

Advance Release

NRW.BANK.ifo Business Climate May 2018

Improved business climate

Following the decline in the previous month, the Ifo Business Climate Indicator for industry and trade in North Rhine-Westphalia picked up again in May. The companies surveyed not only rated their current business situation more favourably than before, but – contrary to the previous month – were also cautiously optimistic about the future.

The business climate in the manufacturing sector improved in May. More manufacturing companies were satisfied with their current business trend and tended to view the future positively.

The business climate indicator for the construction sector also picked up, with the indicator for the current business situation even hitting a new record in May. With regard to their business prospects, only few construction firms were optimistic, though.

The climate indicator for the retail sector again reached positive territory in May. Whereas the current situation was assessed much more positively than in the past six months, more retailers were sceptical about their business outlook. The business climate in the wholesale sector also improved. While most wholesalers were satisfied with their current situation, there were hardly any signs left of the optimism about the future they had expressed in the past months.

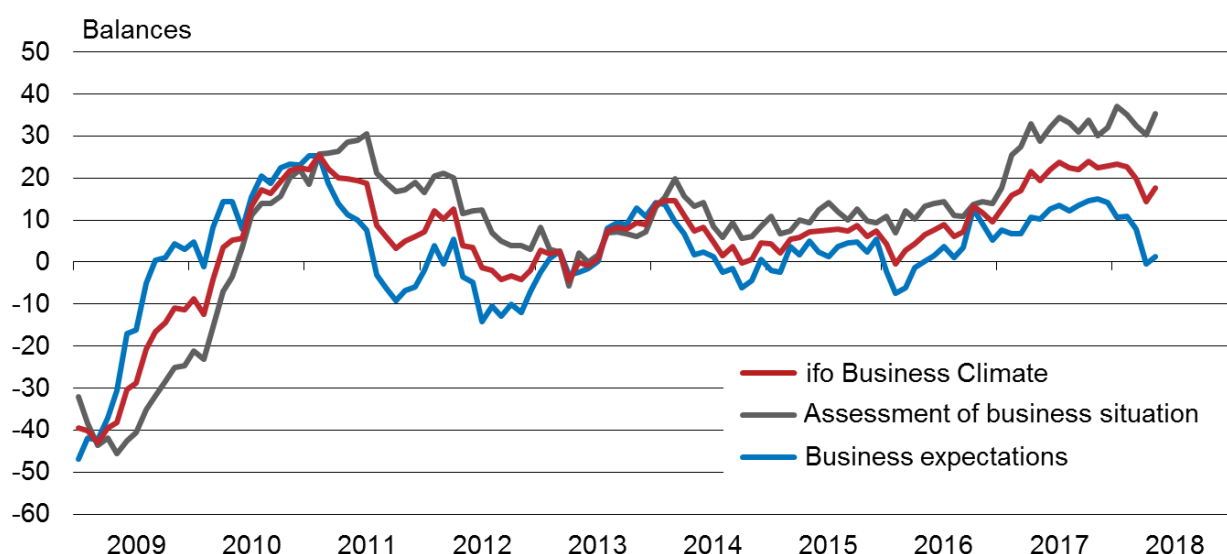
Trade and Industry in North Rhine-Westphalia (balances, seasonally adjusted)

Month/Year	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	01/18	02/18	03/18	04/18	05/18
Climate	19,9	22,0	23,7	22,4	21,9	24,0	22,6	22,9	23,3	22,5	19,6	14,4	17,7
Situation	30,1	31,9	34,3	33,1	30,8	33,7	30,1	31,8	36,9	34,9	32,3	30,1	35,4
Expectations	10,2	12,6	13,5	12,3	13,4	14,7	15,4	14,3	10,6	10,8	7,6	-0,2	1,3

Source: Ifo Business Survey.

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ifo Trade and Industry^{a)} in North Rhine-Westphalia Seasonally adjusted



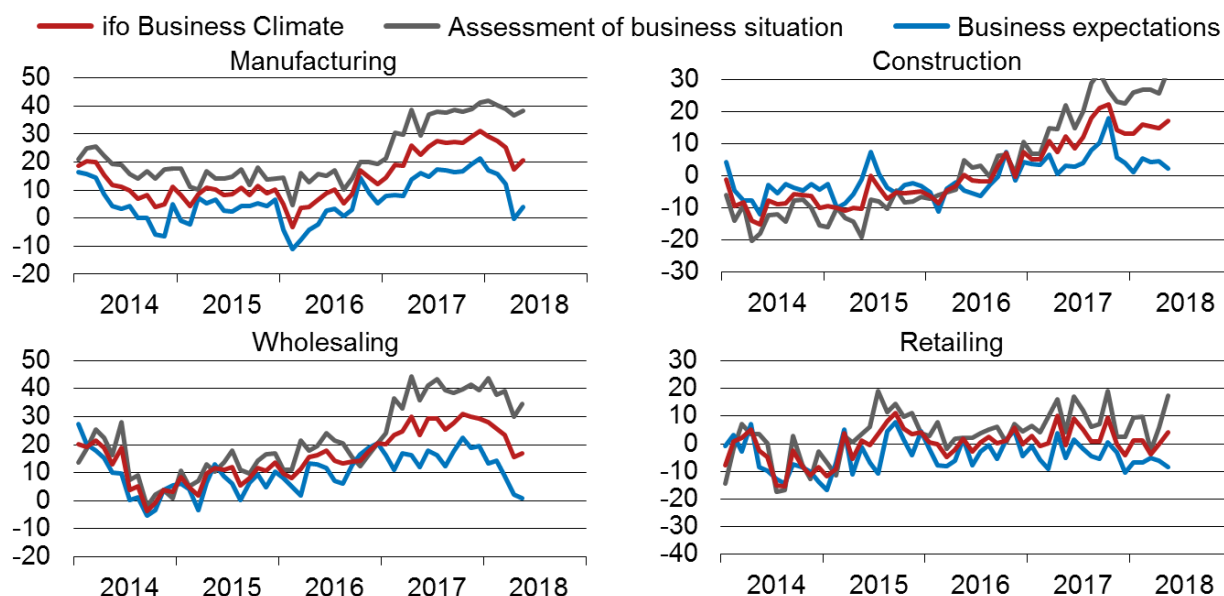
^a Manufacturing, construction, wholesaling and retailing.

Source: Ifo Business Survey, May 2018.

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Business Situation and Expectations by Sector

Balances, seasonally adjusted



ifo Business Climate North Rhine-Westphalia (balances, seasonally adjusted)

Month/Year	05/17	06/17	07/17	08/17	09/17	10/17	11/17	12/17	01/18	02/18	03/18	04/18	05/18
Trade and Industry	19,9	22,0	23,7	22,4	21,9	24,0	22,6	22,9	23,3	22,5	19,6	14,4	17,7
Manufacturing	22,5	25,6	27,3	27,0	27,2	27,0	29,1	30,9	29,2	27,7	25,4	17,4	20,5
Construction	11,9	8,6	11,9	18,0	21,1	22,2	14,1	13,0	13,1	16,0	15,4	15,0	17,1
Wholesaling	24,2	29,1	29,4	25,4	27,7	31,0	30,0	29,2	27,9	25,5	23,4	15,6	17,0
Retailing	-0,3	9,0	5,1	0,8	0,7	9,5	-0,3	-4,2	1,2	1,3	-3,7	-0,2	4,2

Source: Ifo Business Survey.

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For information

Since April 2018, the ifo Institute has published the Ifo Business Climate for Germany including the services sectors. These industry data are currently not available to NRW.BANK for North Rhine-Westphalia, which is why the Bank will continue to analyse the data for industry and trade (manufacturing sector, construction sector, retail and wholesale sectors) for the time being.