

## June's unemployment rate practically without change

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- **Unemployment rate (June): 4.41%; Banorte-Ixe: 4.27%; consensus: 4.34% (range of estimates: 4.2% to 4.5%); previous: 4.45%**
- **In seasonally adjusted terms, the unemployment rate marginally decreased 0.02%-pts. to 4.39%**
- **Part-time workers: 8.6% (previous: 7.56%); participation rate: 59.68% (previous: 59.53%; seasonally adjusted figures)**
- **Looking ahead, we believe that the unemployment rate will remain around current levels**

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The unemployment rate stood at 4.41% in June, above our 4.27% estimate (consensus: 4.34%; previous: 4.45%). This number implies a 0.41%-pts reduction on an annual basis. Moreover, the participation rate increased 0.33%-pts., along with part-time workers rate edging up to 8.38% from 7.57% in June 2014 (refer to the table below).

INEGI's employment report: June 2015  
nsa

%	Jun-15	Jun-14	Jan-Jun, '15
Unemployment rate (EAP)	4.41	4.82	4.31
Participation rate	60.11	59.78	59.44
Part-time workers rate	8.38	7.57	8.16

Source: INEGI

In seasonally adjusted terms, the unemployment rate marginally decreased 0.02%-pts. reaching 4.39%. The participation rate remain in the area of 59.68%, while the part-time workers rate edged up to 8.6% from 7.6% as shown in the table below.

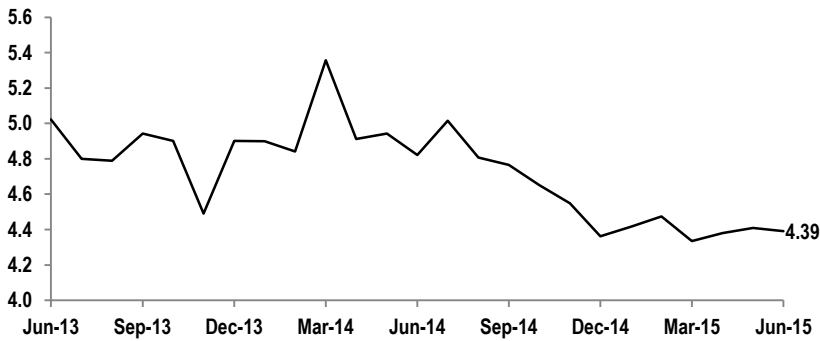
INEGI's employment report: June 2015  
Seasonally adjusted figures

%	Jun-15	May-15	Difference
Unemployment rate (EAP)	4.39	4.41	-0.02
Participation rate	59.68	59.53	0.15
Part-time workers rate	8.60	7.56	1.04

Source: INEGI

**Unemployment rate: June 2015**

% sa



Source: INEGI

**Looking ahead, we believe that the unemployment rate will remain around current levels.** In our view, the marginal decrease in the unemployment rate (seasonally-adjusted figures) was partially explained by the better growth dynamics in the Mexican economy. In particular, the creation of formal jobs continues to show a higher rate of growth, while the increase observed in the participation rate suggests that a significant percentage of Mexican workers are entering the labor market given the better growth outlook that prevails in most of the economic agents.

Looking ahead, we believe that the unemployment rate will probably remain at current levels during the third quarter of 2015, given that the initial recovery of the Mexican economy usually translates first in an increase in the participation rate. Moreover, it is likely that Mexico's better growth dynamics will eventually result in a better performance of the labor market.

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