



Under embargo to 14 March 2017 (00.01 GMT)

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Second-Quarter ManpowerGroup Employment Outlook Survey Reveals:

Geopolitical uncertainties may be leading to conservative hiring plans among Chinese employers

The strongest labor market is anticipated by Finance, Insurance & Real Estate sector employers

- *Chinese job seekers can expect modest hiring opportunities in the second quarter of 2017, according to employers who report a Net Employment Outlook of +4%, based on seasonally adjusted figures. Hiring prospects are unchanged quarter-over-quarter and remain relatively stable when compared with 2Q 2016.*
- *Finance, Insurance & Real Estate sector employers report the strongest of the six sector Outlooks (+6%). The weakest sector Outlooks of +3% are reported in the Manufacturing, Transportation & Public Utilities and the Wholesale & Retail Trade sectors.*
- *Employers report the strongest hiring intentions in Beijing, with a Net Employment Outlook of +6%.*
- *Large employers report hopeful hiring intentions with a Net Employment Outlook of +11%.*
- *Globally, employers expect an increase in employment levels in 39 of the 43 countries and territories. Employers report the strongest hiring prospects in Taiwan.*

14 March 2017 [Shanghai, China]

The Second quarter 2017 ManpowerGroup Employment Outlook Survey released by ManpowerGroup, the world leader in innovative workforce solutions, reveals Chinese employers report reserved hiring intentions for the April -June time frame. Employers report a seasonally adjusted¹ Net Employment Outlook² of +4% for the next three months. Employers report no change when compared with the previous quarter and the Outlook remains relatively stable when compared with 2Q 2016.

“The second-quarter results indicate that confidence among Chinese employers is little changed when compared with the previous quarter,” said Mr. Jinrong Zhang, Vice President of ManpowerGroup Greater China. “There are all kinds of uncertainties troubling Chinese employers these days. Among these issues are the Brexit vote, elections in the U.S., France and Germany, Italian referendums, and ongoing volatility in the EU. Each of these inter-related issues continues to make it difficult for Chinese employers to identify upcoming labor needs with any certainty, and we see this uncertainty reflected in the very modest

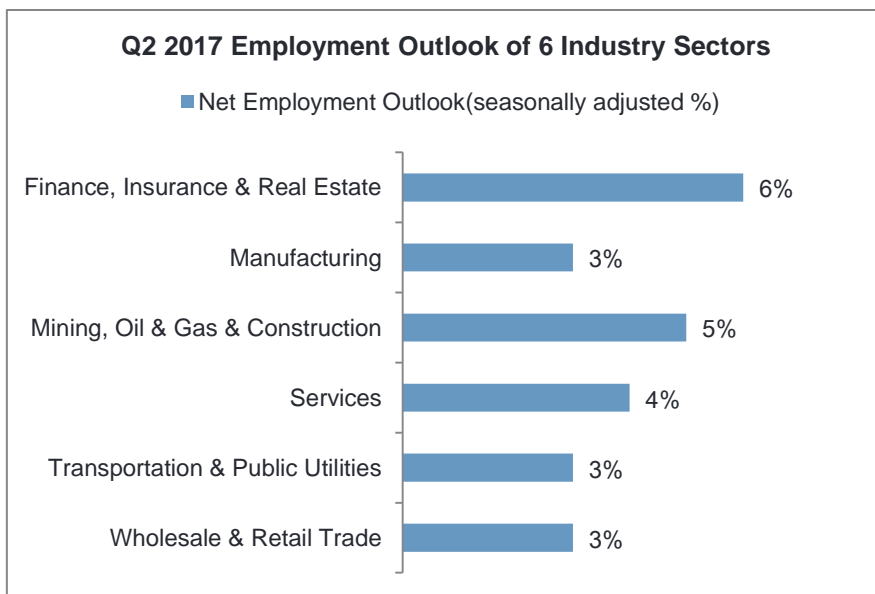
hiring plans reported.”

The ManpowerGroup Employment Outlook Survey for the second quarter 2017 was conducted by interviewing a representative sample of 4,204 employers in China. Chinese employers report reserved hiring intentions for the April -June time frame, with 6% of employers anticipating an increase in staffing levels, 2% forecasting a decrease, 27% expecting no change and 65% reporting they don't know. Once the data is adjusted to allow for seasonal variation, the Outlook stands at +4%.

Hiring prospects forecast to be strongest in Finance, Insurance & Real Estate sector

Employment levels are expected to increase in all six industry sectors during the coming quarter. Employers report the strongest hiring intentions in the Finance, Insurance & Real Estate sector, with a Net Employment Outlook of +6%. The weakest sector Outlooks of +3% are reported in the Manufacturing sector, the Transportation & Utilities sector and the Wholesale & Retail Trade sector.

When compared with 1Q 2017, the Outlook for the Transportation & Utilities sector is 4 percentage points weaker, and remains relatively stable in the Finance, Insurance & Real Estate sector. When compared with 2Q 2016, Outlooks improve by 4 and 2 percentage points in the Mining & Construction sector and the Finance, Insurance & Real Estate sector, respectively.



Source: ManpowerGroup Employment Outlook Survey

“Outlooks decline by 3 percentage points in both the Transportation & Utilities sector and the Wholesale & Retail Trade sector when compared with 2Q 2016,” mentioned Mr. Jinrong Zhang, “Some of this

decline may be because of the changing international trade environment. The threat of trade protectionism and the potential for trade friction are circumstances that could lead to a fall in the global export trade volume. The threat of a continuing decrease in China's trade is likely to negatively impact employer confidence in the Transportation & Utilities sector and the Wholesale & Retail Trade sector directly.”

“However, the potential demand in the domestic market has driven rapid growth of the insurance market. According to data from the China Insurance Regulatory Commission (CIRC), total insurance premium income in China rose 27.5 percent to 3.1 trillion yuan in 2016.” noted Mr. Jinrong Zhang, “Dynamic development of the insurance industry is expected to lead to more hiring by companies.”

Employers in the Beijing report the strongest regional hiring intentions among Mainland China’s nine regions and cities³

Employers in all nine regions expect to increase staffing levels during the next three months. Beijing employers report the strongest hiring intentions with a Net Employment Outlook of +6%, while the most cautious Outlooks of +3% are reported in Shenzhen, the East and Central & West regions. Employers report relatively stable hiring prospects or no change in most regions and cities both quarter-over-quarter and year-over-year.



Source: ManpowerGroup Employment Outlook Survey

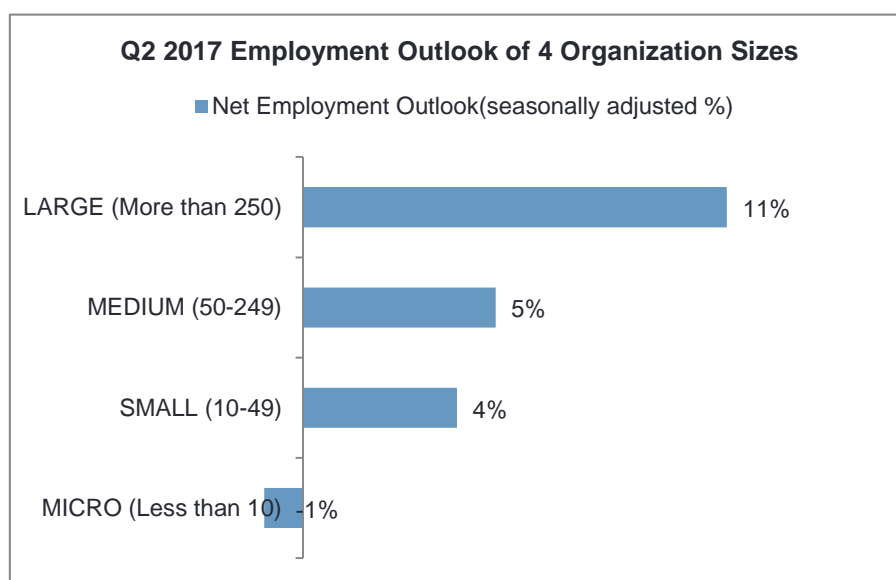
“Infrastructure investment had reinforced its role as the main driver of the investment growth of Beijing, contributing nearly 50% to the Beijing's investment growth in 2016, including public-housing construction and reconstruction projects.” commented Mr. Jinrong Zhang, “The Government will continue to encourage the investment in the infrastructure and other public

services this year, and this is expected to continue generating employment in Beijing.”

Employers in Large-size employers⁴ forecast the most upbeat hiring intentions

Employers in three of the four organization size categories forecast job gains in 2Q 2017. The strongest hiring pace is anticipated by Large employers who report a Net Employment Outlook of +11%. Elsewhere, Medium- and Small-size employers expect some workforce growth, reporting Outlooks of +5% and +4%, respectively, but Micro employers report an uncertain Outlook of -1%.

When compared with the previous quarter, hiring prospects are 4 percentage points weaker for employers in both the Large- and Medium-size employer categories. Year-over-year, Small employers report a decline of 3 percentage points, while Outlooks for Micro-, Medium- and Large-size employers remain relatively stable.



Source: ManpowerGroup Employment Outlook Survey

“Although the growth of the large enterprises are likely to be slower than before, business investment continues with undiminished enthusiasm.” addressed Mr. Jinrong Zhang, “With more and more large enterprises speeding up their expansion in all areas of e-commerce and digital marketing for new business models, the demand is increasing for talents with digital skills in such functions as consumer marketing and customer analytics to boost engagement with consumers and improve digital customer solutions.”

Globally, strongest hiring intentions reported in Taiwan.

ManpowerGroup interviewed over 58,000 employers across 43 countries and territories to forecast labor market activity in Quarter 2 2017.

ManpowerGroup's second-quarter research reveals that employers in 39 of 43 countries and territories intend to add to their payrolls by varying degrees in the April-June time frame.* Hiring plans improve in 17 of 43 countries and territories when compared quarter-over-quarter, decline in 15, and are unchanged in 11. The year-over-year trend reveals a more pronounced uptick with Outlooks strengthening in 25 countries and territories, weakening in 14, and remaining unchanged in three.** Second-quarter hiring confidence is strongest in Taiwan, Japan, Slovenia and India. The weakest forecasts are reported in Brazil, Italy, Belgium and Switzerland.

Payrolls are expected to increase in all eight Asia Pacific countries and territories. When compared to the prior quarter, Net Employment Outlooks decline in three countries and territories, are unchanged in four, and improve in only one. In a year-over-year comparison the hiring pace is expected to improve by varying margins in four countries and territories and decline in the remaining four. For the second consecutive quarter, employers in Taiwan report the most optimistic forecast in the region—as well as across the globe—while for the fourth consecutive quarter employers in China report the region's weakest forecast.

Positive Outlooks are reported in nine of the 10 countries surveyed in the Americas. Hiring confidence strengthens in four countries and declines in six when compared to the first three months of 2017. Year-over-year, hiring prospects improve in three countries, weaken in four and are unchanged in three. For the third consecutive quarter employers in the United States report the strongest hiring plans in the Americas, and for the ninth consecutive quarter employers in Brazil report the weakest.

Staffing levels are expected to grow in 22 of 25 countries in the Europe, Middle East & Africa (EMEA) region. Outlooks improve in 12 countries quarter-over-quarter, weaken in six and are unchanged in seven. In a year-over-year comparison, Outlooks improve in 18 countries and decline in only six. Job seekers in Slovenia, Hungary and Romania stand to benefit from the strongest employer hiring plans in the EMEA region. Additionally, employers in Slovenia, as well as their counterparts in Bulgaria, report their most optimistic hiring plans since their surveys were launched. The weakest forecasts are reported in Italy, Belgium and Switzerland.

* Data is not seasonally adjusted for Portugal

** Portugal joined the survey in Quarter 3 2016 and has no year-over-year trend data to compare at this point.

The ManpowerGroup Employment Outlook Survey is available free of charge to the public through http://www.manpower.com.cn/Employment_Outlook_Survey.html In addition, results for all 43 countries can be viewed in the new interactive [ManpowerGroup Employment Outlook Survey Explorer](#)

[tool](#). The next ManpowerGroup Employment Outlook Survey will be released on 13 June 2017 and will detail expected labor market activity for the third quarter of 2017.

Note To Editor

1. Seasonally adjusted data is a statistical process that allows us to present the survey data without the effect of fluctuations that normally occur through the course of the year, as a result of seasonal events such as changes in weather, public holidays, etc. Removal of the seasonal effect gives us the ability to observe the current labor market trends more meaningfully. All industry sector data reported above is seasonally adjusted. Regional and city data has not been adjusted to account for seasonal variation.
 2. The Net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity less the percentage of employers who expect to reduce their workforces.
 3. Since Q1 2012, the previous 16 cities surveyed in mainland China are collected into 9 regions and cities. The five cities include Beijing, Shanghai, Guangzhou, Shenzhen, and Chengdu. The four regions include North, South, East and Central & West. The North region includes Beijing, Tianjin, Dalian and Chengdu, while the South region includes Guangzhou, Shenzhen, Xiamen and Changsha. The East region includes Shanghai, Nanjing, Suzhou and Hangzhou; and the Central & West region includes Chengdu, Chongqing, Xi'an and Wuhan.
 4. Since Q1 2015, ManpowerGroup Employment Outlook Survey shows the organization sizes data. 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.
- Full survey results for each of the 43 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at <http://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_landing.cfm

About the Survey

The global leader in innovative workforce solutions, ManpowerGroup releases the ManpowerGroup 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 43 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.

About ManpowerGroup China

As workforce expert, ManpowerGroup has rooted in China for more than 20 years, we provide comprehensive human resource solutions through our local expertise as well as combination of global resources and experience.

ManpowerGroup China boasts over 5,000 multinational and local companies, and increases over 5,000,000 selected middle-to-senior managing talents every year. We provide customized solutions for companies to fit their talent needs and achieve business strategic goals, including recruitment services, employment services, talent management and talent strategy. Also our products and services cover talents career cycle, including job seeking, job consultation, career development, skill advancement and career transition. In 2016, ManpowerGroup China was awarded “Asia-Pacific Human Resources Service Leading Enterprise Award” and “Customer Satisfaction Award for HR Service in Greater China”.

ManpowerGroup provides comprehensive solutions for companies and individuals through ManpowerGroup Solutions, Experis, Manpower, Right Management and two investments in China ReachHR and XAFesco.

ManpowerGroup China, as a socially responsible organization, took the ownership to build and operate Manpower Ningqiang Elementary School in China Wenchuan, the hit area of the 5.12 earthquake. In addition, we advocates and holds the public welfare activities such as love for mountain children, concerned about education and so on once a year.

For more information about ManpowerGroup China, please visit: www.manpower.com.cn