FOR IMMEDIATE RELEASE:

Media Contact:
Neha Patil
UCLA Anderson School of Management
(310) 206-7537 or neha.patil@anderson.ucla.edu

Sergio Morales
Weber Shandwick
+1-212- 445-8018
shmora@webershandwick.com

Paul Kelash
Weber Shandwick
+1-952-346-6253
pkelash@webershandwick.com

New Ceridian-UCLA Pulse of Commerce Index™ Reveals Need for Economic Reality Check as January Number Declines

Index Drops in January after Exceptionally Strong December; Foretells Industrial Production Index

MINNEAPOLIS, Minn., Feb. 10, 2010 – Results from a major new econometric report – the Ceridian-UCLA Pulse of Commerce Index™ by UCLA Anderson School of Management – show the U.S. economy fell in January after a significant increase in December, with the index falling at an annualized rate of 36.8 percent. The more reliable three-month moving average for January managed to show a 3.3 percent gain at an annualized rate following the exceptional annualized rate of 14.6 percent in the previous month.

The index is based on an analysis of real-time diesel fuel consumption data from over the road trucking tracked by Ceridian Corporation. Ceridian produces the index in conjunction with UCLA Anderson School of Management and Charles River Associates (www.ceridianindex.com). It mirrors closely the Federal Reserve’s Industrial Production Index but is issued days before that index is released.

“Though the January 2010 number is disappointing, the index is 3.6 percent above its January 2009 level and is similar to year-over-year pre-recession values,” said Edward Leamer, director of the UCLA Anderson Forecast and chief economist for the Ceridian-UCLA Pulse of Commerce Index. “Also, the three-month moving average is 2.3 percent above the previous year’s value, which is the first time that there has been a year-over-year increase since April 2008, 21 very difficult months ago.”
The latest PCI numbers suggest caution about celebrating the recently announced 5.7 percent GDP growth number. Although the 7.3 percent growth rate in the fourth quarter of 2009 for the PCI was strong, at that rate the index won’t exceed the 2007 second quarter peak until the third quarter of 2011. “Things are going to have to look a lot better in February and March to turn this worry into optimism about the power of the recovery,” Leamer said. “Stay tuned. We expect this showing in January indicated by the PCI will also be seen in the Industrial Production number when it is released later this month.”

The index is built by analyzing Ceridian’s electronic card payment data that captures the location and volume of diesel fuel being purchased by over the road trucking operations, providing a detailed picture of the movement of products across the United States. “Goods have to be transported for an economy to grow, so it will be important to monitor this index to see if the economy is really on the move,” said Craig Manson, senior vice president and index analyst for Ceridian.

Leamer noted that the high December number for the index may have reflected delayed purchasing and shipments for the holiday season since the index did not see the usual holiday restocking uptick in October 2009.

The Ceridian-UCLA Pulse of Commerce Index also provides a regional breakdown based on the nine U.S. Census regions. The three-month moving average of the national index was also reflected regionally. The East South Central region was the only area enjoying better growth than the previous month, climbing from -1.8 percent in December to 0.3 percent in January. While five other regions continued to experience growth in the movement of goods, the pace of growth had dropped from the high December values.

“The majority of the regions may still have experienced growth, but we’re not seeing the consistent, positive momentum generally considered necessary to significantly improve the labor market,” said Leamer. “The index numbers for the remaining coastal regions actually dipped into negative territory. All signs continue to point to a weak economic recovery, too slow to drive down the unemployment rate.”

Additional information on the Ceridian-UCLA Pulse of Commerce Index is available at [www.ceridianindex.com](http://www.ceridianindex.com) or by contacting index@ceridian.com. The Web site offers further detail such as index graphs, U.S. maps illustrating the source data, information on how the data is obtained, and the opportunity to receive updates on the latest information via e-mail and RSS feeds. The Ceridian-UCLA Pulse of Commerce Index will be publically released on or near the 10th day of each month. For additional information on the Ceridian-UCLA Pulse of Commerce Index, please visit [www.ceridianindex.com](http://www.ceridianindex.com).
About Ceridian-UCLA Pulse of Commerce Index
The Ceridian-UCLA Pulse of Commerce Index™ is based on real-time diesel fuel consumption data for over the road trucking and serves as an indicator of the state and possible future direction of the U.S. economy. By tracking the volume and location of fuel being purchased, the index closely monitors the over the road movement of raw materials, goods-in-process and finished goods to U.S. factories, retailers and consumers. Working with economists at UCLA Anderson School of Management and Charles River Associates, Ceridian provides the index monthly and also offers companies access to more detailed fuel-use information. Ceridian is a global business services company providing electronic and stored value card payment services and human resources solutions. UCLA Anderson School of Management is perennially ranked among top-tier business schools in the world. Charles River Associates is a leading global consulting firm that offers economic, financial, and business management expertise to organizations around the world.

###