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Press Release

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Portuguese employers anticipate moderate hiring growth in the first quarter

The ManpowerGroup Employment Outlook Survey for the first quarter of 2017 reveals that employment will continue to increase moderately, with employers in Large Companies, the Restaurants & Hotels and the South of the country reporting the strongest hiring plans for the January-march time frame.

- The projection for net job creation * in Portugal is +5%, one percentage point more than in the previous quarter;
- Positive forecasts reported in all regions and all but one industry sector;
- Restaurants & Hotels Sector employers report a Net Employment Outlook of +15%;
- South of the country with higher contracting projections (+11%) than North and Center;
- Large companies anticipate +15% net job creation;
- Overall, employment is expected to continue to increase, with more intensity in the Asia-Pacific region. Brazil's employers report the weakest (-9%) first-quarter forecast.

In the first quarter of 2017, job applicants in Portugal will benefit from modest hiring intentions. Of the 626 Portuguese employers surveyed by the ManpowerGroup Employment Outlook Survey, 12% expect to increase their workforce, 7% expect to reduce it and 75% will not change, which translates into a Net Employment Outlook * of +5%.

"The three quarters analyzed indicate that the projection for net job creation in Portugal remains positive in most sectors and regions," says Nuno Gameiro, Country Manager of ManpowerGroup--Portugal.

Employers in eight of the nine industry sectors expect to increase payrolls during 1Q 2017. The strongest labor market is forecast for the Restaurants & Hotels sector, where the Net Employment Outlook stands at +15%. Transport, Storage & Communication sector employers also anticipate steady job growth, reporting an Outlook of +12%, while Outlooks of +7% and +6% are reported in the Agriculture, Hunting, Forestry & Fishing sector and the Wholesale & Retail Trade sector, respectively. However, Electricity, Gas & Water Supply sector employers expect staffing levels to decline, reporting an Outlook of -4%.

"The vitality of tourism may be related to these growth perspectives in the Restaurants and Hotels industry, which would partly justify the projection in the area of Transport, although the first quarter of the year is not the one to which we usually associate more dynamism in this sector", says the Country Manager.

Quarter-over-quarter, hiring intentions strengthen in six of the nine industry sectors. The most noteworthy increase of 12 percentage points is reported in the Restaurants & Hotels sector. Elsewhere, employers report an increase of 8 percentage points in the Transport, Storage & Communication sector, while Outlooks are 5 and 4 percentage points stronger in the Agriculture, Hunting, Forestry & Fishing sector

and the Construction sector, respectively. Meanwhile, hiring prospects decline in two sectors, by a considerable margin of 16 percentage points for the Finance, Insurance, Real Estate & Business Services sector and by 6 percentage points in the Electricity, Gas & Water Supply sector.

Employers in all regions expect to increase staffing levels during the next three months. The strongest hiring pace is forecast by employers in the South, who report a Net Employment Outlook of +11%. A slight increase in employment levels is anticipated in both the North and the Center, where Outlooks stand at +3%.

When compared with 4Q 2016, the Outlook for the South improves by a considerable margin of 14 percentage points. Meanwhile, employers in the Center report an increase of 2 percentage points, but the Outlook for the North declines by 8 percentage points.

In terms of size, it is the employers of Large and Medium sized companies that point to a more significant increase in net job creation of +15% and +12%, respectively, which means a 9 and 5 pp improvement over previous quarter. The projection of employers of Micro and Small companies anticipates the maintenance of the existing workforce (0%).

"If we were to plan the big lines for the first quarter of 2017, we would say that the projection for net job creation indicates the continuity of a moderate hiring pace, and that job creation will be driven by Large and Medium companies, in Catering and Hotels and in Transport, Logistics and Communications, especially in the South region", concludes Nuno Gameiro.

Employers in 40 countries report positive hiring intentions

Globally, employers expect to expand their workforces by varying degrees in 40 of the 43 countries and territories surveyed, where a total of 59,000 employers were inquired. The projection for net job creation increases in 19 of the 43 markets in a quarter-over-quarter comparison, decreases in 17 and remains unchanged in seven. In comparison with the same quarter of 2016, outlooks increase in 20 countries and territories, weaken in 18 and remain the same in four.

Globally, employer hiring confidence is strongest in Taiwan (+25%), India (+24%) and Japan (+23%). In the opposite position are Brazil (-9%), Switzerland (-2%) and Italy (0%).

In the EMEA region, employers' projections for net job creation remain positive in 23 of the 25 countries, with Slovenia and Hungary (both +17%) leading the way. Meanwhile forecasts in the Americas are positive in nine of the 10 countries surveyed, with the strongest hiring intentions reported in the USA and Guatemala (both +16%).

"The results indicate that there are few signs of uncertainty associated with Brexit and the results of the USA election, events that could act as focus of volatility but which do not appear to be affecting the perspectives of job creation. China, on the other hand, remains the Asia-Pacific country with less encouraging perspectives and although it anticipates moderate growth (4%), it is significantly below the region average, which has the best projection for net job creation globally", emphasizes Nuno Gameiro.

Full data for each of the 43 countries and territories included in the survey for the first quarter of 2017, as well as regional and global comparisons can be found in full at www.manpowergroup.com/meos. The results of the next survey will be released on March 14, 2017 and will reveal the labor market outlook for the second quarter of the year.

* The projection for net job creation is the difference between the percentage of employers who plan to increase their workforce and the percentage of employers who plan to reduce it.

Portugal is not among the countries whose data is compared with the same quarter of the previous year, since it joined the ManpowerGroup Employment Outlook Survey in the third quarter of 2016.

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 five decades the survey has derived all of its information from a single question: "What changes do you anticipate in your region, for the three months that end in March 2017 as compared to the current quarter?"

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%.

Nine sectors considered:

1. Agriculture, Forestry and Fisheries;
2. Construction;
3. Electricity, Gas and Water supply;
4. Finance, Insurance, Real Estate and Services;
5. Industry;
6. Public Sector;
7. Catering and Hospitality;

8. Transport, Logistics and Communications;
9. Wholesale and Retail.

Dimensions of companies

1. Micro companies: less than 10 workers;
2. Small companies: 10 to 49 workers;
3. Medium companies: 50 to 249 workers;
4. Large companies: 250 or more workers.

Five Portuguese regions

1. North;
2. Center;
3. South;
4. Greater Lisbon;
5. Greater Porto.

About ManpowerGroup:

ManpowerGroup® (NYSE: MAN) is the world's workforce expert, creating innovative workforce solutions for nearly 70 years. As workforce experts, we connect more than 600,000 people to meaningful work across a wide range of skills and industries every day. Through our ManpowerGroup family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – we help more than 400,000 clients in 80 countries and territories address their critical talent needs, providing comprehensive solutions to resource, manage and develop talent. In 2016, ManpowerGroup was named one of the World's Most Ethical Companies for the sixth 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 makes powering the world of work humanly possible: www.manpowergroup.com.

In Portugal:

ManpowerGroup® started its activity in Portugal in 1962, through a franchising. In 2008, ManpowerGroup acquired franchising, having started to reorganize the company and the brand, which has been transforming its presence in Portugal.