

ADP Employment Estimate

The April ADP estimate of private payroll employment shows an increase of 179,000, versus an upward-revised March increase of 207,000 (was +201,000) in March.

The month to month slowdown conforms with the generally expected pattern in overall payroll employment (Consensus: +190,000 versus +216,000 in March; Decision Economics: +172,000), so, to that degree offers encouragement to forecaster confidence.

But, the month-to-month variability in the ADP is extreme, apparently on a purely statistical basis, making any point forecast from it quite unreliable.

A weakish initial claims report tomorrow, though it will cover a period beyond the April payroll-survey month, would tend to encourage weak-side payroll numbers (or at least a slowing increase, rather than a speeding one), adding to the ADP message.