



National Employment Report

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ADP NATIONAL EMPLOYMENT REPORT SHOWS UNITED STATES ADDED 97,000 PRIVATE SECTOR JOBS IN MAY

ROSELAND, New Jersey – May 30, 2007 – According to today’s *ADP National Employment Report*SM, private sector employment increased by 97,000 in May. 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 – May Report:

- Total employment: +97,000
- Small businesses* +58,000
- Medium businesses** +31,000
- Large businesses*** +8,000
- Goods-producing sector: -23,000
- Service-providing sector: +120,000

Addendum:

- Manufacturing industry: -10,000

* *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*

Due to the Independence Day holiday, the June 2007 *ADP National Employment Report* will be released on Thursday, July 5, 2007 at 8:15 a.m. EDT.

“Private nonfarm employment grew 97,000 from April to May of 2007 on a seasonally adjusted basis, according to the *ADP National Employment Report*TM,” said Joel Prakken, Chairman of Macroeconomic Advisers, LLC. “This month’s *ADP National Employment Report* suggests monthly gains of employment in the private nonfarm business sector

averaged 85,000 over the last three months, as estimated by the *ADP National Employment Report*.”

Prakken added, “Continuing recent trends, employment grew 120,000 in the service-providing sectors of the economy, while employment fell 23,000 in the goods-producing sectors, which marks the sixth consecutive monthly decline. This includes a decline of 10,000 in the manufacturing sector.”

“Also continuing recent trends, small and medium-sized businesses accounted for most of the rise in employment in May, with gains of 58,000 and 31,000 respectively. May’s growth was further aided by an employment increase of 8,000 at large businesses, the first monthly gain since November 2006,” said Prakken.

DERIVED FROM ADP PAYROLL DATA

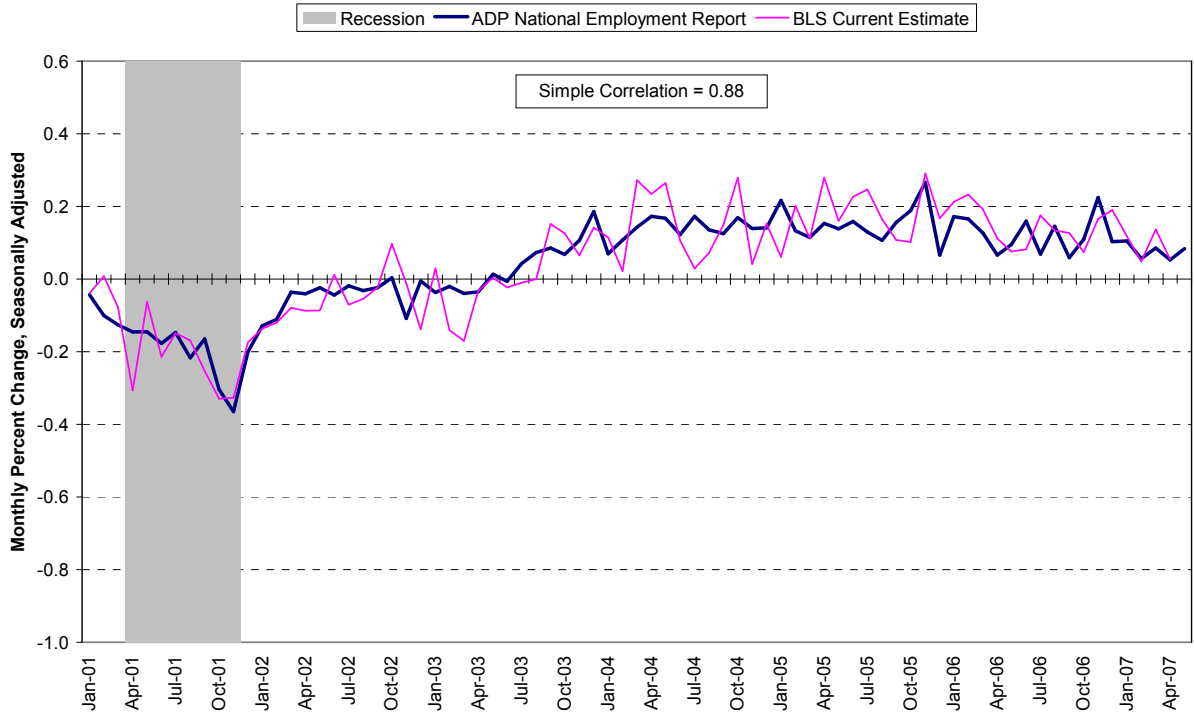
Table 1. Employees on nonfarm private payrolls by selected industry sector and size
(In thousands)

Industry / Size of Payroll	Seasonally Adjusted						Change from: Apr. 2007 - May 2007p
	Dec. 2006	Jan. 2007	Feb. 2007	Mar. 2007	Apr. 2007	May 2007p	
Total nonfarm private	114,933	115,054	115,119	115,217	115,278	115,375	97
Small (1-49).....	50,299	50,373	50,425	50,500	50,541	50,599	58
Medium (50-499).....	45,191	45,243	45,276	45,314	45,341	45,372	31
Large (> 499).....	19,443	19,438	19,418	19,403	19,396	19,404	8
Goods-producing	22,473	22,457	22,416	22,390	22,347	22,324	-23
Small (1-49).....	8,115	8,121	8,117	8,120	8,108	8,105	-3
Medium (50-499).....	9,926	9,917	9,901	9,883	9,865	9,849	-16
Large (> 499).....	4,432	4,419	4,398	4,387	4,374	4,370	-4
Service-providing	92,460	92,597	92,703	92,827	92,931	93,051	120
Small (1-49).....	42,184	42,252	42,308	42,380	42,433	42,494	61
Medium (50-499).....	35,265	35,326	35,375	35,431	35,476	35,523	47
Large (> 499).....	15,011	15,019	15,020	15,016	15,022	15,034	12
Addendum:							
Manufacturing.....	14,095	14,072	14,044	14,028	14,009	13,999	-10

p = preliminary

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data which, during the last six months of 2006, averaged 364,000 payrolls representing 22 million U.S. employees. This approximately represents the size of the matched sample used this month.

Chart 1. Growth of Private Nonfarm Employment, All Industries



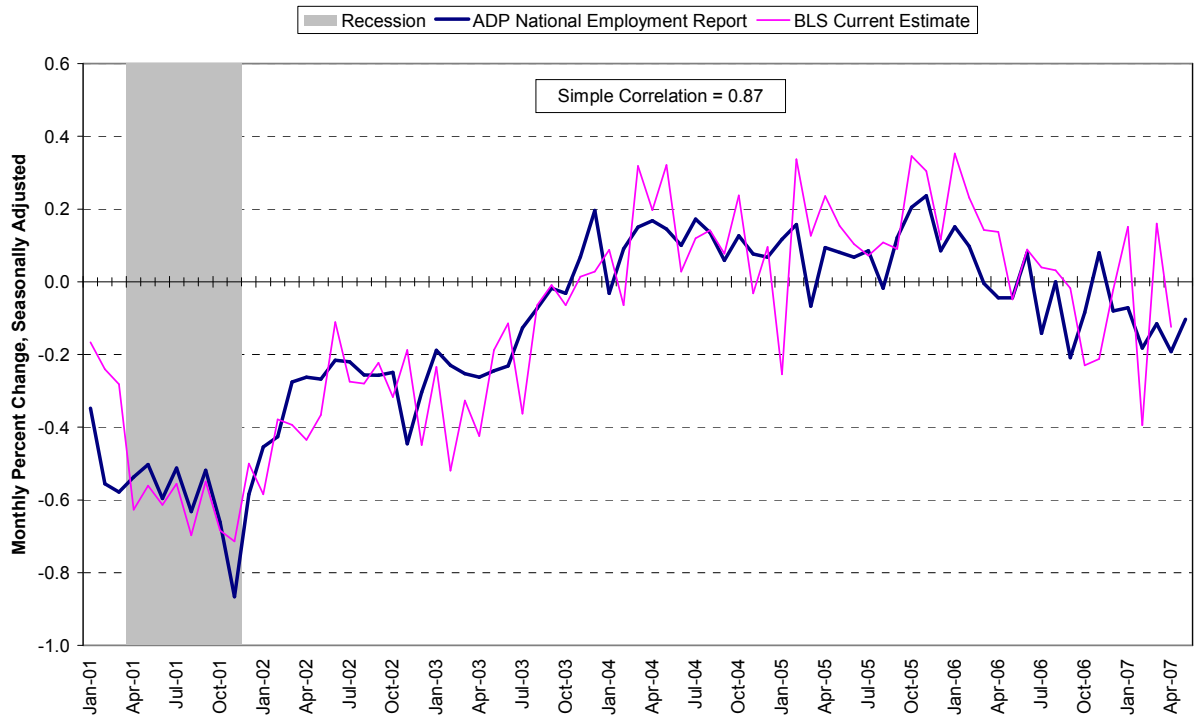
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Goods-Producing Sector

Nonfarm private employment in the goods-producing sector decreased by 23,000 in May, according to the *ADP National Employment Report*.

- Small businesses -3,000
- Medium businesses -16,000
- Large businesses -4,000

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



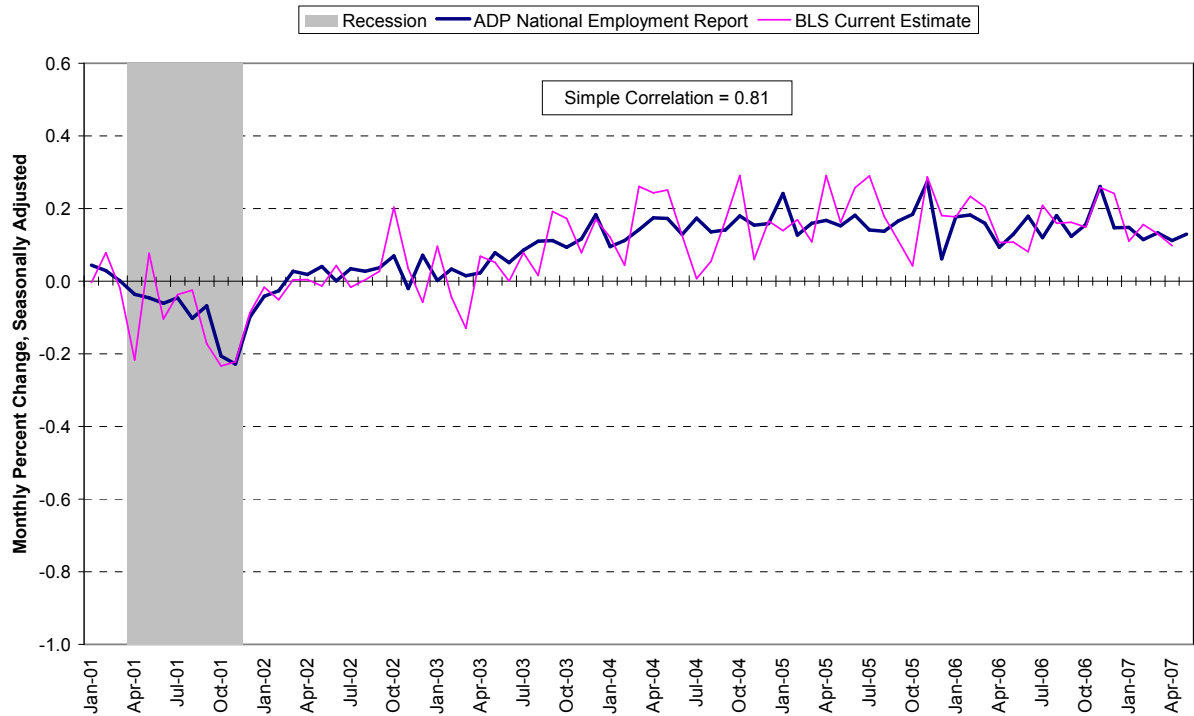
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Service-Providing Sector

Nonfarm private employment in the service-providing sector increased by 120,000 in May, according to the *ADP National Employment Report*.

- Small businesses +61,000
- Medium businesses +47,000
- Large businesses +12,000

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



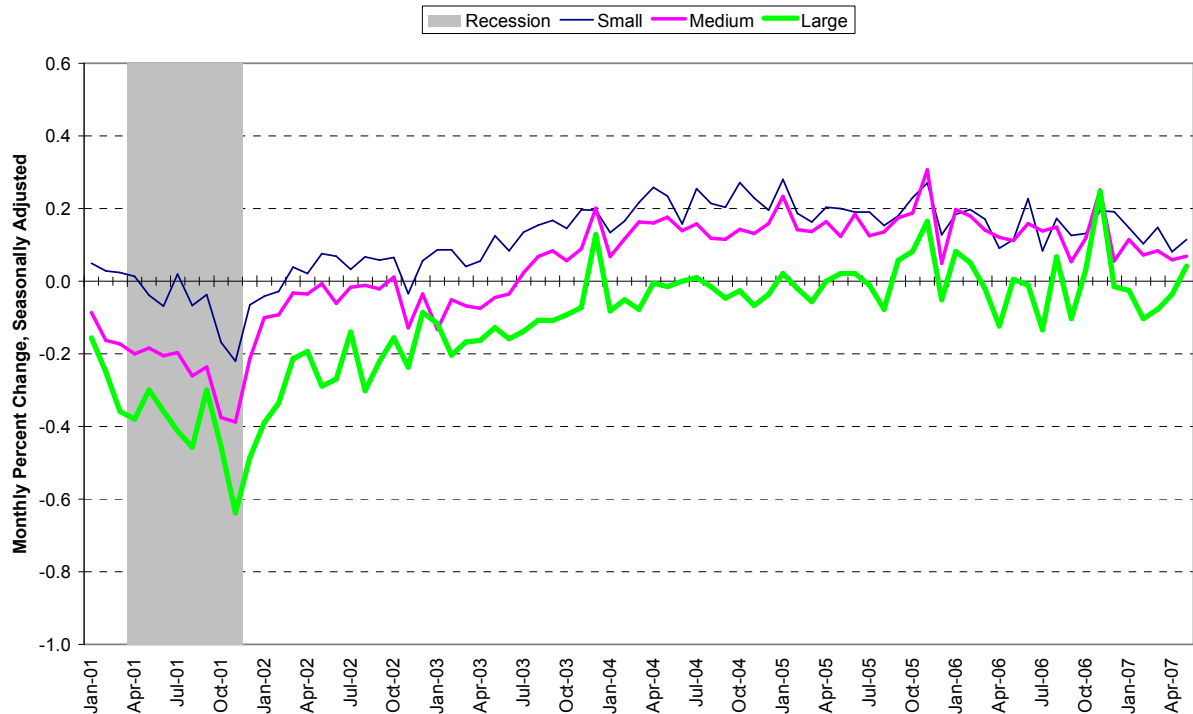
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Company Size

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

- Small businesses +58,000
- Medium businesses +31,000
- Large businesses +8,000

Chart 4. Growth of Private Nonfarm 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. Due to the Independence Day holiday, the June 2007 *ADP National Employment Report* will be released on Thursday, July 5, 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 last six months of 2006, this subset represented approximately 364,000 U.S. business clients and approximately 22 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://ADPEmploymentreport.com/methodology.aspx>.

About ADP

Automatic Data Processing, Inc. (NYSE: ADP), with over \$7 billion in revenues and more than 570,000 clients worldwide, is one of the largest providers of a broad range of premier, mission-critical, cost-effective transaction processing and information-based business solutions. Employer Services (ES), a division of ADP, offers the widest range of HR, payroll, and benefits administration solutions from a single source, to meet the extensive business needs of employers worldwide. For more information about ADP ES 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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