

# Press Release

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## **ZEW Indicator of Economic Sentiment for Germany**

-14.7 points (-6.2 vs. previous month)

## **ZEW Indicator of Economic Sentiment for the Eurozone**

-12.2 points (-2.2 vs. previous month)

## **Assessment of the Current Situation in Germany**

-59.5 points (-3.0 vs. previous month)

## **Assessment of the Current Situation in the Eurozone**

-44.4 points (-2.5 vs. previous month)

45/2023

11 July 2023

## **ZEW Indicator of Economic Sentiment**

### **Expectations Decrease**

The ZEW Indicator of Economic Sentiment for Germany recorded a decrease in the current July 2023 survey. At minus 14.7 points, it is 6.2 points below the previous month's value.

The assessment of the economic situation in Germany also worsened. The corresponding indicator fell 3.0 points to a new value of minus 59.5 points.

“The ZEW Indicator of Economic Sentiment is shifting even more noticeably into negative territory. Financial market experts predict a further deterioration in the economic situation by year-end. A key reason for this is the expectation of

rising short-term interest rates in the eurozone and the USA. Additionally, important export markets like China are seen as relatively weak. The industrial sectors are likely to bear the brunt of the anticipated economic downturn, with profit expectations for these export-oriented industries experiencing a substantial decline once again,” comments ZEW President Professor Achim Wambach on the survey results.

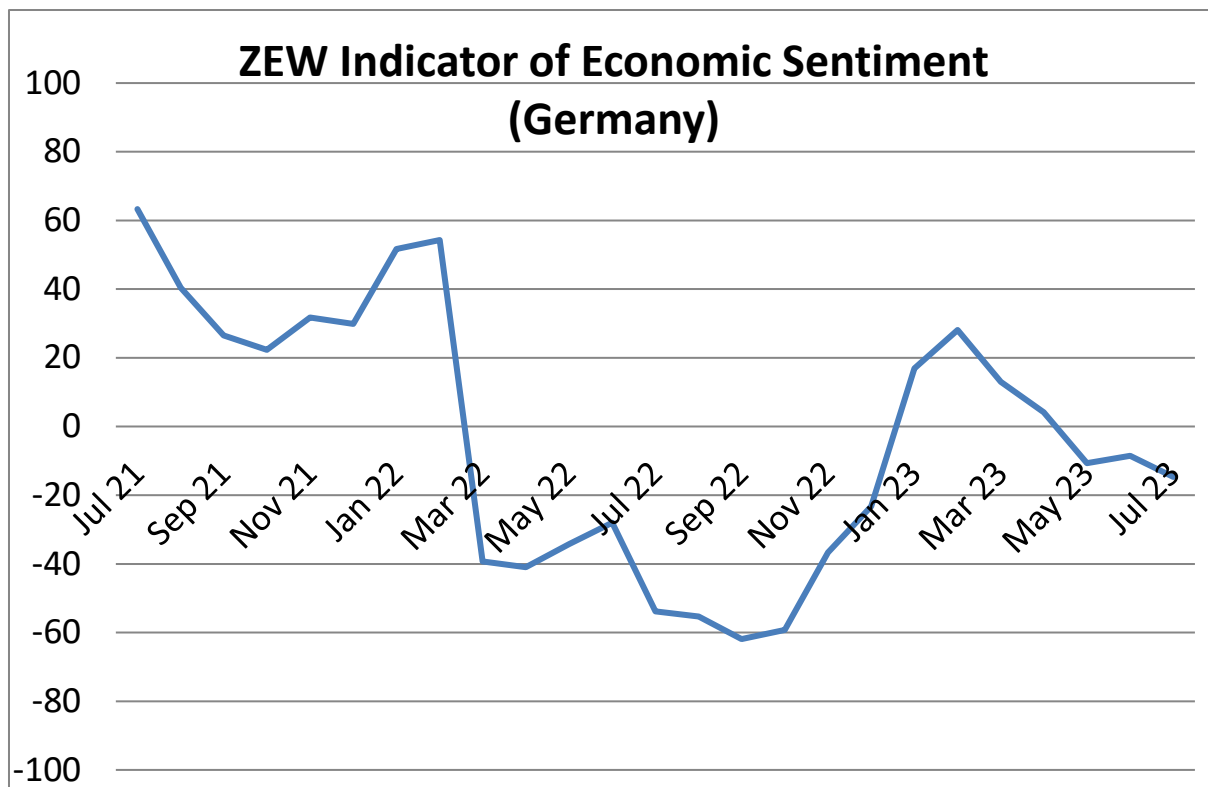
The financial market experts’ sentiment concerning the economic development of the eurozone slightly worsens in July and currently stands at minus 12.2 points, 2.2 points below the previous month’s value. The situation indicator for the eurozone decreased, dropping 2.5 points to a new reading of minus 44.4 points.

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Source: ZEW – Leibniz Centre for European Economic Research

165 analysts participated in the July 2023 ZEW Financial Market Survey, which was conducted in the period 3–10 July 2023. 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 in 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.