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ManpowerGroup Employment Outlook Survey Quarter 1 2021:

HIRING EXPECTATIONS INCREASE FOR THE START OF 2021

- The Net Employment Outlook (NEO) for the first quarter of 2021 is +5%, demonstrating an increase of 7 percentage points when compared to the previous quarter and an improvement of 5 percentage points compared to the same period last year.
- Pampeana region shows the strongest hiring intentions (NEO of +8%), while Patagonia reported the weakest hiring expectations (NEO of -7%). The strongest expectations are for Manufacturing and Transports & Public Services sectors (NEO of +11%) and the weakest intentions for Finance, Insurance & Real Estate and Public Administration & Education (NEO of -2%).
- Business recovery expectations due to the impact of COVID-19 is weakening and employers are recognizing that the economic effects of this crisis are more durable.

Buenos Aires, December 10, 2020 – ManpowerGroup presented today the results of their Employment Outlook Survey for the first quarter of 2021, which refers to the period from January to March. The data was obtained surveying more than 500 Argentine employers, which reported a Net Employment Outlook (NEO) of +5%. This value represents an increase of 7 percentage points in comparison to the previous quarter and an improvement of 5 percentage points when compared to the same period last year. The field work for the Survey was carried out between October 14th – 27th, during the Social, Preventive and Compulsory Isolation due to coronavirus.

The value of NEO is obtained by taking the percentage of employers that expect to increase their payroll and subtracting the percentage of those that intend to decrease it during the next quarter.

Of all the Argentine employers surveyed, 76% do not expect to make changes in their employment levels, 5% plan to decrease their payrolls, 11% to increase them and the remaining 8% do not know if they will make changes during the first quarter of the year.

Moreover, when we asked companies about their recovery expectations due to the impact of COVID-19 on their businesses, they mentioned the following:

- 35% of employers expect their companies to return to their pre-pandemic hiring intentions **within the next 12 months**. When consulted in the previous quarter, 39% raised this recovery horizon.
- 32% of those surveyed thinks that it will take **more than 12 months** to recover the hiring levels, while in the previous period, 26% of them stated these deadlines.
- 7% believes that their hiring levels will **never return** to pre-pandemic values, when in the previous survey only 2% had expressed this intention.
- Optimism is weakening and employers are accepting that the economic effects of the pandemic will be long-lasting.

“Although the 76% of the Argentine employers surveyed do not project to make changes in their payroll for the first quarter of 2021, we are able to visualize a moderate improvement in the hiring intentions” says Luis Guastini, CEO of ManpowerGroup Argentina, who also explained: *“The result is mainly driven by the notable expectations of the Manufacturing, Transports & Public Services and Construction sectors. Moreover, this value of positive expectations comes after two consecutive quarters with negative results”*. Finally, Guastini added *“the data reflects that employers expect to recover their pre-pandemic hiring levels in two stages: the first majority (35%) consider that this will happen within the next 12 months, while the second majority (32%) believe that it will do so after 12 months”*.

Sector Comparison

In six of the nine industrial sectors surveyed, employers expect to increase their staffing levels for the first quarter of 2021. The positive expectations are led by the Transports & Public Services and Manufacturing sectors, both with a NEO of +11%, followed by Construction, with +10% and Agriculture & Fishing, with a NEO of +6%. On the contrary, the Finance, Insurance & Real Estate and the Public Administration & Education sectors expect decreases in their hiring intentions, both reflecting a NEO of -2%.

Compared to the results of the previous quarter, hiring expectations increase in six of the nine industrial sectors. Mining leads this trend, with an increase of 27 percentage points, followed by Transports & Public Services, with an increment of 23 points. In the same trend but to a lesser extent, Manufacturing reports an increase of 14 percentage points. Instead, Wholesale & Retail Trade reveals an increment of 1 percentage points, while Finance, Insurance & Real Estate does not show changes in their hiring expectations when compared to the previous survey.

When comparing these results to the same period in the previous year, hiring intentions strengthen in four of the nine sectors. The Manufacturing sector shows the most notable variation, with an increase of 12 percentage points, followed by Transports & Public Services, with 11 points. Mining reveals a strengthen of 10 percentage points and Wholesale & Retail Trade of 7 points. The only sector that does not show any changes in their hiring intentions in the year-on-year comparison is Construction.

Regional Comparison

In four of the six regions of the country, employers expect to increase their payrolls during the first quarter of 2021. The strongest intentions are reported by the Pampeana region, with a NEO of +8%, followed by the City of Buenos Aires (AMBA), with +7%. On the contrary, Patagonia reported the weakest hiring intentions, with a NEO of -7%, and the Cuyo region, of -1%.

When comparing these results with the ones of the previous quarter, hiring intentions strengthen in five of the six regions. This trend is led by the Pampeana region and the NOA (Northwest), both reporting an increase of 8 percentage points. AMBA and Cuyo continue this trend, both revealing an increment of 7 points. Instead, Patagonia reveals a decrease of 2 percentage points.

Compared to the same period in the previous year, expectations also increase in four of the six regions. The most notable increment is reported by NEA (Northeast), with 9 percentage points,

followed by the Pampeana region, with 8 points. Cuyo is the region that reveals the most notable decrease in this comparison, of 5 percentage points.

Global Hiring Plans

In the Americas region, increases in the hiring intentions are expected in nine of the ten surveyed countries for the first quarter of the year. In comparison to the previous quarter, projections increase in all the countries of the region. In the year-on-year comparison, intentions increase in four of the ten countries, weaken in other five and only one country does not show variations. United States, Colombia, Canada and Brazil project to increase their staffing levels, while in Panama decreases in hiring intentions are registered.

Globally, in 34 of the 43 surveyed countries employers expect to increase their staffing levels during the first quarter of 2021. In 7 of the remaining countries decreases are expected, while two countries reveal no hiring intentions. The highest hiring expectations are reported by Taiwan, United States, Singapore, Brazil and Australia; while in Hong Kong, Austria, Switzerland, United Kingdom and Panama reveal the weakest intentions globally.

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The next ManpowerGroup Employment Outlook Survey will be released on March 9th, 2021 to reporting hiring expectations for the second quarter of 2021. The ManpowerGroup report is available free of charge to the public and can be freely downloaded from www.manpowergroup.com/meos.

The results of the 43 countries can be seen in the new interactive tool of the Employment Expectancy Survey of ManpowerGroup in www.manpowergroup.com/meos.

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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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For more information please contact Edelman

Elisa Rocha. – elisa.rocha@edelman.com

Clara Minenna. – clara.minenna@edelman.com