

## Formal employment – The manufacturing sector continues to drive the labor market

March 13, 2015

- **Formal employment (February): 133,691 new jobs; previous: 59,784**
- **The services sector generated 52,439 new jobs, while industrial activities added 68,624 jobs**
- **In our opinion, February’s figures add to the evidence of better growth dynamics for the Mexican economy in the beginning of the year**

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According to the Ministry of Labor, **133,691 new formal jobs were created in February**. From this figure, 90,600 were permanent jobs, while 43,091 temporary jobs were created. Year-to-date 193,475 new jobs have been created, which is significantly higher than the 147,538 new jobs generated in the same period of 2014. Moreover, year-to-date 53% of the total job creation has been permanent employments (labor contracts made for an indefinite period of time).

**By sector, services generated 52,439 new jobs while industrial activities added 68,624 jobs.** Within this sector, manufacturing activities added 41,499 new jobs, while the construction sector generated 26,870 jobs. We highlight that during the first two months of 2015, the industrial sector has generated 76.5% of the total job creation, while the services sector has contributed to 7.6% (please refer to the table below).

**Formal job creation by sector: February 2015**

Monthly change	Feb-15	Feb-14	Jan-Feb'15	Jan-Feb'14
<b>Total</b>	<b>133,691</b>	<b>120,873</b>	<b>193,475</b>	<b>147,538</b>
<b>Primary activities</b>	<b>12,628</b>	<b>17,950</b>	<b>30,722</b>	<b>29,906</b>
<b>Industrial production</b>	<b>68,624</b>	<b>41,645</b>	<b>147,983</b>	<b>114,573</b>
Mining	-180	144	542	-720
Manufactures	41,499	33,254	99,742	82,258
Construction	26,870	8,291	50,184	35,036
Utilities	435	-44	-2,485	-2,001
<b>Services</b>	<b>52,439</b>	<b>61,278</b>	<b>14,770</b>	<b>3,059</b>
Trade	15,300	15,572	-32,006	-40,957
Communications and transportation	5,888	3,559	4,838	3,536
Personal, firms, and household's services	18,923	23,468	4,787	-4,372
Social and community services	12,328	18,679	37,151	44,852

Source: INEGI

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**We believe that February's figures add to the evidence of better growth dynamics for the Mexican economy in the beginning of the year.**

Employment in the manufacturing sector continues to grow, given that year-to-date this sector has generated 99,742 new jobs. We highlight that manufacturing production has managed to sustain the better growth dynamics observed in the Mexican economy in recent months. Moreover, employment in services has shown a favorable performance, while employment in the construction sector has maintained an upward trend. This implies that the pace of growth in domestic demand has remained relatively stable during the first two months of the year. Looking ahead, we believe that the better growth prospects of Mexico's labor market will result in higher growth of the Mexican economy.

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