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Paychex | IHS Small Business Jobs Index Remains at Peak for March 2014; Mountain Region Leading Small Business Employment Gains

March data represents first report of new, monthly jobs index, a timely and accurate measure of U.S. small business employment trends

ROCHESTER, N.Y.--(BUSINESS WIRE)-- The **Paychex | IHS Small Business Jobs Index** grew 0.33 percent in the 12 months leading up to March, remaining at its recent peak of 101.15. The new, monthly index from Paychex, Inc. (NASDAQ:PAYX), a leading provider of payroll, human resource, and benefits outsourcing solutions for small-to medium-sized businesses, and IHS, Inc. (NYSE:IHS), a leading global source of critical information and insight, launched today and provides insight into the state of small business employment in the U.S.

The Paychex | IHS Small Business Jobs Index analyzes same-store year-over-year worker count changes to identify and track small business employment trends using real small business payroll data from the Paychex client base. The index is based on aggregated data from approximately 350,000 small businesses with fewer than 50 workers across the United States, one of the largest sample sizes of any small business index or report in the country, and provides timely, accurate insight into national, regional, state, and metro employment activity.

Although it did not advance further in March, the Paychex | IHS Small Business Jobs Index remained at its recent peak level that was achieved following sharp gains in January and February. The 3-month gain was 0.40 percent.

The Paychex | IHS Small Business Jobs Index is a monthly measure of change in small business employment in the United States. The data for the index comes from a sub-set of the Paychex client base and is not influenced by any other source of information. The index uses a base year of 2004, a period of expansion before the start of the economic downturn. When the index trends up it is a sign of a strengthening job market, and when it trends down it is a sign of a slowdown.

"With a budget agreement at long last in place in Washington, U.S. economic growth was expected to take off in 2014," said James Diffley, chief regional economist, IHS. "The continued high level of the Paychex | IHS Small Business Jobs Index is further evidence of labor market stability and a return to job security for Americans in 2014."

"With small businesses representing nearly 95 percent of employers in the U.S., tracking the hiring trends in this segment of the market is an important tool in gauging the overall health

of the U.S. economy,” said Martin Mucci, president and CEO of Paychex. “Paychex is pleased to partner with IHS on what we believe will be the most timely and accurate barometer of small business employment in the U.S.”

National Index

The Paychex | IHS Small Business Jobs Index remained at its peak of 101.15, achieved last month. It has increased consistently since October, and year-over-year gains of 0.33 percent in March are the largest since May 2013.

Regional Employment

Tracking the same regions measured by the Bureau of Labor Statistics (BLS), the Mountain region is leading year-over-year small business employment gains; it also produced the second-fastest all-employer job growth in the nation in 2013, according to the BLS.

State Employment Trend

Measuring the 20 largest states based on U.S. population, Texas, Illinois, Washington, and Wisconsin lead the Paychex | IHS Small Business Jobs Index state ranking. A sharp March decline in the Missouri index pushed it to the second-lowest rank among states, joining Virginia, New Jersey, and Maryland, which have seen weak job growth since 2013.

Metropolitan Employment Trend

Measuring the 20 largest metro areas based on U.S. population, Dallas’ small business indicator is ahead of other large metros, consistent with its robust job growth overall. Houston ranked fourth, joining Riverside, CA, and San Francisco among the top performing metros.

The Paychex | IHS Small Business Jobs Index launches today from the NASDAQ Market Site in New York City with a roundtable event featuring Paychex President and CEO Martin Mucci and IHS Chief Economist Nariman Behraves. The roundtable event will be webcast live and available for replay at <http://www.media-server.com/m/p/fyxh8aey>.

For more information about the Paychex | IHS Small Business Jobs Index, please visit the jobs index [website](#). Plus, view and download the March 2014 Paychex | IHS Small Business Jobs Index [infographic](#).

[Sign up](#) to receive monthly alerts on the Paychex | IHS Small Business Jobs Index.

About Paychex

Paychex, Inc. (NASDAQ:PAYX) is a leading provider of payroll, human resource, and benefits outsourcing solutions for small- to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration, and employee pay services, including direct deposit, check signing, and Readychex®. Human resource services include 401(k) plan recordkeeping, section 125 plans, a professional employer organization, time and attendance solutions, and other administrative services for business. A variety of business insurance products, including group health and workers' compensation, are made available through Paychex Insurance Agency, Inc. Paychex was

founded in 1971. With headquarters in Rochester, New York, the company has more than 100 offices serving approximately 570,000 payroll clients as of May 31, 2013. For more information about Paychex and our products, visit www.paychex.com.

About IHS (www.ihs.com)

IHS (NYSE:IHS) is the leading source of information, insight and analytics in critical areas that shape today's business landscape. Businesses and governments in more than 165 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS is committed to sustainable, profitable growth and employs more than 8,000 people in 31 countries around the world.

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