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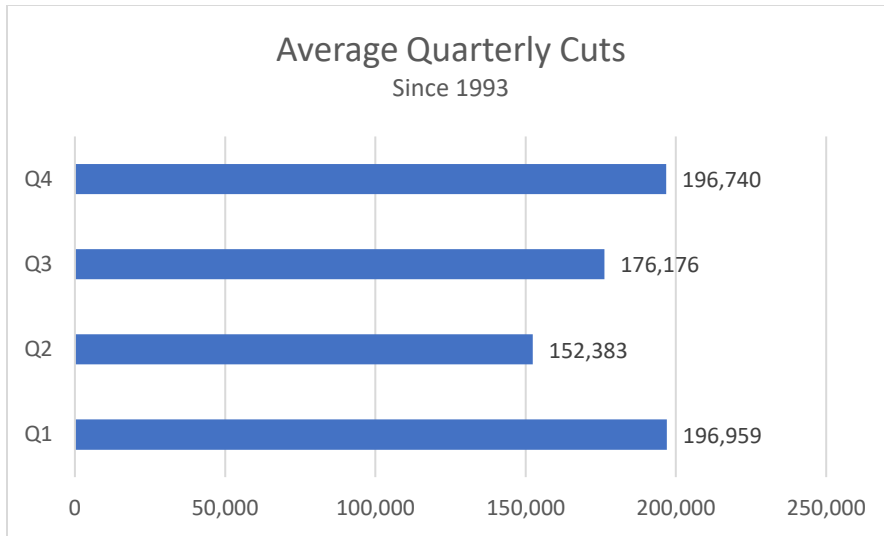
### **JOB CUTS JUMP 18 PERCENT IN JUNE TO 37,202; UP 8 PERCENT YEAR OVER YEAR**

**CHICAGO, July 5, 2018** – Job cuts announced by U.S.-based employers rose 18 percent, from 31,517 in May to 37,202 in June, according to a report released Thursday by global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

Last month's job cuts were up 19.6 percent from the 31,105 announced in the same month last year.

"In a tight labor market, it's no surprise employers are hanging on to their current workforces, as four months of this year have seen job cut totals under 40,000. However, in the wake of announced tariffs, we may be entering a period of increased cuts going forward," said John Challenger, Chief Executive Officer of Challenger, Gray & Christmas, Inc.

The second quarter saw 25.3 percent fewer cuts than the previous quarter. Employers announced 140,379 cuts in the first quarter compared to 104,800 in Q2. Second quarter cuts are up 4 percent from the 100,799 announced in the second quarter of 2017. On average, employers announce fewer cuts in the second quarter.



Source: Challenger, Gray & Christmas, Inc.

Despite the quarterly drop, employers have announced 245,179 cuts through June, 8 percent more than the 227,000 cuts announced through June of last year.

Retailers continue to lead in job cuts with 73,066 announced so far this year, 16,540 of which were announced in the second quarter. That is a 77.4 percent drop. So far this year, Challenger has tracked nearly 2,600 announced store closures.

“Cuts at retailers are considerably lower in the second quarter than in the first. While the pivot in retail is still causing a spate of store closures, retailers are finding other positions for their current workforces, as new technology enhancing the customer experience is implemented. Some retailers are already announcing hiring for the holiday season in order to have staff up to speed by peak shopping periods,” said Challenger.

In fact, Kohl’s announced they will begin hiring at 300 stores for the holidays, although a total figure was not announced. Meanwhile, Alene Candles, a candlemaker in New Hampshire, is hiring 400 workers in anticipation of a more demanding holiday season.

“Consumers are confident in the current economy, which may translate to higher consumer spending, especially by the holidays. However, global trade fears and slow wage growth may hinder some of this optimism,” said Challenger.

Indeed, the Trump Administration’s tariffs on steel have already begun to cost jobs. Challenger tracked 60 job cuts specifically due to steel tariffs in June.

“This figure could increase in the third quarter, as companies that import steel grapple with increased costs,” added Challenger.

Meanwhile, Consumer Products manufacturers, also impacted by a potential trade war, have announced 18,417 cuts so far this year, a 296.9 percent increase from the 4,640 cuts announced through the same period last year.

Health Care companies, impacted by uncertainty surrounding the future of the Affordable Care Act, announced the second highest number of job cuts this year, with 26,198, while companies in the Services sector have announced 22,628.

Large-scale hiring announcements have slowed significantly compared to the same period last year. So far this year, Challenger has tracked 233,575 new hires, down 50 percent from the 468,351 tracked through the first six months of last year.

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**CHALLENGER, GRAY & CHRISTMAS, INC.  
JOB-CUT ANNOUNCEMENT REPORT**

**Top 5 Industries  
Year to Date**

	<b>2018</b>	<b>2017</b>
<b>Retail</b>	<b>73,066</b>	<b>60,127</b>
<b>Health Care/Products</b>	<b>26,198</b>	<b>17,920</b>
<b>Services</b>	<b>22,628</b>	<b>15,415</b>
<b>Consumer Products</b>	<b>18,417</b>	<b>4,640</b>
<b>Automotive</b>	<b>11,165</b>	<b>12,570</b>

**MONTH-BY-MONTH TOTALS**

	<b>2018</b>	<b>2017</b>
<b>January</b>	<b>44,653</b>	<b>45,934</b>
<b>February</b>	<b>35,369</b>	<b>36,957</b>
<b>March</b>	<b>60,357</b>	<b>43,310</b>
<b>April</b>	<b>36,081</b>	<b>36,602</b>
<b>May</b>	<b>31,517</b>	<b>33,092</b>
<b>June</b>	<b>37,202</b>	<b>31,105</b>
<b>July</b>		<b>28,307</b>
<b>August</b>		<b>33,825</b>
<b>September</b>		<b>32,346</b>
<b>October</b>		<b>29,831</b>
<b>November</b>		<b>35,038</b>
<b>December</b>		<b>32,423</b>
<b>TOTAL</b>	<b>245,179</b>	<b>418,770</b>

**Year To Date**

<b>New Jersey</b>	<b>38,023</b>
<b>California</b>	<b>36,947</b>
<b>Texas</b>	<b>20,039</b>
<b>Ohio</b>	<b>15,141</b>
<b>New York</b>	<b>14,348</b>

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JOB CUTS BY INDUSTRY**

	17-Jun	18-May	18-Jun	YTD 2017	YTD 2018
Aerospace/Defense	791	287	1,062	8,797	3,745
Apparel			238	0	238
Automotive	2,174	454	4,260	12,570	11,165
Chemical	156	238	52	556	539
Commodities				0	395
Computer	2,715	1,201	1,737	9,688	5,942
Construction	147	126	362	937	854
Consumer Products	1,798	2,462	3,212	4,640	18,417
Education	1,727	1,112	1,722	9,004	4,522
Electronics	154	2,000	2,079	2,758	8,149
Energy	143	1,634	575	8,778	5,088
Entertainment/Leisure	1,061	1,093	409	6,898	4,988
Financial	510	1,814	1,661	5,911	7,951
Food	3,814	647	1,848	11,462	7,892
Government	719	13	104	6,146	1,343
Health Care/Products	3,597	4,003	4,745	17,920	26,198
Industrial Goods	1,819	1,157	1,412	11,162	7,194
Insurance		95	705	5,030	2,890
Legal				131	0
Media	635	967	235	2,845	6,435
Non-Profit	29	74	678	1,159	1,447
Pharmaceutical	193	202	870	3,928	4,778
Real Estate	50		55	505	357
Retail	4,217	4,946	3,750	60,127	73,066
Services	3,070	4,698	3,265	15,415	22,628
Telecommunications	552	1,641	478	11,367	8,373
Transportation	1,034	653	1,520	7,736	9,212
Utility				1,530	888
Warehousing	N/A		168	N/A	485
<b>TOTAL</b>	<b>31,105</b>	<b>31,517</b>	<b>37,202</b>	<b>227,000</b>	<b>245,179</b>

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JOB-CUT ANNOUNCEMENT REPORT**

**JOB CUTS BY REGION, STATE**

<b>EAST</b>	<b>June</b>	<b>YTD</b>
New Jersey	565	38,023
New York	3,129	14,348
Pennsylvania	1,292	8,753
Massachusetts	581	5,799
Connecticut	1,339	3,174
Maryland	308	1,748
Rhode Island	213	690
Dist. of Columbia	89	367
New Hampshire	40	210
Vermont	53	59
Delaware		0
Maine		0
	<b>7,609</b>	<b>73,171</b>

<b>MIDWEST</b>	<b>June</b>	<b>YTD</b>
Ohio	859	15,141
Illinois	1,094	9,027
Wisconsin	443	7,383
Michigan	1,137	6,892
Minnesota	1,214	6,481
Indiana	356	4,218
Iowa	175	3,890
Missouri	1,771	3,289
Nebraska	634	2,003
Kansas		916
<b>TOTAL</b>	<b>7,683</b>	<b>59,240</b>

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**JOB CUTS BY REGION, STATE**

<b>WEST</b>	<b>June</b>	<b>YTD</b>
California	10,717	36,947
Texas	2,299	20,039
Washington	304	3,056
Arizona	642	2,182
Colorado	168	1,842
Oregon	158	1,198
Oklahoma	130	1,156
Alaska		853
New Mexico		846
South Dakota		675
Utah		519
Idaho		271
Nevada	110	210
North Dakota		27
Montana		16
Hawaii		0
Wyoming		0
<b>TOTAL</b>	<b>14,528</b>	<b>69,837</b>

<b>SOUTH</b>	<b>June</b>	<b>YTD</b>
Florida	1,248	8,163
Virginia	724	6,553
North Carolina	1,833	6,082
Georgia	932	5,212
Tennessee	675	3,259
South Carolina	672	2,970
Louisiana	227	2,871
Alabama	445	2,610
Kentucky	347	1,746
West Virginia	279	1,194
Arkansas		1,182
Mississippi		1,089
<b>TOTAL</b>	<b>7,382</b>	<b>42,931</b>

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JOB CUTS BY REASON**

	<b>JUNE</b>	<b>YTD</b>
Restructuring	17,885	87,995
Closing	10,285	83,459
Bankruptcy	154	30,466
Cost-Cutting	3,576	22,032
Acquisition/merger	3,128	10,229
Contract Loss	1,420	7,300
Relocation	402	2,213
Outsourcing	292	1,425
Tariffs	60	60
<b>TOTAL</b>	<b>37,202</b>	<b>245,179</b>

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**QUARTER BY QUARTER**

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>TOTAL</b>
<b>1989</b>	9,850	10,100	24,085	67,250	<b>111,285</b>
<b>1990</b>	107,052	87,686	49,104	72,205	<b>316,047</b>
<b>1991</b>	110,056	76,622	147,507	221,107	<b>555,292</b>
<b>1992*</b>	110,815	85,486	151,849	151,850	<b>500,000</b>
<b>1993</b>	170,615	84,263	194,486	165,822	<b>615,186</b>
<b>1994</b>	192,572	107,421	117,706	98,370	<b>516,069</b>
<b>1995</b>	97,716	114,583	89,718	137,865	<b>439,882</b>
<b>1996</b>	168,695	101,818	91,784	114,850	<b>477,147</b>
<b>1997</b>	134,257	51,309	95,930	152,854	<b>434,350</b>
<b>1998</b>	139,140	131,303	161,013	246,339	<b>677,795</b>
<b>1999</b>	210,521	173,027	173,181	118,403	<b>675,132</b>
<b>2000</b>	141,853	81,568	168,875	221,664	<b>613,960</b>
<b>2001</b>	406,806	370,556	594,326	585,188	<b>1,956,876</b>
<b>2002</b>	478,905	292,393	269,090	426,435	<b>1,466,823</b>
<b>2003</b>	355,795	274,737	241,548	364,346	<b>1,236,426</b>
<b>2004</b>	262,840	209,895	251,585	315,415	<b>1,039,735</b>
<b>2005</b>	287,134	251,140	245,378	288,402	<b>1,072,054</b>
<b>2006</b>	255,878	180,580	202,771	200,593	<b>839,822</b>
<b>2007</b>	195,986	197,513	194,095	180,670	<b>768,264</b>
<b>2008</b>	200,656	275,292	287,142	460,903	<b>1,223,993</b>
<b>2009</b>	562,510	318,165	240,233	151,122	<b>1,272,030</b>
<b>2010</b>	181,183	116,494	113,595	118,701	<b>529,973</b>
<b>2011</b>	130,749	115,057	233,258	127,018	<b>606,082</b>
<b>2012</b>	143,094	139,997	102,910	137,361	<b>523,362</b>
<b>2013</b>	145,041	113,891	128,452	121,667	<b>509,051</b>
<b>2014</b>	121,341	124,693	117,374	119,763	<b>483,171</b>
<b>2015</b>	140,214	147,458	205,759	105,079	<b>598,510</b>
<b>2016</b>	180,920	132,834	121,858	91,303	<b>526,915</b>
<b>2017</b>	126,201	100,799	94,478	97,292	<b>418,770</b>
<b>2018</b>	140,379	104,800			<b>245,179</b>
<b>AVG</b>	<b>196,959</b>	<b>152,383</b>	<b>176,176</b>	<b>196,740</b>	

*\*Estimate based on half-year total. Challenger began tracking job-cut data in 1993. Before that, it was tabulated by an independent newsletter no longer published.*

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**CHALLENGER, GRAY & CHRISTMAS, INC.  
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**ANNOUNCED HIRING PLANS**

**By Month**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>January</b>	<b>41,890</b>	136,501	8,362	8,774	6,312	60,585	7,568
<b>February</b>	<b>139,925</b>	25,765	7,539	14,574	11,054	92,372	10,720
<b>March</b>	<b>14,525</b>	127,006	10,997	6,412	6,860	8,115	12,390
<b>April</b>	<b>13,842</b>	61,537	11,557	13,898	11,145	9,322	11,794
<b>May</b>	<b>9,889</b>	77,447	24,732	12,598	10,141	9,618	7,722
<b>June</b>	<b>13,504</b>	40,095	13,564	11,176	15,530	8,774	12,314
<b>July</b>		88,142	16,051	11,637	16,544	9,728	10,350
<b>August</b>		14,530	9,101	11,778	9,657	7,662	12,079
<b>September</b>		422,726	487,075	492,306	567,705	445,617	425,683
<b>October</b>		37,387	135,532	86,107	147,935	87,874	75,065
<b>November</b>		61,300	108,994	10,026	11,291	14,177	28,526
<b>December</b>		8,218	35,198	11,465	7,332	11,362	16,266
<b>TOTAL</b>	<b>233,575</b>	<b>1,100,654</b>	<b>868,702</b>	<b>690,751</b>	<b>821,506</b>	<b>765,206</b>	<b>630,477</b>

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**ANNOUNCED HIRING PLANS**

<b>INDUSTRY</b>	<b>June</b>	<b>Year To Date</b>
Aerospace/Defense	30	2,154
Apparel		0
Automotive	100	3,790
Chemical		100
Commodities		17
Computer		4,312
Construction		290
Consumer Products	480	2,791
Education		537
Electronics	34	20,356
Energy	250	2,225
Entertainment/Leisure	100	15,315
Financial		7,854
Food	75	2,010
Government		0
Health Care/Products	80	450
Industrial Goods	2,211	3,543
Insurance		1,460
Legal		0
Media		0
Non-Profit		0
Pharmaceutical		225
Real Estate		0
Retail	8,030	155,220
Services	412	6,602
Telecommunications	500	1,090
Transportation	1,202	3,155
Utility		79
Warehousing	0	0
<b>TOTAL</b>	<b>13,504</b>	<b>233,575</b>