

Advance Release

NRW.BANK.ifo Business Climate December 2018

Business climate continues to deteriorate

The Ifo Business Climate for industry and trade in North Rhine-Westphalia deteriorated for the third consecutive time in December. The companies surveyed not only rated their current business situation less favourably than in November but were also a bit more sceptical about the next six months than before.

The business climate in the manufacturing sector improved slightly. While manufacturers' assessment of their current business situation was no longer as good as in the previous month, they were cautiously optimistic about the future.

The business climate indicator for the construction sector also picked up and marked a new record in December. This was primarily due to the extremely satisfactory business situation, whereas the construction companies were less optimistic about the future than in the past two months.

By contrast, the climate indicator for the retail sector deteriorated significantly, as only few retailers rated their current situation positively and most retailers were pessimistic about their business prospects. The business climate in the wholesale sector also cooled slightly. The assessment of the current business situation was no longer quite as good as before and wholesalers were again a bit more sceptical about their business expectations.

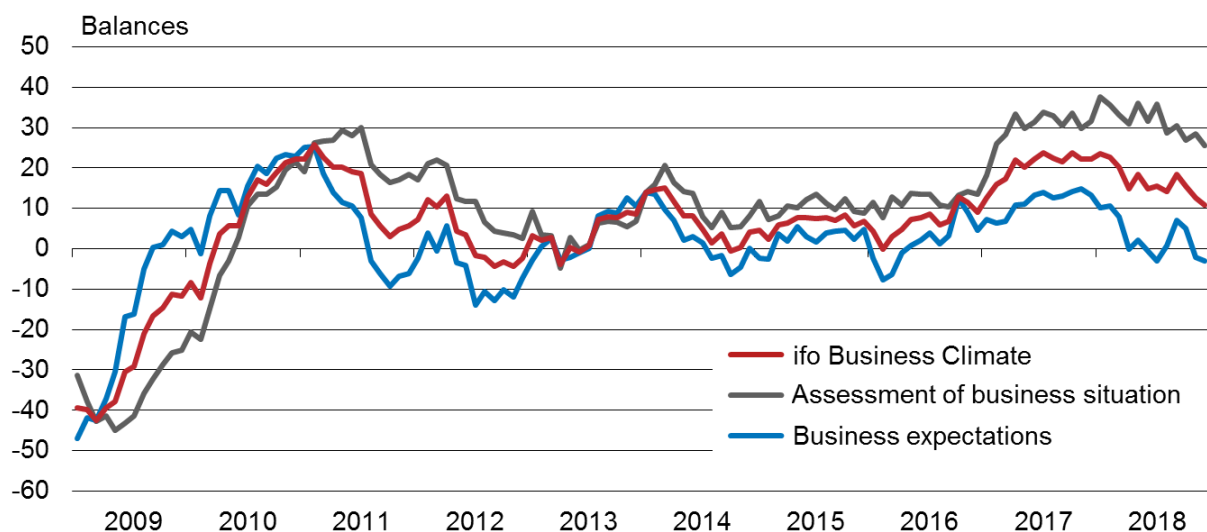
Trade and Industry in North Rhine-Westphalia (balances, seasonally adjusted)

Month/Year	12/17	01/18	02/18	03/18	04/18	05/18	06/18	07/18	08/18	09/18	10/18	11/18	12/18
Climate	22,2	23,5	22,6	20,2	14,9	18,4	14,9	15,6	14,2	18,4	15,6	12,6	10,8
Situation	31,5	37,7	35,5	33,2	30,9	36,1	31,6	35,8	28,6	30,4	26,9	28,5	25,5
Expectations	13,2	10,2	10,5	7,9	0,0	2,1	-0,6	-3,0	0,7	7,1	5,0	-2,1	-3,0

Source: Ifo Business Survey.

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



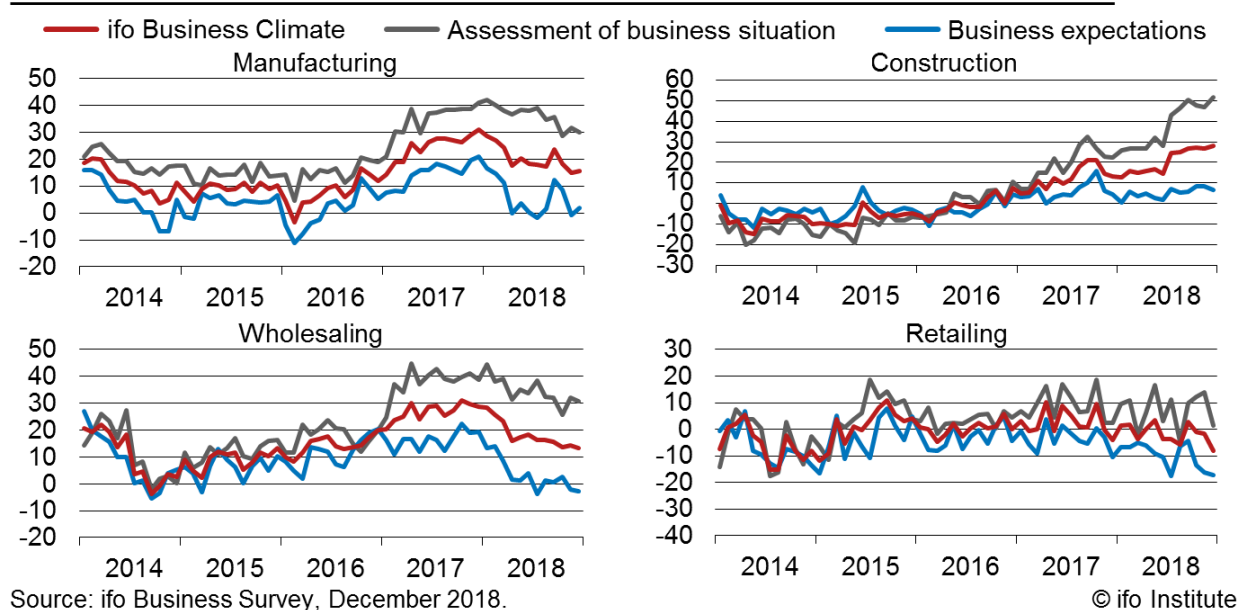
^a Manufacturing, construction, wholesaling and retailing.

Source: Ifo Business Survey, December 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	12/17	01/18	02/18	03/18	04/18	05/18	06/18	07/18	08/18	09/18	10/18	11/18	12/18
Trade and Industry	22,2	23,5	22,6	20,2	14,9	18,4	14,9	15,6	14,2	18,4	15,6	12,6	10,8
Manufacturing	30,8	28,8	27,0	24,3	17,6	20,4	18,2	17,8	17,4	23,6	18,4	14,9	15,5
Construction	13,3	12,8	15,9	15,0	15,6	16,7	14,5	24,3	24,9	26,9	27,0	26,7	27,8
Wholesaling	28,8	28,3	25,8	23,4	16,0	17,4	18,3	16,4	16,2	15,7	13,8	14,3	13,4
Retailing	-4,1	1,2	1,8	-3,6	-0,1	3,3	-3,8	-3,8	-5,6	2,6	-1,1	-1,7	-8,2

Source: Ifo Business Survey.

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