

Ifo Employment Barometer for Germany

Results of the Ifo Business Survey for August 2010

Employment Outlook Remains Favourable

The Ifo Employment Barometer for German industry and trade stabilised in August, having risen sharply in the previous month. The outlook for labour-market development thus remains favourable.

In manufacturing the firms' employment plans are again more generous. More and more industries are planning to implement increases in personnel. Currently manufacturers in mechanical engineering, electrical engineering and rubber and plastic products are seeking additional personnel. Firms in construction, wholesaling and retailing are not planning to increase staff levels as frequently as in the past month. But especially in the two sectors of the distributive trade, the employment outlook remains quite good.

Germany (Index value, 2000 = 100, seasonally adjusted)

Month/Year	08/09	09/09	10/09	11/09	12/09	01/10	02/10	03/10	04/10	05/10	06/10	07/10	08/10
Index	94.9	94.2	96.3	96.9	98.2	98.4	99.7	100.8	102.3	103.3	103.1	105.8	105.7



Legend: The Ifo Employment Barometer is based on ca. 7,000 monthly responses from businesses in manufacturing, construction, wholesaling and retailing. 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 the plans is the difference in the percentage shares of the responses "increasing" and "decreasing". To calculate the **index value** the balances are normed to the average for the year 2000.

The Ifo Employment Barometer is calculated exclusively for the *Financial Times Deutschland*.