

Economy

Economic Outlook – Leading Indicators at a Glance 05/2026

Report
Status: May 2026

Bavarian Industry Association

vbw

bayme
vbm





Content

1	Germany	1
2	Eurozone	2
3	Global Economy	3
	Appendix: Descriptions of Leading Indicators	4
	Contact / Imprint	5

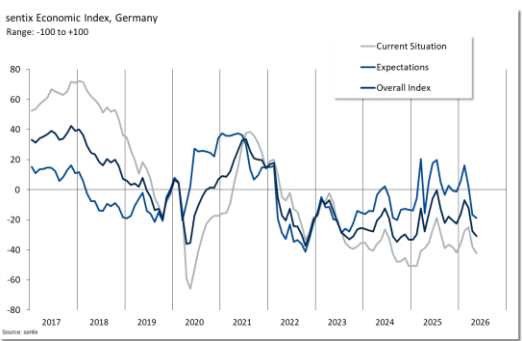
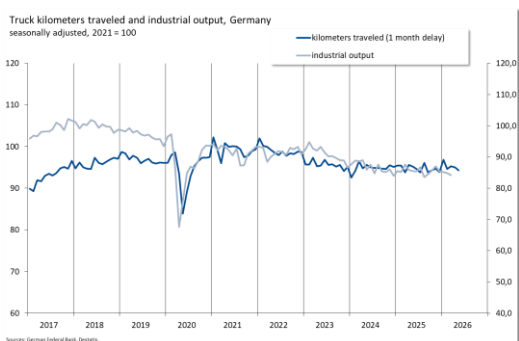
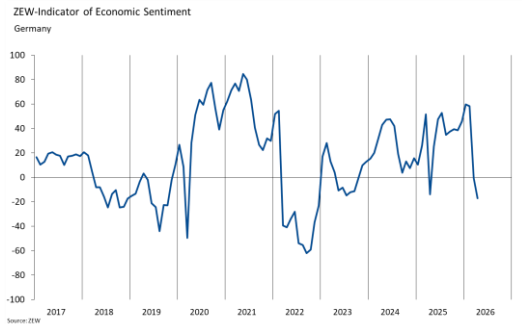
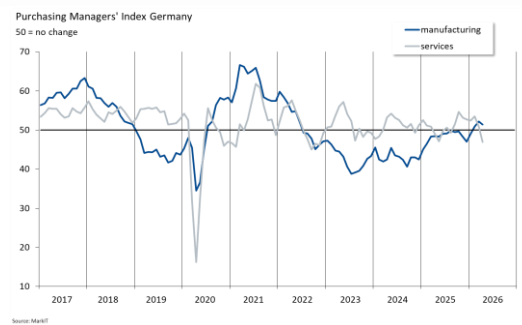


Germany

1 Germany

The leading indicators point downwards

In the wake of the war in Iran, all leading indicators for the German economy are now pointing downwards again. In the ifo Business Climate Survey, both the assessment of the current situation and expectations have deteriorated. The same applies to the sentix economic Index, where both the current situation and expectations are back in negative territory. After two consecutive rises, the Purchasing Managers' Index for industry has also fallen again, though it remains above the 50-point growth threshold. The services index has fallen sharply and now lies below the 50-point threshold. The Economic Sentiment Indicator also declined, and the ZEW Economic Expectations Index continued its downward trend. According to toll statistics, truck mileage has also decreased.

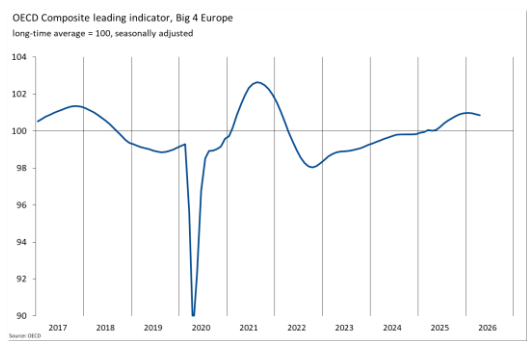
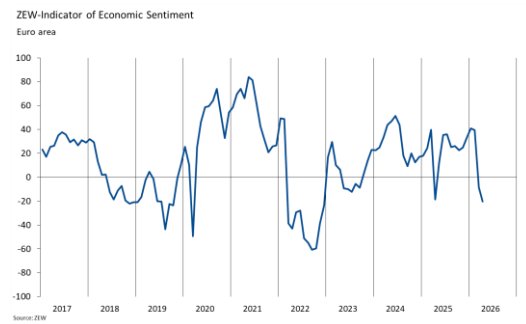
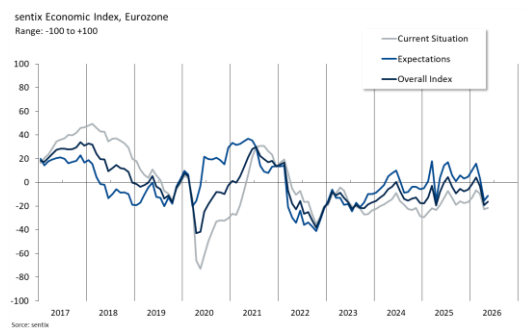
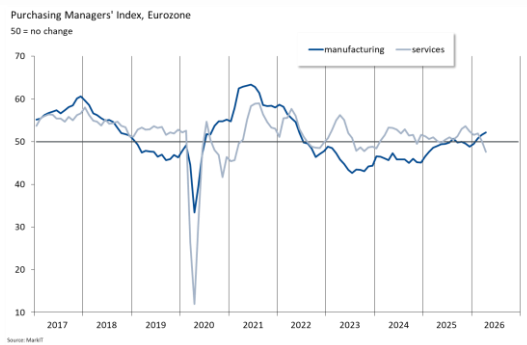




2 Eurozone

Deterioration in many leading indicators

Many leading indicators for the eurozone have also deteriorated. The Economic Sentiment Indicator fell sharply, the ZEW Economic Sentiment Index also continued to decline. The OECD leading indicator is also pointing downwards again. The Purchasing Managers' Index for industry, on the other hand, continued to improve, whereas the services index fell noticeably and now lies below the 50-point growth threshold. Although both the current assessment of the situation and expectations in the sentix economic index recovered slightly, they remain well below the zero line.

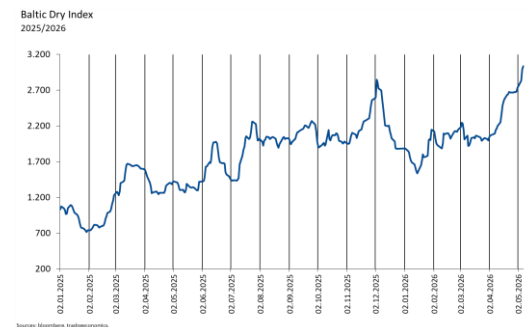
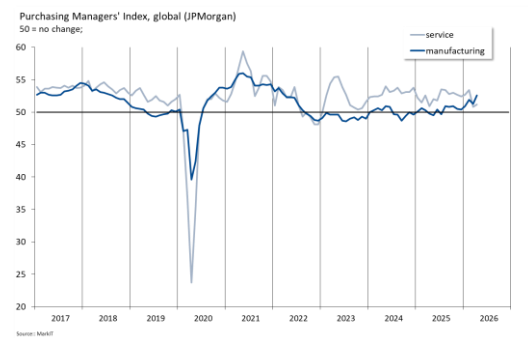
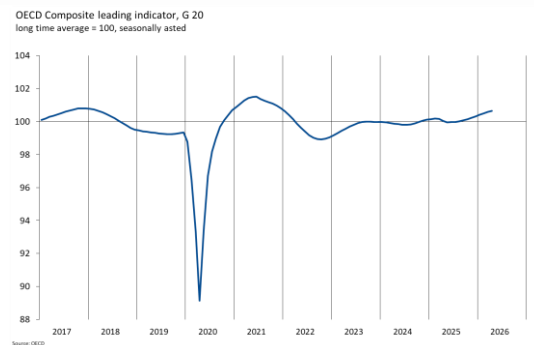
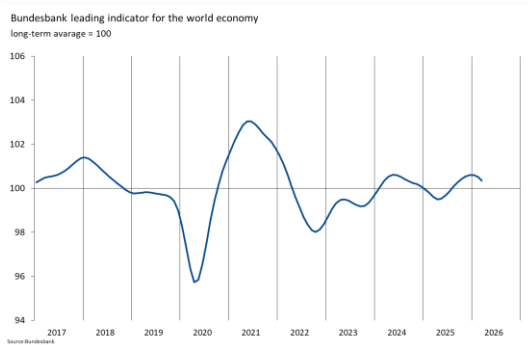




3 Global Economy

Differing trends in leading indicators

Global leading indicators are not showing a uniform trend. Whilst the Bundesbank’s leading indicator for the global economy is pointing downwards, the OECD leading indicator continues its upward trend. The Purchasing Managers’ Index for global manufacturing improved, as did the services index, following a sharp fall in the previous month. Both are above the growth threshold of 50 points. The sentix economic index has recovered, but the declines of the previous two months are still far from being made up for. The RWI container throughput index has recently fallen noticeably, whereas the Baltic Dry Index has risen significantly.





Appendix: Descriptions of Leading Indicators

- The Ifo Business Climate Index is a widely observed leading indicator for economic development in Germany. It is based on ca. 7,000 monthly survey responses of firms in manufacturing, construction, wholesaling and retailing.
- The Purchasing Managers' Index (PMI) is based on estimations by purchasing managers of industrial and service companies.
- The European Economic Sentiment Indicator is based on a survey of businesses from industry, trade, construction as well as service providers and consumers.
- The ZEW Indicator of Economic Sentiment (ZEW-Konjunkturindikator) is based on a survey of over 300 financial experts.
- The toll statistics account for the mileage of trucks that are liable to tolls on German autobahns measured in kms. The change of the amount compared with the same month of the previous year (adjusted for the calendar effect) serves as an indicator.
- The Sentix Economic Index (sentix-Konjunkturindex) is based on a survey of 2,500 private and institutional financial market participants.
- The OECD business climate index (OECD-Geschäftsklimaindex) is the weighted average of business climate indexes from the G-20 countries and is based on company surveys. It is also published separately for the four major economies in Europe (Germany, France, Italy, UK).
- The German Federal Bank's leading indicator (Bundesbank Frühindikator) for the world economy is made up of several global indicators (Purchasing Managers' Index for industry, Purchasing Managers' Index for services, consumer climate for the current economic situation, consumer climate for business expectations, S&P Global 1200 stock index).
- The Baltic Dry Index is an important price index for tracking international shipping costs for dry bulk commodities.
- The Container Throughput Index is a joint project of the Rheinisch-Westfälisches Wirtschaftsforschungsinstitut (RWI) and the Institute of Shipping Economics and Logistics (ISL). It is based on market observations in 72 international ports that together make up about 60 percent of the worldwide container handling of manufactured goods.



Contact / Imprint

Volker Leinweber

Managing Director
Head of the Economics and Foreign Trade Department

Phone +49 (0) 89-551 78-133
volker.leinweber@vbw-bayern.de

Elias Kerperin

Economic Policies
Economics and Foreign Trade Department

Phone +49 (0) 89-551 78-422
elias.kerperin@vbw-bayern.de

Imprint

All information in this publication refers to all genders, without any discriminatory intent.

Published by

bayme

Bayerischer Unternehmensverband Metall und Elektro e. V.

vbm

Verband der Bayerischen Metall- und Elektro-Industrie e. V.

vbw

Vereinigung der Bayerischen Wirtschaft e. V.

Max-Joseph-Strasse 5
80333 Munich

www.baymevbm.de www.vbw-bayern.de

© bayme vbm vbw May 2026