

## ifo Employment Barometer Rises

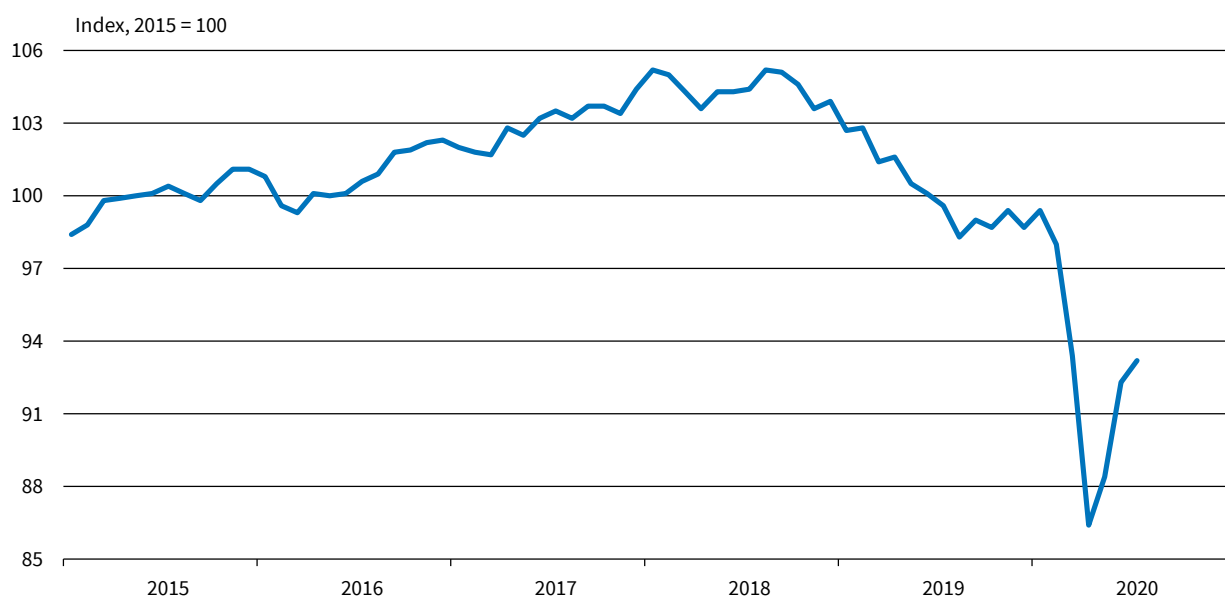
**Munich, July 29, 2020 – German companies are planning to lay off less staff. The ifo Employment Barometer climbed to 93.2 points in July after measuring 92.3 points in June. But the labor market is not out of the woods yet. Layoffs are still planned in many places, especially in industry. However, pessimism has declined noticeably in the last two months.**

In industry, the barometer rose again, but signs at many companies are still pointing to job cuts. In trade, the situation is slowly easing. Companies that want to lay off employees are still in the majority, but they are fewer in number than in the previous month. In the service sector, layoffs and new hires are more or less in balance. Only in the construction industry did the employment barometer fall.

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### ifo Employment Barometer Germany<sup>a</sup>

Seasonally adjusted



<sup>a</sup> Manufacturing, service sector, trade, and construction.

Source: ifo Business Survey, July 2020

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

Month/year	07/19	08/19	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20
Barometer	99.6	98.3	99.0	98.7	99.4	98.7	99.4	98.0	93.4	86.4	88.4	92.3	93.2

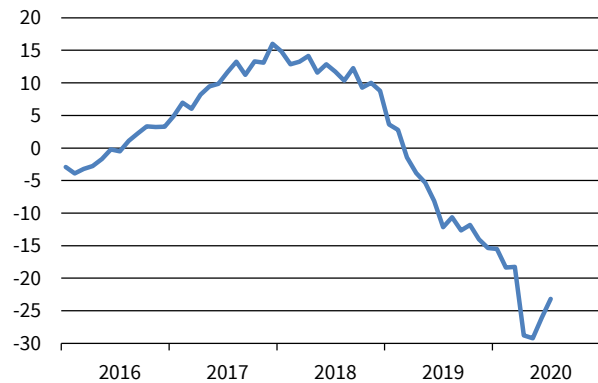
Source: ifo Business Survey

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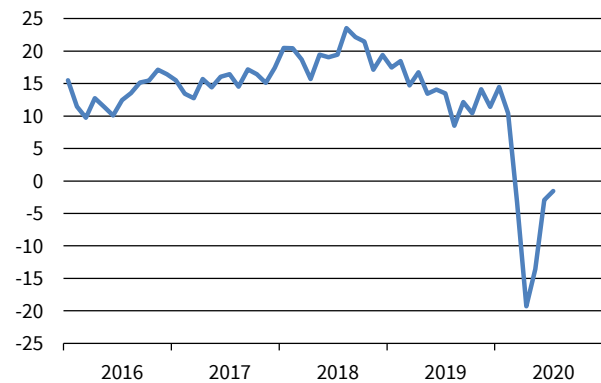
## ifo Employment Barometer by Sector

Balances, seasonally adjusted

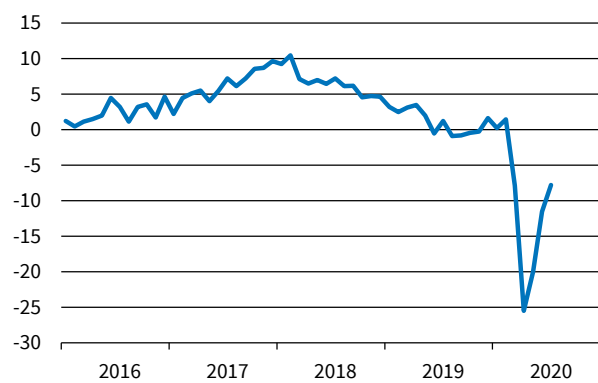
### Manufacturing



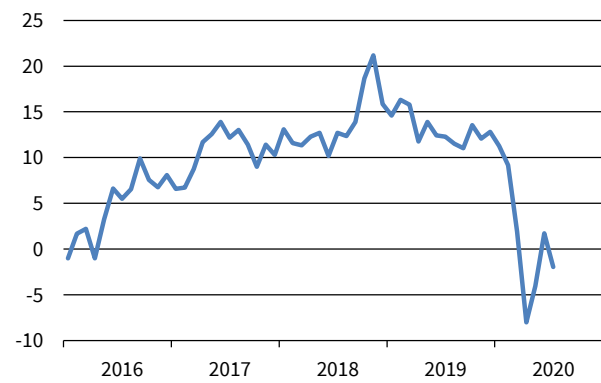
### Service sector



### Trade



### Construction



Source: ifo Business Survey, July 2020

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## ifo Employment Barometer by Sector (Balances, seasonally adjusted)

Month/year	07/19	08/19	09/19	10/19	11/19	12/19	01/20	02/20	03/20	04/20	05/20	06/20	07/20
<b>Manufacturing</b>	-12.2	-10.6	-12.7	-11.8	-14.0	-15.4	-15.5	-18.3	-18.3	-28.8	-29.2	-26.1	-23.2
<b>Service sector</b>	13.5	8.5	12.2	10.5	14.1	11.4	14.5	10.4	-3.3	-19.3	-13.6	-2.9	-1.5
<b>Trade</b>	1.2	-0.9	-0.8	-0.5	-0.3	1.6	0.2	1.5	-7.9	-25.5	-20.0	-11.6	-7.8
<b>Construction</b>	12.3	11.5	11.0	13.5	12.1	12.8	11.3	9.2	1.9	-8.0	-4.1	1.7	-2.0

Source: ifo Business Survey

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For long time series in Excel format, please see [www.ifo.de/en/umfragen/time-series](http://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*.