

ifo Employment Barometer Down

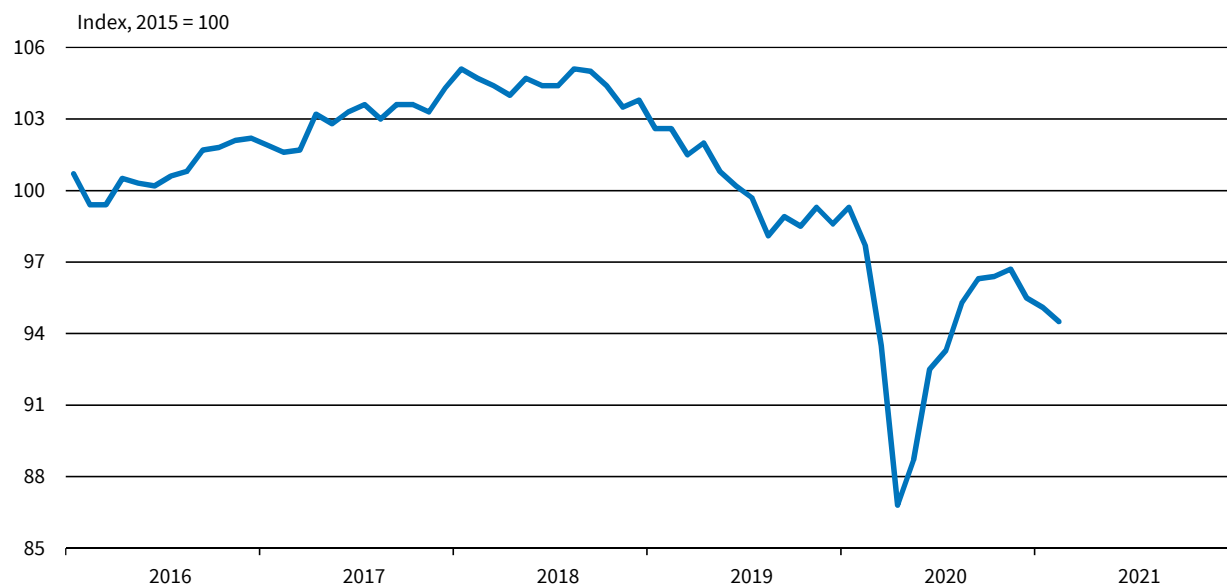
Munich, February 24, 2021 – German companies are planning to cut jobs. The ifo Employment Barometer fell to 94.5 points in February after measuring 95.1 points in January, marking the third decline in a row. The lockdown is leading to job losses, particularly in the retail sector.

Bucking the trend, the employment situation in manufacturing is easing. Fewer companies are thinking about layoffs and are instead looking at new hires. For some months now, service providers have again been showing a certain skepticism with regard to personnel planning and have scaled back hiring plans. In retail, the situation is unchanged: the lockdown is costing jobs. Wholesalers expect their headcount to remain stable. This is also true of the construction sector.

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ifo Employment Barometer Germany^a

Seasonally adjusted



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

Source: ifo Business Survey, February 2021

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

Month/year	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21
Barometer	97.7	93.5	86.8	88.7	92.5	93.3	95.3	96.3	96.4	96.7	95.5	95.1	94.5

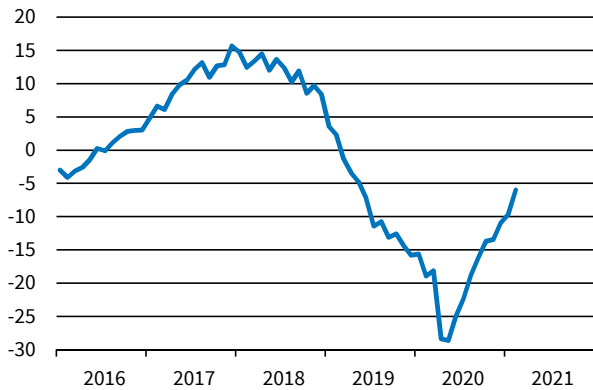
Source: ifo Business Survey

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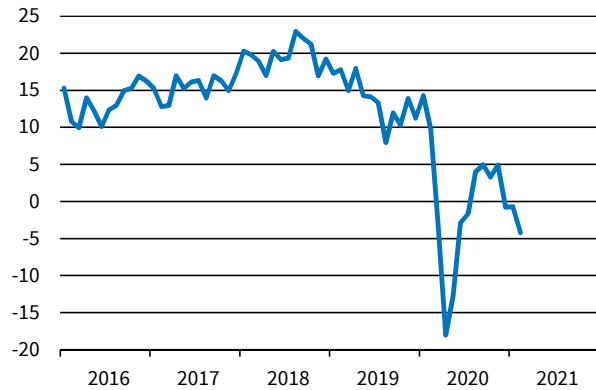
ifo Employment Barometer by Sector

Balances, seasonally adjusted

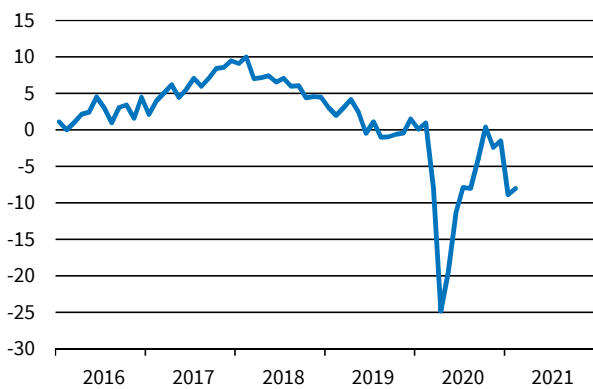
Manufacturing



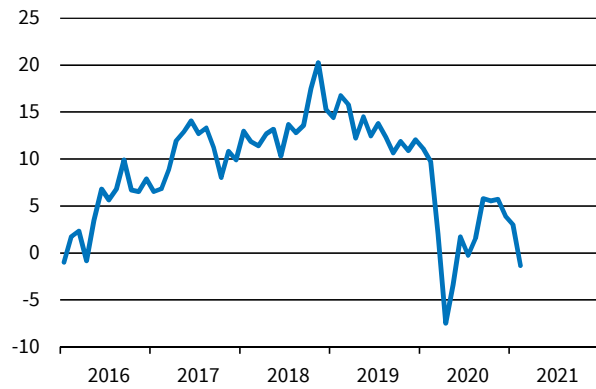
Service Sector



Trade



Construction



Source: ifo Business Survey, February 2021.

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ifo Employment Barometer by Sector (Balances, seasonally adjusted)

Month/year	02/20	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21
Manufacturing	-18.9	-18.1	-28.4	-28.7	-25.0	-22.3	-18.8	-16.2	-13.7	-13.4	-10.9	-9.6	-6.0
Service sector	9.8	-3.1	-18.0	-12.8	-2.9	-1.7	4.0	5.0	3.3	4.9	-0.8	-0.7	-4.2
Trade	1.0	-8.0	-24.8	-19.6	-11.5	-7.9	-8.0	-3.9	0.4	-2.4	-1.5	-8.9	-8.0
Construction	9.7	2.0	-7.5	-3.4	1.7	-0.3	1.5	5.8	5.5	5.7	3.9	3.0	-1.3

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 projections 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*.