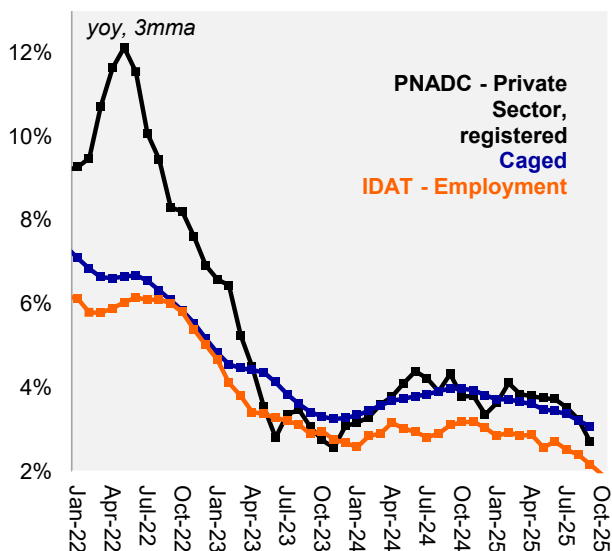


IDAT-Employment and Wage: employment and wages growth rates decelerated in the 3-month average in October

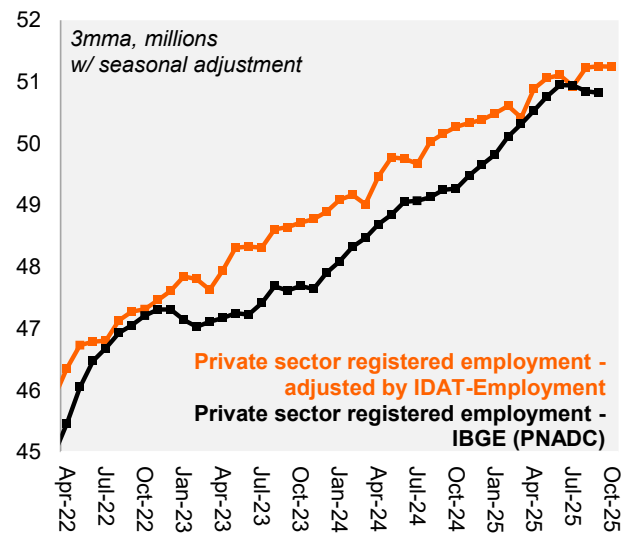
- ▶ In October, the IDAT-Employment, which measures the year-over-year variation in the stock of formal employment in the private sector, slowed to 1.6% from 2.1% in the previous month. The three-month moving average growth rate also showed some deceleration, to 1.9% from 2.2%. At the margin, seasonally adjusted data indicate that the employed population remained stable 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, accelerated to 6.2% in October from 4.5% in the prior month. On a three-month moving average basis, a smoother and more reliable measure during periods of higher volatility, wages showed a slight deceleration to 5.1%, from 5.2% in the previous month.
- ▶ **Our view:** The IDAT-Employment and Wage continued to show early signs of a slowdown in October, although still indicating a resilient labor market. On the three-month moving average, both employment and wages showed mild deceleration. These results reinforce our expectation that the unemployment rate should remain at historically low levels through the end of the year, with a slight increase expected in the coming months.

IDAT-Employment¹ decelerated in the 3-month moving average...



Source: IBGE, Ministry of Labor, Itaú

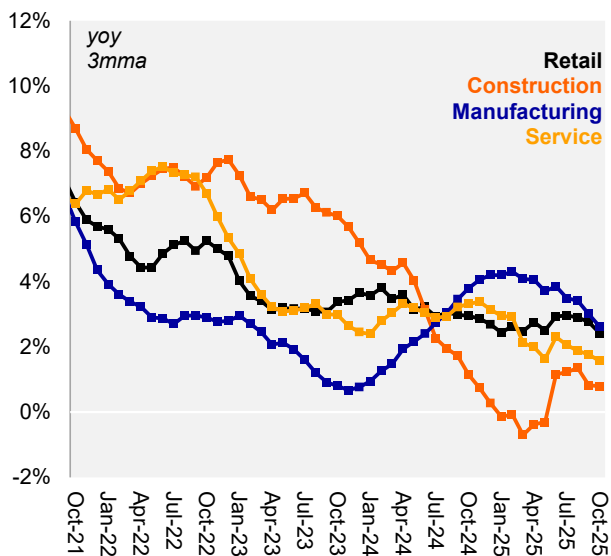
... with the employed population stable at the margin



Source: IBGE, Itaú

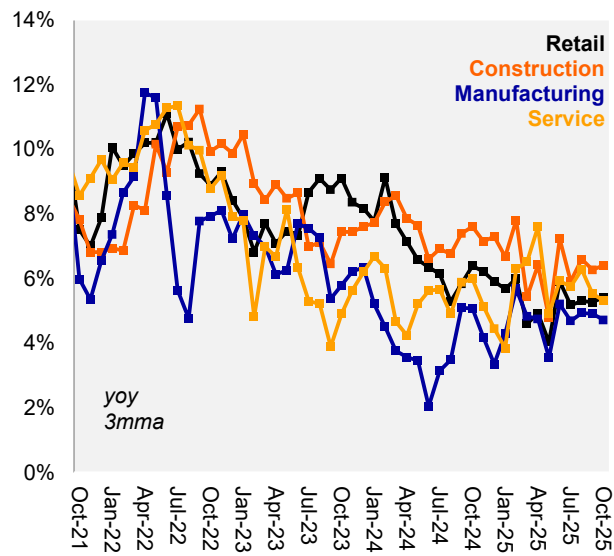
¹ Proprietary indicators on the Brazilian labor market based on payroll processing for Itaú's business clients. For more information, check out our reports [IDAT-Employment](#) and [IDAT-Wage](#).

All sectors showed a deceleration in employment...



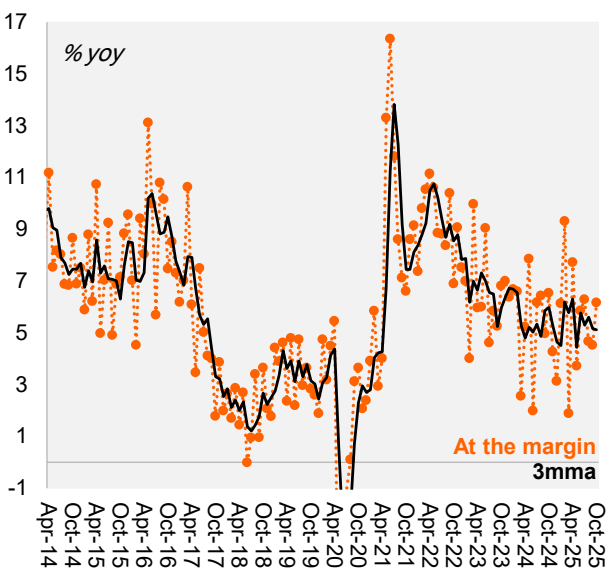
Source: IBGE, Ministry of Labor, Itaú

... while mostly moving sideways in terms of wages



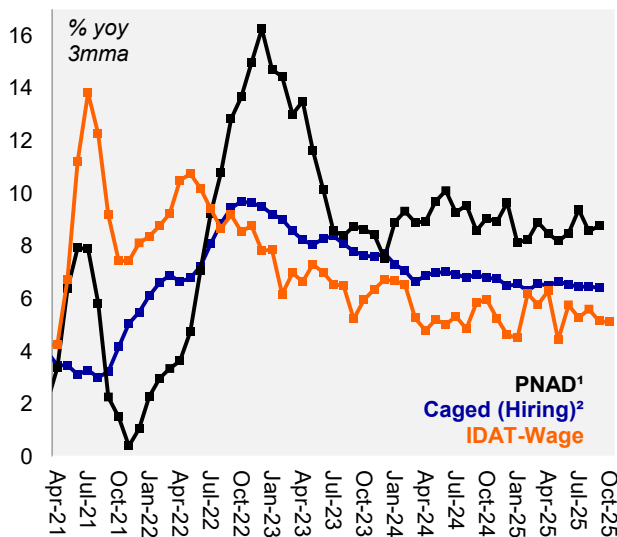
Source: IBGE, Ministry of Labor, Itaú

IDAT-Wages accelerated at the margin...



Source: IBGE, Ministry of Labor, Itaú

... but lost steam 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

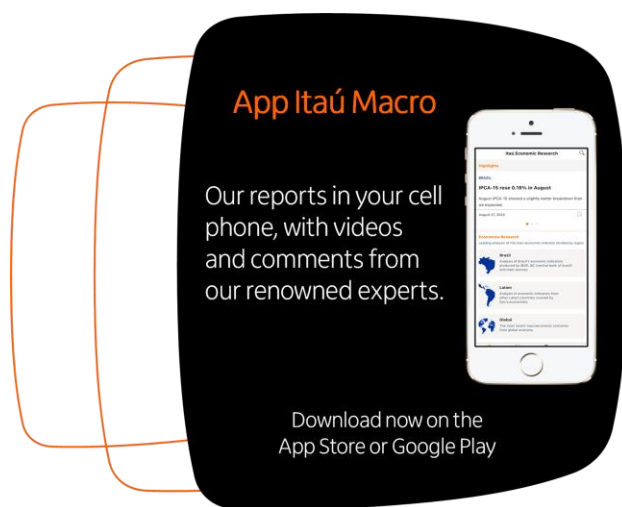
Natalia Cotarelli
Marina Garrido

Macro Research – Itaú

Mario Mesquita – Chief Economist

To access our reports and forecast visit our website:

<https://www.itaubba-pt/macroeconomic-analysis>



Relevant Information

1. This report has been prepared and released by the Macro Research Department of Itaú Unibanco S.A. ("Itaú Unibanco"). This report is not a product of the Equity Research Department of Itaú Unibanco or Itaú Corretora de Valores S.A. and shall not be construed as a research report ("relatório de análise") for the purposes of Article 1 of the CVM Instruction NR. 20, dated 2021.
2. The exclusive purpose of this report is to provide macroeconomics information and it does not constitute and shall not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial product, or to participate in any particular trading strategy in any jurisdiction. The information herein is believed to be reliable as of the date on which this report was released and it has been obtained from public sources believed to be reliable. However, Itaú Unibanco does not make any explicit or implied representation or warranty as to the completeness, reliability or accuracy of such information, nor does this report intend to be a complete statement or summary of the markets or developments referred to herein. Itaú Unibanco has no obligation whatsoever to update, modify or amend this report and inform the reader accordingly.
3. The opinions contained herein reflect exclusively the personal views of the analyst responsible for this report and were prepared independently and autonomously, including in relation to Itaú Unibanco, Itaú Corretora de Valores S.A. and any other companies within their economic group.
4. This report may not be reproduced or redistributed to any other person, in whole or in part, for any purpose, without the prior written consent of Itaú Unibanco. Additional information on the financial products mentioned in this report may be available upon request. Itaú Unibanco and/or any other company within its economic group is not and shall not be liable for any investment decisions (or otherwise) based on the information provided herein.
5. This report may include sections generated with the support of artificial intelligence tools. All content has been reviewed and validated by the authors to ensure the accuracy and integrity of the information presented.

Additional Note: This material does not take into consideration the objectives, financial situation or specific needs of any particular client. Clients must obtain financial, tax, legal, accounting, economic, credit and market advice on an individual basis, based on their personal characteristics and objectives, prior to making any decision based on the information contained herein. By accessing the material, you represent and confirm that you understand the risks related to the financial instruments described in this material and the laws in your jurisdiction relating to the provision and sale of financial service products. You acknowledge that this material contains proprietary information and you agree to keep this information confidential for your exclusive use.

SAC Itaú: For inquiries, suggestions, complaints, criticisms and compliments, talk to Itaú's CICC: 0800 728 0728. Or contact us through our portal <https://www.itaubba-pt/atendimento-itaubba-para-voce/>. If you are not satisfied with the proposed solution, please contact the Itaú Corporate Ombudsman: 0800 570 0011 (on weekdays from 9 AM to 6 PM) or our PO Box 67.600, São Paulo-SP, Zip Code 03162-971. Hearing impaired, every day, 24h, 0800 722 1722.