



UNDER STRICT EMBARGO UNTIL DECEMBER 8, 2020 – 00:01

MANPOWERGROUP EMPLOYMENT OUTLOOK SURVEY 1Q 2021

ManpowerGroup survey finds Brazil among the top five countries with strong hiring intentions for 1Q 2021

- *The Net Employment Outlook in Brazil for the 1Q 2021 is 10%, an improvement of 13 percentage points when compared to the previous quarter, and reaching the level reported for the 1Q 2020, before COVID-19.*
- *17% of employers surveyed expect to increase payrolls and 70% do not expect changes in their staff, while waiting for signs of recovery from an economic scenario still impacted by COVID-19.*
- *This result places Brazil among the five countries with the strongest hiring intentions for the next quarter. In the comparison across the Americas, Brazilian employers were second only to the United States, which reports an outlook of +17%.*
- *13% of employers say pre-pandemic hiring will return before July 2021 down from 54% when asked in Q2.*

São Paulo, December 8, 2020 - After a long period of uncertainty due to the economic fragility that had already been affecting Brazil but was aggravated by the COVID-19 effects, Brazilian employers report more optimistic hiring plans for the upcoming quarter as they find solutions in the context of the global crisis. Employers in Brazil report hiring prospects at 10% for the 1Q 2021. This result represents an improvement of 13 percentage points when compared with the previous quarter and is unchanged in comparison with the same period last year, according to the ManpowerGroup (NYSE-MAN) Employment Outlook Survey. Of the 609 Brazilian employers surveyed, 17% report hiring intentions, while 8% intend to reduce their staff, 70% do not intend to make any changes and 5% have no answer. The interviews were conducted between October 15th to 27th, 2020.

“Even in a challenging scenario with more than 14 million unemployed and uncertainties as to recovery amid the pandemic, expectations for the 1Q 2021 indicate a more promising start to the year. In addition to reaching pre-COVID-19 levels, with a 13 p.p. growth in just one quarter, the numbers were driven by higher levels of hiring intentions, mainly in Wholesale & Retail Trade and Manufacturing, which are already showing signs of recovery, and also Small Companies, which are once again forecasting payroll gains after two quarters of negative outlooks”, says Nilson Pereira, CEO of ManpowerGroup Brazil.

The survey also showed that 17% of employers believe in a return to pre-Covid hiring levels within the next 3 months, while 54% expect a recovery within a year and 23% expect the labor market to improve in 4 to 9 months. Only 5% of those surveyed say new hires will never again get back to pre-pandemic levels. “Regionally, 57% of employers in three localities (São Paulo city and state, and Paraná state) expect an upturn within a year. In the industry sector comparison, Wholesale and Retail Trade report the most optimistic outlooks, with 24% of employers believing new hires will improve within three months. By organization size, the analysis shows that 57% of large companies expect to be back to pre-pandemic hiring levels within a year, while 23% believe they will be back in the next three months,” adds Pereira.

Hiring intentions strengthen in 32 countries and territories when compared with the previous quarter. The strongest hiring plans for the next three months are reported in Taiwan (+23%), the United States (+17%), Singapore (+15%), Australia (+10%) and Brazil (+10%). The weakest hiring outlook is reported in Panama (-7%), the United Kingdom (-6%), Switzerland (-4%), Austria (-2%) and Hong Kong (-2%). ManpowerGroup interviewed 37,717 employers in 43 countries and territories.

Sector comparisons

Hiring intentions are anticipated in six of the eight industry sectors surveyed. The strongest hiring activity is forecast for Wholesale and Retail Trade, with an Outlook of +15% (improving 29 percentage points when compared with the previous quarter); followed by Finance, Insurance & Real Estate and Manufacturing, with Outlooks of +13%. The weakest Outlook is reported in the Public



Administration & Education, with -4%, improving by 3 percentage points quarter-over-quarter. On the other hand, Services shows hiring plans of 0%, declining by 2 and 17 percentage points from 4Q 2020 and 1Q 2020, respectively.

Industry Sectors	Net Employment Outlook	Quarter-over-quarter	Year-over-year
Wholesale & Retail Trade	+15%	+29 pp	+7 pp
Manufacturing	+13%	+17 pp	+10 pp
Finance, Insurance & Real Estate	+13%	+1 pp	+2 pp
Construction	+10 %	+10 pp	+5 pp
Agriculture, Fishing & Mining	+9 %	+9 pp	-8 pp
Transportation & Utilities	+8%	+6 pp	+2 pp
Services	0%	-2 pp	-17 pp
Public Administration & Education	-4%	+3 pp	-6 pp

Regional comparisons

Employers forecast an increase in hiring intentions in all five Brazilian regions on the quarterly comparison, where employers of four localities are planning payroll gains for the 1Q 2021. Reporting an Outlook of +19%, Paraná State employers forecast the strongest regional hiring pace, improving by 15 and 11 percentage points from 4Q 2020 and 1Q 2020, respectively – the Outlook is the strongest in two years. Minas Gerais State also forecasts an increase, with +13%, taking the region’s hiring intentions to pre-pandemic levels. Rio de Janeiro State anticipates the weakest regional hiring climate, with -5%. The Outlook is 6 percentage points stronger when compared with the previous quarter but declines 10 percentage points in comparison with 1Q 2020.

Region	Net Employment Outlook	Quarter-over-quarter	Year-over-year
Paraná State	+19%	+15 pp	+11 pp
Minas Gerais State	+13%	+12 pp	0 pp
São Paulo State	+9%	+11 pp	0 pp
São Paulo City	+6%	+10 pp	- 1 pp
Rio de Janeiro State	- 5%	+6 pp	- 10 pp

Organization Size Comparisons

In all four organization size categories, employers expect to add to payrolls during 1Q 2021. This includes a healthy hiring pace forecast by Large companies, with 21%, improving 8 p.p. when compared to the 4Q 2020, followed by employers of Medium companies, who forecast a 13% increase in job gains, or +14 p.p in comparison to the previous quarter. The greatest recovery is reported by small companies, with a 3% outlook, up by 18 p.p. when compared to the previous quarter.

Organization Size	Net Employment Outlook	Quarter-over-quarter	Year-over-year
Large	+21%	+ 8 pp	+3 pp
Medium	+13%	+14 pp	+5 pp
Small	+3%	+18 pp	- 2 pp
Micro	-4%	+6 pp	- 1 pp



The next survey will be released 9 March 2021 and will report hiring expectations for Q2 2021.

(*) 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.

About the survey

The ManpowerGroup Employment Outlook Survey for the 1Q 2021 was conducted from October 15th and 27th, 2020**, and includes a significant sample of employers from over 37,000 private business and government organizations in 43 countries and territories. In Brazil, 609 employers were interviewed. The survey's objective is to measure employers' intentions to increase or decrease their workforce in the next quarter. All participants answered the same question: "How do you anticipate total employment at your location to change in the three months to the end of December 2020 as compared to the current quarter?" It is the only prospective survey of this kind, and it is unmatched in size, scope, longevity, and focus area. The survey has existed for over five decades and is one of the world's most reliable one on employment activities. It is considered a highly respected economic indicator. It is noteworthy that in the second quarter of 2008, the survey adopted the TRAMO-SEATS model for seasonal data adjustment. As a result, you may notice that some seasonally adjusted data points change slightly from previous reports. This model is recommended by the Eurostat department of the European Union and the European Central Bank and is widely used internationally.

Note from the editors

Full survey results for each of the 43 countries and territories included this semester, as well as regional and global comparisons, can be found in the Manpower Press Room at www.manpower.com/meos. In addition, all tables and graphs of the full report are available for download, publication, or broadcast in the ManpowerGroup Visual Library, also located in the Press Room at <http://www.manpowergroup.com/library>. Results for all 43 countries can be viewed in the new interactive Explore the ManpowerGroup Employment Outlook Survey tool at: <http://manpowergroup.com/DataExplorer/>.

** The survey was conducted from October 15th to 27th during the exceptional circumstances of the COVID-19.

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 hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantial value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity - as a best place to work for Women, Inclusion, Equality and Disability and in 2020 ManpowerGroup was named one of the World's Most Ethical Companies for the eleventh year - all confirming our position as the brand of choice for in-demand talent.

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