

## ifo Business Climate Saxony Continues Upward Trend

Dresden, October 5, 2020 – The ifo Business Climate Index Saxony rose marginally in September from 93.8 points to 95.0 points. The survey participants' assessments of their current situation improved considerably compared with the previous month, and business expectations for the coming six months brightened a little.

In Saxony's *manufacturing*, there was a slight improvement in sentiment once again. Industrial companies were noticeably more satisfied with their current business. Their business expectations also saw a modest improvement.

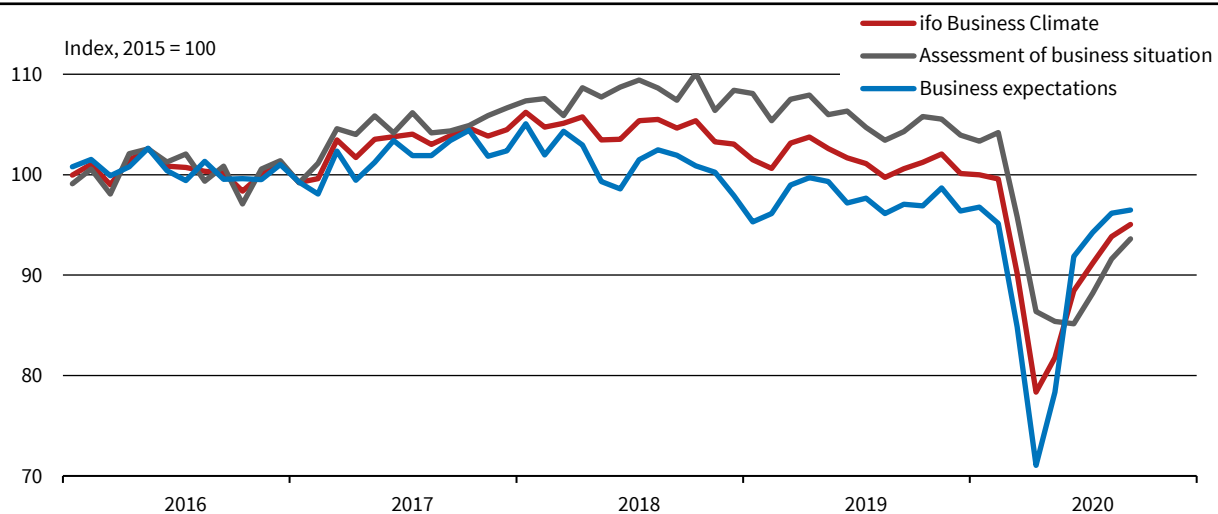
In Saxony's *service sector*, the business climate became gloomier. Survey participants' assessments of their current business situation declined slightly, as did their business expectations.

The business climate in Saxony's *trade* was decidedly brighter in September. Companies' business expectations rose sharply and their current business was somewhat better than the previous month.

The mood in Saxony's *construction industry* was a little bit more optimistic in September. The construction companies surveyed stated that they were slightly less satisfied with their current business, while their business expectations for the coming six months improved marginally.

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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, September 2020

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

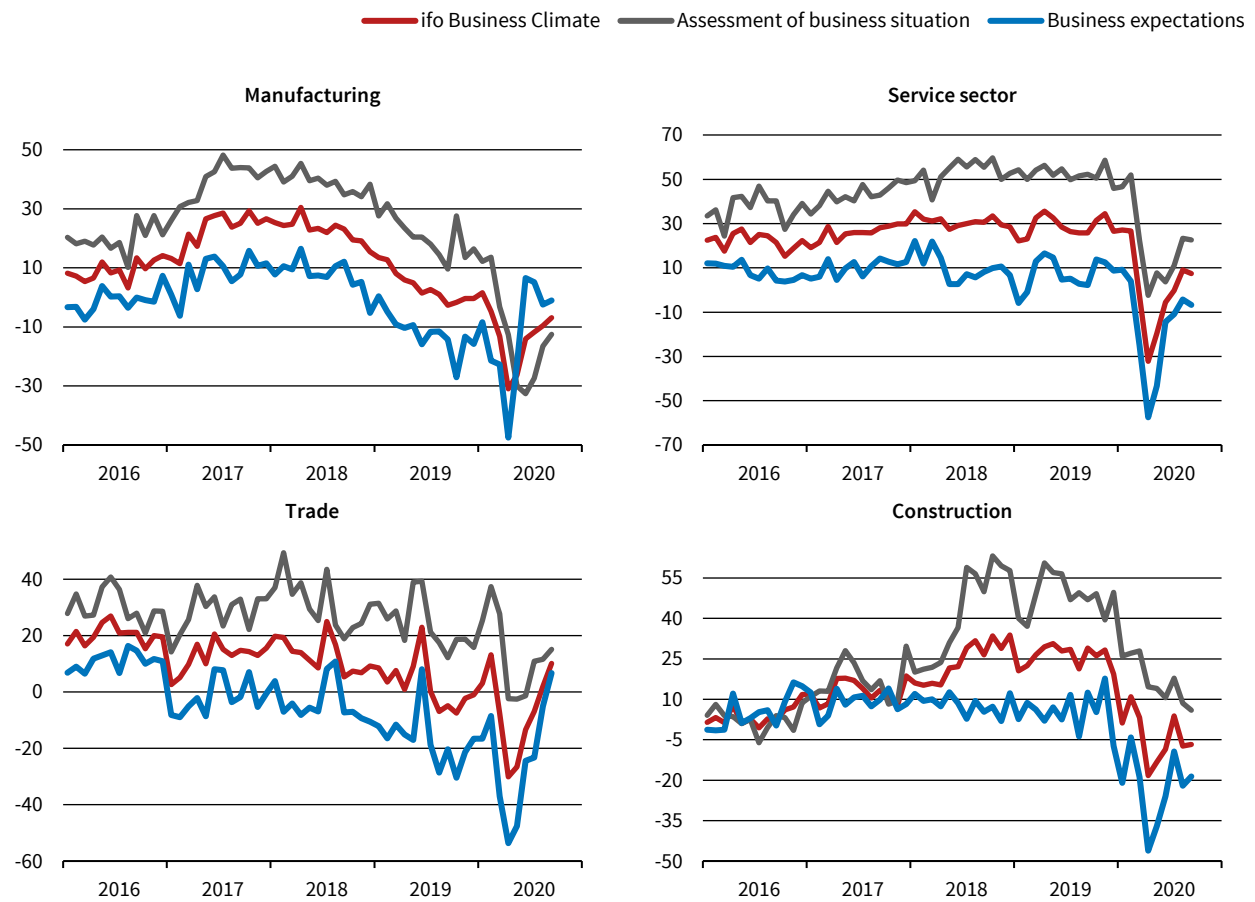
	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20
<b>Climate</b>	100.6	101.2	102.0	100.1	100.0	99.6	90.2	78.3	81.8	88.4	91.2	93.8	95.0
<b>Situation</b>	104.3	105.8	105.5	103.9	103.3	104.2	95.8	86.4	85.4	85.2	88.2	91.6	93.6
<b>Expectations</b>	97.0	96.9	98.7	96.4	96.8	95.1	84.8	71.1	78.3	91.8	94.2	96.1	96.5

Source: ifo Business Survey

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For long time series in Excel format, please see [www.ifo.de/en/umfragen/time-series](http://www.ifo.de/en/umfragen/time-series).

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



Source: ifo Business Survey, September 2020

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

	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20
<b>Saxony</b>	17.6	19.0	20.7	16.5	16.3	15.4	-5.0	-30.5	-23.1	-8.7	-2.8	3.0	5.6
Manufacturing	-2.7	-1.6	-0.3	-0.3	1.6	-4.7	-13.2	-31.0	-26.3	-14.1	-11.8	-9.6	-6.8
Service sector	25.8	31.4	34.5	26.5	27.1	26.7	-2.8	-32.2	-19.6	-5.5	-0.2	9.1	7.4
Trade	-4.9	-7.5	-2.3	-1.1	3.1	13.2	-7.6	-30.1	-26.5	-13.4	-7.0	1.9	10.1
Construction	29.0	26.2	28.3	19.3	1.2	10.9	3.2	-18.3	-13.2	-8.6	3.8	-7.4	-6.8

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 the 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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