

ifo Employment Barometer
Results of the ifo Business Survey for March 2021

ifo Employment Barometer Rises Notably

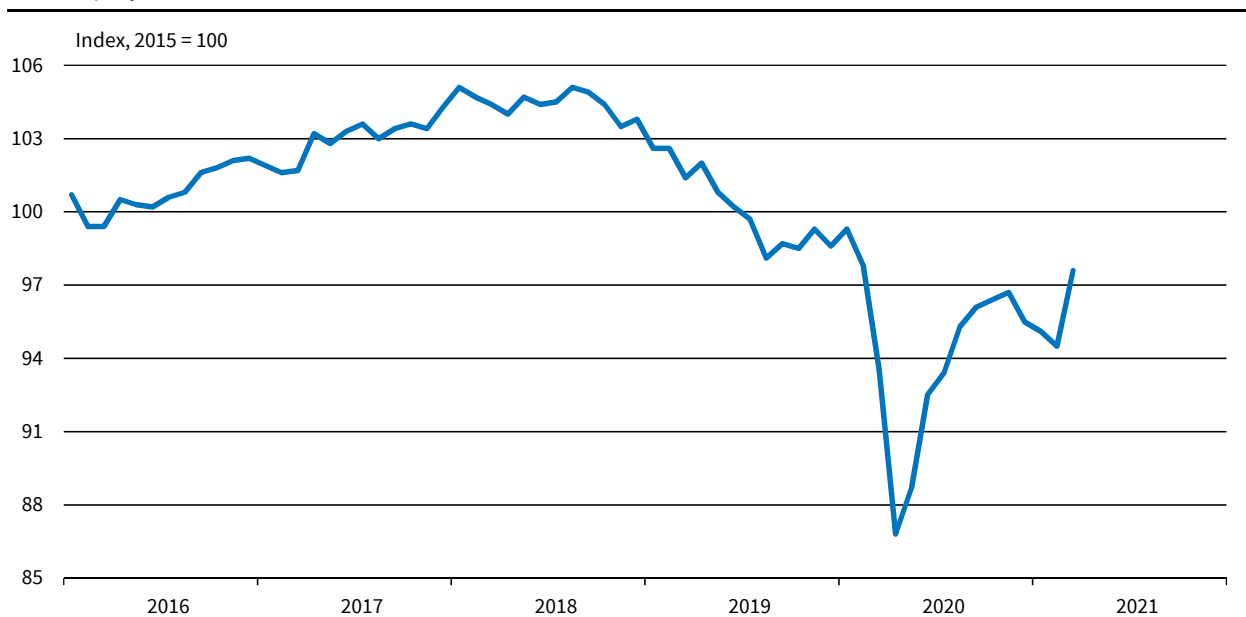
Munich, March 30, 2021 – German companies are increasingly looking to hire new employees. The ifo Employment Barometer rose sharply in March to 97.6 points, up from 94.5 points in February. This is its highest level since February 2020. The labor market is starting to recover, despite the lockdown.

In manufacturing, the upswing is also continuing to make itself felt on the labor market. Strong industrial activity is now motivating companies to start hiring. The electrical and electronics industries in particular is looking for new employees. Employment expectations have also improved noticeably in the service sector, with logistics companies and IT service providers driving this development. In trade, the situation recovered somewhat. There is slight optimism in wholesale, while more employees are being laid off in retail. There is little movement at this time in construction.

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ifo Employment Barometer Germany^a

Seasonally adjusted



^a Manufacturing, service sector, trade and construction.

Source: ifo Business Survey, March 2021.

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

Month/year	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21
Barometer	93.5	86.8	88.7	92.5	93.4	95.3	96.1	96.4	96.7	95.5	95.1	94.5	97.6

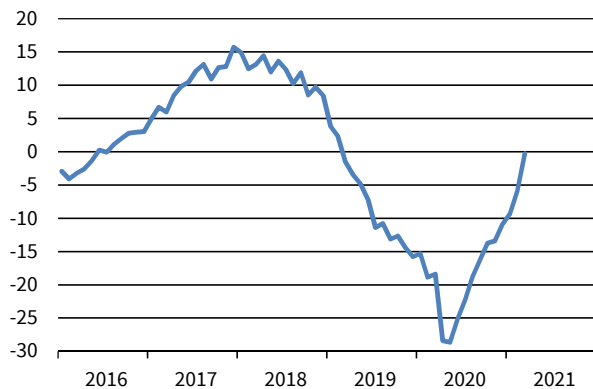
Source: ifo Business Survey

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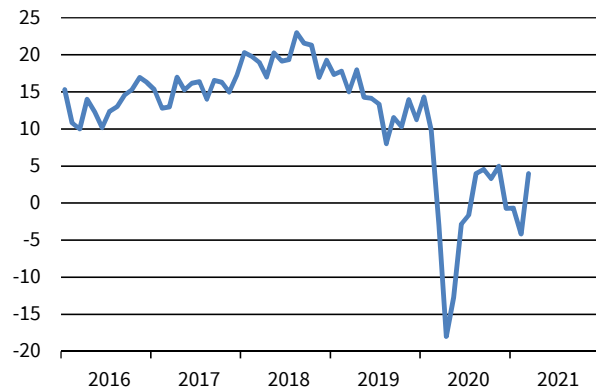
ifo Employment Barometer by Sector

Balances, seasonally adjusted

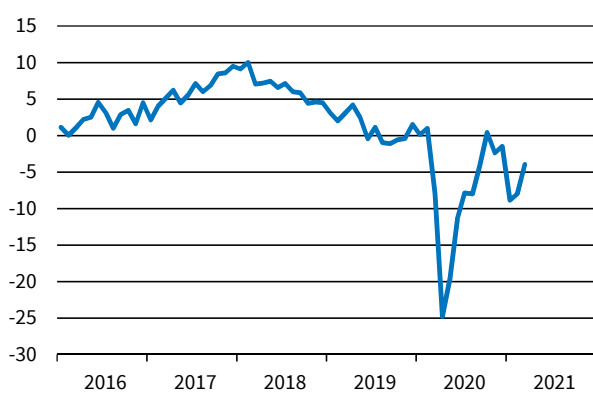
Manufacturing



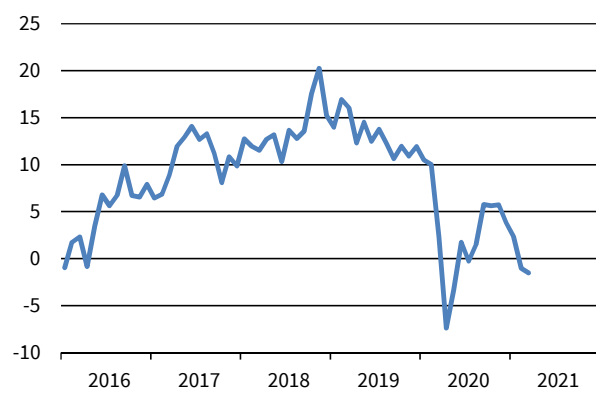
Service Sector



Trade



Construction



Source: ifo Business Survey, March 2021.

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ifo Employment Barometer by Sector (Balances, seasonally adjusted)

Month/year	03/20	04/20	05/20	06/20	07/20	08/20	09/20	10/20	11/20	12/20	01/21	02/21	03/21
Manufacturing	-18.4	-28.4	-28.7	-25.1	-22.3	-18.8	-16.2	-13.8	-13.4	-10.9	-9.3	-5.9	-0.3
Service sector	-3.0	-18.0	-12.7	-2.9	-1.6	4.0	4.6	3.3	5.0	-0.7	-0.7	-4.2	4.0
Trade	-7.9	-24.8	-19.5	-11.4	-7.9	-8.0	-4.1	0.4	-2.4	-1.5	-8.9	-8.0	-3.9
Construction	2.3	-7.4	-3.4	1.7	-0.3	1.5	5.8	5.6	5.7	3.8	2.3	-1.0	-1.6

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*.