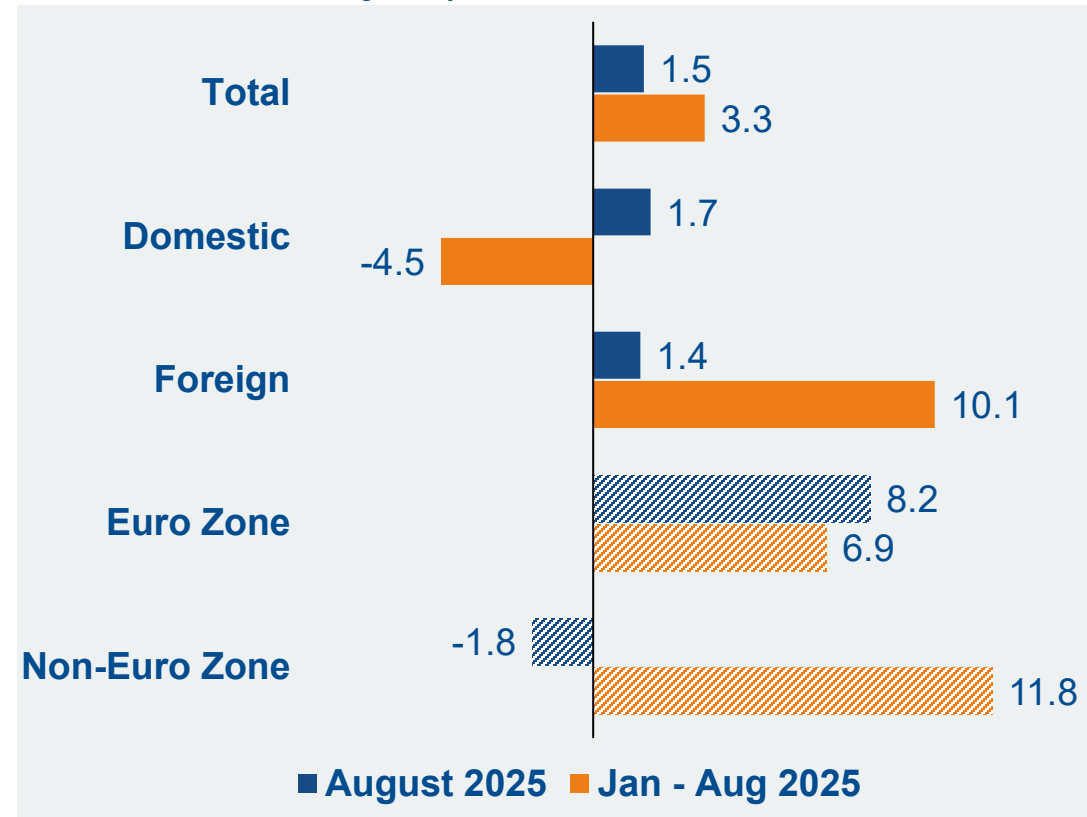


ZVEI Business Cycle Report

– Edition October 2025

German electro and digital industry – New orders

Nominal values, % change on year earlier



Source: Destatis and ZVEI's own calculations; allocation of foreign turnover shaded

With an increase of 1.5%, **orders** in the German electro and digital industry slightly exceeded their previous year's level in **August 2025**. With the exception of July, this means that orders were on the rise in five of the last six months.

Domestic and **foreign** orders grew almost at the same rate in August, with the former increasing by 1.7% and the latter by 1.4% compared to a year earlier. Bookings from the **euro zone** were up 8.2%, whereas orders from **third countries** were down 1.8%, falling short of the preceding year's figure for the first time this year.

In the year to date from **January to August**, orders were up 3.3% overall compared with the same period last year. Domestic orders (-4.5%) and foreign orders (+10.1%) developed in opposite directions. In this period, orders from the euro zone increased by 6.9%, while those from other foreign countries rose by an even stronger 11.8%.

German electro and digital industry – Production and employment

Balance, %-age points



Source: ifo Institute

Real (i.e., price-adjusted) **production** of electrical and electronic goods made in Germany slipped back into negative territory in **August 2025**, undercutting its previous year's figure by a significant 5.6%.

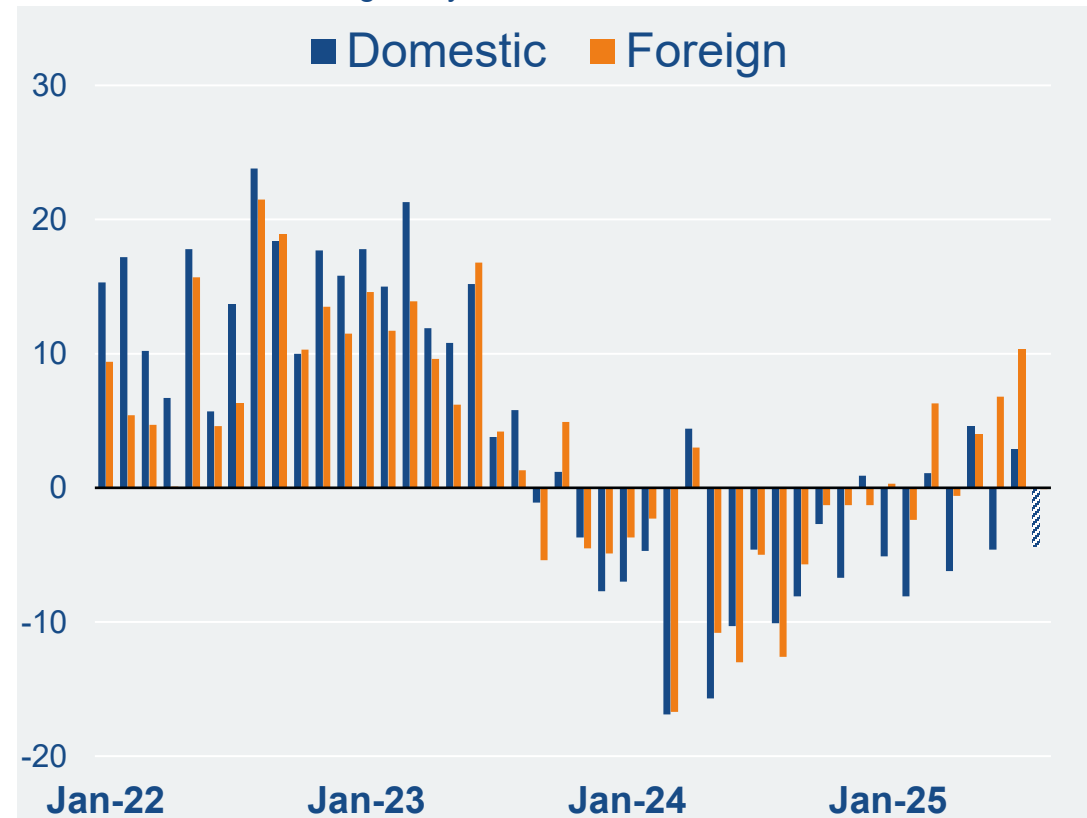
With it, our industry's output for the entire period **from January to August** remains 1.9% down on the same period last year.

Both the domestic electro companies' **production** and **employment plans** were starkly revised down in September. The balance of firms expecting to raise or rather curtail their real output in the next three months to come collapsed from +16 %-age points to -3 now. With recruitment plans, here the corresponding reading came down from -9 to -15.

878,800 **people** have been **working** for the German electro and digital industry at the end of July – 1.9% less than a year earlier. Of them, 25,500 are currently **on short-time**.

German electro and digital industry – Turnover

Nominal values, % change on year earlier



Source: Destatis and ZVEI's own calculations; current month shaded

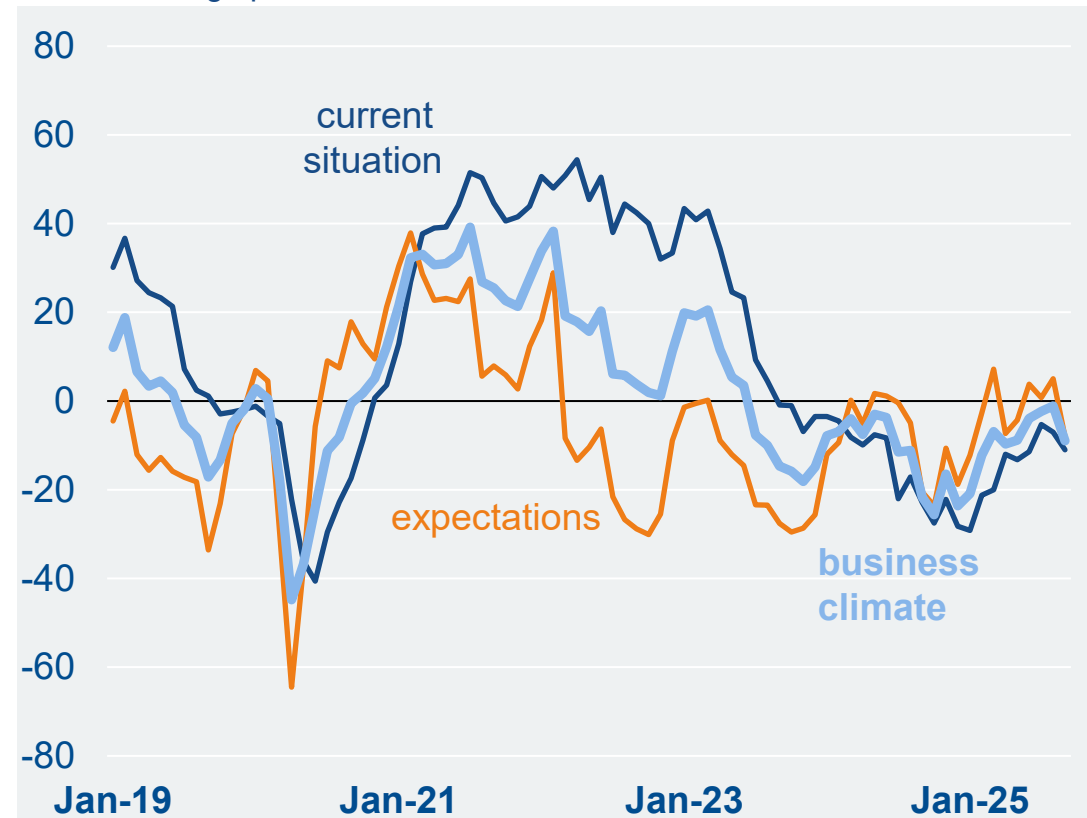
In **August 2025**, the domestic electro and digital industry generated **revenues** of €17.0bn, falling short of the previous year's figure by 2.1%. With it, **domestic** sales slipped by 4.4% to €8.1bn. **Foreign** turnover remained virtually unchanged at €8.9bn (-0.1%). Within foreign revenues there was a discrepancy: Sales to the **euro zone** increased by 2.1% to €3.3bn, whereas those to **third countries** declined by 1.2% to €5.6bn.

In the **first eight months** of this year, the cumulative industry turnover rose by 0.5% to €144.6bn. However, producer prices also rose by 1.1% during this period.

Here, domestic businesses has still not returned to the previous year's value, being 2.5% lower at €67.2bn. In contrast, sales to foreign customers were up 3.1% to €77.4bn. Between January and August, revenues from the euro zone grew a modicum more dynamically than those from other foreign countries, rising by 4.0% to €30.3bn and by 2.6% to €47.1bn, respectively.

German electro and digital industry – Business climate

Balance, %-age points



Source: ifo Institute

After four rising months at a stretch, the **business climate** in the German electro and digital industry sagged again in **September 2025**. And to be clear, the decline was sharp. Both the firms' assessment of their **current economic situation** as well as their overall **business expectations** were down compared to August and, on balance, even the latter turned negative once more.

18% of the electro companies in our country evaluated their present situation as good in September. At the same time, 53% described it as stable and 29% as bad.

Looking forward, 18% of the sector's firms reckon with rising activities in the next six months to come. 56% and 26% are awaiting steady or rather declining affairs, respectively.

The more specific **export expectations** came down in September, too. The balance of companies forecasting their deliveries abroad to rise or fall in the next three months ahead dropped from +7 %-age points to a reading of merely one now.

German electro and digital industry

– Business cycle figures

year over year, %	2024	2025 August	2025 Jan - Aug
New orders	-10.1%	+1.5%	+3.3%
domestic	-13.8%	+1.7%	-4.5%
foreign	-6.8%	+1.4%	+10.1%
euro zone	-8.8%	+8.2%	+6.9%
non-euro zone	-5.8%	-1.8%	+11.8%
Production, real	-8.9%	-5.6%	-1.9%
Turnover, bn €	220.1 -7.5%	17.0 -2.1%	144.6 +0.5%
domestic, bn €	105.3 -8.1%	8.1 -4.4%	67.2 -2.5%
foreign, bn €	114.8 -7.0%	8.9 -0.1%	77.4 +3.1%
euro zone, bn €	44.0 -0.1%	3.3 +2.1%	30.3 +4.0%
non-euro zone, bn €	70.8 -10.7%	5.6 -1.2%	47.1 +2.6%

Sources: ifo Institute, Destatis and ZVEI's own calculations; 1) end of period; 2) average

year over year, %	2024	2025 July	2025 Jan - July
Employees, thousand	889.6 ¹⁾ -2.0%	878.8 ¹⁾ -1.9%	882.5 ²⁾ -1.7%
Exports, bn €	246.4 -3.5%	21.0 +6.1%	149.3 +3.2%
Imports, bn €	254.9 -5.3%	22.3 +10.3%	157.1 +7.9%
	2024	2025 August	2025 Jan - Aug
Producer prices	+1.6%	+1.3%	+1.1%
Material prices	+0.6%	+0.8%	+0.8%
Export prices	+0.7%	±0%	+0.3%
Import prices	-2.0%	-2.3%	-1.7%
Balance of positive and negative answers	2024	2025 September	2025 August
Business climate	-12	-9	-1
- Economic situation	-15	-11	-7
- Expectations for next 6 months	-9	-8	+5
Export expectations for next 3 months	±0	+1	+7
Production plans for next 3 months	-6	-3	+16
Employment plans	-16	-15	-9
	2024	2025 July	2025 April
Capacity utilization	77.8%	76.3%	77.8%
Reach of unfilled orders, in months	4.1	4.2	4.2

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