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Daily and weekly indicators for the US economy

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Apollo Global Management

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Unless otherwise noted, information as of January 2023

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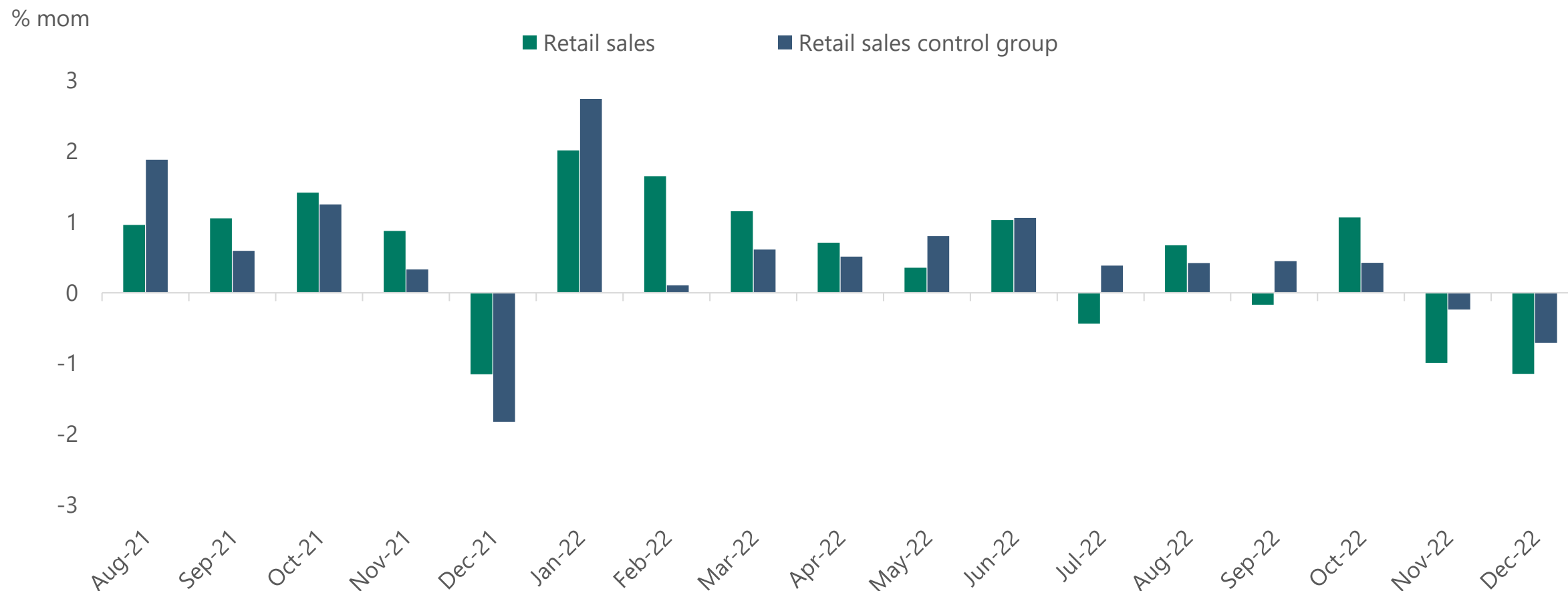
Retail sales

Retail sales weaker in December for gas stations, furniture, and autos

Retail sales by category (% mom)

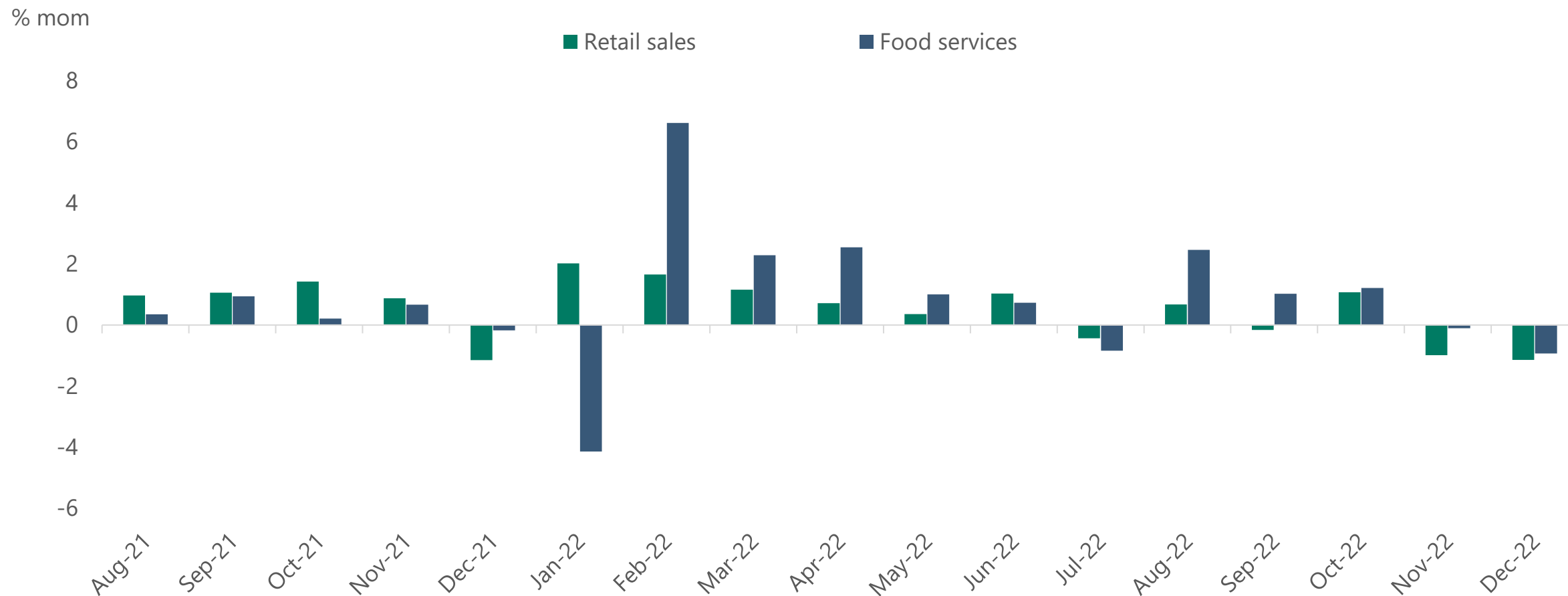


Retail sales control group softening

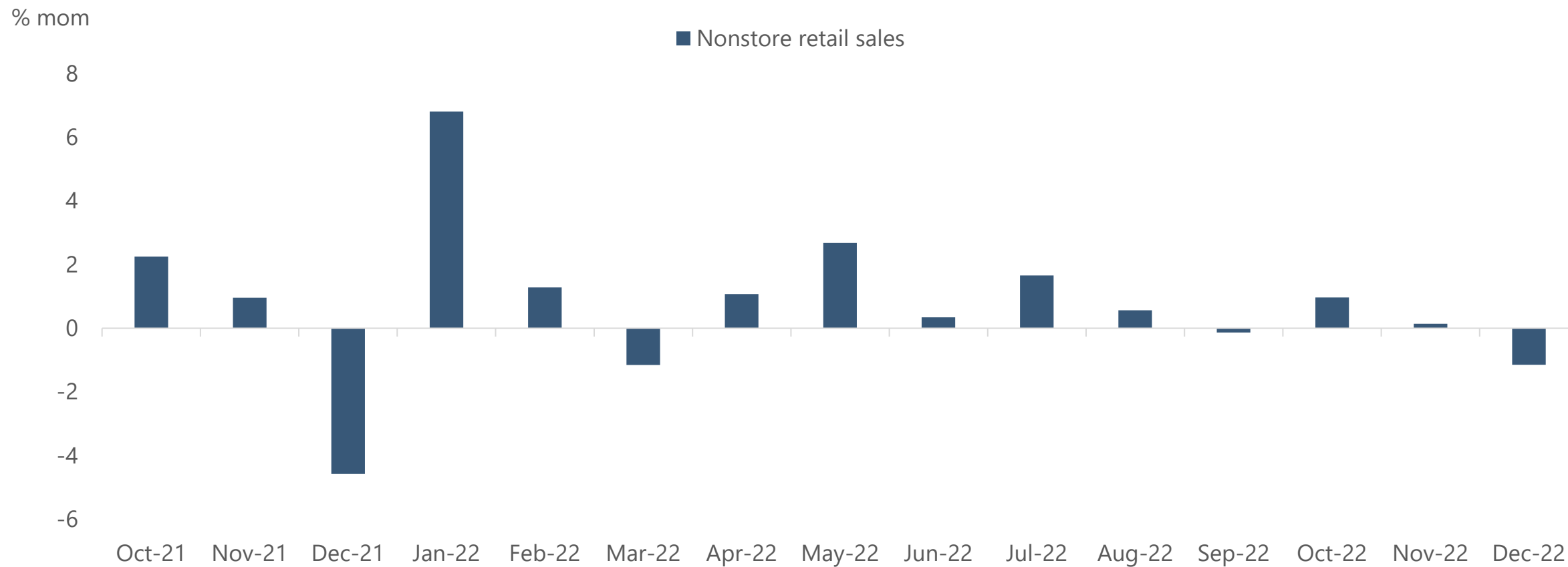


Source: Census Bureau, Bloomberg, Apollo Chief Economist (The control group is all sales, excluding receipts from auto dealers, building-materials retailers, gas stations, office supply stores, mobile homes and tobacco stores. This represents the total industry sales that are used to prepare the estimates of PCE for most goods.)

Demand softening in food services

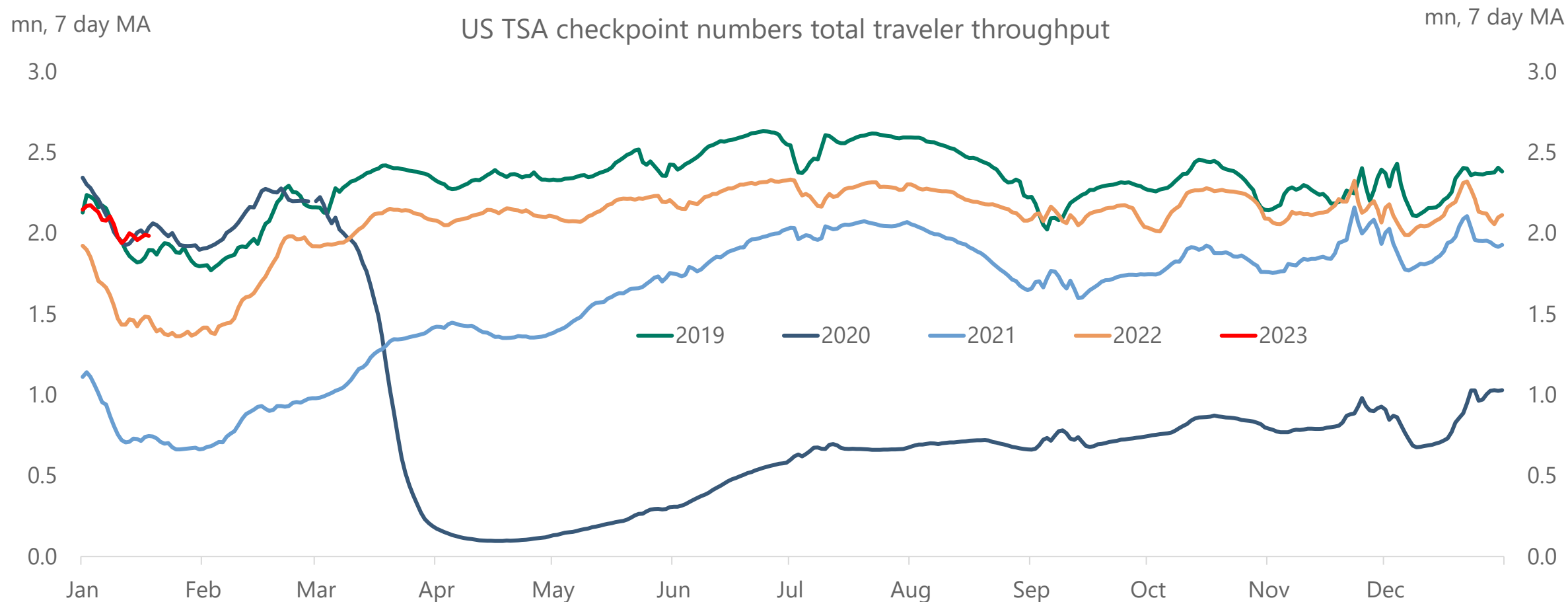


Some weakness recently in nonstore retail sales

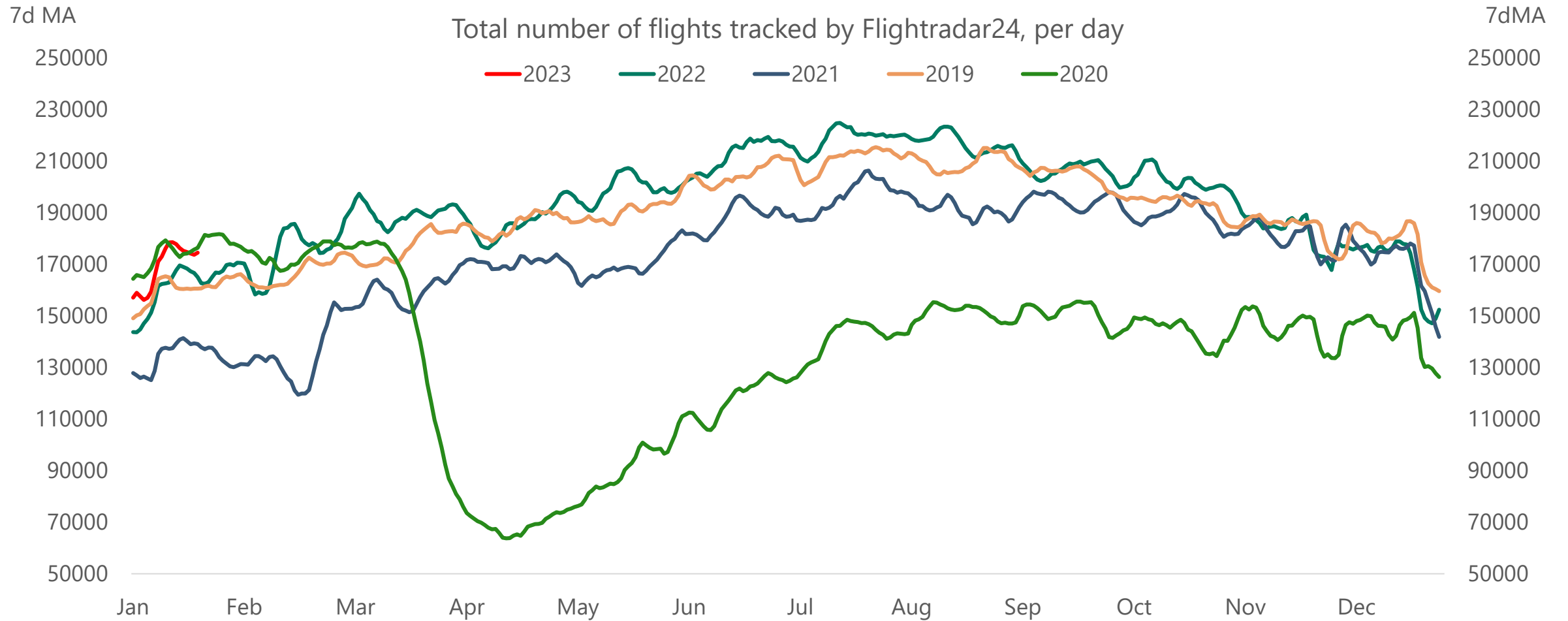


Daily economic indicators

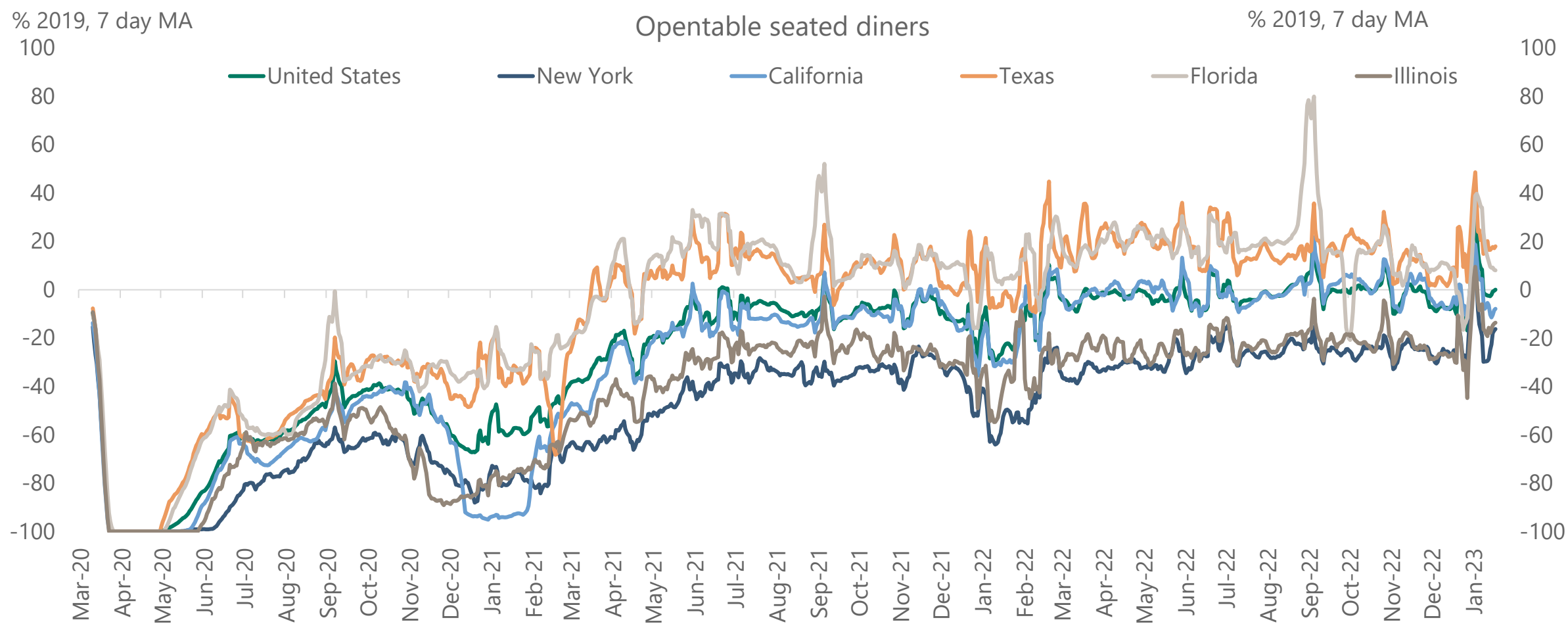
US air travel still strong



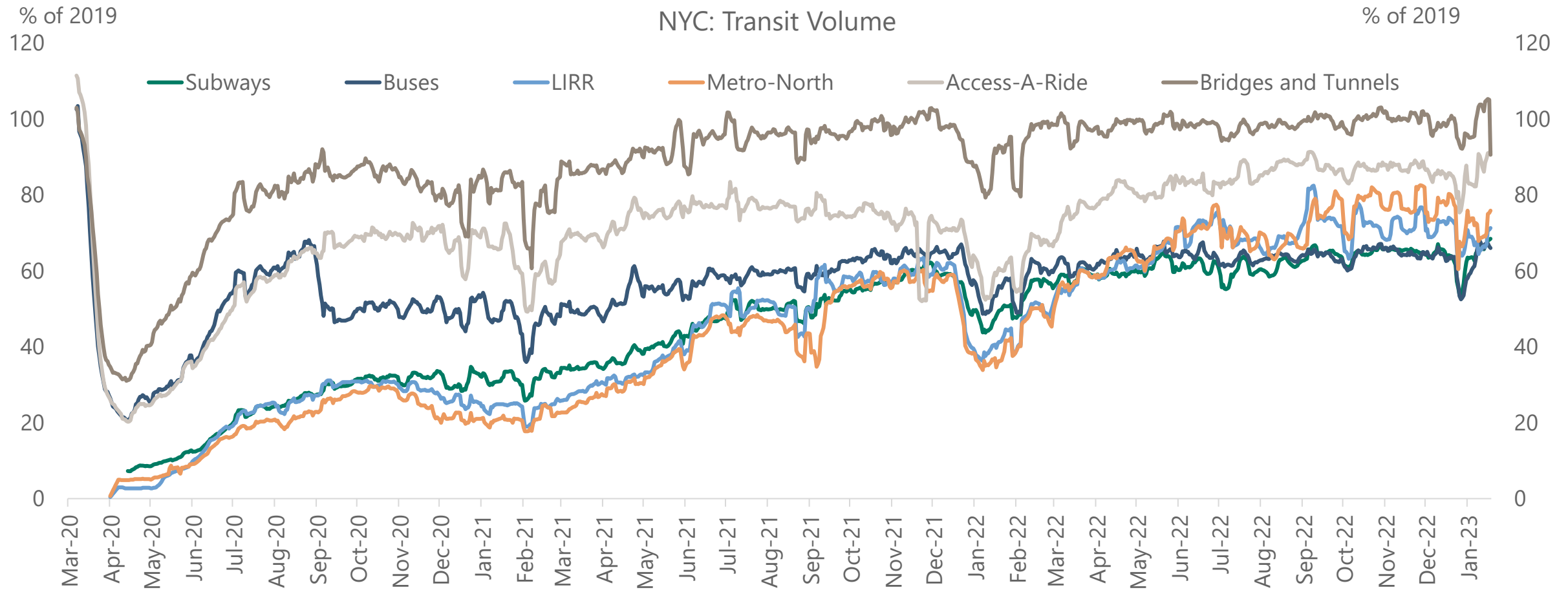
Global air traffic still high



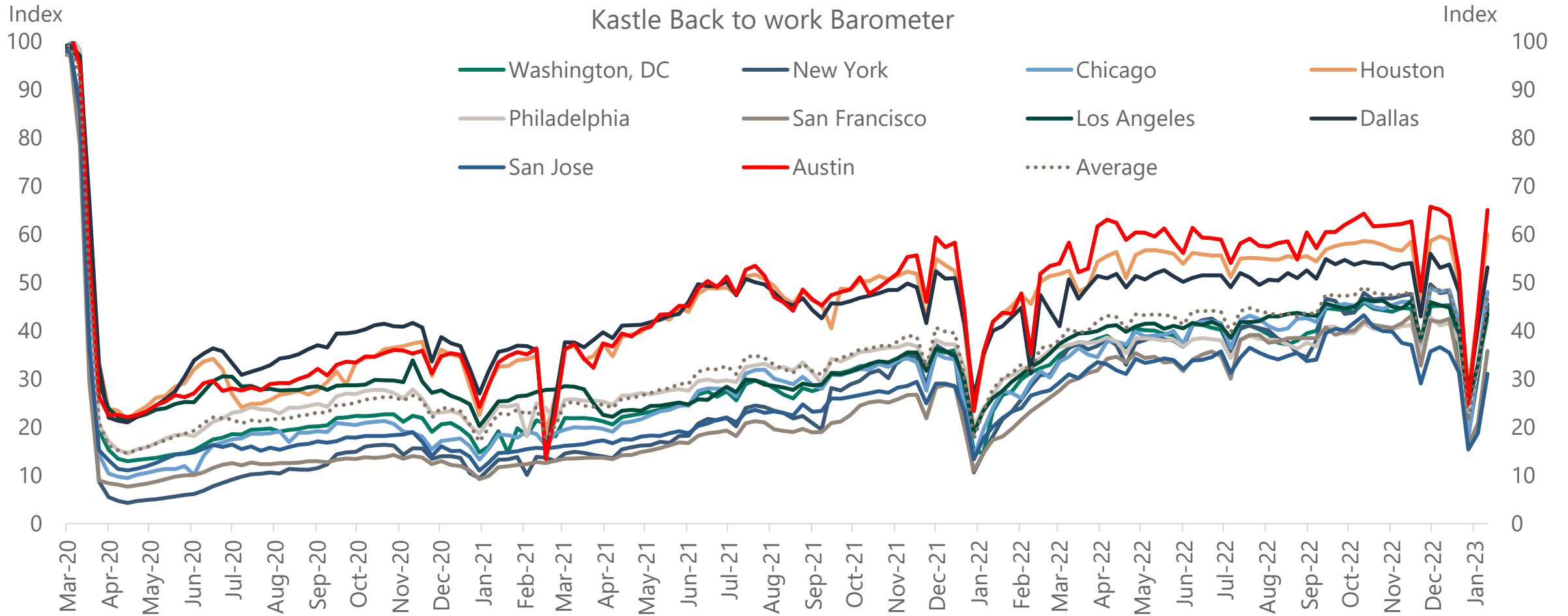
Restaurant bookings still strong



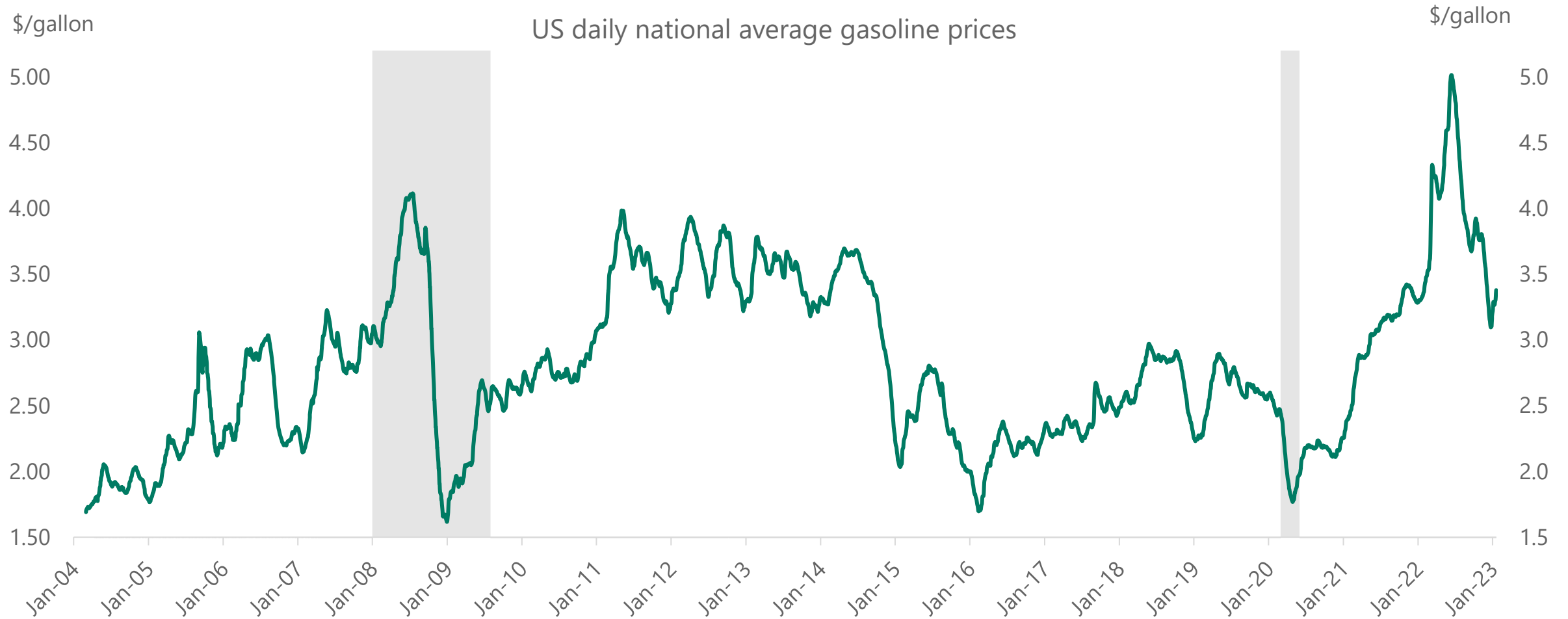
NYC mobility indicators improving



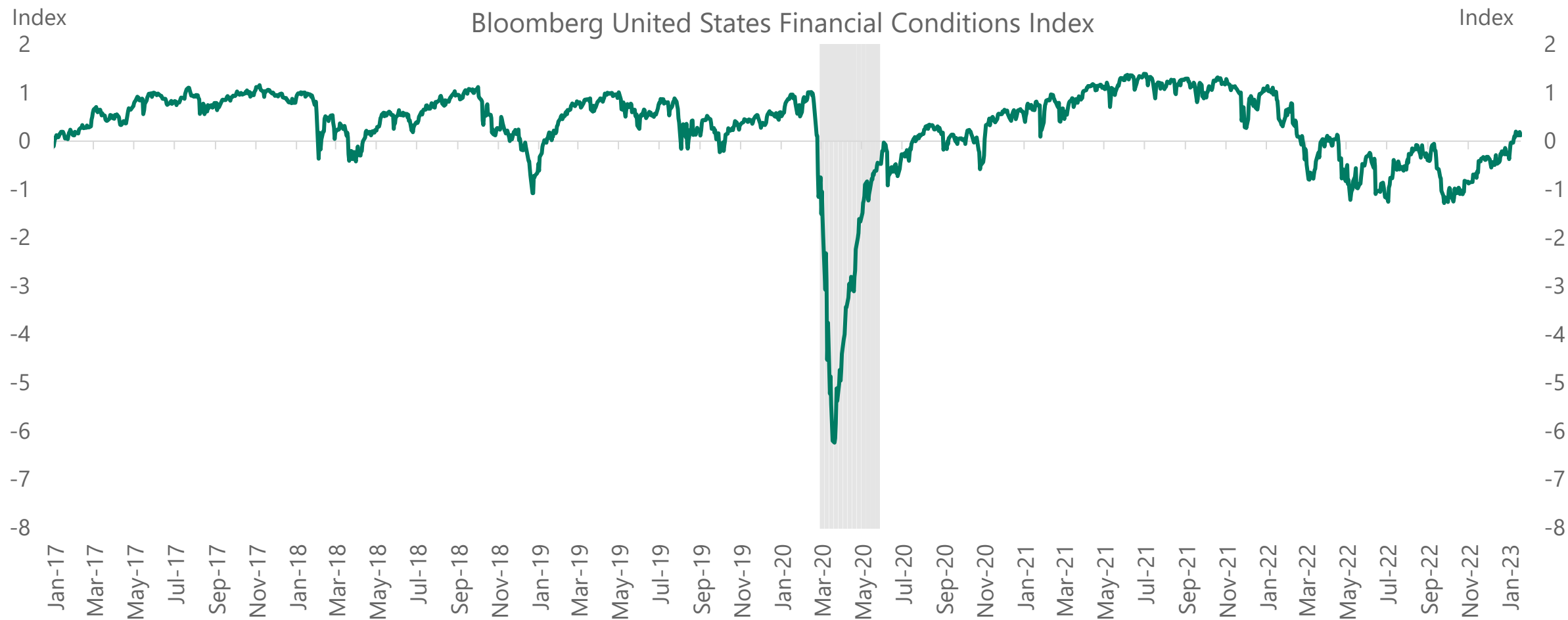
New York City: Office use 45% of capacity



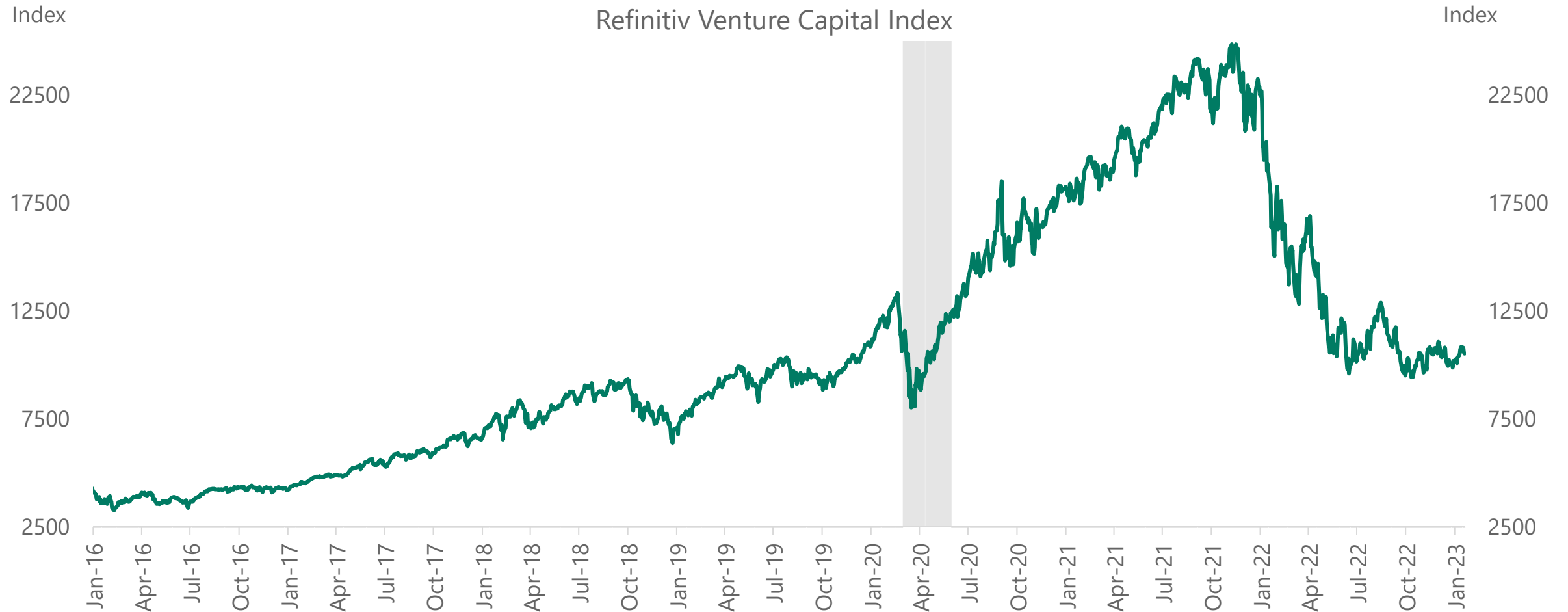
Average US retail gas prices coming down from \$5 to \$3.4 per gallon



Financial conditions easing

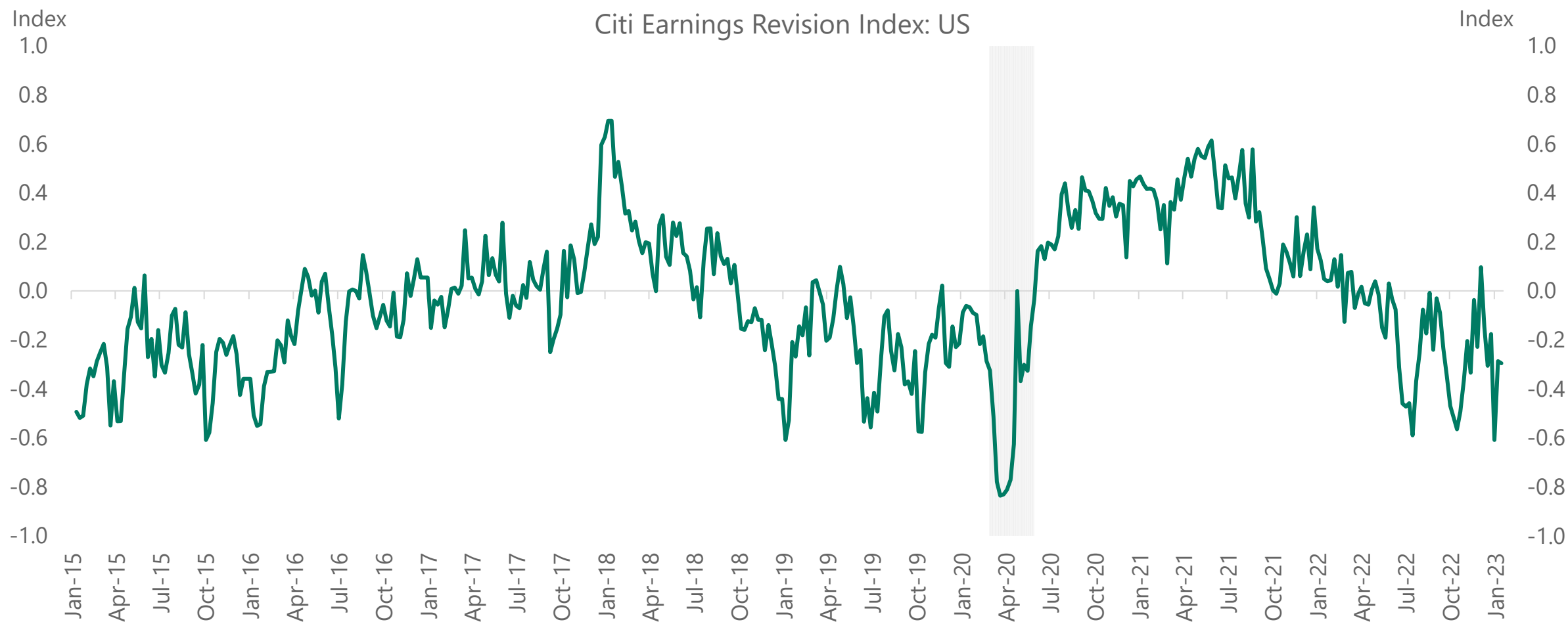


US venture capital valuations down 60% from the peak



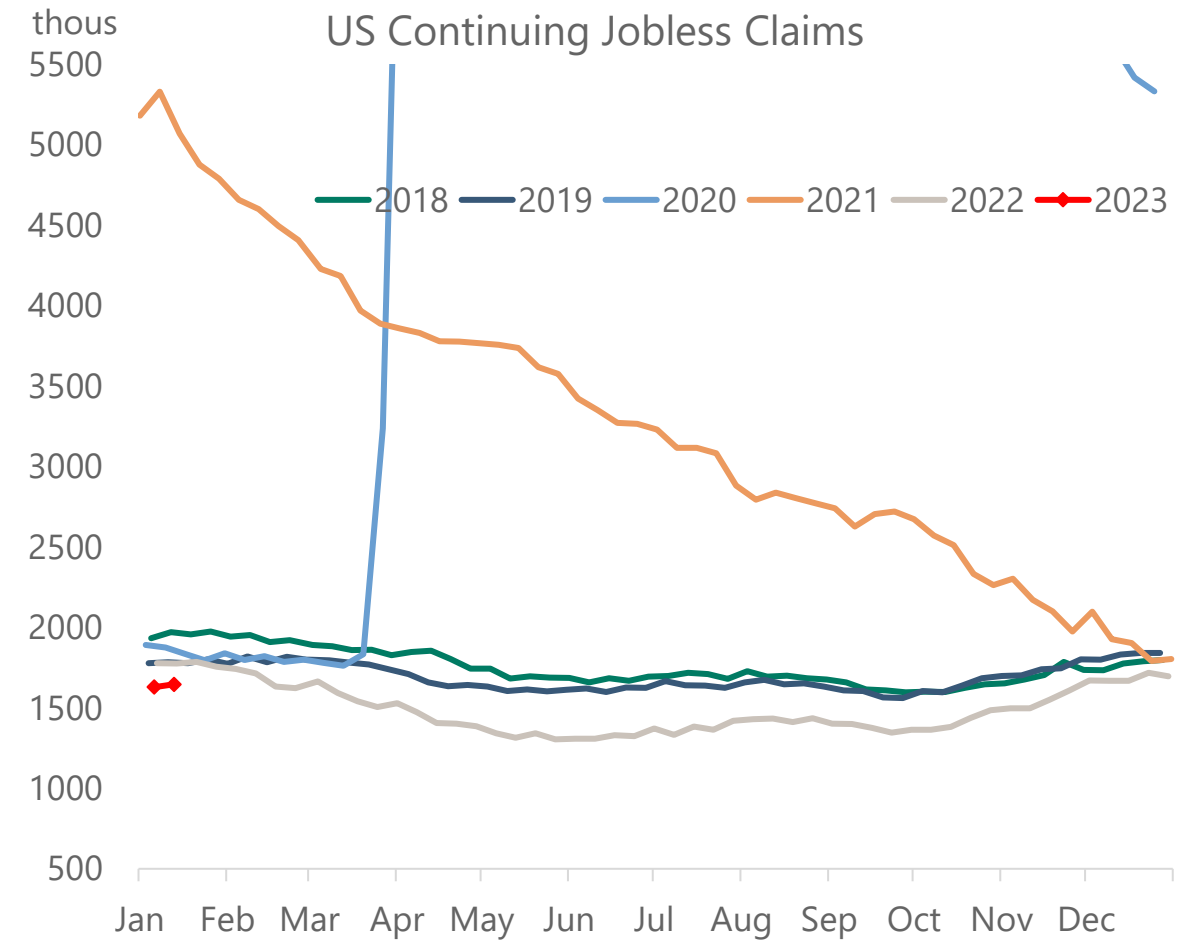
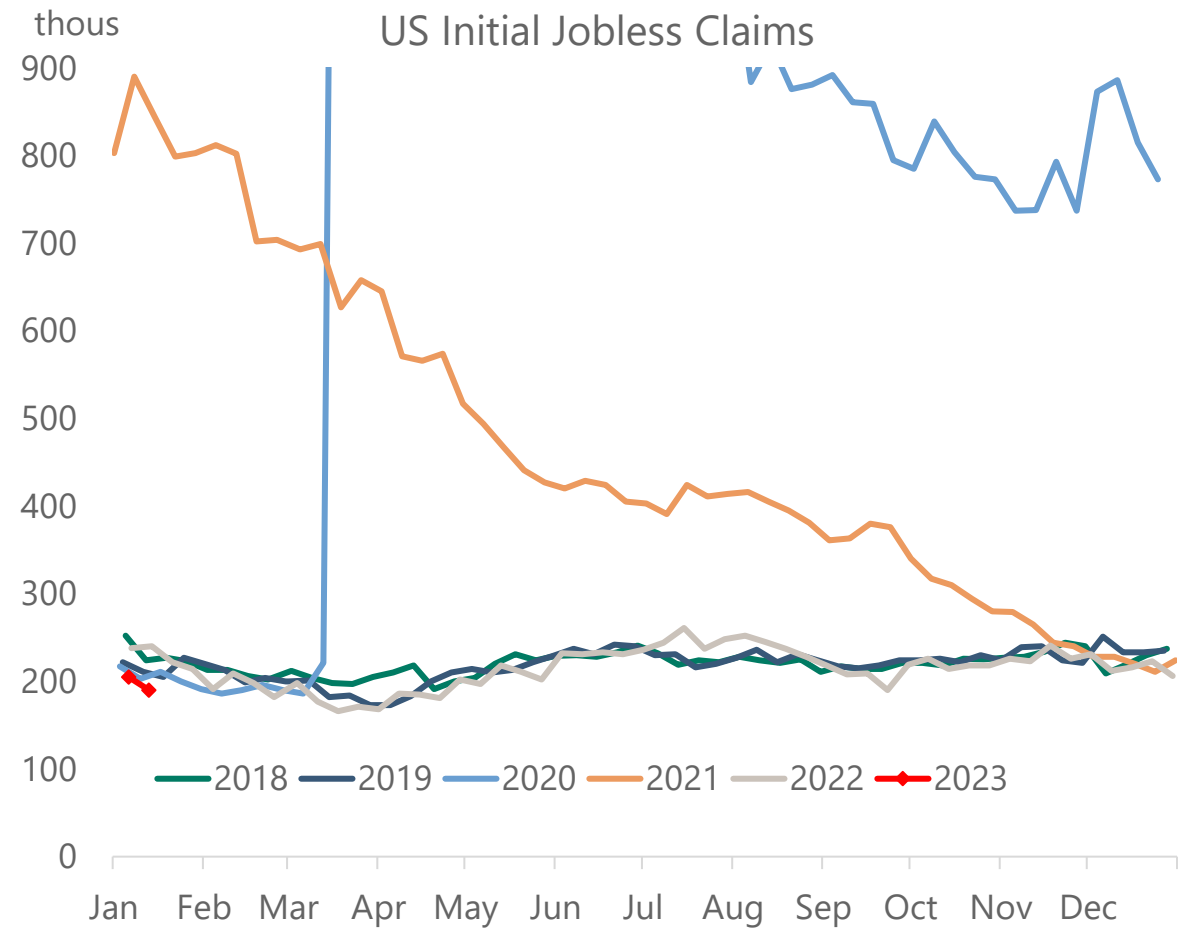
Source: Bloomberg, Apollo Chief Economist. Note: The Thomson Reuters Venture Capital Index is designed to measure the value of the US-based venture capital private company universe in which venture capital funds invest.

Corporate earnings revisions: Upgrades minus downgrades

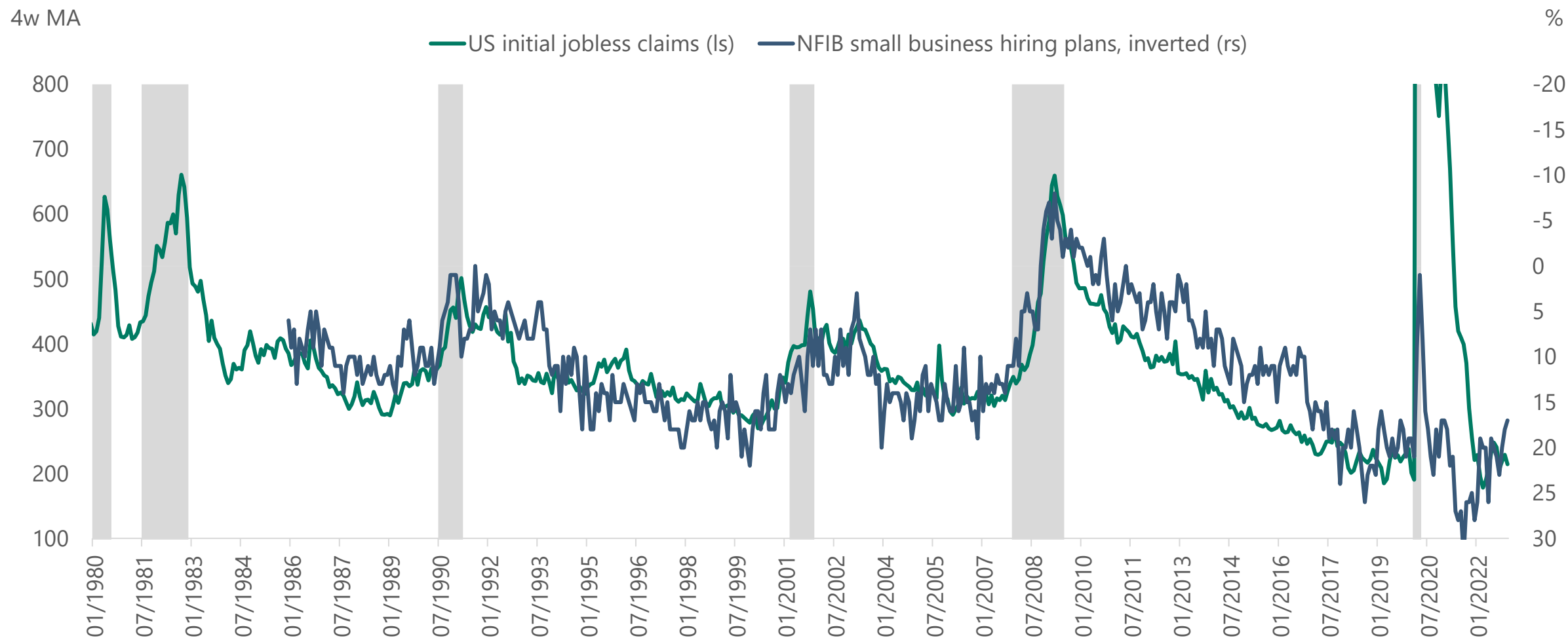


Weekly economic indicators

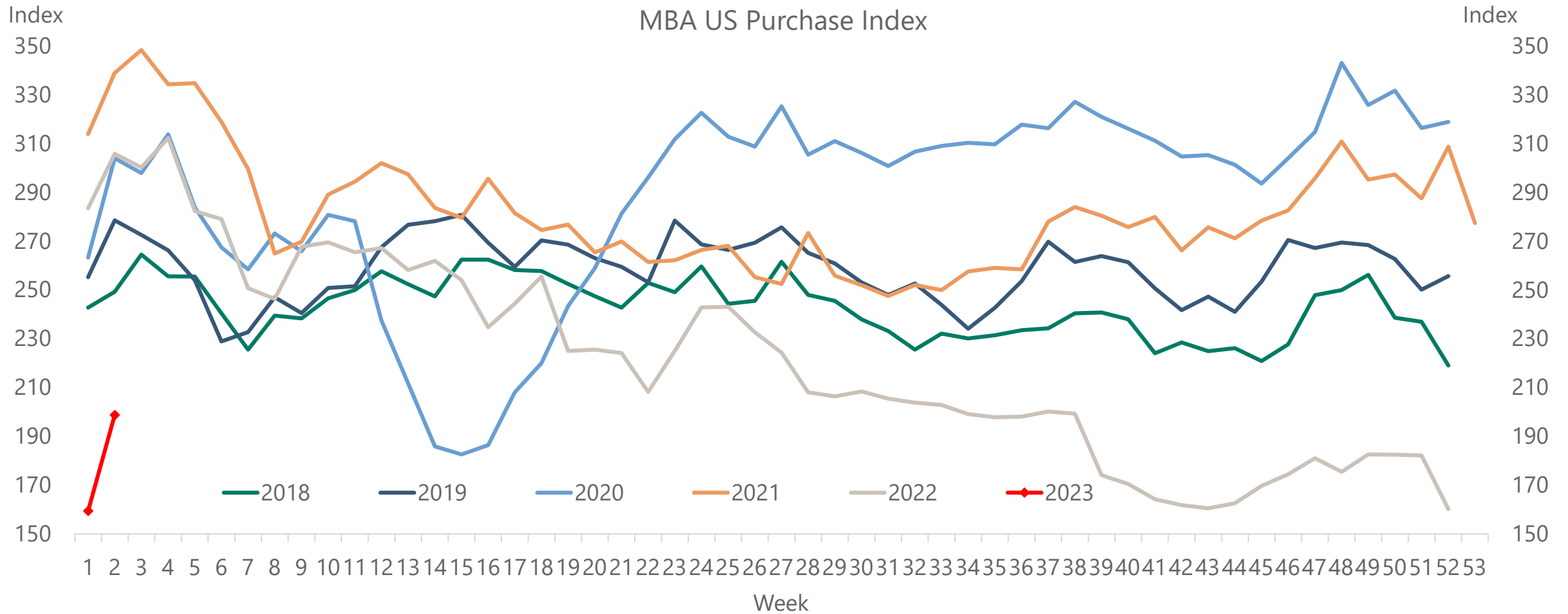
Jobless claims still low: No signs of a slowdown in the labor market



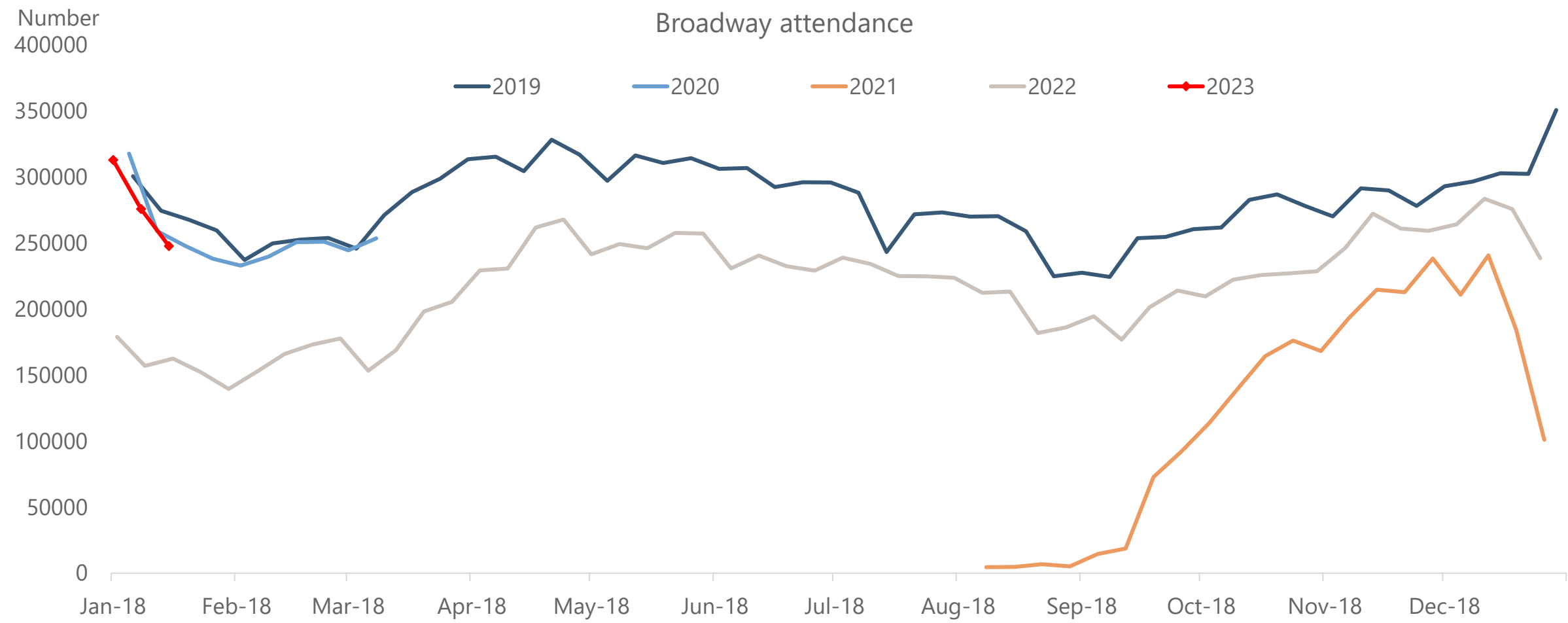
Small business hiring plans point to a coming rise in jobless claims



Weekly mortgage purchase applications soft

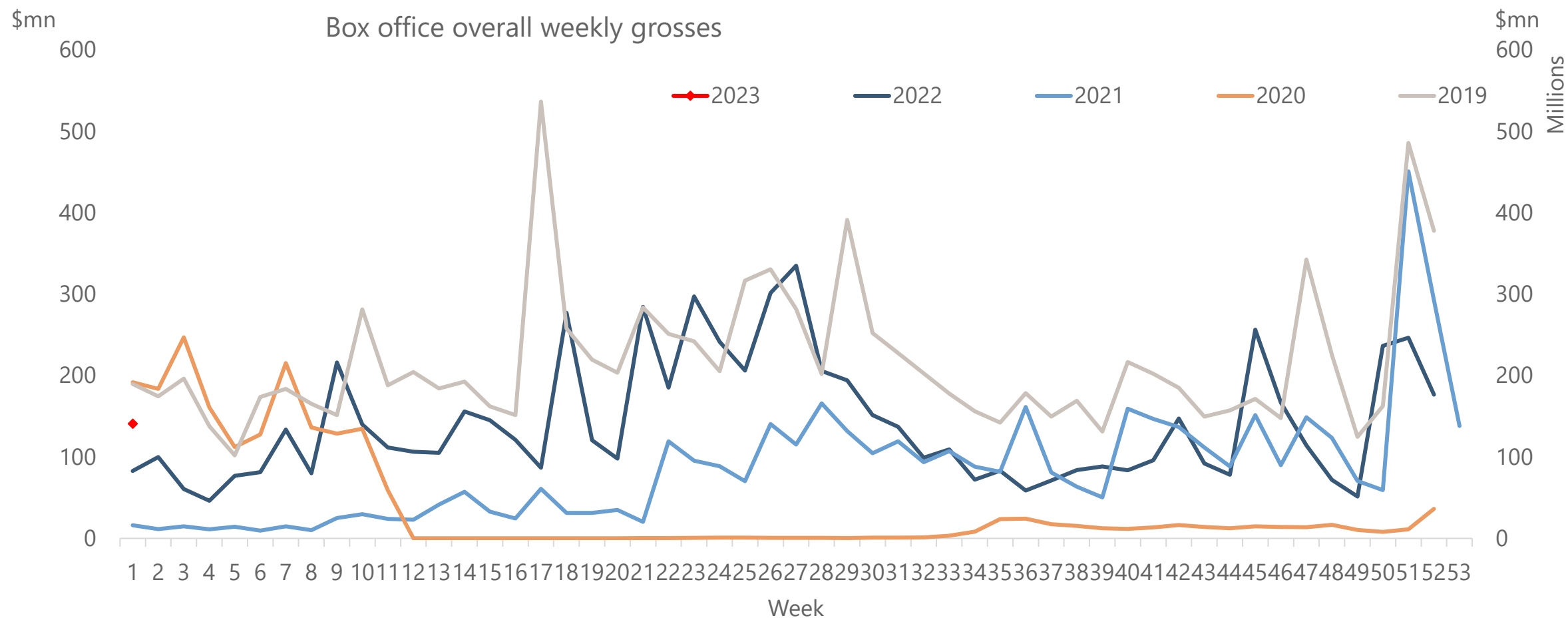


More people going to Broadway shows

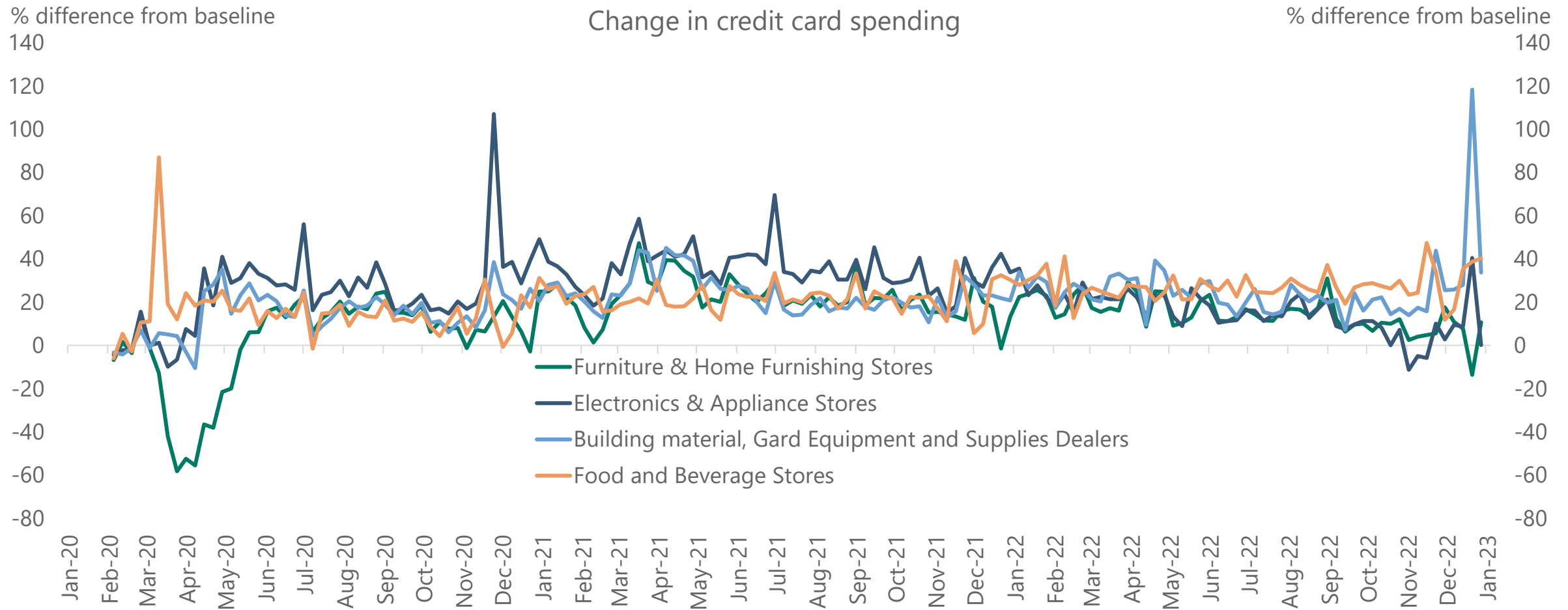


Source: Internet Broadway Database, Apollo Chief Economist

Movie theatre visits at pre-pandemic levels

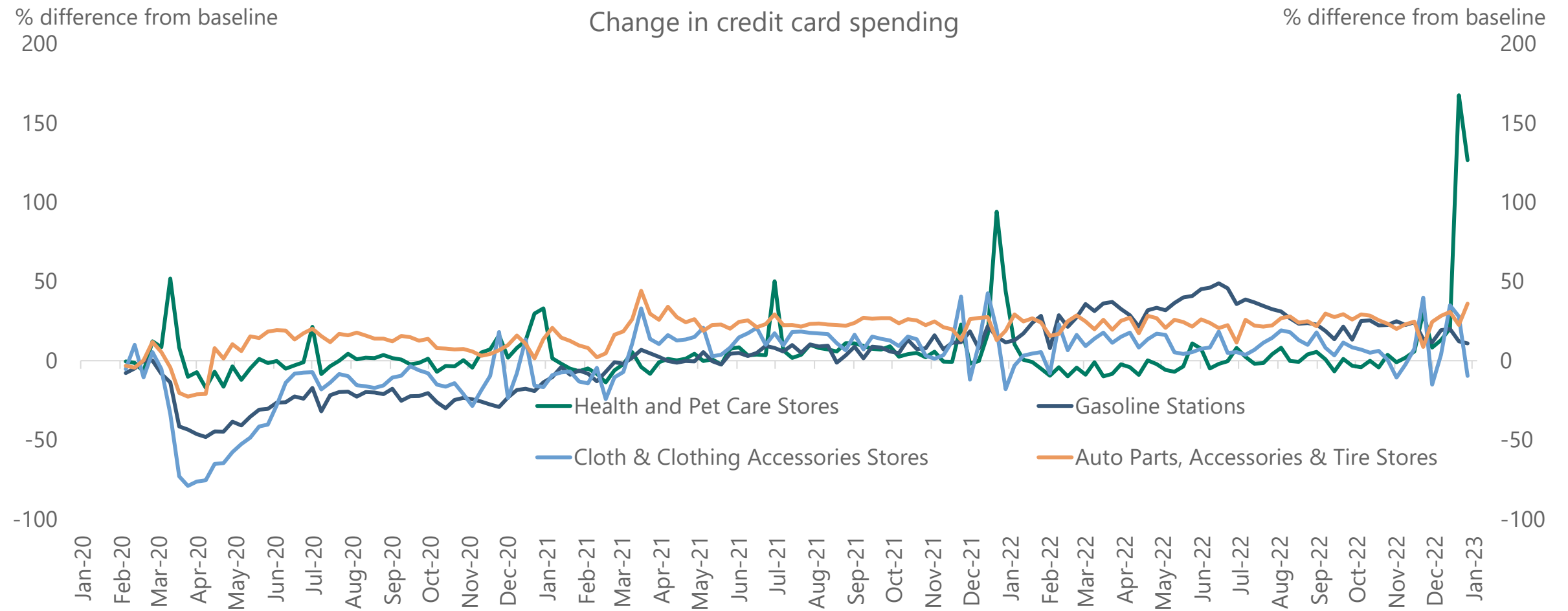


US consumer still strong, some weakness emerging in furniture sales



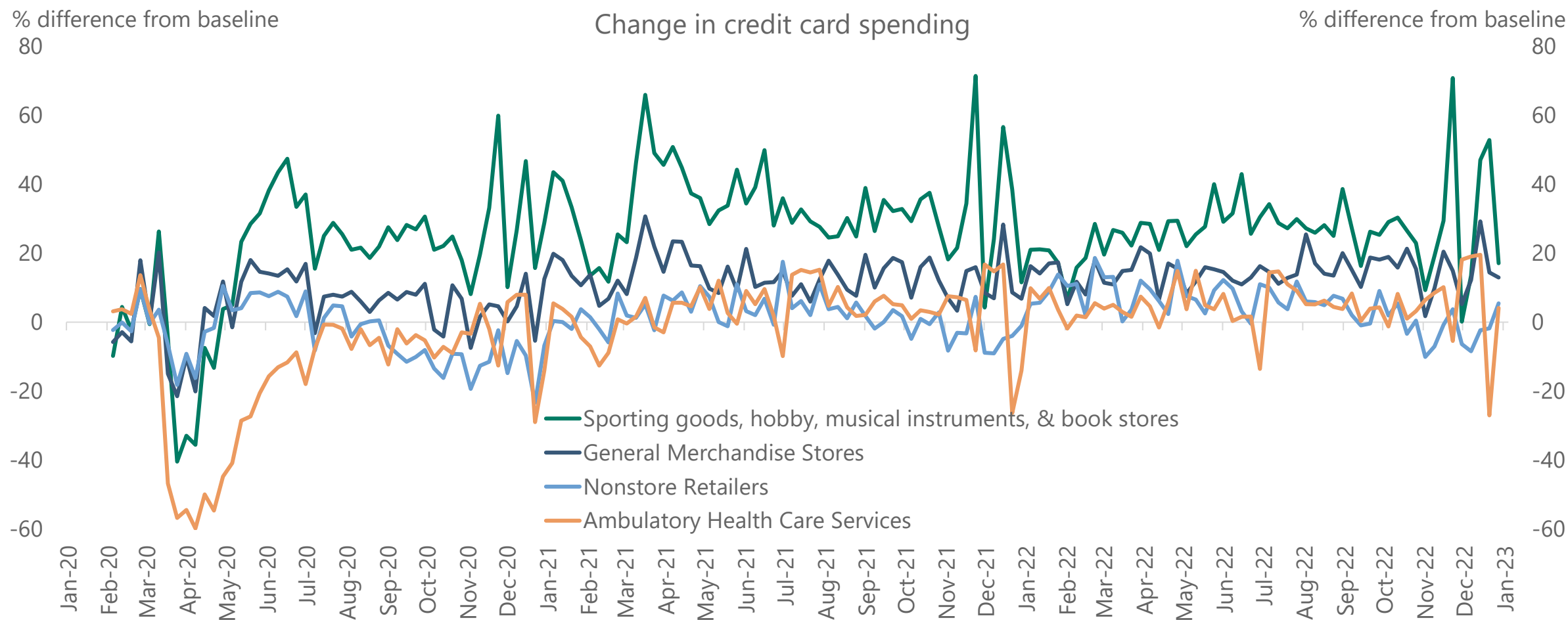
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects, based on daily data. The typical level corresponds to a value of zero.

US consumer still strong



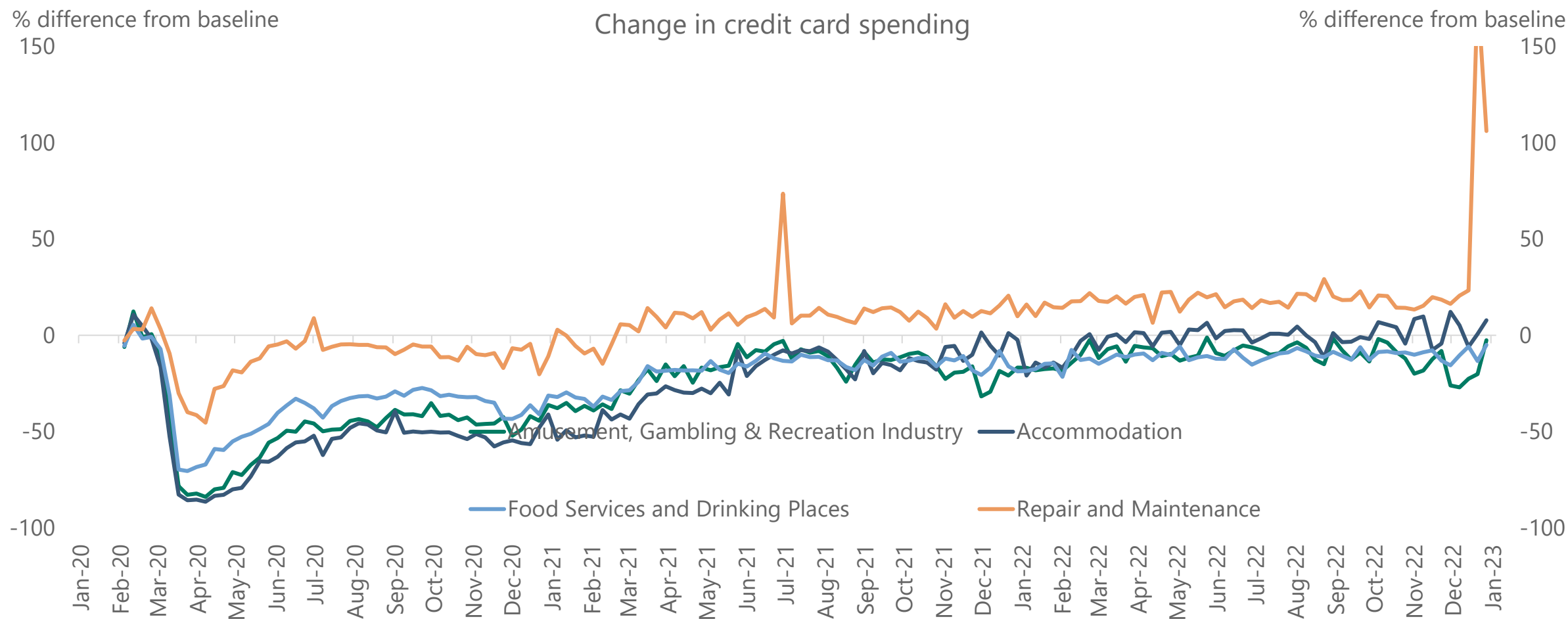
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects, based on daily data. The typical level corresponds to a value of zero.

US consumer still strong



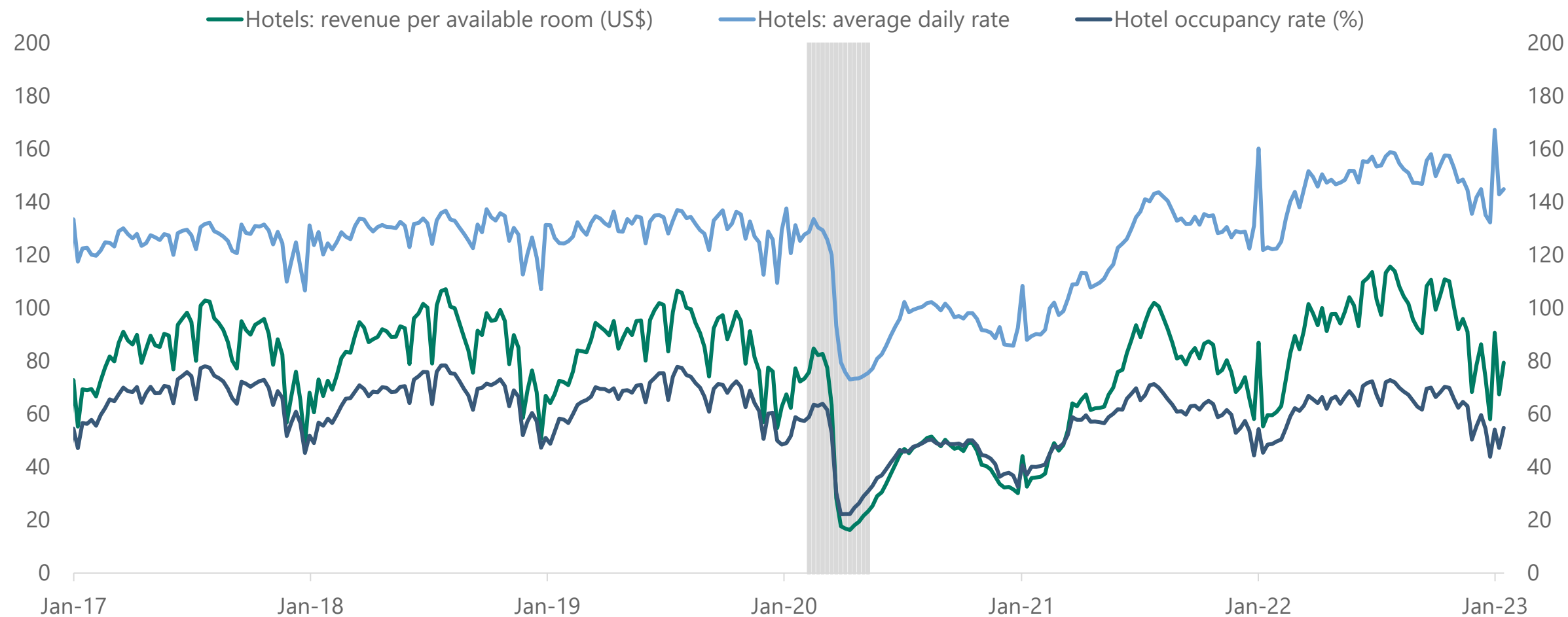
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects, based on daily data. The typical level corresponds to a value of zero.

US consumer still strong

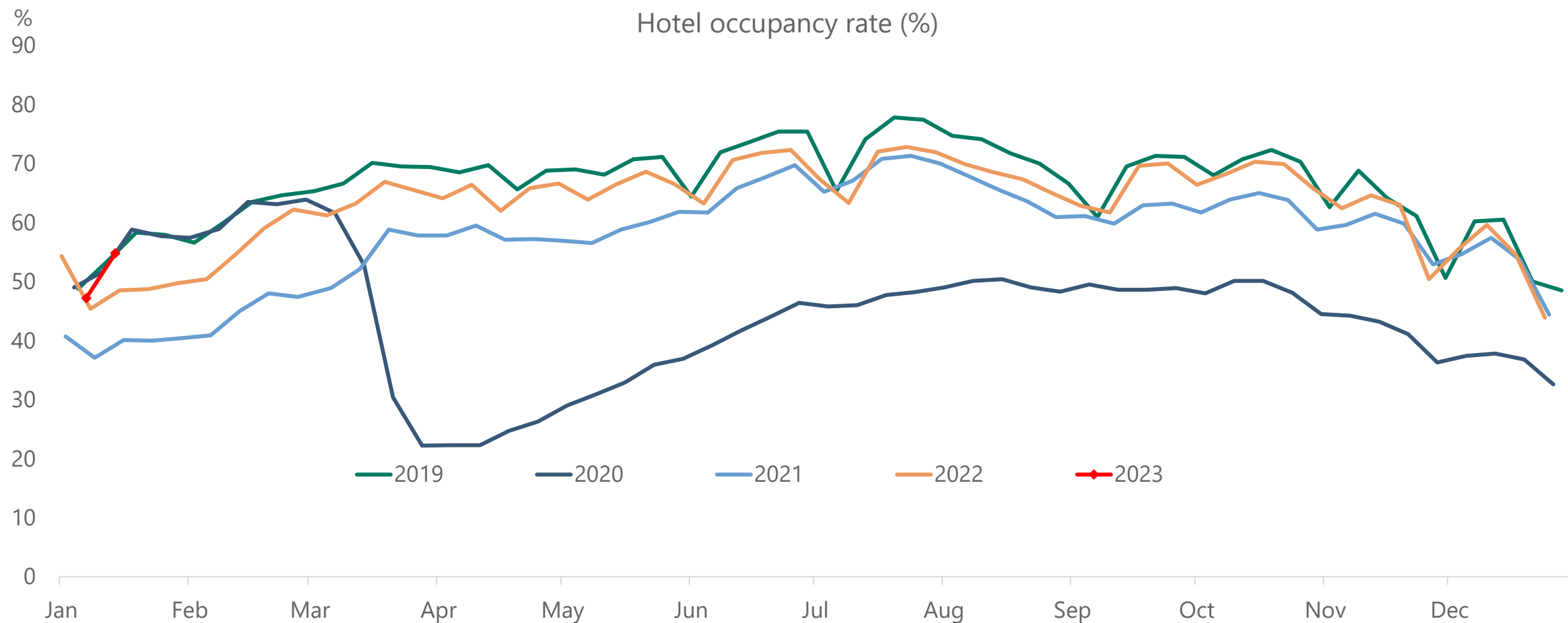


Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects, based on daily data. The typical level corresponds to a value of zero.

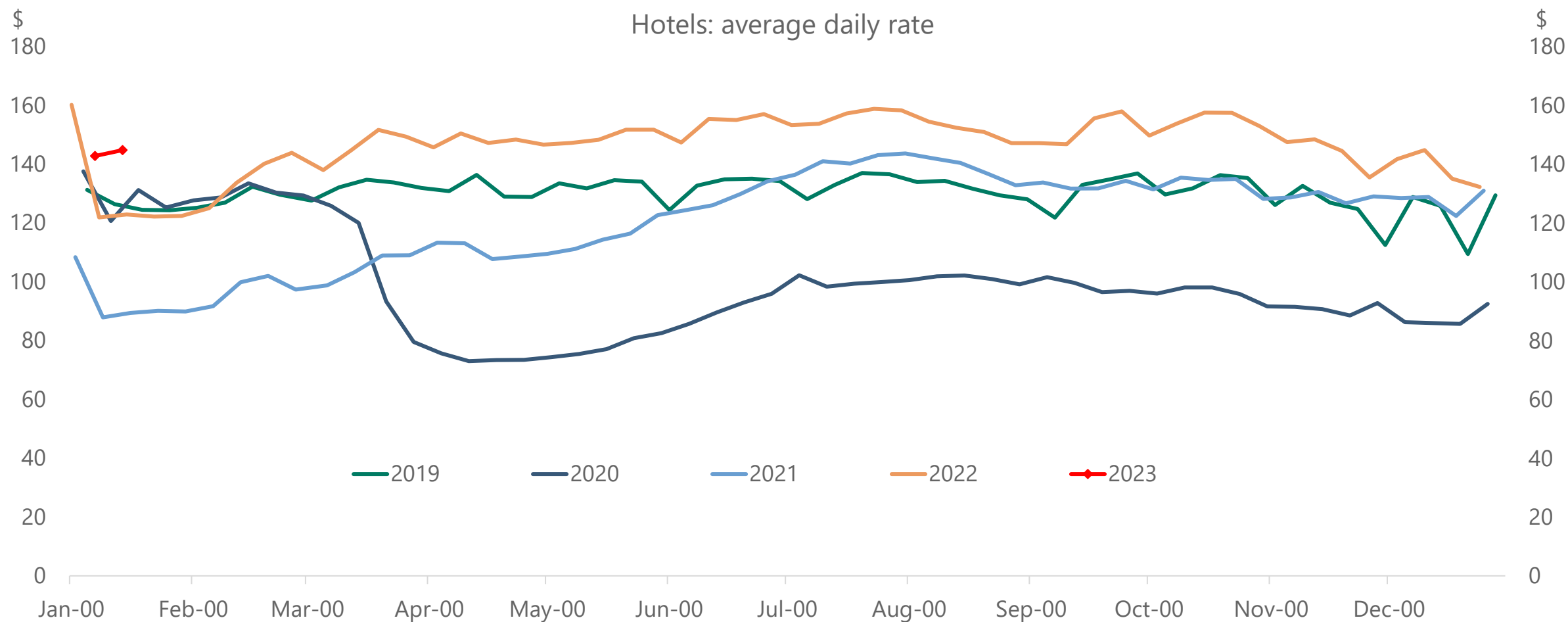
Weekly data for hotel demand still strong



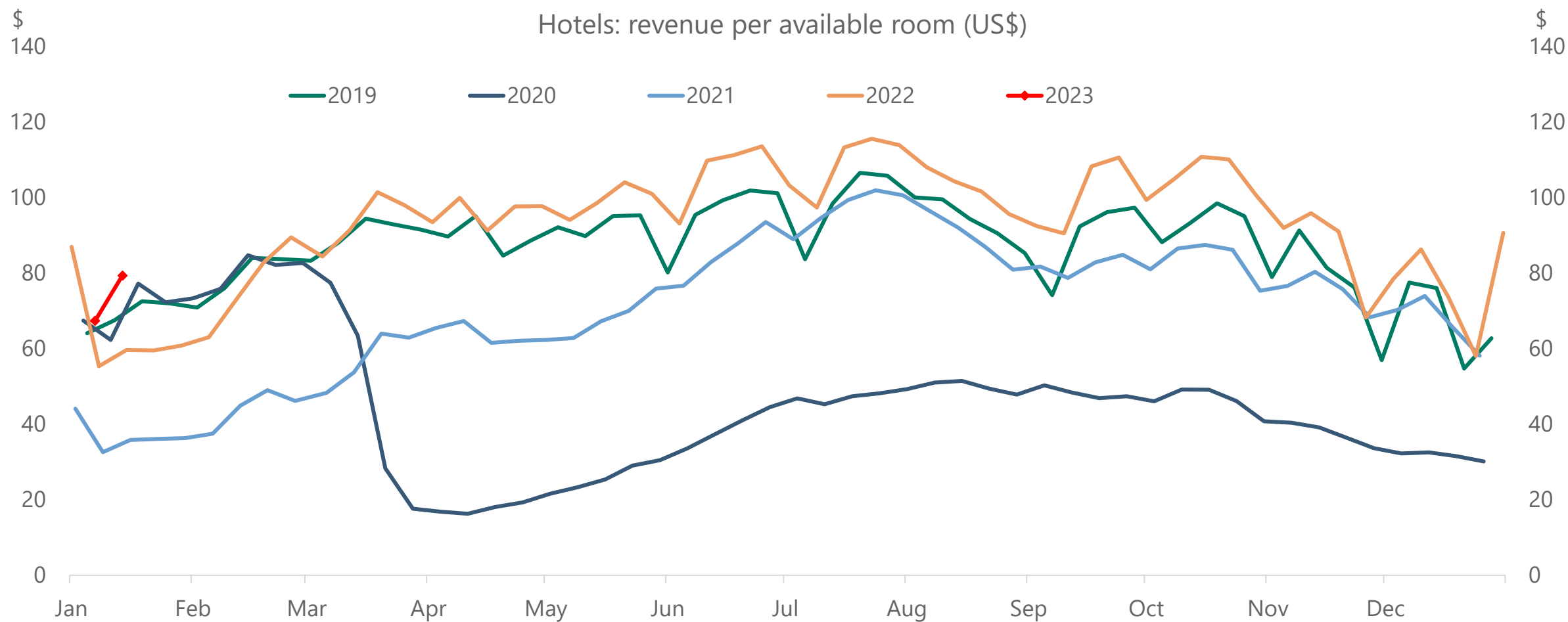
Weekly data for hotel demand still strong



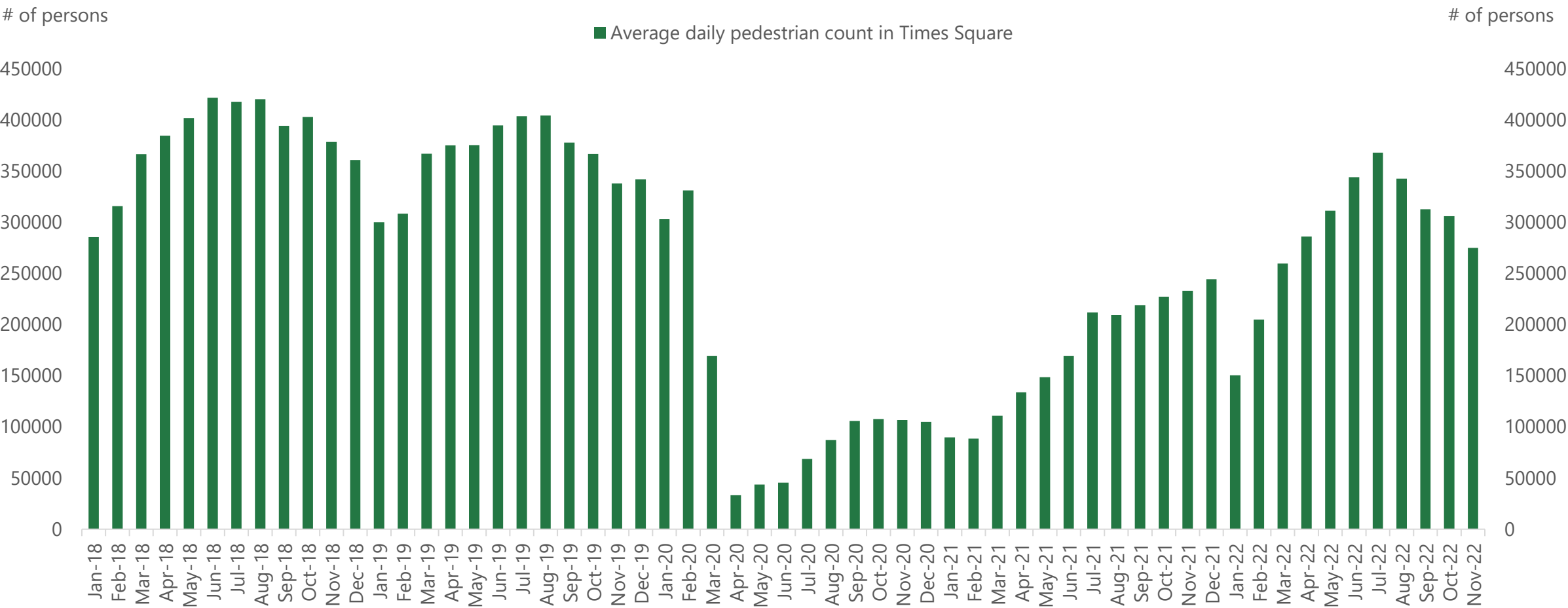
Weekly data for hotel demand still strong



Weekly data for hotel demand still strong

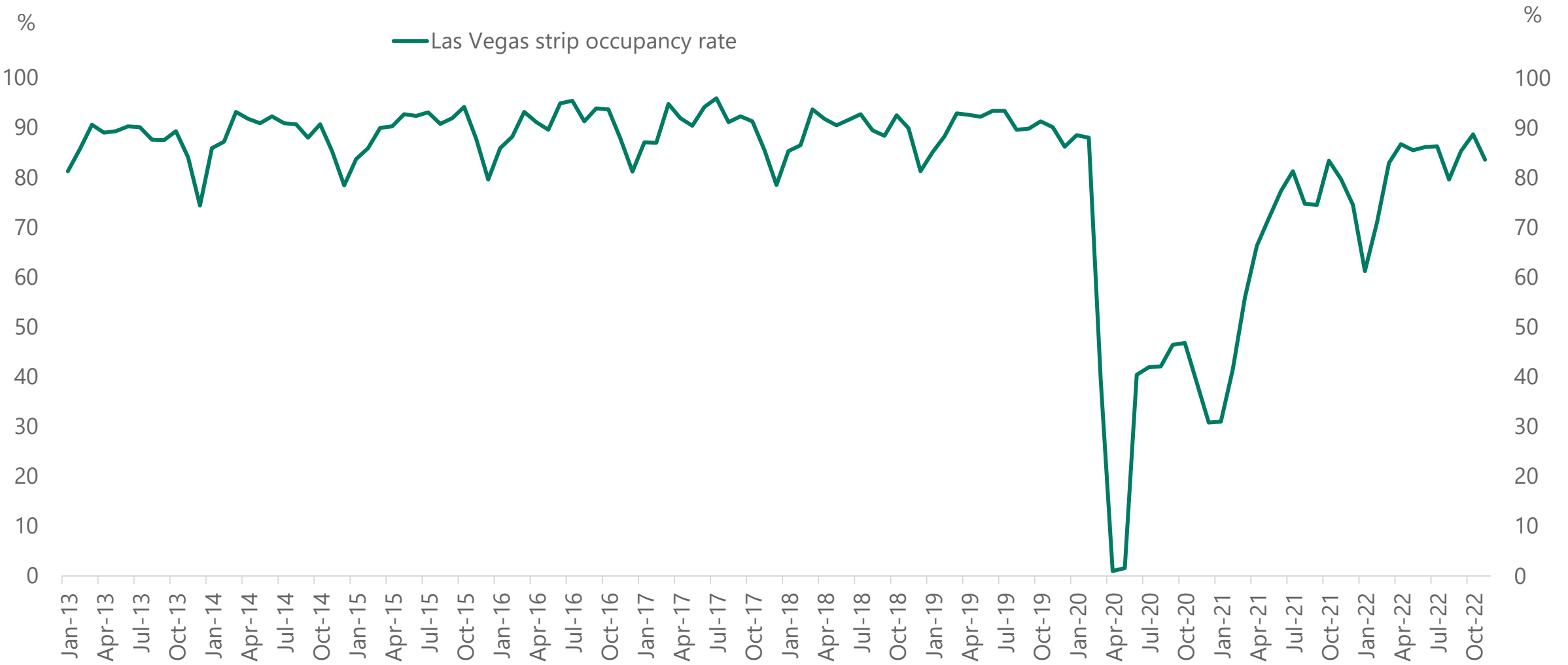


Average daily pedestrian count in Times Square back at pre-pandemic levels



Source: Timesquare.com, Apollo Chief Economist

Las Vegas occupancy rate at pre-pandemic level

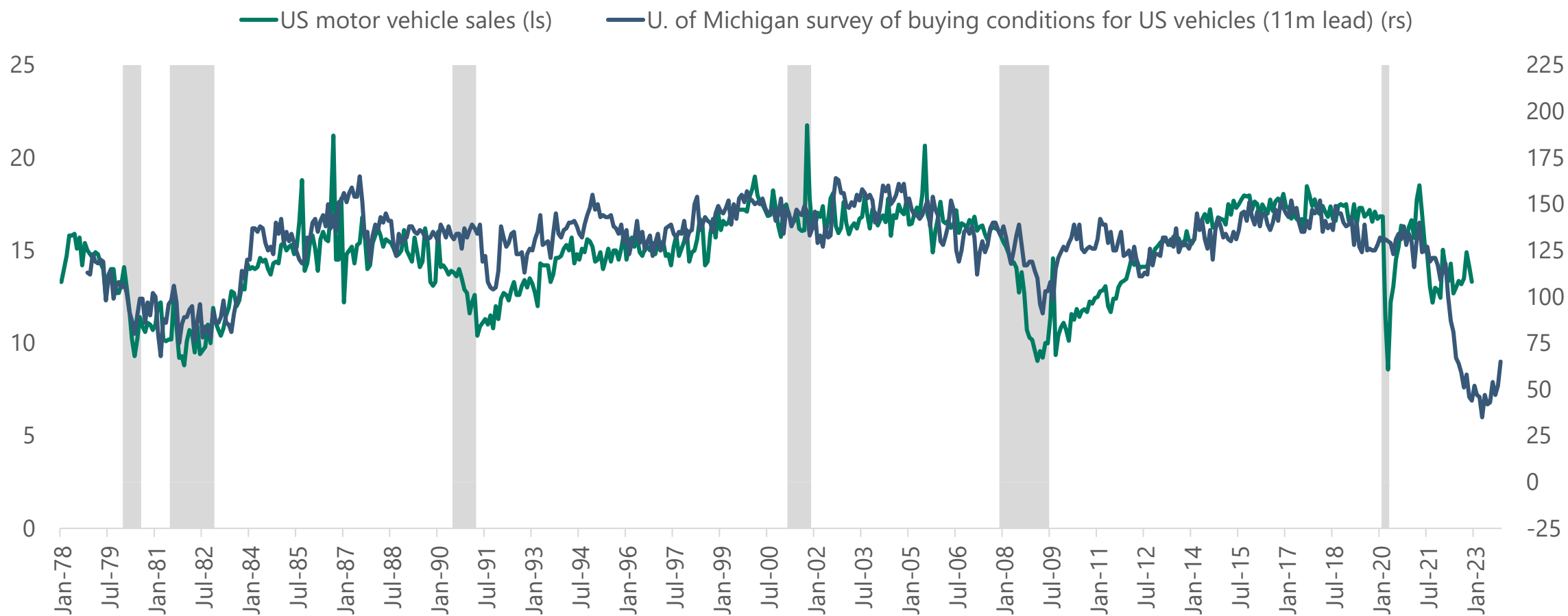


Source: Bloomberg, Apollo Chief Economist

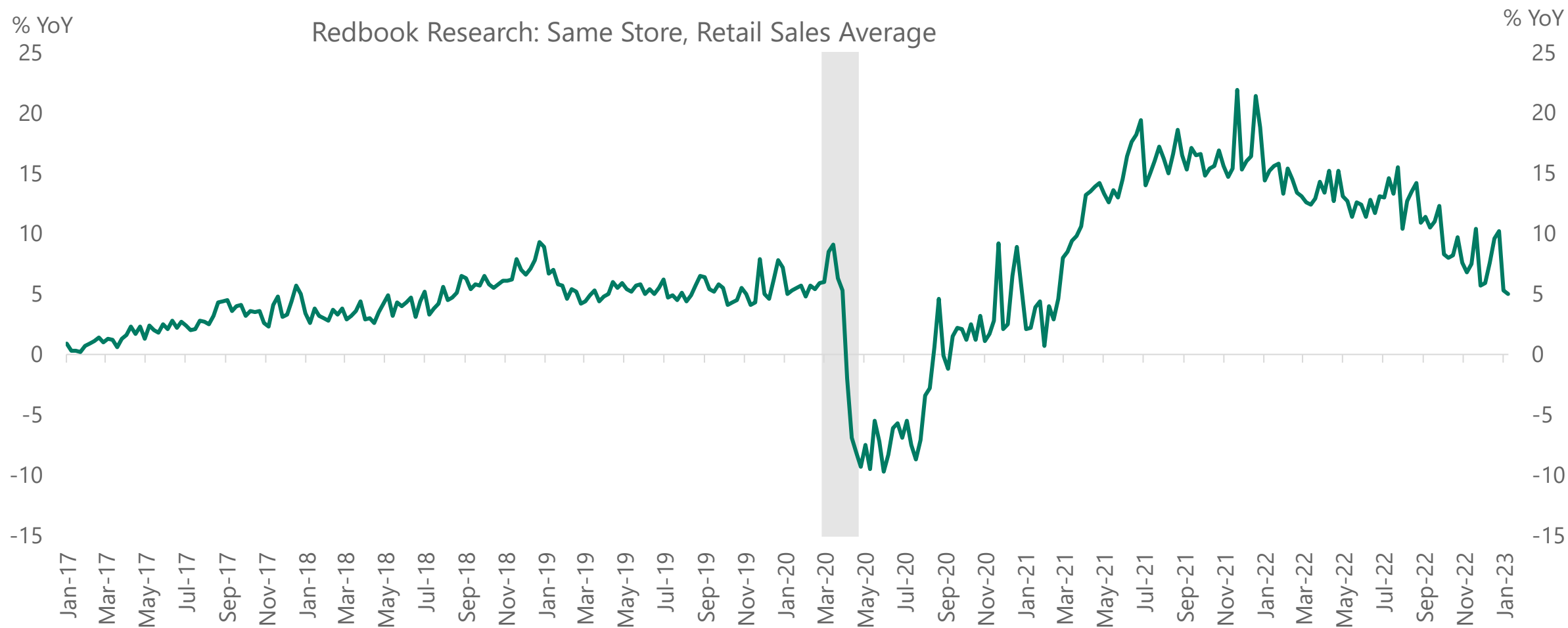
Downside risks to US car sales

Annualized, mn

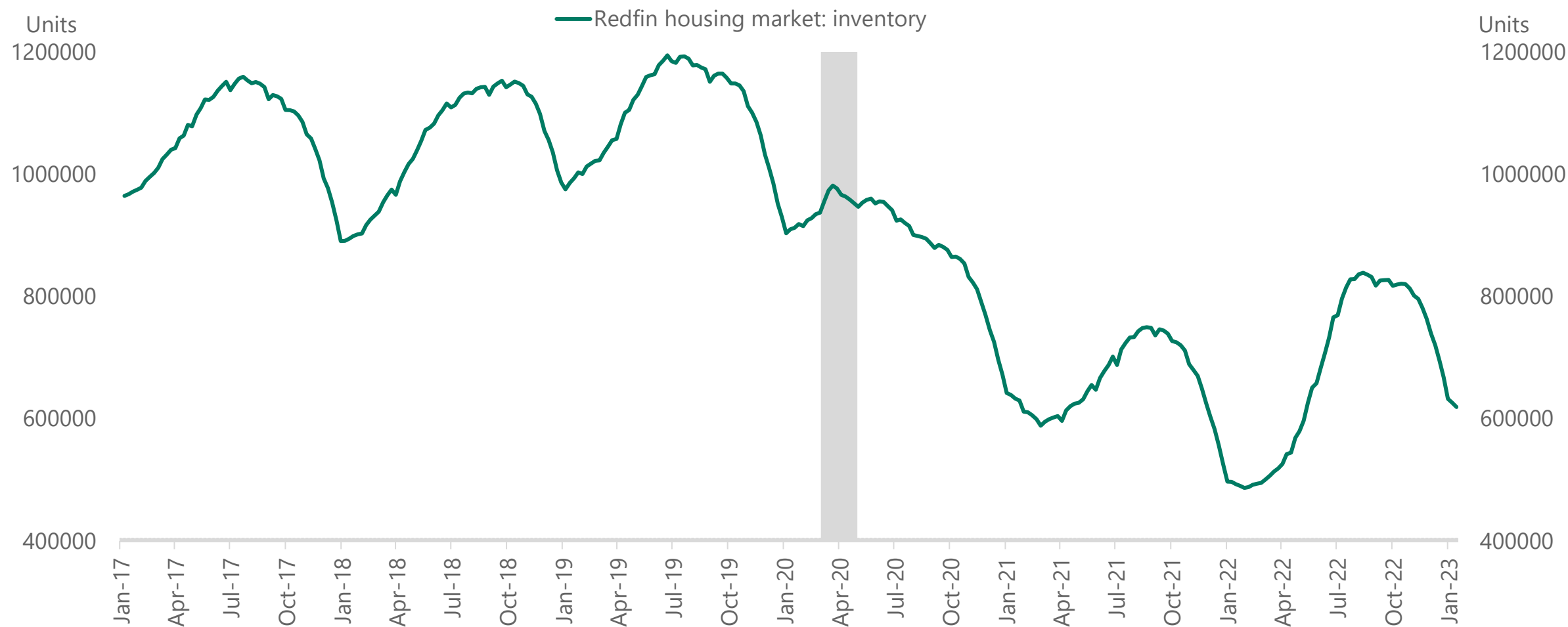
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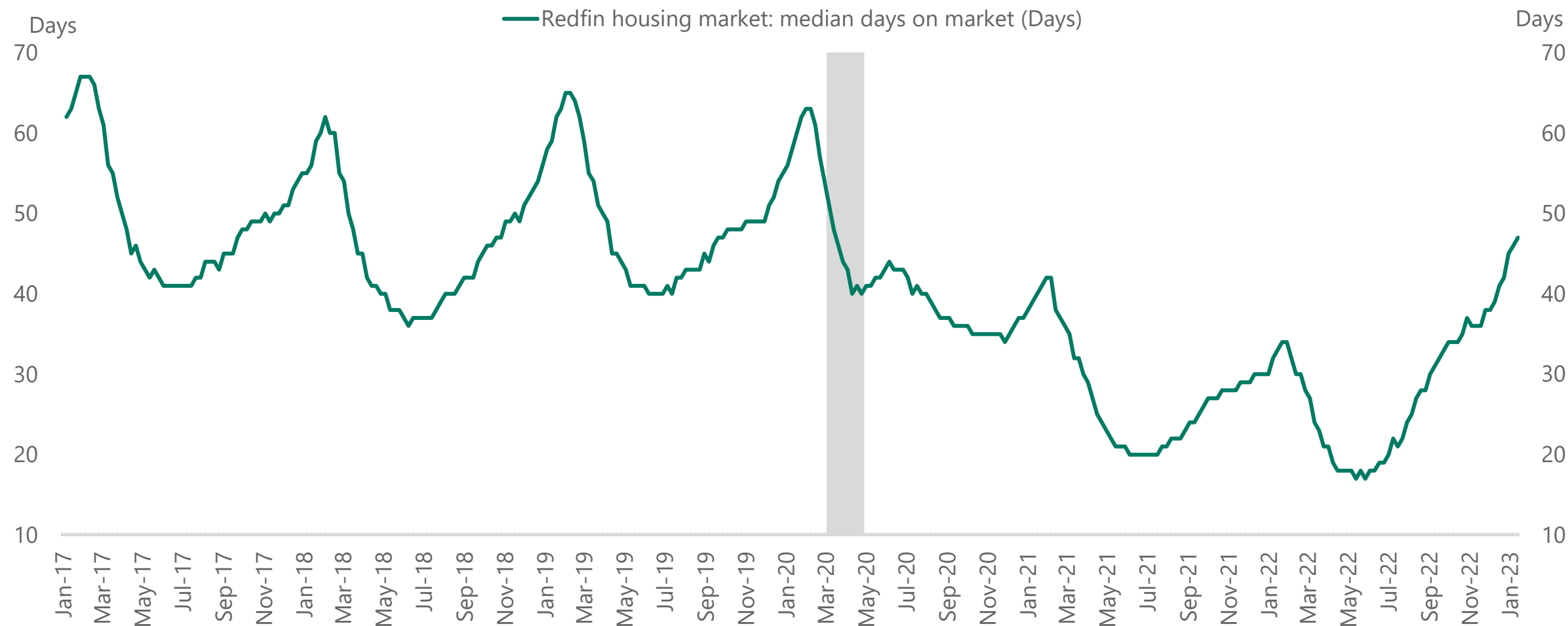
Same-store retail sales slowing down gradually



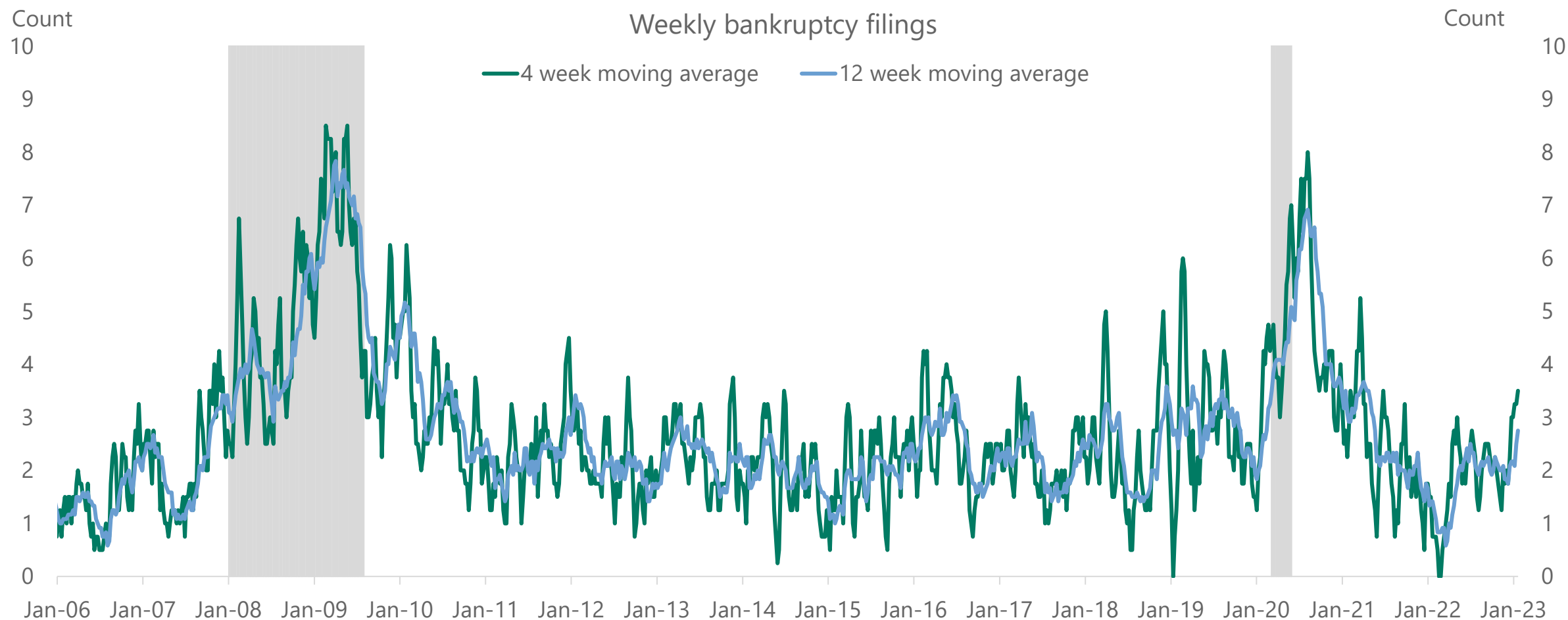
Weekly housing inventory starting to roll over



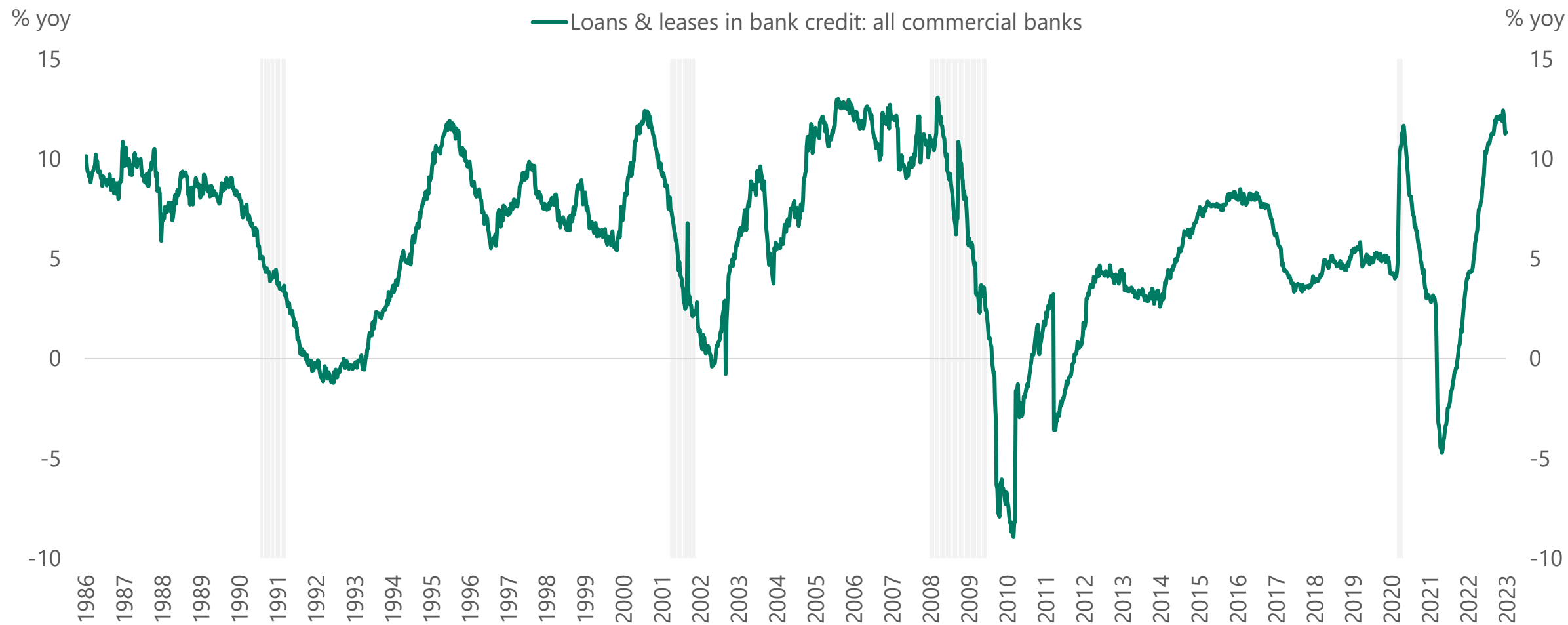
Homes typically sold in 47 days compared to 61 days before pandemic



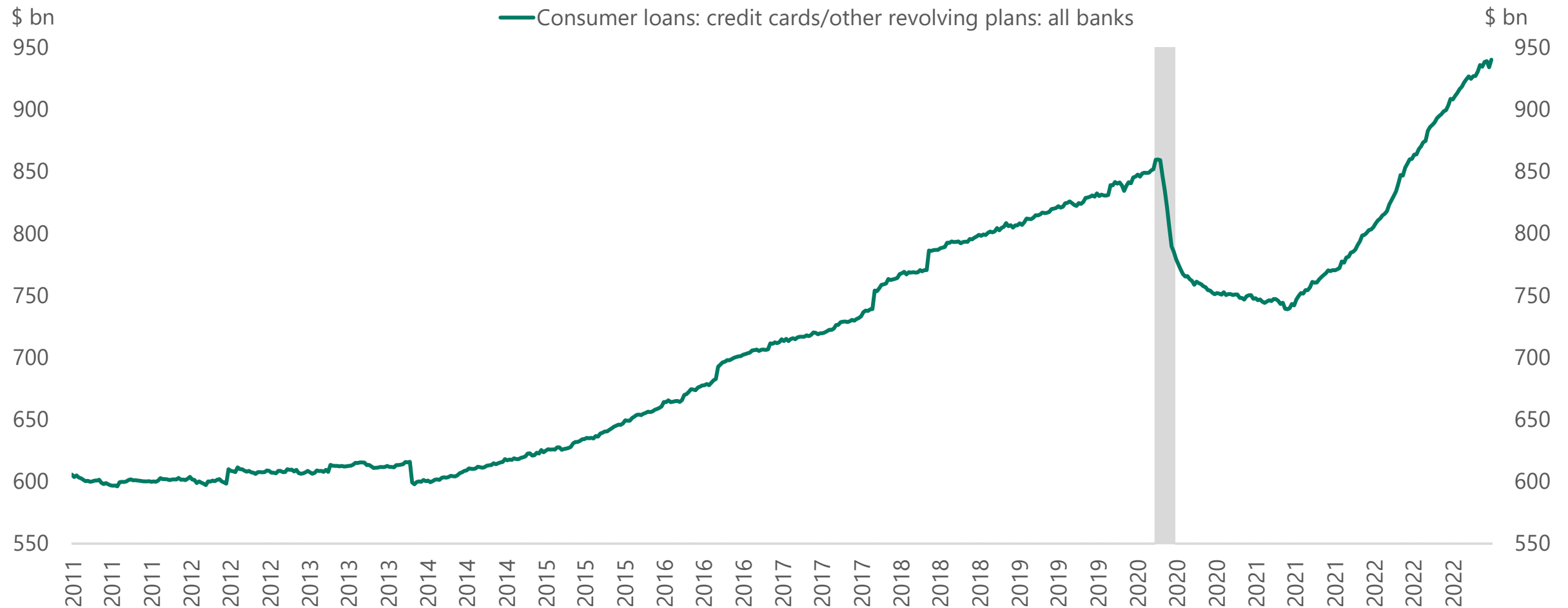
Weekly bankruptcy filings rising from low levels



Banks' weekly loan growth still strong



Weekly credit card debt is rising as the economy re-opens



Layoffs at startups are elevated

of layoff events

300

250

200

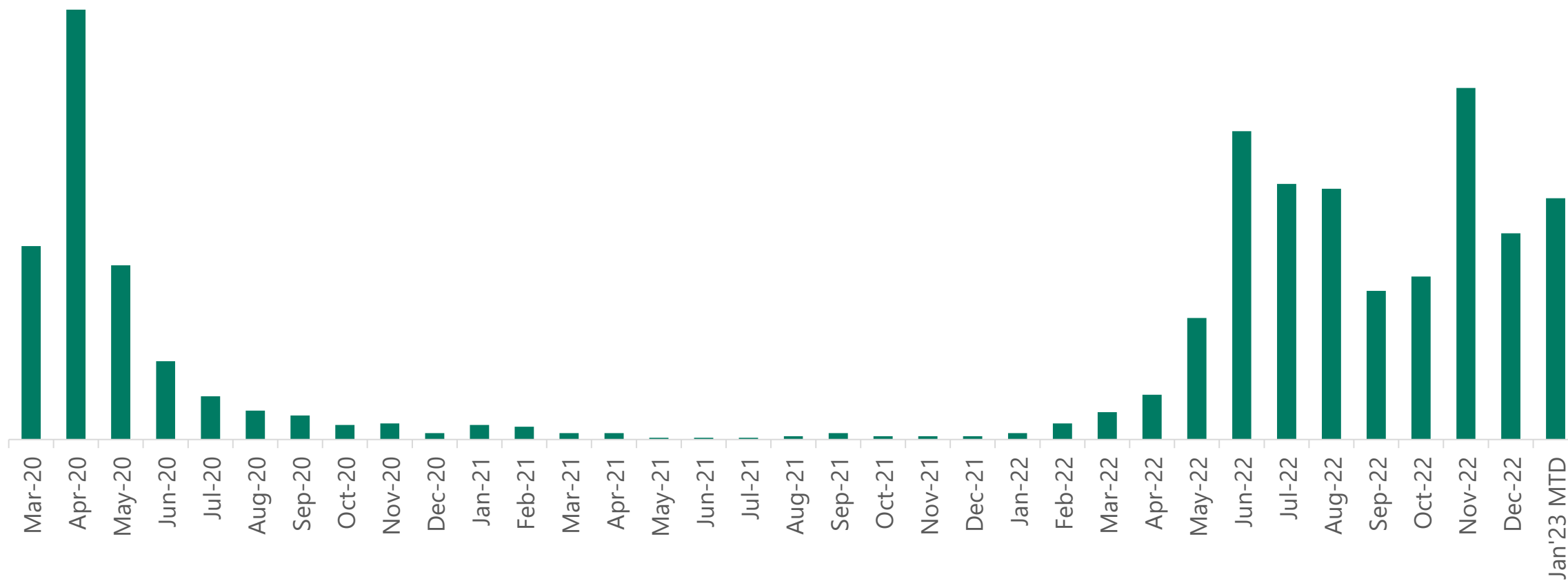
150

100

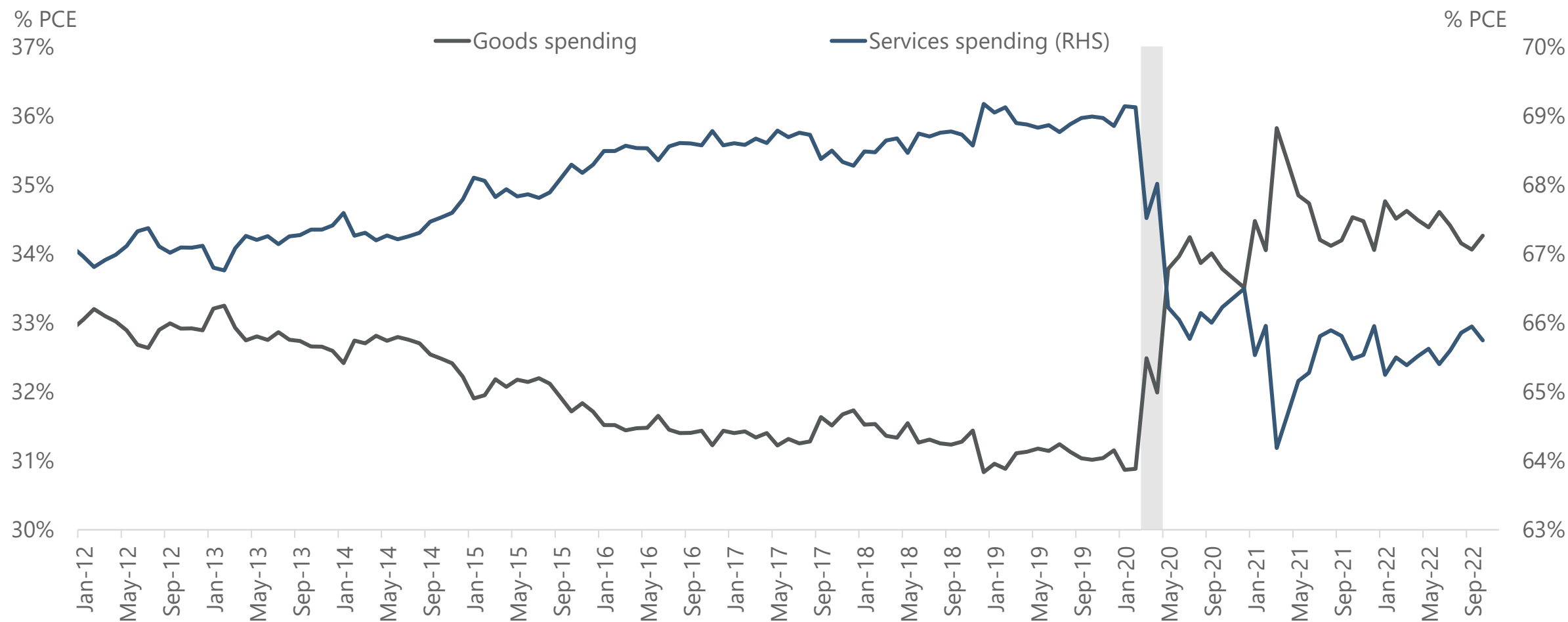
50

0

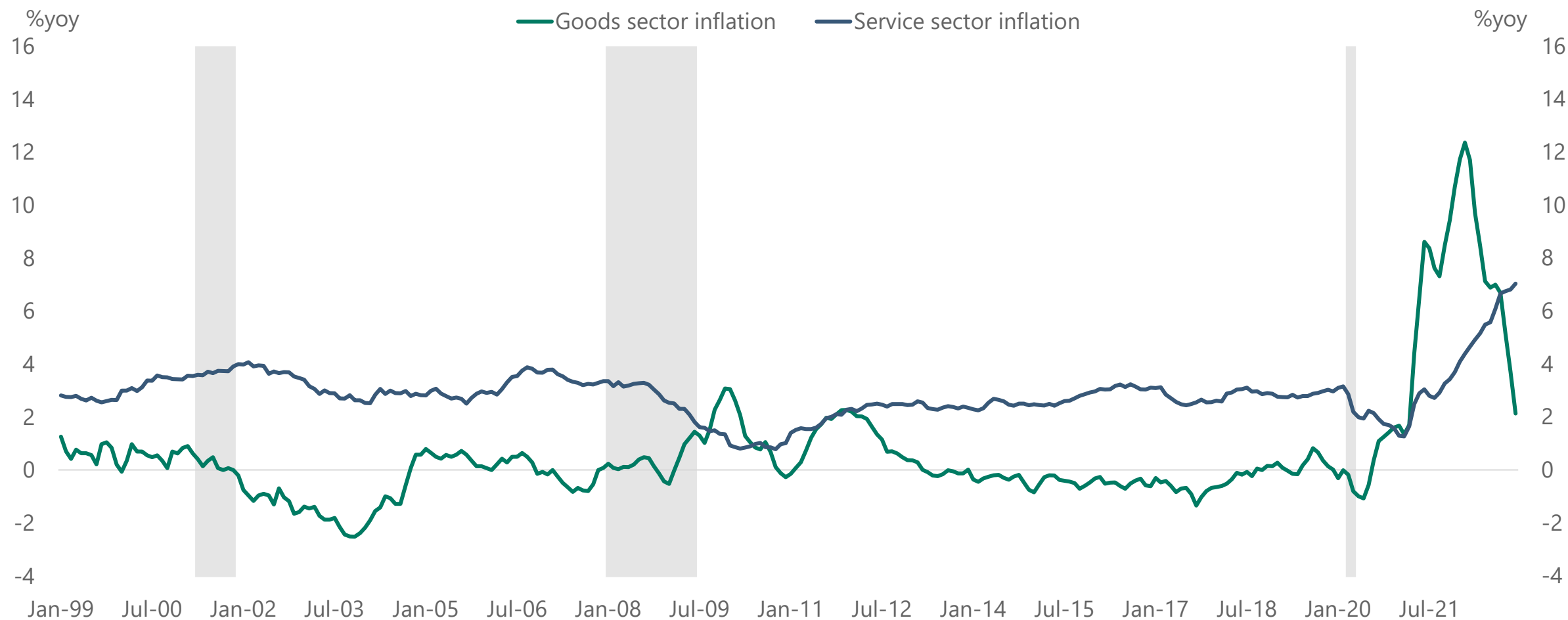
■ New startup layoffs



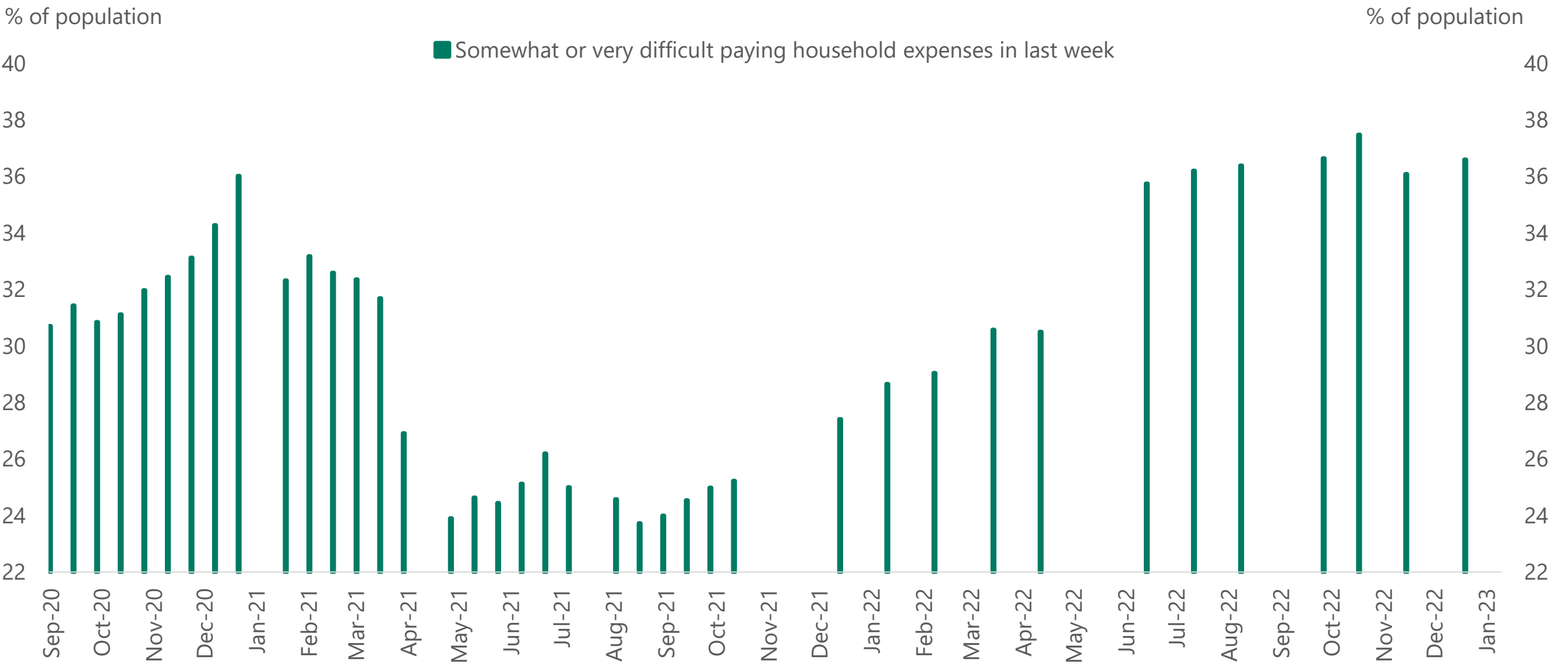
Shift from goods to services coming in US consumer spending



Goods sector inflation slowing. Service sector inflation rising

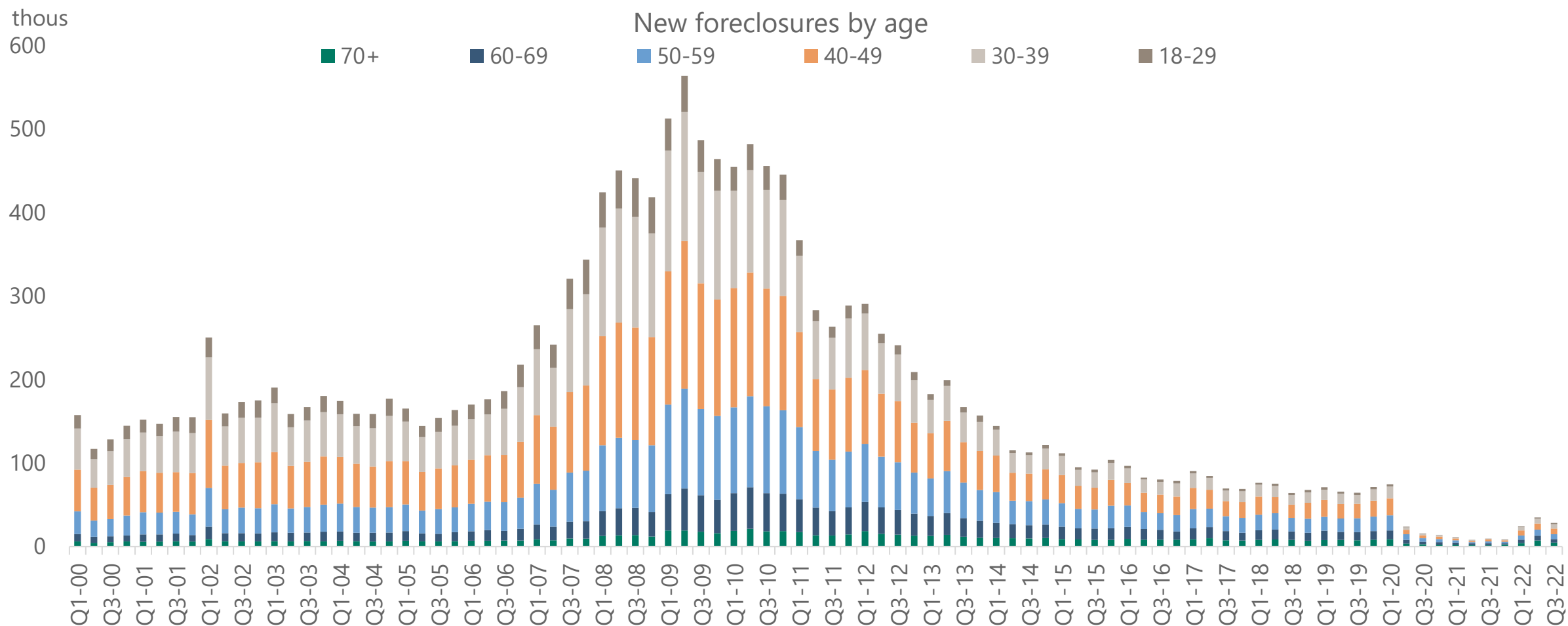


More households having difficulties paying expenses

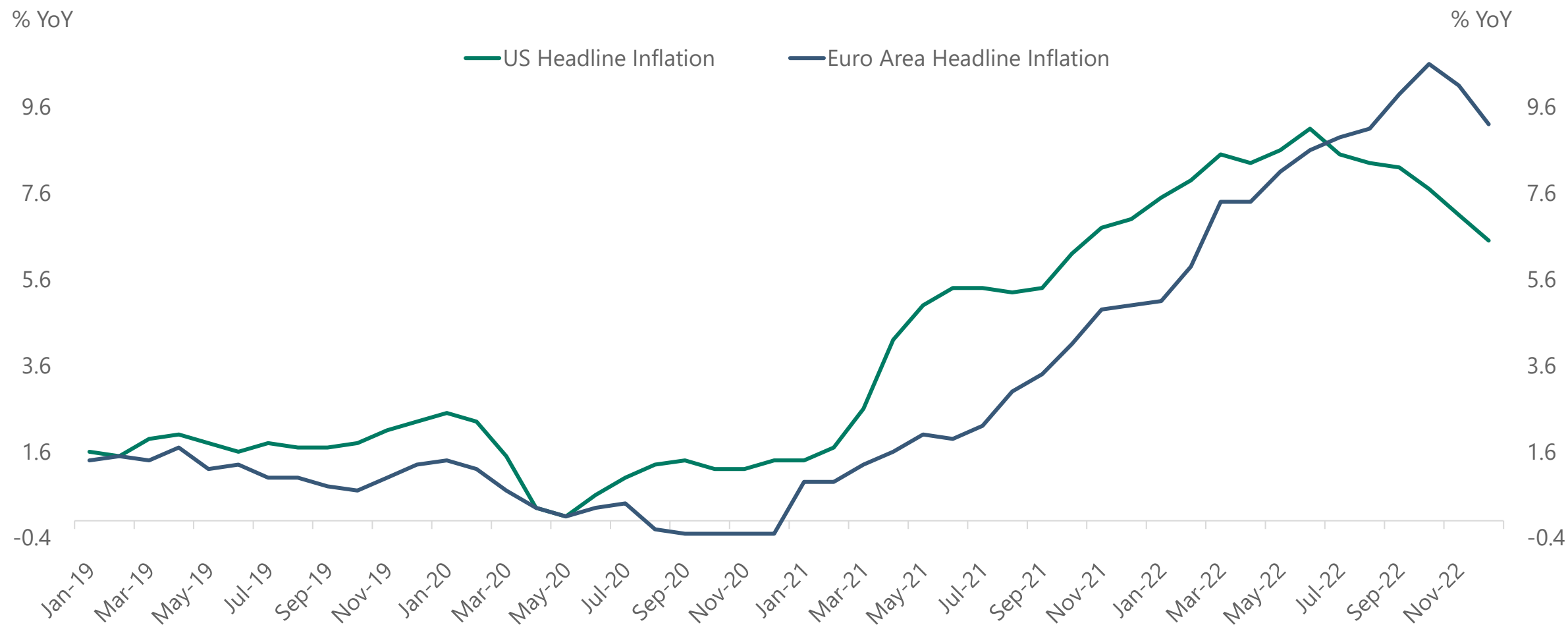


Source: Census Bureau, Apollo Chief Economist (Note: Household Pulse Survey)

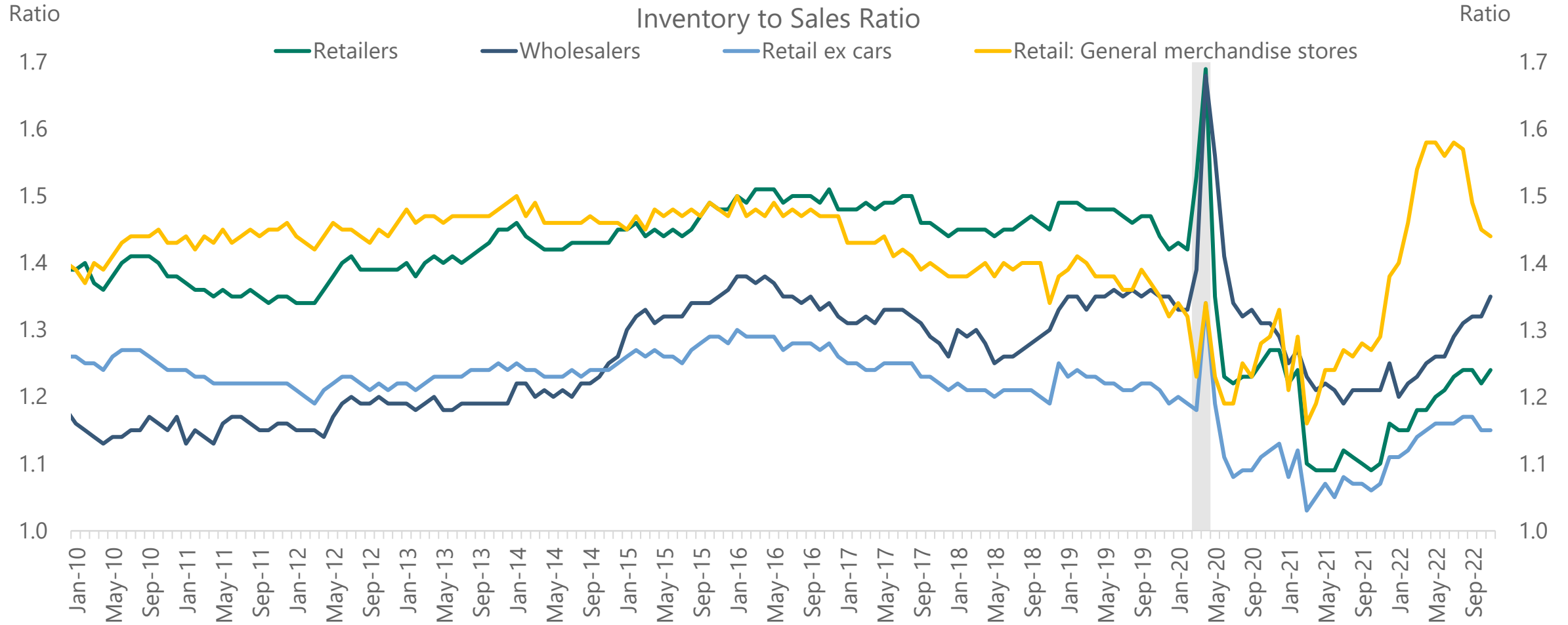
New foreclosures starting to move up a bit



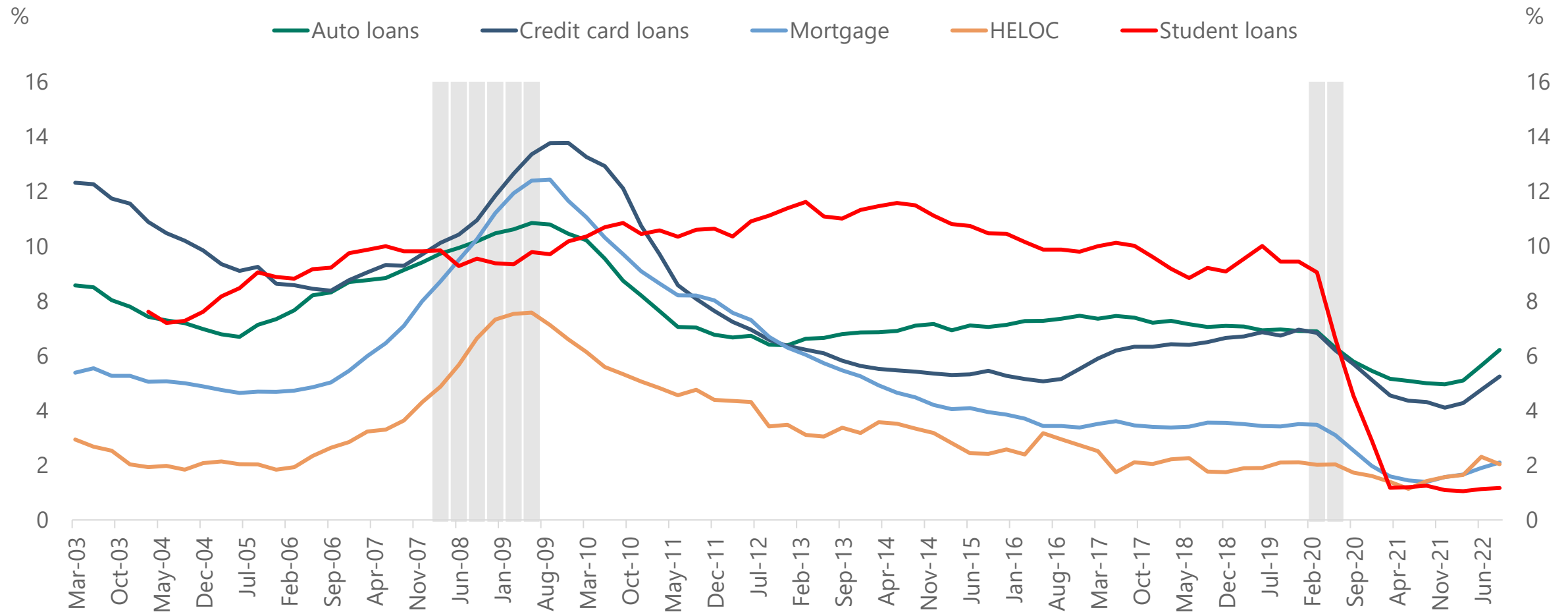
Inflation has peaked both in the US and Europe



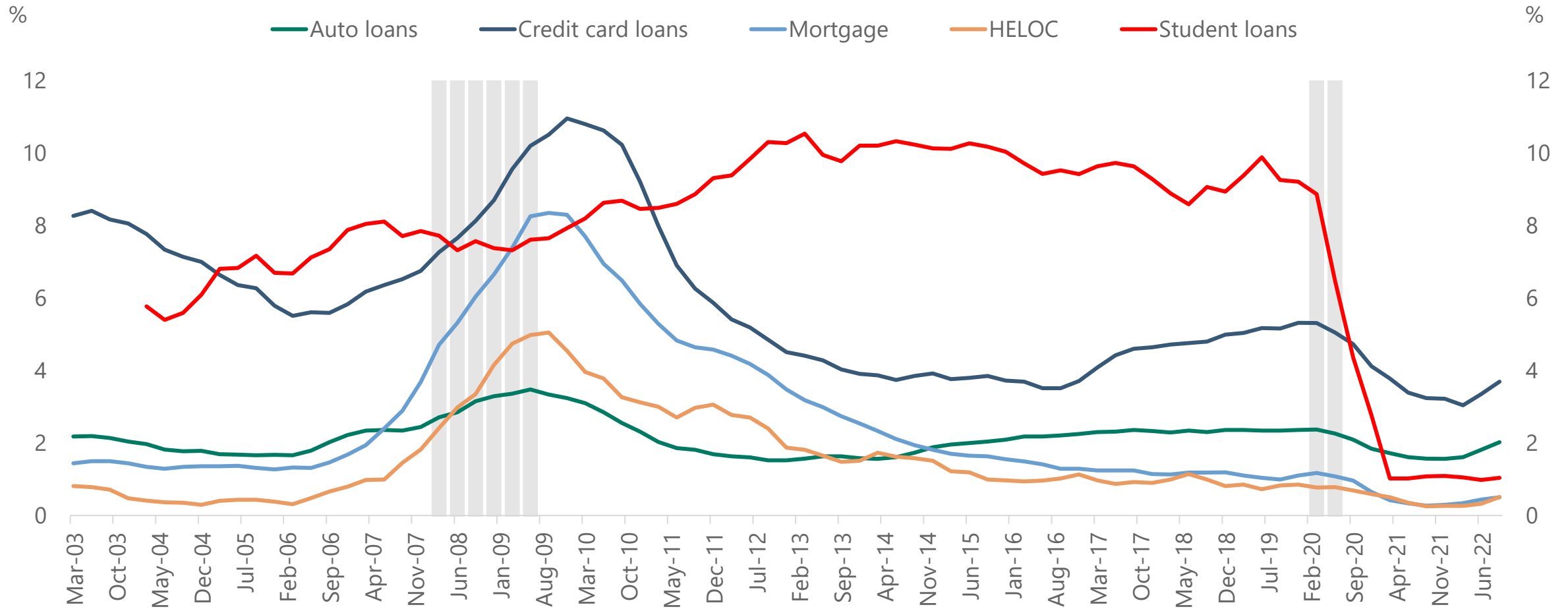
Inventory to sales ratio for general merchandise stores falling



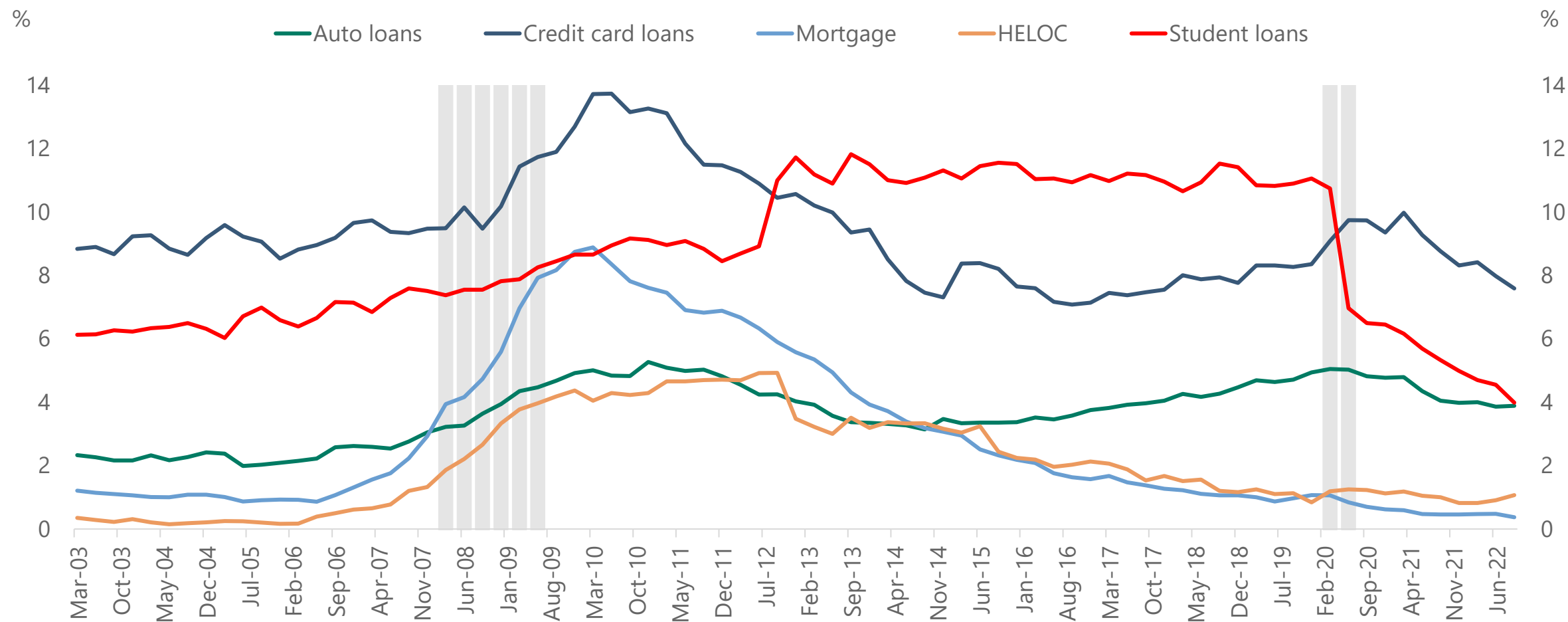
New delinquent (+30 days) balances by loan type, % of current balance



New seriously delinquent (+90 days) balances by loan type, % of current balance



Percent of balance +90 days delinquent by loan type, in %



60/40 portfolio down 14%

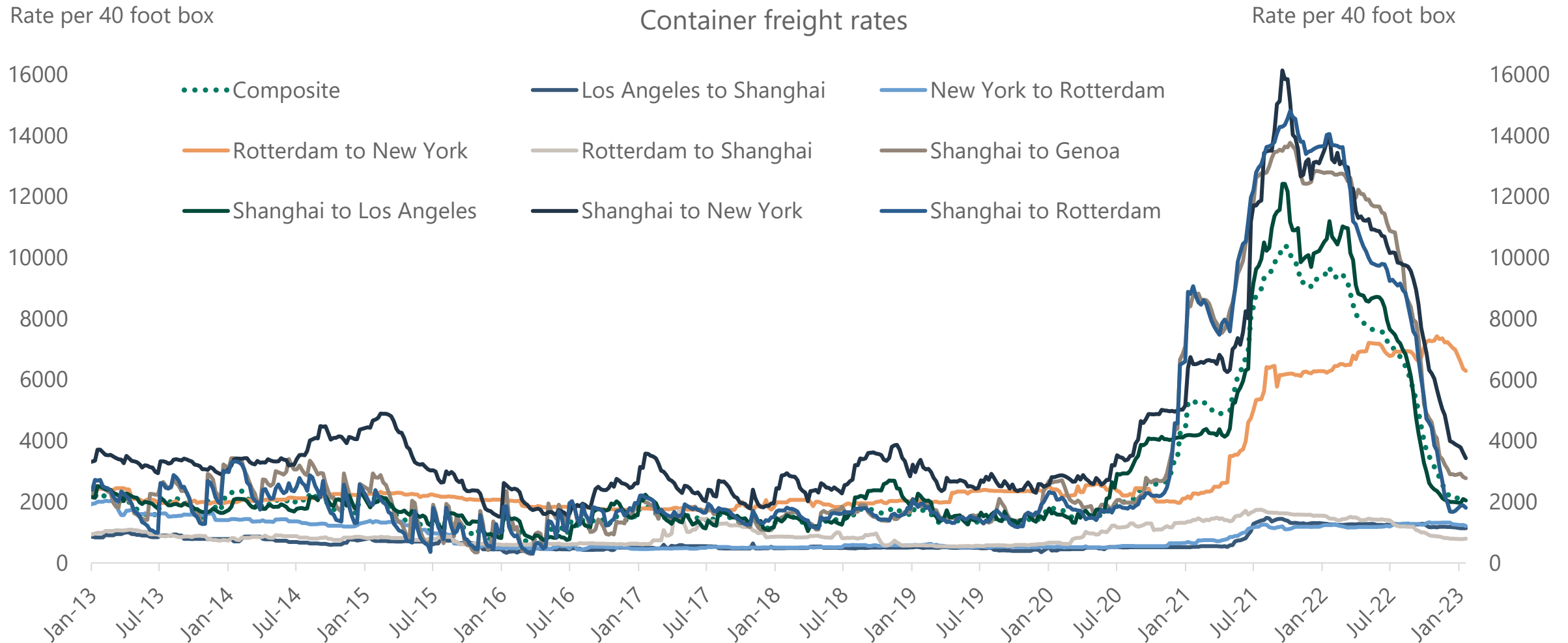
01 Jan 2022 = 100

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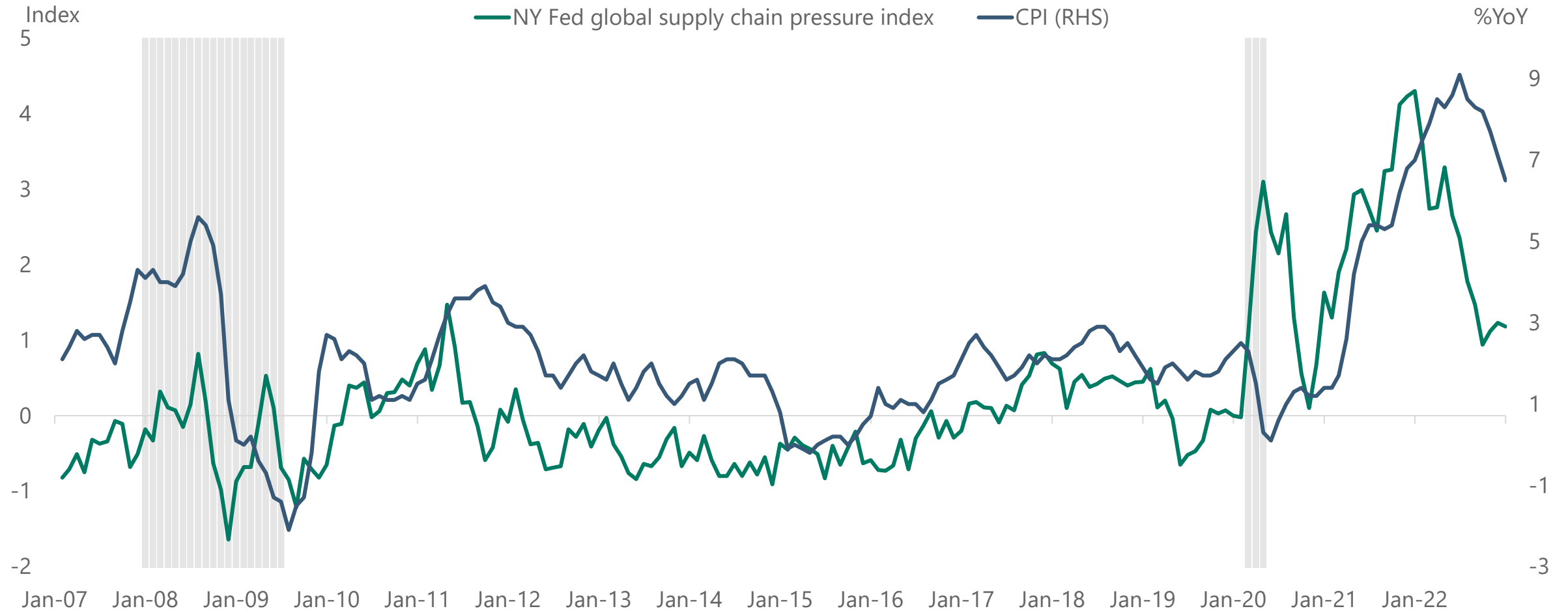
— Bloomberg US Equity: Fixed income 60:40 index



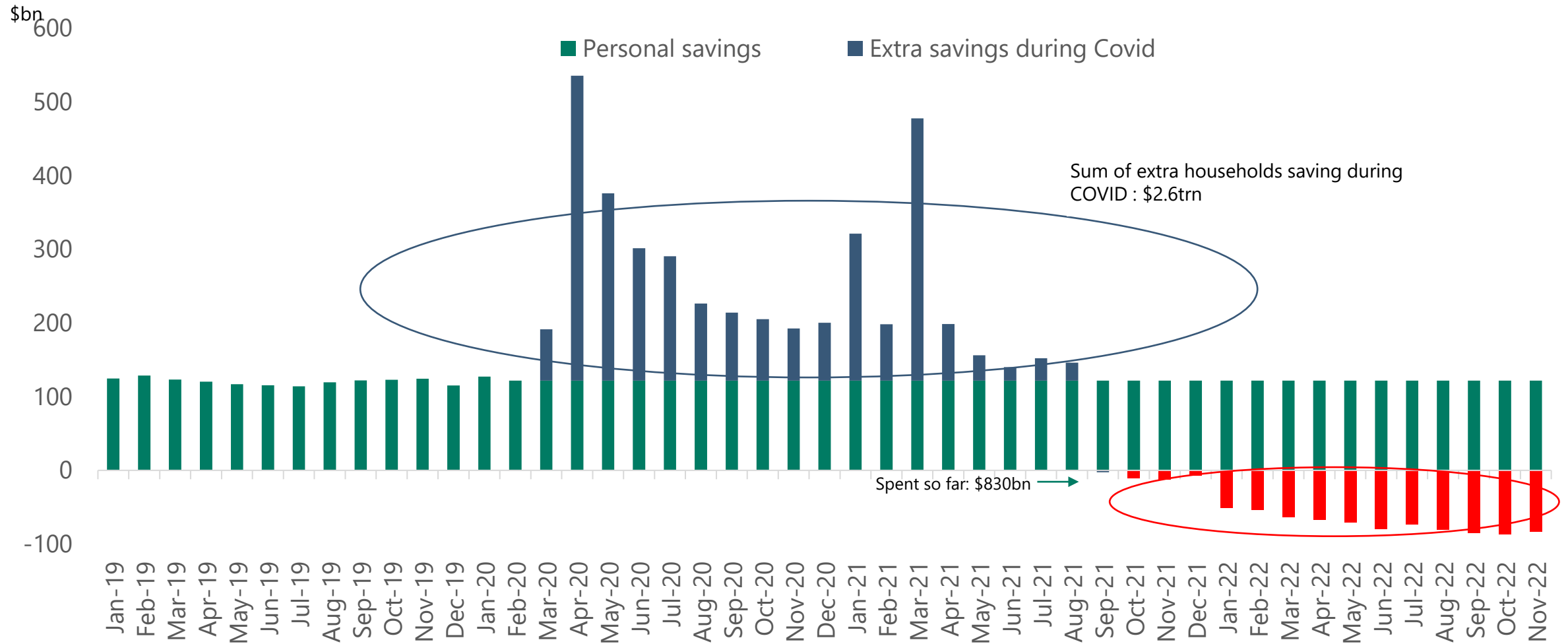
Container freight rates falling. Goods inflation pressures are easing



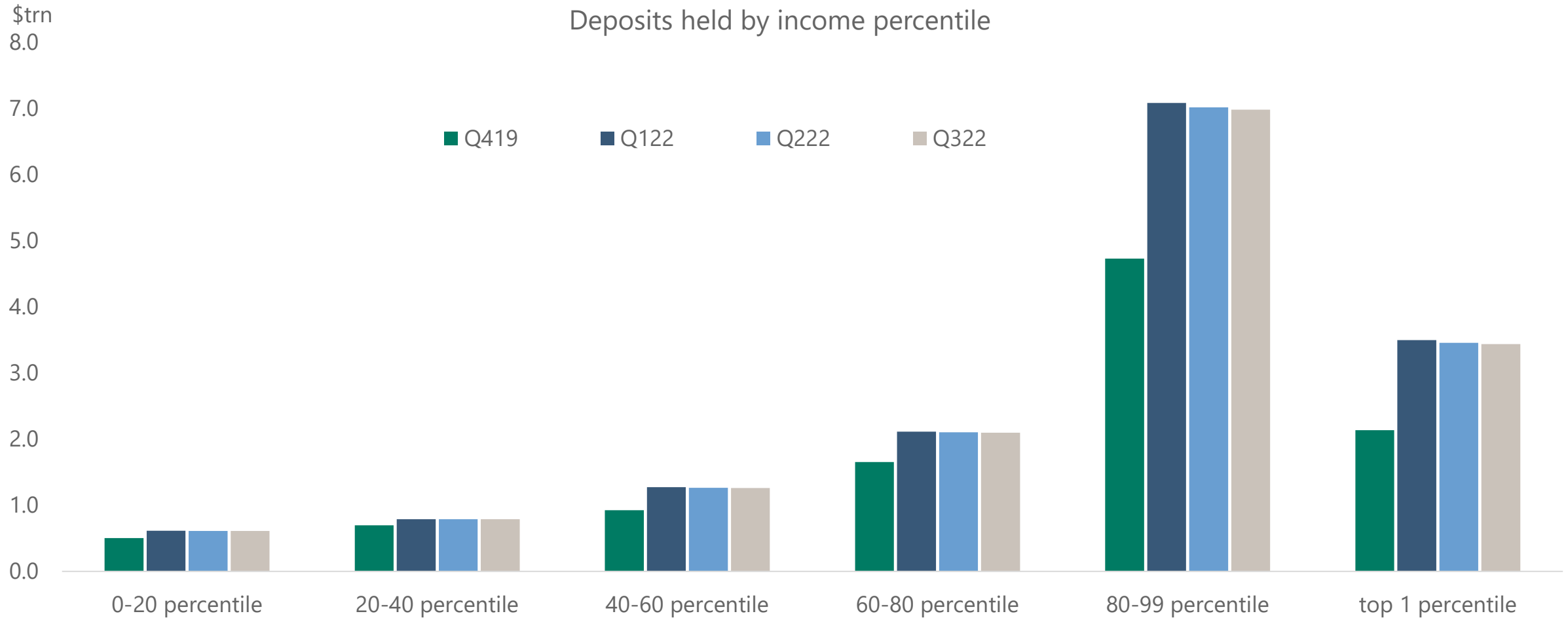
Supply chain improvements putting downward pressure on goods inflation



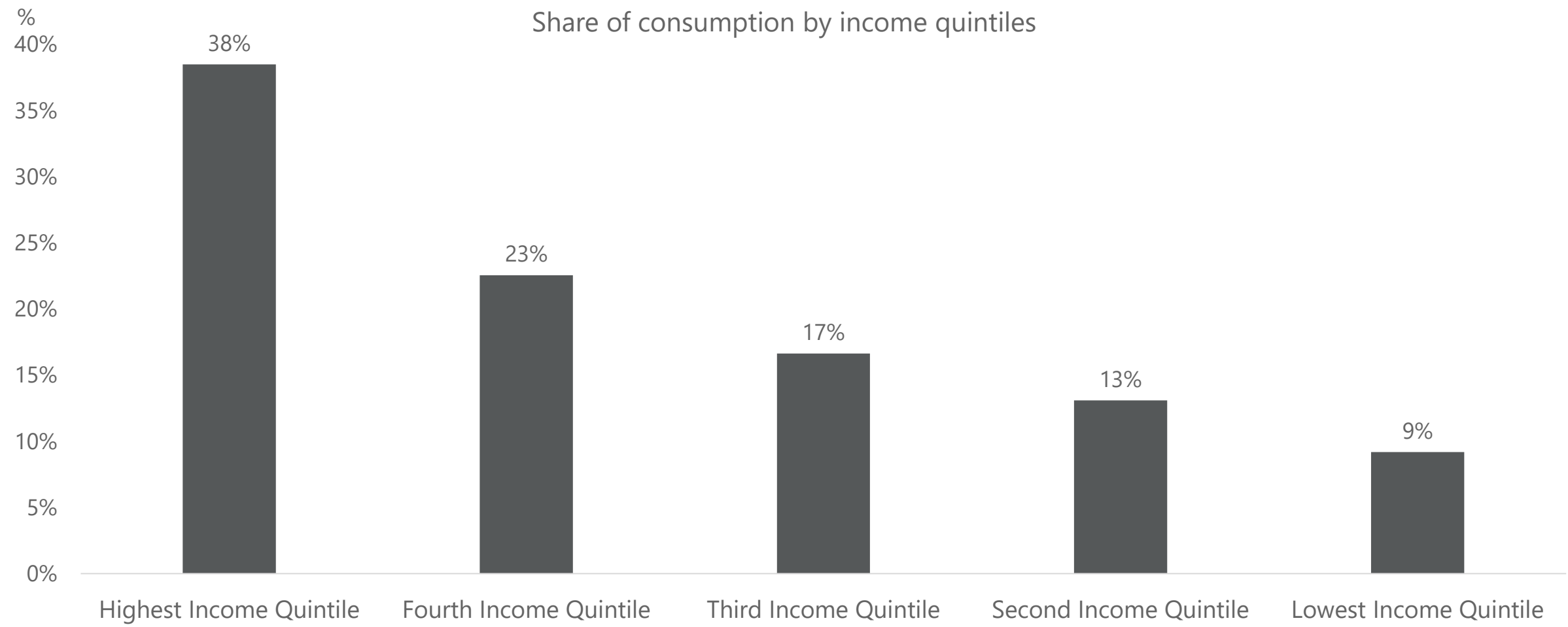
Households are running down their savings, but still about \$1.7trn left



Household savings across different income groups

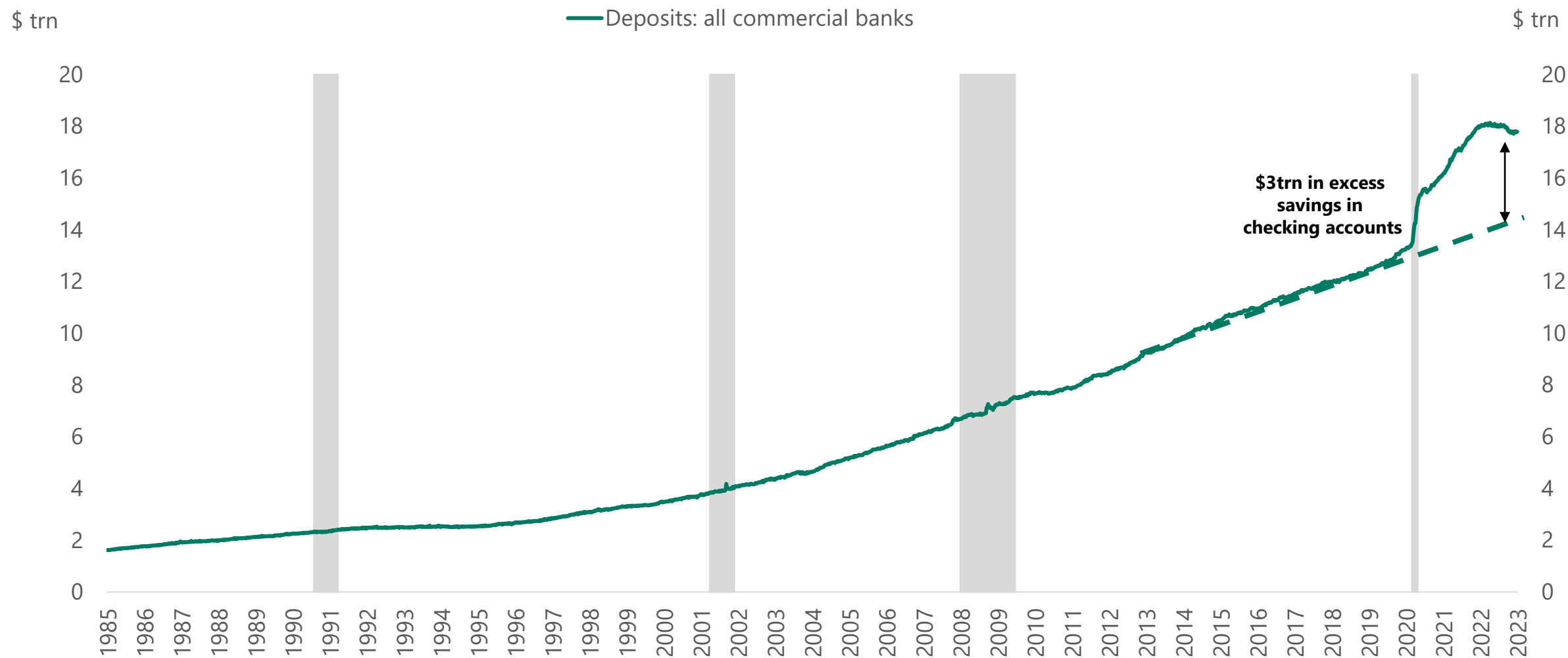


Share of US total consumer spending, by income

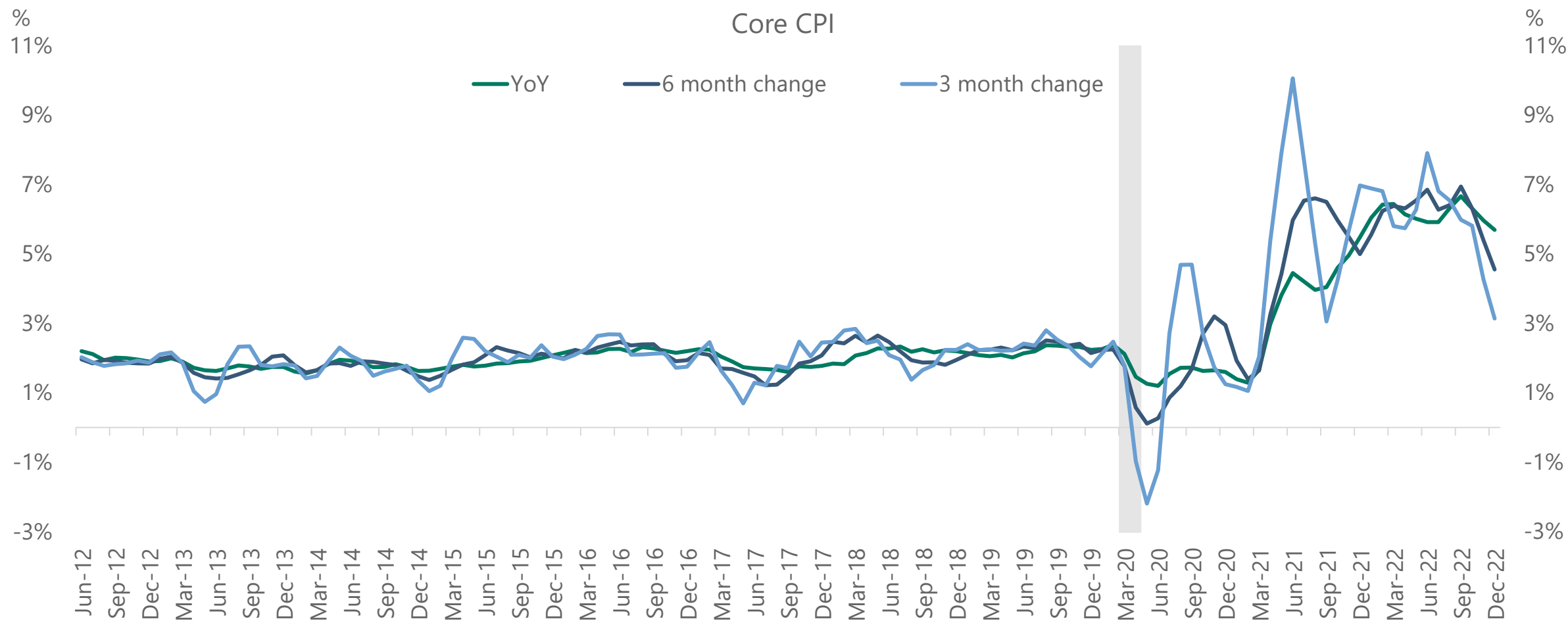


Source: Consumer Expenditure Survey, Haver Analytics, Apollo Chief Economist (latest data includes 2021)

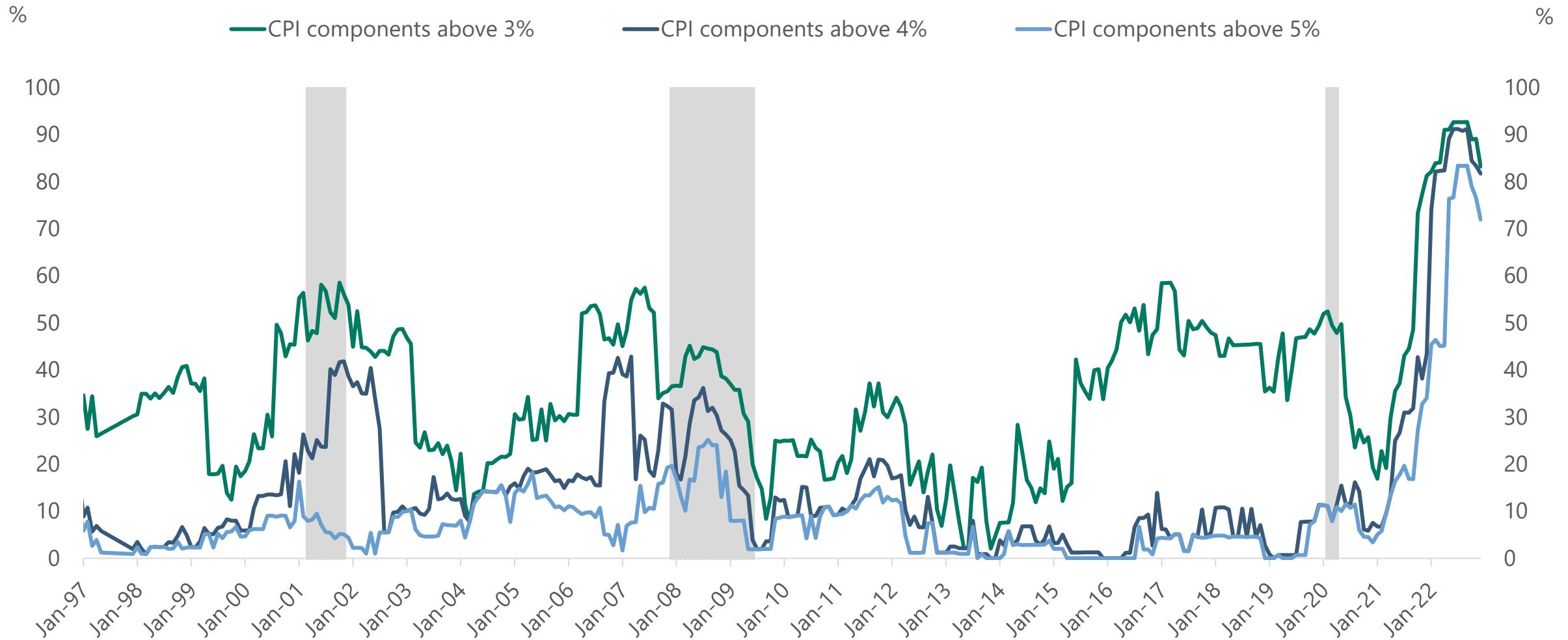
Record-high level of deposits at commercial banks



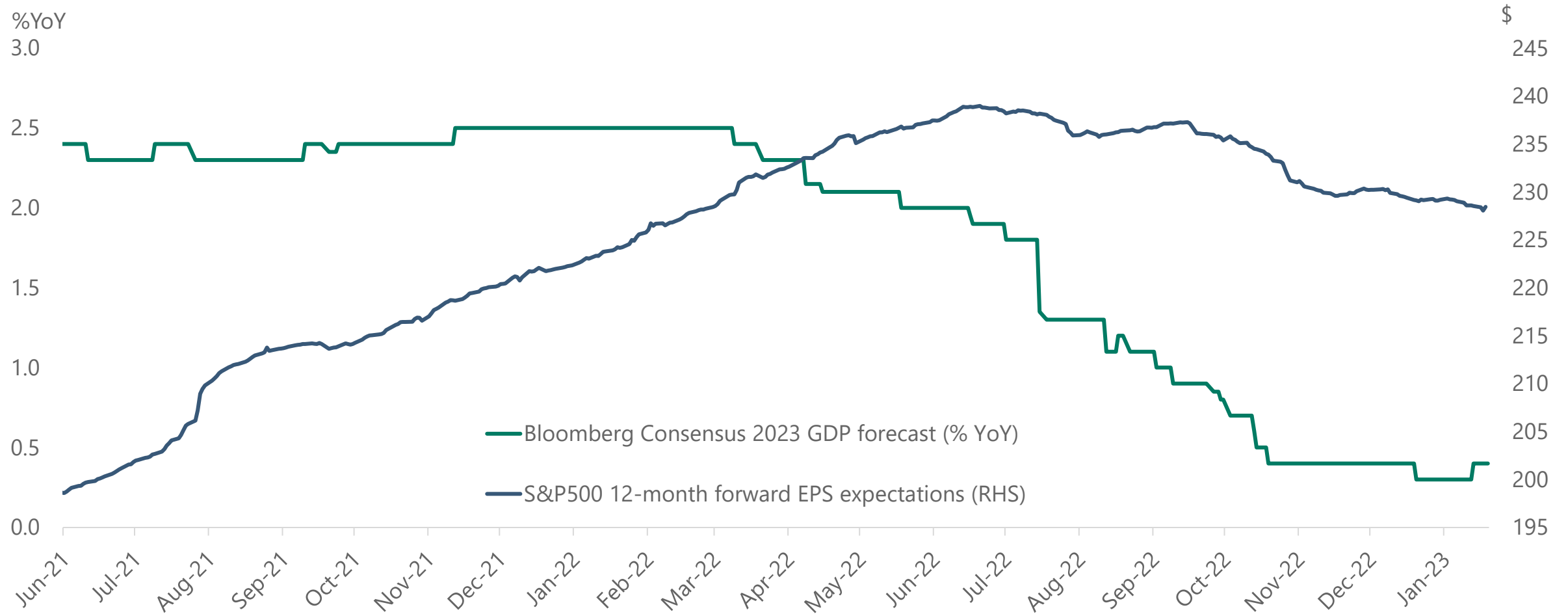
The 3-month and 6-month change in inflation coming down



Inflation is still broad-based but starting to come down



Divergence between S&P500 earnings expectations and GDP growth expectations



China: Metro passenger volumes normalizing



Heatmap for the US economy and US financial markets

		Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Latest
ECONOMIC CYCLE	Inflation (% YoY)	2.3	1.5	0.6	1.4	1.4	2.6	5.4	5.4	7.0	8.5	9.1	8.2	6.5
	Core Inflation (% YoY)	2.3	2.1	1.2	1.7	1.6	1.6	4.5	4.0	5.5	6.5	5.9	6.6	5.7
	Economic Growth (% YoY)	2.6	0.8	-8.4	-2.0	-1.5	1.2	12.5	5.0	5.7	3.7	1.8	1.9	1.9
	New Home sales (000s)	688.0	610.0	922.0	991.0	871.0	881.0	714.0	732.0	839.0	707.0	571.0	559.0	640.0
	Consumer Sentiment	99.3	89.1	78.1	80.4	80.7	84.9	85.5	72.8	70.6	59.4	50.0	58.6	64.6
	Inventory to sales ratio (retailers)	1.4	1.5	1.2	1.2	1.3	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.2
	ISM Manufacturing PMI	47.9	49.1	52.4	55.4	60.5	63.7	60.9	60.5	58.8	57.1	53.0	50.9	48.4
	Homebuilder sentiment	76	72	58	83	86	82	81	76	84	79	67	46	35
	Unemployment rate (%)	3.6	4.4	11.0	7.9	6.7	6.1	5.9	4.8	3.9	3.6	3.6	3.5	3.5
	Average hourly wage (% YoY)	2.9	3.6	5.1	4.8	5.5	4.4	4.0	4.8	4.9	5.6	5.2	5.1	4.6
	JOLTS Quits rate (%)	2.3	2.0	1.9	2.2	2.4	2.6	2.8	2.9	3.0	2.9	2.8	2.7	2.7
	Jobless claims	238.0	2316.8	1490.3	851.8	836.8	669.3	419.5	370.0	221.8	178.0	231.8	206.3	217.6
MARKET CYCLE	S&P 500 Forward P/E ratio	18.3	16.3	21.7	21.5	22.7	21.9	21.3	20.1	21.4	19.5	15.9	15.2	17.1
	IG Spread (bps)	101	305	160	144	103	97	86	89	98	122	164	167	132
	HY Spread (bps)	360	877	644.0	541	386	336.0	304	315	310	343	587	543	419
	Yield curve (bps)	31	22	65	59	84	154	144	129	139	193	193	96	11
	10 year yield	1.92	0.67	0.66	0.69	0.92	1.74	1.47	1.49	1.51	2.34	3.02	3.83	3.41
	VIX	13.8	53.5	30.4	26.4	22.8	19.4	15.8	23.1	17.2	20.6	28.7	31.6	20.5
	MOVE Index	58.3	83.9	54.1	39.2	49.0	71.3	57.3	61.1	77.1	106.9	135.5	141.9	114.5
	M&A Transaction value (\$bn)	483.2	365.0	155.9	557.8	762.8	716.0	929.7	859.7	850.1	714.6	685.6	397.5	429.2
	S&P 500 buybacks (\$bn)	181.6	198.7	88.7	101.8	130.6	178.1	198.8	234.6	270.1	281.0	219.6	210.8	210.8
	IPO volume (\$bn, 3 month sum)	12.2	23.0	29.3	65.4	65.7	151.6	48.5	39.4	51.9	7.9	3.1	2.0	0.9
SPAC volume (\$bn, 3 month sum)	3.8	5.9	11.9	40.4	39.3	110.1	13.9	14.0	21.3	4.2	2.4	0.7	0.6	

Source: Apollo Chief Economist. Colours based on deviation from mean. Green = mean +/- 0.5 stddv; Yellow = +/- 0.5 to 1 stddv;; Red = +/- 1 stdev. For PMI>50 is red and less than 50 is green. Consumer sentiment and MOVE > mean is red and < mean is green and for jobless claims vice-versa. Data starts in 2010.

Heatmap for the EU economy and EU financial markets

		Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Latest
ECONOMIC CYCLE	Inflation (% YoY)	1.3	0.7	0.3	-0.3	-0.3	1.3	1.9	3.4	5.0	7.4	8.6	9.9	9.2
	Core Inflation (% YoY)	1.3	1.0	0.8	0.2	0.2	0.9	0.9	1.9	2.6	3.0	3.7	4.8	5.2
	Economic Growth (% YoY)	1.2	-2.8	-14.2	-3.8	-4.1	-0.8	14.2	3.9	4.8	5.5	4.3	2.3	2.3
	New residential building permits	144.2	112.5	115.5	115.5	128.0	142.9	135.4	134.4	143.7	165.2	153.4	#N/A	146.2
	Consumer Confidence	-7.9	-12.1	-14.3	-12.8	-12.3	-9.6	-1.9	-3.6	-9.4	-21.7	-23.7	-28.7	-22.2
	ISM Manufacturing PMI	#N/A N/A	44.5	47.4	53.7	55.2	62.5	63.4	58.6	58.0	56.5	52.1	48.4	47.8
	Economic sentiment indicator	103	94	76	95	96	103	116	118	114	106	103	94	96
	Unemployment rate (%)	7.5	7.2	8.1	8.6	8.2	8.2	7.9	7.3	7.0	6.8	6.7	6.6	6.5
	wages & salaries	1.3	-0.5	-10.5	-4.3	-1.9	-0.2	10.3	4.1	3.1	6.1	5.5	5.3	5.3
MARKET CYCLE	EURO STOXX Forward P/E ratio	14.3	12.6	16.9	16.8	17.8	18.0	17.0	15.2	15.2	12.9	10.8	9.8	12.3
	IG Spread (bps)	94	238	148	118	93	91	84	85	98	129	212	221	154
	HY Spread (bps)	308	754	521.0	472	355	314.0	296	304	331	400	641	625	450
	Yield curve (bps)	0.312	0.026	0.044	-0.023	-0.072	0.207	0.291	0.3	0.318	1.045	1.833	1.355	0.117
	10 year yield	-0.19	-0.47	-0.46	-0.52	-0.57	-0.29	-0.21	-0.20	-0.18	0.55	1.33	2.11	2.12
	VIX	15.6	53.3	35.7	30.5	28.7	21.1	21.5	26.9	21.8	32.1	31.2	30.1	21.1

Source: Apollo Chief Economist. Colours based on deviation from mean. Green = mean +/- 0.5 stddev; Yellow = +/- 0.5 to 1 stddev;; Red = +/- 1 stddev. For PMI>50 is red and less than 50 is green. Consumer sentiment and MOVE > mean is red and < mean is green and for jobless claims vice-versa. Data starts in 2010.

Heatmap for the UK economy and UK financial markets

		Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Latest
ECONOMIC CYCLE	Inflation (% YoY)	1.3	1.5	0.6	0.5	0.6	0.7	2.5	3.1	5.4	7.0	9.4	10.1	10.5
	Core Inflation (% YoY)	1.4	1.6	1.4	1.3	1.4	1.1	2.3	2.9	4.2	5.7	5.8	6.5	6.3
	Economic Growth (% YoY)	1.3	-2.0	-22.6	-10.3	-9.2	-7.7	24.4	8.5	8.9	10.7	4.0	1.9	1.9
	Home sales(units)	99050	90090	63570	96990	126980	174100	205860	164160	99360	110130	101070	105450	107190
	Consumer Confidence	-11.0	-9.0	-30.0	-25.0	-26.0	-16.0	-9.0	-13.0	-15.0	-31.0	-41.0	-49.0	-45.0
	PMI composite	#N/A N/A	36.0	47.7	56.5	50.4	56.4	62.2	54.9	53.6	60.9	53.7	49.1	49.0
	Home price expectations in the next 3 months	26	-81	-8	19	-4	42	29	24	29	25	1	-35	-66
	Unemployment rate (%)	3.8	4.0	4.1	4.9	5.2	4.9	4.7	4.3	4.0	3.7	3.8	3.6	3.7
	Average weekly earnings 3m average (% YoY)	2.7	2.5	-1.3	1.3	4.6	3.9	9.2	6.1	4.6	7.0	5.2	6.0	6.4
	Job layoffs (%)	3.9	3.8	4.8	11.4	12.8	5.4	3.5	3.7	2.6	2.5	1.9	2.7	3.4
	Jobless claims change MoM	7.9	-1.8	-65.0	-11.2	-11.3	-22.9	-168.8	-83.4	-61.7	-81.6	-26.8	3.9	19.7
MARKET CYCLE	FTSE Forward P/E ratio	13.5	12.0	15.9	14.6	14.7	14.0	13.2	12.2	12.6	11.2	9.8	8.5	10.4
	IG Spread (bps)	131	265	175	150	113	113	106	104	115	145	206	244	170
	HY Spread (bps)	445	993	721.0	607	463	379.0	372	353	390	463	709	698	611
	Yield curve (bps)	0.072	0.256	0.072	0.129	0.097	0.745	0.616	0.922	0.721	0.86	0.979	1.843	-0.134
	10 year yield	0.82	0.36	0.17	0.23	0.20	0.85	0.72	1.02	0.97	1.61	2.23	4.09	3.31

Source: Apollo Chief Economist. Colours based on deviation from mean. Green = mean +/- 0.5 stdev; Yellow = +/- 0.5 to 1 stdev;; Red = +/- 1 stdev. For PMI>50 is red and less than 50 is green. Consumer sentiment and MOVE > mean is red and < mean is green and for jobless claims vice-versa. Data starts in 2010.



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Torsten Slok joined Apollo in August 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.