

Ifo Export Expectations

Results of the Ifo Business Survey for November 2014

Rays of Hope For German Exports

German manufacturing is hoping for an uptick in export business. The Ifo Export Expectations rose to 6.3 balance points in November from 4.7 points in October. The falling euro exchange rate seems to be boosting exports in several branches and to many countries.

The increase is primarily due to the improved export outlook in several key branches in manufacturing, namely mechanical engineering, electronics and metal production and processing. In the metals branch in particular the balance rose to its highest level since April 2011. Exchange rate developments, however, are not benefiting all branches to the same extent. In vehicle manufacturing companies are sceptical about their export business and expectations turned negative. Expectations also declined slightly in several smaller branches.

Hans-Werner Sinn



Germany (Balance, seasonal adjusted)

| Month/Year | 11/13 | 12/13 | 01/14 | 02/14 | 03/14 | 04/14 | 05/14 | 06/14 | 07/14 | 08/14 | 09/14 | 10/14 | 11/14 |
|----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Balance | 16,3 | 14,1 | 15,9 | 11,0 | 11,2 | 12,6 | 14,6 | 11,0 | 7,5 | 5,7 | 1,5 | 4,7 | 6,3 |

Source: ifo Konjunkturtest.

Long time-series can be accessed in Excel format at www.ifo.de/langereihen.

Explanatory note: The Ifo Export Expectations are based on around 2,700 monthly reports from manufacturers. Companies are asked to report their **export expectations** for the next three months. They can describe their expectations as "increasing", "unchanged" or "declining". The **balance value** of their projections is the difference in the percentages of "increasing" and "declining" responses.