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ARGENTINEAN EMPLOYERS CONTINUE TO REPORT CAUTIOUS HIRING PLANS FOR THE LAST QUARTER

ManpowerGroup Employment Outlook Survey: Quarter 4 2018

- The Net Employment Outlook (ENE) for the last three months of 2018 is +2%, 3 percentage points weaker compared to the previous quarter, and a decrease of 6 percentage points when compared with the same period of the previous year.
- The strongest hiring plans are reported by employers in Patagonia, with an Outlook of +7%; followed by those in AMBA, Cuyo and NEA (North-East), all of them reporting an Outlook of +2%.
- Regarding the industries analyzed, employers in the Mining sector report the most promising prospects, with an Outlook of +9%; followed by those in the Agriculture & Fishing sector, reporting an Outlook of +5%, and the Manufacturing sector, with +4%.

Buenos Aires, September 11th, 2018. – ManpowerGroup released today the results of its Employment Outlook Survey for the last quarter of 2018. Based on consulting 800 employers about their hiring intentions, the Net Employment Outlook (NEO) for this October-December period is +2%, which represents decreases of 3 percentage points when compared to the previous quarter and of 6 percentage points in the year-on-year comparison. The Outlook is the weakest reported since the third quarter in 2016, when the Outlook was in the same level.

The NEO is derived by taking the percentage of employers that anticipate an increase in their payrolls and subtracting the percentage of those who expect a decrease in the next quarter.

Fernando Podestá, Vice President and COO of ManpowerGroup Argentina, explains: "*Some context issues are starting to impact the Argentinean labor market, with employers in some sectors reporting weaker hiring intentions - like Construction, which is one of the most affected ones. However, Argentina's overall NEO is still positive and maintains the trend held during 2018.*"

Sector Comparisons

In five out of the nine industrial sectors, the employers surveyed foresee to increase their staffing levels in the next quarter. The most positive expectation is reported in the Mining sector, where the Outlook stands at a cautiously optimistic +9%, followed by the Agriculture & Fishing sector, with an Outlook of +5%, and the Manufacturing sector, with +4%. Employers in Services sector report +2% and employers in the Wholesale Trade & Retail Trade sector report a more modest Outlook of +1%. Meanwhile employers in the Public Administration & Education sector expect a



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flat fourth-quarter labor market and report null hiring intentions. The weakest hiring plans are foreseen by Transportation & Utilities, Finance, Insurance & Real Estate employees with an Outlook of -1%, and also Construction where the forecast dips to -11%.

When compared with the previous quarter, the hiring intentions decrease in eight out of the nine industrial sectors. The steepest decline is reported in the Construction sector, where the Outlook decreases by 20 percentage points, followed by Finance, Insurance & Real Estate, reporting a 9 percentage point decline compared to the previous quarter. The Agriculture & Fishing forecast declines 5 percentage points, while 3 percentage point declines are reported in the Manufacturing and Public Administration & Education sectors. In the case of the Mining sector, the Outlook maintains stable.

Regarding the same period of the previous year, the employers surveyed foresee hiring intentions to weaken in eight out of the nine industrial sectors. Once again, Construction sector employers report the most noteworthy decline of 33 percentage points, while those in Finance, Insurance & Real Estate report a decrease of 10 percentage points. Results decline by 8 and 7 percentage points in the Public Administration and Wholesale Trade & Retail Trade sectors, respectively, followed by Services and Manufacturing, both with a decrease of 5 percentage points. By last, Transportation & Utilities reveals a decrease of 4 percentage points, followed by Agriculture & Fishing, with a 2 percentage points weaker expectation. However, in the Mining sector, employers report an improvement of 3 percentage points.

Regional Comparisons

Hiring intentions of Argentinean employers are positive in five out of the six regions for the last quarter of the year. The strongest intentions are reported in the Patagonia region, where the Outlook is of +7%. Figures maintain limited in NEA (North-East), Cuyo and AMBA regions, all reporting values of +2%, and in Patagonia, with an Outlook of +1%. The situation is different in NOA (North/West), where the Outlook for this quarter is of -4%.

Compared to the previous quarter, the NEO decreases in five out of the six regions. This happens especially in NEA (North-East), where the perspectives are of -7%, followed by the NOA (North-West) and Cuyo, both with an Outlook of -6%. The Pampeana region follows, with -5% and AMBA, reporting an Outlook of -1%. Hiring intentions remain stable when compared to the previous quarter in Patagonia.

When compared with the previous year, Outlooks decline in five out of the six regions of the country. The most notable declines are reported in the Pampeana region and Cuyo, with -16 and -14 percentage points respectively. The NOA follows, where intentions are foreseen to decrease by 8%, AMBA and NEA, with an Outlook of -4% and -3% respectively. On the other hand, the hiring intentions for Patagonia are showing an increase of 7 percentage points in comparison with the previous year.

Rest of the world



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Globally, hiring prospects are mostly positive, except for Switzerland where employers report a negative Outlook. The strongest values are reported by employers in Japan, Taiwan, United States, Slovenia and Romania.

Regarding America, all ten countries report positive hiring intentions. Moreover, eight of the countries account an increase in their perspectives when compared with the previous quarter. For the fourth consecutive quarter, United States reports the strongest hiring plans of the region. Conversely, employers in Argentina and Panama report the weakest ones.

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The next ManpowerGroup Employment Outlook Survey will be launched on December 11, 2018, reporting hiring expectations for the first quarter of 2019. This ManpowerGroup report is freely available for download at www.manpowergroup.com.ar

The results of the 44 countries can be seen in the interactive tool of the Employment Expectancy Survey of ManpowerGroup in www.manpowergroup.com/meos

About ManpowerGroup Argentina:

ManpowerGroup™ Argentina is the leading workforce solutions company in helping organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent.

Manpower leverages its more than 50 years of local experience to develop innovative solutions for over 1.250 clients across the country and connect 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 2018, ManpowerGroup was named one of the World's Most Ethical Companies for the eighth 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.ar.

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