

ifo Employment Barometer Rises Slightly

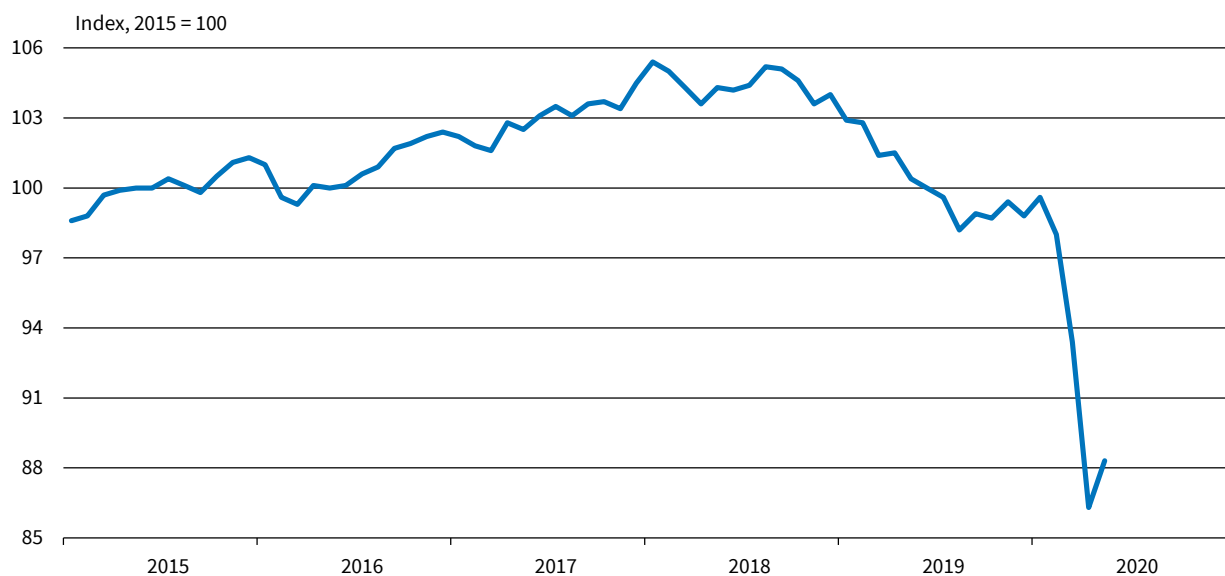
Munich, May 27, 2020 – German companies are still expecting a decline in employee numbers. Nevertheless, the ifo Employment Barometer rose to 88.3 points in May after measuring 86.3 points in April. But despite this increase, the number of layoffs will again exceed that of hires, which means that unemployment in Germany is set to rise further.

Following a sharp fall on the barometer in all four sectors in April, three sectors have now seen some improvement. Only manufacturing saw more companies once again report a declining trend in employee numbers. The most pronounced rise on the barometer was in the service sector, closely followed by trade. However, people are still being laid off in most sectors, with clothing and fashion retailers among the most affected. Glimmers of hope can currently be found among management and tax consultancies, as well as auditors, as they seek to hire more staff. Food retailers and bike shops are in a similar position, with the latter also seeing a high demand for repair services.

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ifo Employment Barometer Germany^a

Seasonally adjusted



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

Source: ifo Business Survey, May 2020

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

Month/year	05/19	06/19	07/19	08/19	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20
Barometer	100.4	100.0	99.6	98.2	98.9	98.7	99.4	98.8	99.6	98.0	93.4	86.3	88.3

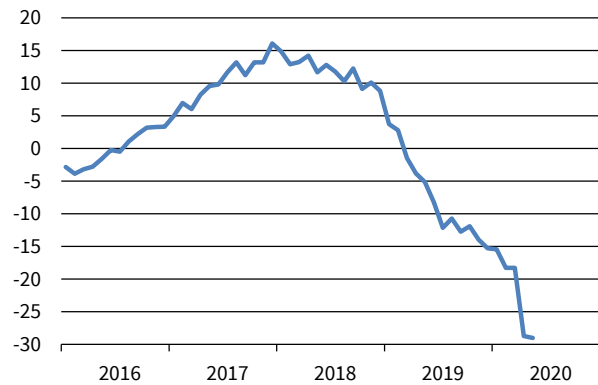
Source: ifo Business Survey.

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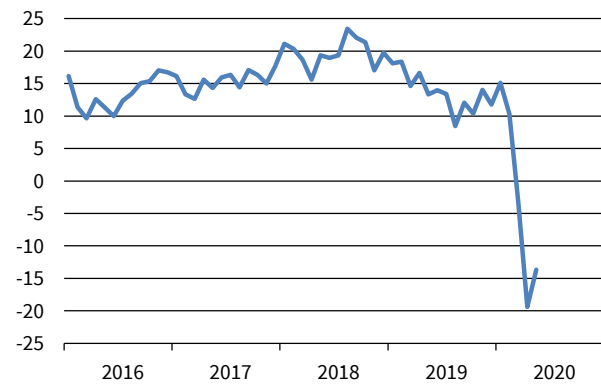
ifo Employment Barometer by Sector

Balances, seasonally adjusted

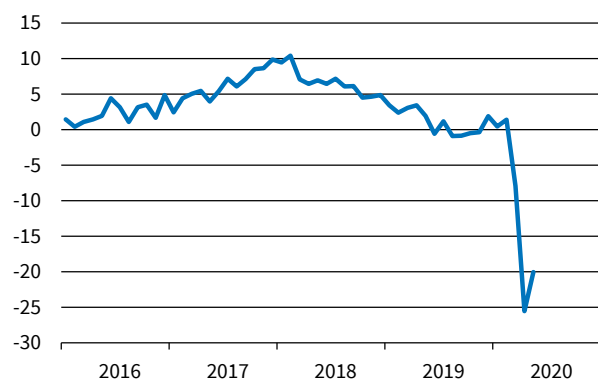
Manufacturing



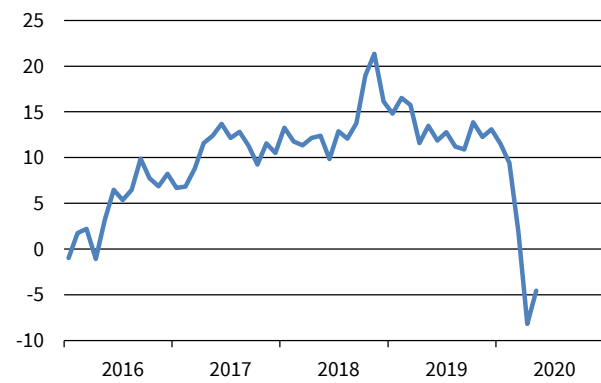
Service Sector



Trade



Construction



Source: ifo Business Survey, May 2020

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ifo Employment Barometer by Sector (Balances, seasonally adjusted)

Month/year	05/19	06/19	07/19	08/19	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20
Manufacturing	-5.2	-8.2	-12.2	-10.7	-12.7	-11.9	-14.0	-15.3	-15.4	-18.3	-18.3	-28.8	-29.0
Service Sector	13.3	14.0	13.4	8.4	12.1	10.4	14.0	11.7	15.1	10.3	-3.4	-19.4	-13.7
Trade	1.9	-0.6	1.2	-0.9	-0.9	-0.5	-0.4	1.9	0.4	1.4	-8.0	-25.6	-20.1
Construction	13.5	11.9	12.8	11.2	10.9	13.9	12.3	13.1	11.5	9.4	1.9	-8.2	-4.5

Source: ifo Business Survey

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For long time series in Excel format, please see www.ifo.de/en/umfragen/time-series.

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 their 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*.