



Under Embargo until March 8, 2016 (HK time: 00:01)

For Immediate Release

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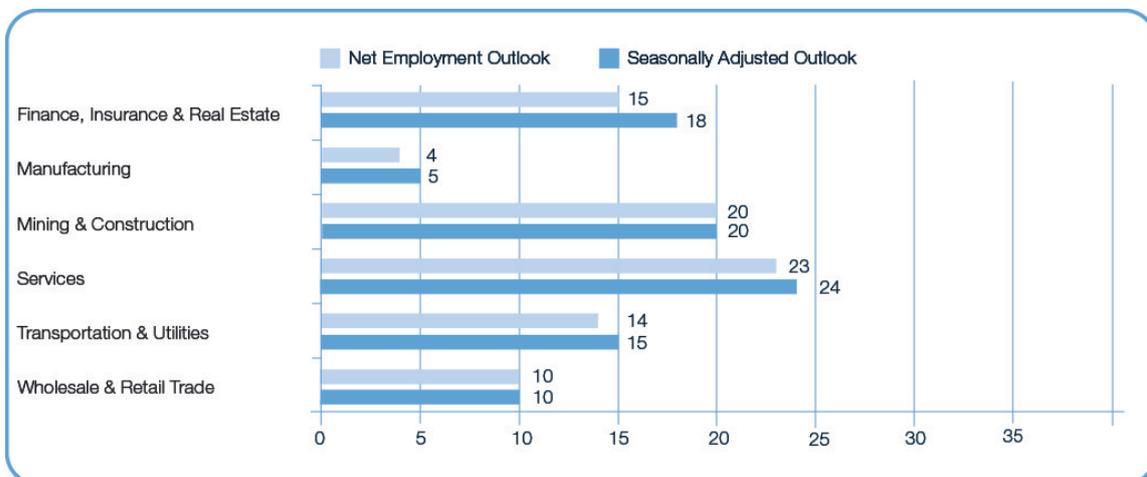
Hong Kong Employers Report Positive 2nd-Quarter Hiring Intentions
Strongest labor market is forecast in the Services sector

HONG KONG (March 8th, 2016) – Second quarter results released today for the 2016 Manpower Employment Outlook Survey (MEOS) reflects hiring intentions remain positive among employers for the upcoming quarter.

After removing seasonal variations from survey data, Hong Kong’s Net Employment Outlook¹ stands at +15%, with hiring intentions remaining unchanged when compared with the previous quarter and relatively stable year-over-year.

17 percent of 780 surveyed employers forecast an increase in staffing levels in 2nd Quarter 2016, while only 3% expected a decrease and 78% anticipated no change to their current employment rosters in Q2 2016.

Employers forecast payroll gains in all six industry sectors during 2Q 2016; the strongest hiring intent being reported in the Services sector, where the Net Employment Outlook is +24%. Mining & Construction sector employers report upbeat hiring plans with an Outlook of +20%, while a favorable hiring climate is forecast for the Finance, Insurance & Real Estate sector, where the Outlook is +18%. Year-over-year, employers in three of the six sectors report weaker hiring intentions. The outlook decreased by 3 percentage points in the Manufacturing sector and the Wholesale & Retail Trade sector, while Finance, Insurance & Real Estate sector employers report a decline of 2 percentage points.



¹ A “Net Employment Outlook” is calculated by subtracting those employers who plan to reduce staffing levels from those who plan to hire staff. A positive result indicates that more employers plan to increase rather than decrease staffing levels; a negative result reflects the opposite.



The active labor market is forecast to continue in 2Q 2016 with employers in **Services** sector reporting a Net Employment Outlook of +24%. Overall, the Outlook remains relatively stable both quarter-over-quarter and year-over-year.

“Strong demand for technology talent continues to accelerate hiring intentions in the Service sector,” said Ms Lancy Chui, Senior Vice President, ManpowerGroup Greater China Region, “whilst technology reform in the financial industry boosts the demand of IT talent to modernize traditional banking and financial services, and stimulates the hiring intention of IT service providers for digital solutions experts. On the other hand, cyber security talent plays important role in web-based environment. Related positions are in demand to protect company data and sensitive information.”

“As we work our way out of another financial crisis, the need for risk and compliance services continues to grow, stimulating hiring of employees in the Services sector, also, we are seeing a demand for sales-driven professionals, especially in accounting and audit field,” said Ms. Chui.

Employers in **Mining & Construction** sector report hopeful hiring plans for the next three months with a Net Employment Outlook of +20%. Hiring prospects decline by 3 percentage points when compared with the previous quarter, but are unchanged year-over-year.

“Major infrastructure development continues to kindle the hiring plans of employers in Mining & Construction sector,” Ms Chui said. “Over 10,000 construction workers are in demand in this sector to support housing supply expected to be completed in next 3 to 5 years. Employers and the government have worked out a retention and attraction project to help resolve the talent shortage in the industry. The hiring pace is expected to remain steady and positive among employers,” she commented.

Job seekers can expect a steady hiring pace in the April-June period, according to **Finance, Insurance & Real Estate** employers who report a Net Employment Outlook of +18%. However, the Outlook is the weakest reported since 1Q 2014, declining by 3 and 2 percentage points quarter-over-quarter and year-over-year, respectively.

“Despite the global economy being volatile, job prospects for experienced individuals with customer service, revenue-generating skills and wealth management product working experience exhibit some resiliency,” said Ms Chui.

“Nevertheless, sales driven and support positions are in demand in insurance as our aging population fuels the demand for healthcare insurance products. Moreover, insurance helps diversify risk and protect investor wealth in an uncertain economy. As such, experienced individuals with communications skills, product knowledge and networking are in demand,” she explained.



Respectable payroll gains are likely to continue in the April-June time frame, according to employers in **Transportation & Utilities** sector who report a Net Employment Outlook of +15%. Hiring prospects are unchanged quarter-over-quarter and improve by 2 percentage points when compared with 2Q 2015.

“Favorable currency exchange rates attract outbound tourism, which stimulates employers in airline and travel agencies to increase their headcounts in support of business,” said Ms Chui. “Over 10% year-on-year growth of traffic stimulates employers to expand teams to fulfill the demand.”

“Additionally, due the increasing demand of Chinese merchandise exported to other regions—much of which transits through Hong Kong—the logistics industry fuels the hiring pace of most shipping and transportation logistics employers,” said Ms. Chui. “The continuing development of e-commerce and online shopping provides a robust demand on cross-border shipping. As the gateway for Chinese overseas expansion, we expect demand will continue to grow and the hiring pace will remain steady,” she added.

Job seekers can expect some hiring opportunities in the forthcoming quarter with **Wholesale & Retail Trade** employers reporting a Net Employment Outlook of +10%. While the Outlook is 2 percentage points stronger quarter-over-quarter, employers report a year-over-year decline of 3 percentage points.

“A continuous drop in sales in the retail industry has slowed hiring amongst employers in this sector, where overall growth of inbound tourism has decreased and is impacting Hong Kong’s retail industry. Looking ahead, the uncertain business environment continues to heighten Hong Kong retailer’s awareness as shoppers cut back on purchase of luxury goods such as jewelry and watches. Nevertheless, the Outlook index remains positive in support of high turnover rates, especially in commission-based positions,” she explained.

Reporting a Net Employment Outlook of +5% for the coming quarter, employers in **Manufacturing** sector anticipate the weakest hiring pace since 4Q 2013. Hiring intentions are 3 percentage points weaker both quarter-over-quarter and year-over-year.

“PMI rose slightly to 46.4 in February from 46.1 in January but remained in contraction mode, the index was dragged down by a decline in output and new orders amid weak demand in China, and we believe this is reflected in the slower hiring pace reported among employers in manufacturing sector,” she explained.

Hong Kong is one of 42 countries and territories that take part in the Manpower Employment Outlook Survey. In the Asia Pacific region, employers in India report the most optimistic regional and global hiring plans, while the region’s weakest hiring intentions are reported by Australian employers.

Globally, employers in 39 of 42 countries and territories intend to add to their payrolls by varying degrees during the April-June time frame. However, despite little indication of labor market contraction, hiring



intentions in most countries and territories continue to remain modest. Hiring plans strengthen in only eight of 42 countries and territories when compared with the first three months of 2016 and weaken in 22. Outlooks improve in 12 countries and territories when compared with Quarter 2 2015 but decline in 23. Second-quarter hiring confidence is strongest in India, Japan, Taiwan, Colombia and Guatemala, while the weakest hiring prospects are reported in Brazil, France and Italy.

The next Manpower Employment Outlook Survey reporting employer hiring intentions for the third quarter of 2016 will be released on the June 14th 2016. A complimentary copy of the Manpower Employment Outlook Survey is available to the public through their local Manpower representative in participating countries. To receive e-mail notification about the forthcoming quarter hiring expectations from Hong Kong employers, interested individuals are invited to contact us via email at marketing@manpower.com.hk.

Results for all 42 countries can be viewed in the new interactive Manpower Employment Outlook Survey Explorer tool at <http://manpowergroupsolutions.com/DataExplorer>.

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About the Survey

The global leader in innovative workforce solutions, ManpowerGroup releases the Manpower Employment Outlook Survey quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling over 58,000 employers in 42 countries and territories. The survey serves as a bellwether of labor market trends and activities and is regularly used to inform the Bank of England's Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine where labor markets are headed.

Note to Editors

Commentary is based on seasonally adjusted data where available. Full survey results for each of the 42 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found in the ManpowerGroup Press Room at www.manpowergroup.com/meos. In addition, all tables and graphs from the full report are available to be downloaded for use in publication or broadcast from the ManpowerGroup Web site at: <http://www.manpowergroup.com/press/meos.cfm>

About ManpowerGroup Hong Kong

ManpowerGroup Hong Kong was established in 1964 as a franchise operation. In April 1997, Manpower Inc. (renamed to ManpowerGroup™ in March 2011) achieved wholly owned subsidiary status of the Hong Kong operation and the franchise was purchased outright. With over 40 years of experience locally, ManpowerGroup Hong Kong provides employers a range of services and solutions for the entire employment and business cycle including permanent, temporary and contract recruitment; employee assessment and selection; training; outsourcing and consulting. ManpowerGroup helps both companies and individuals navigate the ever-changing world of work, helping employers and candidates to make sense of the forces shaping tomorrow's workplace. In Hong Kong, the ManpowerGroup suite of solutions is offered through ManpowerGroup™ Solutions, Manpower®, Experis™, and Right Management®. More information on ManpowerGroup Hong Kong is available at www.manpower.com.hk.

Enter the Human Age at: <http://www.manpower.com.hk/human-age.aspx>

About ManpowerGroup™

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