

12 AUGUST 2009

## ROBERT WALTERS ASIA JOB INDEX Q2 2009

*Robert Walters, the international recruitment consultancy, today publishes its Asia Job Index for the second quarter of 2009. The Robert Walters Asia Job Index tracks advertisement volumes for professional positions across the leading job boards and national newspapers in Hong Kong, Singapore, China and Japan.*

## KEY FINDINGS:

- The total number of job advertisements placed in Q2 2009 increased by 6.4% compared with Q1 and increased by 2.9% during the quarter.
- Q2 saw an overall decline in job advertisements in May compared with April, before moving up again in June. The May holiday season in China was the main reason for this downturn.
- Increased IPO activity in Hong Kong in June drove an upturn in financial services recruitment advertising.
- Singapore saw an increase in both corporate and consumer spending, creating higher demand for jobs.
- In China, hiring times are accelerating. High levels of activity in retail and IT sectors.
- The severe decline experienced in Japan in Q1 was arrested, but the number of advertisements still fell by 3.4% during the quarter, indicating that recruitment activity in Japan remains selective.
- Some evidence of global organisations relocating staff to Asia, reducing demand for external candidates.
- The fluctuation of the advertising figures during Q2 2009 suggests that, while the quarter ended slightly higher, there is still plenty of caution being exercised around recruitment activity.

## THE ROBERT WALTERS ASIA JOB INDEX

The Robert Walters Asia Job Index indicates that the total number of advertisements for professional positions in Q2 2009 was 6.4% higher than the total posted in Q1. Q2 tends to be a “fuller” quarter, with more working days than Q1. Q1, by contrast, suffers from a slow return to full activity following Christmas and New Year and Chinese New Year at the end of January also has a significant impact. Consequently, organisations only begin their recruitment activity in earnest in the middle of February.

In April 2009, the number of roles advertised in all 4 regions continued the upward movement that was seen in Q1 compared to Q4 2008. In Hong Kong and Singapore, this trend continued throughout the quarter, with Hong Kong 11.2% ahead and Singapore 10.7% higher in June than in April. However, the May holiday season in China and continued slowness in the Japanese market meant that May showed a slight decline in those areas. A resurgence of activity in June allowed China to finish the quarter 2.5% higher. In Japan, June was slightly stronger, but the number of advertisements was still 3.4% down in June compared to April.

## Month by month analysis of job advertisements for professional positions placed in Q2 2009 / Q1 2009:

	Hong Kong *	Singapore	Japan	China	TOTAL
January 2009	70,530	48,711	89,429	1,426,731	1,635,401
February 2009	98,913	57,486	83,423	1,829,883	2,069,705
March 2009	100,593	57,755	62,754	1,865,932	2,087,034
<b>Total in Q1 2009</b>	<b>270,036</b>	<b>163,952</b>	<b>235,606</b>	<b>5,122,546</b>	<b>5,792,140</b>
April 2009	93,665	56,103	79,902	1,869,374	2,099,044
May 2009	96,737	58,809	75,423	1,676,407	1,907,376
June 2009	104,155	62,108	77,196	1,915,657	2,159,116
<b>Total in Q2 2009</b>	<b>294,557</b>	<b>177,020</b>	<b>232,521</b>	<b>5,461,438</b>	<b>6,165,536</b>
<b>% change Q1 2009 - Q2 2009</b>	<b>9.1%</b>	<b>8.0%</b>	<b>-1.3%</b>	<b>6.6%</b>	<b>6.4%</b>
<b>% change April 2009 - June 2009</b>	<b>11.2%</b>	<b>10.7%</b>	<b>-3.4%</b>	<b>2.5%</b>	<b>2.9%</b>

The above data is illustrated in charts on pages 5 and 6 below.

**Sector Analysis - number of jobs advertised for professional roles, Q1 2009**

	Hong Kong Q2 2009			% change	Singapore Q2 2009			% change
	April	May	June	April - June	April	May	June	April - June
Retail Servicing / Sales / Business Development	11,555	12,039	13,086	13.2%	8,247	9,245	9,629	16.8%
Property Management	1,217	1,178	1,189	-2.3%	454	408	431	-5.1%
Operation (Product, Logistics)	4,951	5,082	5,573	12.6%	3,926	4,201	4,553	16.0%
Merchandising / Purchasing	5,099	5,359	5,804	13.8%	601	601	687	14.3%
Lawyer / Solicitor / Barrister / Compliance Officer	574	621	692	20.6%	268	286	262	-2.2%
IT Supervisor/ Manager / Programmer / Database Administrator	6,430	6,029	6,056	-5.8%	5,025	5,561	5,856	16.5%
Human Resources / Training	1,258	1,201	1,361	8.2%	2,745	3,067	3,112	13.4%
Engineer / Surveyor / Architect / Technician	9,667	10,316	10,868	12.4%	9,210	9,799	9,883	7.3%
Editor / Reporter	477	340	419	-12.2%	177	165	176	-0.6%
Customer Service / Account Servicing	2,403	2,558	2,745	14.2%	2,473	2,474	3,007	21.6%
Consultant / Analyst	2,496	2,558	2,742	9.9%	1,036	977	1,104	6.6%
Art / Design / Creative	2,037	2,014	2,472	21.4%	1,063	998	1,248	17.4%
Advertising, Marketing	5,156	5,707	6,411	24.3%	2,739	2,664	2,906	6.1%
Administration / Clerical / Secretarial	8,730	8,641	9,383	7.5%	3,690	3,827	4,207	14.0%
Accounting / Finance	14,421	16,990	16,691	15.7%	8,170	8,343	8,267	1.2%
Others	18,625	18,335	20,748	11.4%	7,127	7,587	7,972	11.9%

	China Q2 2009			% change	Japan Q2 2009			% change
	April	May	June	April - June	April	May	June	April - June
Retail Servicing / Sales / Business Development	544,167	392,795	556,708	2.3%	27,266	25,956	25,524	-6.4%
Property Management	0	2	0	0.0%	53	62	61	15.1%
Operation (Product, Logistics)	203,426	210,508	228,996	12.6%	164	162	202	23.2%
Merchandising / Purchasing	17,297	14,281	12,610	-27.1%	0	1	2	200.0%
Lawyer / Solicitor / Barrister / Compliance Officer	4,513	3,868	4,198	-7.0%	93	85	104	11.8%
IT Supervisor/ Manager / Programmer / Database Administrator	190,473	190,275	197,508	3.7%	3,941	3,622	3,577	-9.2%
Human Resources / Training	91,299	92,448	95,818	4.9%	136	119	190	39.7%
Engineer / Surveyor / Architect / Technician	186,949	179,947	191,558	2.5%	12,577	10,998	11,148	-11.4%
Editor / Reporter	47,925	45,469	48,741	1.7%	55	87	60	9.1%
Customer Service / Account Servicing	30,845	28,522	29,814	-3.3%	50	60	88	76.0%
Consultant / Analyst	53,554	54,322	57,864	8.0%	701	766	864	23.3%
Art / Design / Creative	32,983	32,080	33,775	2.4%	1,485	1,507	1,511	1.8%
Advertising, Marketing	211,142	204,328	217,418	3.0%	338	326	462	36.7%
Administration / Clerical / Secretarial	44,985	40,820	43,196	-4.0%	2,885	3,254	3,392	17.6%
Accounting / Finance	130,904	124,407	125,928	-3.8%	2,028	1,749	2,047	0.9%
Others	78,912	62,335	71,525	-9.4%	28,261	26,942	28,126	-0.5%

\* excludes Merchandising / Purchasing

## MARKET COMMENTARY

Advertising for professional positions across Asia in Q2 2009 showed a moderate increase overall, although the monthly figures in each of the territories shows a very mixed performance. The Easter period in April had some impact in Hong Kong and Singapore, while the May holiday had more of an affect in China.

As a result, it would be premature to regard the increase in the number of advertisements in Q2 as the start of a sustained recovery. It is clear that organisations remain cautious as to the general economic outlook, although there has undoubtedly been a pick-up in recruitment advertising activity.

Mark Ellwood, Managing Director, Robert Walters Asia (ex. Japan), comments: *"The second quarter of the year is usually a truer indication of the overall state of the market than the first quarter, which can be distorted by a late return to work from the Christmas and New Year break and, in Asia, the effect of Chinese New Year. Generally, we saw an upward trend in the placing of job advertisements through the quarter, more notably in Hong Kong and Singapore. One trend which was discernible throughout Asia was a tendency of organisations to relocate staff internally to offices in Asia. This impacted recruitment activity generally and is perhaps indicative of the overall cautionary lesson to be drawn from these figures. The recent market rallies may be sustainable, but we have to be wary of the "double dip" effect. It is therefore too early to say if the increasing upward trend of job advertisements seen at the end of the second quarter will continue throughout the year."*

In **Hong Kong**, a fairly cautious "wait and see" approach was adopted by most organisations in April. Smaller businesses, in particular, have had to manage their costs extremely carefully and this led to a reduction in advertising spend. Since then, however, there has been some return of confidence, with more companies seeking stockmarket listings on the Hong Kong Stock Exchange in June than in the entire previous 12 months. This has had a knock-on effect in recruitment in Financial Services, with an increase in demand for candidates in front and back office positions, in such areas as Risk, Compliance, Product Control and IT. Banks are looking to achieve growth, but with much greater levels of efficiency. Increasingly stringent financial reporting requirements are also producing a greater demand for candidates in IT and broader professional services.

Matthew Bennett, Managing Director at Robert Walters Hong Kong, comments: *"The strong performance of Hong Kong's stockmarket has encouraged the financial services sector to start planning for growth, but the emphasis has been on efficient expansion. While the banks are making a number of selective hires, they appear to be exercising a certain degree of caution and we would expect this to continue for a while yet. Our experience shows that commerce and industry tends to lag behind the banks, which suggests that we will not see large increases in overall advertising activity for the remainder of the year."*

The Easter break and school holidays had some impact in **Singapore**, which explains the slight downturn in April. However, there has been evidence since then of an increase in marketing and advertising, suggesting that businesses are starting to spend more money on business generation. The logistics industry is also showing more activity after the shipping downturn. In financial services, there are fewer examples of hiring freezes, and a greater level of visibility, as organisations look to make strategic hires. Activity in sales and marketing continues to be robust. The construction industry is active, as a number of retailers are bringing new developments to completion. There has also been some evidence of property developers marketing new builds in response to demand from buyers looking to reinvest gains made on the stockmarket.

Andrea Ross, Managing Director, Robert Walters Singapore, comments: *"The increase in recruitment advertising seen in Q2 has been reflected in overall market sentiment. There is evidence of more commercial confidence and a degree of cautious optimism and the conversations we are having suggest that clients perhaps have a clearer long term view than previously."*

In **China**, the figures for May were heavily affected by the holiday break, although the sharp upturn in June continued a general upward trend that began in Q1 and the June figures were the highest experienced for any single month in the last three quarters. The retail industry showed signs of continued strength, with a number of chains and fashion stores opening not only in the main cities such as Shanghai and Beijing, but in other cities such as Suzhou. Retail sales have been strong and there has been aggressive recruitment activity in a variety of positions, including business development. In IT, there has been quite a continuation of the trend of outsourcing into China, especially into Dalian, where IT is being heavily promoted by local government. There is also evidence of large healthcare businesses looking to expand into China. One anomaly has been in Merchandising and Purchasing which saw a significant drop in advertising: this is a knock-on effect from the reduction in demand from western consumers and its impact on manufacturing in China.

Carter Yang, Director of Robert Walters China, comments: *“We have seen an increase in levels of confidence with demand in the retail and marketing sectors noticeably stronger. It’s interesting to note the increasing support that the IT industry is enjoying and the higher levels of demand for suitably qualified IT contractors. In general, there appear to be a greater willingness amongst organisations to release and advertise roles and subsequently hiring times are beginning to reduce.”*

In **Japan** recruitment activity continues to be very selective with the number of job advertisements decreasing over the quarter. On a sector by sector basis, accounting and finance remains quite resilient, with increasing regulatory pressures ensuring that demand for suitably qualified candidates, especially bi-lingual candidates, remains relatively strong. There has been evidence of Japanese organizations outsourcing a high proportion of their IT work abroad, especially to China, leading to reduced demand for IT personnel. Part of the reason for this has been the continued strength of the yen, making the outsourcing of IT increasingly attractive. Demand has increased for roles in HR and Training, suggesting that businesses are starting to strengthen their personnel departments in anticipation of future hiring.

Kevin Gibson, Managing Director of Robert Walters Japan, comments: *“Although the number of advertisements for jobs in Japan has decreased, our own experience suggests that specialist recruiters have been more active in Q2 than in Q1. Part of the reason for this is that targeted headhunting plays an important part in the recruitment of Japanese professionals, so a trusted recruiter can be far more effective than the placement of a direct print or online advertisement. We are also seeing that some organizations are experiencing pressure to ease the burden placed on existing resource from earlier job cuts and are now starting to address that problem.”*

## NOTES FOR EDITORS

Robert Walters is the leading professional recruitment firm in the Asian market and currently has an office footprint covering Hong Kong, Singapore, China, Japan, Malaysia and Thailand.

## METHODOLOGY

Robert Walters specialises in recruitment at a mid-senior executive level and is able to provide commentary on key trends across this segment of the market. The Robert Walters Asia Jobs Index tracks advertisements by number in the executive appointments sections of the following:

<p><b>Hong Kong</b> Classified Post Career Times (Friday Edition) www.careertimes.com.hk www.monster.com.hk www.jobmarket.com.hk www.jobsdb.com.hk www.classifiedpost.com www.jobs.gov.hk/eng</p>	<p><b>Singapore</b> Straits Times (Daily) www.jobstreet.com.sg www.monster.com.sg www.jobscentral.com.sg www.jobsDB.com.sg www.ST701.com.sg</p>
<p><b>China</b> www.51job.com www.chinaHR.com www.zhaopin.com career.ceonline.com www.jobchina.net</p>	<p><b>Japan</b> Asahi Shinbun (Sunday &amp; Monday morning edition) Nihon Keizai Shinbun (Sunday morning edition) rikunabi-next.yahoo.co.jp doda.jp employment.en-japan.com www.indivision.jp www.careercross.com/en</p>

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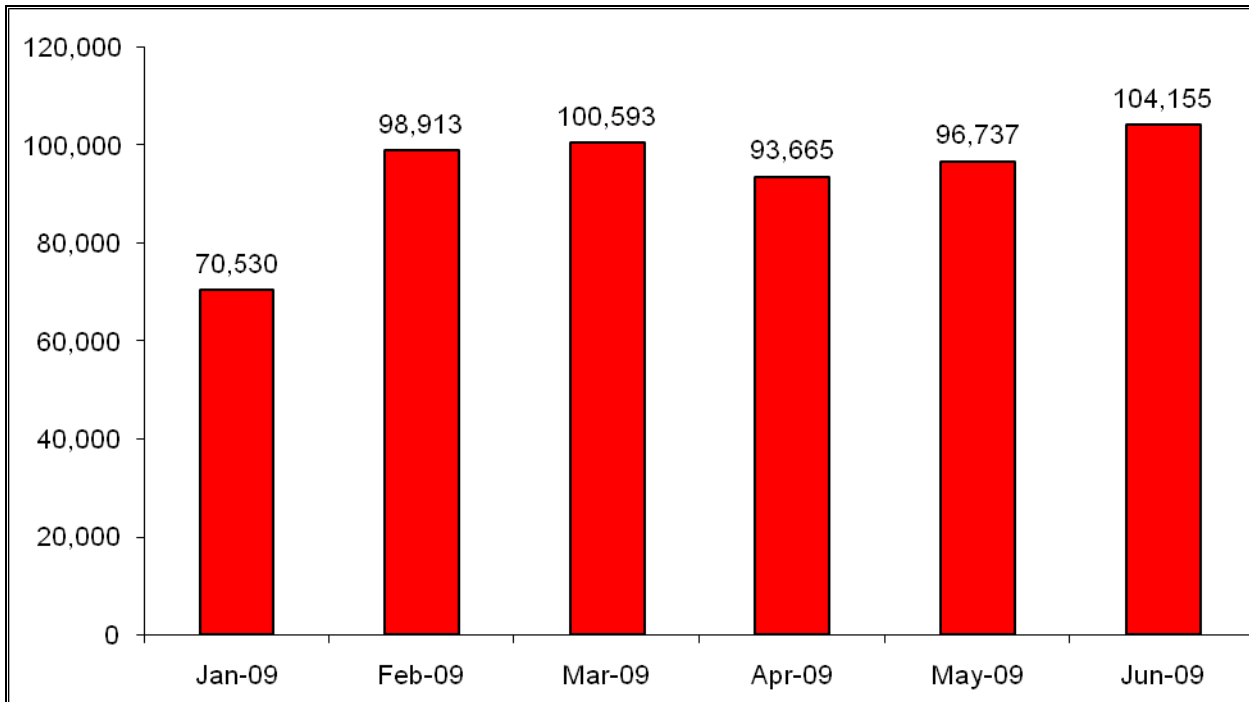
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Kevin Gibson, MD, Robert Walters Japan

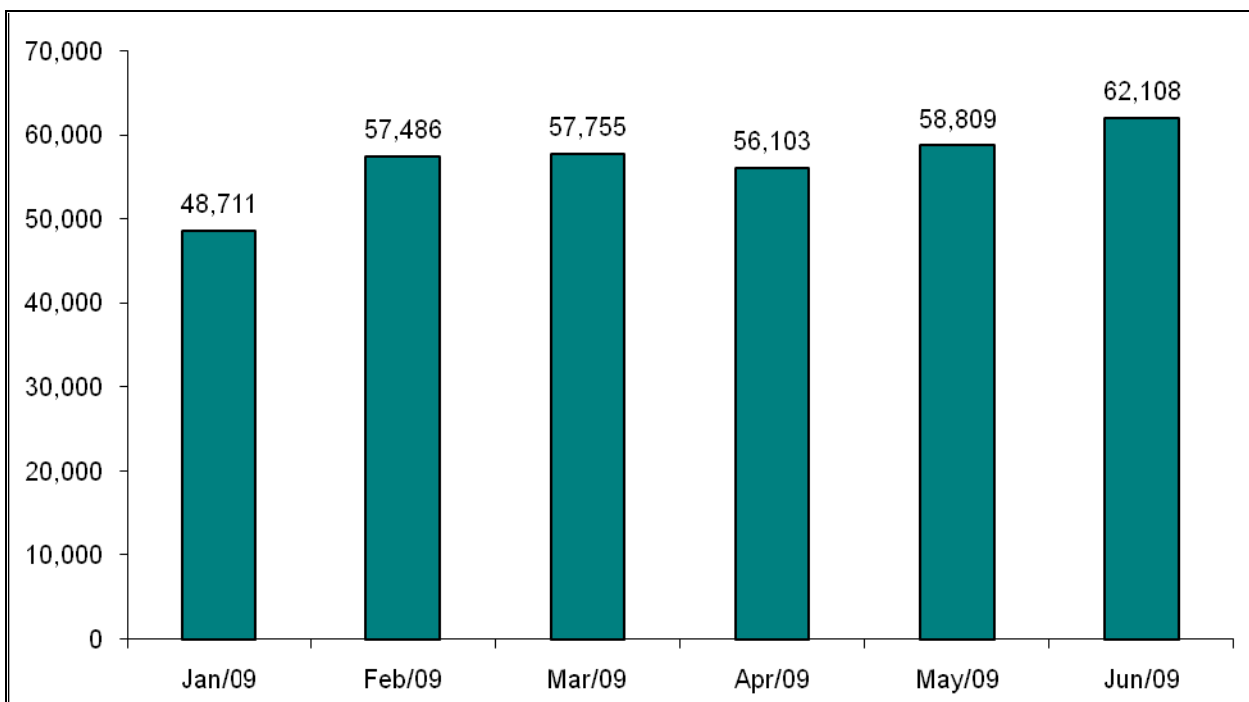
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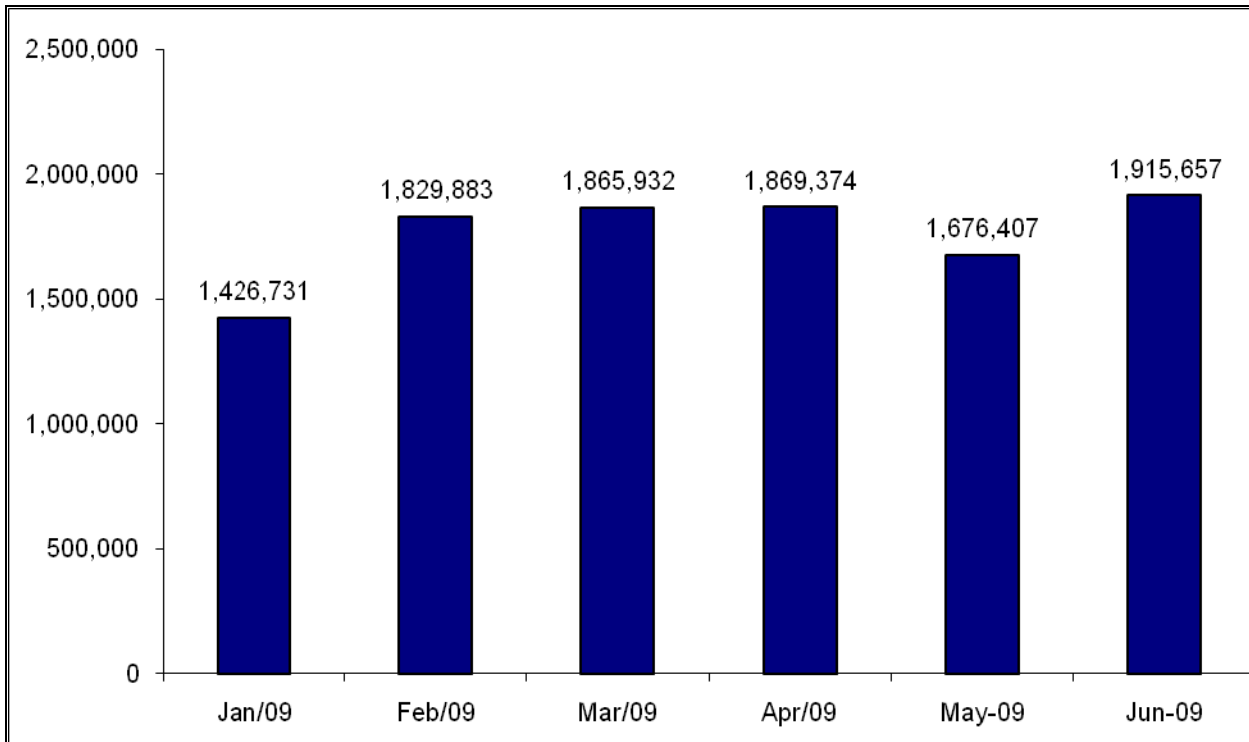
**Hong Kong: Job advertisements for professional positions placed in both print and online media, January 2009 - June 2009**



**Singapore: Job advertisements for professional positions placed in both print and online media, January 2009 - June 2009**



**China: Job advertisements for professional positions placed in both print and online media, January 2009 - June 2009**



**Japan: Job advertisements for professional positions placed in both print and online media, January 2009 - June 2009**

