

ifo Employment Barometer Continues to Drop

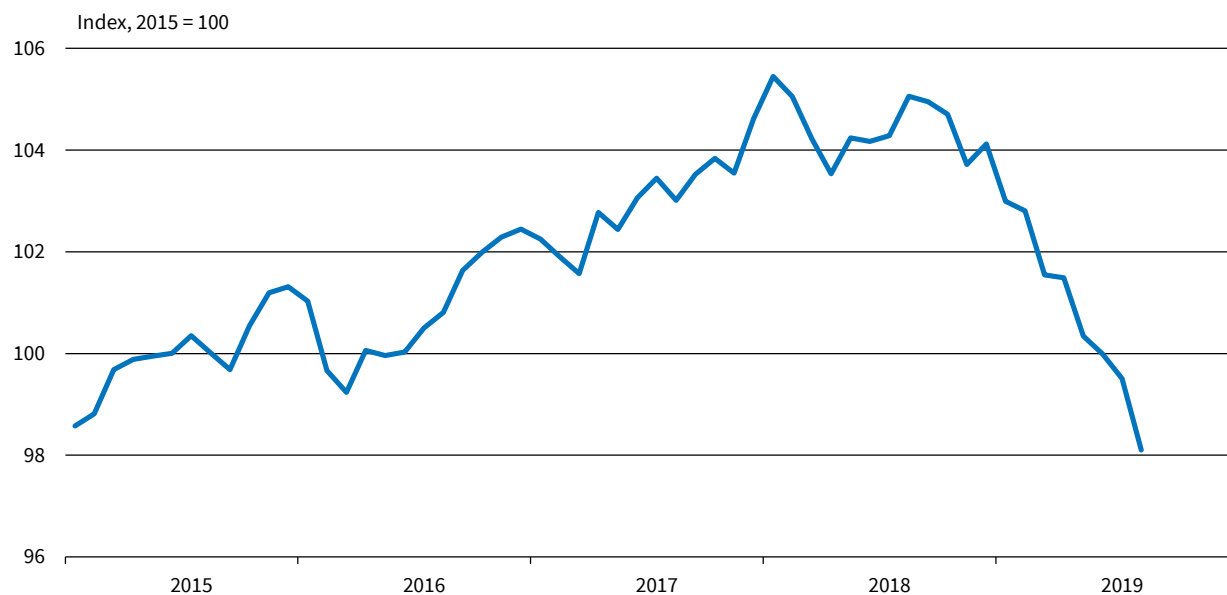
Munich, August 28, 2019 – Human resources departments at German companies are posting fewer and fewer new jobs. The ifo Employment Barometer fell to 98.1 points in August after measuring 99.5 points in July.

In the service sector, the barometer took a serious slide. The last time a drop of similar intensity was recorded was December 2007. Service providers are gradually forfeiting their role as employment drivers, as the recession in manufacturing has now finally spread to their sector. The barometer also fell in construction, although companies here are still planning to hire new workers. Employment levels in trade remained steady. The barometer actually rose in manufacturing, but companies looking to cut jobs are still in the majority.

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ifo Employment Barometer Germany^a

Seasonally adjusted



^a Manufacturing, service sector, trade, and construction.

Source: ifo Business Survey, August 2019

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ifo Employment Barometer Germany (Index, 2015 = 100, seasonally adjusted)

Month/year	08/18	09/18	10/18	11/18	12/18	01/19	02/19	03/19	04/19	05/19	06/19	07/19	08/19
Barometer	105.1	105.0	104.7	103.7	104.1	103.0	102.9	101.3	101.5	100.3	100.0	99.5	98.1

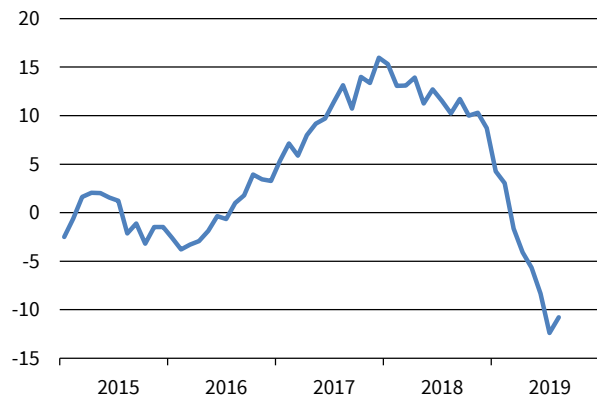
Source: ifo Business Survey

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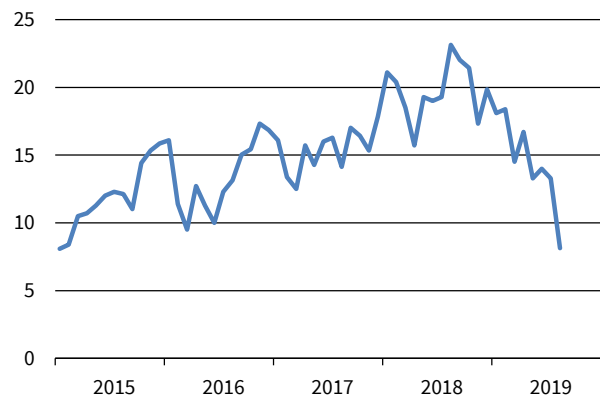
ifo Employment Barometer by Sector

Balances, seasonally adjusted

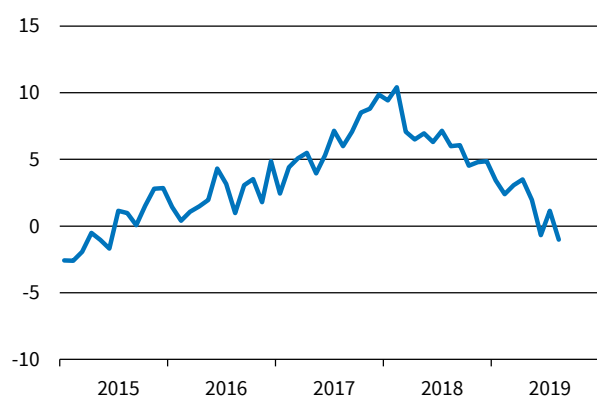
Manufacturing



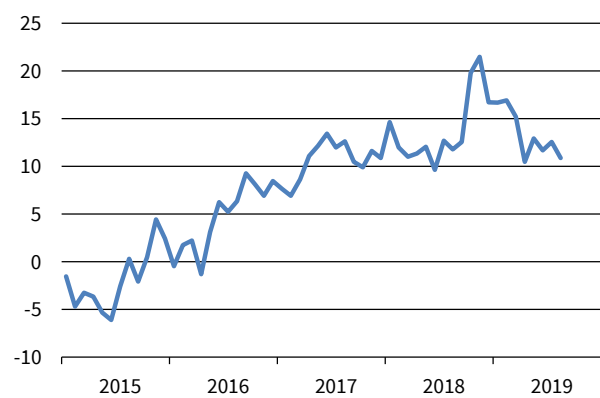
Service sector



Trade



Construction



Source: ifo Business Survey, August 2019

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ifo Employment Barometer by Sector (Balances, seasonally adjusted)

Month/year	08/18	09/18	10/18	11/18	12/18	01/19	02/19	03/19	04/19	05/19	06/19	07/19	08/19
Manufacturing	10.2	11.7	10.0	10.3	8.7	4.3	3.0	-1.7	-4.1	-5.7	-8.4	-12.4	-10.8
Service sector	23.1	22.0	21.4	17.3	19.9	18.1	18.4	14.5	16.7	13.3	14.0	13.3	8.1
Trade	6.0	6.1	4.5	4.8	4.9	3.4	2.4	3.1	3.5	2.0	-0.7	1.2	-1.0
Construction	11.8	12.6	19.8	21.5	16.7	16.7	16.9	15.2	10.5	13.0	11.7	12.6	10.9

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Source: ifo Business Survey

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For long time series in Excel format, please see www.cesifo-group.de/langereihen.

The ifo Employment Barometer is based on around 9,000 monthly responses from businesses in manufacturing, construction, wholesaling, retailing, and the service sector. The companies are asked to report on their **employment plans** for the coming three months. They can describe their plans for the number of employees for the coming six months as “increasing,” “stable,” or “decreasing.” The **balance** value of the plans is the difference in the percentage shares of the responses “increasing” and “decreasing.” To calculate the **index value** the balances are normalized to the average for the year 2015.

The ifo Employment Barometer is calculated exclusively for *Handelsblatt*.