

## ifo Business Climate Index Saxony Recovers

Dresden, May 2, 2022 – The ifo Business Climate Index Saxony rose in April. The barometer of business sentiment in Saxony’s economy climbed from 92.8 to 96.5 points. After a sharp decline in the previous month, companies’ assessments of the current situation and their expectations for the coming six months recovered, with the increase in the latter more pronounced. For the time being, the consequences for Saxony’s economy of the war in Ukraine do not seem to be as bad as had been expected in the previous month.

In Saxony’s *manufacturing*, sentiment brightened in April. Assessments of current business were tangibly better than the previous month. The outlook for the coming six months improved even more markedly.

In Saxony’s *service sector*, the Business Climate Index rose sharply in April. The service providers surveyed revised their assessments of the current situation upward a little. Business expectations for the coming six months improved substantially.

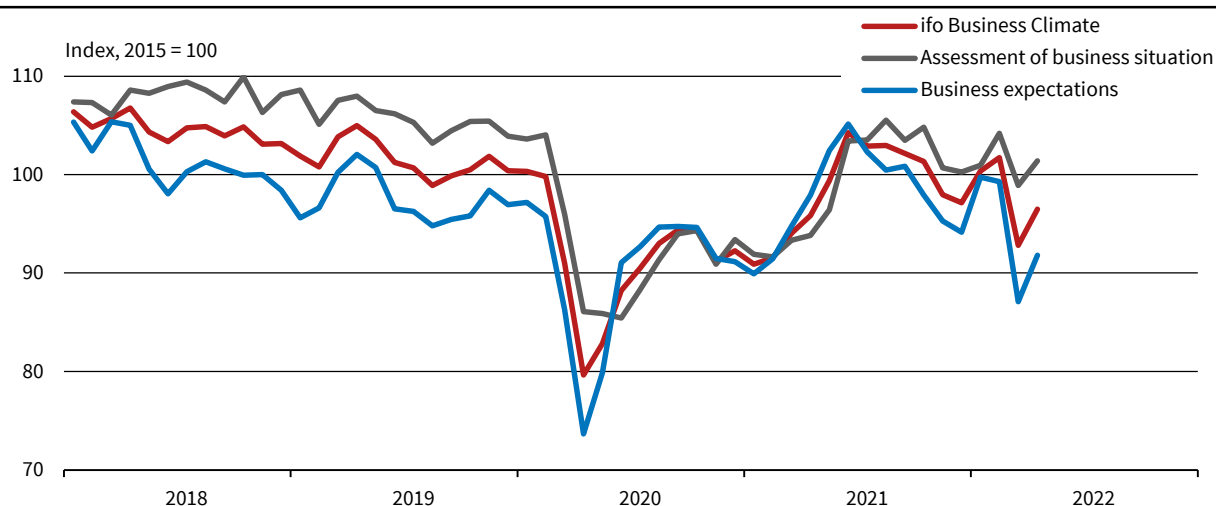
In Saxony’s *trade*, the business climate turned a little brighter in April. The businesses surveyed assessed both their current situation and their outlook as somewhat better than in the previous month.

In Saxony’s *construction*, the barometer of business sentiment fell slightly in April. Survey participants reported a small improvement in their assessments of the situation, while they scaled back their business expectations noticeably.

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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 2022

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

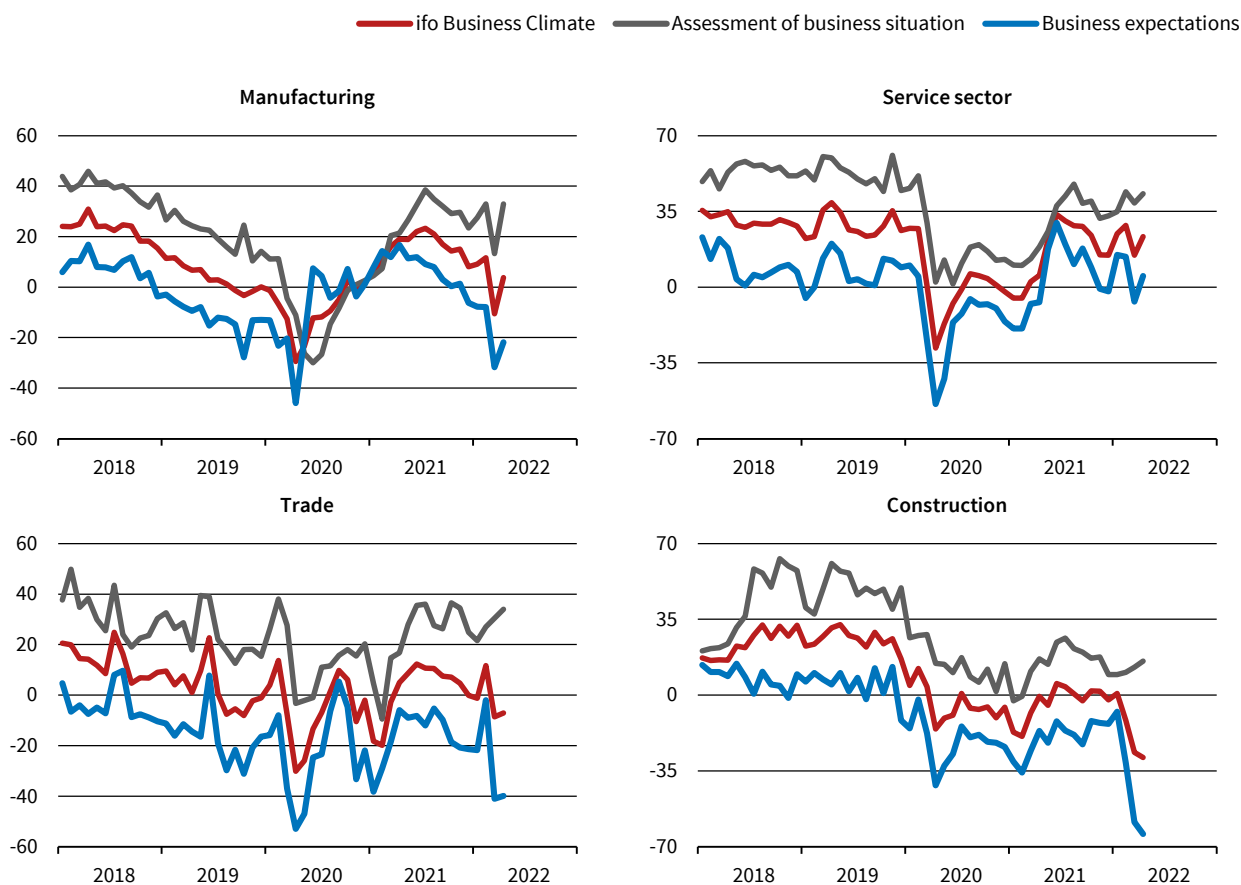
	04/21	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22	02/22	03/22	04/22
<b>Climate</b>	95.8	99.4	104.3	102.9	103.0	102.1	101.3	98.0	97.1	100.3	101.7	92.8	96.5
<b>Situation</b>	93.8	96.4	103.4	103.5	105.5	103.5	104.8	100.7	100.2	100.9	104.2	98.9	101.4
<b>Expectations</b>	97.9	102.4	105.1	102.3	100.4	100.8	97.9	95.3	94.1	99.7	99.3	87.1	91.8

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 2022

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

	04/21	05/21	06/21	07/21	08/21	09/21	10/21	11/21	12/21	01/22	02/22	03/22	04/22
<b>Saxony</b>	7.3	14.9	25.5	22.5	22.7	20.9	19.1	11.8	10.1	17.0	20.0	0.7	8.6
Manufacturing	19.0	18.8	22.0	23.3	21.0	17.0	14.2	15.0	8.0	9.1	11.6	-10.5	3.7
Service sector	5.4	21.6	33.6	30.6	28.3	28.0	23.9	14.9	14.8	24.7	28.5	14.8	23.3
Trade	5.0	8.6	12.3	10.6	10.5	7.5	7.1	4.8	0.0	-1.3	11.7	-8.6	-7.1
Construction	-0.6	-4.8	5.3	3.8	0.6	-2.6	2.0	1.9	-2.2	0.7	-11.6	-26.5	-28.8

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 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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