

Press Release

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ZEW Indicator of Economic Sentiment for Germany

+19.9 points (+4.7 vs. previous month)

ZEW Indicator of Economic Sentiment for the Eurozone

+25.0 points (+2.3 vs. previous month)

Assessment of the Current Situation in Germany

-81.7 points (-4.4 vs. previous month)

Assessment of the Current Situation in the Eurozone

-53.4 points (+5.9 vs. previous month)

16/2024

13 February 2024

ZEW Indicator of Economic Sentiment

Economic Situation at Lowest Level Since June 2020

The ZEW Indicator of Economic Sentiment for Germany increased again in the February 2024 survey. The indicator reaches 19.9 points, 4.7 points above the January value. In contrast, the assessment of the economic situation in Germany has decreased significantly. The corresponding indicator lost 4.4 points and now stands at minus 81.7 points.

“The German economy is in a bad place. The assessment of the current economic situation by the respondents has deteriorated to the lowest level since June 2020. In contrast,

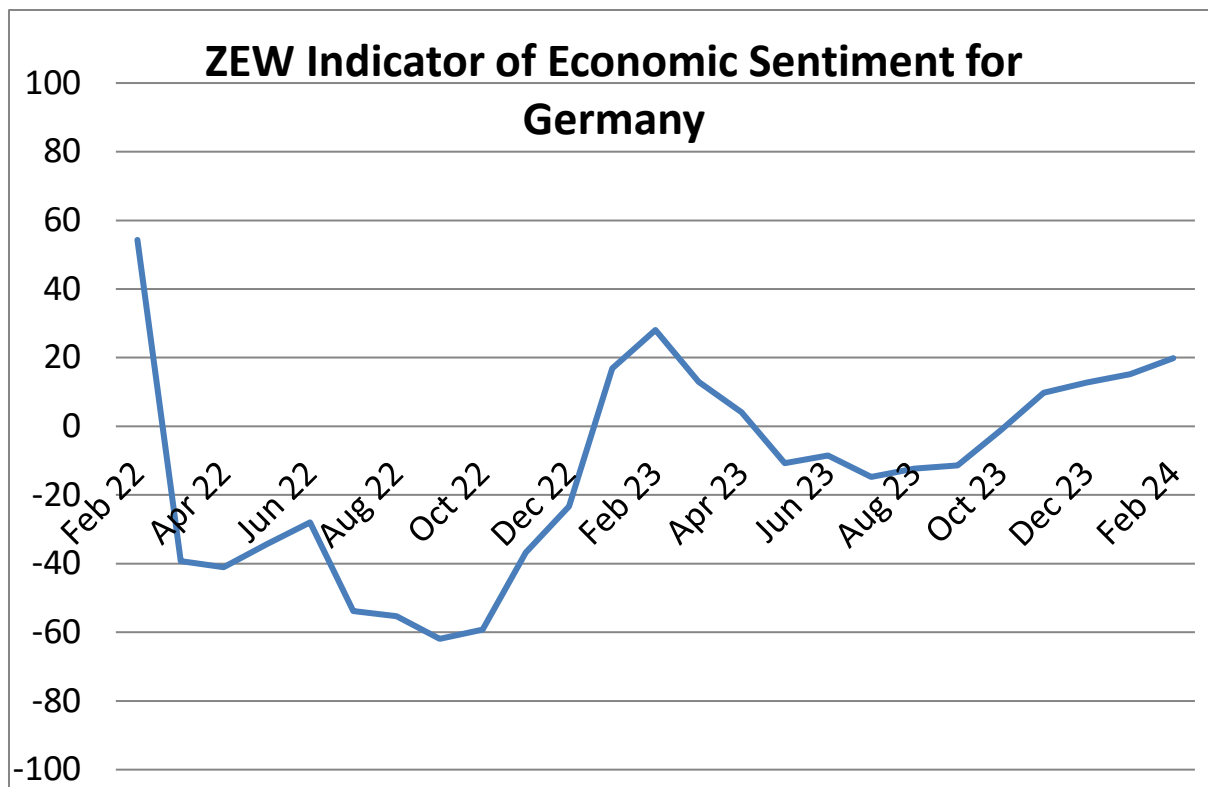
economic expectations for Germany have improved again. Accordingly, more than two-thirds of the respondents expect the ECB to make interest rate cuts over the next six months in light of falling inflation rates. Almost three-quarters of respondents expect imminent interest rate cuts by the American central bank,” comments ZEW President Professor Achim Wambach on the survey results.

The financial market experts’ sentiment concerning the economic development of the eurozone also experienced an increase in the current survey. At 25.0 points, the indicator increased by 2.3 points compared to January. The situation indicator for the eurozone increased, climbing 5.9 points to a new reading of minus 53.4 points.

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Source: ZEW – Leibniz Centre for European Economic Research

167 analysts participated in the January 2024 ZEW Financial Market Survey, which was conducted in the period 5–12 February 2024. The analysts were surveyed regarding their mid-term expectations concerning economic development and capital market trends. The ZEW Indicator of Economic Sentiment is the balance between positive and negative expectations of the future economic development in Germany over a timeframe of six months.

ZEW – Leibniz Centre for European Economic Research

ZEW Mannheim conducts research in the field of applied and policy-oriented economics and provides access to important data sets for national and international researchers. The institute provides advice to policymakers, private companies, and government institutions at both the national and EU level on how to tackle current economic policy challenges. The central concern of ZEW’s research is to analyse and design markets and institutions that allow for the sustainable and efficient development of knowledge-based economies in Europe. By keeping the public informed on its latest research and providing further training to researchers and business leaders alike, ZEW acts as a guide through economic change. ZEW was founded in 1991 and is a member of the Leibniz Association. ZEW currently employs a staff of approximately 200, two thirds of whom are researchers.

Research at ZEW:

Pensions and Sustainable Financial Markets; Labour Markets and Social Insurance; Digital Economy; Health Care Markets and Health Policy; Economics of Innovation and Industrial Dynamics; Market Design; Environmental and Climate Economics; Inequality and Public Policy; Corporate Taxation and Public Finance.