

AHK World Business Outlook Spring 2020

Results of the Survey by the
Network of German Chambers of
Commerce Abroad (AHKs)

 **GemeinsamWeltweit**

DIHK

Deutscher
Industrie- und Handelskammertag

AHK

Deutsche
Auslandshandelskammern

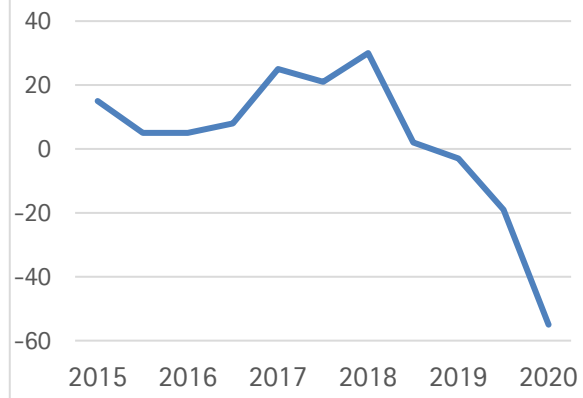
Summary

The global economy and thus the business of German companies abroad are in a substantial crisis. Two thirds of the more than 4,000 companies surveyed by the AHKs worldwide expect the economy to deteriorate in the respective countries. Especially in Europe and North America, German companies are assuming a dramatically worsened economic development. Half expect their businesses to decline in the next twelve months. Many want to reduce their investments and cut personnel.

As a direct consequence of the spread of the corona virus, 80 percent of German companies abroad expect their sales to decline. 15 percent of the companies even assume that their annual sales will more than halve. The lower demand for the products and services, but also travel restrictions, the cancellation of trade fairs or the cancellation of orders are a problem for the companies.

The greatest risk for companies in the next twelve months is the demand for goods and services. After around half of the companies in the preliminary survey in autumn 2019, there are now more than two thirds who see this as a major challenge for the further development of the business. However, the economic policy framework and the topic of financing - due to many business closings and the currently high and growing need for liquidity - are high business risks for German companies abroad.

Economic expectations of the Companies worldwide Balance in points

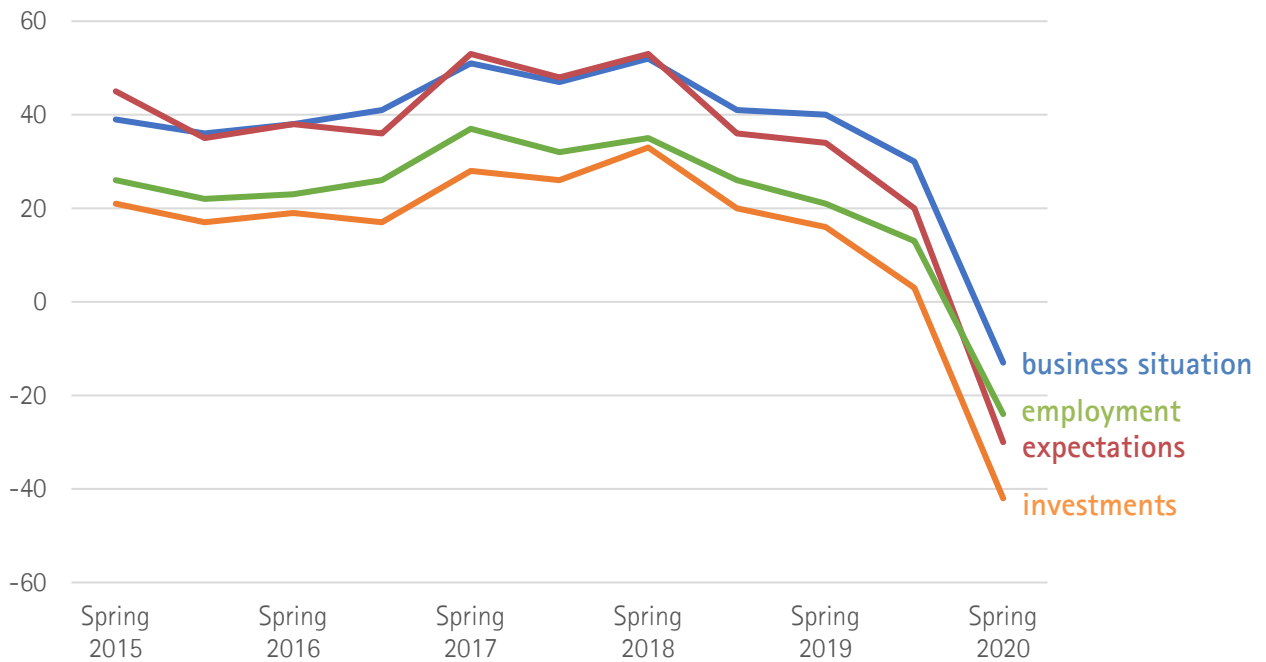


The AHK World Business Outlook is based on a regular DIHK survey of the member companies of the German Chambers of Commerce Abroad, delegations and representative offices (AHKs). In spring 2020, it collected feedback from more than 4,000 German companies, branches and subsidiaries, as well as companies closely related to Germany.

38 percent of the responding companies come from the industrial and construction sector, 41 percent from the service sector and a further 21 percent are trading companies. Smaller companies with fewer than 100 employees account for 52 percent of the answers. 24 percent of the companies employ 100 to 1,000 people. Large companies with more than 1,000 employees also account for 24 percent of the respondents.

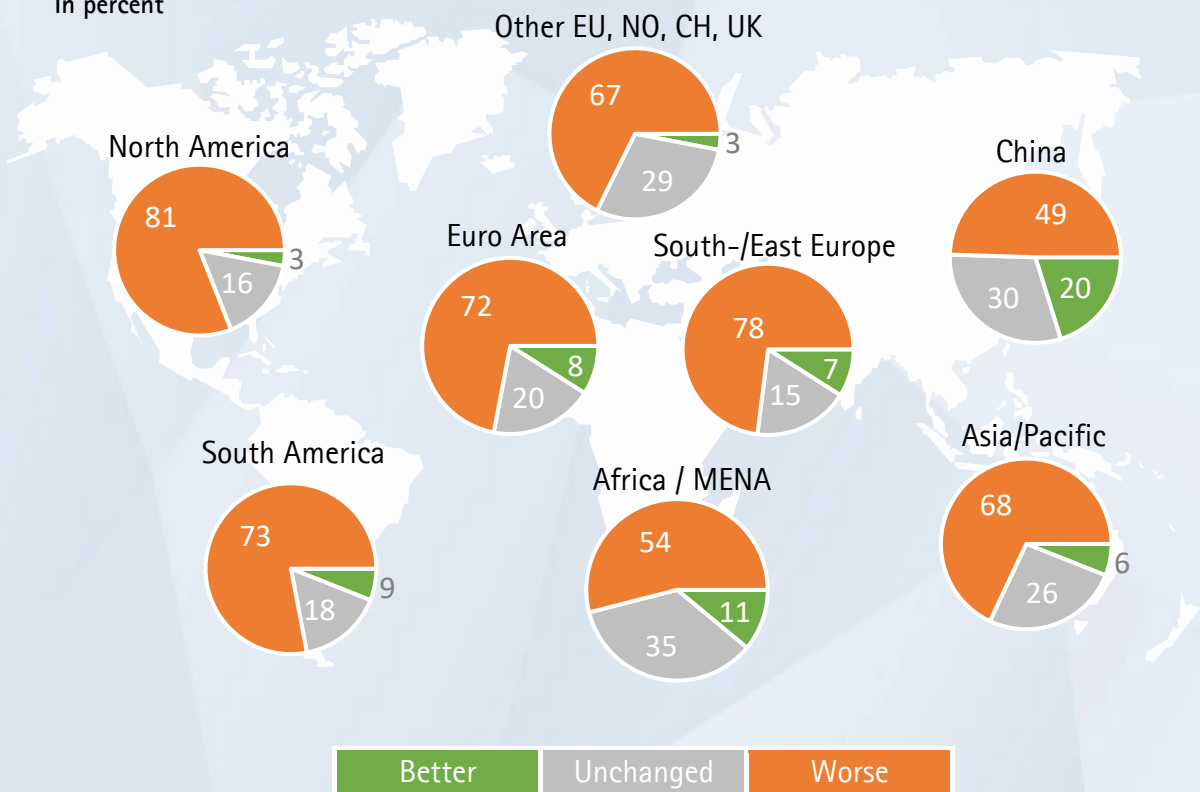
German companies abroad

Balance in points

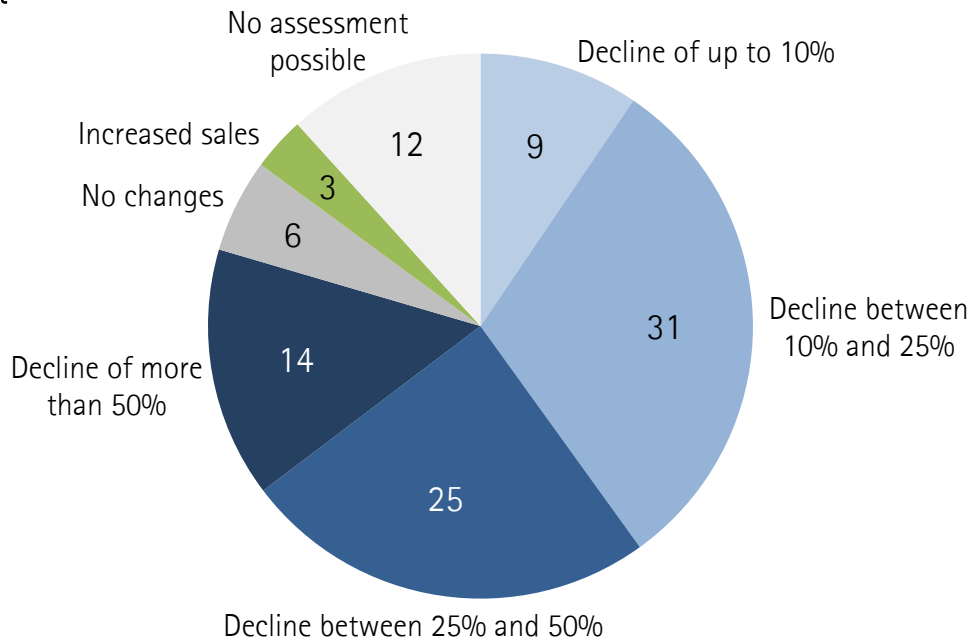


Economic expectations of companies worldwide

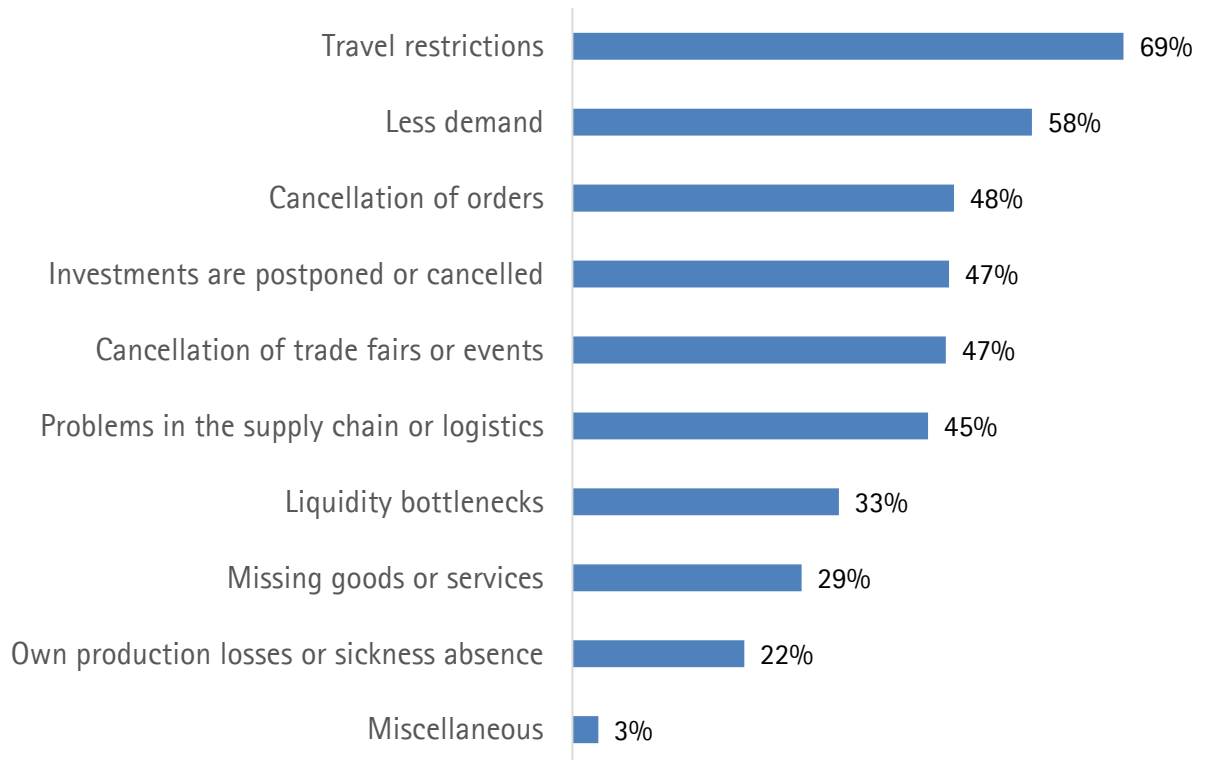
In percent



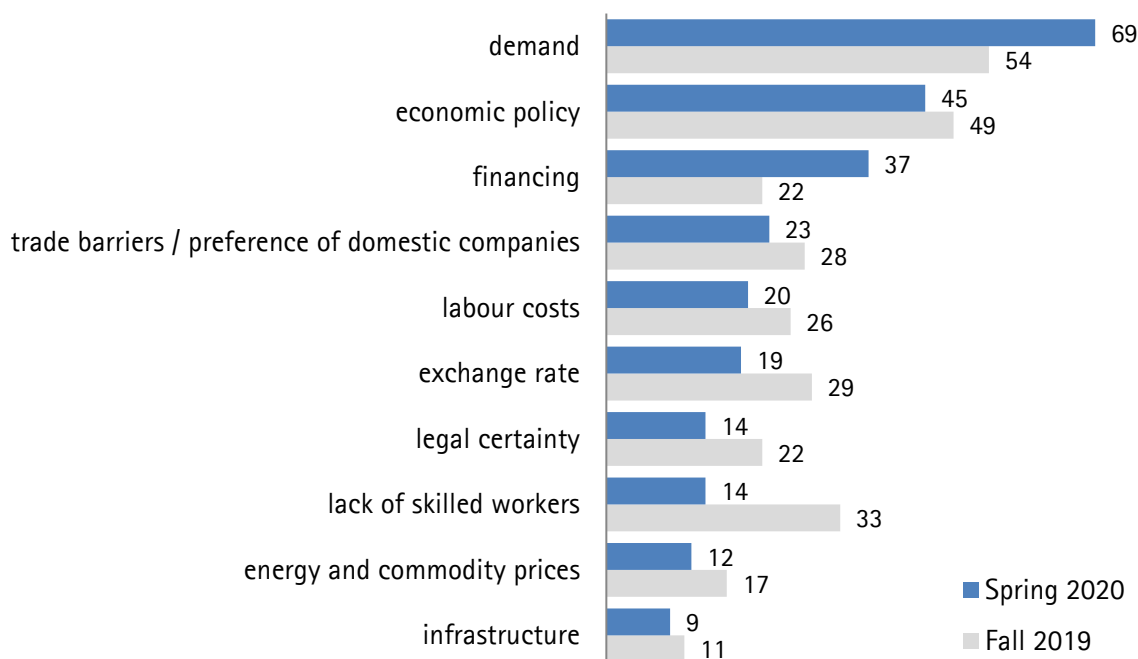
Sales changes as a result of the coronavirus pandemic in percent



Impact of the coronavirus pandemic on businesses



Risks for the global economy in the coming twelve months in percent



Imprint

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