

ifo Business Climate Index Saxony Jumps Higher

Dresden, November 6, 2023 – The business climate in Saxony improved significantly in October. The sentiment barometer for the Saxon economy rose to 91.1 points, 2.9 points higher than it was the previous month. Although the Saxon companies surveyed assessed their current business situation as only somewhat better overall than in September, they raised their business expectations considerably.

In Saxony's *manufacturing*, the ifo Business Climate Index made a steep climb in October. The companies surveyed assessed their current business situation as slightly better than in the previous month. However, their business expectations for the coming months brightened considerably.

The business climate in Saxony's *service sector* improved noticeably in October. The Saxon service providers surveyed were somewhat less satisfied with their current business, but raised their business expectations sharply compared with the previous month.

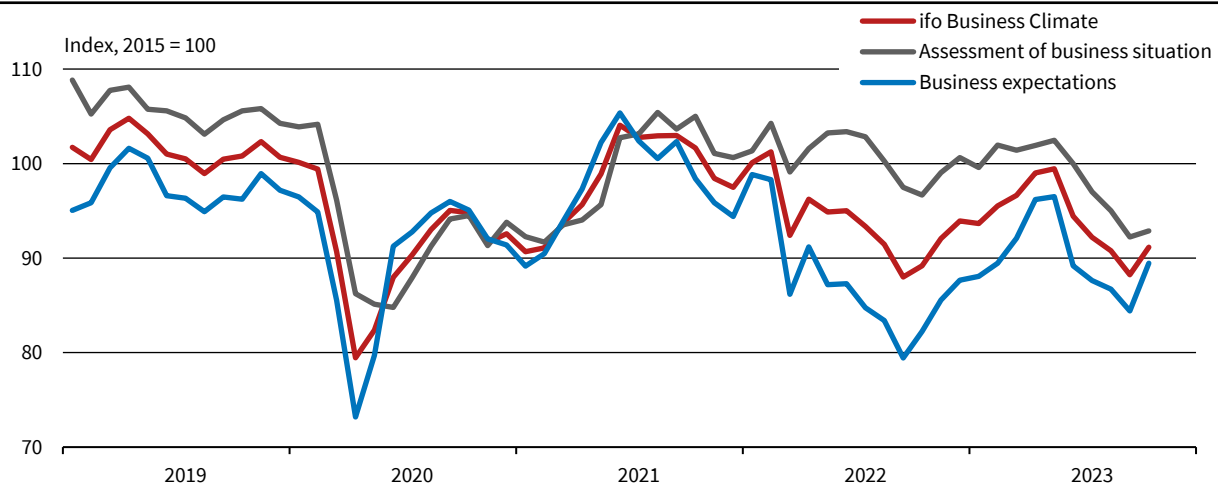
The Business Climate Index for Saxony's *trade* rose slightly overall. Both retailers and wholesalers assessed their business situation as marginally better than in September. As to their business expectations, Saxon companies expressed somewhat less pessimism than in the previous month.

In Saxony's *construction*, the Business Climate Index fell a little in October. Although the Saxon construction companies surveyed assessed their business situation as significantly worse than in September, they expected business to improve slightly in the coming months.

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ifo Business Climate Saxony^a

Seasonally adjusted



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

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

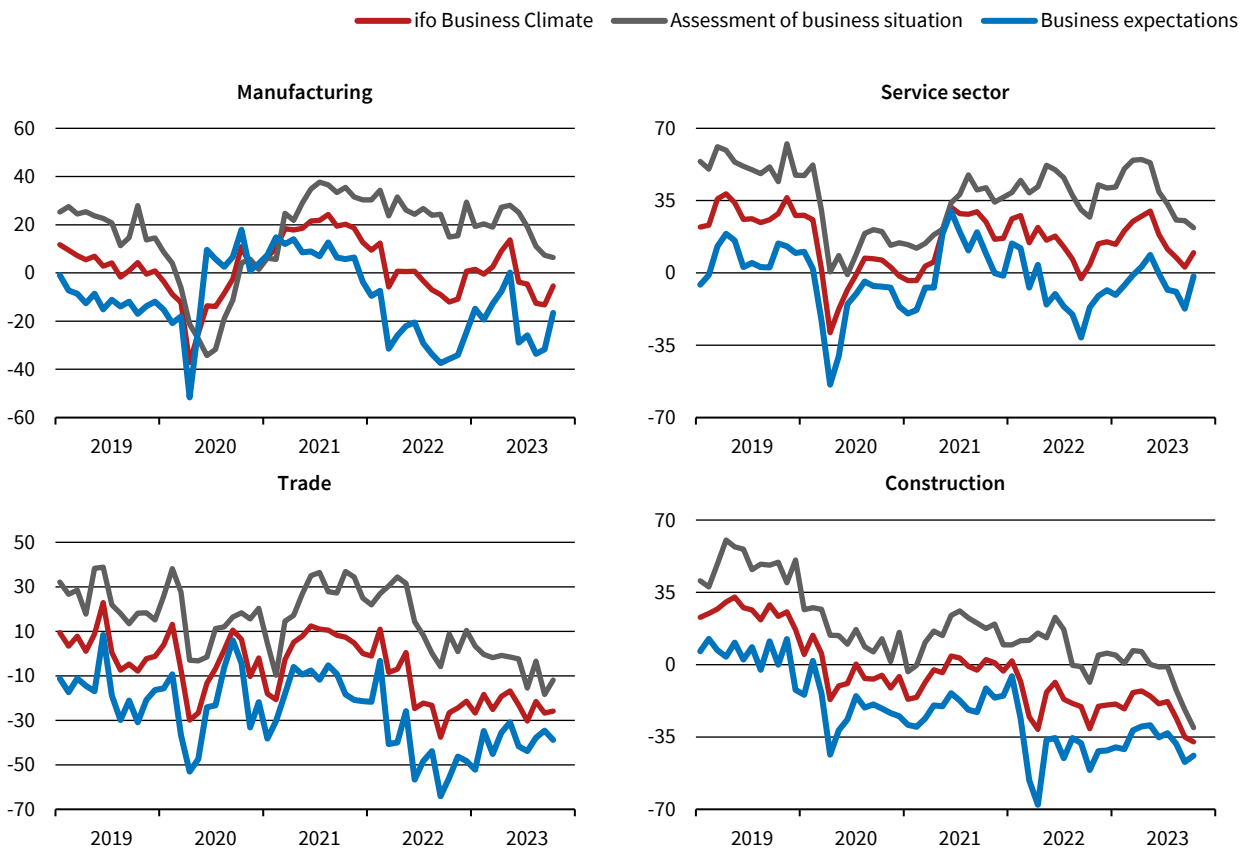
	10/22	11/22	12/22	01/23	02/23	03/23	04/23	05/23	06/23	07/23	08/23	09/23	10/23
Climate	89.2	92.1	93.9	93.6	95.5	96.6	99.0	99.4	94.4	92.2	90.8	88.2	91.1
Situation	96.7	99.1	100.6	99.6	102.0	101.4	101.9	102.5	100.0	97.0	95.0	92.2	92.9
Expectations	82.2	85.6	87.7	88.1	89.5	92.1	96.2	96.5	89.2	87.6	86.7	84.4	89.5

Source: ifo Business Survey

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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, October 2023

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

	10/22	11/22	12/22	01/23	02/23	03/23	04/23	05/23	06/23	07/23	08/23	09/23	10/23
Saxony	-7.1	-0.9	3.2	2.6	6.6	9.0	14.2	15.1	4.3	-0.6	-3.7	-9.2	-2.9
Manufacturing	-12.1	-10.9	0.7	1.5	-0.5	2.5	9.1	13.7	-3.8	-4.6	-12.6	-13.2	-5.4
Service sector	4.0	14.1	15.0	13.8	20.4	25.0	27.5	29.9	18.6	11.6	7.5	2.9	9.8
Trade	-26.6	-24.4	-21.4	-26.7	-18.5	-25.1	-19.2	-16.9	-23.2	-30.3	-21.6	-26.7	-25.9
Construction	-31.0	-20.1	-19.5	-19.1	-21.3	-13.5	-12.7	-15.2	-19.0	-17.8	-25.8	-35.0	-37.4

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 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.

