

APOLLO GLOBAL MANAGEMENT

Labor market still tight

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Unless otherwise noted, information as of December 2022

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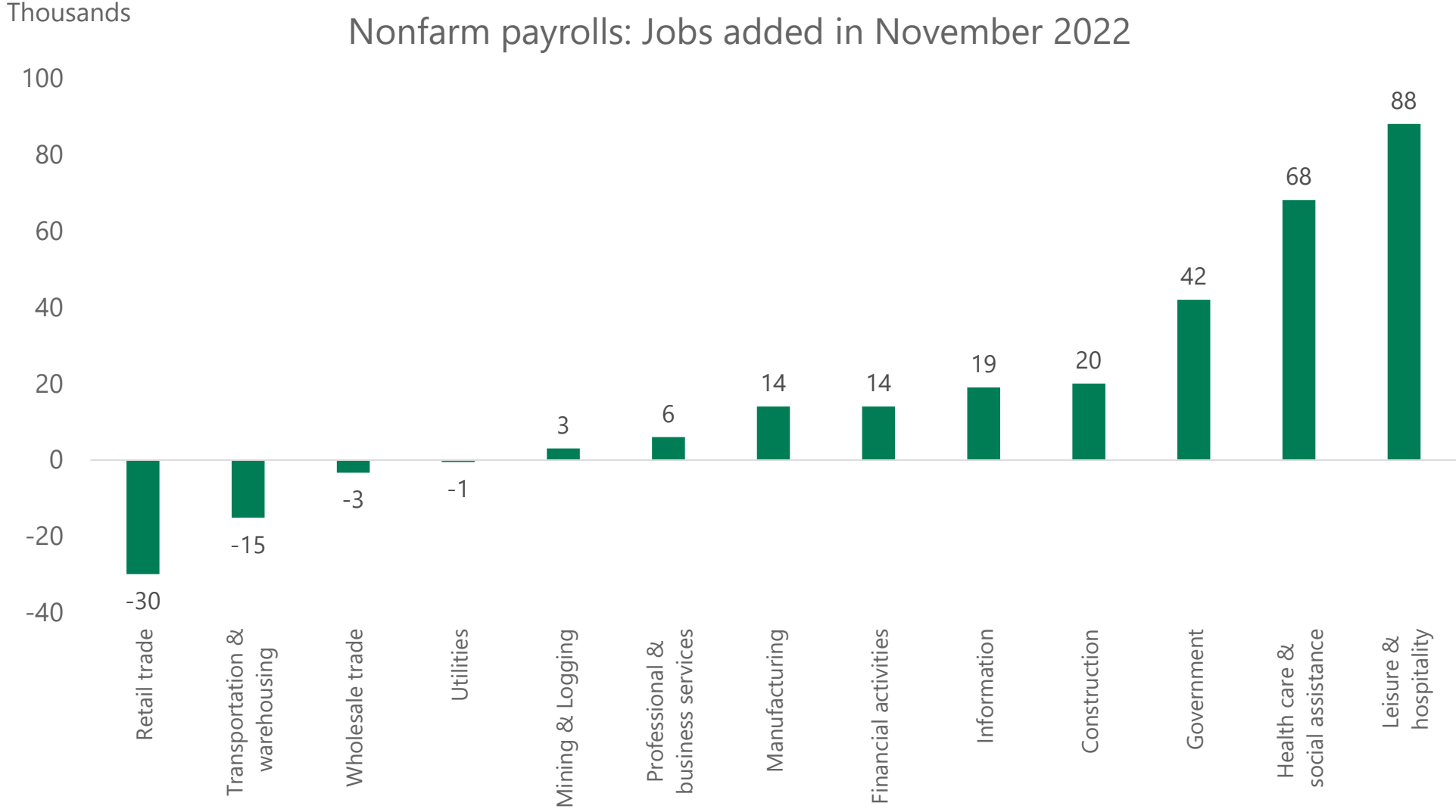
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Hiring strong in the service sector in November



Source: BLS, Haver, Apollo Chief Economist

Tracking the employment recovery in different sectors

	Feb-20	Apr-20	Oct-20	Nov-20	Jun-21	Nov-21	Jun-22	Oct-22	Nov-22
Total nonfarm payrolls	100	86	93	94	96	97	100	101	101
Coal mining	100	81	79	77	79	79	83	83	83
Clothing and clothing accessories stores	100	41	76	75	81	83	85	85	85
Electronics and appliance stores	100	91	91	91	90	92	93	89	88
Furniture and home furnishings stores	100	54	90	90	93	94	92	90	90
Nursing and residential care facilities	100	96	93	92	90	88	89	90	91
Performing arts and spectator sports	100	52	55	57	70	84	95	93	92
Child day care services	100	64	81	81	84	86	90	91	92
Rail transportation	100	97	92	91	93	92	92	93	93
Mining and logging	100	90	81	81	83	85	92	93	93
Scenic and sightseeing transportation	100	38	56	63	67	81	87	94	94
Telecommunications	100	99	96	96	95	93	95	94	94
Amusements, gambling, and recreation	100	45	73	74	81	87	91	93	94
Leisure and hospitality	100	52	78	78	83	88	92	94	94
Automobile dealers	100	78	92	92	93	93	94	94	95
Museums	100	72	75	76	80	84	91	94	95
Sporting goods, hobby, book, and music stores	100	62	87	86	95	96	96	96	96
Food services and drinking places	100	51	82	82	86	90	94	96	96
Motor vehicles and parts	100	81	94	94	95	95	96	97	97
Government	100	96	95	95	96	97	97	98	98
Oil and gas extraction	100	97	92	92	85	88	102	99	99
Wholesale trade	100	93	95	95	96	97	100	100	100
Hospitals	100	98	98	98	98	98	99	100	100

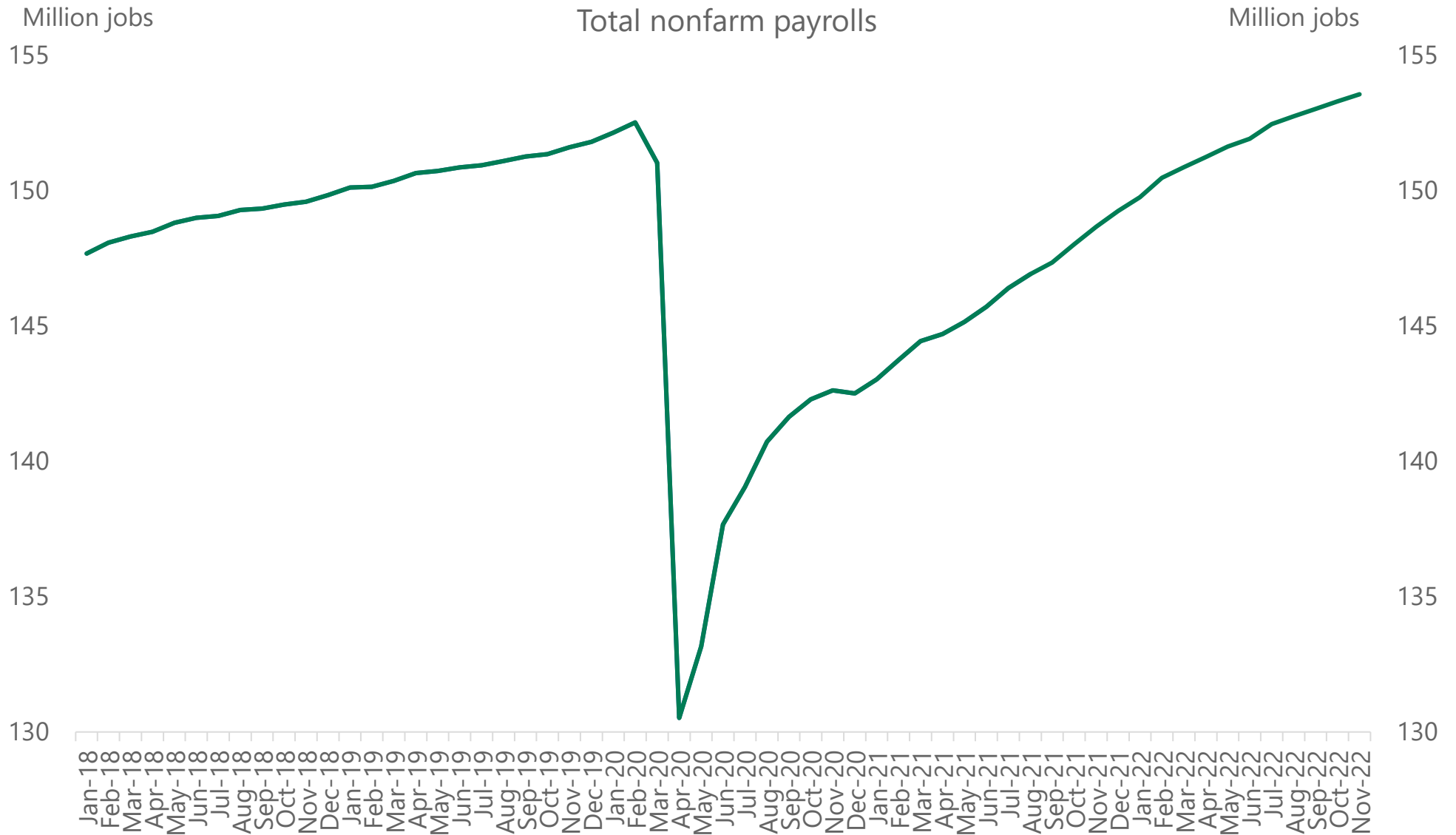
Source: BLS, Apollo Chief Economist

Tracking the employment recovery in different sectors

	Feb-20	Apr-20	Oct-20	Nov-20	Jun-21	Nov-21	Jun-22	Oct-22	Nov-22
Total nonfarm payrolls	100	86	93	94	96	97	100	101	101
Service-producing industries	100	85	93	93	95	97	100	100	101
Good-producing industries	100	88	95	95	96	98	100	101	101
Retail trade	100	86	97	97	99	100	101	101	101
Financial activities	100	97	98	98	99	100	101	101	101
Construction	100	85	96	96	97	98	101	101	102
Motion picture and sound recording industries	100	50	66	67	83	97	101	100	102
Gas stations	100	95	97	97	98	99	102	102	102
Trade, transportation, and utilities	100	89	97	97	99	101	103	103	103
Real estate	100	93	97	97	99	101	103	104	104
Health and personal care stores	100	89	94	93	99	102	102	104	104
Food and beverage stores	100	99	103	103	102	102	104	105	105
Professional and business services	100	89	95	96	99	102	104	105	105
Office of physicians	100	89	98	98	100	102	104	105	105
General merchandise stores	100	96	103	103	102	105	107	106	105
Truck transportation	100	94	97	98	100	101	105	106	106
Building material and garden supply stores	100	99	108	109	109	107	107	108	108
Publishing industries, except internet	100	97	98	98	101	102	106	107	108
Nonstore retailers	100	94	104	104	107	112	111	111	110
Air transportation	100	85	79	81	91	99	108	111	111
Couriers and messengers	100	103	118	121	122	125	127	127	126
Warehousing and storage	100	96	115	117	124	129	136	132	131

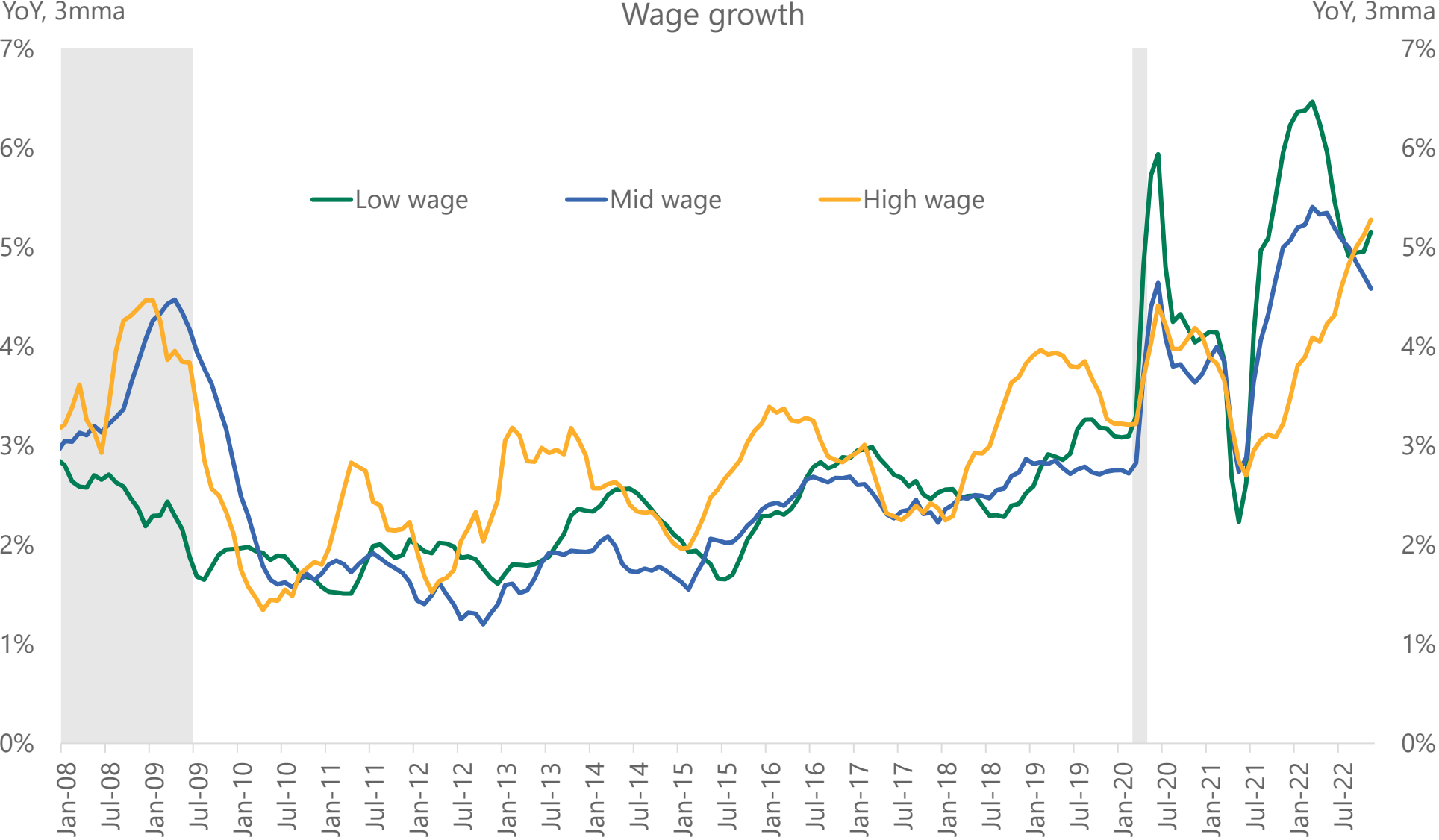
Source: BLS, Apollo Chief Economist

Total employment now 1000k above February 2020 levels



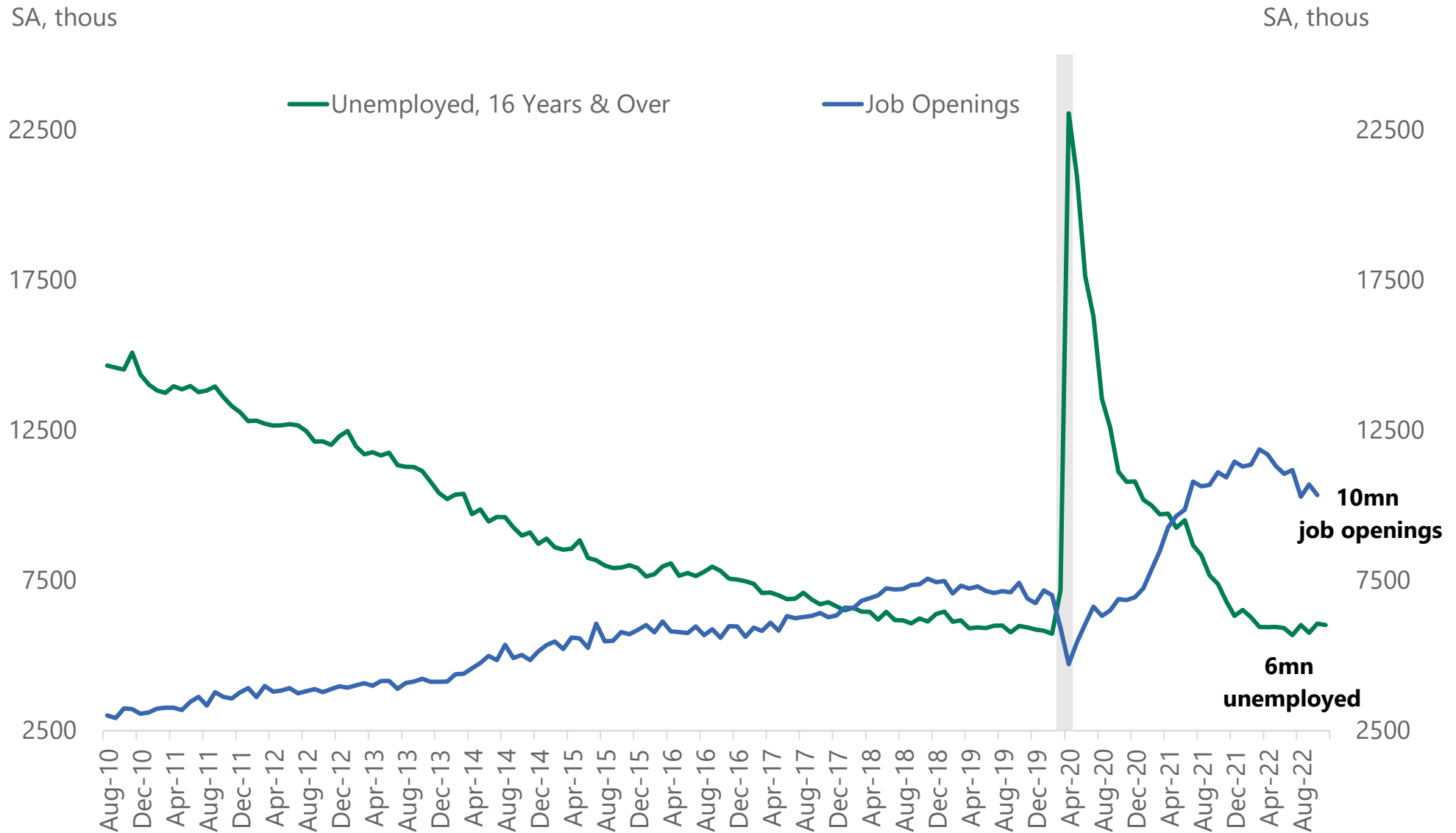
Source: BLS, Apollo Chief Economist

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

10mn job openings and 6mn unemployed



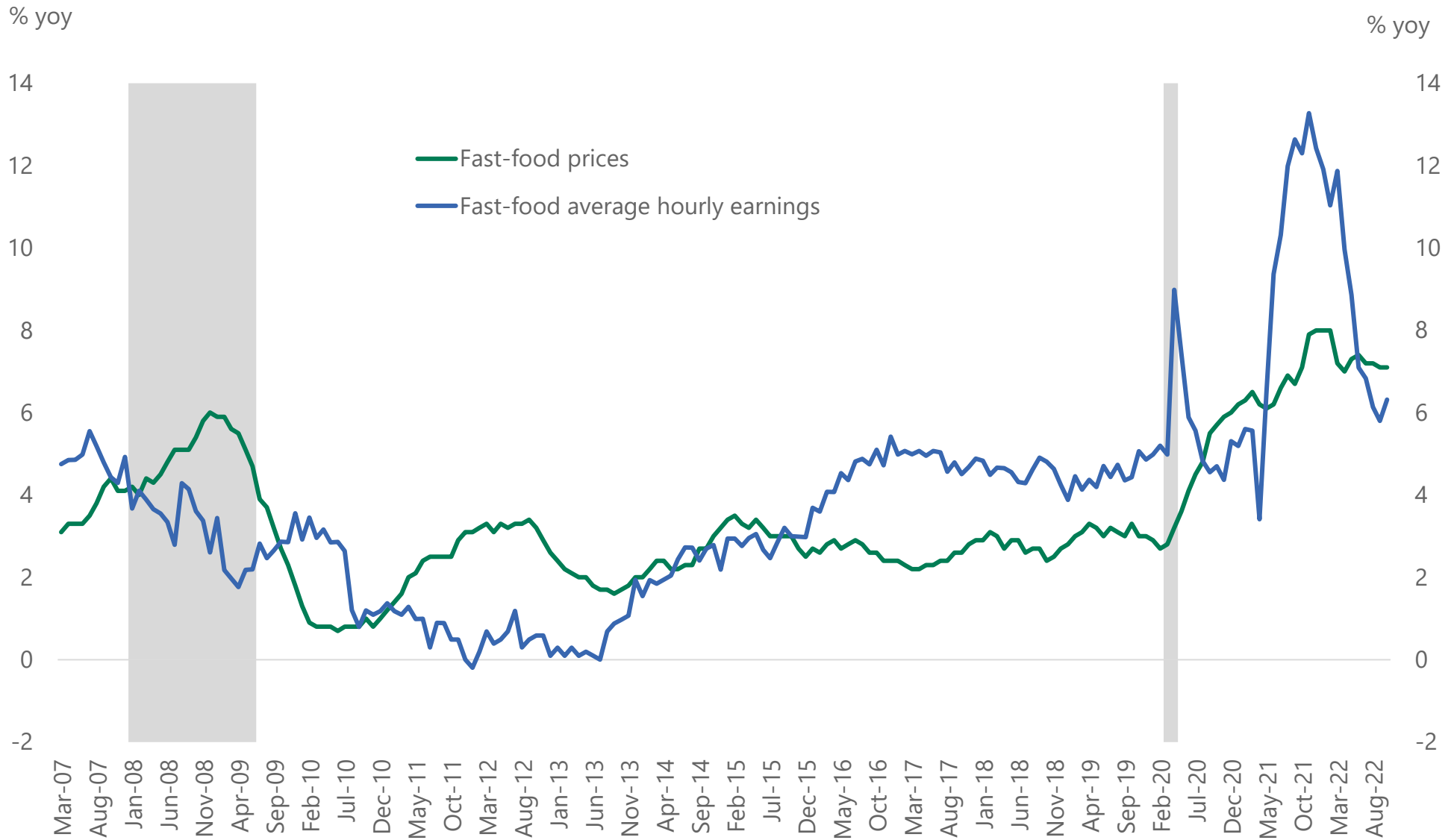
Source: BLS, Haver Analytics, Apollo Chief Economist

Hotel and restaurant wages substantially above pre-covid trend



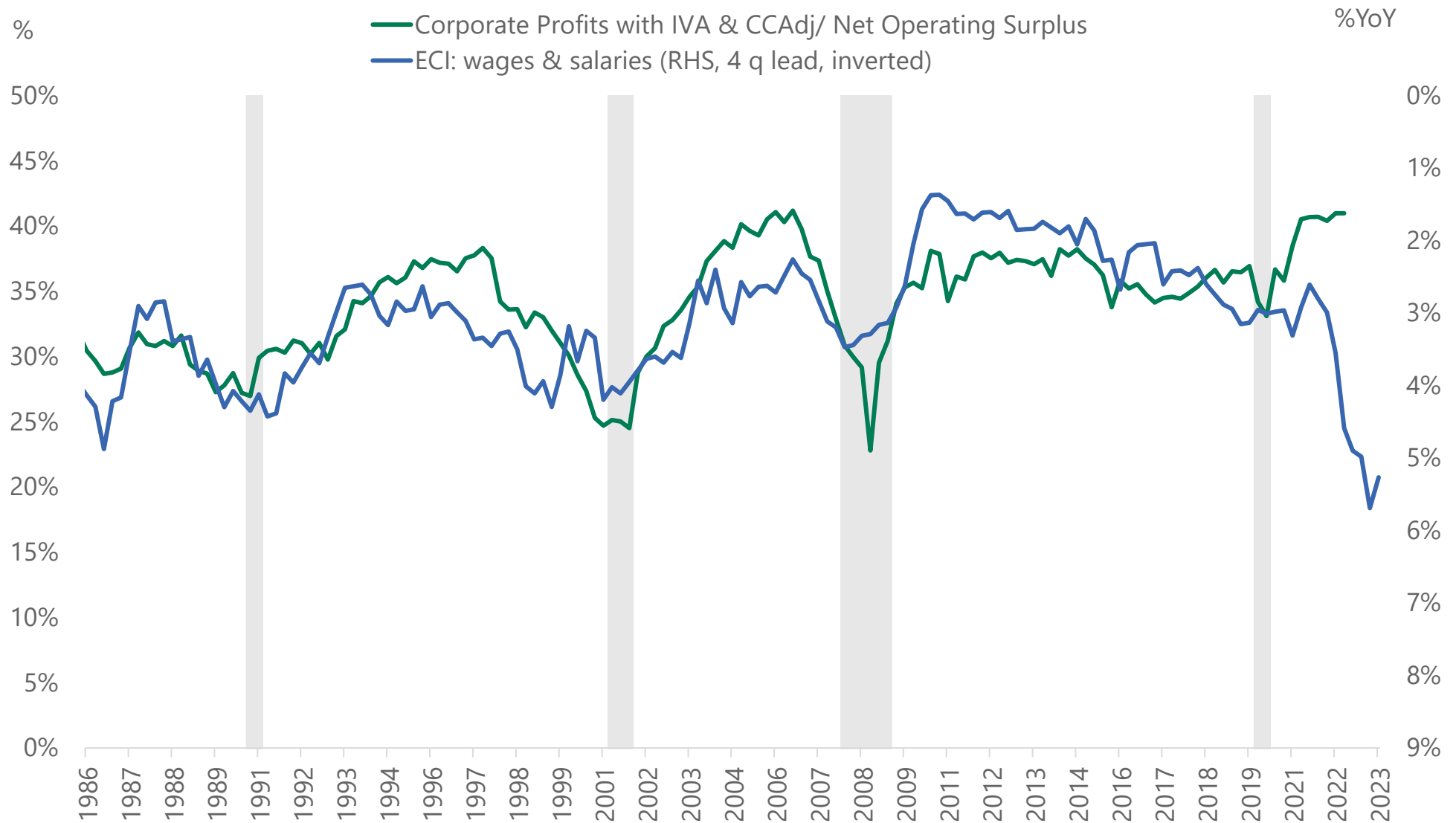
Source: BLS, Haver Analytics, Apollo Chief Economist

Labor cost inflation declining in the fast-food industry



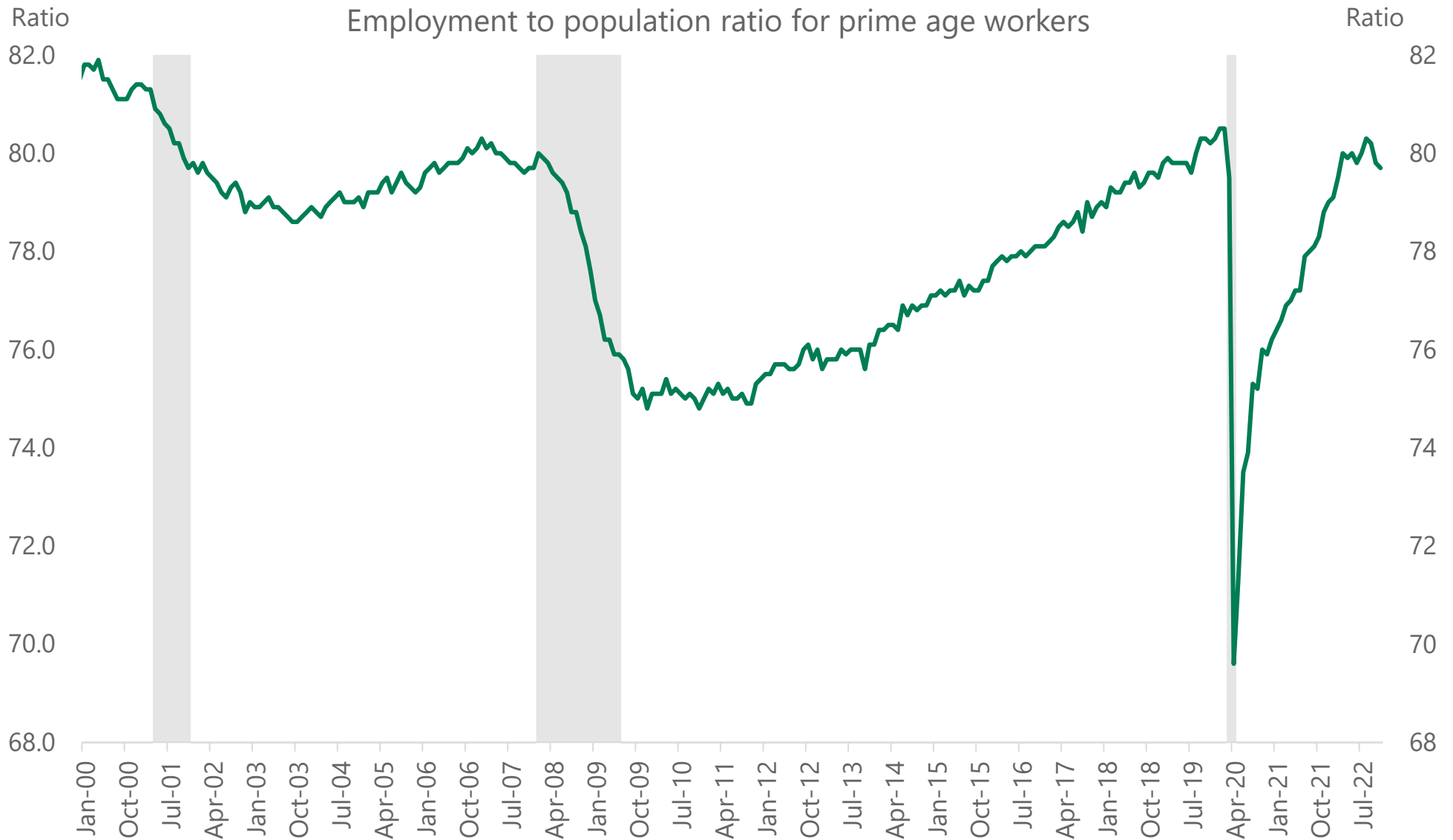
Source: BLS, Haver, Apollo Chief Economist

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



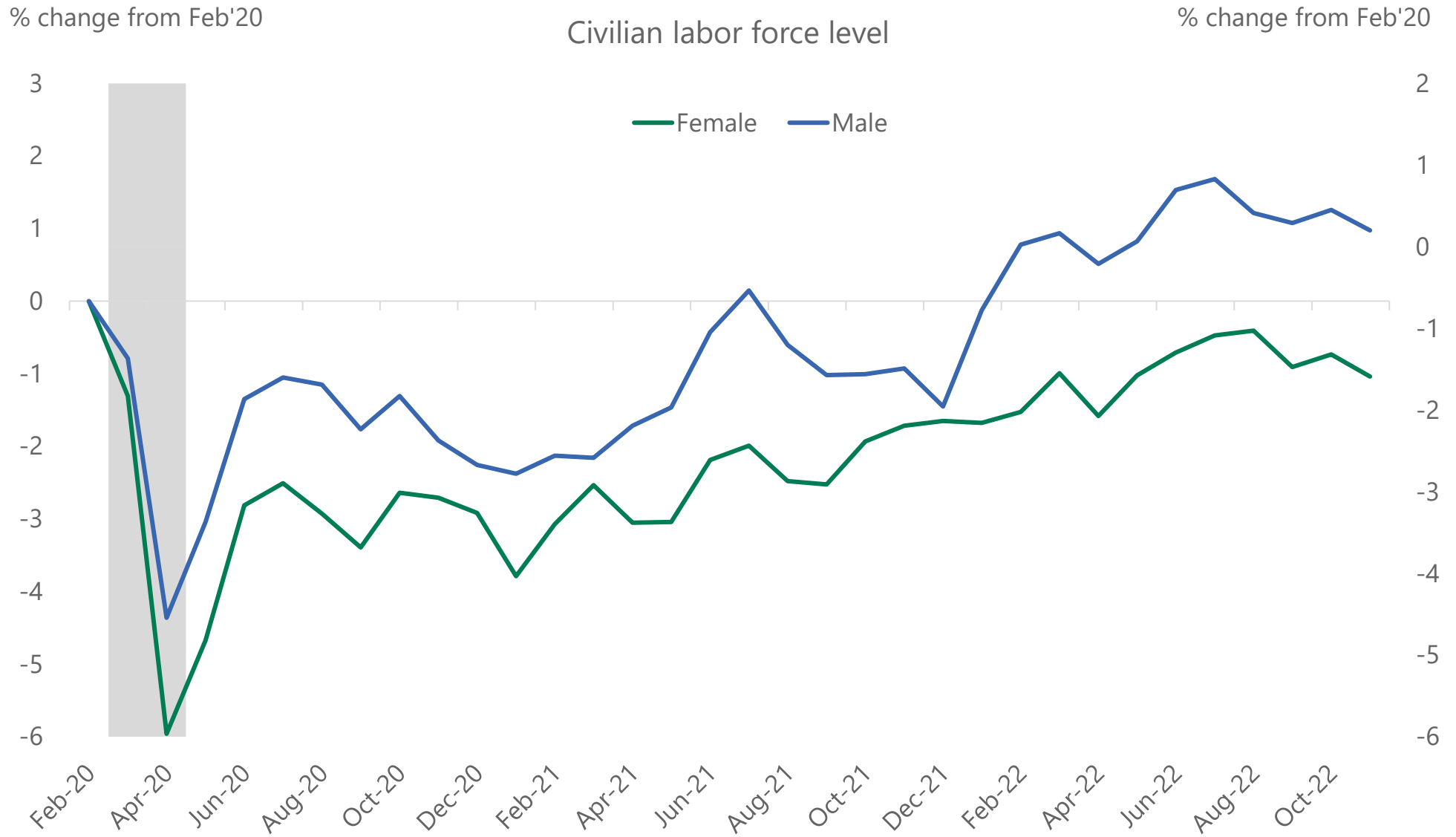
Source: BEA, Haver Analytics, Apollo Chief Economist

Employment-to-population ratio for prime age workers



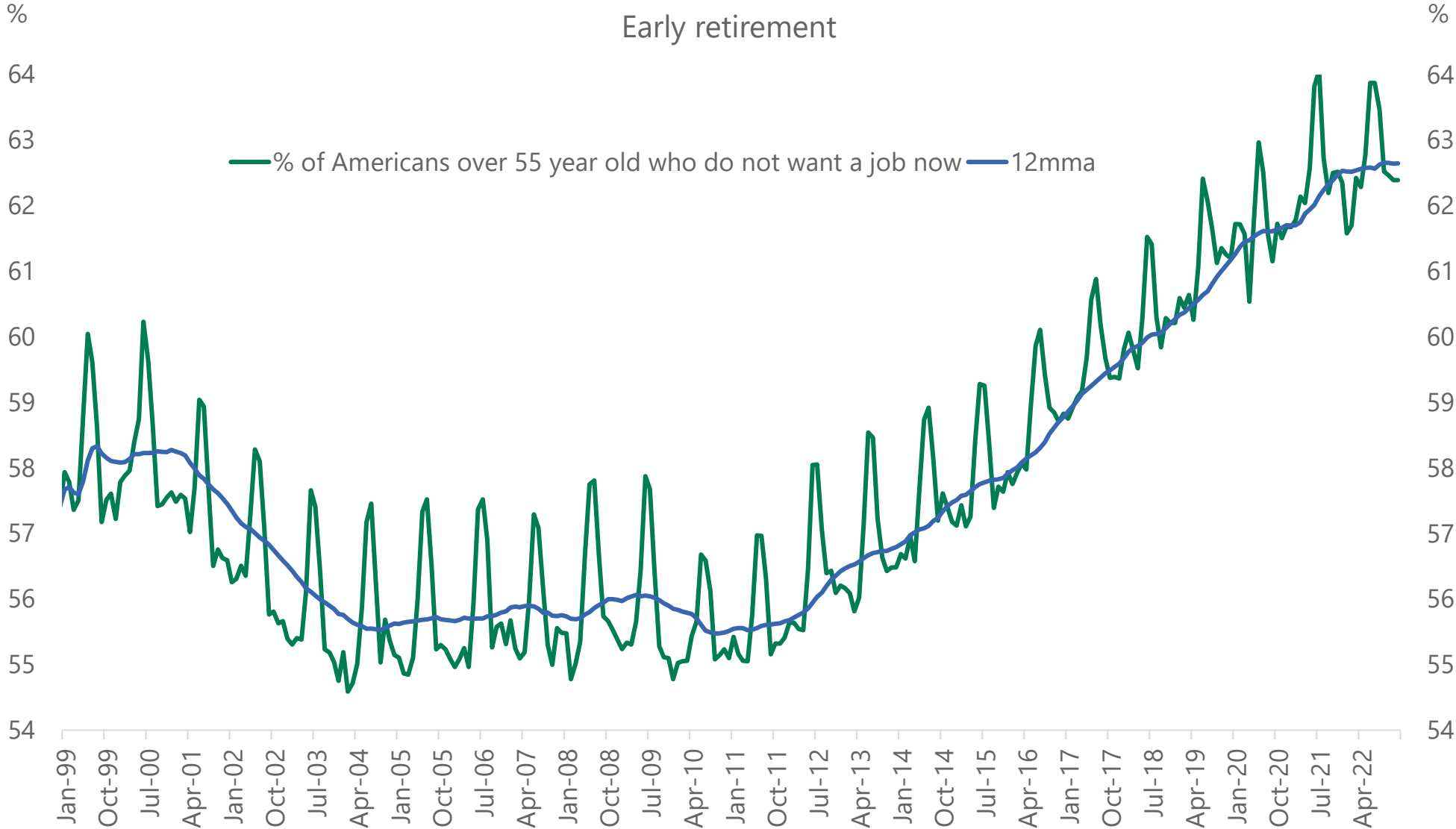
Source: BLS, Haver Analytics, Apollo Chief Economist

Labor force participation declined in September



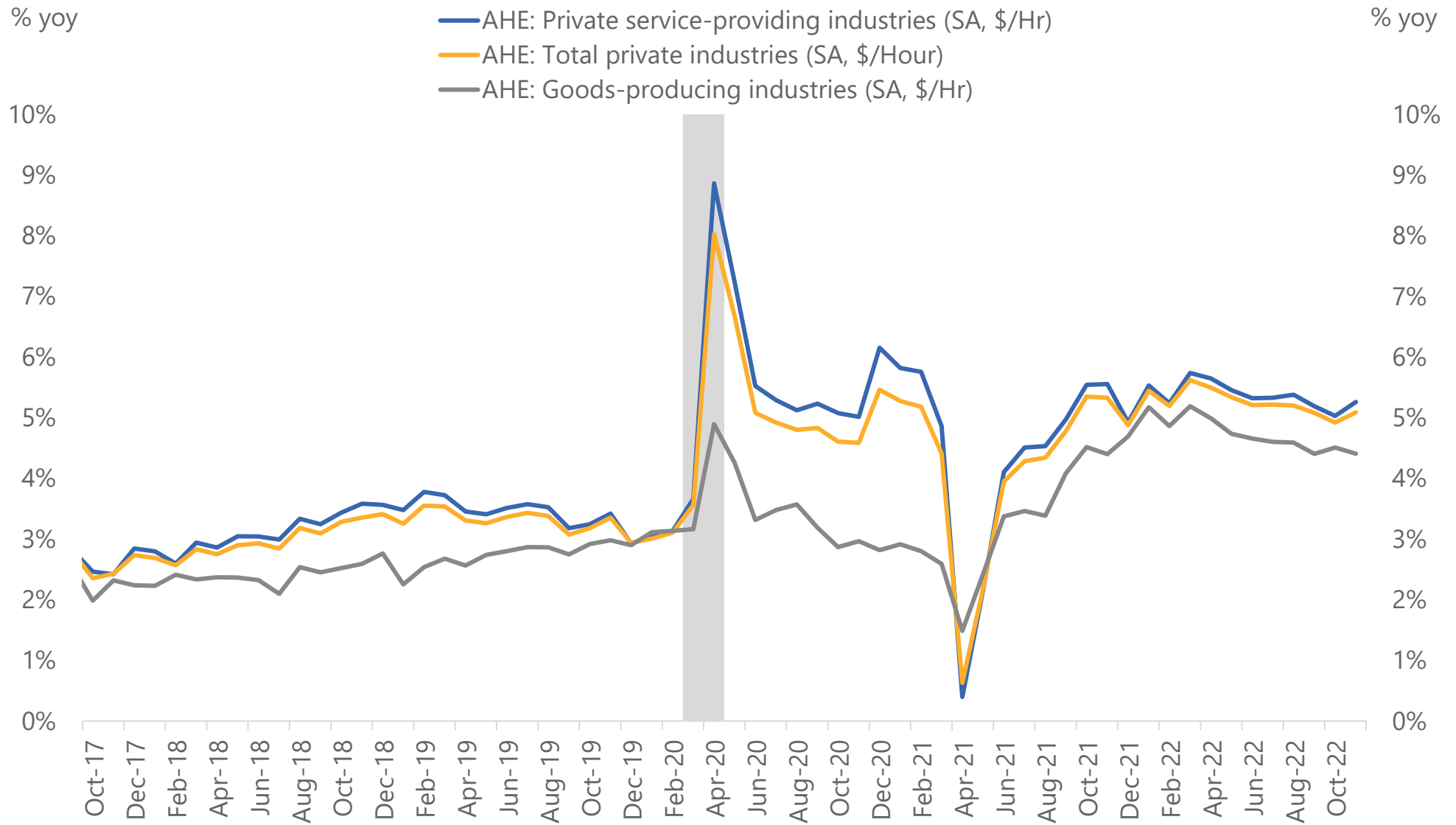
Source: BLS, Apollo Chief Economist

US: 62.5% of those who do not want a job are over 55 years old



Source: BLS, Apollo Chief Economist

Wage inflation across industries



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.