

Job Offers in the UK Financial Services Sector increase marginally

Powerchex finds that recruitment activity sustains positive growth as the end of 2009 approaches

London, December 15th 2009. New figures released by Powerchex, the leading pre-employment screening firm for financial services, show a 2% increase in job offers from the previous month raising hopes of a lasting economic recovery.

Investment banks, hedge funds and stockbrokerage firms - hardest hit by the recession - all showed significant increases in recruitment from the previous months, with investment banks leading the war on talent by increasing their offers by 15%. Investment managers did not contribute to the increase as job offers to the sector decreased by 15% (see figure 1).

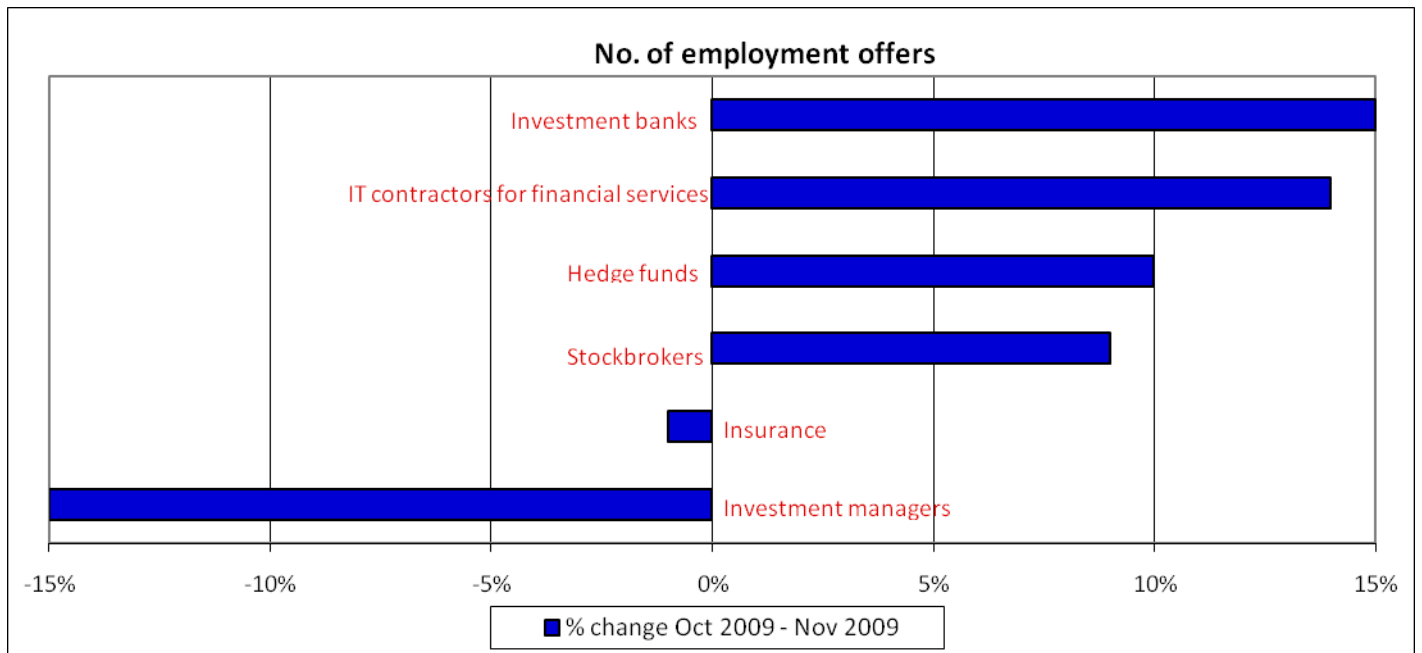
Job gains were also produced in the IT contractor market, mostly reflecting the recommencement of IT projects that had fallen by the wayside due to the recession. However, daily rates have been slashed as there are far more job applicants than there are jobs. The future could prove challenging as well with the Organisation for Economic Co-operation forecasting that UK unemployment will increase to a rate of 9.3% in 2010 and to 9.5% the year after.

“There appears to be a direct correlation between job offers confirmed and optimism in the economy” says Powerchex MD Alexandra Kelly. “City firms do not want to lose out on talent as the economy improves, so they are ready to resume recruitment. Their optimism however is fragile, and even on a week-to-week basis they can change their recruitment goals as the news about the economy vacillates.”

“There is some evidence of stabilisation but it remains to be seen just how durable this proves to be” says Kelly. “Financial services is the primary engine for growth in the UK; when the City thrives the UK economy grows. It is as simple as that; but in a pre-election climate, the government is introducing policies that can drive talent away from the City and to more welcoming jurisdictions.”

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Figure 1. % Change in Employment offers in the Financial Services Sector from October 2009 to November 2009



NOTES TO EDITORS:

About Powerchex

Powerchex is the UK's premier pre-employment screening firm for financial institutions. Based in the City of London, Powerchex checks the background, employment history, criminal records and professional qualifications of applicants on behalf of financial institutions. It sets the industry benchmark of 5 days for a background check.

www.powerchex.co.uk.