

APOLLO GLOBAL MANAGEMENT

Labor market still tight

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Tracking the employment recovery in different sectors

	Feb-20	Apr-20	Aug-20	Jan-21	Aug-21	Dec-21	Feb-22	Jul-22	Aug-22
Total nonfarm payrolls	100	86	92	94	96	98	99	100	100
Coal mining	100	81	84	82	80	80	81	84	82
Clothing and clothing accessories stores	100	41	72	78	82	83	85	84	85
Nursing and residential care facilities	100	96	93	91	89	88	88	89	90
Scenic and sightseeing transportation	100	38	52	59	72	78	82	89	90
Furniture and home furnishings stores	100	54	86	91	93	94	94	92	91
Child day care services	100	64	79	81	84	87	88	91	92
Amusements, gambling, and recreation	100	45	64	73	83	88	90	91	92
Rail transportation	100	97	92	91	92	92	92	92	92
Electronics and appliance stores	100	91	88	89	90	92	92	93	92
Leisure and hospitality	100	52	74	76	85	89	90	93	93
Museums	100	72	72	75	82	85	88	92	93
Mining and logging	100	90	82	80	84	86	87	92	93
Automobile dealers	100	78	91	93	93	93	94	94	94
Food services and drinking places	100	51	79	79	88	91	93	95	95
Performing arts and spectator sports	100	52	52	61	77	86	88	96	95
Telecommunications	100	99	97	97	94	93	93	95	95
Sporting goods, hobby, book, and music stores	100	62	83	91	96	94	96	96	95
Motor vehicles and parts	100	81	92	94	95	95	96	96	97
Government	100	96	96	95	97	97	97	97	97
Hospitals	100	98	97	98	98	98	98	99	99
Motion picture and sound recording industries	100	50	57	71	89	98	96	100	100
Wholesale trade	100	93	94	95	97	98	98	100	100

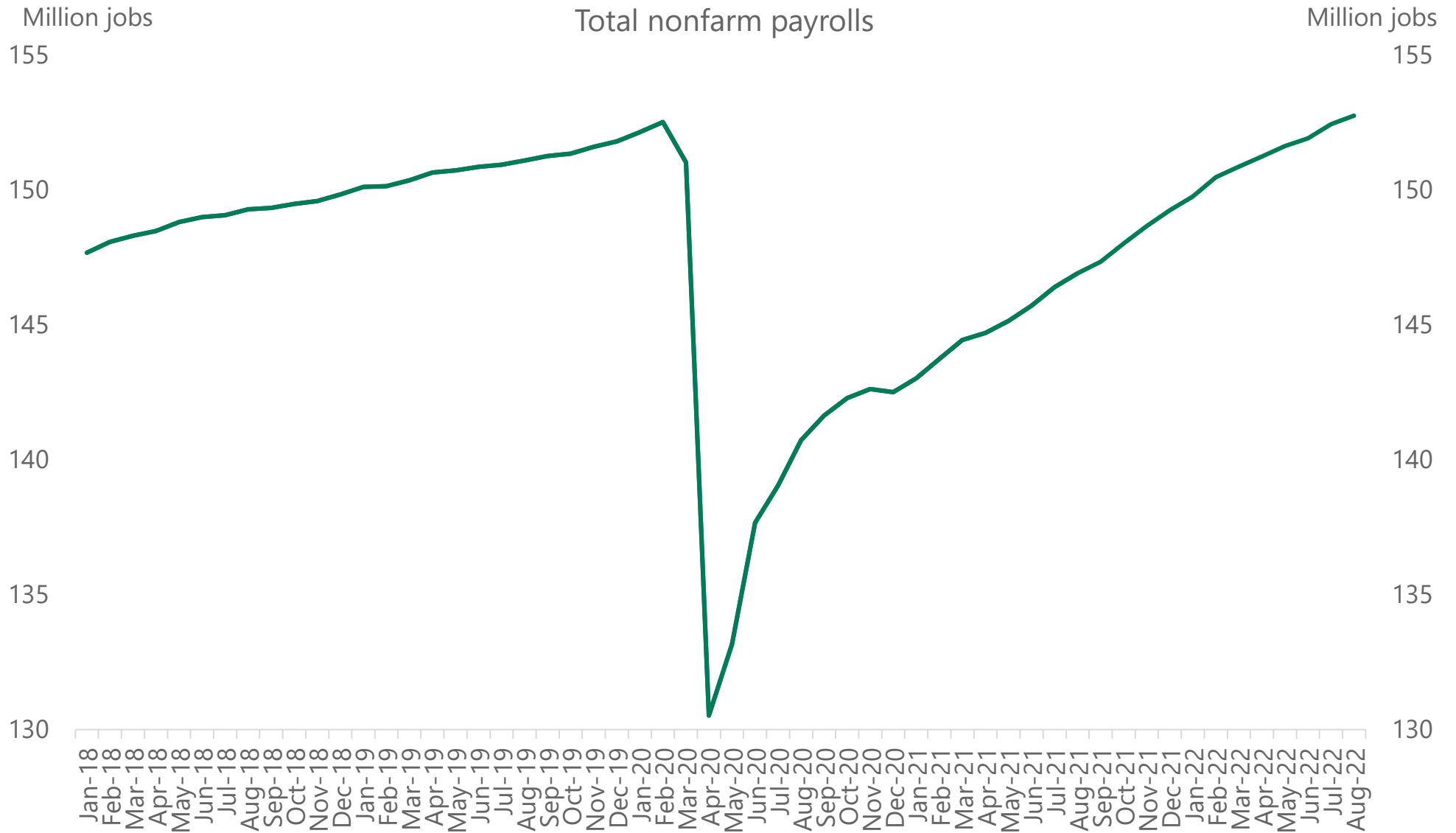
Source: BLS, Apollo Chief Economist

Tracking the employment recovery in different sectors

	Feb-20	Apr-20	Aug-20	Jan-21	Aug-21	Dec-21	Feb-22	Jul-22	Aug-22
Total nonfarm payrolls	100	86	92	94	96	98	99	100	100
Service-producing industries	100	85	92	94	96	98	99	100	100
Good-producing industries	100	88	94	95	97	98	99	100	101
Construction	100	85	95	97	97	99	100	101	101
Financial activities	100	97	97	98	99	100	100	101	101
Retail trade	100	86	96	98	99	100	101	101	102
Gas stations	100	95	96	97	99	100	101	102	102
Real estate	100	93	96	98	100	102	102	103	103
Oil and gas extraction	100	97	92	83	87	91	94	103	103
Health and personal care stores	100	89	92	96	99	103	104	103	104
Trade, transportation, and utilities	100	89	96	98	100	101	103	103	104
Office of physicians	100	89	97	99	101	102	103	104	105
Food and beverage stores	100	99	103	103	102	102	103	104	105
Professional and business services	100	89	94	97	100	102	103	105	105
Truck transportation	100	94	96	98	101	102	103	105	105
Publishing industries, except internet	100	97	96	99	101	102	103	106	107
Building material and garden supply stores	100	99	108	109	107	107	108	108	108
General merchandise stores	100	96	106	103	103	105	109	108	108
Air transportation	100	85	83	85	94	100	102	109	109
Nonstore retailers	100	94	101	105	109	111	112	111	111
Couriers and messengers	100	103	113	122	123	124	128	127	128
Warehousing and storage	100	96	110	120	126	130	133	136	135

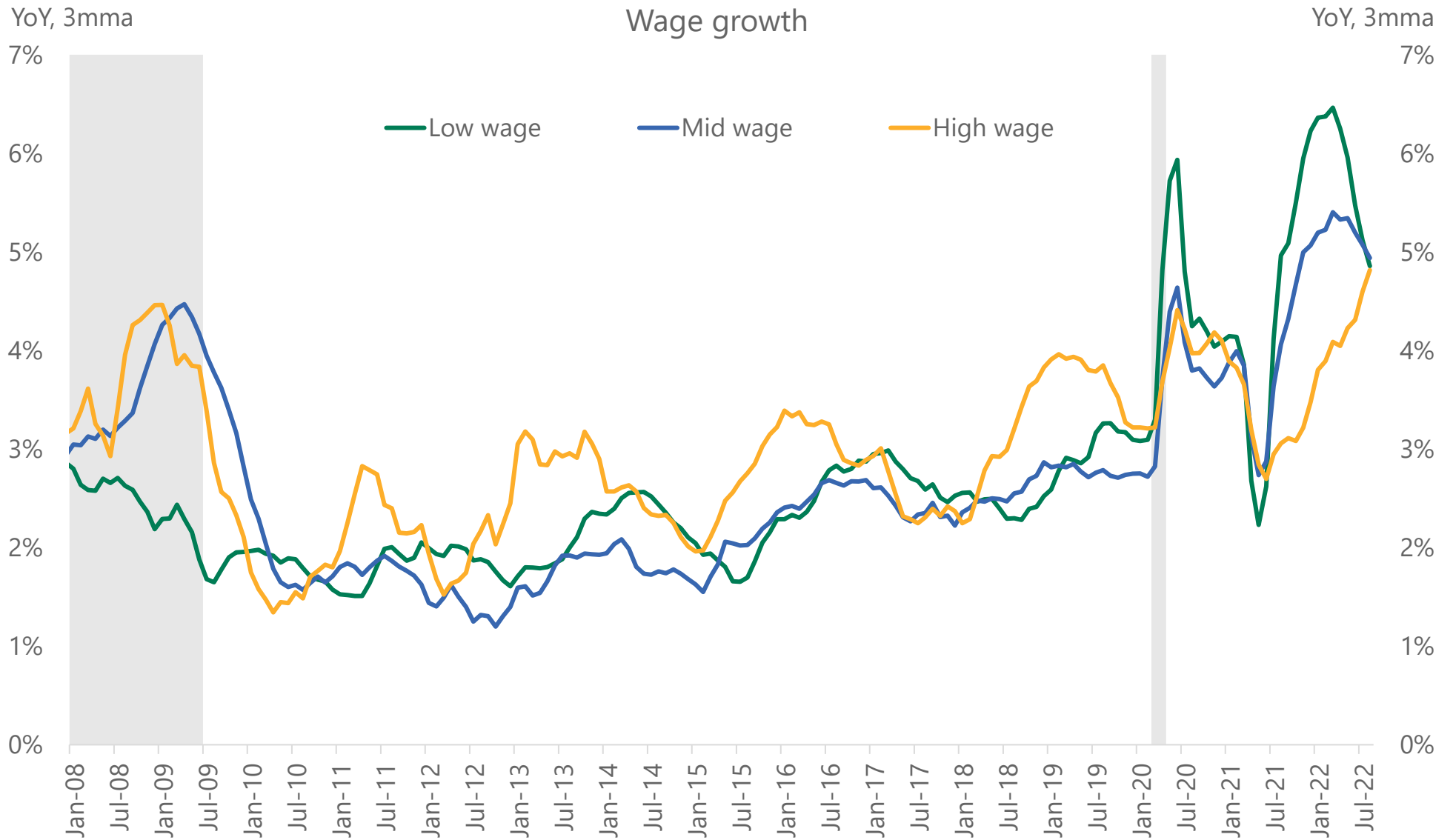
Source: BLS, Apollo Chief Economist

Total employment now 240k above February 2020 levels



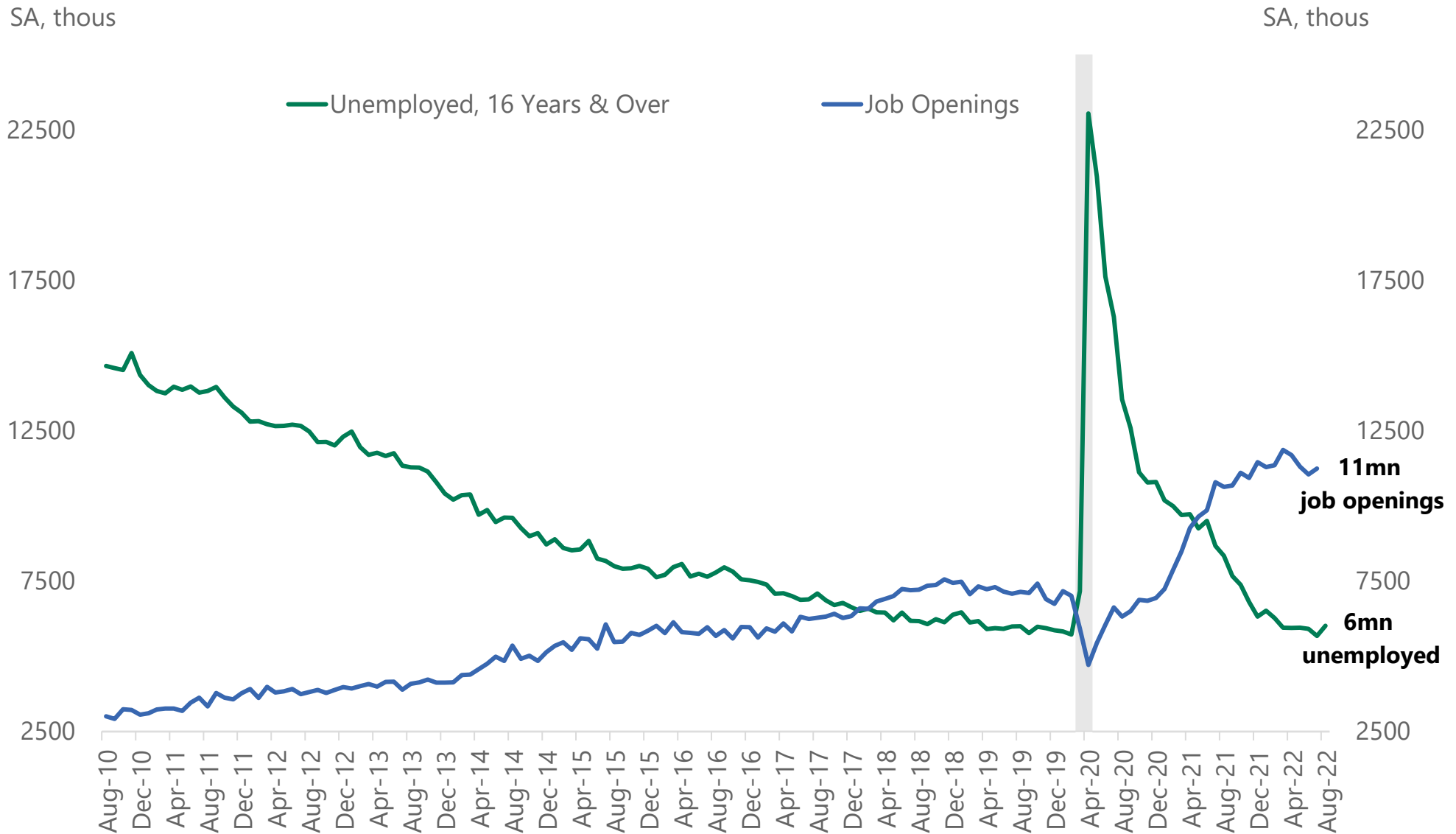
Source: BLS, Apollo Chief Economist

Wage inflation across the income distribution



Source: BLS, Apollo Chief Economist. Note: Low wage workers are defined as the bottom third percentile in the wage distribution, mid wage workers as the mid third percentile and high wage workers as top third percentile

11mn job openings and 6mn unemployed



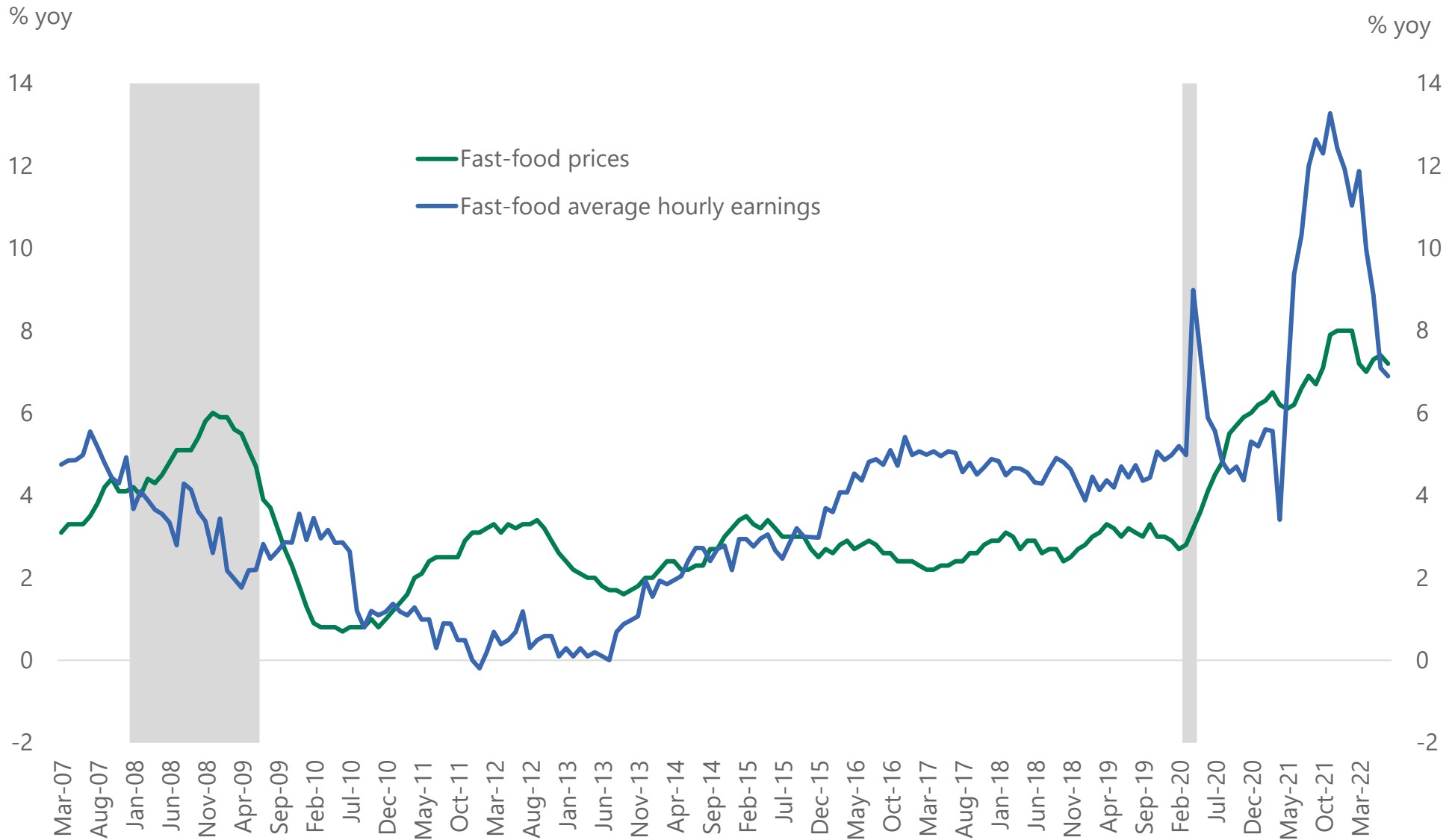
Source: BLS, Haver Analytics, Apollo Chief Economist

Hotel and restaurant wages substantially above pre-covid trend



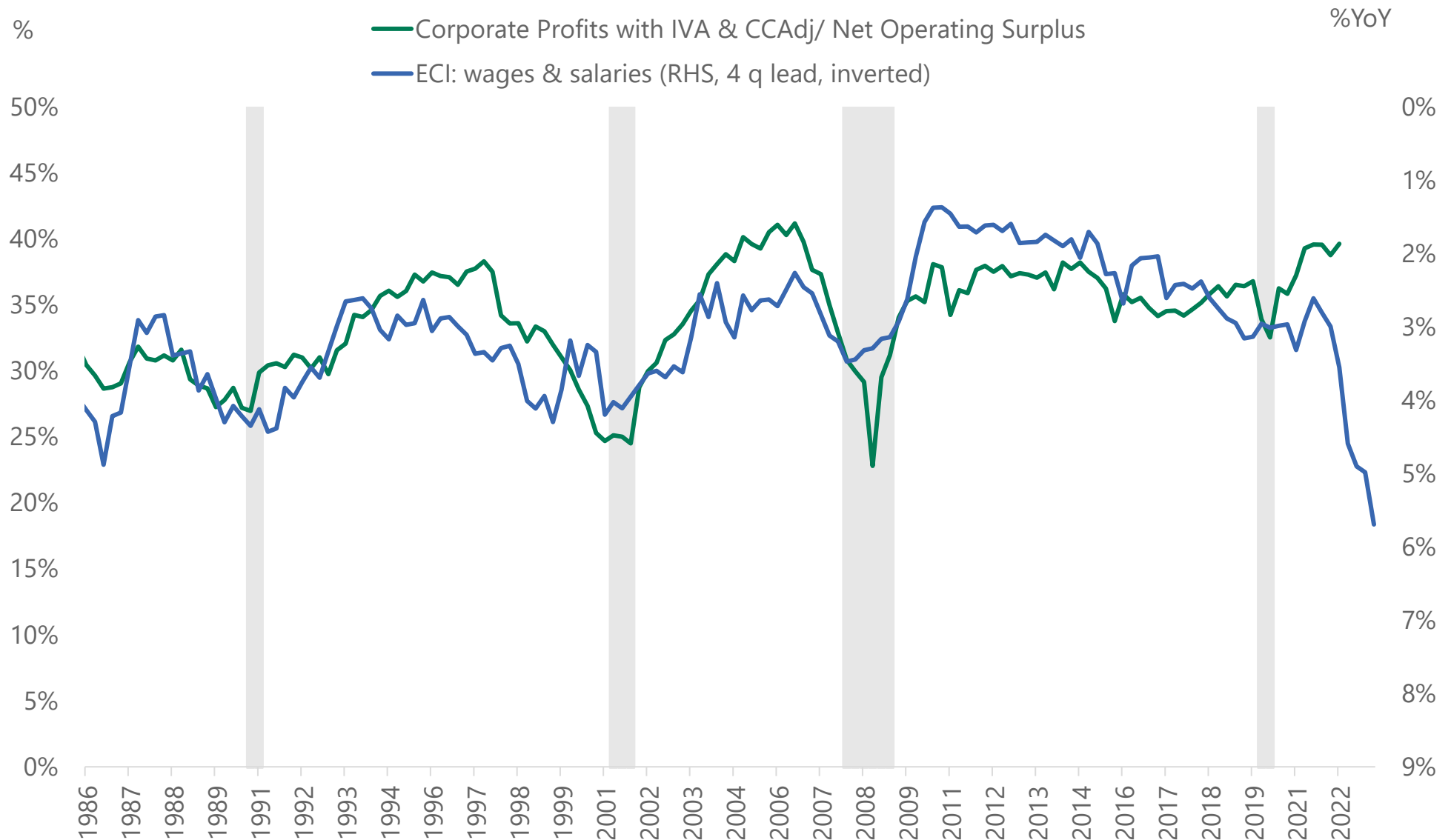
Source: BLS, Haver Analytics, Apollo Chief Economist

Labor cost inflation declining in the fast-food industry



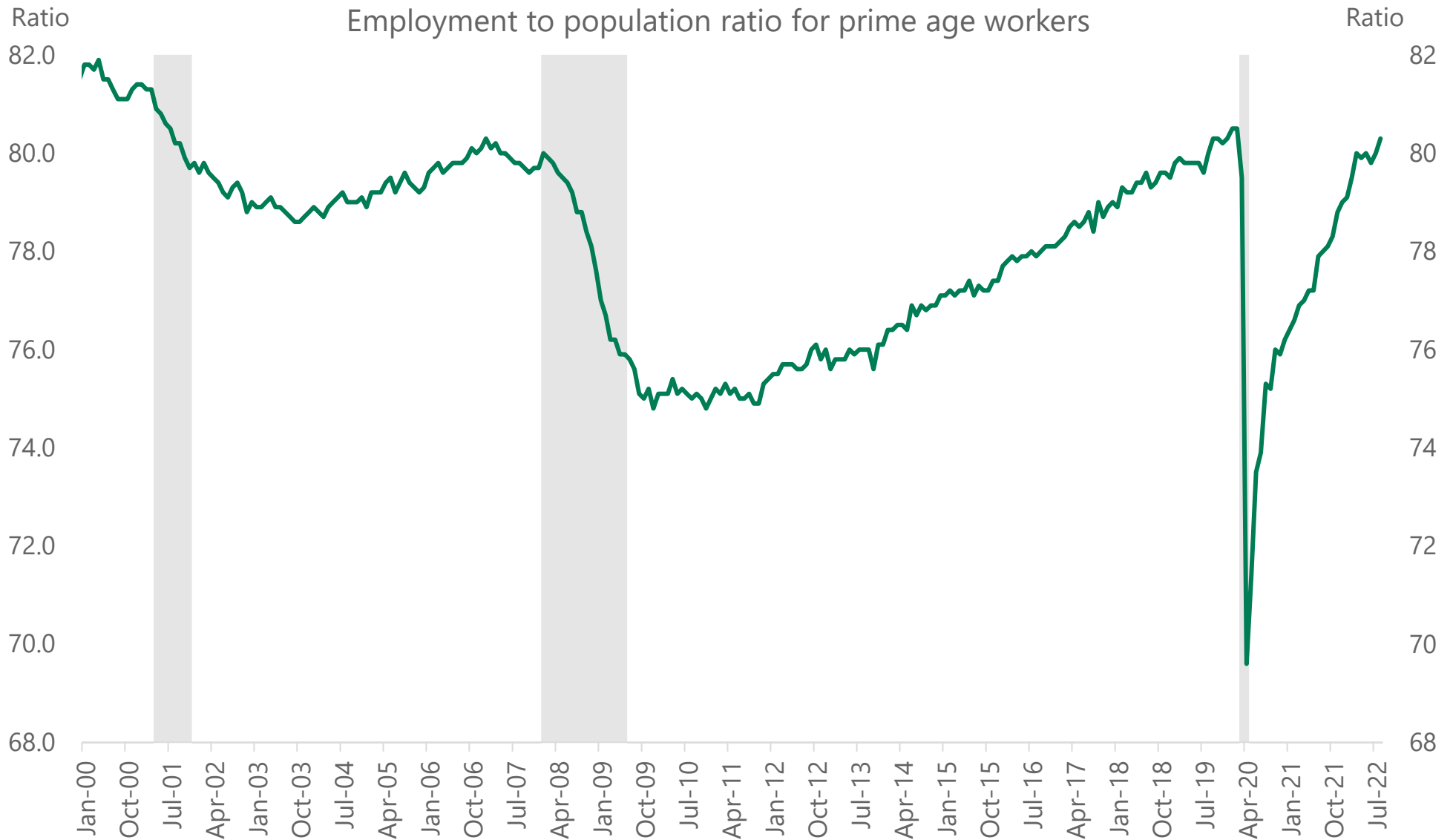
Source: BLS, Haver, Apollo Chief Economist

Rising labor costs will weigh on profit margins over the coming quarters



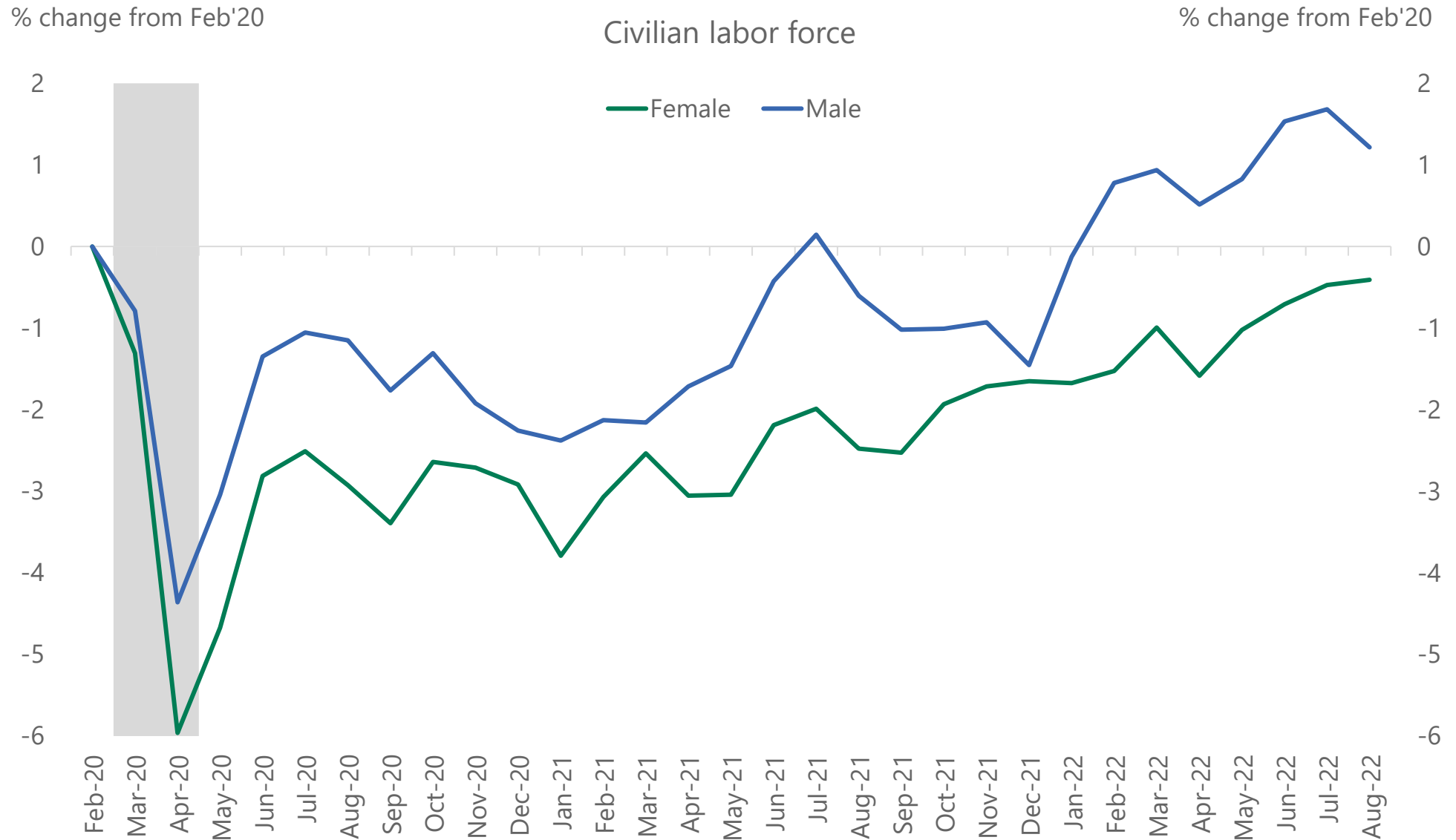
Source: BEA, Haver Analytics, Apollo Chief Economist

Employment-to-population ratio for prime age workers



Source: BLS, Haver Analytics, Apollo Chief Economist

Labor force participation improving



Source: BLS, Apollo Chief Economist

Biography



Torsten Slok, Ph.D.

Chief Economist

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Torsten Slok joined Apollo in 2020 as Chief Economist and he leads Apollo's macroeconomic and market analysis across the platform.

Prior to joining, Mr. Slok worked for 15 years as Chief Economist at Deutsche Bank where his team was top ranked in the annual Institutional Investor survey for a decade, including #1 in 2019. Prior to joining Deutsche Bank Mr. Slok worked at the IMF in Washington, DC and at the OECD in Paris.

Mr. Slok has a Ph.D in Economics and has studied at the University of Copenhagen and Princeton University.