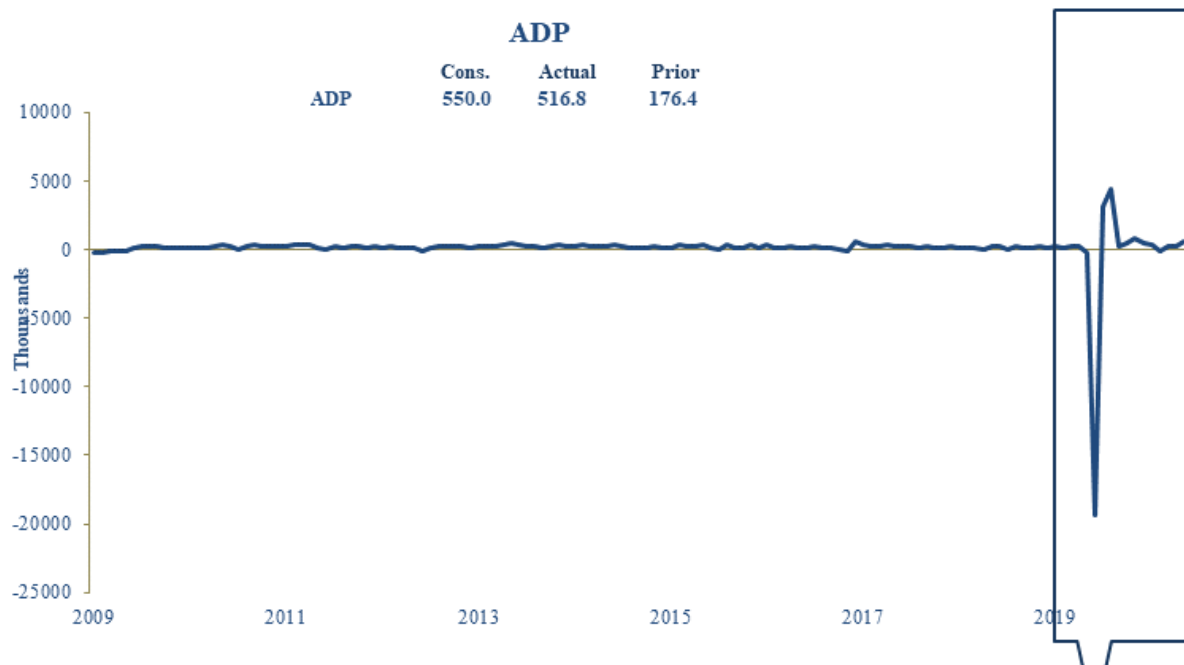
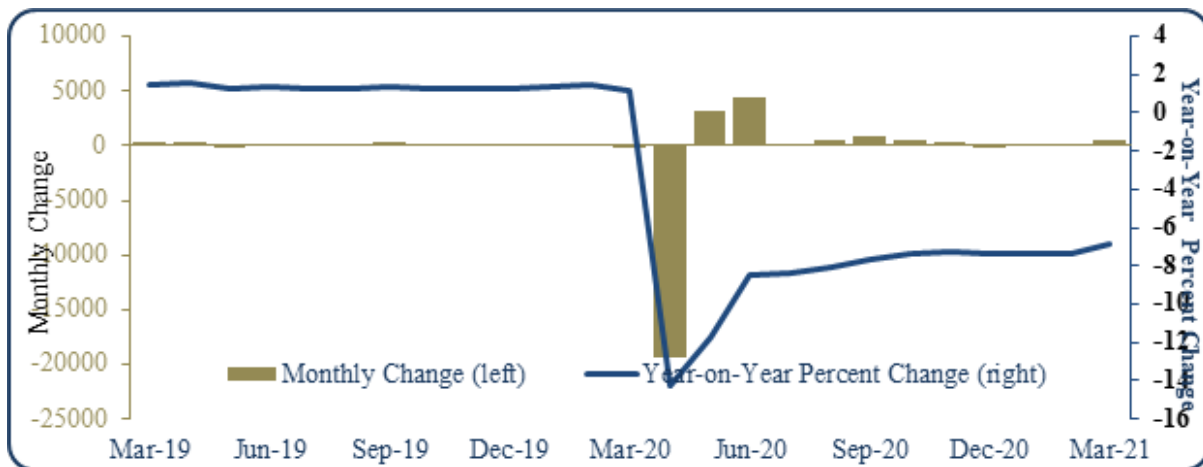


31.Mar.2021

ADP Employment: Strong Gains

Bottom Line: ADP reported sharply higher job gains in March, mostly as expected. March was slightly below consensus, but there were upward revisions to prior data that largely made up for the miss. Overall, the report was strong and bodes well for job creation to be reported in Friday's non-farm payroll report. The consensus is currently 650k, and that appears achievable given these data and trends in initial and continuing jobless claims. Expect most of the gains to come from the services sector, especially hospitality, as these ADP data showed following more reopenings.

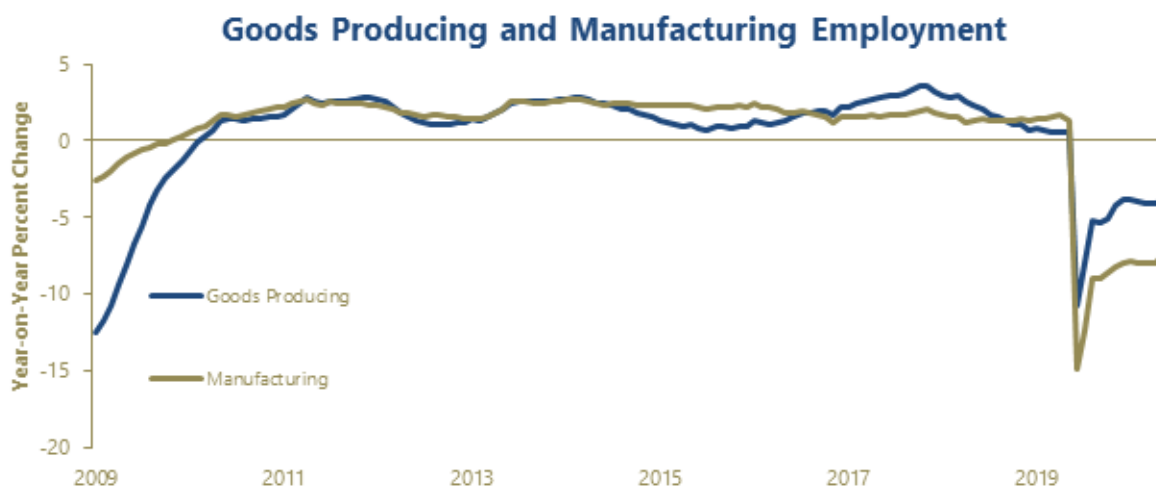




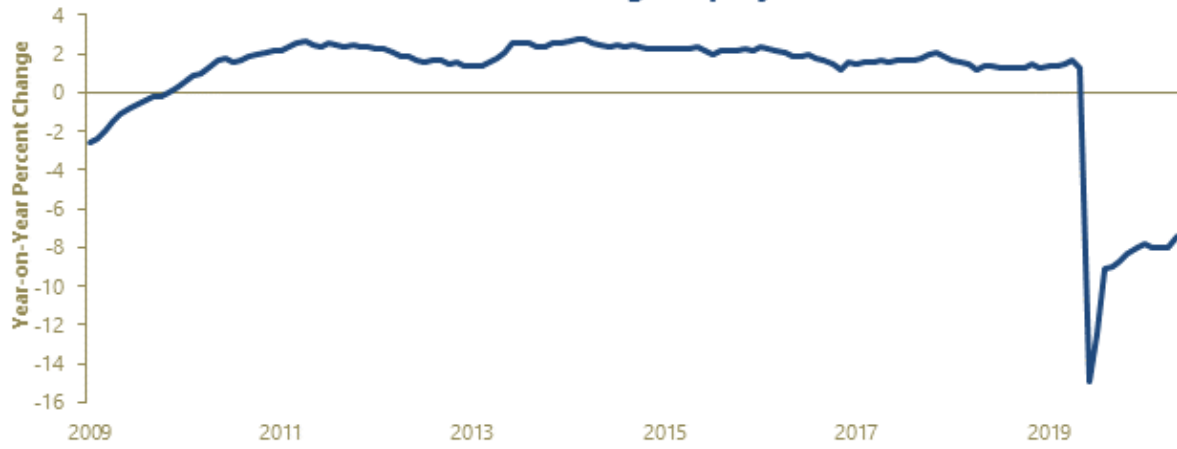
ADP National Employment ROSE by 517k in March, compared with the consensus estimate for a gain of 550k. Meanwhile, the revisions to the prior 3 months added an additional 61k to the previous estimate. Over the past 12 months, private payrolls have decreased by an average of -735k per month, lifting employment to 6.8% BELOW its year-ago level.

Jobs in Goods-Producing Industries ROSE by 80k jobs as **Manufacturing** gained 49k workers. Moreover, **Construction** gained 32k jobs. Meanwhile, **Service-Producing Industries** ROSE by 437k jobs with **Professional/Business Services** hiring 83k workers, **Trade/Transport/Utilities** adding 92k, and **Financial Activities** increasing by 9k workers.

Small Firms hired 174k workers, Medium-Sized Firms grew by 188k employees while Large Firms added 155k positions.



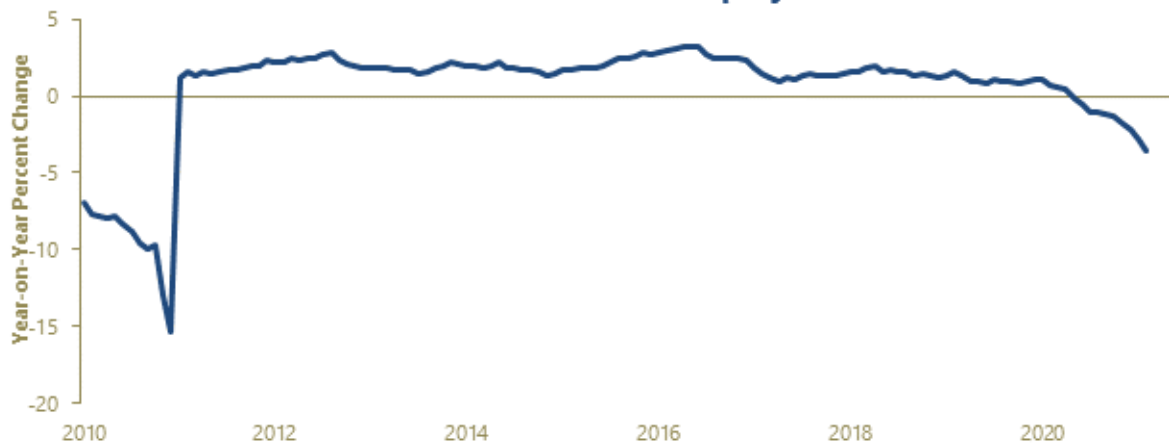
Service Producing Employment



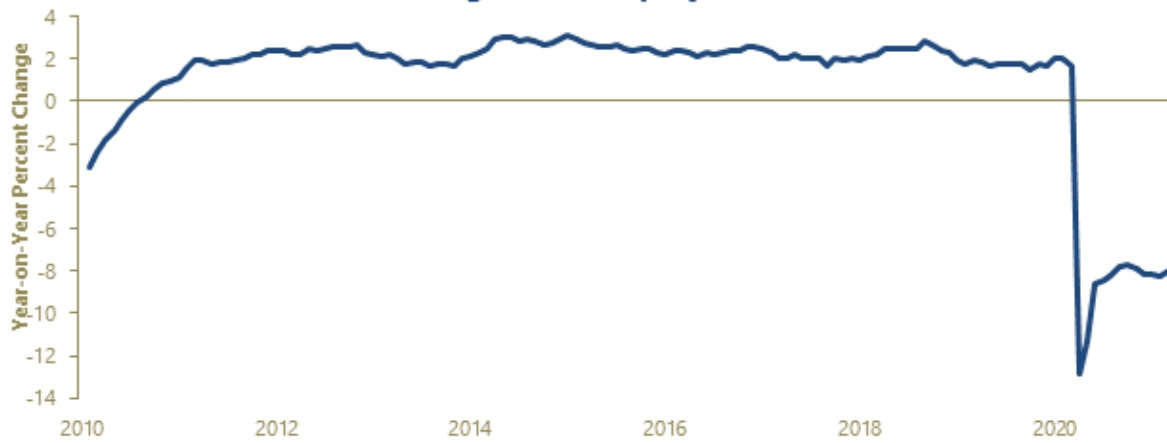
Small Firm Employment



Medium-Sized Firm Employment



Large Firm Employment



	Mar-21	Feb-21	Jan-21	Dec-20	Three Month	Six Month	Twelve Month	2020	2019	Five Year	Ten Year
	Thousands										
	Monthly Change				Average Monthly Change						
ADP National Employment	517	176	196	-76	297	256	-735	149	176	182	180
<i>Previous Report</i>		<i>117</i>	<i>195</i>	<i>-76</i>							
Goods Producing Industries	80	-11	14	-5	28	22	-69	13	44	27	27
Construction	32	-6	5	9	10	12	-17	12	21	21	15
Manufacturing	49	-7	9	-14	17	9	-46	2	21	9	11
Other	-1	2	0	0	1	1	-5	0	3	-2	0
Service Producing Industries	437	187	182	-71	269	235	-666	136	131	155	153
Professional/Business Ser	83	33	46	24	54	52	-98	32	35	36	42
Financial Activities	9	2	3	3	5	5	-12	12	13	13	9
Trade/Transport/Utilities	92	61	16	-28	56	42	-105	14	13	22	27
Other	253	91	118	-70	154	135	-452	78	71	84	75
Addendum:											
Small Firms	174	48	55	-8	92	89	-123	4	3	24	35
Medium Firms	188	78	87	49	118	116	-176	36	52	45	39
Large Firms	155	50	55	-117	86	51	-436	110	120	113	106

Source: ADP & Moody's Analytics via Bloomberg. Our calculations.

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March 31, 2021

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