



Quarter/year	I/00	II/00	III/00	IV/00	I/01	II/01	III/01	IV/01	I/02
Climate	117.2	117.2	113.6	107.4	94.0	87.7	84.1	70.7	84.1
Situation	116.9	124.2	126.0	127.9	109.6	93.2	76.7	63.9	63.9
Expectations	117.5	110.5	101.8	87.7	78.9	82.5	91.2	77.2	103.5

The Ifo World Economic Survey (WES) investigates world wide economic trends by polling transnational as well as national organisations in different countries. This allows for a rapid up-to-date assessment of the economic situation prevailing around the world. In January 2002, 890 economic experts in 80 countries participated in the survey. WES receives financial support from the European Commission.

Rebound of Ifo's World Economic Climate Indicator

New results of the Ifo World Economic Survey

After having reached an all-time low in October 2001, the Ifo World Economic Climate bounced back in January 2002 reaching exactly the value of last July; i.e., of the last survey before the terrorist attacks in the US (84.1 after 70.7 in October 2001, 84.1 in July 2001 and 117.2 at the peak of this cycle in April 2000: 1995=100). Despite this pick-up, the indicator is still below its long-term average (see figure).

The improvement of the indicator resulted exclusively from more positive expectations. In the average of all 80 countries, the assessment of the current economic situation stagnated at its low October level. In most countries it is expected that in coming months the recovery in the capital expenditure sector, which was hit severely by the recession, will be somewhat more pronounced than the recovery in the private consumption sector. The data show a significant difference between the United States and Europe. While Europe experienced only an improvement in expectations with a still deteriorating actual situation, the US enjoyed both a revival of economic expectations and a better assessment of the current situation.