

## ifo Business Climate Saxony: Climate Brightens Considerably

Dresden, May 3, 2024 – The ifo Business Climate in Saxony brightened considerably in April. The barometer of business sentiment in Saxony’s economy leapt from 91.8 to 95.5 points. The companies surveyed raised their assessments of the business situation enormously. Their business expectations also improved substantially compared to the previous month. Business in Saxony is much better again.

In Saxony’s *manufacturing*, the Business Climate Index fell slightly compared to March. The manufacturing businesses surveyed assessed their current situation as marginally worse than in the previous month. Their business expectations also deteriorated somewhat over the same period.

In Saxony’s *service sector*, the business climate brightened noticeably in April. The service providers surveyed gave slightly better assessments of their business situation than in the previous month. Their assessment of future business development was much less negative than in March.

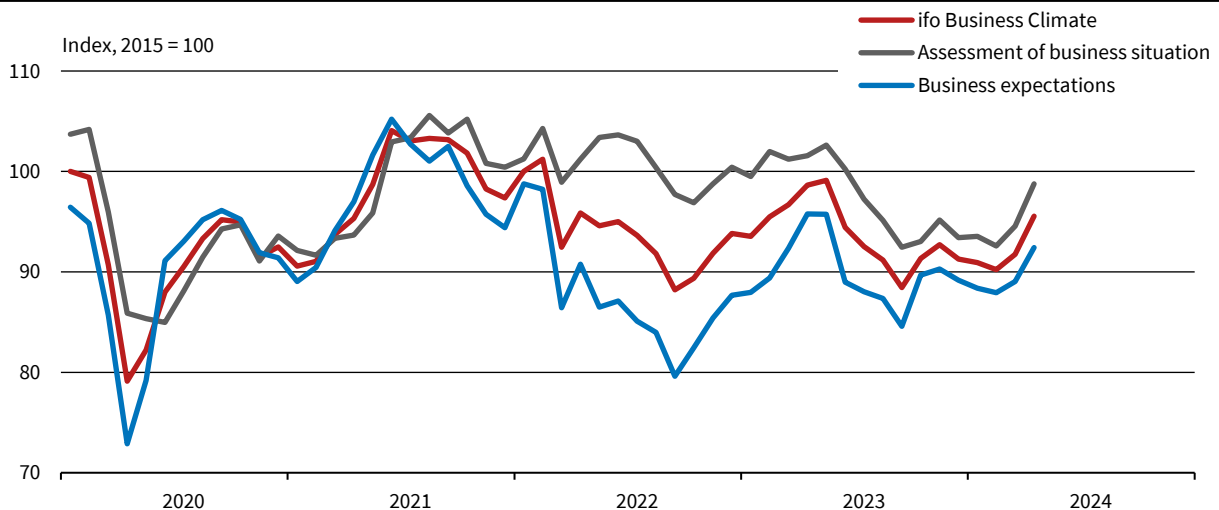
In Saxony’s *trade*, the overall Business Climate Index jumped upward in April. Both the situation and expectations in retail and wholesale were on an upward trajectory. The business situation in wholesale saw a particularly strong month-over-month improvement.

In Saxony’s *construction*, the business climate turned a little brighter in April. The construction companies surveyed in Saxony reported slightly worse current business, while they raised their expectations for the coming months considerably.

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

### ifo Business Climate Saxony<sup>a</sup>

Seasonally adjusted



<sup>a</sup> Manufacturing, service sector, trade and construction.  
Source: ifo Business Survey, April 2024.

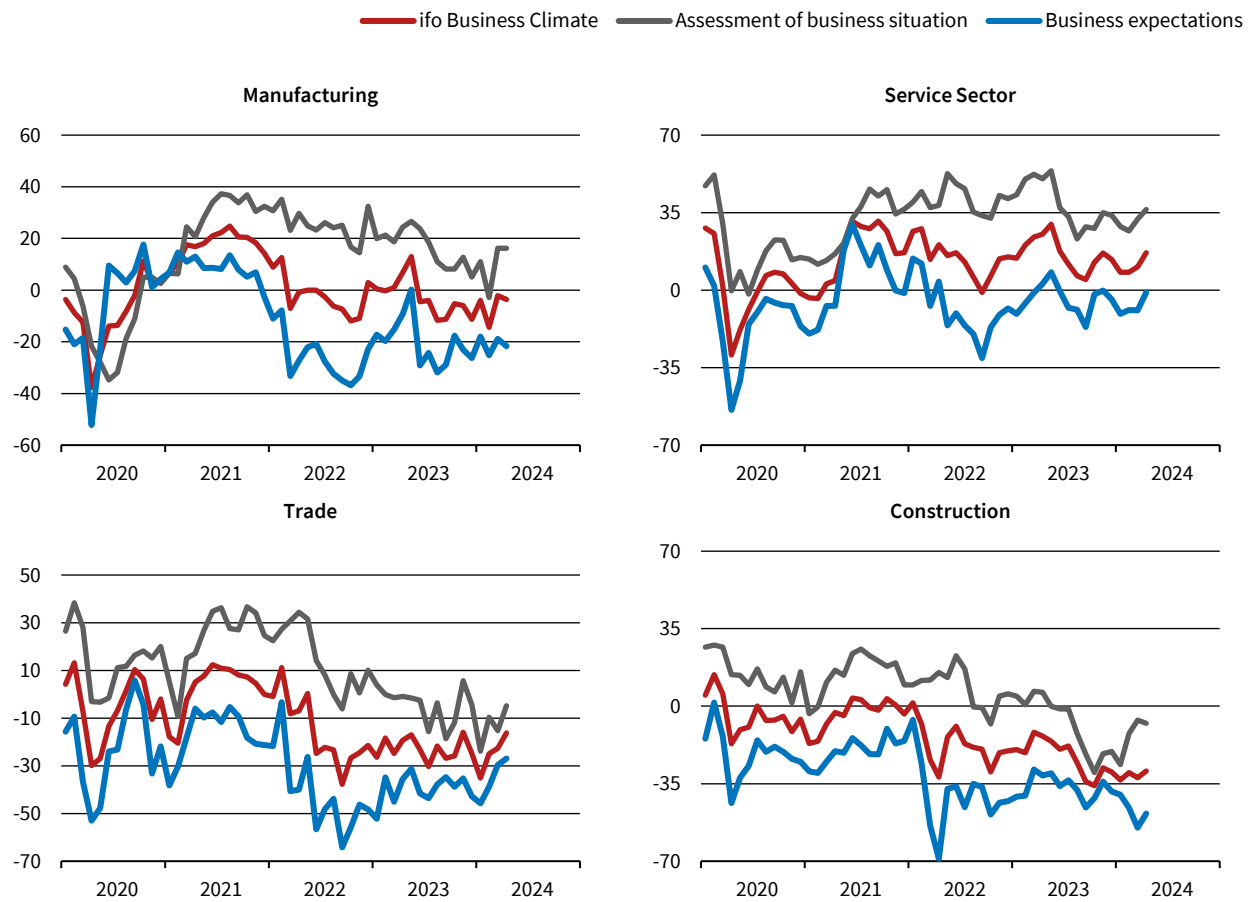
### ifo Business Climate Saxony (Index, 2015 = 100, seasonally adjusted)

	04/23	05/23	06/23	07/23	08/23	09/23	10/23	11/23	12/23	01/24	02/24	03/24	04/24
<b>Climate</b>	98.6	99.1	94.4	92.5	91.2	88.4	91.3	92.7	91.3	90.9	90.2	91.8	95.5
<b>Situation</b>	101.6	102.6	100.2	97.2	95.1	92.4	93.0	95.2	93.4	93.5	92.6	94.6	98.8
<b>Expectations</b>	95.8	95.7	89.0	88.0	87.4	84.6	89.7	90.3	89.2	88.4	87.9	89.0	92.4

Source: ifo Business Survey

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 2024.

© ifo Institute

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

	04/23	05/23	06/23	07/23	08/23	09/23	10/23	11/23	12/23	01/24	02/24	03/24	04/24
<b>Saxony</b>	13.3	14.4	4.3	0.1	-2.8	-8.7	-2.4	0.5	-2.6	-3.4	-4.9	-1.5	6.6
Manufacturing	6.9	13.0	-4.5	-4.0	-11.7	-11.3	-5.2	-6.0	-11.3	-4.0	-14.4	-2.1	-3.6
Service sector	25.3	29.8	17.6	11.6	6.5	4.7	12.5	16.7	13.9	8.1	8.1	10.5	16.9
Trade	-19.3	-17.0	-23.2	-30.3	-21.7	-26.9	-25.9	-15.9	-24.8	-35.1	-24.9	-22.6	-16.2
Construction	-13.5	-15.8	-19.5	-18.0	-25.5	-34.1	-35.9	-27.8	-29.7	-33.3	-30.0	-32.3	-29.3

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 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.

