

ifo Business Climate Saxony Improves Moderately

Dresden, April 3, 2023 – The ifo Business Climate Index Saxony rose slightly in March. The barometer of business sentiment in Saxony’s economy climbed from 95.6 points in February to 96.8 points in March. The Saxony-based companies surveyed reported a somewhat less positive business situation than in the previous month but raised their business expectations considerably.

In Saxony’s *manufacturing*, the business climate brightened a little in March. The manufacturing companies surveyed assessed their current business situation as a bit less positive. At the same time, they raised their expectations for the next six months noticeably.

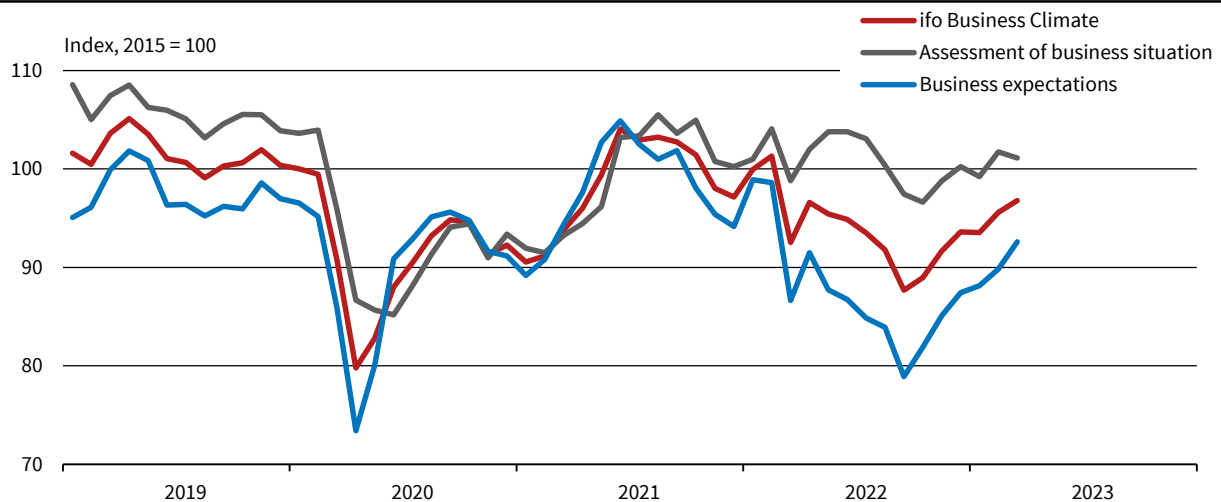
In Saxony’s *service sector*, the ifo Business Climate Index rose markedly in March. Saxony’s service providers assessed their current business situation as slightly better than in February and also raised their business expectations appreciably.

In Saxony’s *trade*, the business climate was a good deal cooler in March. This was largely due to a significant drop in business expectations among the businesses surveyed. At the same time, the business situation worsened somewhat.

In Saxony’s *construction* industry, the ifo Business Climate Index rose markedly in March. The Saxony-based construction companies surveyed raised both their assessments of the current situation and their business expectations significantly.

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ifo Business Climate Saxony^a
Seasonally adjusted



^a Manufacturing, service sector, trade, and construction.
Source: ifo Business Survey, March 2023

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

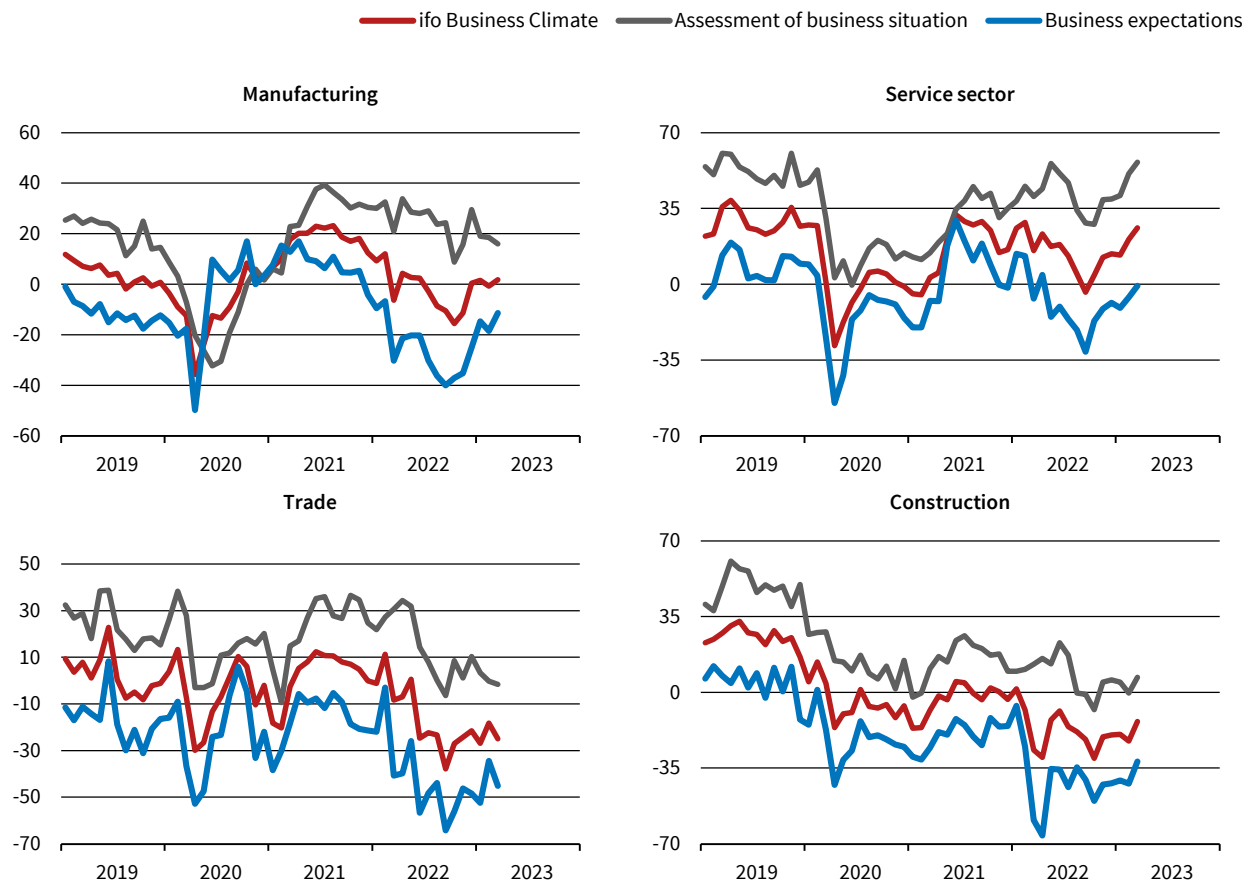
	03/22	04/22	05/22	06/22	07/22	08/22	09/22	10/22	11/22	12/22	01/23	02/23	03/23
Climate	92.5	96.6	95.4	94.9	93.5	91.8	87.7	88.9	91.7	93.6	93.5	95.6	96.8
Situation	98.8	102.0	103.8	103.8	103.0	100.4	97.4	96.6	98.8	100.2	99.2	101.7	101.1
Expectations	86.6	91.5	87.7	86.7	84.8	83.9	78.9	81.9	85.1	87.4	88.1	89.8	92.6

Source: ifo Business Survey

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Business Situation and Expectations Saxony by Sector
Balances, seasonally adjusted



Source: ifo Business Survey, March 2023

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

	03/22	04/22	05/22	06/22	07/22	08/22	09/22	10/22	11/22	12/22	01/23	02/23	03/23
Saxony	0.1	8.9	6.3	5.2	2.2	-1.5	-10.4	-7.6	-1.8	2.4	2.3	6.7	9.3
Manufacturing	-6.4	4.4	2.7	2.4	-2.8	-8.6	-10.5	-15.6	-11.5	0.4	1.5	-0.8	1.8
Service sector	15.6	23.3	17.5	18.3	13.1	4.7	-3.7	4.1	12.4	14.1	13.5	20.6	26.0
Trade	-8.3	-6.9	0.5	-24.7	-22.4	-23.2	-37.8	-27.0	-24.3	-21.5	-26.8	-18.2	-25.0
Construction	-26.7	-30.1	-12.7	-8.6	-15.9	-18.3	-21.8	-30.4	-20.6	-19.7	-19.4	-22.5	-13.5

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.

