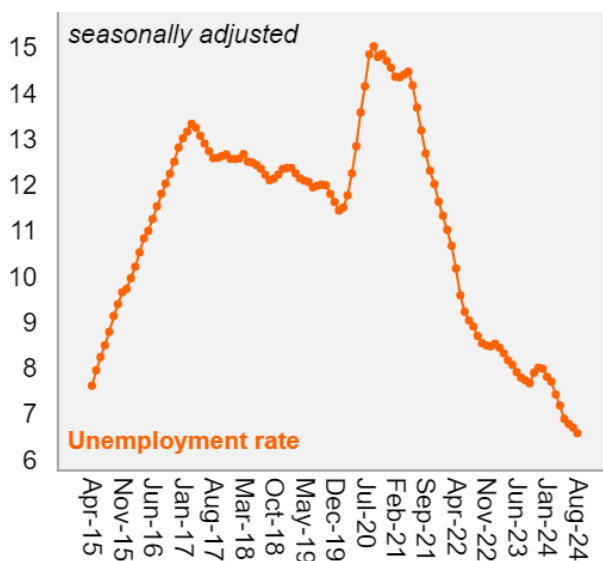


## Unemployment rate declined to 6.6% in August

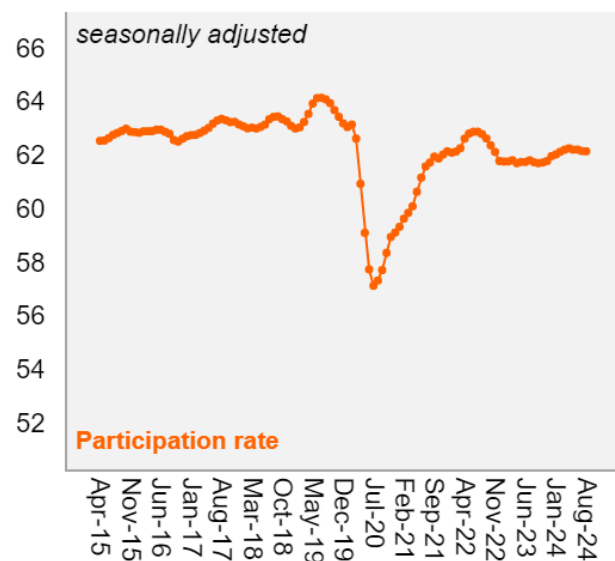
- ▶ In the quarter ended in August, the unemployment rate reached 6.6%, below our call and market forecast (both at 6.7%). Seasonally adjusted (our estimates), the unemployment rate declined to 6.6%, from 6.7% in the quarter ended in July.
- ▶ The unemployment rate fell due to the expansion of employment (+0.2% mom/sa), which more than offset the increase of the labor force (+0.1% mom/sa). The participation rate was unchanged at 62.1%. The employed population grew in the formal and, mainly, informal sector (+0.1% and +0.4%, respectively).
- ▶ The effective real wage bill moved up 0.7%, driven by stronger employment figures combined with rising wages (+0.4% mom/sa).
- ▶ **Our view:** today's data continue to indicate a tight job market. The unemployment rate declined once again to 6.6% (seasonally adjusted), this time driven more by the informal sector, while the participation rate remained stable. Effective real wages rose again, after a small decline in July, reflecting the dynamism of the labor market. The same behavior was observed for the wage bill.

Unemployment rate declined to 6.6% s.a. in August



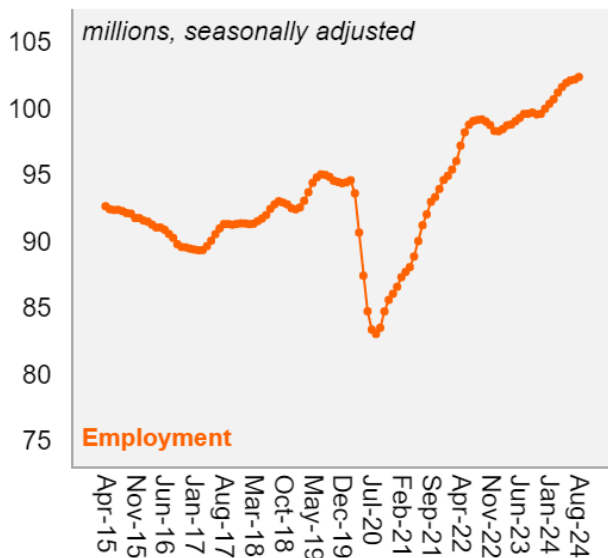
Source: IBGE, Itaú

Participation rate was stable



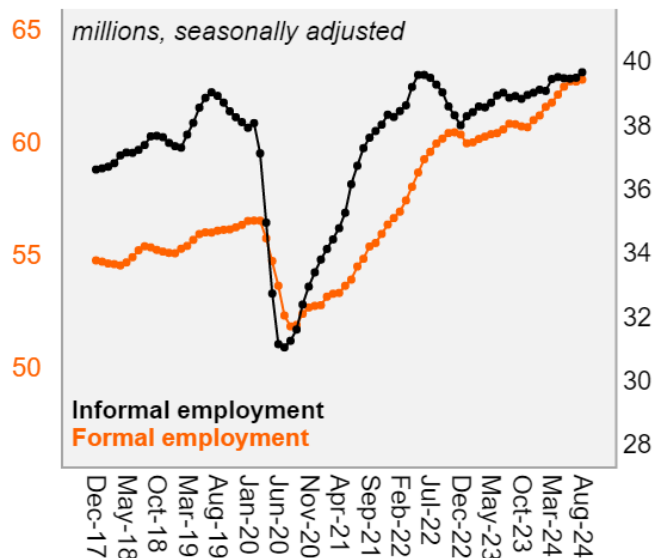
Source: IBGE, Itaú

**Employment moved up**



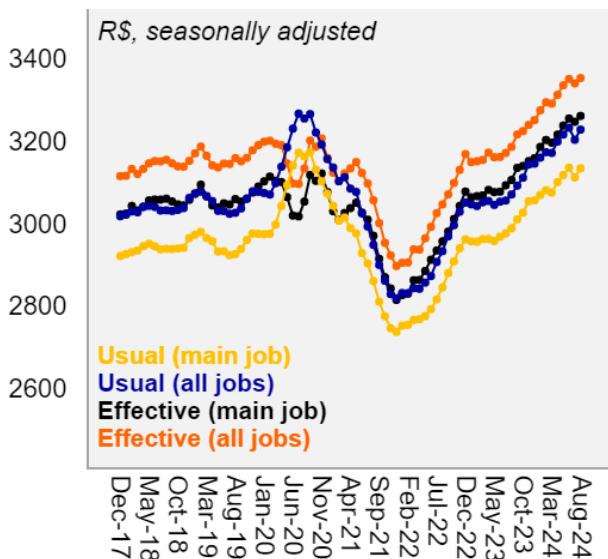
Source: IBGE, Itaú

**Formal vs. informal employment**



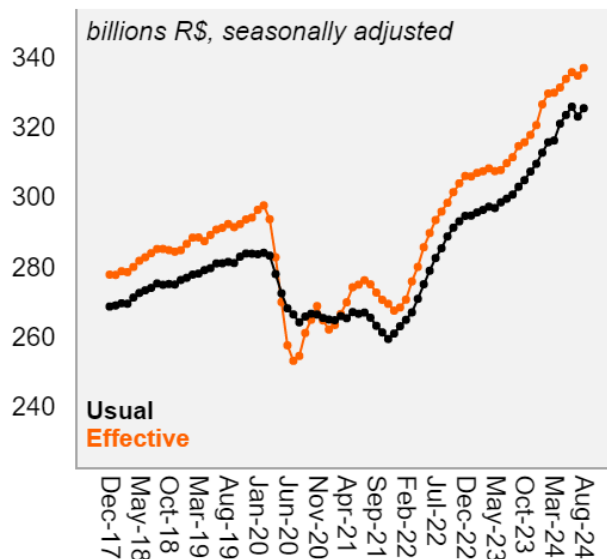
Source: IBGE, Itaú

**Real wages**



Source: IBGE, Itaú

**Real wage bill (all jobs)**



Source: IBGE, Itaú

PNAD (IGBE)	Rate (s.a.)			YoY		
	Jun-2024	Jul-2024	Aug-2024	Jun-2024	Jul-2024	Aug-2024
<b>Breakdown</b>						
Unemployment rate	6.8%	6.7%	6.6%	-1.1p.p.	-1.1p.p.	-1.2p.p.
Participation rate	62.2%	62.1%	62.1%	0.5p.p.	0.4p.p.	0.5p.p.

Source: IBGE, Itaú

PNAD (IGBE)	Vs. the quarter ended in the previous month (s.a.)			YoY		
	Jun-2024	Jul-2024	Aug-2024	Jun-2024	Jul-2024	Aug-2024
<b>Breakdown</b>						
Labor Force	0.1%	-0.0%	0.1%	1.7%	1.5%	1.6%
Employment	0.2%	0.1%	0.2%	3.0%	2.7%	2.9%
Formal Employment	0.4%	-0.0%	0.1%	3.9%	3.6%	3.3%
Informal Employment	-0.0%	0.1%	0.4%	1.5%	1.3%	2.2%
Real usual wages (all jobs)	0.5%	-0.9%	0.8%	5.8%	4.8%	5.0%
Real effective wages (all jobs)	0.5%	-0.3%	0.4%	6.1%	5.2%	5.2%
Real effective wage bill (all jobs)	0.6%	-0.3%	0.7%	9.5%	8.3%	8.5%

Source: IBGE, Itaú

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