Brazilian employers report the strongest hiring intentions in three years, according to ManpowerGroup Employment Outlook Survey

The hiring prospects increased 13 percentage points when compared to the same period last year and 4 percentage point when compared to the last quarter. First-quarter results are the strongest reported since the 1t 2015. Manufacturing sector employers report the most optimistic sector forecast with +13%.

Brazil, São Paulo, December 12, 2017 - ManpowerGroup, the world leader in innovative solutions for people hiring and management, announces the results of its quarterly ManpowerGroup Employment Outlook Survey for Brazil for the first quarter of 2018. The study interviewed 850 employers in Brazil, and 58.712 employers in 43 countries and territories. All participants were asked, "How do you anticipate total employment at your location to change in the three months to the end of December 2017 as compared to the current quarter?"

The survey shows that hiring intentions for the first quarter of the year, January-March 2018, have improved to +6% in Brazil, once seasonal variations are removed from the data. Hiring plans improve 4 percentage points when compared with the previous quarter and improve by 13 percentage points when compared with the same period of last year. The Brazilian survey reveals that 13% of employers expect to increase staffing levels during the next three months, 8% anticipate reducing payrolls, and 72% forecast no change to their current workforces.

"This is good news. Our survey reinforces what we have been observing elsewhere across the country. With economic recovery in sight after three years of recession, companies are timidly increasing the number of new hires, which is already reflecting in an improvement in the unemployment rate. In addition to this recovery, macroeconomic indicators are favorable, with a drastic drop in inflation and interest rates, creating a favorable scenario for resumption of investment and job creation," says Nilson Pereira, Country Manager ManpowerGroup Brasil.

"This resumption is based mainly on the global economic scenario, with a greater stability and increase in the price of commodities boosting sectors

related to agribusiness and exports. In our research, manufacturing sector employers report the most optimistic sector forecast with 13%, while the construction sector is the worst with
-1%", according Pereira.
"This resumption is based mainly on the global economic scenario, with a greater stability and increase in the price of commodities boosting sectors related to agribusiness and exports. In our research, manufacturing sector employers report the most optimistic sector forecast of +13%, while employers in the construction sector report the least optimistic Outlook of-1%", according Pereira. "Despite the disappointing nature of the Construction sector's first-quarter forecast, I should note that the sector's Outlook has now improved steadily for five consecutive quarters. So it is conceivable that this trend will continue and that we will have better news for job seekers in the year ahead."

The strongest Net Employment Outlooks are reported by employers in Taiwan, Japan, India, the United States and Costa Rica. Meanwhile, employers report the weakest hiring prospects in Austria, Italy, Belgium and France. For the second consecutive quarter since the global recession in 2009 there are no negative Outlooks reported across the 43 countries and territories surveyed.

See the evolution of Brazil's contracting indicators in the last three years:

Sector Comparisons
Staffing levels are expected to increase in seven of eight industry sectors and four of five regions during the upcoming quarter. In a comparison with 4Q 2017, hiring plans strengthen in three sectors and four regions. When compared with the same period last year, Outlooks improve in all eight sectors and all five regions.

Manufacturing sector employers report the most optimistic industry sector forecast. Standing at +13%, the Outlook improves by 9 and 17 percentage points quarter-over-quarter and year-over-year, respectively, and is the strongest in more than four years.

The weakest sector hiring climate is anticipated by Construction sector employers, who report an Outlook of -1%. Nevertheless, the Outlook improves by 4 and 25 percentage points from 4Q 2017 and 1Q 2017, respectively.

Regional Comparisons
Staffing levels are expected to increase in four of five regions during 1Q 2018. Outlooks strengthen in four regions quarter-over-quarter, while employers report improved hiring prospects in all five regions when compared with the same period last year.

When Brazil's five regions are compared, the strongest hiring intentions are reported in Minas Gerais State, where the Outlook of +10% improves by 6 percentage points when compared with the previous quarter, and by 18 percentage points when compared with this time one year ago.

The weakest regional labor market is expected in Rio de Janeiro State, where the Outlook is -2%. Hiring plans remain relatively stable in comparison with 4Q 2017, and are 15 percentage points stronger year-over-year.

Organization Size Comparisons
Participating employers are categorized into one of four organization sizes: micro businesses have less than 10 employees; small businesses have 10-49 employees; medium businesses have 50-249 employees; and large businesses have 250 or more employees.

Payrolls are forecast to increase for both the Large- and Medium-size employers during the next three months, with the strongest hiring plans reported by Large employers (+16%). However, Small- and Micro-size employers expect payrolls to decline, most notably with an Outlook of -3% reported by Micro firms.

International Comparisons
According to the survey, workforce gains of varying margins are forecast by employers in 41 of 43 countries and territories during the January-March time frame. And for the second consecutive quarter since the global financial crisis in 2009, employers report no negative Outlooks among the 43 countries and territories. Additionally, employers in a number of countries, including Australia, Japan, Norway, Poland, Romania and the United States, report their strongest hiring plans in five years or more. There are also signs that the volatility recently

observed in some countries—most notably in Brazil, China and India - is declining.

Overall, forecasts improve or remain stable in most countries and territories. When compared with the final quarter of 2017, hiring prospects improve in 20 of 43 countries and territories, are unchanged in eight, and decline in 15. When compared with this time one year ago, hiring intentions improve in 26 of the 43 countries and territories, are unchanged in six, and weaken in only 11.

In a year-over-year comparison, Outlooks improve in 14 countries, decline in eight and are unchanged in three. Job seekers in Romania and Slovenia may benefit from the strongest EMEA region first-quarter hiring plans, while the weakest forecasts are reported in Austria and Italy, with employers in both countries predicting a flat hiring pace through the first three months of the year.

EMEA (Europe, Middle East & Africa): Workforce gains are forecast in 23 of 25 countries in the Europe, Middle East & Africa (EMEA) region through the first three months of 2018. Hiring plans improve in 10 countries quarter-over-quarter, weaken in 10, and are unchanged in five. In a year-over-year comparison, Outlooks improve in 14 countries, decline in eight and are unchanged in three. Job seekers in Romania and Slovenia may benefit from the strongest EMEA region first-quarter hiring plans, while the weakest forecasts are reported in Austria and Italy, with employers in both countries predicting a flat hiring pace through the first three months of the year.

ASIA PACIFIC: Payrolls are expected to increase in all eight Asia Pacific countries and territories, and Outlooks are trending generally stronger. The forecast improves by varying margins in five countries and territories in comparison to the fourth-quarter results, weakens in only two and is unchanged in one. In a year-over-year comparison hiring plans strengthen in six and are unchanged in the remaining two. Employers in Taiwan report the most optimistic forecast in the region, as well as across the globe. The region's weakest forecasts are reported by employers in China and Singapore.

AMERICAS: Positive Outlooks are reported in all 10 countries surveyed in the Americas. Hiring confidence strengthens in five countries, dips in three and is unchanged in two when compared to the last three months of 2017. In the year-over-year comparison, hiring activity is expected to pick up in six countries, declines in three and remains unchanged in one. Employers in the United States and Costa Rica report the strongest first-quarter hiring plans while those in Brazil and Panama report the weakest.

About the ManpowerGroup Employment Outlook Survey
The ManpowerGroup Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforces during the next quarter. ManpowerGroup's comprehensive forecast of employer hiring plans has been running for more than 50 years and is one of the most trusted surveys of employment activity in the world. Various factors underpin the success of the Manpower Employment Outlook Survey:

Unique: It is unparalleled in its size, scope, longevity and area of focus.
Projective: The ManpowerGroup Employment Outlook Survey is the most extensive, forward-looking employment survey in the world, asking employers to forecast employment over the next quarter. In contrast, other surveys and studies focus on retrospective data to report on what occurred in the past.
Independent: The survey is conducted with a representative sample of employers from throughout the countries and territories in which it is conducted. The survey participants are not derived from ManpowerGroup's customer base.
Robust: The survey is based on interviews with nearly 59,000 public and private employers across 43 countries and territories to measure anticipated employment trends each quarter. This sample allows for analysis to be performed across specific sectors and regions to provide more detailed information.
Focused: For more than 55 years the survey has derived all of its information from a single question:

Methodology
The ManpowerGroup Employment Outlook Survey is conducted using a validated methodology, in accordance with the highest standards in market research. The survey has been structured to be representative of each national economy. The margin of error for all national, regional and global data is not greater than +/- 3.9%. Brazil's margin of error is +/-3.6%.

Net Employment Outlook
Throughout this report, we use the term "Net Employment Outlook." This figure is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook. Net Employment Outlooks for countries and territories that have accumulated at least 17 quarters of data are reported in a seasonally adjusted format unless otherwise stated.

Seasonal adjustments have been applied to the data for all participating countries except Portugal. ManpowerGroup intends to add seasonal

adjustments to the data for other countries in the future, as more historical data is compiled. Note that in Quarter 2 2008, ManpowerGroup adopted the TRAMO-SEATS method of seasonal adjustment for data.

About ManpowerGroup:

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for over 400,000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for nearly 70 years. In 2017, ManpowerGroup was named one of the World's Most Ethical Companies for the seventh consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup is powering the future of work: www.manpowergroup.com

Contacts for press
Textual Comunicação
Diogo Cruz (Atendimento) – diogocruz@textual.com.br (11) 5180-6931
Renan Albertini (Gerência) – renanalbertini@textual.com.br (11) 5180-6927