



National Employment Report

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ADP NATIONAL EMPLOYMENT REPORT SHOWS UNITED STATES ADDED 150,000 PRIVATE SECTOR JOBS IN JUNE

*Small- and Medium-Size Businesses in the Service-Providing Sector Continue to Drive
Employment Growth*

ROSELAND, New Jersey – July 5, 2007 – According to today’s *ADP National Employment Report*SM, private sector employment increased by 150,000 in June. The *ADP National Employment Report*, created by ADP® Employer Services, a division of Automatic Data Processing, Inc. (ADP), in partnership with Macroeconomic Advisers, LLC, is based on actual payroll data and measures the change in total nonfarm private employment each month.

Nonfarm Private Employment Highlights – June Report:

- Total employment: +150,000
- Small businesses* +91,000
- Medium businesses** +63,000
- Large businesses*** - 4,000
- Goods-producing sector: -13,000
- Service-providing sector: +163,000

Addendum:

- Manufacturing industry: -13,000

* *Small businesses represent payrolls with 1-49 employees*

** *Medium businesses represent payrolls with 50-499 employees*

*** *Large businesses represent payrolls with more than 499 employees*

“Nonfarm private employment grew 150,000 from May to June of 2007 on a seasonally adjusted basis, according to the *ADP National Employment Report*,” said Joel Prakken, Chairman of Macroeconomic Advisers, LLC. “This month’s *ADP National Employment Report* suggests an acceleration of employment. The three-month average change in nonfarm private employment has increased from 75,000 in April, to 86,000 in May, to

103,000 in June, according to the *ADP Report*. The acceleration of employment is broadly consistent with the upturn in GDP growth early in 2007 and other labor market indicators such as unemployment claims.”

Prakken added, “In June, employment in the service-providing sector of the economy grew a robust 163,000, while employment in the goods-producing sector declined 13,000. This marks the seventh consecutive monthly decline in the goods-producing sector, but the smallest since an increase of 18,000 in November of last year. Employment in the manufacturing sector also declined 13,000.”

“Small- and medium-size businesses more than accounted for the increase in total employment in June. Gains in employment at these businesses were concentrated in the service-providing sector of the economy. However, employment among small-size businesses in the goods-producing sector also rose 7,000, in contrast to an overall decline in employment among goods-producing businesses of all sizes,” said Prakken.

DERIVED FROM ADP PAYROLL DATA

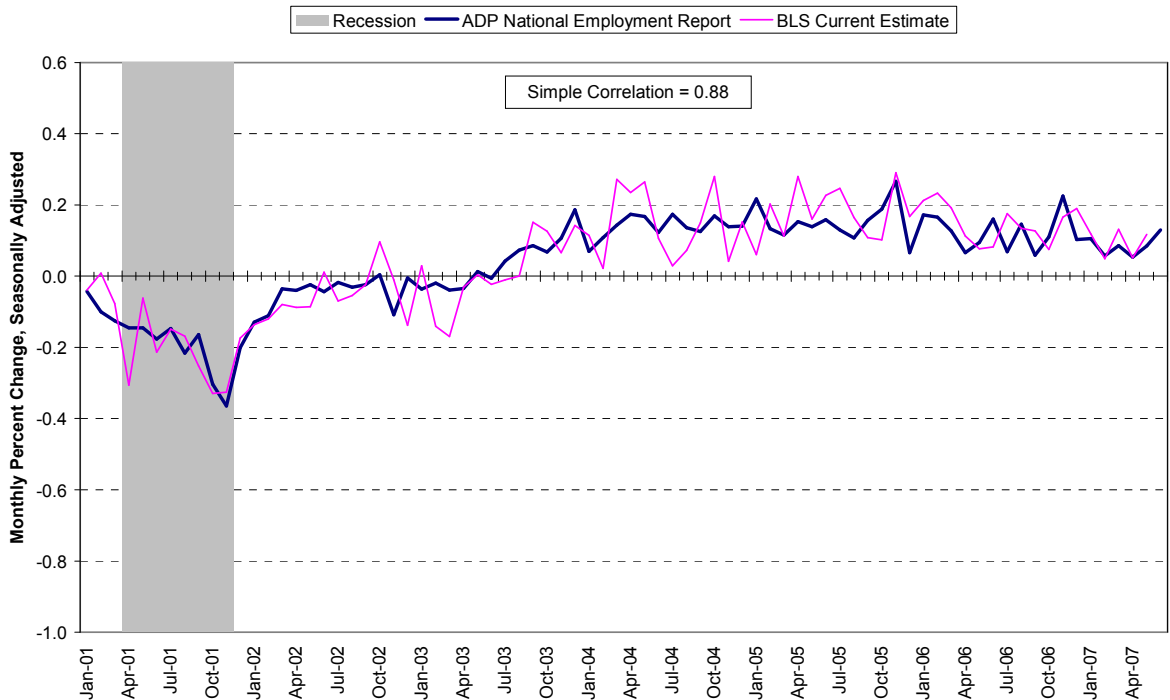
Table 1. Employees on nonfarm private payrolls by selected industry sector and size
(In thousands)

Industry / Size of Payroll	Seasonally Adjusted						Change from: May 2007 - Jun. 2007p
	Jan. 2007	Feb. 2007	Mar. 2007	Apr. 2007	May 2007	Jun. 2007p	
Total nonfarm private	115,054	115,119	115,217	115,278	115,376	115,526	150
Small (1-49).....	50,373	50,425	50,500	50,541	50,598	50,689	91
Medium (50-499).....	45,243	45,276	45,314	45,341	45,375	45,438	63
Large (> 499).....	19,438	19,418	19,403	19,396	19,403	19,399	-4
Goods-producing	22,457	22,416	22,390	22,347	22,321	22,308	-13
Small (1-49).....	8,121	8,117	8,120	8,108	8,102	8,109	7
Medium (50-499).....	9,917	9,901	9,883	9,865	9,849	9,845	-4
Large (> 499).....	4,419	4,398	4,387	4,374	4,370	4,354	-16
Service-providing	92,597	92,703	92,827	92,931	93,055	93,218	163
Small (1-49).....	42,252	42,308	42,380	42,433	42,496	42,580	84
Medium (50-499).....	35,326	35,375	35,431	35,476	35,526	35,593	67
Large (> 499).....	15,019	15,020	15,016	15,022	15,033	15,045	12
Addendum:							
Manufacturing.....	14,072	14,044	14,028	14,009	13,997	13,984	-13

p = preliminary

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data which, during the first six months of 2007, averaged approximately 383,000 payrolls representing nearly 23 million U.S. employees. This approximately represents the size of the matched sample used this month.

Chart 1. Growth of Nonfarm Private Employment, All Industries



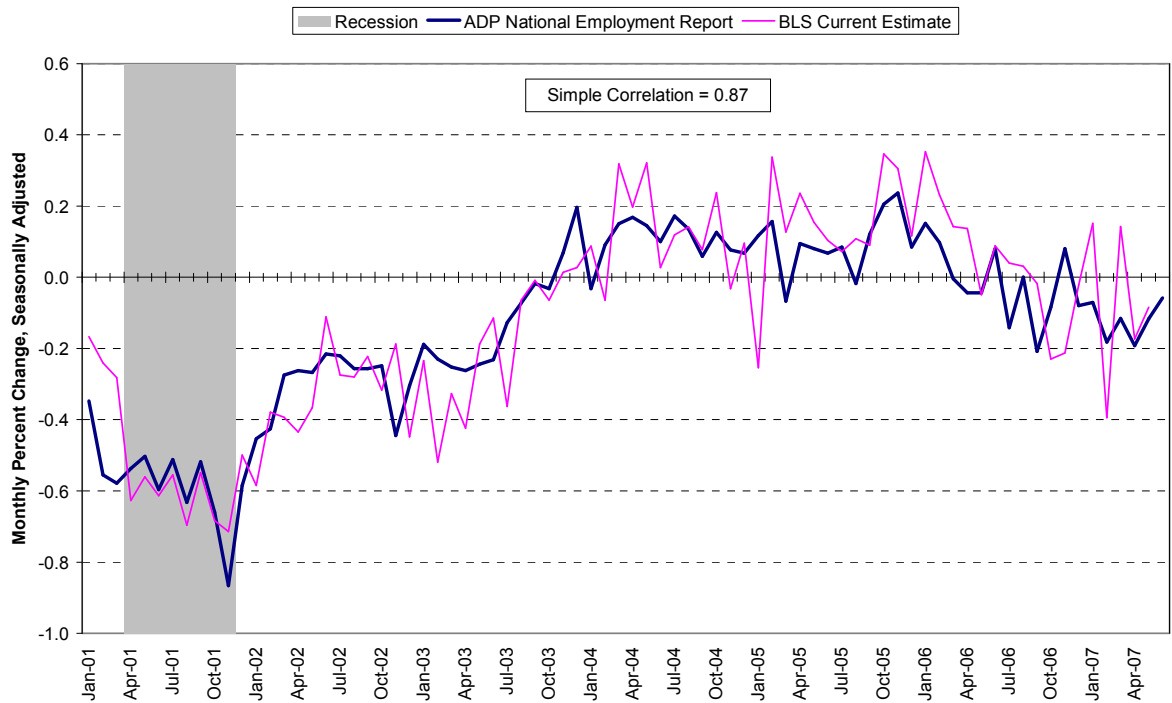
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Goods-Producing Sector

Nonfarm private employment in the goods-producing sector decreased by 13,000 in June, according to the *ADP National Employment Report*.

- Small businesses +7,000
- Medium businesses -4,000
- Large businesses -16,000

Chart 2. Growth of Nonfarm Private Employment, Goods-Producing Industries



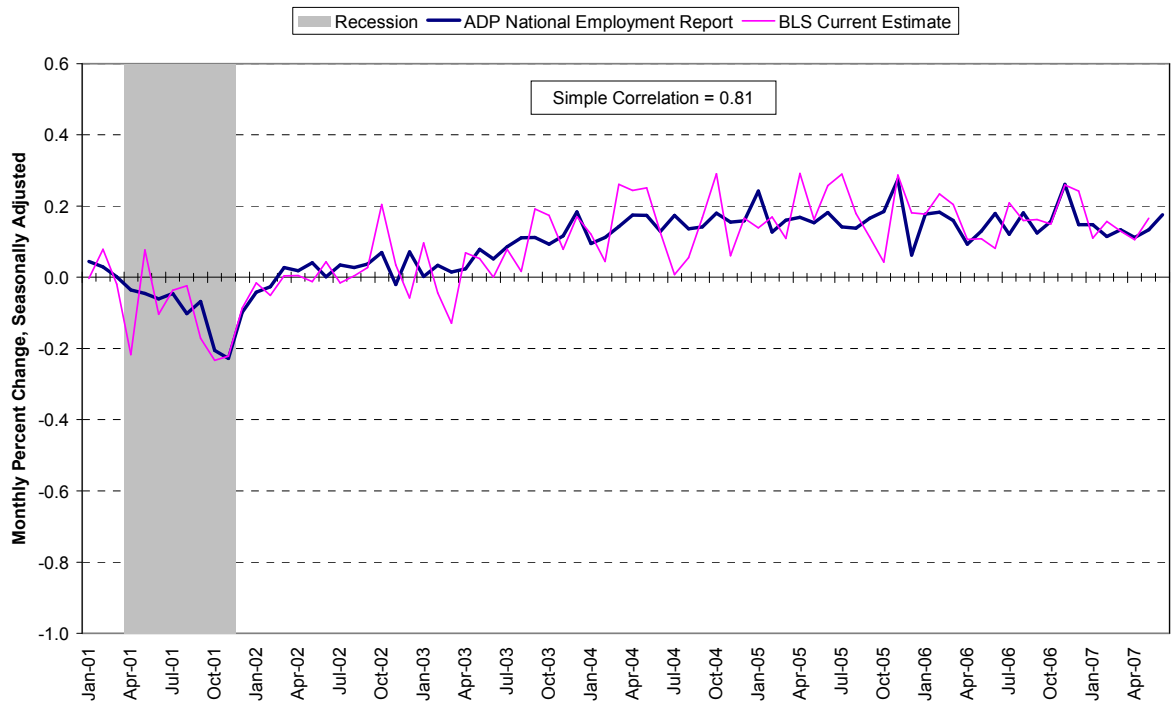
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Service-Providing Sector

Nonfarm private employment in the service-providing sector increased by 163,000 in June, according to the *ADP National Employment Report*.

- Small businesses +84,000
- Medium businesses +67,000
- Large businesses +12,000

Chart 3. Growth of Nonfarm Private Employment, Service-Providing Industries



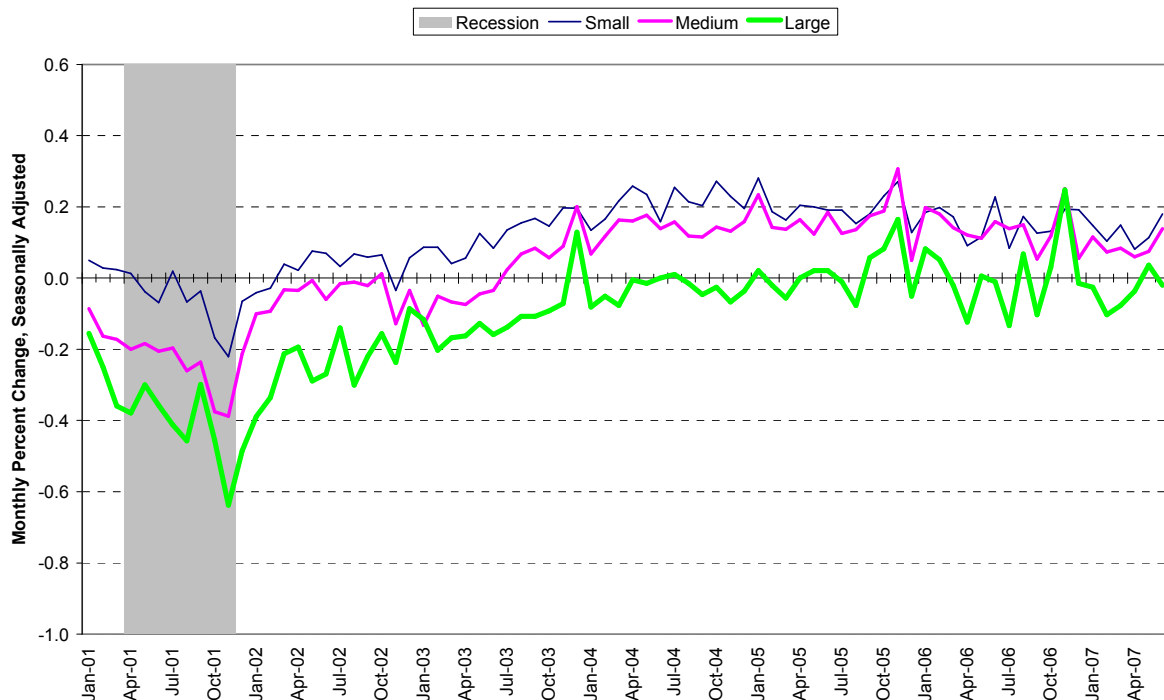
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Company Size

Total nonfarm private employment in the United States increased in small- and medium-size businesses and decreased in large-size businesses in June, according to the *ADP National Employment Report*.

- Small businesses +91,000
- Medium businesses +63,000
- Large businesses -4,000

Chart 4. Growth of Nonfarm Private Employment, by Size of Payroll



Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC.

Interpreting the Report

The forecasts of *total* nonfarm private employment, as well as nonfarm private employment by *industry sector* and *company size* are represented as both a *monthly employment level* and a *monthly change in employment*. The *employment level* represents the number of nonfarm private jobs in the U.S. economy at a common point in time each month. The *change in monthly employment* represents the increase or decrease in employment between these common points in time in two consecutive months.

To obtain additional information about the *ADP National Employment Report* including supporting data and the schedule of future release dates, or to subscribe to the monthly e-mail alerts and RSS feeds, please visit www.ADPemploymentreport.com. The July 2007 *ADP National Employment Report* will be released on Wednesday, August 1, 2007 at 8:15 a.m. EDT.

About the *ADP National Employment Report*SM

The *ADP National Employment Report*, sponsored by ADP[®], was developed and is maintained by Macroeconomic Advisers, LLC. It is a measure of employment derived from an anonymous subset of roughly 500,000 U.S. business clients. During the first six months of 2007, this subset represented approximately 383,000 U.S. business clients and nearly 23 million U.S. employees working in all private industrial sectors. The data is collected for pay periods that can be interpolated to include the week of the 12th of each month, and processed with statistical methodologies similar to those used by the U.S. Bureau of Labor Statistics to compute employment from its monthly survey of establishments. Due to this processing, this subset is modified to make it indicative of national employment levels; therefore, the resulting employment changes computed for the *ADP National Employment Report* are not representative of changes in ADP's total base of U.S. business clients.

Empirical analysis performed by Macroeconomic Advisers suggests that the *ADP National Employment Report* can be used to develop a forecast of "true" employment that is superior to those resulting from consensus estimates, survey data, or other models of employment that do not incorporate the results of the *ADP Report*.

For a description of the underlying data and the statistical properties of the series, please see "*ADP National Employment Report: Development Methodology*" at <http://www.adpemploymentreport.com/methodology.aspx>.

About ADP

Automatic Data Processing, Inc. (NYSE: ADP), with over \$7 billion in revenues and more than 570,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging more than 55 years of experience, ADP offers the widest range of HR, payroll, tax and benefits administration solutions from a single source. ADP's cost-effective, easy-to-use solutions for employers provide superior value to companies of all types and sizes. ADP is also a leading provider of integrated computing solutions to auto, truck, motorcycle, marine and recreational vehicle dealers throughout the world. For more information about ADP or to contact a local ADP sales office, reach us at 1.800.225.5237 or visit the company's Web site at www.ADP.com.

About Macroeconomic Advisers, LLC

Macroeconomic Advisers, LLC (MA) has been the most trusted source for U.S. macroeconomic forecasts and commentary, monetary and fiscal policy analysis, and econometric modeling for over 20 years. MA has three primary service lines: (1) *Macroeconomic Modeling*. MA licenses its structural econometric model of the U.S. economy to firms who use it to produce their own macroeconomic forecasts; (2) *U.S. Economic Forecasts*. MA produces monthly economic forecasts, weekly economic commentaries, and analysis of economic indicators; (3) *Monetary Policy Insights (MPI)*. Directed by MA co-founder and former Federal Reserve Board Governor Laurence Meyer, MPI ties MA's economic forecasts to the prospective course of monetary policy and the resulting implications for fixed-income markets. MA's clients include leading

financial service firms, nonfinancial corporations, key policymaking agencies of the U.S. government, as well as State and Foreign Government agencies. Additional information on Macroeconomic Advisers, LLC is available on the company's Web site, www.MacroAdvisers.com.

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