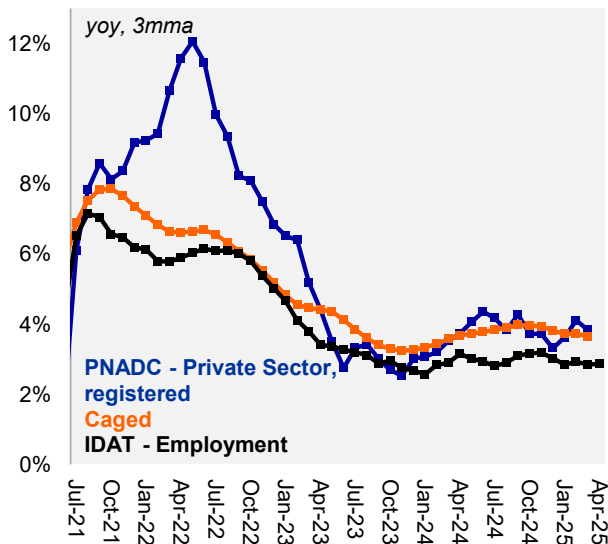


IDAT-Employment and Wage: employed population and wage growth rates accelerated in April

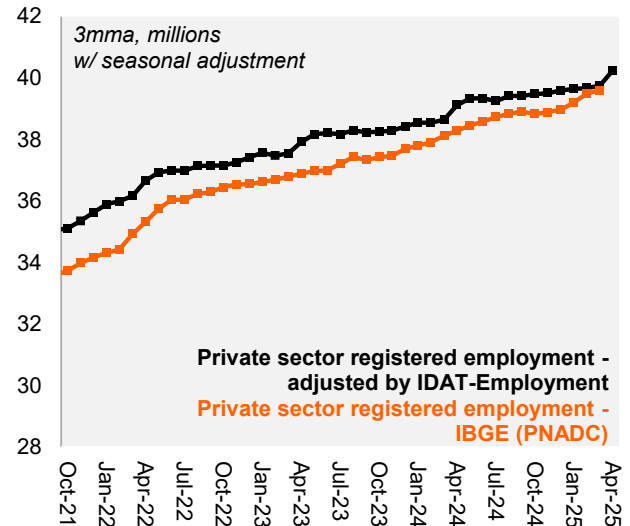
- ▶ In April, the IDAT-Employment, which measures the interannual variation in the stock of formal employment in the private sector, accelerated to 2.9%, from 2.4% in the previous month. The growth rate of the 3-month moving average remained at 2.9%. At the margin, the employed population increased 1.3% compared to the previous month, with seasonal adjustment.
- ▶ The IDAT-Wage, which estimates the interannual change in the average nominal salary of formally hired workers in the private sector, accelerated to 7.7% in April, following a sharp deceleration in March to 1.9%. Recent releases have been registering higher-than-usual volatility due to the payment anticipation in the Carnival holidays, in February-March, by some companies. In the 3-month moving average, which is smoother and may better indicate the underlying trend in terms of volatility, wages accelerated slightly, to 6.3% from 5.8%.
- ▶ **Our view:** The April IDAT-Employment still shows a tight labor market, indicating that the unemployment rate should remain at a low level in the coming months.

IDAT-Employment shows employment stable in the 3-month moving average...



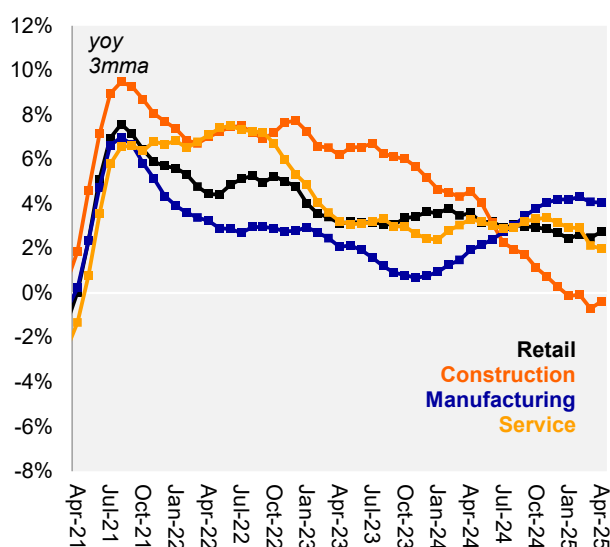
Source: IBGE, Ministry of Labor, Itaú

... with an increase in employment at the margin



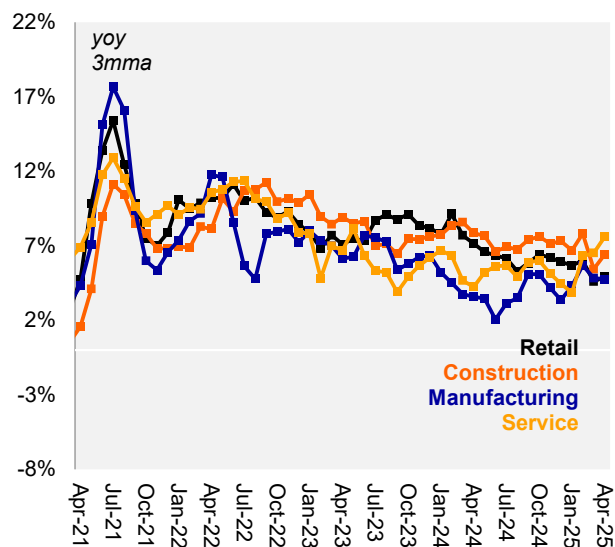
Source: IBGE, Itaú

Civil construction and retail accelerating at the margin



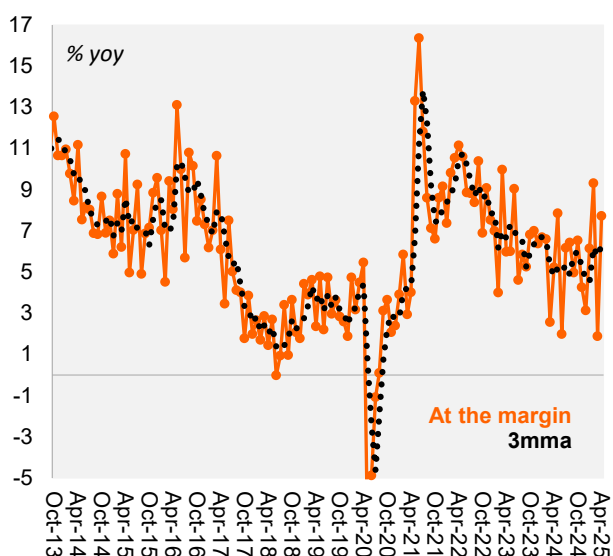
Source: IBGE, Ministry of Labor, Itaú

Widespread wage increases



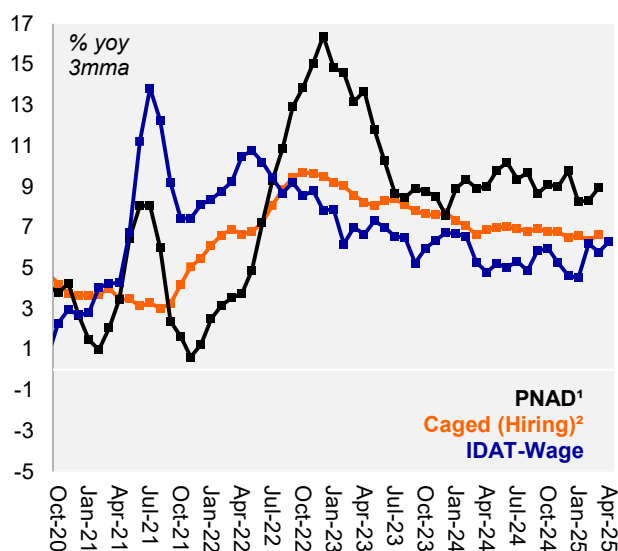
Source: IBGE, Ministry of Labor, Itaú

IDAT-Wages accelerating at the margin...



Source: IBGE, Ministry of Labor, Itaú

..but with a modest increase in the 3-month moving average



Source: IBGE, Ministry of Labor, Itaú

¹ Effective income from all jobs

² Changes are based on the median, starting in 2020

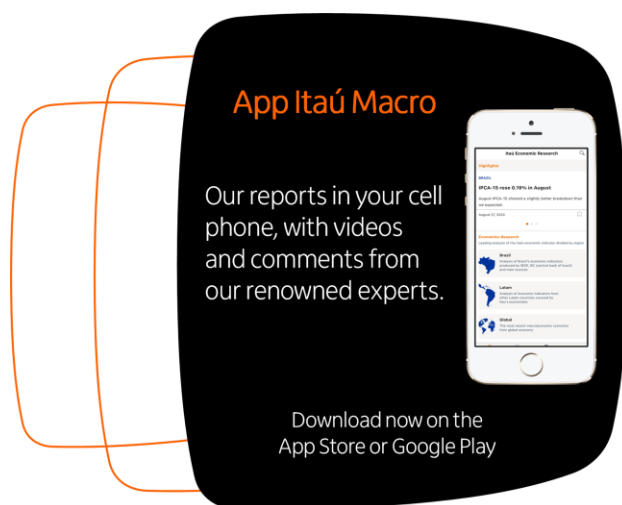
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