

# Press Release

Contact:

Pascal Ausäderer

Press Officer

Phone: +49(0)621/1235-103

E-Mail [pascal.ausaederer@zew.de](mailto:pascal.ausaederer@zew.de)

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

59.6 points (+13.8 vs. previous month)

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

40.8 points (+7.1 vs. previous month)

## **Economic Situation Germany**

-72.7 points (+8.3 vs. previous month)

## **Economic Situation Eurozone**

-18.1 points (+10.4 vs. previous month)

07/2026

20 January 2026

## **ZEW Indicator of Economic Sentiment**

# **ZEW Indicator Strongly Rises at Beginning of Year**

In January 2026, expectations about Germany's economic situation are increasing strongly. The indicator has climbed to plus 59.6 points and is thus plus 13.8 points above the previous month's reading. The assessment of the current economic situation has also improved. The situation indicator for Germany is at minus 72.7 points, which means it is plus 8.3 points above the value recorded in the previous month.

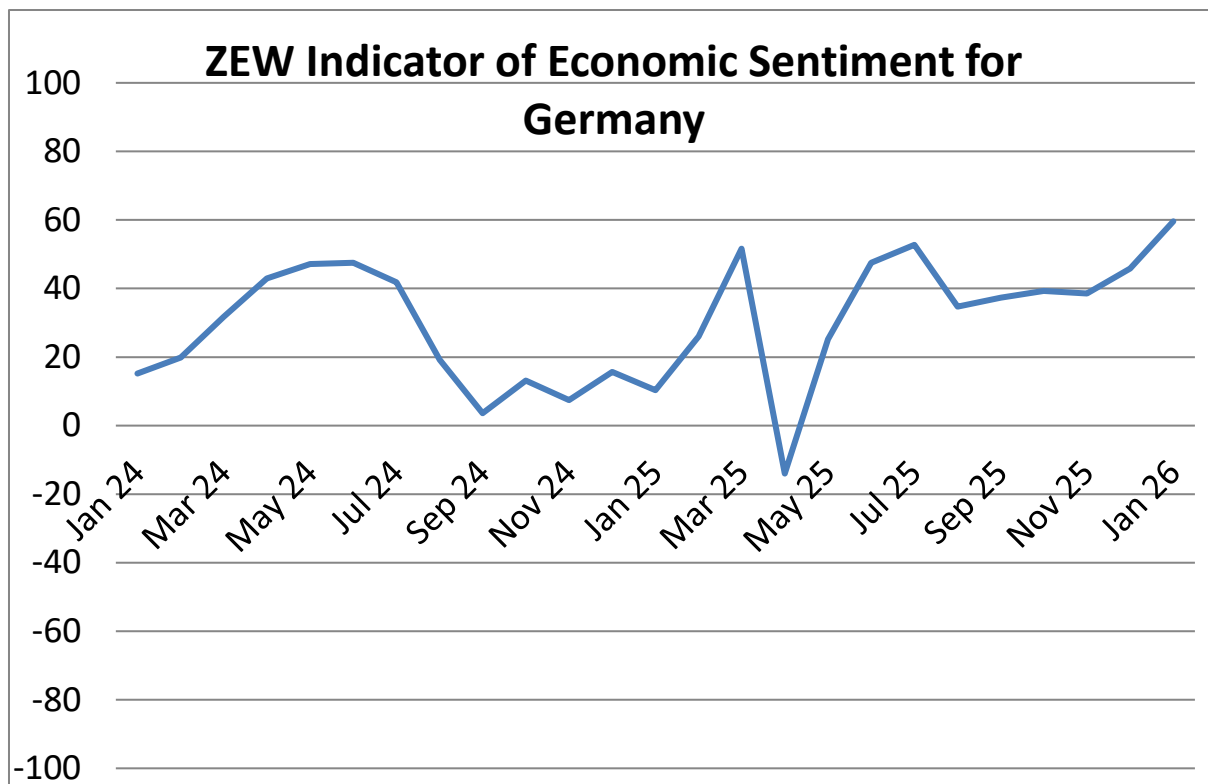
"The ZEW Index is rising strongly. 2026 could mark a turning point. However, despite the positive economic sentiment,

work should continue to strengthen the attractiveness of the location in order to enable sustainable growth,” comments ZEW President Achim Wambach, PhD, on the current results. Despite the announcement of additional tariffs by the US last weekend, export-oriented industries are experiencing, in some cases, significant improvements. In particular, the balances of the steel and metal industry as well as of the mechanical engineering have increased by 18.2 and 22.7 points, respectively. The balance for the automotive industry rose by 16.5 points to minus 5.5 points. The balances for the chemical and pharmaceutical industries and electrical engineering have also improved by 12.4 and 14.0 points, respectively. These results are in line with the figures for industrial production in November 2025, which turned out significantly better than expected and a surprisingly strong increase in orders. In addition, the Mercosur agreement is likely to have improved the outlook for export-intensive industries. However, the unpredictable US trade policy continues to be an additional burden on the German export economy.

The expectations for the eurozone are also rising and currently lie at plus 40.8 points, which means plus 7.1 points compared to the previous month's value. The assessment of the situation is also improving. At minus 18.1 points, it is up plus 10.4 points above the previous month's reading.

**For further information please contact:**

Dr. Lora Pavlova, Phone +49(0)621/1235-145, E-Mail [lora.pavlova@zew.de](mailto:lora.pavlova@zew.de)



Source: ZEW – Leibniz Centre for European Economic Research

172 analysts and institutional investors participated in the December 2025 ZEW Financial Market Survey, which was conducted in the period 12–19 January 2026. They 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.