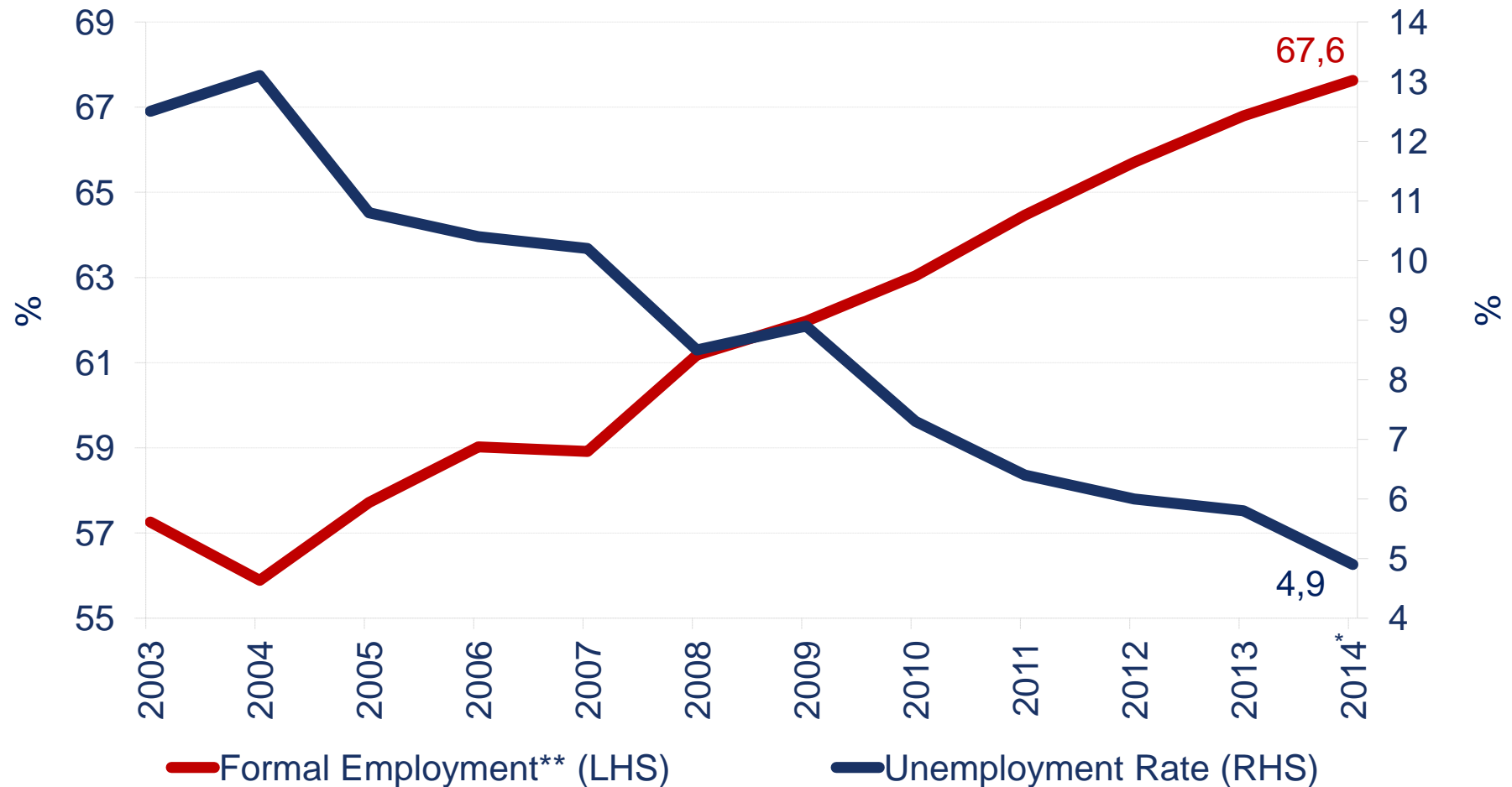


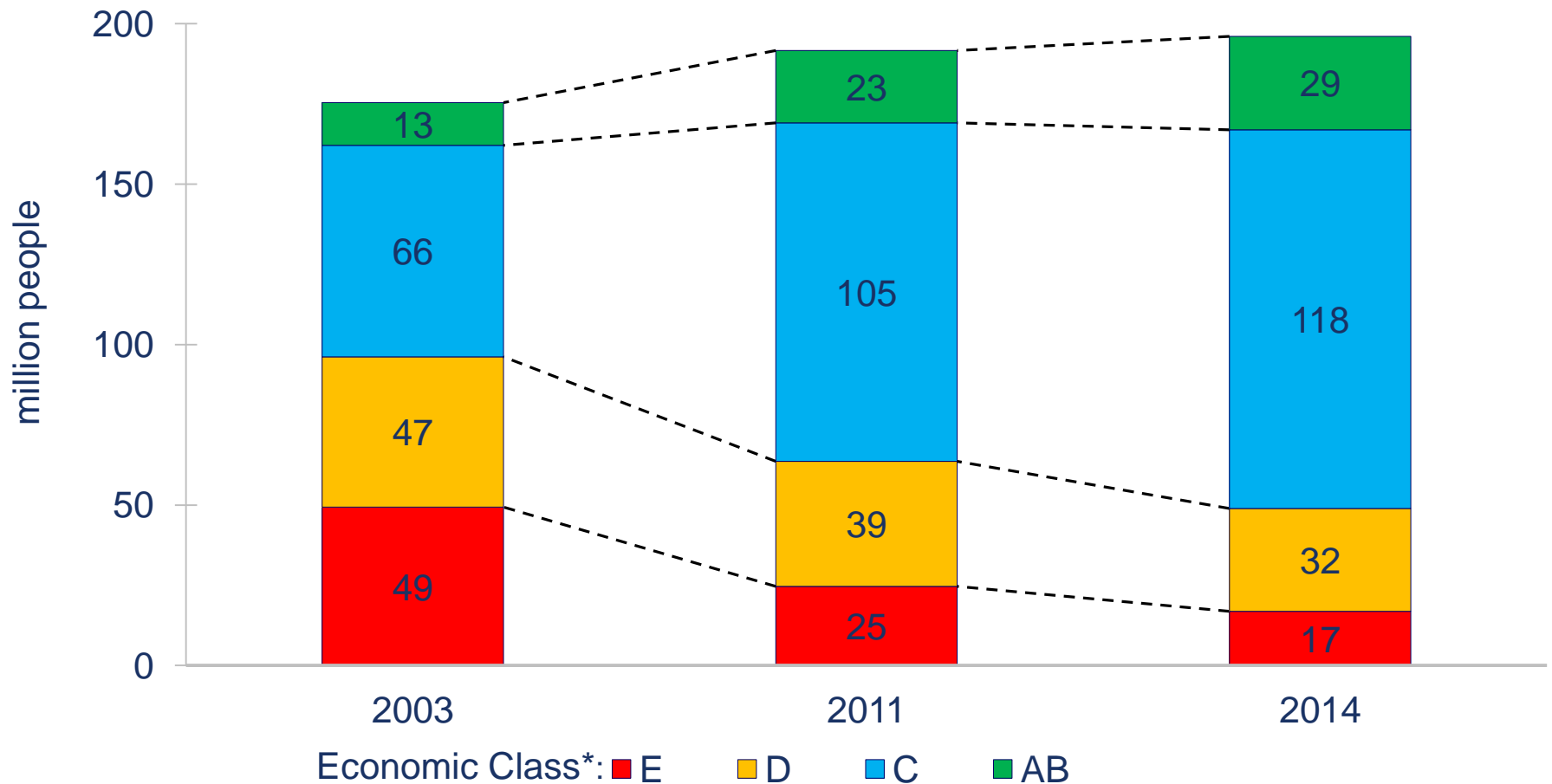
# Labor Market Improved Over Past Decade



\* In April (last complete data available). Each observation refers to the same month to avoid seasonality for comparability.

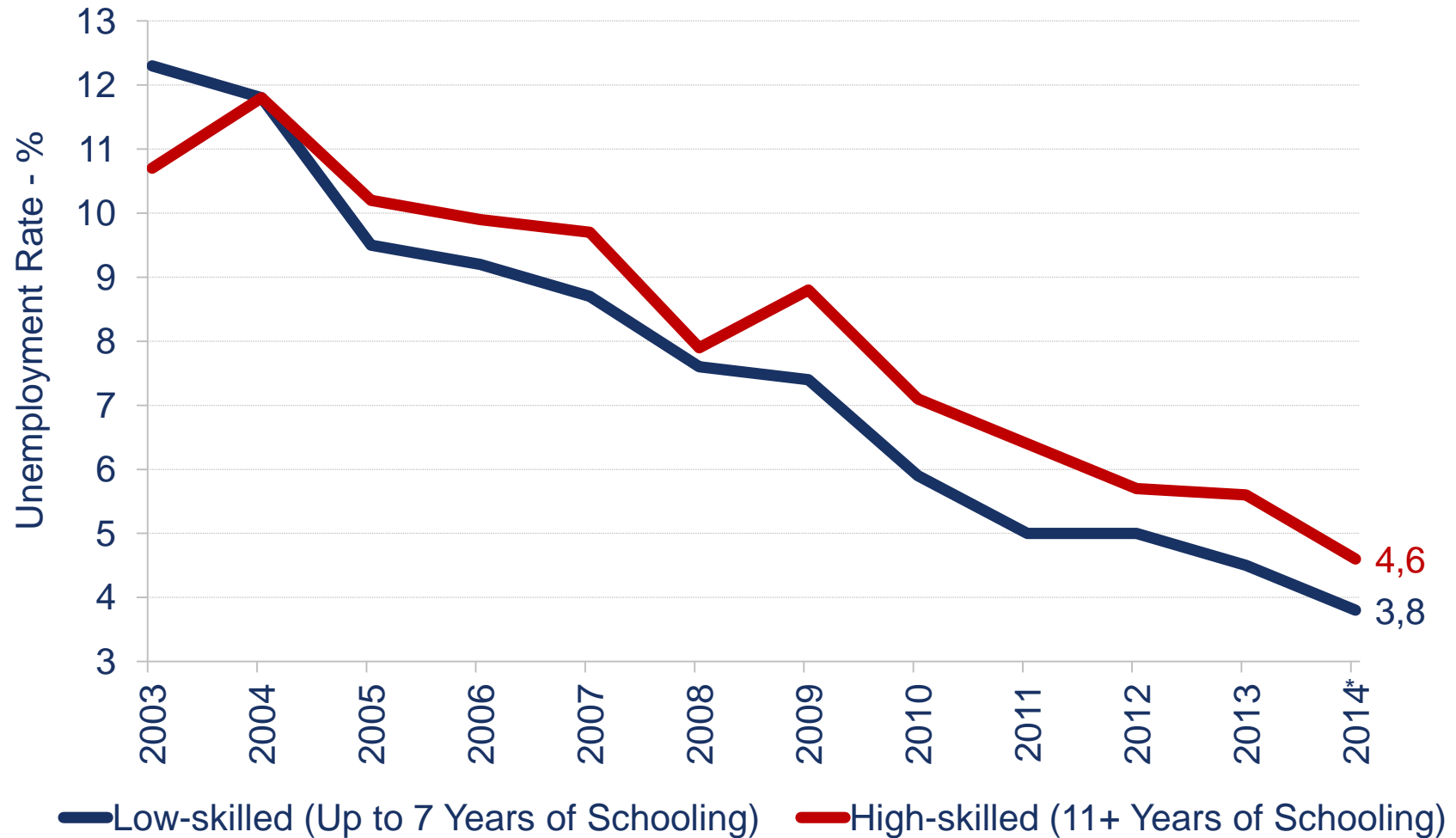
\*\* Formal Employment / Total Employment. The formal employment includes formal employees in the private and public sectors and formal employers in the private sector.

# Expanded Middle Class



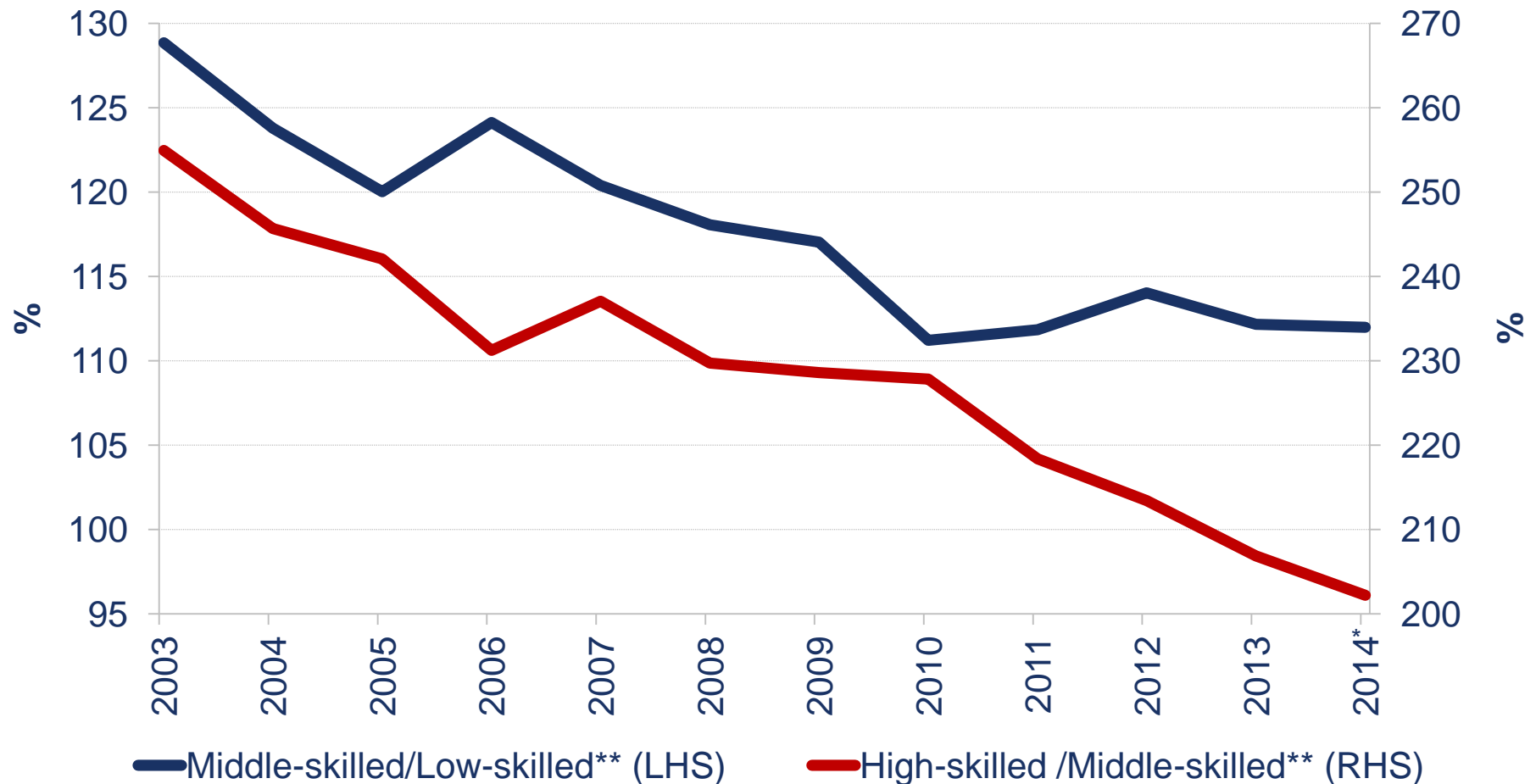
\* The economic classes are calculated in terms of per capita household income from all sources. Average per capita household income by class is approximately (at 2009 prices – in R\$): E – 75; D – 210; C (middle class) – 580; AB – 2,615. In 2009, the middle class comprised approximately people between the 50% and 90% percentiles of per capita household income.

# Unemployment Fell More for Less Skilled Workers



\* In April (last complete data available). Each observation refers to the same month to avoid seasonality for comparability.

# Education Wage Premium Fell (From a High Level)

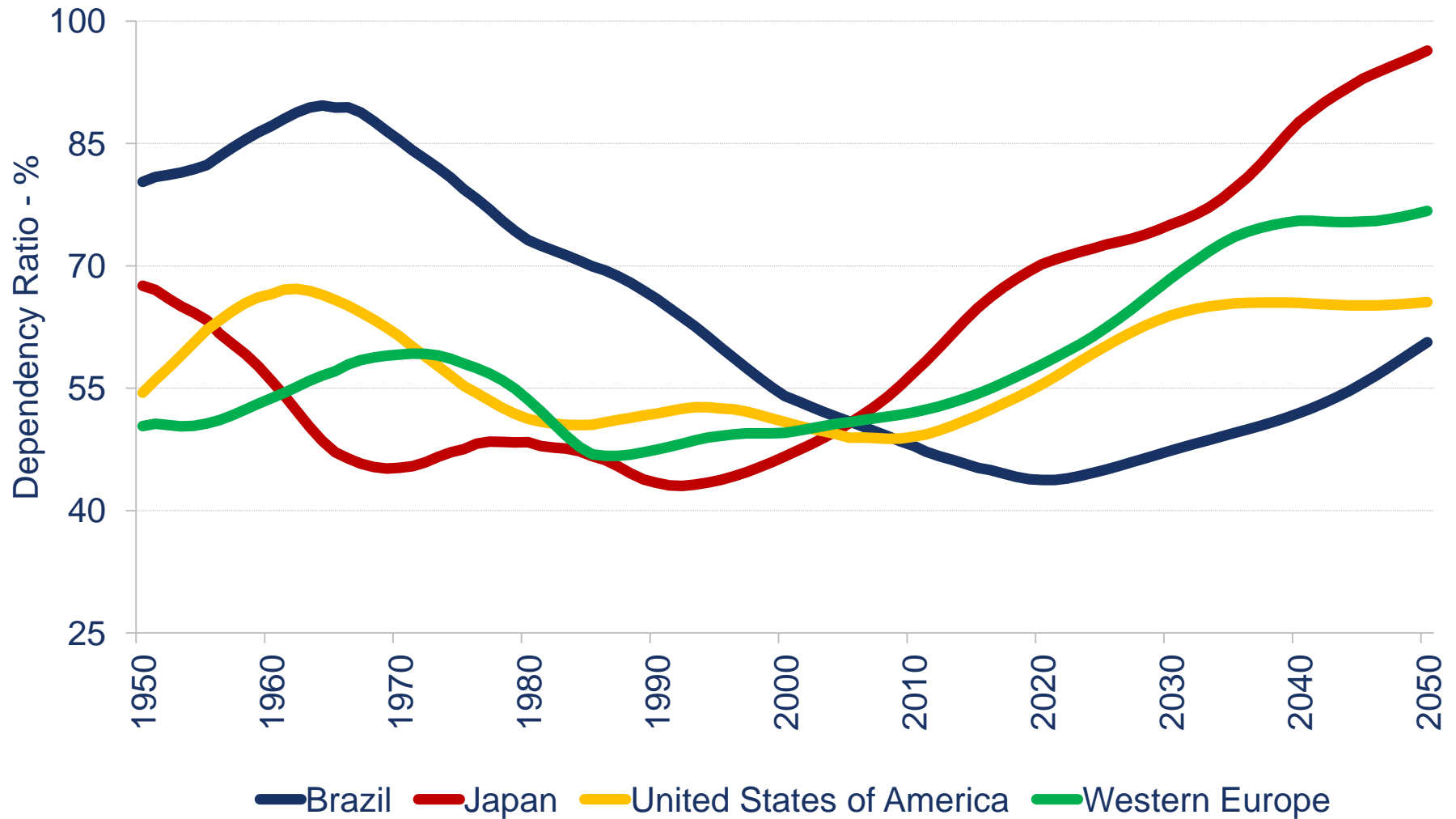


\* In April (last complete data available). Each observation refers to the same month to avoid seasonality for comparability

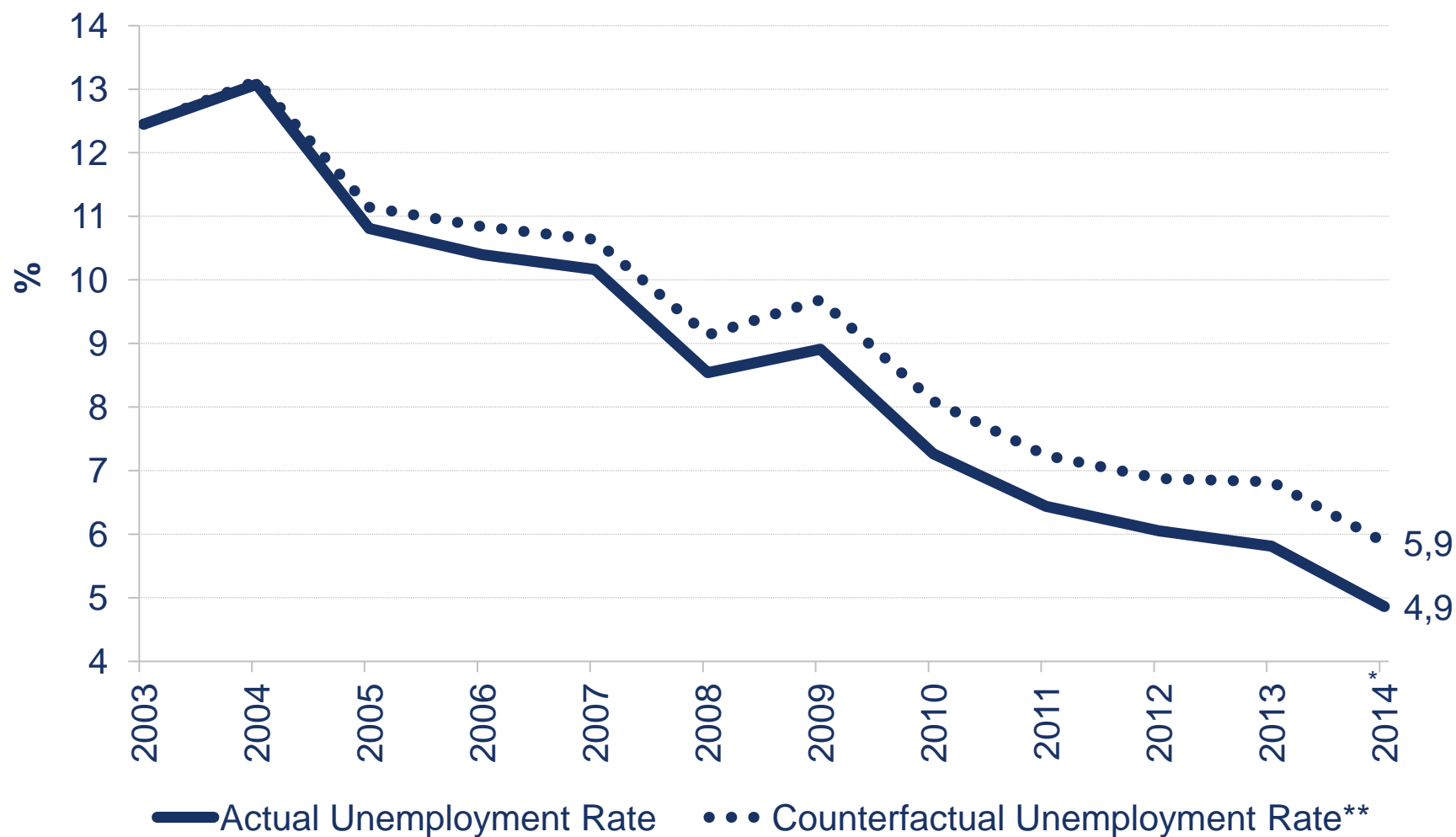
\*\* Ratio of average wages by skill group.

# Middle-skilled: From 8 to 10 years of schooling.

# Demographic Transition: Brazil at an Earlier Stage



# Demographic Transition Helped Lower Unemployment



\* In April (last complete data available). Each observation refers to the same month to avoid seasonality for comparability.

\*\* Aggregate Unemployment Rate, such that the labor-force shares of age groups are fixed at the 2003 level.