



**UNDER STRICT EMBARGO:
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Press Release

Manpower Employment Outlook Survey for the Fourth Quarter of 2017:

According to the ManpowerGroup survey, employers expect a relatively stable hiring pace with a slight decrease
in October - December

Manpower Employment Survey Forecast for the Fourth Quarter of 2017:

According to the ManpowerGroup survey, the hiring pace in Israel is expected to remain a
positive outlook
in October - December

- Employers in Israel report stability: the net employment outlook stands at +8%, representing a slight decrease year-over-year.
- Of the 750 employers interviewed in the survey: 12% forecast an increase in payrolls, 79% anticipate no change in headcount, and 5% expect a decrease.
- An analysis by sector reveals an upbeat hiring pace in the construction sector, finances and business services, and weaker outlooks in agriculture and in the restaurants and hotels sectors.
- Employers in all six regions expect an increase in staffing levels in October-December, with the most robust headcount expected in Haifa with a net employment outlook of +11%.
- Globally, employers in Greece and Costa Rica report the most optimistic hiring plans, compared to employers in India, Peru and the Czech Republic, where the forecast for the fourth quarter is negative.

Michal Dan Harel, CEO Manpower Israel: "The survey data indicates an upbeat picture according to which the Israeli job market is maintaining a steady development and progress trend. There are clear signs that employer confidence, expressed in upbeat hiring outlooks, crosses sectors and geographic regions.

The one sector that stands out above the rest is the real estate sector, whose accelerated hiring pace is consistent with the level of public interest it generates and it is also indicative of continued perpetual growth, expressed in steady opening of new posts for staffing".



According to Manpower’s Employment Outlook Survey for Q4 2017 among 750 employers in Israel, the hiring pace in the fourth quarter of 2017 is expected to maintain the positive outlook in terms of hiring opportunities, however employers report cautious hiring plans for the coming quarter.

Employers participating in the survey were asked “How do you anticipate total employment at your location to change in the three months (to the end of December 2017) as compared to the current quarter?”

Of the 750 Israeli employers who participated in the survey, +12% anticipated an increase in payrolls, 5% expected a decrease and +79% forecast no change. After seasonal adjustment of the data, the Manpower Employment Outlook Survey stands at +7%

After taking seasonal adjustments into account, the outlook stands at +8%, with relative forecast hiring stability compared to the previous quarter, and with a 2 percentage point drop compared to the same quarter last year.

Employment Forecast for Q2 2017

	Net Employment Outlook*	Increase	Decrease	No Change	Don't know
	%	%	%	%	%
Q4 2016	10+	19	8	71	2
Q1 2017	9+	11	4	82	3
Q2 2017	9+	14	4	79	3



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Q3 2017	10+	13	2	79	6
Q4 2017	8+	12	5	79	4

* The net employment outlook has been seasonally adjusted.

Results by industry sector: growth in the construction sector, finance, insurance, real estate & business services sectors, the restaurants and hotels sector.

Looking ahead to the next quarter, employers in all ten industry sectors forecast an increase in staffing levels. The most robust job market is expected in the construction sector, where employers report a net outlook forecast of +14%. In other sectors, a stable increase in staffing levels is expected in the financial, insurance, real estate, and business services sectors (outlook of +13%), as well as in the wholesale and retail trade sectors in which the outlook is +12%. On the other hand, employers in the public and social sector report the most cautious hiring plans, with an outlook of +7%, and in three other sectors - electricity, gas and water; manufacturing and transport, storage and communication - the forecast stands at +5%. Employers in the mining and quarrying sector report the most cautious hiring plans, with a forecast of +2% only.

Compared to the previous quarter, there is a decrease in the hiring plans in six of the 10 sectors. The most notable decrease (9 percentage points) is recorded in the restaurants and hotels sector. Employers in the public and social sector report a decrease of 7 percentage points, while the forecast for the mining and quarrying sector decreases by 6 percentage points. At the same time, the forecast outlook improves in three sectors, including the wholesale and retail trade sector, where employers are reporting an increase of 5 percentage points.

Compared to the last quarter of 2016, employers report a weakening in the hiring outlook in seven of the ten industry sectors. Significant decreases - of 16 and 14 percentage pointy - were reported in the restaurants and hotels sector and in the mining and quarrying sectors, respectively. In the agriculture, hunting, forestry and fishing sector a decrease of 8 percentage points is reported in the forecast whereas in the manufacturing sector, employers report a decrease of 6 percentage points. The forecast outlook improves in two sectors - including the wholesale and retail trade sector, where employers are reporting an increase of 2 percentage points.

	Net Employment Outlook, Q4, 2017 *	Net Employment Outlook, Q3, 2017 *	Net Employment Outlook, Q4, 2016 *
Agriculture	+3%	+3%	+11%
Construction	+14%	+12%	+16%
Electricity, gas and water	+5%	+7%	+8%
Finance, insurance, real estate & business services	+13%	+11%	+12%



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Manufacturing	+5%	+9%	+11%
Public & social services	+7%	+14%	+10%
Restaurants and hotels	+3%	+12%	+19%
Transport, logistics & communication	+5%	+6%	+5%
Wholesale & retail trade	+12%	+7%	+10%

* The net employment outlook has been seasonally adjusted.

Regional comparisons: the most robust employment outlook is reported by employers in the central region and in Tel Aviv

Employers in all six regions expect an increase in payrolls in the fourth quarter of 2017. The strongest hiring prospects were reported in Haifa, with a net employment outlook of +11%. Employers in Jerusalem and Tel Aviv report cautious in hiring plans, with an outlook of +9%. Certain hiring opportunities are expected in both the north and the south, with an outlook of +8%, in both regions, however employers in the center report the most cautious outlook, of only 2%.

Compared to the third quarter of 2017, hiring prospects are considerably weaker in the center, with a substantial decrease of 13 percentage points. In the north, the outlook decreases by 3 percentage points. At the same time, the outlook for Haifa improved by 3 percentage points. The rest of the regions reported relative stability in their hiring prospects.

Year-over-year, the hiring forecasts have weakened in all six regions. The most significant decrease is reported in the center - 13 percentage points. The outlook weakens by 3 percentage points in Tel Aviv and Jerusalem while in the north and south, employers are reporting a decrease of 2 percentage points.

	Net Employment Outlook, Q4, 2017 *	Net Employment Outlook, Q3, 2017 *	Net Employment Outlook, Q4, 2016 *
Jerusalem	+9%	+8%	+12%
Center	+2%	+15%	+15%
Haifa	+11%	+8%	+12%
North	+8%	+11%	+10%
South	+8%	+9%	+10%
Tel Aviv	+9%	+10%	+12%

*Net Employment Outlook after seasonal adjustment.



Organization-Size Comparisons

Participating employers are categorized into one of four organization sizes: microbusinesses 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.

Employers in all four categories forecast increases in headcount in Q4 2017. Large employers expect an active labor market, with a net employment outlook of +8%, while medium-size employers forecast +7%. Conversely, small-size employers and microbusinesses report an outlook of +5%.

Compared to the previous quarter, large employers report an drastic decrease of 14 percentage points in the outlook, whereas the outlook among medium-size employers, while also decreasing, has decreased by 3 percentage points only. On the other hand, small-size employers and microbusinesses report no change in their employment outlook.

Year-over-year, employment outlooks have decreased in three of the four organization size categories. The large employers report an drastic decrease of 14 percentage points in the outlook, while the outlook among medium-size and small-size employers has decreased by 4 and 3 percentage points in the forecast respectively. Microbusinesses reported no change.

	Employment Outlook, Q4, 2017* *	Employment Outlook, Q3, 2017* *	Employment Outlook, Q4, 2016* *
Microbusinesses (less than 10 employees)	+5%	+5%	+5%
Small businesses (10 to 49 employees)	+7%	+7%	+10%
Medium businesses (50 to 249 employees)	+7%	+10%	_11%
Large businesses (over 250 employees)	+8%	+22%	+22%

*Employment Outlook after seasonal adjustment.

Global employment forecast: the most optimistic forecast is in Greece and Costa Rica; **the least optimistic forecasts** are in India, Peru and the Czech Republic.

The ManpowerGroup survey for the fourth quarter points to a mainly positive trend with employers expecting varying paces of growth in the number of employees in 42 of the 43 countries and territories. Only employers in Switzerland expect no change in the pace of hiring for the fourth



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quarter. As a result, for the first time since Q2 2008 and the global recession that followed, there is not one net negative hiring forecast in any of the 43 countries and territories surveyed. Compared to the results of the previous quarter, the forecasts improve in 23 of the 43 countries and territories, weaken in 13, and remain unchanged in seven. Compared to the same period last year, there is a pattern of increased confidence and improved hiring plans in 25 of the 43 countries and territories, weakening in only 15, and no changes in three. At the global level, very strong hiring plans were reported in Japan, Taiwan, Costa Rica, India and Hungary. The weakest outlooks were reported by Switzerland, Brazil, and the Czech Republic.

Employers in all ten American countries expect their staffing levels to grow, to one extent or another, in the fourth quarter of 2017. Compared to the previous quarter, hiring plans are improving in five countries, weakening in two countries, and remain unchanged in three. Compared to the same period last year, there is an outlook of improvement in six countries compared to a slowdown in four. Employers in Costa Rica and the United States are reporting the strongest hiring plans in the fourth quarter. The weakest hiring plans are expected in Brazil, where employers have been reporting for the second consecutive quarter positive but cautious hiring plans, coming after two years of negative forecasts.

Payrolls are expected to increase in all eight Asia-Pacific countries and territories in the next three months. Compared to the previous quarter, the net employment outlook has improved in only five, weakened in two, and remained unchanged in one. Compared to the last quarter of 2016, the hiring pace is expected to improve in four countries and territories, to decrease in three countries, and remain stable in one country. Employers in Japan and Taiwan report the most optimistic forecasts. The weakest forecasts in the region are reported by employers in China.

Employers in 24 out of 25 countries in Europe, the Middle East and Africa (EMEA) expect their staffing levels to grow. Only the employers in Switzerland expect their staffing levels to remain unchanged. Compared to the previous quarter, hiring plans are improving in 13 countries, weakening in 9 countries, and remain unchanged in three. Compared to the same period last year, there is an outlook of improvement in 15 countries compared to a slowdown in 8 and remain unchanged in two. Job seekers in Hungary can expect the strongest hiring plans in the region for the second consecutive quarter. Employers in Switzerland are reporting the weakest hiring plans in the fourth quarter.

The full results of the quarterly survey for all 43 participating countries and territories, as well as regional and global comparisons, are available at: www.manpowergroup.com/meos. The next ManpowerGroup Employment Outlook Survey will be published on December 12, 2017, and will report on the anticipated job market activity in the first quarter of 2018.

*The interpretation is based on seasonally adjusted data in the relevant locations. The data are not seasonally adjusted, except for Portugal.



About the Manpower Employment Survey Forecast

The Manpower Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease their payrolls during the next quarter. ManpowerGroup's comprehensive hiring intentions survey has been running for over 50 years. It reports the employers' forecasts and is considered 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 Manpower 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 over 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 geographies to provide more detailed information.
- **Focused:** For more than five decades the survey has derived all of its information from a single question:
- For the Q4 2017 survey, all employers participating in the survey worldwide are asked the same question, "How do you anticipate total employment at your location to change in the three months to the end of December 2017 as compared to the current quarter?"

Methodology

- The Manpower 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%.

Net Employment Outlook

Throughout this report, we use the term "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. The 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.

Seasonal adjustments have been applied to the data for all participating countries except Portugal. ManpowerGroup intends to add seasonal adjustments to the data for other countries in the future, as more historical data is compiled. Note that in Quarter 2, 2008, ManpowerGroup adopted the TRAMO-SEATS method of seasonal adjustment for data.

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ManpowerGroup® (NYSE: MAN) is the world's workforce expert, creating innovative workforce solutions. The company assists organizations to change direction in the rapidly changing employment world - through sourcing, evaluation, development and management services of the talents which will facilitate their success. We develop innovative solutions for over 600,000 customers and put over 3 million workers in touch with meaningful, sustainable jobs every day in a wide range of skills and sectors. Through our ManpowerGroup family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – we have been creating greater value for candidates and clients in 80 countries and territories worldwide for close to 70 years. In 2017, ManpowerGroup was named one of the World's Most Ethical Companies for the seventh consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the sector.

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