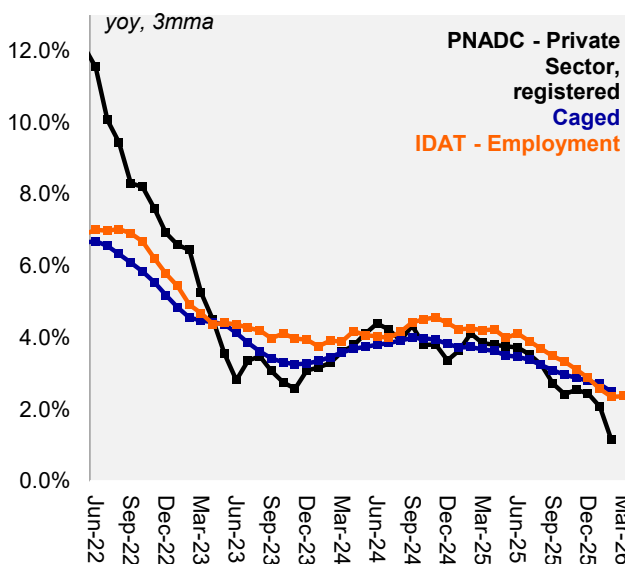


IDAT-Employment and Wage: employment growth remained stable in the three-month moving average in March

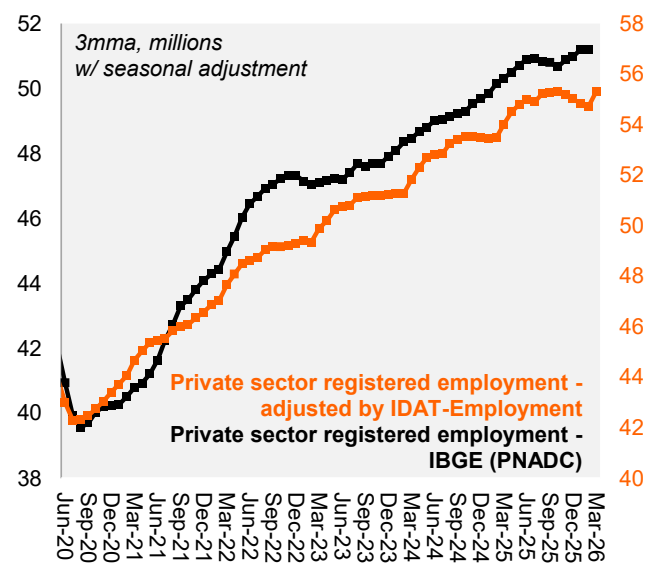
- ▶ In March, the IDAT-Employment, which measures the year-over-year variation in the stock of formal employment in the private sector, showed a stable growth rate in the 3-month moving average at 2.4%. The year-over-year growth rate, in turn, accelerated to 2.9% from 1.9%. At the margin, seasonally adjusted data indicate that the employed population advanced 1.0% compared to the previous month.
- ▶ The IDAT-Wage, which estimates the year-over-year change in the average nominal salary of formally hired workers in the private sector, recorded an acceleration to 6.0% in March from 1.6% in the previous month. It is worth noting that this result should be interpreted with caution due to the Carnival effect, as its timing shifted between last year (March) and this year (February). On a three-month moving average basis, a smoother and more reliable measure during periods of higher volatility, wages continued to show deceleration to 3.6%, from 3.9% in the prior month.
- ▶ **Our view:** The IDAT-Employment showed a stable growth rate in March on a three-month moving average basis, following successive months of deceleration. Given the difference in the Carnival calendar between this year and last year, the three-month average proves to be a more appropriate metric to assess the pace of activity at the start of the year. Wages continued to decelerate on the same metric, following a more pressured year-end. Taken together, the results point to a labor market that remains resilient, but with early signs of deceleration.

IDAT-Employment¹ showed an acceleration in employment in the 3-month moving average...



Source: IBGE, Ministry of Labor, Itaú

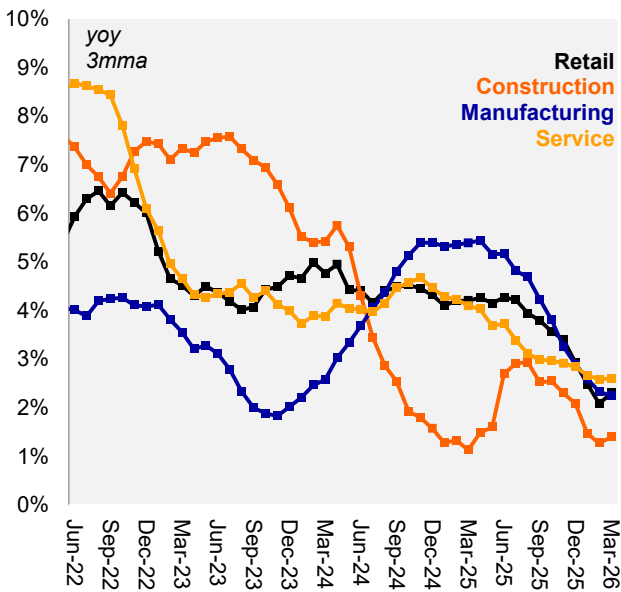
... with the employed population advancing 1.0% at the margin



Source: IBGE, Itaú

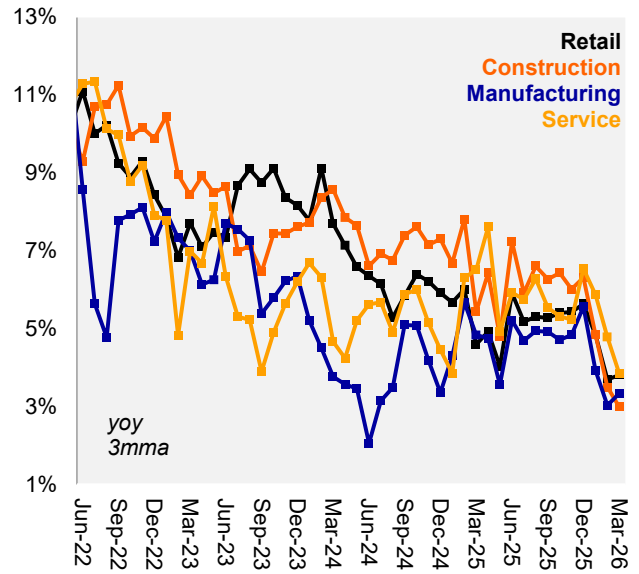
¹ Proprietary indicators on the Brazilian labor market based on payroll processing for Itaú's business clients. For more information, check out our reports [IDAT-Employment](#) and [IDAT-Wage](#).

In employment, the main sectors showed acceleration, with the exception of manufacturing



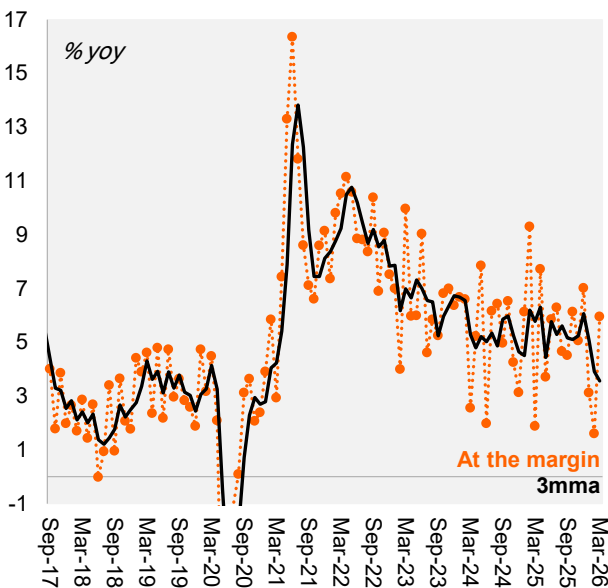
Source: IBGE, Ministry of Labor, Itaú

In wages, retail and manufacturing accelerated, while services and construction decelerated



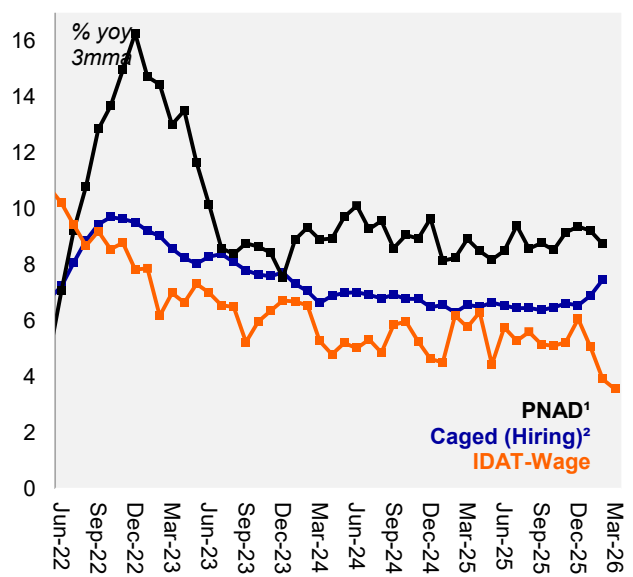
Source: IBGE, Ministry of Labor, Itaú

IDAT-Wage accelerated in March at the margin...



Source: IBGE, Ministry of Labor, Itaú

... with the 3-month moving average still decelerating



Source: IBGE, Ministry of Labor, Itaú

¹ Effective income from all jobs

² Changes are based on the median, starting in 2020

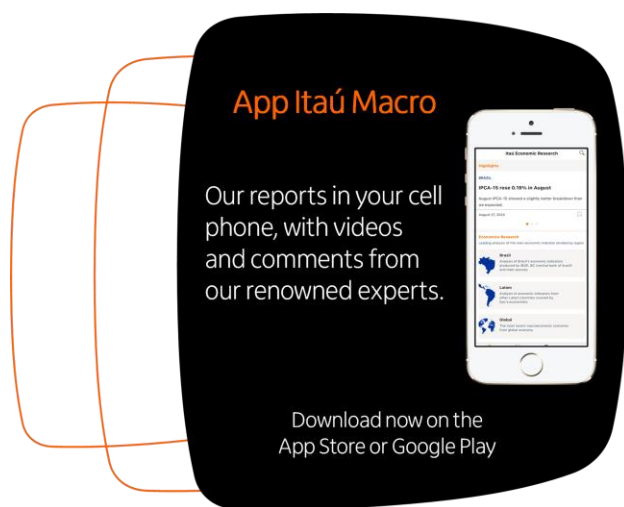
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