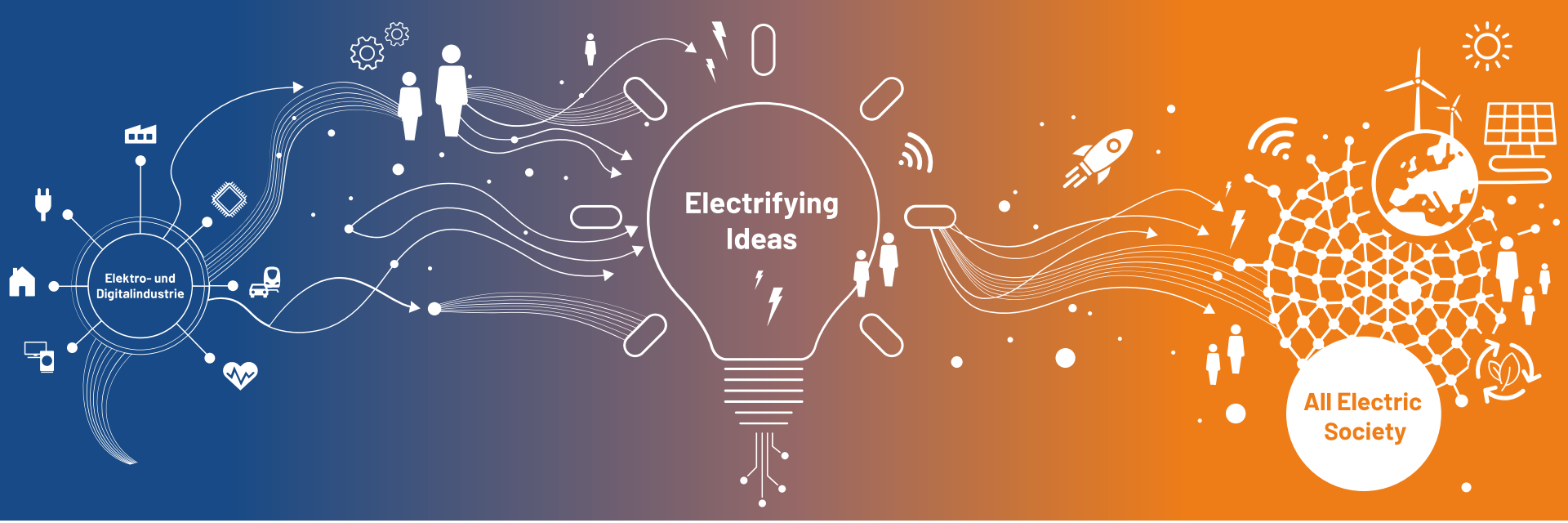


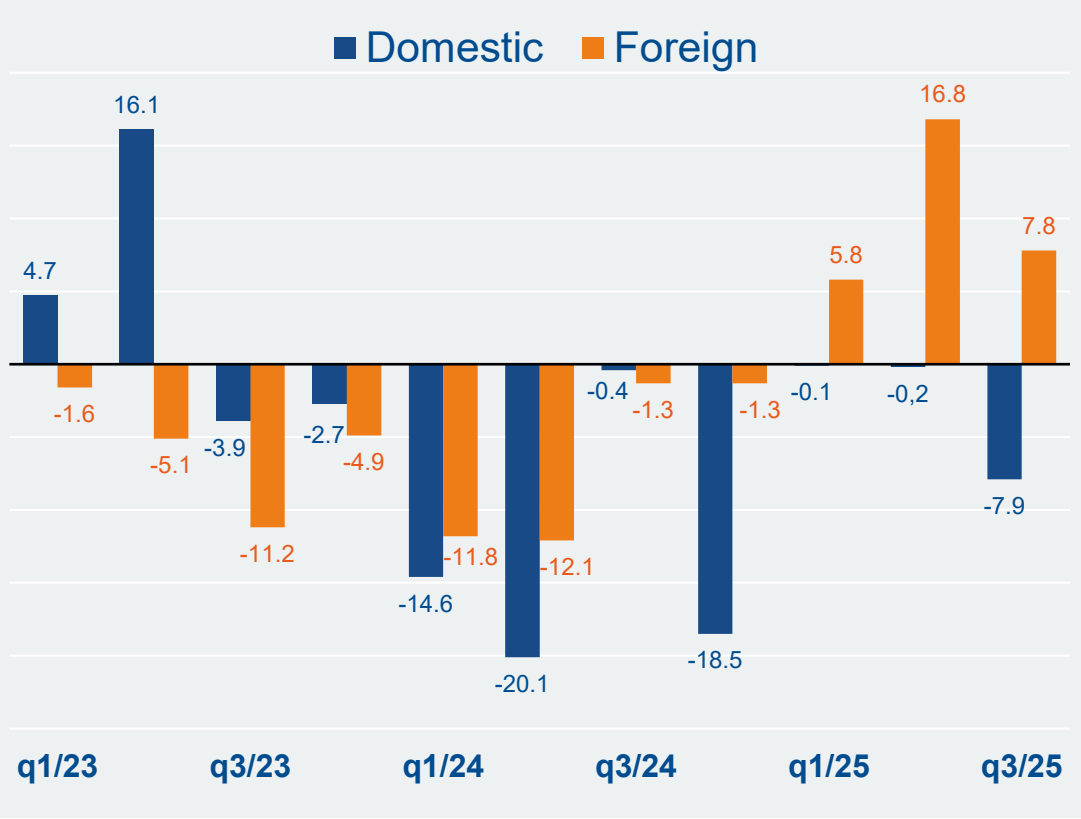
ZVEI Business Cycle Report

Edition November 2025

zvei
electrifying ideas

German electro and digital industry
New orders

Nominal values, % change on year earlier



Source: Destatis and ZVEI's own calculations

Incoming orders for the German electro and digital industry were up 9.3% (year over year) in **September 2025**.

Domestic bookings rose by one tenth (+10.3%), while foreign clients raised their orders by 8.6%. With it, new orders from the **euro zone** grew by a two-digit rate, namely 14.7%. Bookings from **third countries** increased by 5.8% in September.

In the full **first three quarters** of this year, new orders in our sector exceeded their pre-year value by 4.2%. Here, bookings from domestic customers still receded by 2.8%, whereas those from business partners abroad managed to advance by 10.0%.

New orders from clients of the common currency area rose by 8.1% (again year-on-year rate) between January and September. In the same period of time, bookings from the rest of the world picked up more strongly, i.e., by 11.0%.

German electro and digital industry
Production (plans), capacity utilization and obstacles

… % of firms reporting obstacles to manufacturing due to …

Source: ifo institute

Real production – i.e., output adjusted for price – managed to grow by 5.9% (year-on-year) in September. In combination with a subsequent upwards revision for August, the decline in output over the first nine months of this year now is just 0.8% compared to the same period in 2024.

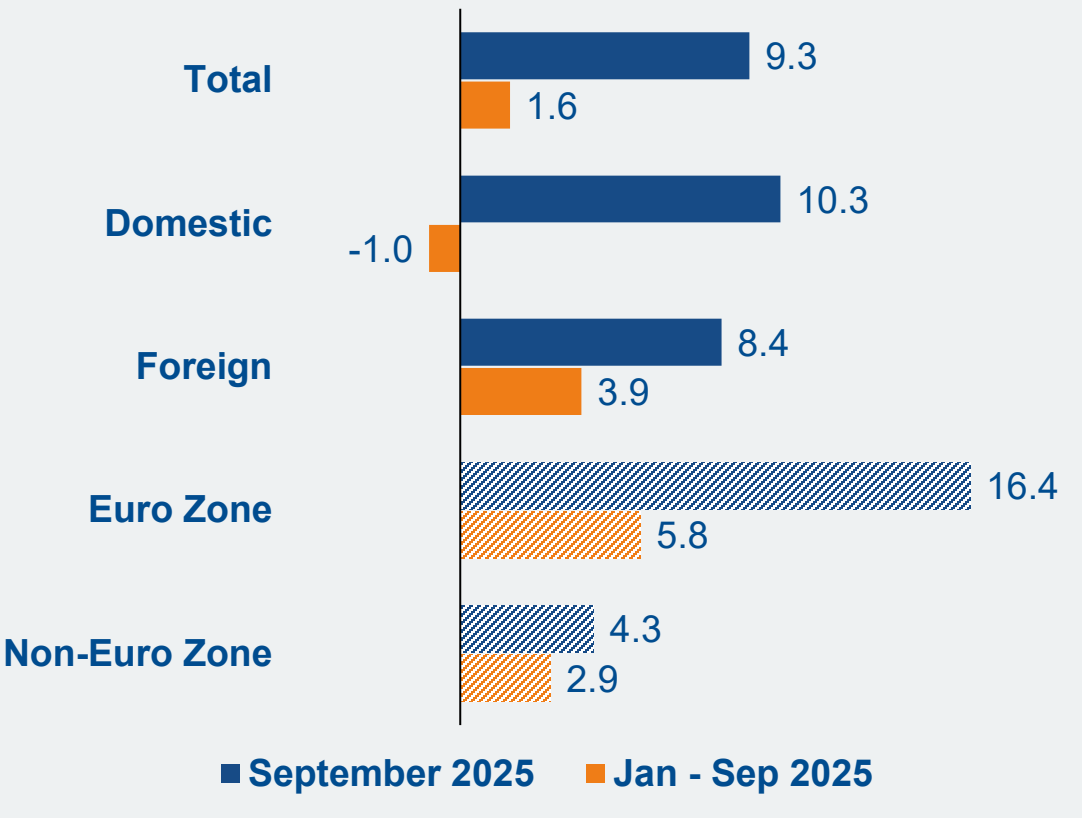
The sector-wide **capacity utilization ratio** recovered by two %-age points to 78.2% of the normal full use level at the beginning of the fourth quarter of this year. In contrast, **the reach of unfilled orders** fell back from 4.2 production months a quarter ago to 3.9 now.

The firms' **production** and **employment plans** evolved in opposite directions in October. The balance of companies intending to increase or decrease their output in the next three months advanced slightly from -3 to -2 %-age points. With recruiting plans, here the corresponding difference sagged from -15 to a reading of -20.

42% of the sector's companies suffer from a **shortfall of demand**. Further obstacles like a **lack of (skilled) workers** (14%) or **material shortages** (11%) follow far behind.

German electro and digital industry
Turnover

Nominal values, % change on year earlier



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

With €20.7bn, **nominal sales** of the domestic electro and digital industry's companies surpassed their pre-year value by 9.3% in **September 2025**. With it, businesses with **domestic** and foreign clients increased by 10.3% to €9.9bn and 8.4% to €10.8bn, respectively. Sales to the **euro zone** came to €4.2bn (+16.4%), while turnover with **third countries** reached €6.6bn (+4.3%).

In the more meaningful period **from January through September** of this year our sector's aggregated revenues amounted to €165.5bn, leaving them 1.6% higher than the year before. During the same time, **producer prices** for electrical and electronic goods were 1.2% up.

€77.1bn were made with domestic customers. Sales to foreigners turned out more than eleven billion euros higher (+3.9% to €88.4bn).

Eventually, revenues from businesses with the euro area grew by 5.8% to €34.6bn in the first three quarters. Sales to foreign clients outside the common currency area advanced by 2.9% to €53.8bn.

German electro and digital industry
Business climate

Balance (%-age points)

Source: ifo institute

After the sharp setback in September, the **business climate** in the German electro and digital industry has recovered again in **October 2025**. Both the companies' assessment of their **current economic situation** as well as their overall **business expectations** changed for the better compared to the previous month. On balance, the latter even managed to cross the zero line once more.

21% of the firms in our domestic sector described their economic situation as good in October. 49% found it stable, but for 30% it was still bad.

Regarding the next six months to come, 20% of the electro companies are awaiting expanding businesses. At the same time, 64% and 16% reckon with steady or rather declining affairs, respectively.

The more specific **export expectations** slightly changed for the better in October, too. In comparison with September, the balance of companies anticipating their deliveries abroad to rise or fall in the next three months advanced by 2 %-age points to a reading of +3 now.

German electro and digital industry
Business cycle figures

year over year, %	2024	2025 September	2025 Jan - Sep
New orders	-10.1%	+9.3%	+4.2%
domestic	-13.8%	+10.3%	-2.8%
foreign	-6.8%	+8.6%	+10.0%
euro zone	-8.8%	+14.7%	+8.1%
non-euro zone	-5.8%	+5.8%	+11.0%
Production, real	-8.9%	+5,9%	-0,8%
Turnover, bn €	220.1 -7.5%	20.7 +9.3%	165.5 +1.6%
domestic, bn €	105.3 -8.1%	9.9 +10.3%	77.1 -1.0%
foreign, bn €	114.8 -7.0%	10.8 +8.4%	88.4 +3.9%
euro zone, bn €	44.0 -0.1%	4.2 +16.4%	34.6 +5.8%
non-euro zone, bn €	70.8 -10.7%	6.6 +4.3%	53.8 +2.9%

year over year, %	2024	2025 Aug	2025 Jan - Aug
Employees, thousand	889.6 [1] -2.0%	877.3 [1] -1.9%	881.8 [2] -1.8%
Exports, bn €	246.4 -3.5%	18.3 -1.7%	168.4 +2.6%
Imports, bn €	254.9 -5.3%	18.9 +1.0%	177.0 +7.0%

	2024	2025 September	2025 Jan - Sep
Producer prices	+1.6%	+1.3%	+1.2%
Material prices	+0.6%	+0.8%	+0.8%
Export prices	+0.7%	+0.3%	+0.3%
Import prices	-2.0%	-2.1%	-1.8%

Balance of positive and negative answers	2024	2025 October	2025 September
Business climate	-12	-3	-9
- Economic situation	-15	-9	-11
- Expected business for next 6 months	-9	+4	-8
Export expectations for next 3 months	±0	+3	+1
Production plans for next 3 months	-6	-2	-3
Employment plans	-16	-20	-15

	2024	2025 October	2025 July
Capacity utilization	77.8%	78.2%	76.3%
Reach of unfilled orders, in months	4.1	3.9	4.2

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

Contact

Dr Andreas Gontermann

Chief Economist, Head of
Economic Policies and Statistics

+49 69 6302-273
andreas.gontermann@zvei.org

Marcus Röckl

Manager
Economic Policies and Statistics

+49 69 6302-219
marcus.roeckl@zvei.org

ZVEI e. V.
Electro and Digital Industry Association
Amelia-Mary-Earhart-Straße 12, 60549 Frankfurt am Main
www.zvei.org

Follow us

LinkedIn YouTube Newsletter