



Private Companies Keep Growing Despite Credit and Inflation Worries

Chicago, IL, January 18, 2008 --(PR.com)-- The Private Company Index (PCI) gracefully crested to a new healthy peak amid loud Q4 concerns about a US economic slowdown and a possible recession. Company reporting for December 2007 revenue puts the index up to 961, a 1.7% increase over November. Conversely, the Dow, Nasdaq and S&P Small Cap 600 all experienced drops over the same month period.

Stephen H. Watkins, CEO of PCI sponsor company, Entrex, explains the relevance of December results in contrast to the closely-watched capital markets; “Public market indicators saw high levels of volatility in Q4 - which can be expected in a period of economic uncertainty. But, the question remains whether or not such volatility is grounded in market fundamentals or general investor sentiment overly influenced by recent news.”

Watkins continues, “It's important to note the consistent upward movement of the PCI during the same period. Private growth-oriented companies represent one sector of the economy showing strong upward performance, while financial media would lead us to believe that the whole economy is teetering on the brink of recession.”

The Index marked a 33% overall increase for calendar year 2007. Representing a broad spectrum of private companies with annual revenues ranging from \$1-100 Million, it is a measure for what's come to be known as the “Main Street Economy.” Local, regional and national growth-oriented firms whose positive performance favorably impacts employment growth and economic development within the geographic scope of their operations.

2007 bore a credit crunch, seeded an energy crisis and, as of news yesterday, saw inflation eclipse American wage increases. According to The New York Times, “The year that just ended was not for the faint of heart.” Obviously, it's not viewed as a sound platform for a strong Q1 2008 and CEOs are likely to be thinking about how their businesses will be affected.

“Right now, private company sector news is incredibly positive,” Watkins adds. “The PCI will tell us when revenues drop and we'll assess meaning and impact at that point. The Index is full of companies that grew all year long, despite economic challenges. There's no reason to think they can't handle what's coming in 2008.”

For more information visit www.privatecompanyindex.com.

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