

## Germany: Industrial orders continue to rebound

Another increase in July industrial orders masks an enormous twist between domestic and foreign demand



Source: Shutterstock

German orders increased by 2.8% month-on-month in July, from 28.8% MoM in June.

On the year, industrial orders were still down by 7.3% making it the first three-month increase since late 2017. The increase, however, masks a remarkable twist between domestic and foreign orders. While domestic orders dropped by some 10%, foreign orders increased by more than 14%. In any case, both domestic and foreign order books were at more than 90% of their pre-crisis levels in July.

After two extremely strong months, the rebound of industrial orders has lost some steam. Even though the sharp divergence between domestic and foreign orders makes it hard to derive a clear trend from today's data.

The hopes for a strong rebound stay alive, as much as the fears of a weak recovery after the initial rebound.

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