

Ifo Architects Survey

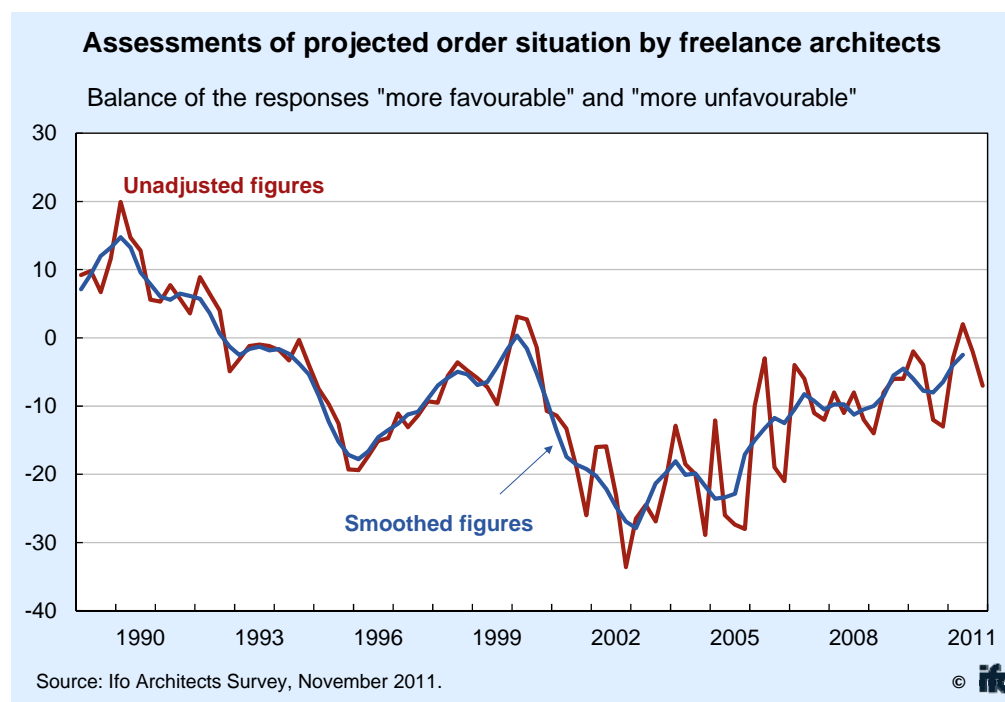
Results of the Ifo Architects Survey of 4th quarter 2011

Worsened business climate

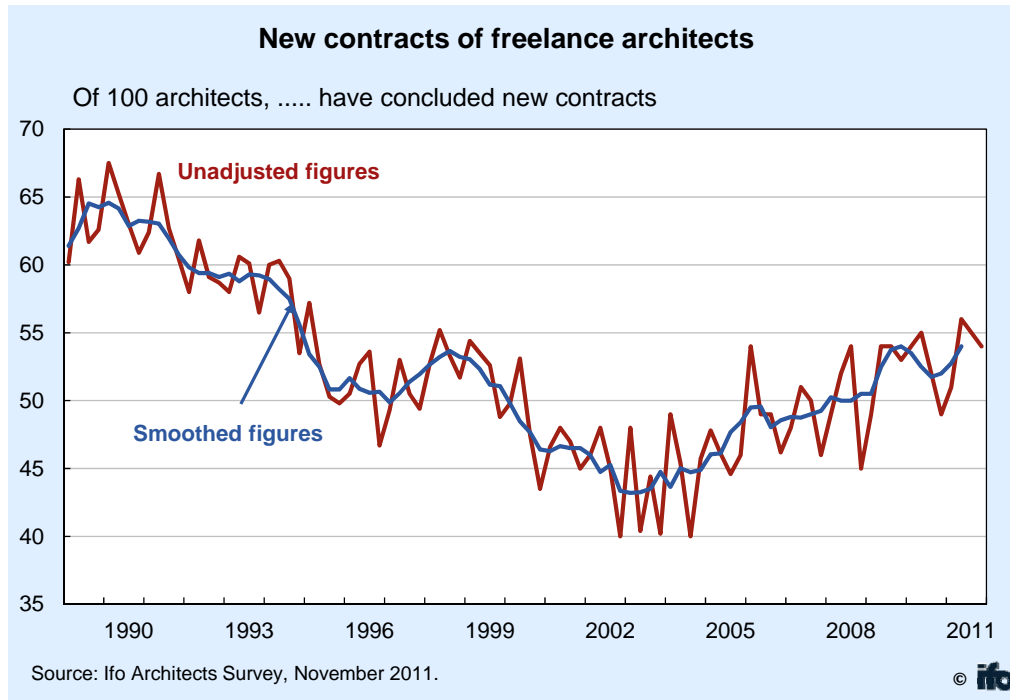
According to the results of the Ifo Institute's quarterly survey of freelance architects, the business climate at the beginning of the fourth quarter of 2011 clearly deteriorated, although assessments of the current situation remain in positive territory. The share of surveyed architects that assess their current business situation as "favourable" decreased from 40% to 34%; the proportion of "poor" appraisals, however, stagnated at around 17%. The outlook deteriorated further, however.

In the third quarter of 2011, the estimated construction volume from newly signed contracts (new buildings without planning services for existing buildings) was about one seventh less than the previous quarter. This led to a decline in residential construction of about 20% and in non-residential buildings of around 10%.

In the planning contracts from commercial customers, the downward trend continues; the planning volumes in the third quarter of 2011 almost returned to the low level of two years ago. In contrast, the contracts awarded by public-sector clients were 5% larger than in the first quarter of 2011.



Average order stocks declined. Order reserves were 5.7 months at the end of September 2011, almost half a month less than at the end of June 2011.



Publication:

Erich Gluch, "ifo Architektenumfrage: Geschäftsklima sichtlich eingetrübt", ifo Schnelldienst 64(23), 2011, p. 84-85

Legend: The Ifo Institute has conducted its quarterly survey of freelance architects Germany-wide since 1996 (since 1980 in only four federal states) among a panel of 2,500 architects. The survey gathers data on the business climate, new contracts – from which construction volume is estimated – as well as orders on hand. The quarterly data is supplemented by annually surveyed data on how large the architectural offices are and on their legal forms and volume of fees.