



## Economic impact of COVID-19 on the German economy

2nd DIHK flash poll March 2020

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Deutscher  
Industrie- und Handelskammertag

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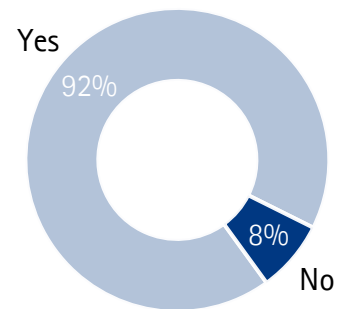
Deutsche  
Industrie- und Handelskammern

## Executive Summary

The effects of the corona virus affect the German economy in its entirety. More than 90 per cent of companies are already feeling a negative impact on their business. In some cases, protective measures are bringing business activities to a complete standstill, supply chains are coming to a halt and there is less demand for goods and services.

More than 80 percent of the companies expect a drop in sales, every fourth company even fears declines of more than 50 percent. An ever-growing number see their existence threatened by the crisis. 40 percent are struggling with liquidity bottlenecks. It is extremely worrying that 18 percent already see themselves menaced by insolvency.

**Share of companies feeling the negative impact of the Covid-19 pandemic on their business**

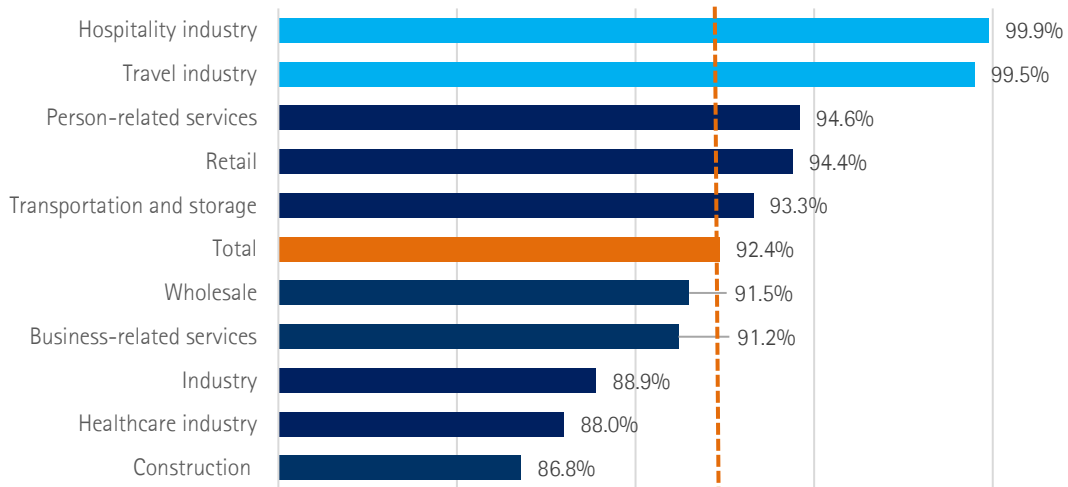


The corona crisis also has a significant impact on companies' employment plans. 38 per cent of firms are forced to cut back personnel. In the travel and hospitality industry the number amounts to two out of three companies.

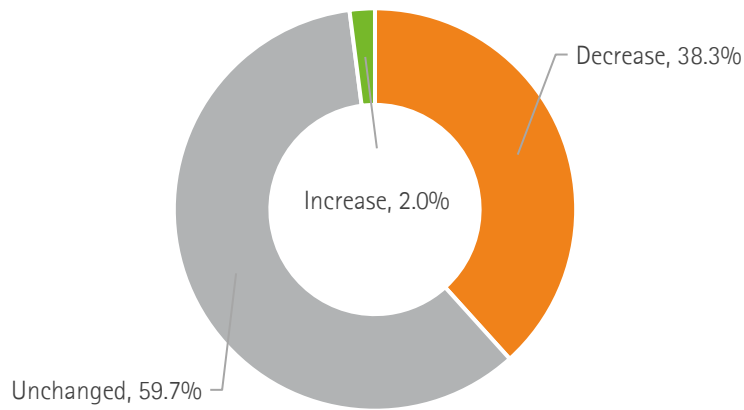
These figures show clearly that state aid is urgently needed. The aid measures already adopted to safeguard employment and liquidity are highly relevant from the companies' point of view. However, the companies still see a need for support in the medium term, especially regarding short-time work compensation and state subsidies. It is important that the aid reaches the companies quickly and unbureaucratically.

Support measures of relevance	
Emergency aid in the form of grants	69%
Short-time work compensation	68%
Tax deferral / reduction of advance payments	61%

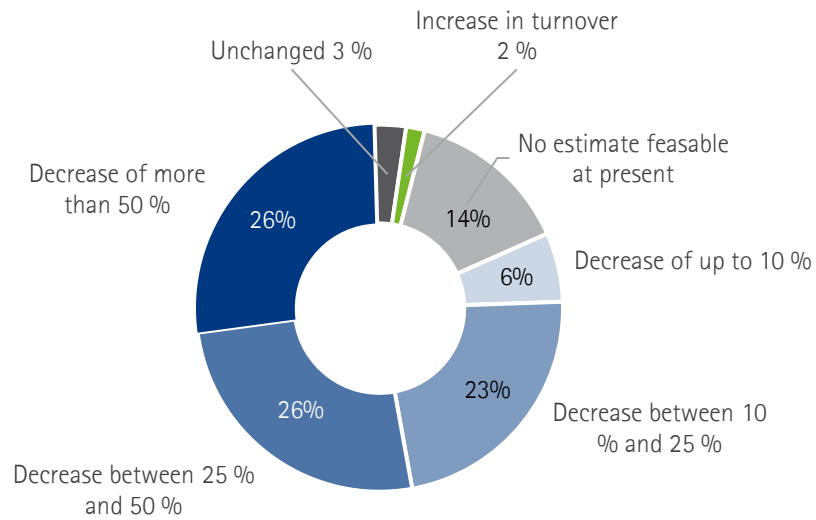
**Share of companies feeling a negative impact of Covid-19 on their business by sector**



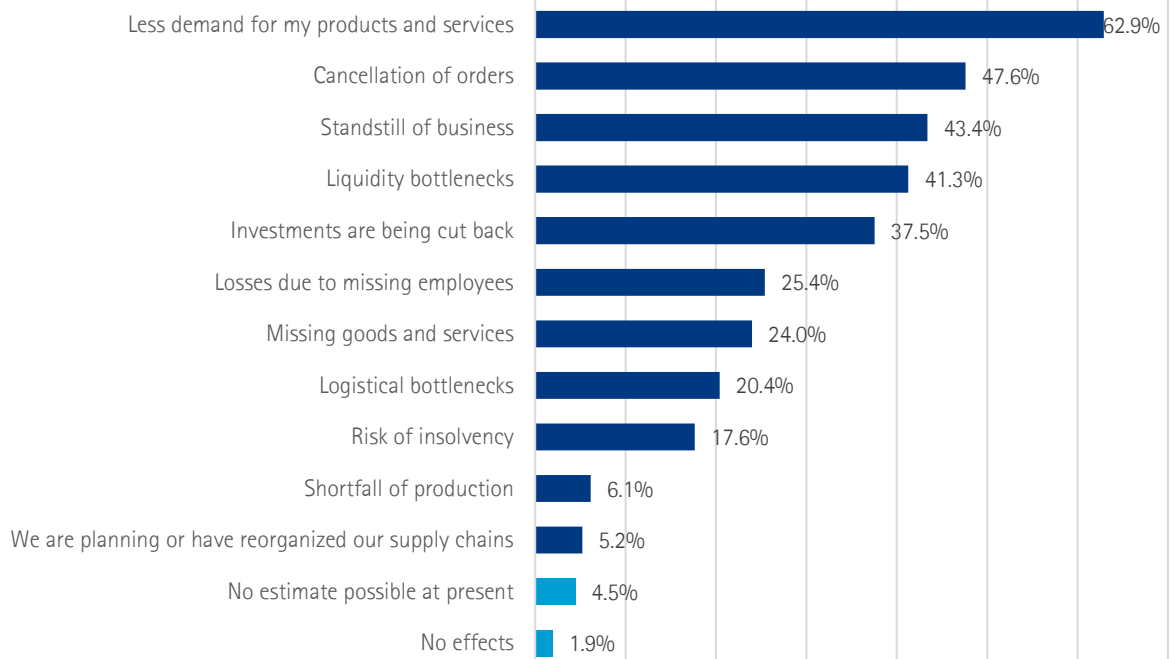
**Change in employment plans due to the Covid-19 pandemic**



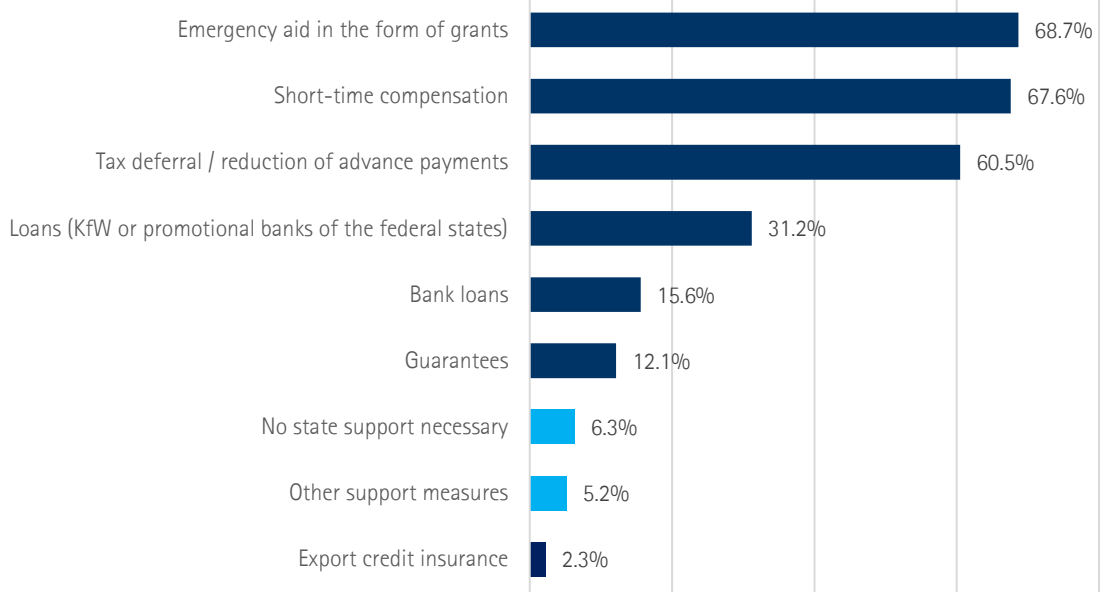
### Impact on turnover due to the Covid-19 pandemic in 2020



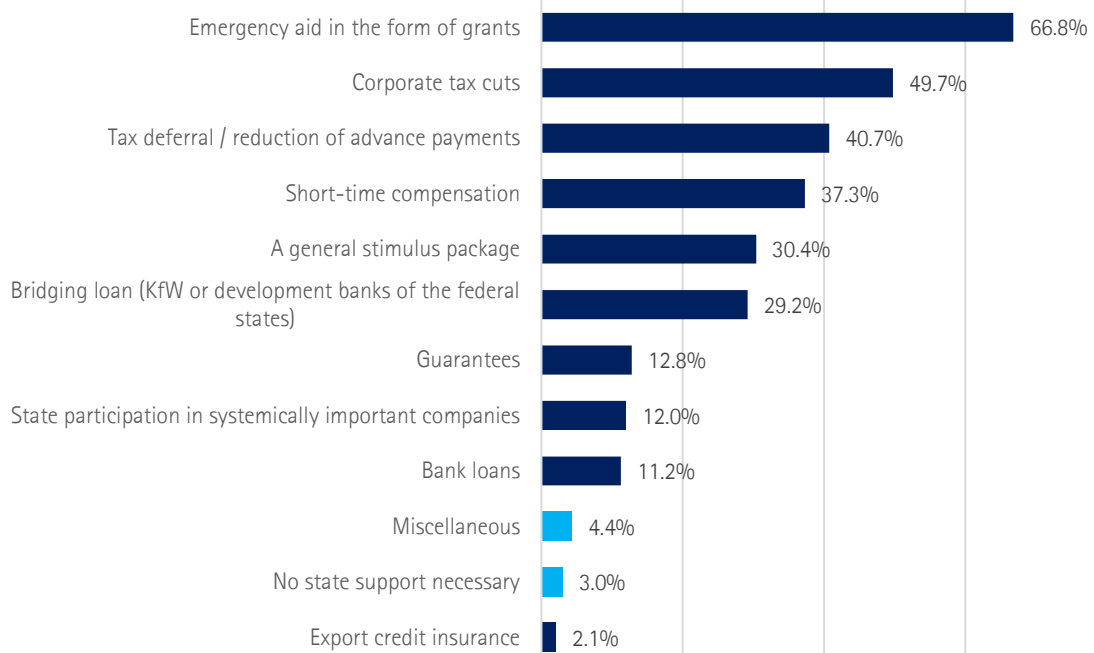
### Impact of Covid-19 on companies' business



### Support measures of particular relevance from a business perspective



### Short- and medium-term needs of companies



## Methodology:

The survey took place from 24 to 26 March 2020. Around 15,000 companies participated in the survey.

The answers are distributed among industry (19%), construction (6%), retail trade (12%), wholesale trade (7%), transport and warehousing (4%), travel industry (4%), hotels and restaurants (9%), health industry (3%), other services (36%)

By enterprise size class the answers are distributed as follows: 1-19 employees (62%), 20-199 employees (29%), 200-499 employees (5%), 500-999 employees (2%), over 1,000 employees (2%).

## Imprint

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