

Advance Release

NRW.BANK.ifo Business Climate July 2018

Business climate improves moderately

The Ifo Business Climate for industry and trade in North Rhine-Westphalia picked up moderately again in July. While the North Rhine-Westphalian companies participating in the Ifo business survey assessed their current business situation much more favourably than last month, they were increasingly sceptical about the future.

The business climate in the manufacturing sector was no longer quite as good as before. Although manufacturers rated their current business situation a bit more positively than in the previous month, they projected a more unfavourable business outlook.

The business climate in the construction sector improved strongly in July and hit a new record, as companies were much more positive about both their current situation and their business prospects.

By contrast, the climate indicator for the retail sector again declined slightly. While retailers were clearly more satisfied with their business situation in July than in the previous month, they were much more sceptical about the future. In the wholesale sector, the business climate was also no longer quite as good as in the past two months. Wholesalers, too, rated their current business situation clearly more positively, but with regard to their business expectations, the pessimists dominated again for the first time since March 2015.

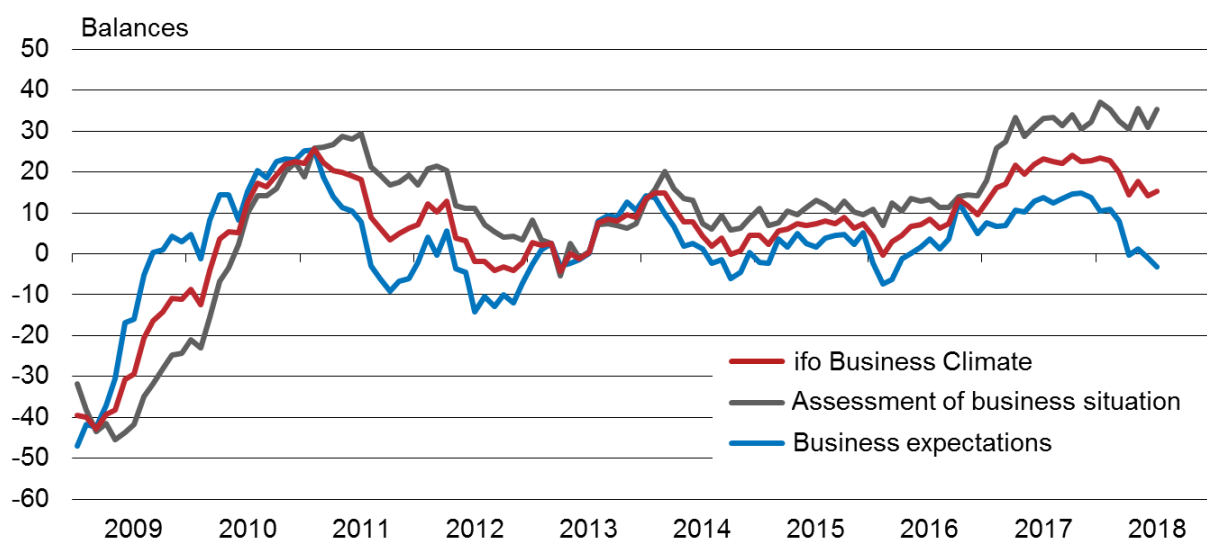
Trade and Industry in North Rhine-Westphalia (balances, seasonally adjusted)

Month/Year	07/17	08/17	09/17	10/17	11/17	12/17	01/18	02/18	03/18	04/18	05/18	06/18	07/18
Climate	23,3	22,6	22,2	24,1	22,5	22,8	23,4	22,8	19,9	14,5	17,8	14,3	15,2
Situation	33,2	33,3	31,3	34,0	30,4	32,3	37,1	35,4	32,5	30,5	35,6	30,9	35,4
Expectations	13,8	12,5	13,5	14,6	14,9	13,7	10,4	10,8	8,0	-0,3	1,3	-1,1	-3,3

Source: Ifo Business Survey.

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

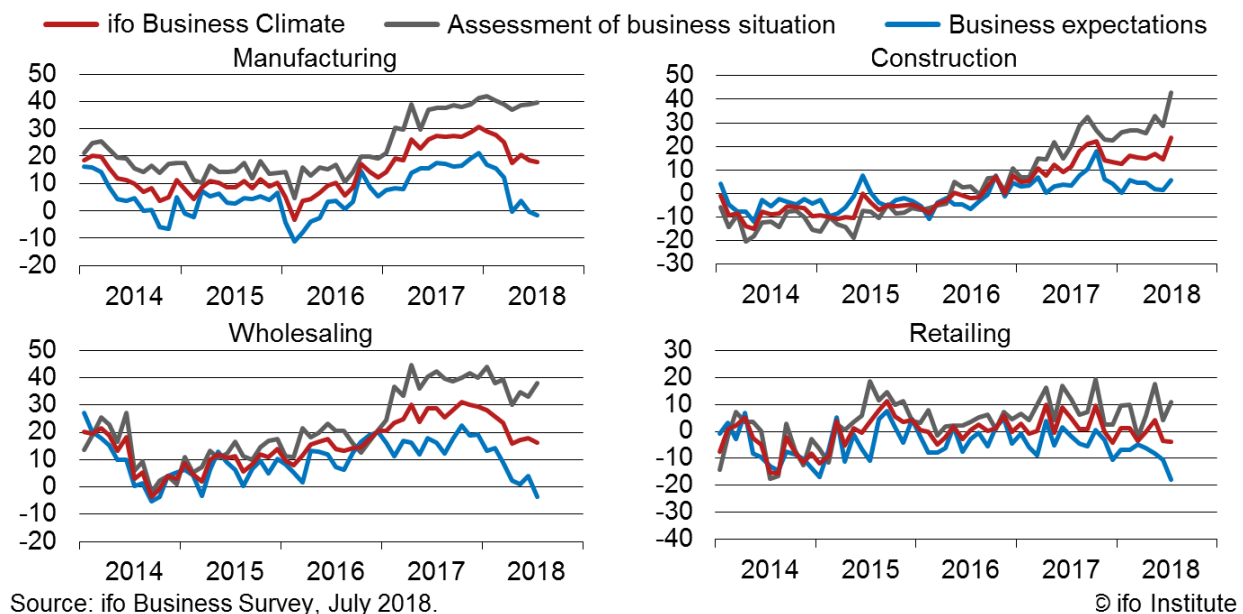


^a Manufacturing, construction, wholesaling and retailing.
Source: Ifo Business Survey, July 2018.

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Business Situation and Expectations by Sector

Balances, seasonally adjusted



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

Month/Year	07/17	08/17	09/17	10/17	11/17	12/17	01/18	02/18	03/18	04/18	05/18	06/18	07/18
Trade and Industry	23,3	22,6	22,2	24,1	22,5	22,8	23,4	22,8	19,9	14,5	17,8	14,3	15,2
Manufacturing	27,4	27,1	27,3	26,9	28,9	30,9	29,0	27,6	25,1	17,5	20,5	18,4	18,0
Construction	11,6	17,9	21,0	22,2	14,3	13,2	12,7	16,0	15,3	14,8	16,9	14,5	23,5
Wholesaling	28,9	25,5	27,9	31,1	30,0	29,3	28,1	25,8	23,5	15,8	17,1	18,0	16,2
Retailing	5,0	0,8	0,8	9,6	-0,3	-4,0	1,2	1,3	-3,6	-0,1	4,2	-3,4	-3,9

Source: Ifo Business Survey.

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