

Press Release

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E-mail kretz@zew.de**ZEW Indicator of Economic Sentiment for Germany**

+ 20.6 points (+1.1 vs. previous month)

ZEW Indicator of Economic Sentiment for the Eurozone

+ 35.1 points (+8.8 vs. previous month)

Assessment of the Current Situation in Germany

+ 83.9 points (+3.8 vs. previous month)

Assessment of the Current Situation in the Eurozone

+ 18.3 points (+6.8 vs. previous month)

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ZEW Indicator of Economic Sentiment**Economic Optimism Persists**

The ZEW Indicator of Economic Sentiment for **Germany** continued to increase in May 2017. Compared to the previous month, it climbed by 1.1 points to a current reading of 20.6 points. The long-term average of 23.9 points has not quite been reached yet. The assessment of the current economic situation in Germany also improved once again in May. The indicator climbed by 3.8 points to 83.9 points. Taken together, the assessment of the current

situation and the economic sentiment show a positive outlook for the German economic growth in the coming six months.

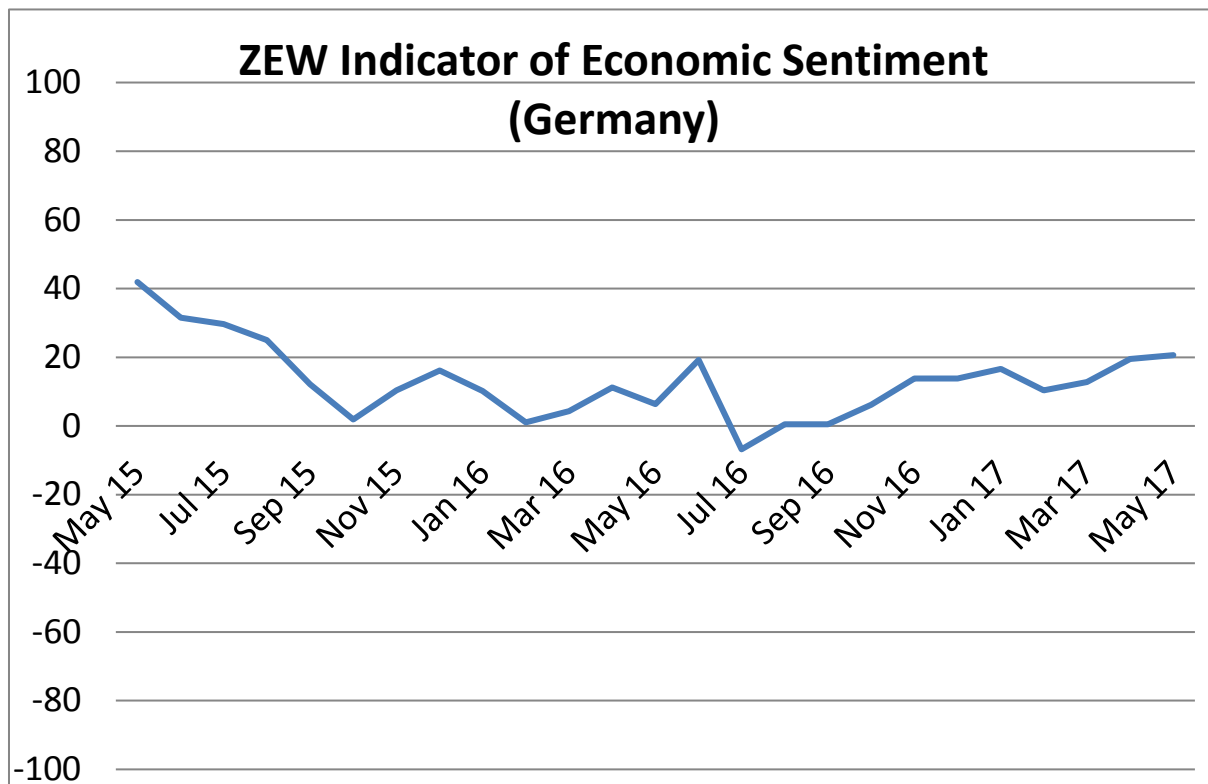
"The latest figures on the gross domestic product confirm that the German economy is in good shape. ZEW indicators have been pointing to this trend for some time. The prospects for the eurozone as a whole are gradually improving, further strengthening the economic environment for German exports," comments ZEW President Professor Achim Wambach.

The indicator reflecting the financial market experts' expectations regarding the economic development in the **eurozone** increased significantly by 8.8 points in May, bringing the expectation indicator up to a current level of 35.1 points. At the same time, the indicator for the current economic situation in the eurozone also climbed significantly. It currently stands at 18.3 points, 6.8 points higher than in April. In line with the improved economic outlook for the eurozone, expectations for the inflation rate have also been rising. The corresponding indicator for the eurozone climbed 4.1 points to a reading of 17.0 points in May.

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Source: Centre for European Economic Research (ZEW)

219 analysts participated in the June 2016 ZEW Financial Market Survey, which was conducted in the period 02/05/2017 – 15/05/2017. The analysts were surveyed in regard to their mid-term expectations concerning the economic development and capital market trends. The ZEW Indicator of Economic Sentiment reflects the balance of positive and negative assessments of the economic development on a six-month time horizon.

The Centre for European Economic Research (ZEW), Mannheim

ZEW works in the field of frontier empirical research in economics. The institute especially distinguished itself by working on internationally comparative studies in the context of Europe and by creating important scientific data bases, e.g. the Mannheim Innovation Panel (MIP) and the ZEW Start-up Panel. ZEW's key objectives are to conduct excellent economic research, provide science-based economic policy advice and transfer knowledge. ZEW was founded in 1991. ZEW currently has a staff of approximately 190 employees, two thirds of whom are researchers.

Research at ZEW:

Labour Markets, Human Resources and Social Policy; Information and Communication Technologies; Economics of Innovation and Industrial Dynamics; International Finance and Financial Management; Environmental and Resource Economics, Environmental Management; Corporate Taxation and Public Finance; International Distribution and Redistribution; Market Design; Competition and Regulation.

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