

Press Release

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ZEW Indicator of Economic Sentiment Germany

+26.0 points (+15.7 vs. previous month)

ZEW Indicator of Economic Sentiment Eurozone

+24.2 points (+6.2 vs. previous month)

Economic Situation Germany

-88.5 points (+1.9 vs. previous month)

Economic Situation Eurozone

-45.3 points (+8.5 vs. previous month)

16/2025

18 February 2025

ZEW INDICATOR OF ECONOMIC SENTIMENT

Before German Federal Election: Recovery in Sight

The ZEW Indicator of Economic Sentiment for Germany shows a considerable leap in expectations in the February 2025 survey. At 26.0 points, it is currently 15.7 points above the previous month's value. This was the strongest increase in ZEW indicator for Germany in the past two years. The assessments of the current economic situation have also improved, albeit only slightly. The corresponding indicator showed a minor increase by 1.9 points and is now at minus 88.5 points.

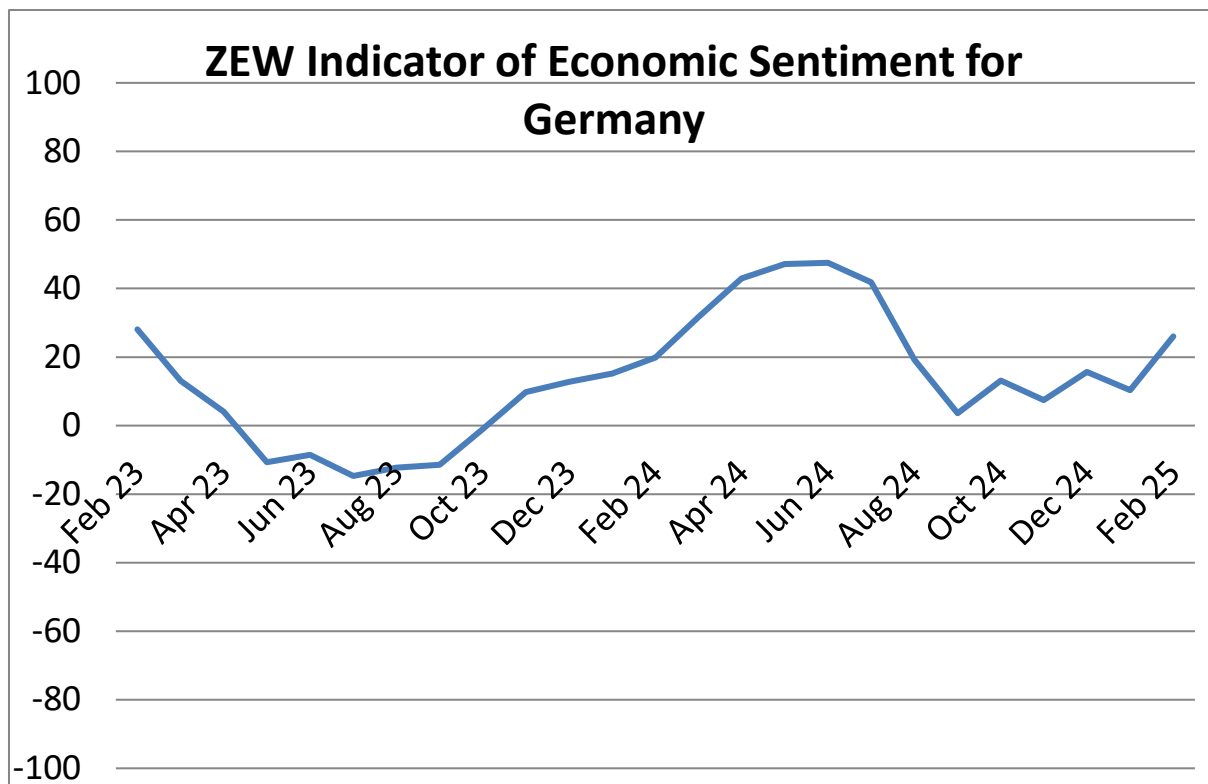
“Shortly before the day of the federal election, economic expectations have clearly improved in February. This rising optimism is probably due to hopes for a new German government capable of action. Also, after a period of absent demand, private consumption can be expected to gain momentum in the next six months. And the recent move by the ECB to cut interest rates in response to sluggish economic activity in the Monetary Union is likely to have contributed to the better outlook for the construction industry,” comments ZEW President Achim Wambach, PhD on the recent results.

The financial market experts’ sentiment concerning the economic development in the Eurozone reflects this development: The indicator has risen by 6.2 points and is now at 24.2 points. The assessment of the current economic situation has also taken a positive turn. At minus 45.3 points, it is 8.5 points above the January reading.

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Source: ZEW – Leibniz Centre for European Economic Research

158 analysts and institutional investors participated in the February 2025 ZEW Financial Market Survey, which was conducted in the period 10–17 February 2025. 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.