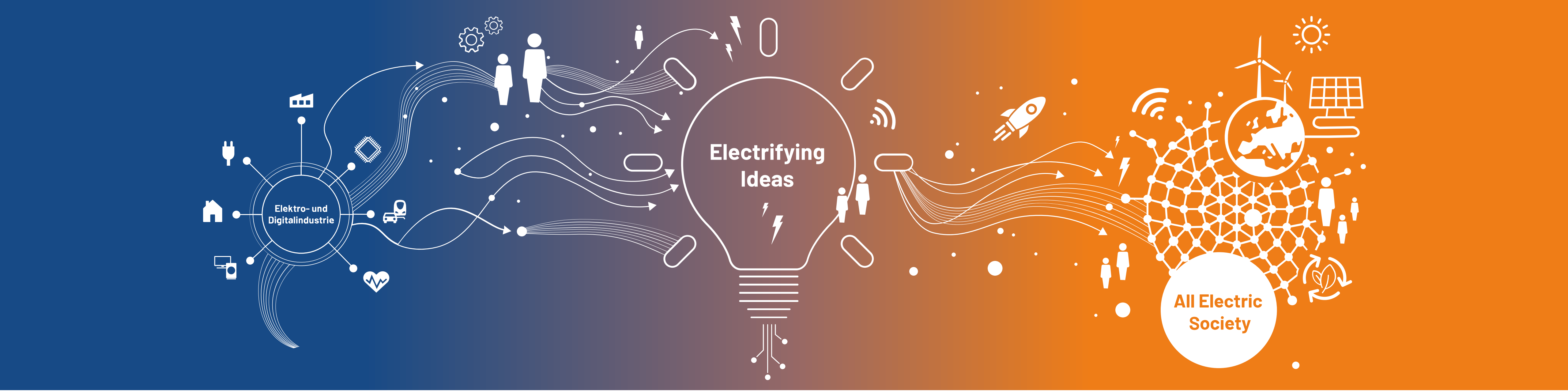


# ZVEI Business Cycle Report

## – Edition September 2025

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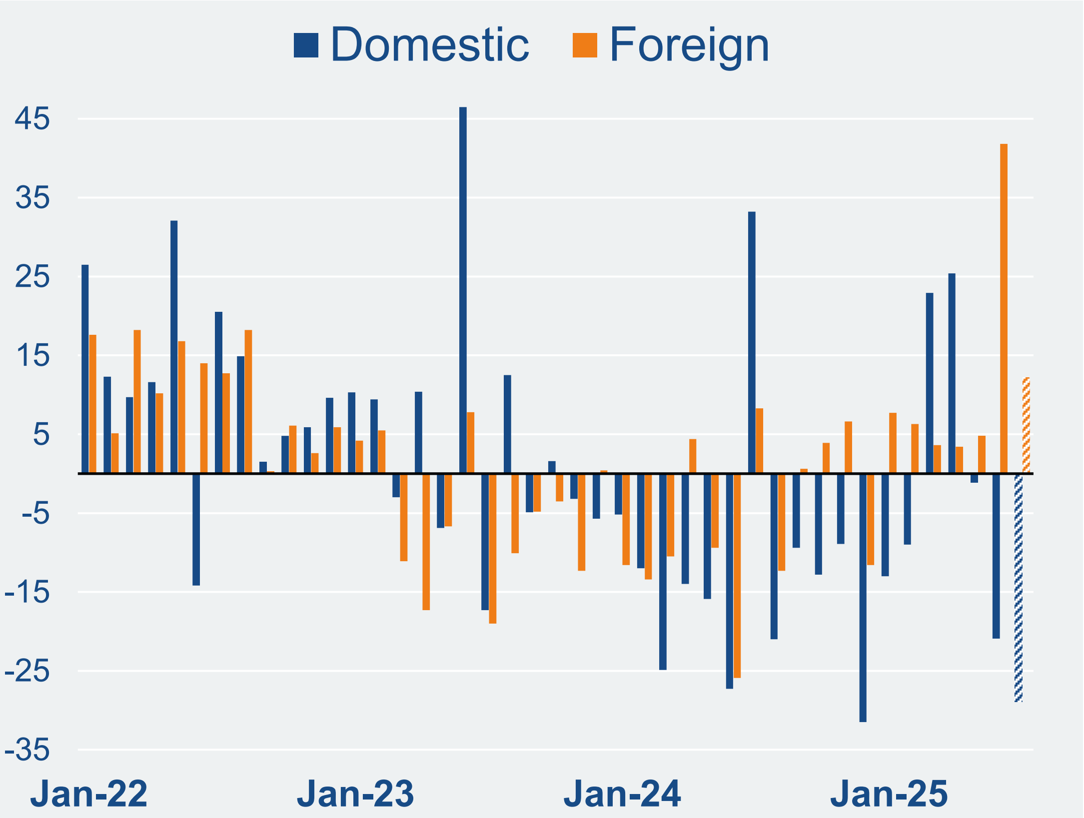
# German electro and digital industry
## – New orders

Nominal values, % change on year earlier



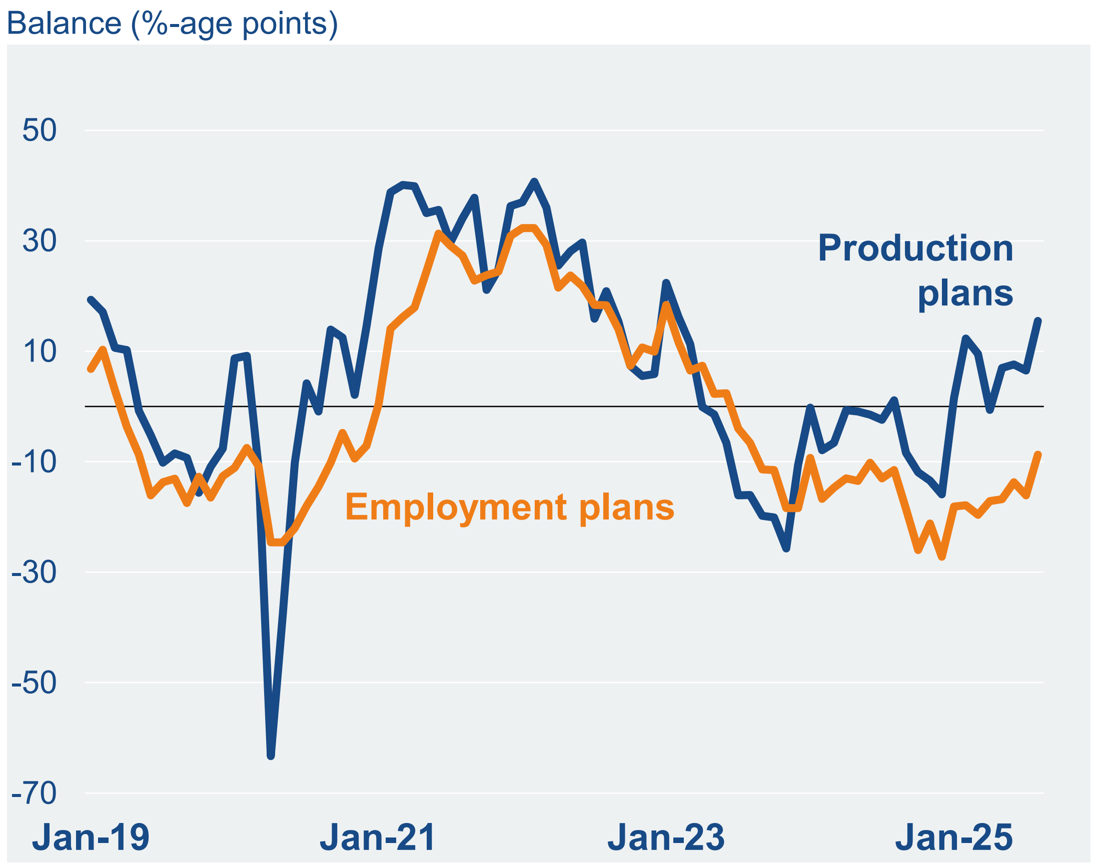

Source: Destatis and ZVEI’s own calculations; current month shaded

After four growing months in a row, **new orders** in the German electro and digital industry received a damper in **July 2025**. In total, bookings failed their respective pre-year value by 8.9%.

With it, the divergence between **domestic and foreign orders** could have hardly been bigger. While the former collapsed by 28.9% in July, the latter were 12.2% up. New orders from the euro area rose by 10.8% (year over year) and those from third countries by 13.0%.

For the full **first seven months** of this year a plus of 3.6% in new orders is recorded. Here, domestic and foreign bookings have evolved very differently, too. Domestic clients lowered their orders by 5.3% (again year-on-year rate) between January and July. In contrast, foreign customers raised their bookings by 11.3% (euro area: +7.0%, third countries: +13.7%).

# German electro and digital industry
## – Production and employment



Source: ifo Institute

German **production** – adjusted for price – happened to rise once again in **July 2025**. It came in 3.1% higher than the year before.

In the full period **from January through July**, however, our sector’s aggregated output was still somewhat down and missed its respective 2024 level by 1.4%.

Looking ahead, both the **production** and **employment plans** of the domestic electro companies were revised up markedly in August. The balance of firms intending to raise or rather curb their output in the coming three months jumped by full 9 %-age points from +7 to +16. With recruitment plans, the corresponding reading rose from -16 to -9.

The number of **employees** in the German electro and digital industry amounted to 879,200 at the end of the first half-year. 30,800 are currently **on short-time**.

# German electro and digital industry – Turnover

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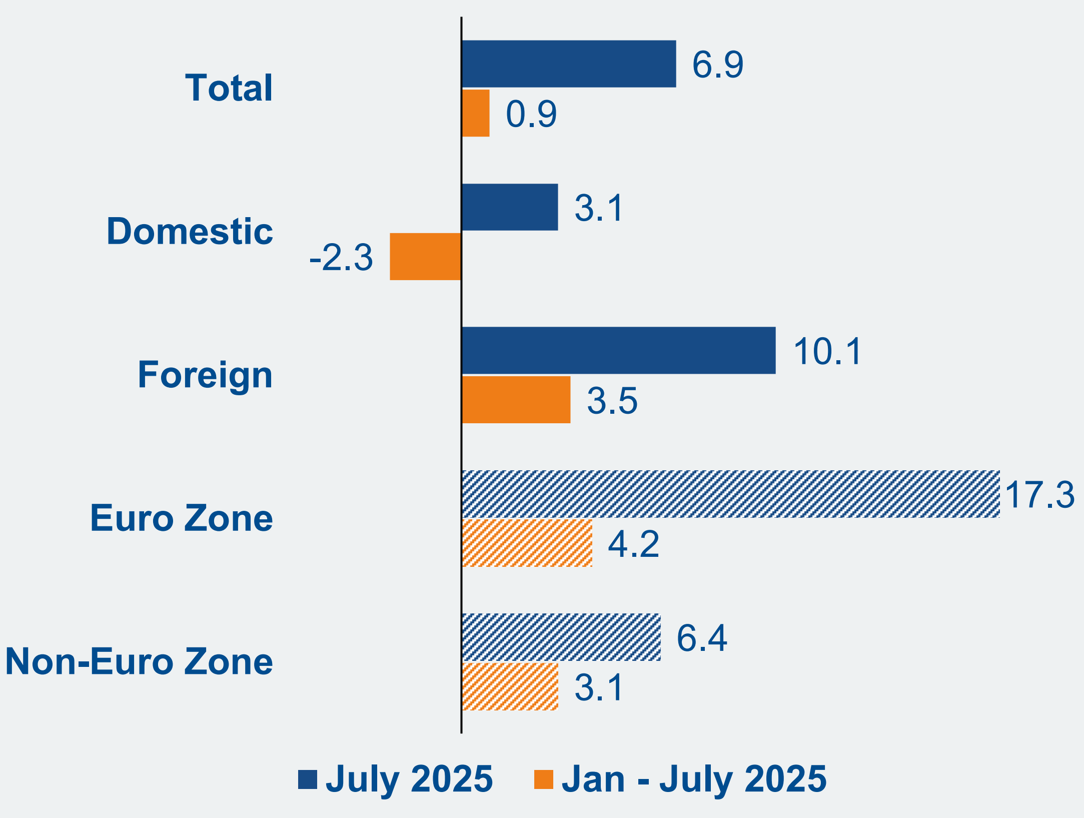
Nominal values, % change on year earlier




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

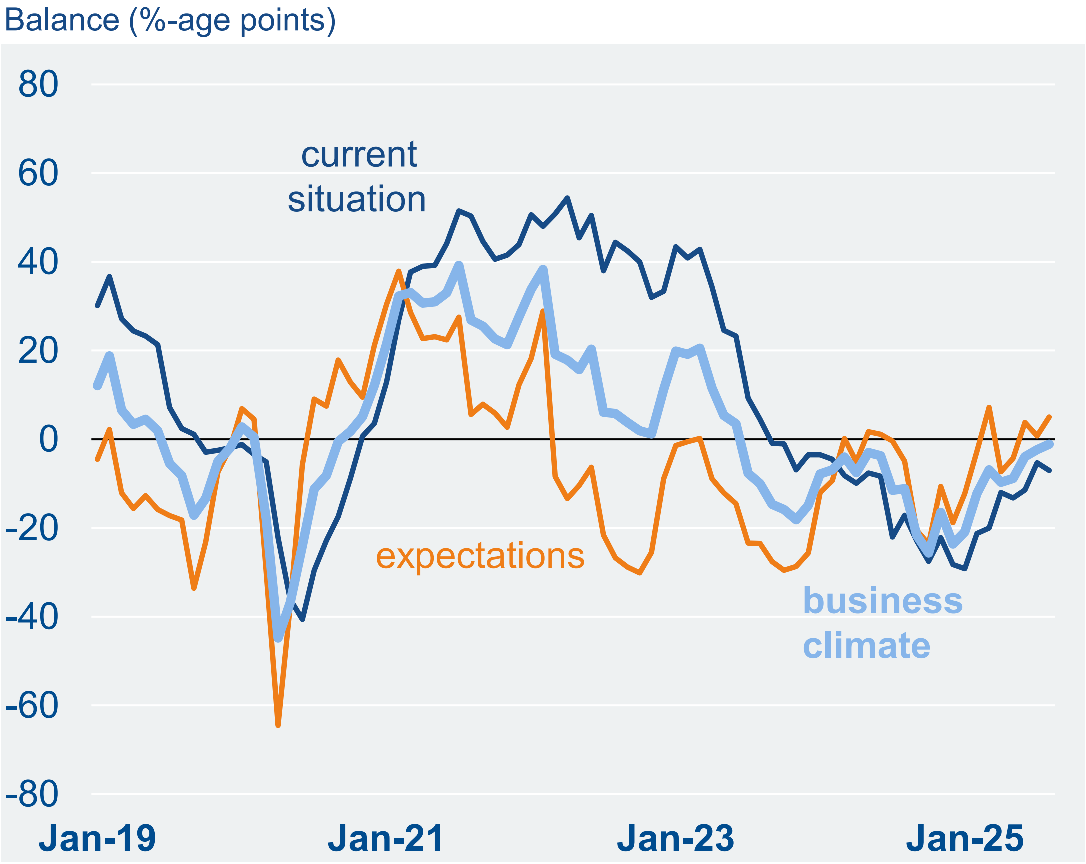
With €18.8bn, **sales** of the domestic electro and digital companies exceeded their pre-year value by 6.9% in **July 2025**. Domestic turnover advanced by 3.1% to €8.7bn, whereas foreign sales were more starkly on the rise – with a plus of 10.1% to €10.1bn. Businesses with **euro zone** customers came to €4.0bn (+17.3%), and sales to clients **outside the common currency area** rose by 6.4% to €6.1bn.

In the entire period of the **first seven months** of this year the sector's aggregated turnover amounted to €127.5bn, leaving it slight 0.9% higher than a year earlier. **Producer prices** were on average 1.1% up (year-on-year) in that period.

While sales to domestic clients sagged by 2.3% to €59.0bn between January and July, businesses with foreign partners managed to pick up by 3.5% to €68.5bn.

Turnover with the euro area advanced by 4.2% to €26.9bn in the first seven months, and sales to customers from third countries increased by 3.1% to €41.6bn.

# German electro and digital industry
– Business climate



Source: ifo Institute

In August 2025, the **business climate** in the German electro and digital industry has risen for the fourth month in a row now. Even though the firms' assessment of their **current economic situation** was slightly down compared to July, their overall **business expectations** picked up markedly once again.

21% of the domestic electro companies have described their present situation as good in August. 51% and 28% found it stable or rather bad, respectively.

Regarding the prospects for the next six months to come, 18% of the firms are awaiting rising affairs. At the same time, 69% reckon with steady businesses, whereas 13% still see declining activities ahead.

The more specific **export expectations** were clearly up in August. Here, the balance of companies looking forward to increasing or rather decreasing deliveries abroad in the next three months leapt from zero to +7 %-age points.

# German electro and digital industry
## – Business cycle figures

| year over year, % | 2024 | 2025 July | 2025 Jan - July |
|---|---|---|---|
| **New orders** | -10.1% | -8.9% | +3.6% |
| domestic | -13.8% | -28.9% | -5.3% |
| foreign | -6.8% | +12.2% | +11.3% |
| euro zone | -8.8% | +10.8% | +7.0% |
| non-euro zone | -5.8% | +13.0% | +13.7% |
| **Production, real** | -8.9% | +3.1% | -1.4% |
| **Turnover, bn €** | 220.1<br>-7.5% | 18.8<br>+6.9% | 127.5<br>+0.9% |
| domestic, bn € | 105.3<br>-8.1% | 8.7<br>+3.1% | 59.0<br>-2.3% |
| foreign, bn € | 114.8<br>-7.0% | 10.1<br>+10.1% | 68.5<br>+3.5% |
| euro zone, bn € | 44.0<br>-0.1% | 4.0<br>+17.3% | 26.9<br>+4.2% |
| non-euro zone, bn € | 70.8<br>-10.7% | 6.1<br>+6.4% | 41.6<br>+3.1% |

| year over year, % | 2024 | 2025 June | 2025 Jan - June |
|---|---|---|---|
| **Employees, thousand** | 889.6 [1)]<br>-2.0% | 879.2 [1)]<br>-1.8% | 883.1 [2)]<br>-1.7% |
| **Exports, bn €** | 246.4<br>-3.5% | 20.7<br>+5.3% | 127.4<br>+2.7% |
| **Imports, bn €** | 254.9<br>-5.3% | 20.8<br>+8.5% | 133.7<br>+7.4% |
| | **2024** | **2025 July** | **2025 Jan - July** |
| Producer prices | +1.6% | +1.2% | +1.1% |
| Material prices | +0.6% | +0.6% | +0.9% |
| Export prices | +0.7% | +0.1% | +0.4% |
| Import prices | -2.0% | -2.4% | -2.3% |
| **Balance of positive and negative answers** | **2024** | **2025 August** | **2025 July** |
| **Business climate** | -12 | -1 | -2 |
| - Economic situation | -15 | -7 | -5 |
| - Expected business for next 6 months | -9 | +5 | +1 |
| Export expectations for next 3 months | ±0 | +7 | ±0 |
| Production plans for next 3 months | -6 | +16 | +7 |
| Employment plans | -16 | -9 | -16 |
| | **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 |

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

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