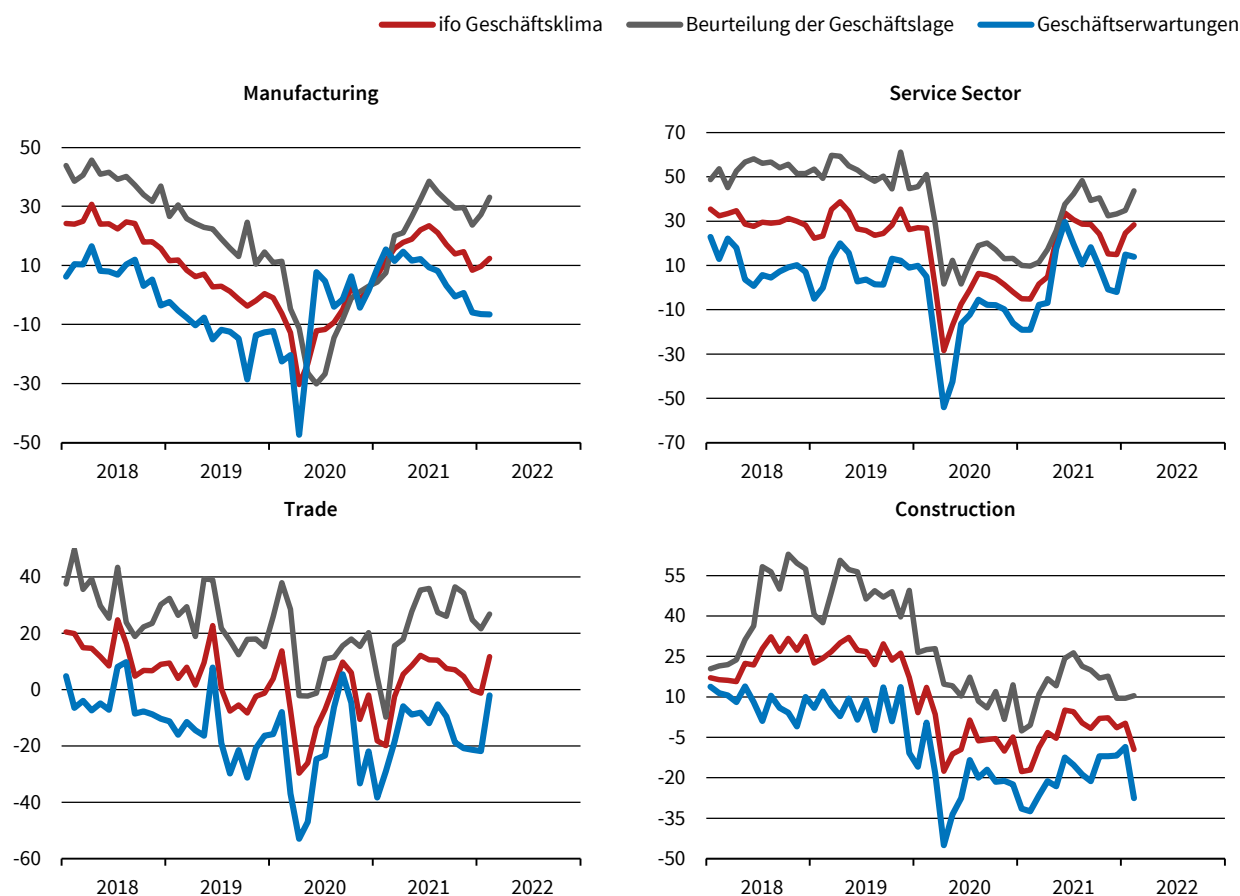
	02/21	03/21	04/21	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22	02/22
Climate	91.5	94.1	96.1	99.3	104.2	102.8	103.0	102.1	101.3	97.9	97.1	100.5	101.7
Situation	91.5	93.8	94.5	96.3	103.3	103.4	105.4	103.3	104.7	100.6	100.2	100.9	104.1
Expectations	91.6	94.5	97.6	102.4	105.1	102.2	100.5	101.0	98.0	95.3	94.1	100.0	99.4

Source: ifo Business Survey

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



Source: ifo Business Survey, February 2022

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ifo Business Climate Saxony by Sector (Balances, seasonally adjusted)

	02/21	03/21	04/21	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22	02/22
Saxony	-2.1	3.6	7.8	14.8	25.3	22.4	22.7	20.9	19.0	11.7	10.0	17.3	20.0
Manufacturing	11.4	15.7	17.8	18.9	22.1	23.5	21.1	17.1	13.9	14.7	8.3	9.7	12.4
Service sector	-5.2	1.6	4.8	21.6	33.7	30.7	28.6	28.5	24.2	15.2	14.9	24.7	28.3
Trade	-20.0	-2.5	5.5	8.6	12.2	10.6	10.4	7.5	7.0	4.7	-0.1	-1.3	11.7
Construction	-17.1	-8.7	-3.2	-5.4	5.1	4.5	0.3	-1.7	2.0	2.3	-1.4	0.3	-9.5

Source: ifo Business Survey

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The ifo Business Climate Saxony is based on approx. 500 monthly 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 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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