

ifo Employment Barometer Down

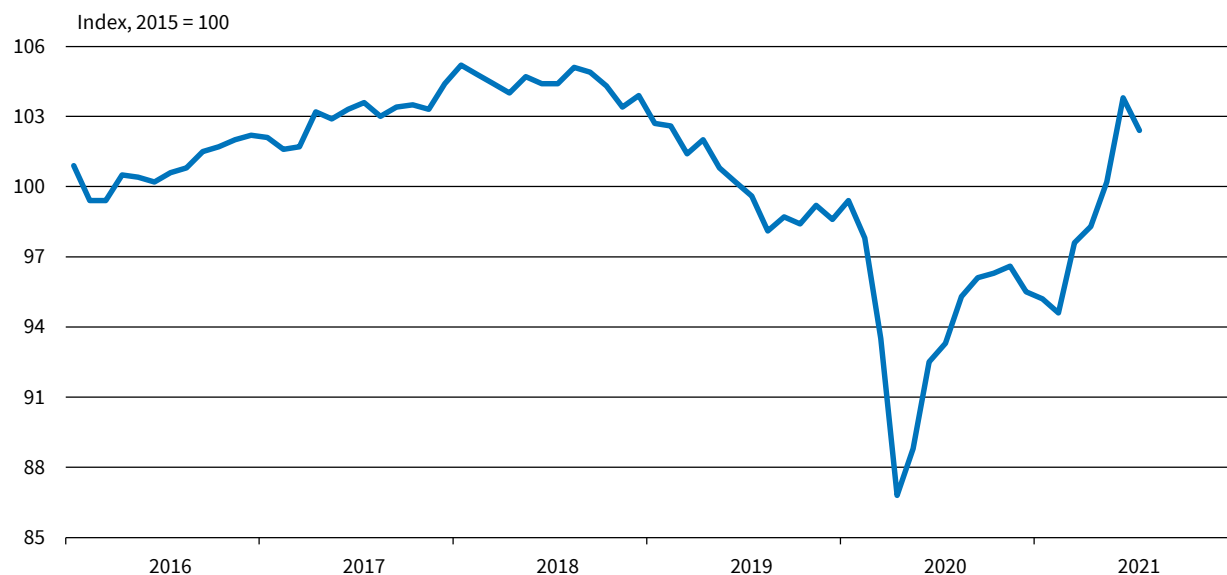
Munich, July 28, 2021 – German companies are slowing their plans to hire new staff somewhat. The ifo Employment Barometer fell to 102.4 points in July, down from 103.8 points in June. The German labor market is continuing to recover, albeit at a slower pace.

In manufacturing, the Employment Barometer made a significant leap upward. The chemical industry, among others, is increasingly looking for employees. In the service sector, in contrast, the barometer suffered a significant setback. Personnel service providers in particular were more hesitant. Some caution also returned in logistics. In trade, meanwhile, growth in new hires is slowly picking up speed. Construction companies are expecting the number of employees to remain constant.

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ifo Employment Barometer Germany^a

Seasonally adjusted



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

Source: ifo Business Survey, July 2021

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

Month/year	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21	05/21	06/21	07/21
Barometer	93.3	95.3	96.1	96.3	96.6	95.5	95.2	94.6	97.6	98.3	100.2	103.8	102.4

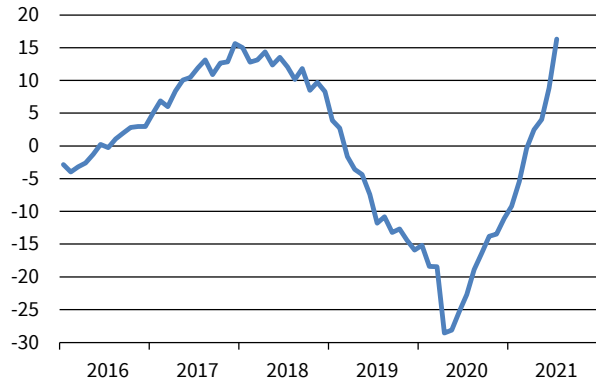
Source: ifo Business Survey

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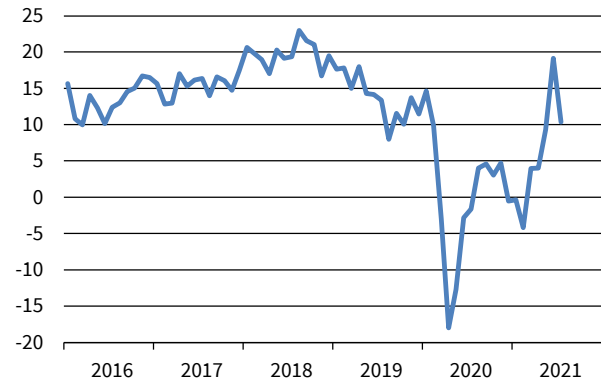
ifo Employment Barometer by Sector

Balances, seasonally adjusted

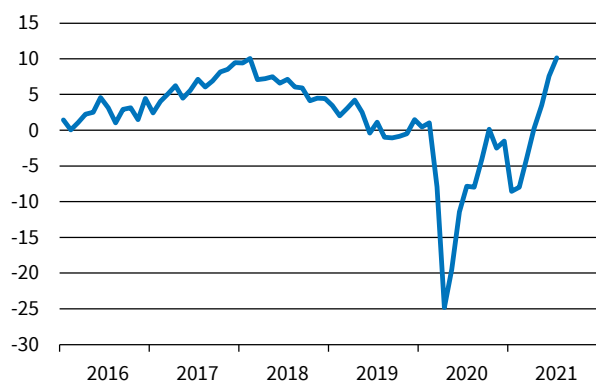
Manufacturing



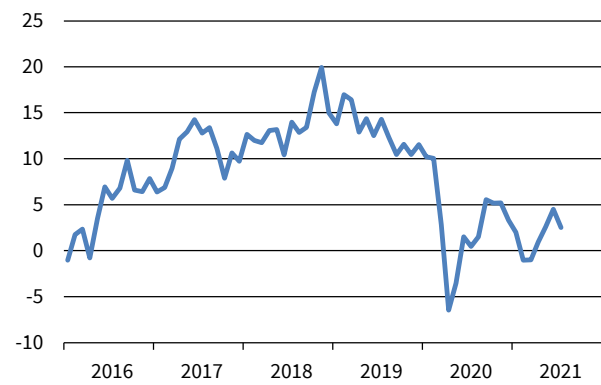
Service sector



Trade



Construction



Source: ifo Business Survey, July 2021

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ifo Employment Barometer by Sector (Balances, seasonally adjusted)

Month/year	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21	04/21	05/21	06/21	07/21
Manufacturing	-22.7	-18.9	-16.3	-13.8	-13.5	-11.1	-9.2	-5.4	-0.4	2.5	4.1	8.9	16.3
Service sector	-1.6	4.0	4.6	3.0	4.7	-0.5	-0.4	-4.2	4.0	4.0	9.3	19.2	10.4
Trade	-7.9	-8.0	-4.1	0.1	-2.5	-1.5	-8.6	-8.0	-3.9	0.2	3.5	7.6	10.1
Construction	0.5	1.5	5.6	5.2	5.2	3.3	2.0	-1.0	-1.0	0.9	2.6	4.5	2.5

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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*.