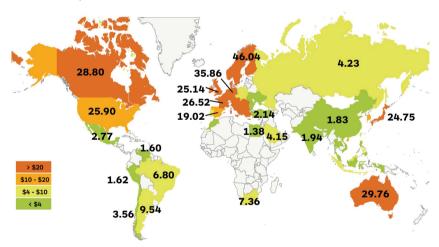


IHS PRICING AND PURCHASING

Manage labor costs and make smarter strategic sourcing decisions

Global labor markets are tightening making it difficult and expensive to hire workers. An aging workforce in developed economies has reduced the number of available qualified workers. In emerging markets, high inflation, minimum wage increases, and government policies are supporting strong wage growth despite slowing economic activity. Over the last ten years labor costs in China tripled, and are on-track to surpass many Eastern European, Asian, and South American countries. Understanding wage movements across geographies is essential for decision making and cost savings.

Global compensation rates, manufacturing sector (U.S. dollars per hour)



Supply chain professional sourcing trends*

50% Sourcing 40% or more of their labor, materials, and finished goods from abroad

Manufacturing some products abroad

69% Expect China to have the most labor and economic market volatility in the next 24 months

 $^{^{\}ast}$ Data from the 2015 Global Sourcing & Supply Chain Risk Survey conducted by IHS and Supply & Demand Chain Executive Magazine

IHS Global Manufacturing Compensation Report

Understanding the true costs associated with doing business in another country is imperative to making the right decisions. We provide 10-year forecasts for wages and compensation for top manufacturing locations enabling smarter, more informed decision making. Tables and analysis cover wages, compensation, productivity, exchange rates, and inflation.

The Global Manufacturing Compensation Report and Tables provide more accurate compensation estimates than broad inflation rates or historical trends.

- Written analysis examines global wage trends with a particular focus on the United States, Canada, Europe, and Asia
- Analysis includes discussion of benefits and productivity and impact on overall compensation
- Detailed compensation tables with 10-year forecasts for manufacturing wages and total compensation
- Regional outlooks showcase wage differentials across China, Mexico, and the United States

Let our strengths be your advantage

- Make informed manufacturing and sourcing strategy decisions with full insight into how labor markets and productivity will change in the coming 10 years
- Analyze key manufacturing and sourcing centers based on projected changes to wage rates and compensation costs
- Benchmark labor market costs across over 50 critical manufacturing countries

ABOUT IHS

IHS (NYSE: IHS) is the leading source of insight, analytics and expertise in critical areas that shape today's business landscape. Businesses and governments in more than 150 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS is committed to sustainable, profitable growth and employs about 8,800 people in 32 countries around the world.

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