

ifo Business Climate Saxony: Climate Warms Slightly

Dresden, April 3, 2024 – Not only did March bring a gradual rise in outdoor temperatures, but it also warmed up the business climate in Saxony. The barometer of business sentiment in Saxony’s economy rose from 90.2 to 91.6 points. The companies surveyed raised their assessments of the business situation significantly and their business expectations slightly compared to February.

In Saxony’s *manufacturing*, the Business Climate Index rose sharply compared to February. The manufacturing businesses surveyed assessed their situation in March as much better than in the previous month, and their business expectations improved noticeably.

In Saxony’s *service sector*, the business climate brightened again a little in March. The service providers surveyed stated that their business situation had improved appreciably compared to the previous month. Their assessment of future business development was slightly worse than in February.

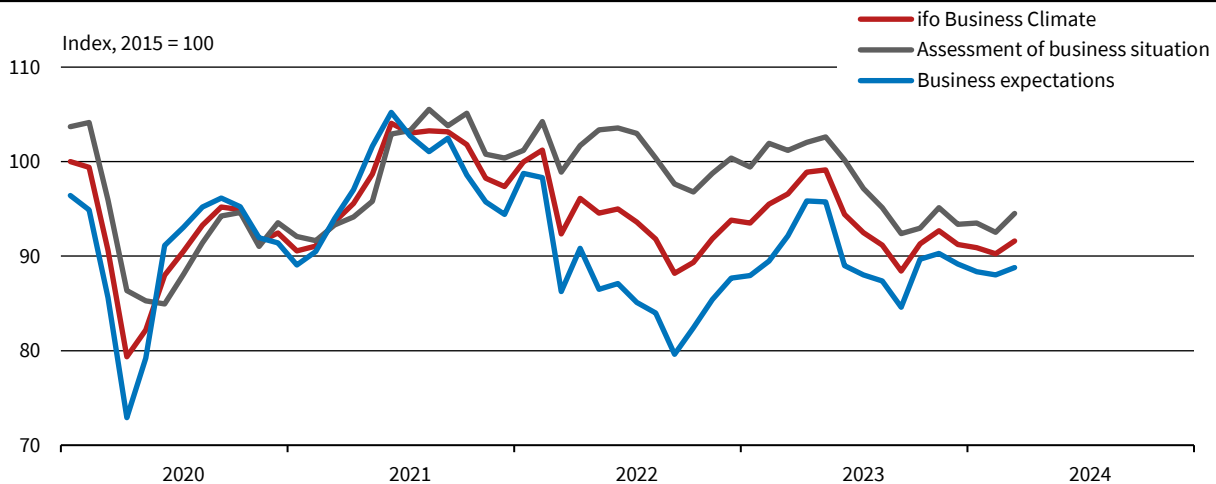
In Saxony’s *trade*, the Business Climate Index rose a little overall in March. While wholesalers in Saxony reported a palpable decline in business, retailers were somewhat more satisfied with their current business than in the previous month. Regarding business expectations, wholesalers were a little more confident than in February, retailers much more so.

In Saxony’s *construction*, the business climate cooled slightly in March. The construction companies surveyed reported perceptibly better business than in February, but at the same time significantly lowered their expectations for 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, March 2024

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

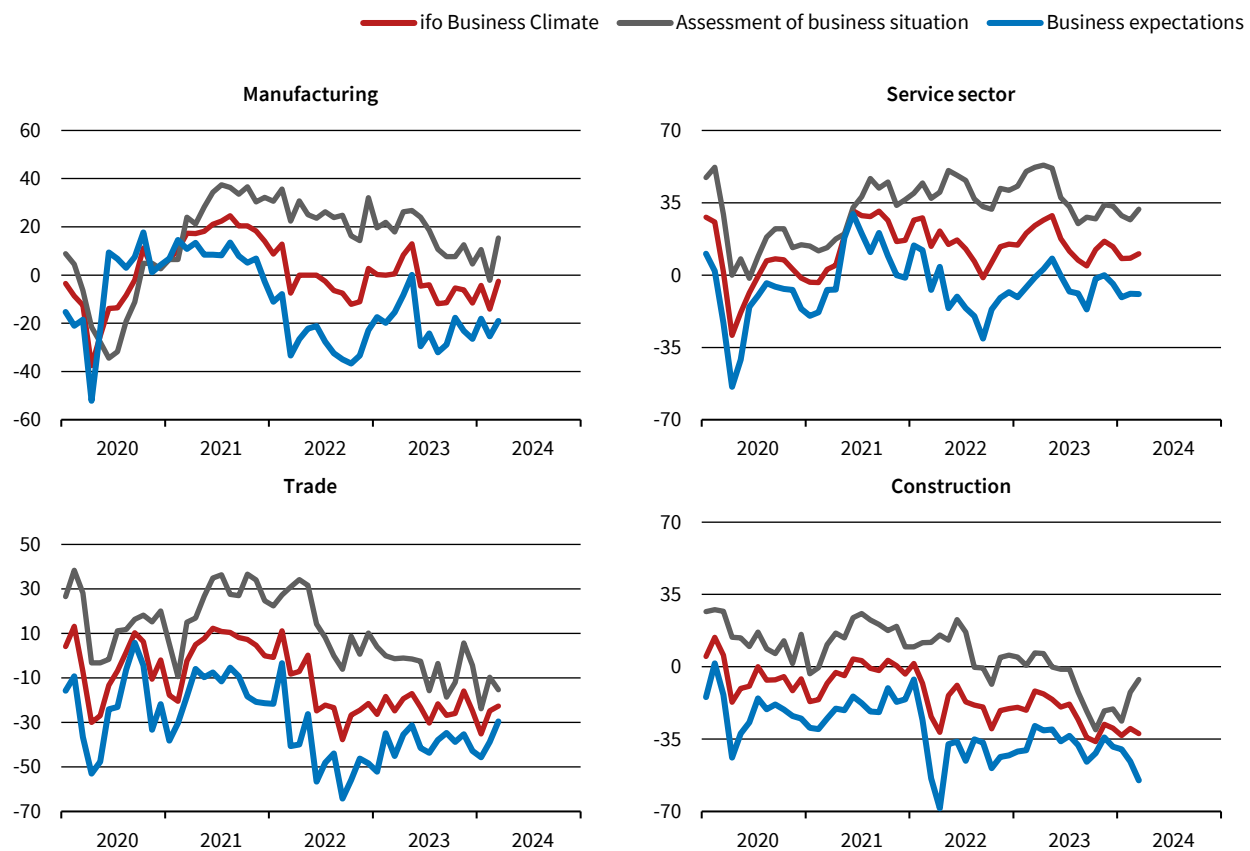
	03/23	04/23	05/23	06/23	07/23	08/23	09/23	10/23	11/23	12/23	01/24	02/24	03/24
Climate	96.6	98.9	99.1	94.4	92.5	91.2	88.4	91.3	92.7	91.2	90.9	90.2	91.6
Situation	101.2	102.0	102.6	100.2	97.2	95.1	92.4	93.0	95.1	93.4	93.5	92.5	94.5
Expectations	92.2	95.8	95.7	89.0	88.0	87.4	84.6	89.7	90.3	89.2	88.4	88.0	88.8

Source: ifo Business Survey

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Business Situation and Expectations Saxony by Sector
Balances, seasonally adjusted



Source: ifo Business Survey, March 2024

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

	03/23	04/23	05/23	06/23	07/23	08/23	09/23	10/23	11/23	12/23	01/24	02/24	03/24
Saxony	8.9	13.9	14.4	4.2	0.0	-2.8	-8.8	-2.5	0.5	-2.7	-3.4	-4.8	-1.8
Manufacturing	0.5	8.3	13.0	-4.6	-4.0	-11.8	-11.5	-5.4	-6.1	-11.6	-4.2	-14.2	-2.6
Service sector	23.9	26.7	28.8	17.6	11.6	7.3	4.4	12.3	16.3	13.8	8.1	8.1	10.4
Trade	-24.9	-19.3	-17.0	-23.2	-30.3	-21.6	-26.8	-25.9	-15.9	-24.8	-35.1	-24.9	-22.6
Construction	-11.8	-13.1	-15.8	-19.5	-18.0	-25.5	-34.2	-36.2	-27.9	-29.7	-33.3	-29.9	-32.3

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.

