

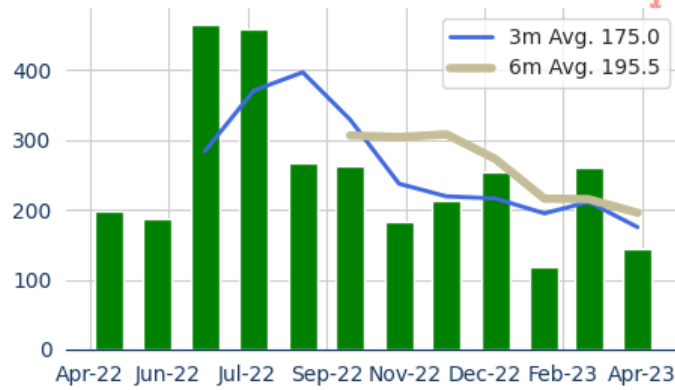
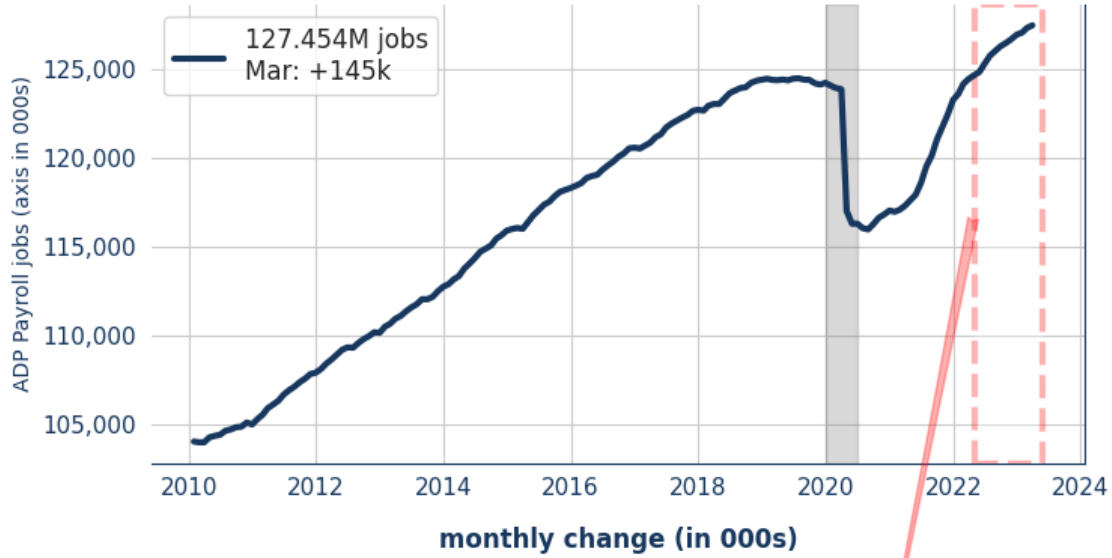
05.Apr.2023

ADP: Surprisingly Slow

Bottom Line: ADP reported less-than-expected hiring in March, with payrolls rising 145k, well below the consensus estimates looking for 210k. Payrolls declined notably in professional and business services (often jobs in legal and consulting firms), financial activities (accountants, investments, etc), and in information (typically more old media but some tech). Manufacturing jobs also declined sharply, consistent with the survey data in March. Construction hiring remained surprisingly resilient, and while slower, gains in leisure and hospitality were still robust. Between the two largest segments - trade/transportation/utilities and education/health we saw continued strong gains in the former, while the latter continued to slow. **Overall, ADP's report offered a potential downside risk to estimates of 240k for Friday's national payroll data. And on a trend basis, the report shows job growth slowing modestly.**

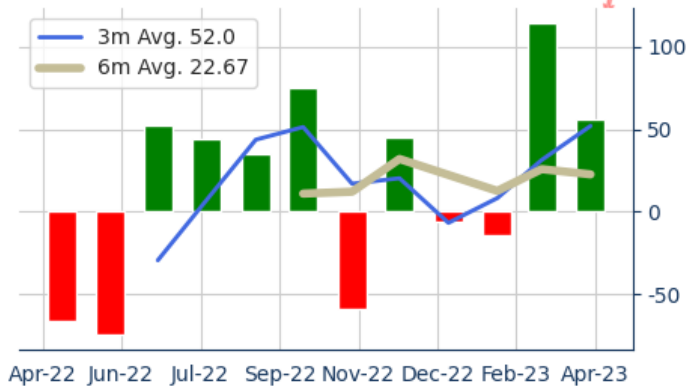
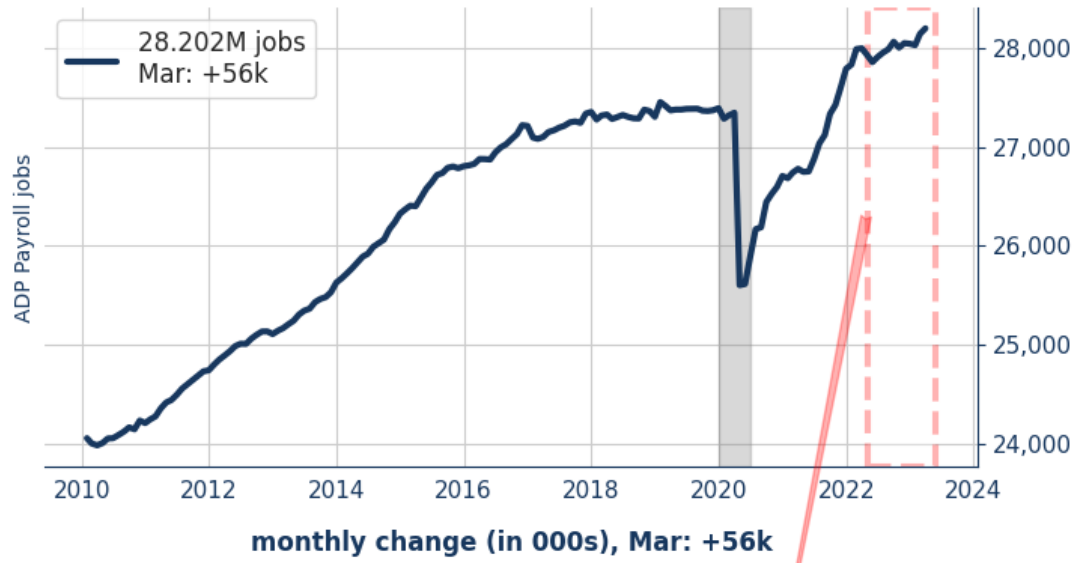
ADP - Total Private jobs

March: +145.0, consensus: +210



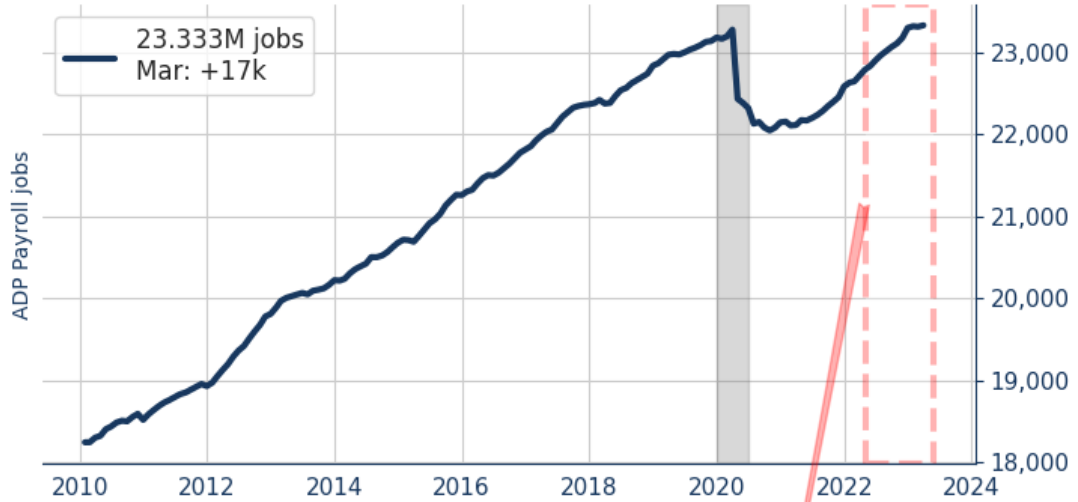
Contingent Macro Advisors 2023 source: ADP

ADP - Trade, transportation, and utilities jobs

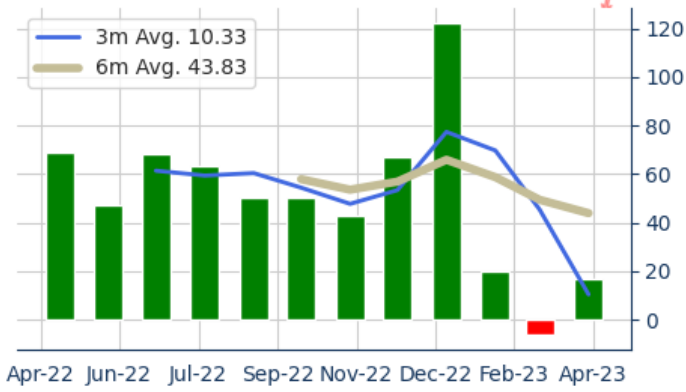


Contingent Macro Advisors 2023 source: ADP

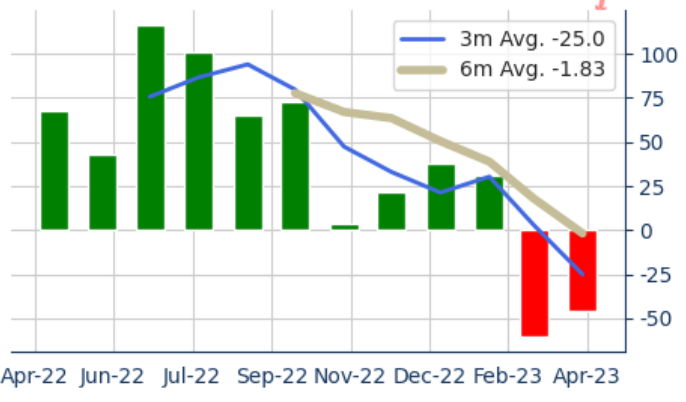
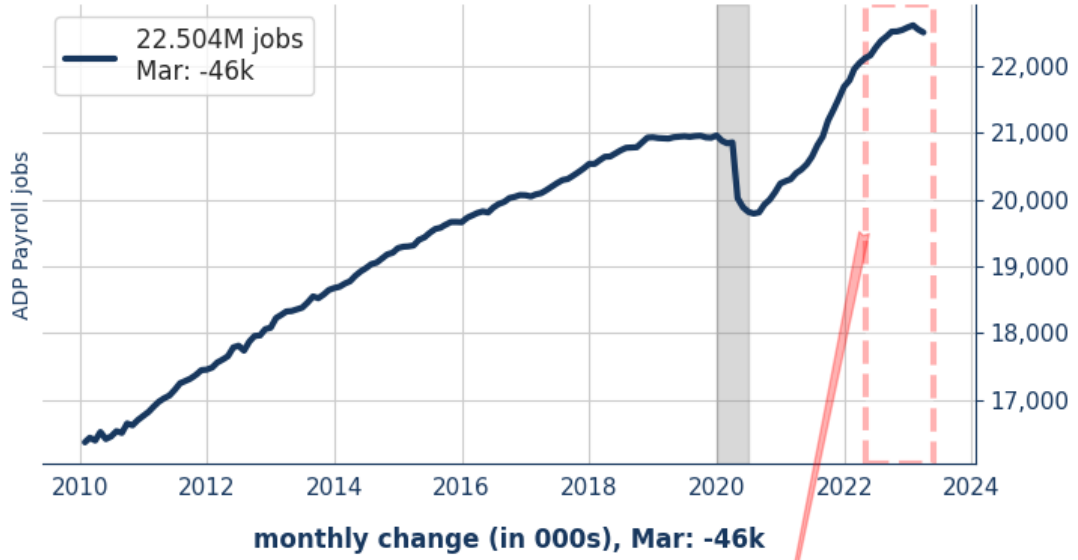
ADP - Education and health services jobs



monthly change (in 000s), Mar: +17k

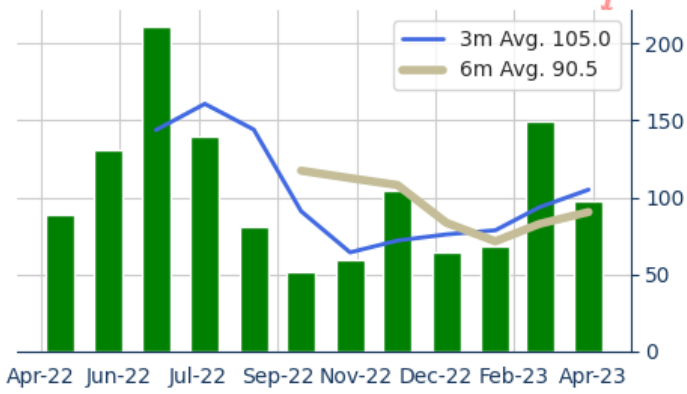
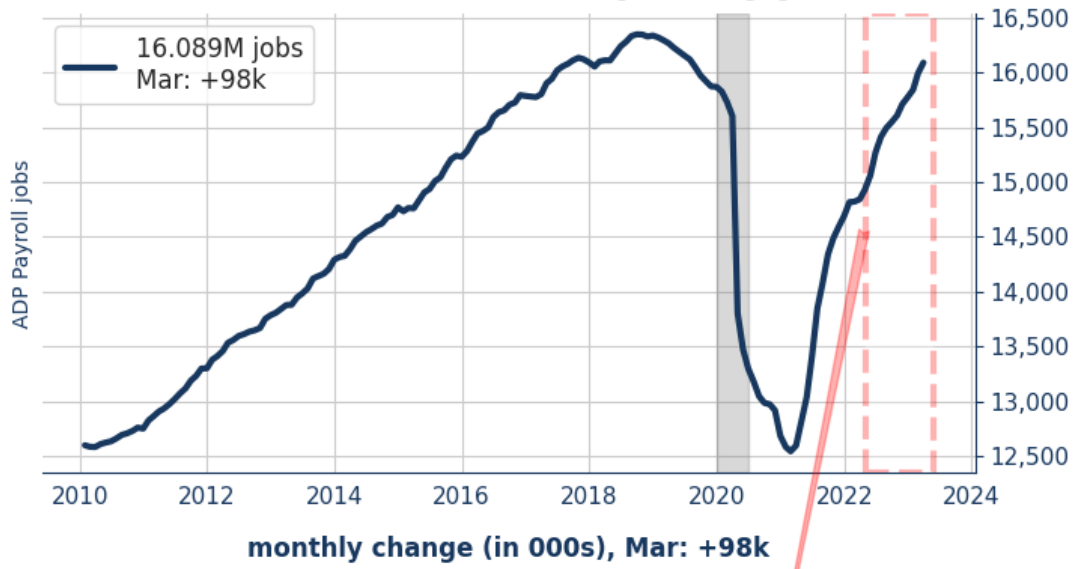


ADP - Professional and business services jobs



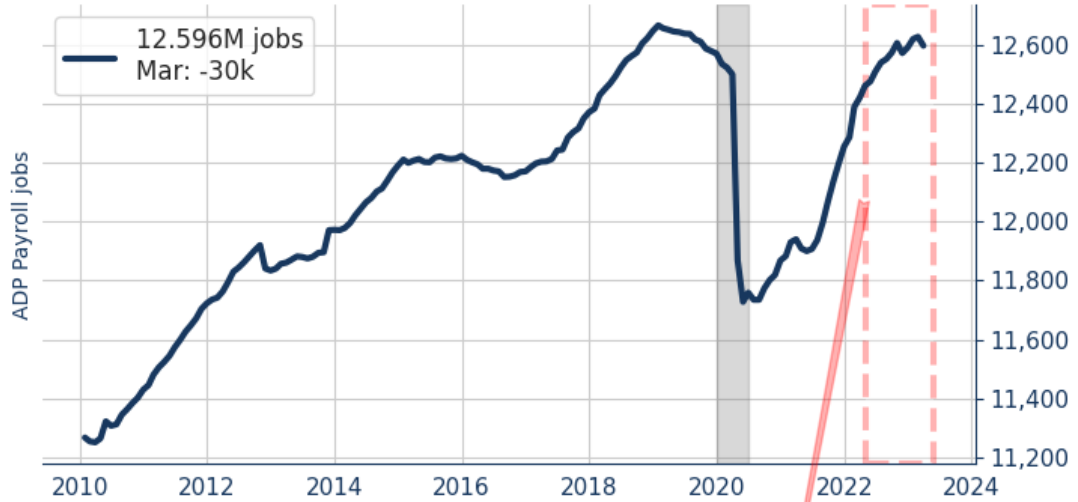
Contingent Macro Advisors 2023 source: ADP

ADP - Leisure and hospitality jobs

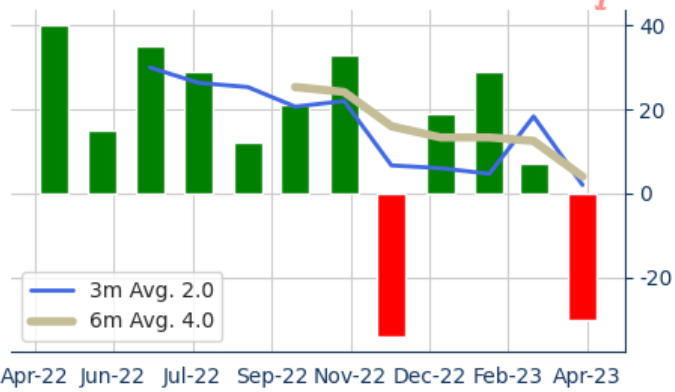


Contingent Macro Advisors 2023 source: ADP

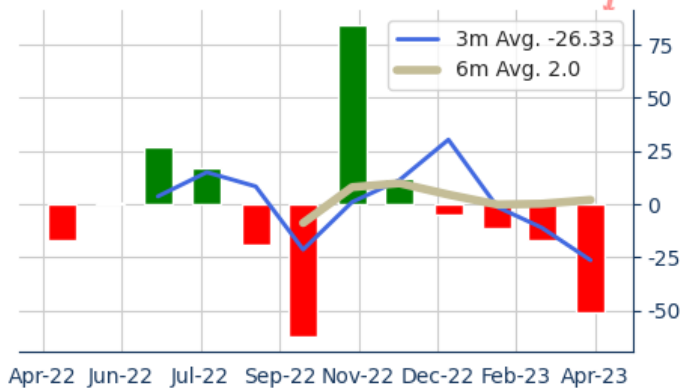
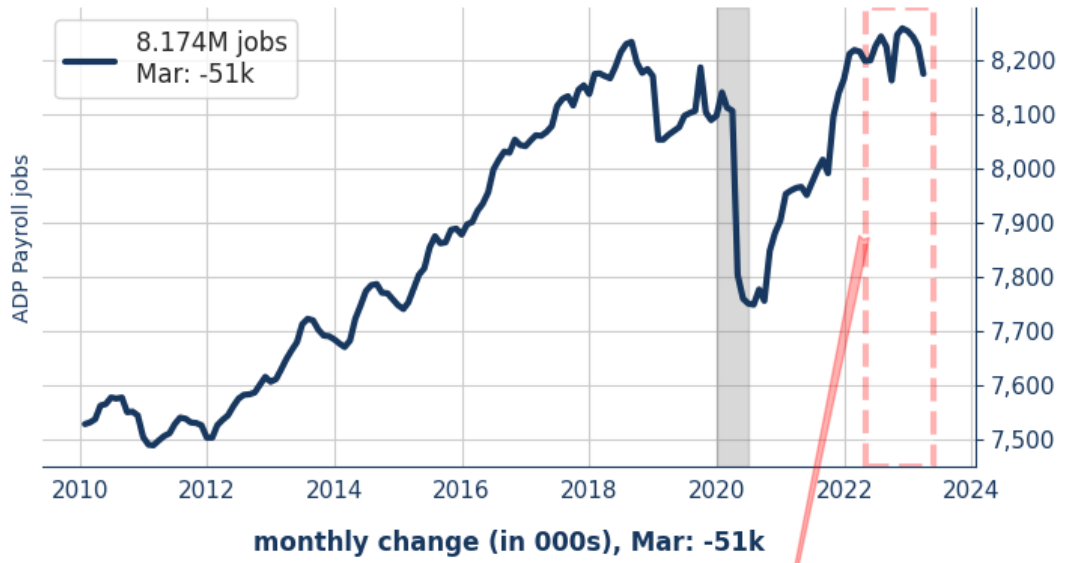
ADP - Manufacturing jobs



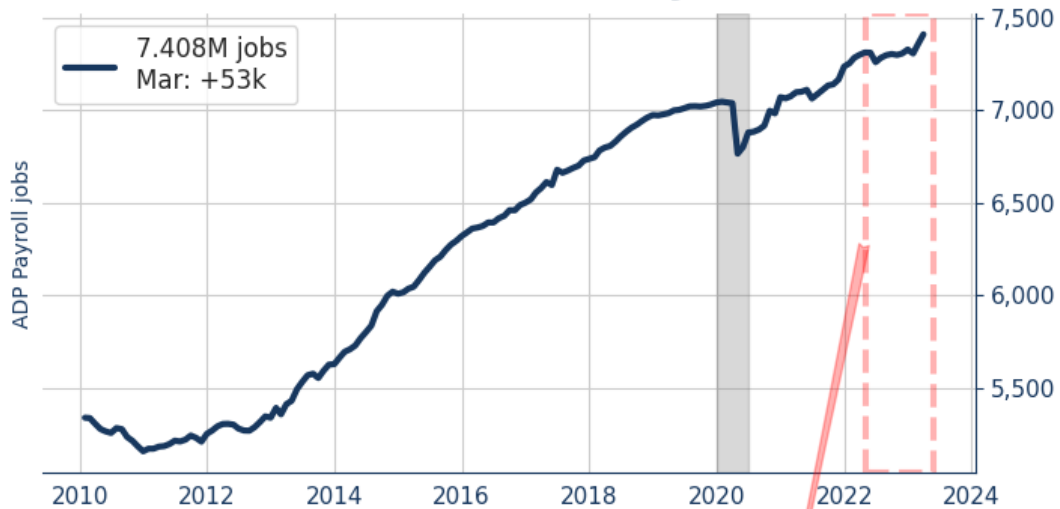
monthly change (in 000s), Mar: -30k



ADP - Financial activities jobs



ADP - Construction jobs



monthly change (in 000s), Mar: +53k



Contingent Macro Advisors 2023 source: ADP

ADP Payroll monthly changes	Mar-23	Feb-23	3m. avg.	6m. avg.	12m. avg.	2022	5y
Total Private (127,454k jobs)	145.00	261.00	175.00	195.50	250.80	306.33	73.70
Trade, transportation, and utilities (28,202k)	56.00	114.00	52.00	22.70	16.80	21.08	14.50
Education and health services (23,333k)	17.00	-6.00	10.30	43.80	50.80	59.50	15.90
Professional and business services (22,504k)	-46.00	-60.00	-25.00	-1.80	37.90	73.92	31.00
Leisure and hospitality (16,089k)	98.00	149.00	105.00	90.50	103.90	90.50	-0.40

Manufacturing (12,596k)	-30.00	7.00	2.00	4.00	14.70	28.00	2.40
Financial activities (8,174k)	-51.00	-17.00	-26.30	2.00	-3.40	7.33	0.10
Construction (7,408k)	53.00	50.00	27.30	17.70	9.20	7.67	10.20
Other services (4,479k)	8.00	4.00	9.30	6.20	16.70	19.67	0.20
Information (2,891k)	-7.00	-33.00	-14.00	-4.70	0.20	7.58	1.20
Natural resources and mining (1,778k)	47.00	53.00	34.30	15.20	4.00	-8.92	-1.50

Month-over-month % change for most recent months, followed by annualized % changes for periods noted. 5- and 10-year are simple averages of annual % changes.