

ifo Employment Barometer Remains Stable

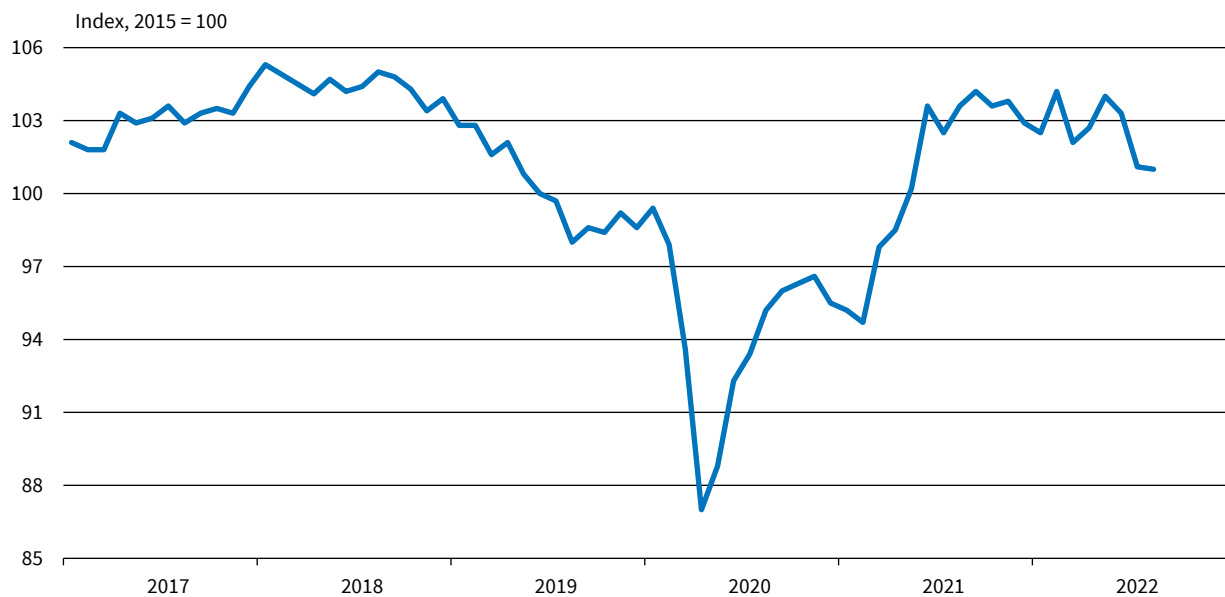
Munich, August 29, 2022 – **German companies’ willingness to hire has fallen marginally. The ifo Employment Barometer fell to 101.0 points in August, down from 101.1 points in July. Nevertheless, companies in Germany are still planning to increase headcount despite many uncertainties. At the same time, however, the shortage of skilled workers is making it difficult to fill many vacancies.**

In manufacturing, the Employment Barometer fell for the third consecutive month. The willingness to hire is now only slightly positive. In the service sector, the indicator recovered somewhat from the sharp decline in July. While the IT industry is constantly looking for new employees, the hospitality industry would like to keep the number of employees unchanged for now. In trade, declining customer numbers and increased costs are slowly being reflected in personnel planning. An initial round of layoffs is coming. In construction, there are some isolated reports that new hires are in the pipeline.

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ifo Employment Barometer Germany^a

Seasonally adjusted



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

Source: ifo Business Survey, August 2022

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

Month/year	08/21	09/21	10/21	11/21	12/21	01/22	02/22	03/22	04/22	05/22	06/22	07/22	08/22
Barometer	103.6	104.2	103.6	103.8	102.9	102.5	104.2	102.1	102.7	104.0	103.3	101.1	101.0

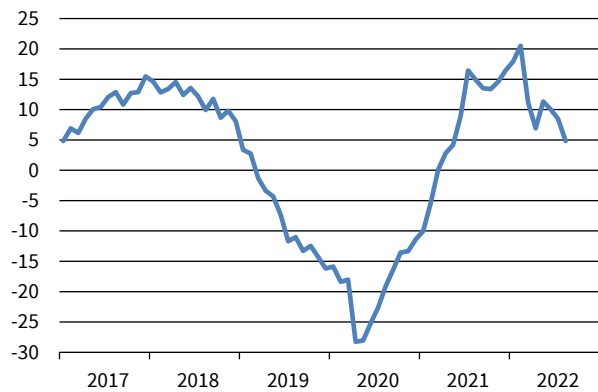
Source: ifo Business Survey

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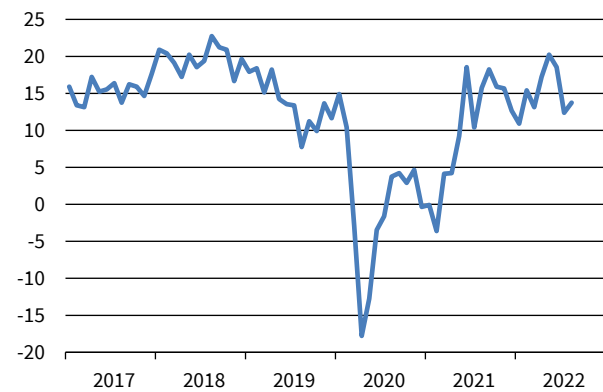
ifo Employment Barometer by Sector

Balances, seasonally adjusted

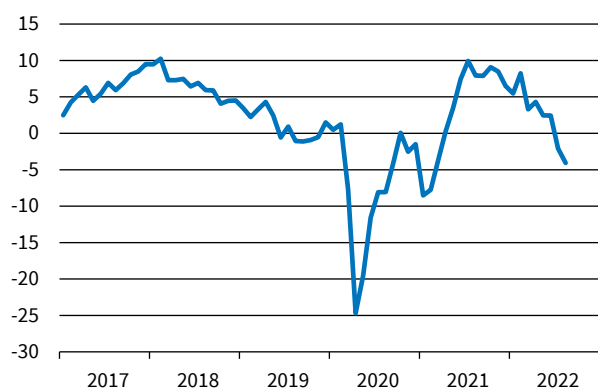
Manufacturing



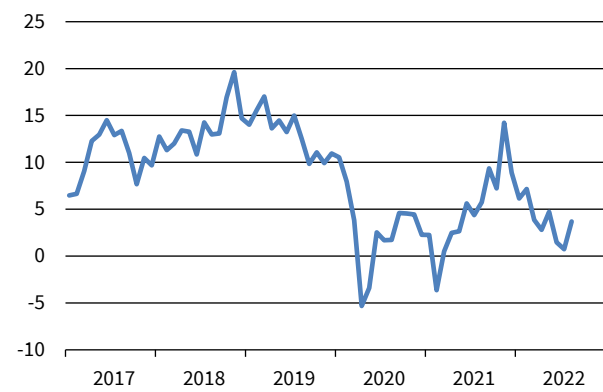
Service sector



Trade



Construction



Source: ifo Business Survey, August 2022

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ifo Employment Barometer by Sector (Balances, seasonally adjusted)

Month/year	08/21	09/21	10/21	11/21	12/21	01/22	02/22	03/22	04/22	05/22	06/22	07/22	08/22
Manufacturing	14.9	13.5	13.4	14.6	16.5	17.9	20.5	11.2	6.9	11.3	10.0	8.5	4.8
Service sector	15.7	18.2	15.9	15.7	12.7	10.9	15.4	13.1	17.2	20.2	18.5	12.4	13.7
Trade	7.9	7.9	9.1	8.5	6.5	5.5	8.2	3.3	4.3	2.5	2.4	-2.1	-4.1
Construction	5.7	9.4	7.2	14.2	8.9	6.1	7.2	3.9	2.8	4.7	1.5	0.7	3.7

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*.