



Economic stenogram

Edition August 2021

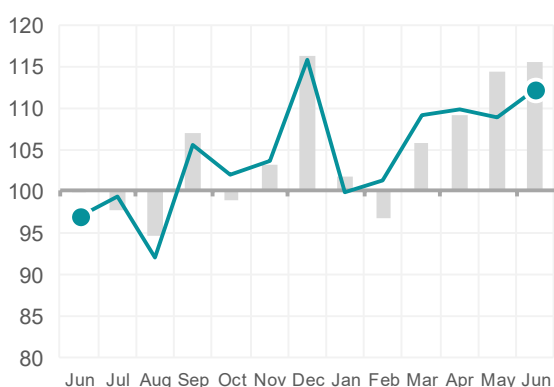
On the economic situation in June 2021

The Hessian chemical and pharmaceutical industry continued to grow significantly in all areas in June. Sales, production and producer prices repeatedly showed significant increases. However, statistical base effects still overdraw the generally positive development.

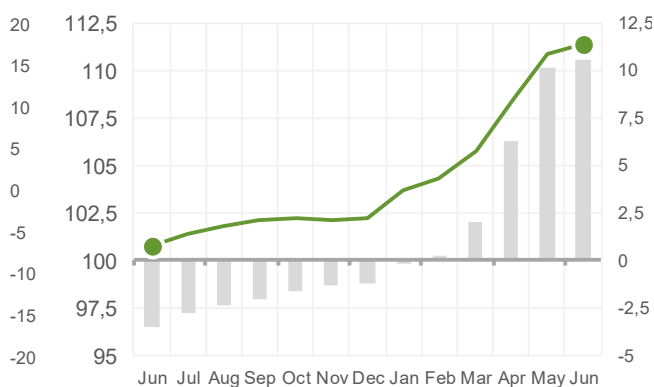
Economic indicators June 2020 until June 2021

Chemical and pharmaceutical industry Hestia; indices (lines) and change from last year in percent (bars)

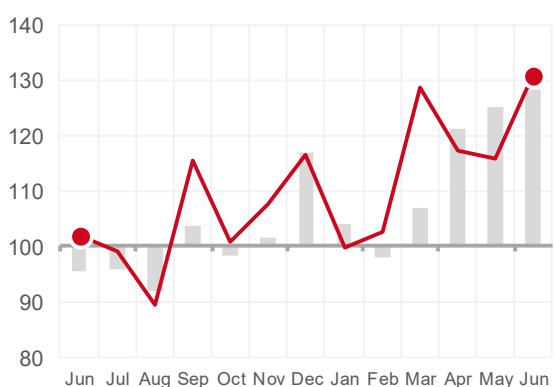
Production (seasonally adjusted) (2015=100)



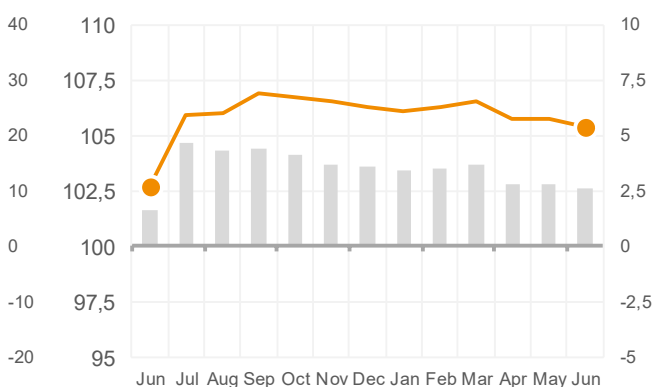
Producer prices (2015=100)



Total sales (2015=100)



Employment (companies off 50 employees)



In June, the traditional chemical divisions are continuously recovering economically. Production, producer prices and sales are growing year-on-year, in some cases in a double-digit range. Business is rising significantly, especially abroad. The pharmaceutical industry again especially expanded production and sales, with high growth rates.



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Once again, the main drivers are significant increases of domestic revenues. Producer prices are rising moderately, while employment continued to decline in June. Even cumulatively up to and including June, the industry continues to be clearly above the previous year's level in terms of economic sentiment, with noticeable growth across all key figures.

The economic situation in June 2021

Change from last year in percent

Indicator	Altogether	Chemicals	Pharmaceut.
Employment	+2,6%	+5,4%	-1,9%
Production	+15,4%	+16,6%	+15,3%
Producer prices	+10,5%	+17,7%	+1,3%
Sales	+28,2%	+35,2%	+21,4%
Domestic sales	+39,1%	+24,5%	+53,6%
Foreign sales	+23,0%	+40,4%	+6,4%

The economic situation until June 2021

Cumulated change from last year in percent

Indicator	Altogether	Chemicals	Pharmaceut.
Employment	+3,2%	+5,3%	-0,4%
Production	+7,0%	+7,3%	+6,8%
Producer prices	+4,8%	+7,3%	+1,4%
Sales	+13,5%	+12,8%	+14,3%
Domestic sales	+22,3%	+13,8%	+30,8%
Foreign sales	+9,2%	+12,4%	+4,9%

However, this fundamentally positive development is overstated by statistical base effects, as the comparative values from June 2020 are still below the long-term normal level due to the lockdown at that time in connection with the corona crisis. In the annual comparative figures, these effects are likely to be noticeable up to and including August.

With regard to the ifo business climate, the values for the chemical-pharmaceutical industry at the federal level have deteriorated for the current month of August. Both the assessment of the current business situation and the expectations for business development in the next 6 months are decreasing in this context compared to the previous month of July.

ifo-business climate in August 2021

Balance from negative and positive answers

	Altogether	Chem.	Pharm.
Business climate	21,1	25,2	8,8
Business situation	43,0	51,5	16,4
Business expectations	2,0	1,7	1,5
Production expectations		17,2	9,0
Export expectations		34,2	11,9
Level of orders		1,4	1,5
Demand situation		15,1	9,0

ifo-business climate in August 2021

Change from last month

	Altogether	Chem.	Pharm.
Business climate	-6,9	-9,6	+0,9
Business situation	-1,3	-3,7	+6,1
Business expectations	-11,8	-14,3	-4,1
Production expectations		-3,4	-8,8
Export expectations		+11,0	+9,5
Level of orders		-15,9	-7,2
Demand situation		-5,8	-27,5



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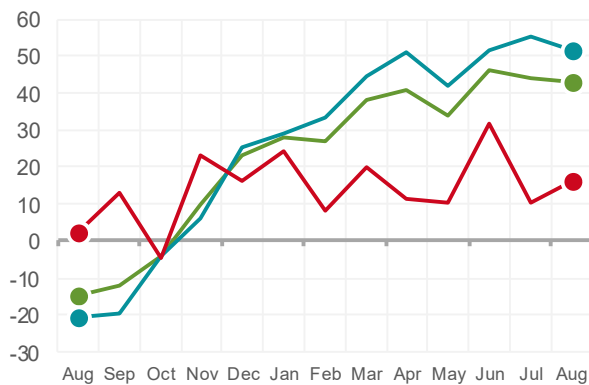
In the traditional chemical divisions, the business situation was rated slightly worse than in July. However, especially the deterioration in business expectations for the next six months influences the current business climate. While assessments of expected exports are improving, the current order backlog and demand situation, as well as production expectations are experiencing a deteriorated assessment.

In the pharmaceutical sector, on the other hand, the current business situation has brightened, but business expectations are rated worse than a month ago. The reason for the decreased expectations could be the weaker demand situation, and the current lower stock of orders. As a consequence, production expectations have weakened compared to July.

ifo-business situation until August 2021

Balance from negative and positive answers

Altogether; chemicals and pharmaceuticals



ifo-business expectations until August 2021

Balance from negative and positive answers

Altogether; chemicals und pharmaceuticals

