

APOLLO

# No landing scenario is becoming a risk: Labor market not slowing down

**Torsten Slok, Chief Economist**  
**Jyoti Agarwal, Senior Economist**  
**Rajvi Shah, Economist**  
**tslok@apollo.com**

**Apollo Global Management**

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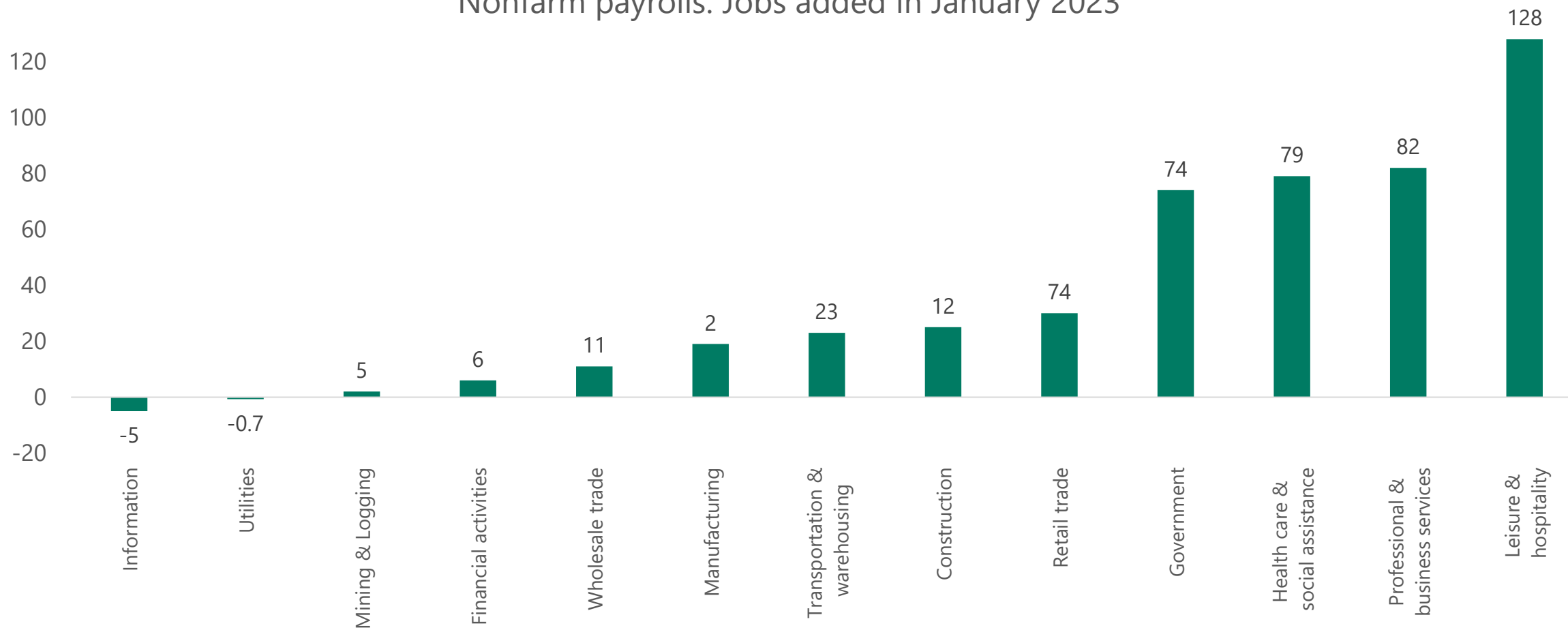
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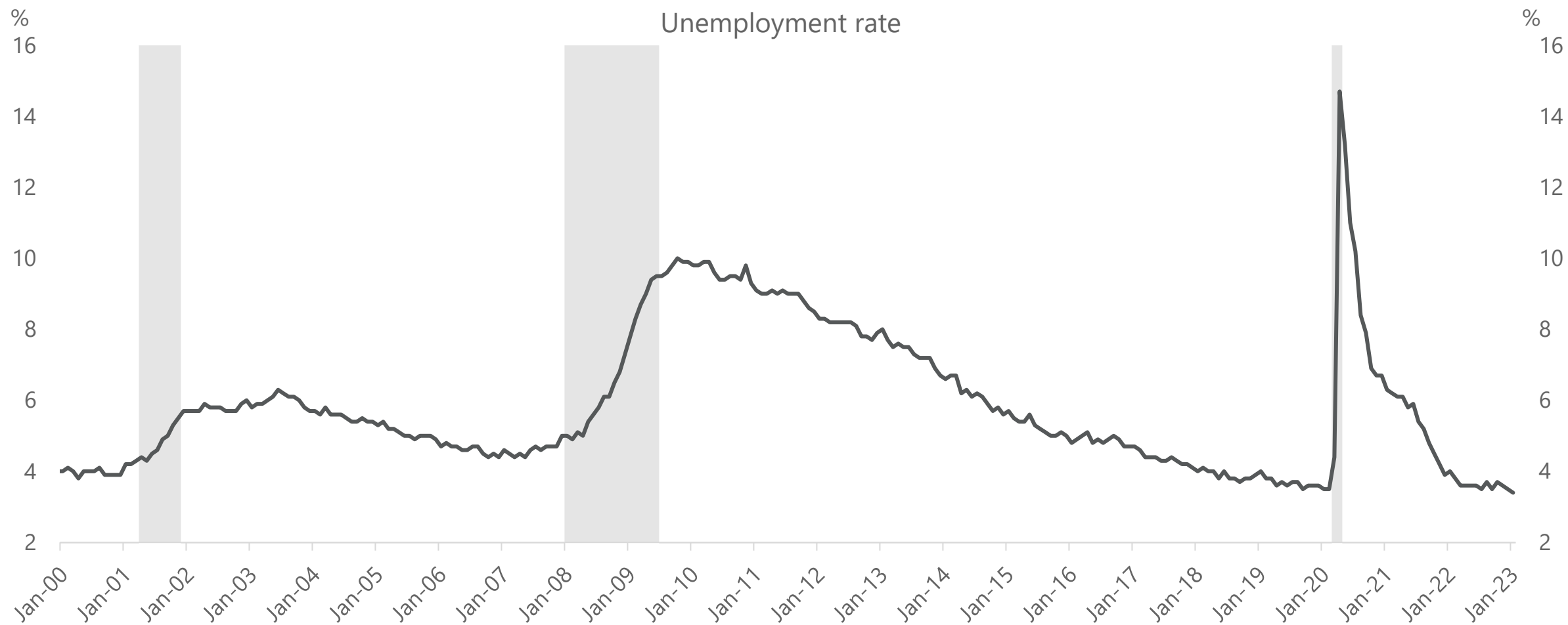
# 517K jobs added in January: Hiring particularly strong in the service sector

Thousands

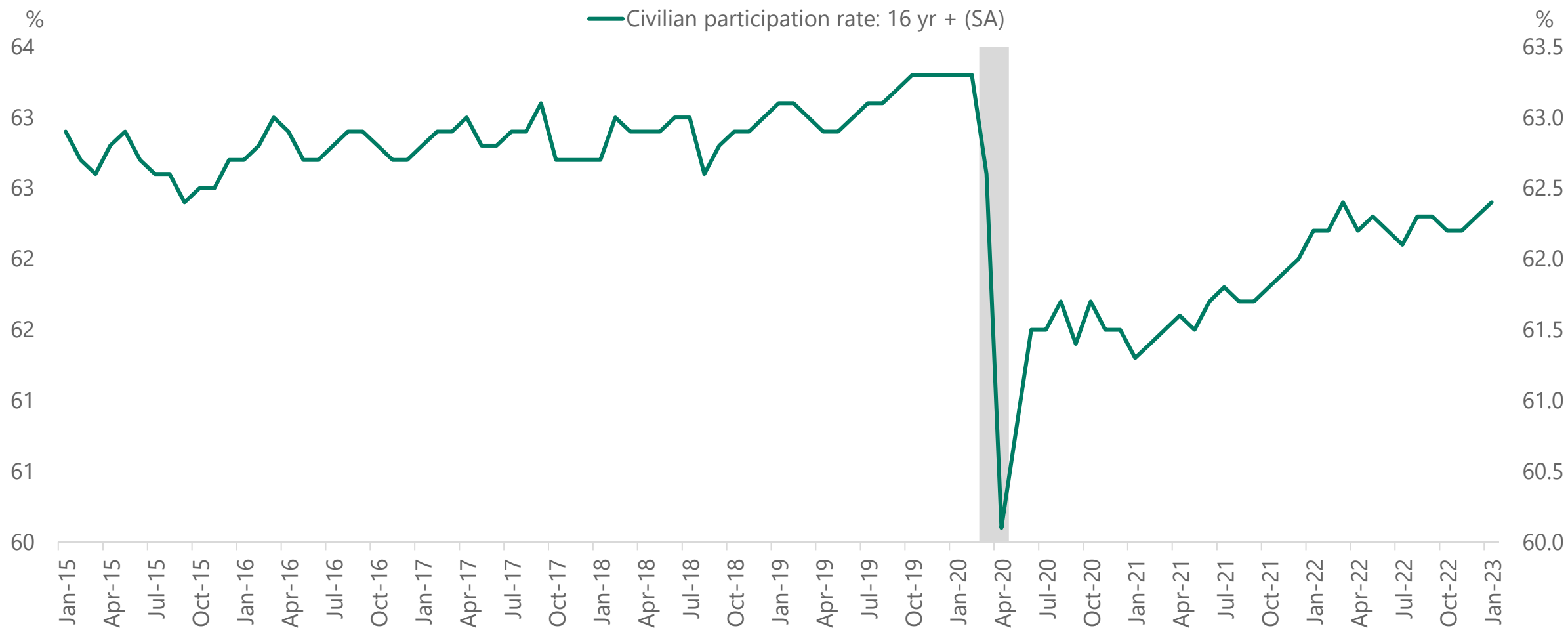
Nonfarm payrolls: Jobs added in January 2023



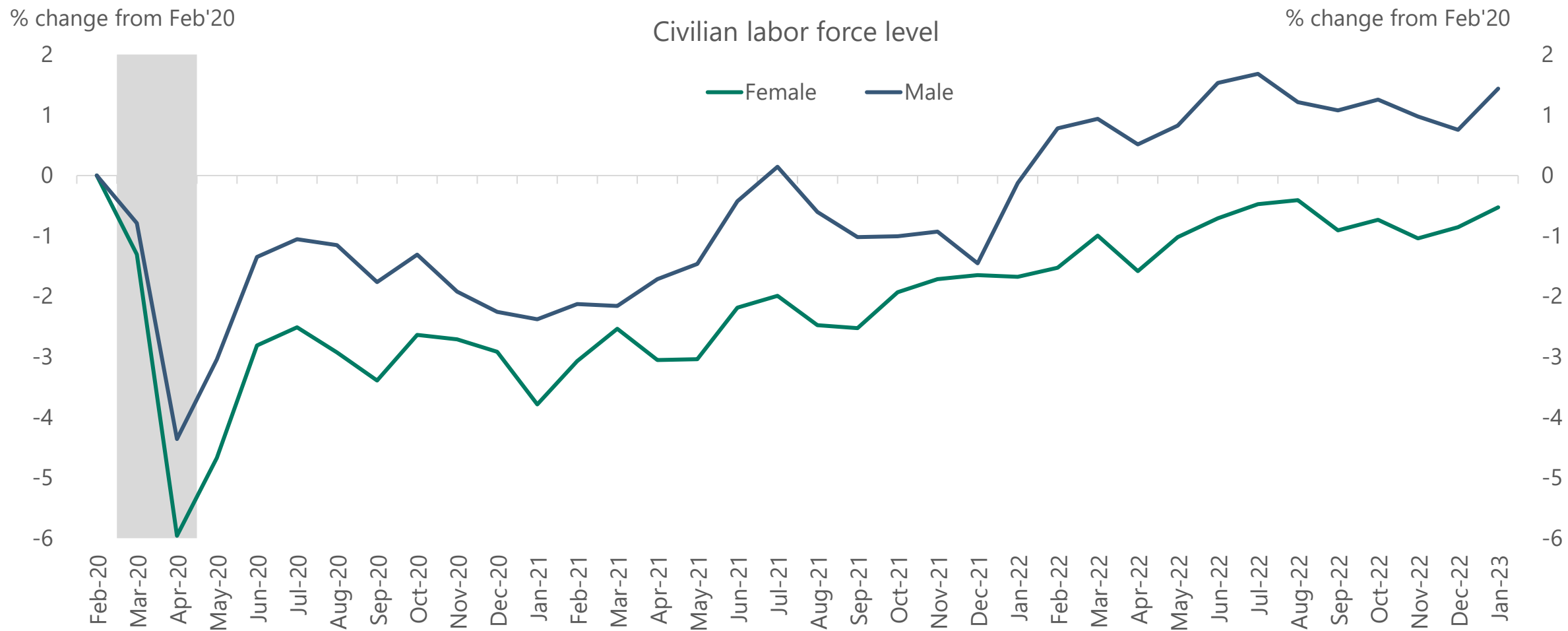
# Unemployment rate declined to 3.4%



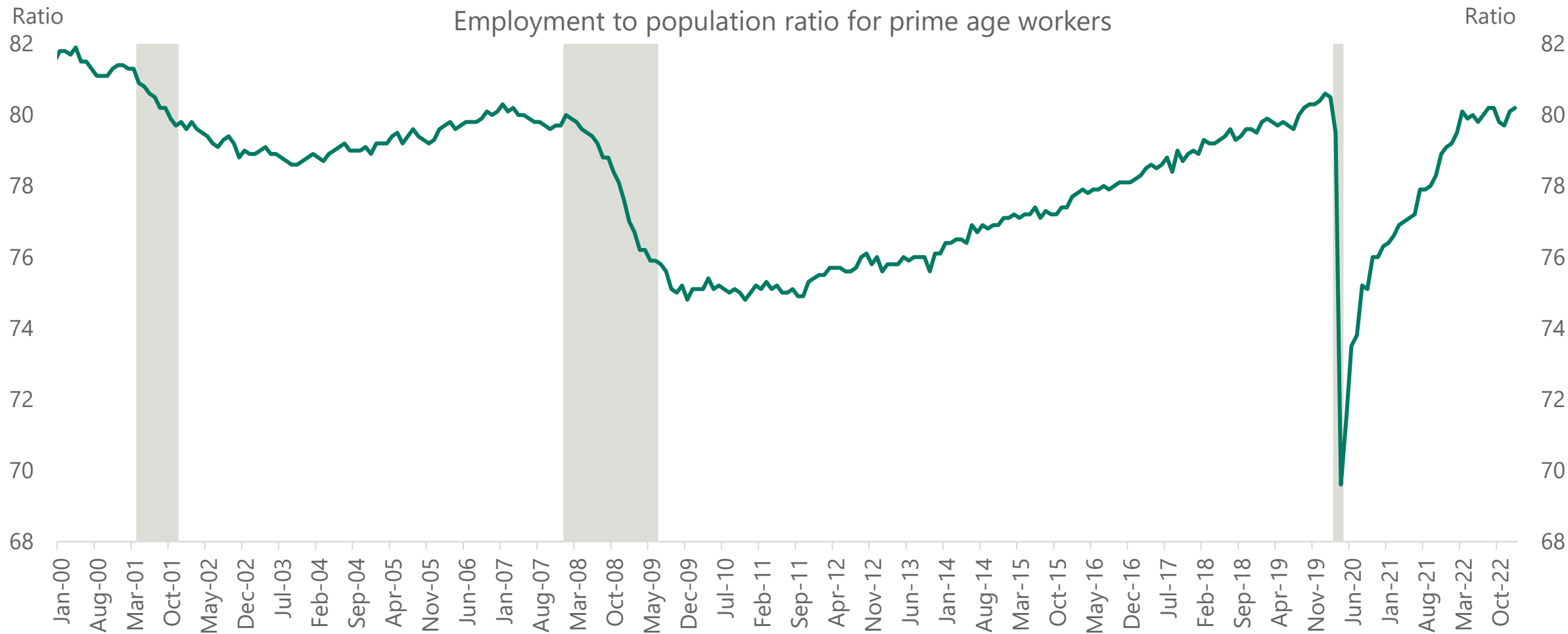
# Civilian labor force participation rate was 62.4% in January



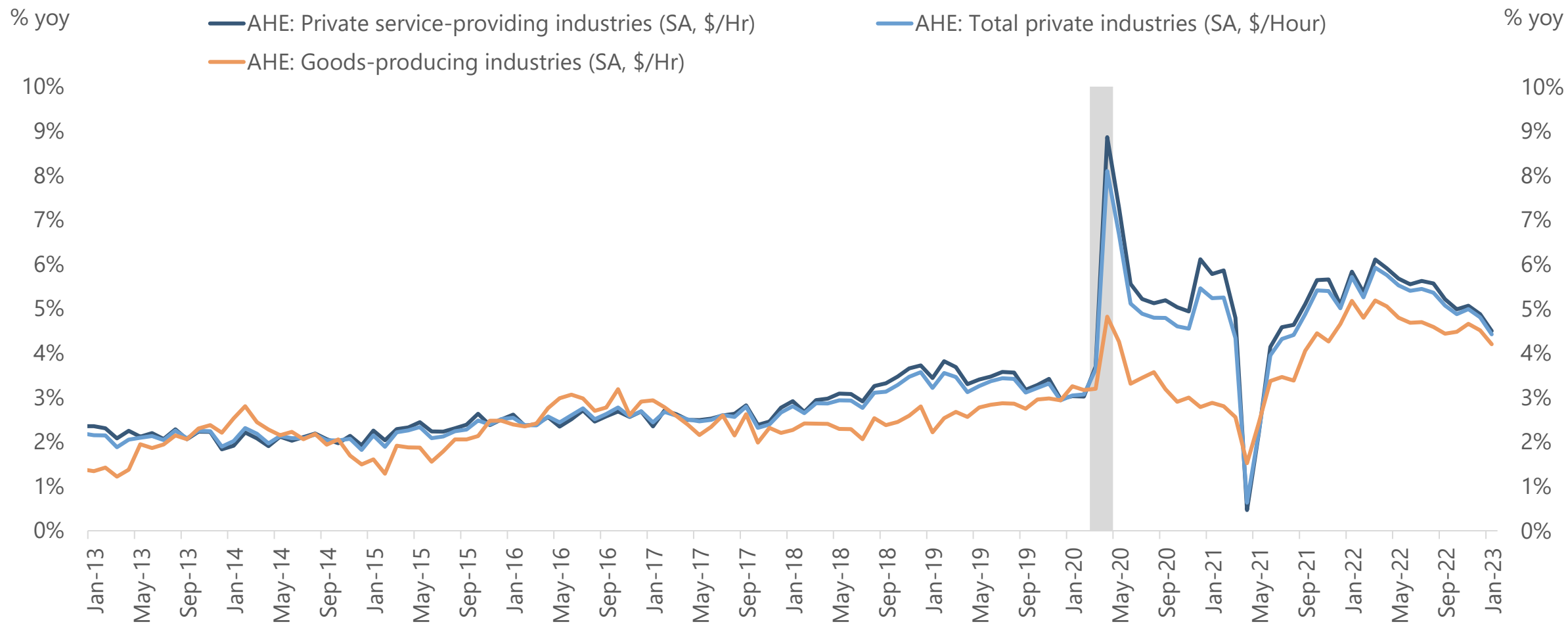
# Labor force participation



# Employment-to-population ratio for prime age workers



# Wage inflation across industries



Source: BLS, Apollo Chief Economist.

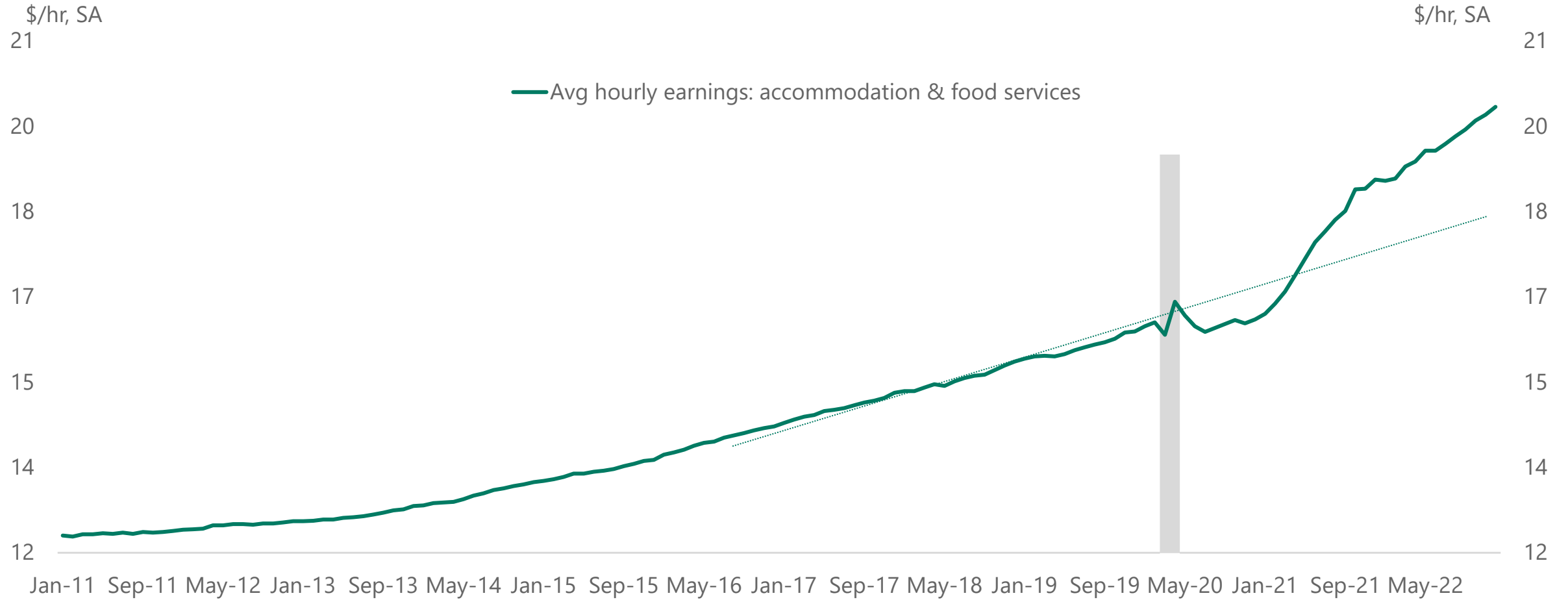


# Wage inflation across the income distribution

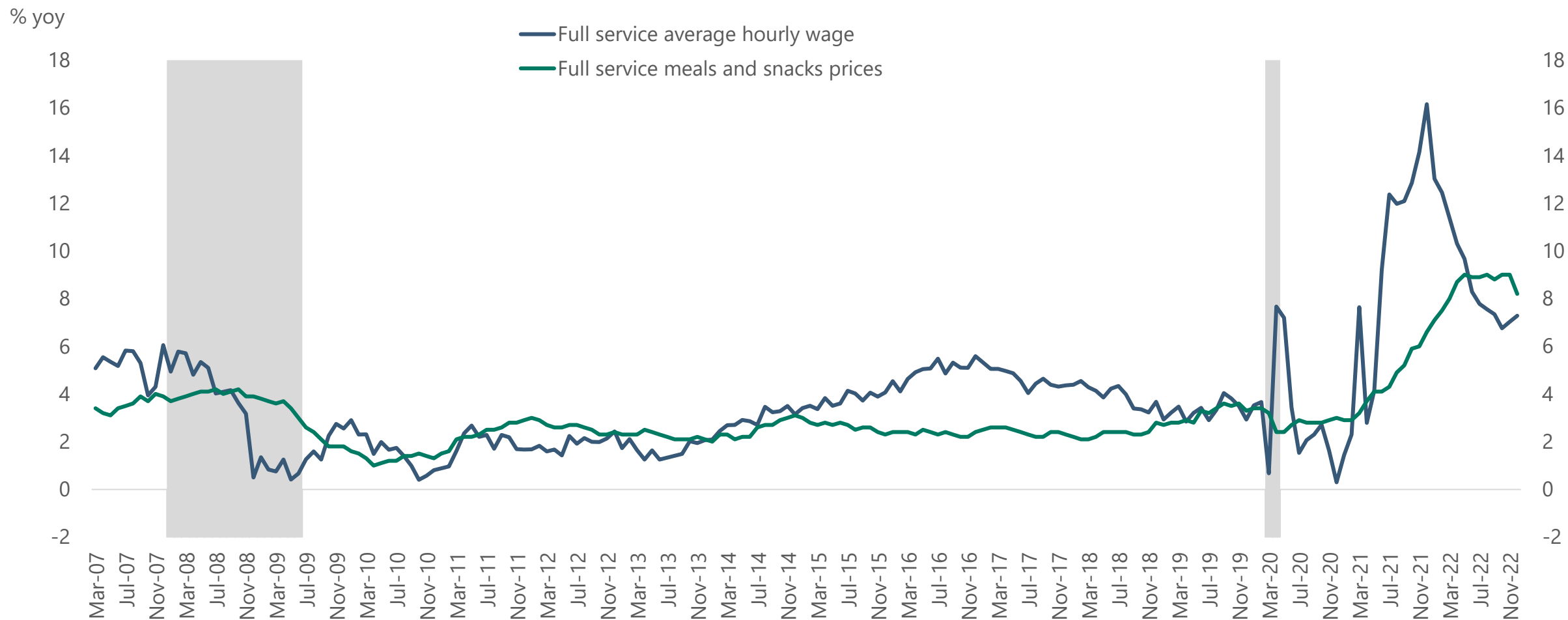


Source: BLS, Apollo Chief Economist. Note: Low wage workers are defined as the bottom third percentile in the wage distribution, mid wage workers as the mid third percentile and high wage workers as top third percentile

# Hotel and restaurant wages substantially above pre-covid trend



# Labor cost inflation in the fast-food industry



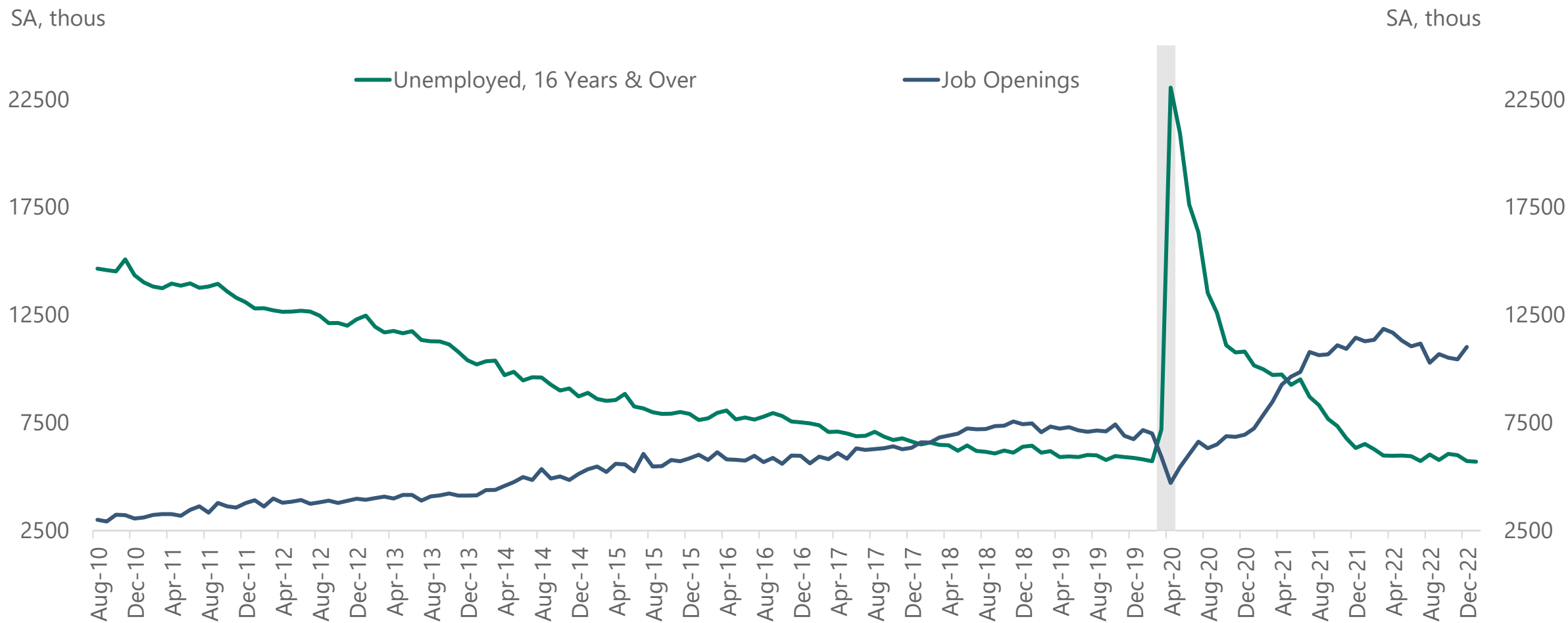
# Tracking the employment recovery in different sectors

	Feb-20	Mar-20	Apr-20	Dec-20	Jun-21	Dec-21	Apr-22	Dec-22	Jan-23
Total nonfarm payrolls	100	99	86	94	96	98	100	101	102
Oil and gas extraction	100	98	97	92	82	81	87	86	87
Clothing and clothing accessories stores	100	98	43	79	82	85	87	87	87
Coal mining	100	98	80	83	79	84	87	89	88
Electronics and appliance stores	100	99	91	94	91	94	94	89	89
Furniture and home furnishings stores	100	97	54	91	93	94	93	90	90
Nursing and residential care facilities	100	100	96	92	90	88	88	91	92
Mining and logging	100	99	90	81	82	84	87	92	92
Telecommunications	100	100	99	96	94	93	94	93	93
Rail transportation	100	100	97	93	93	92	92	94	94
Child day care services	100	97	64	82	85	88	90	94	95
Automobile dealers	100	99	77	93	94	95	96	96	96
Museums	100	99	73	76	80	86	90	95	96
Amusements, gambling, and recreation	100	98	44	72	81	88	89	96	96
Leisure and hospitality	100	96	51	75	83	90	92	96	97
Sporting goods, hobby, book, and music stores	100	98	68	92	96	96	97	97	97
Government	100	100	96	95	96	96	97	98	98
Performing arts and spectator sports	100	95	51	59	68	92	95	98	98
Food services and drinking places	100	95	51	79	86	92	94	98	99
Motor vehicles and parts	100	99	81	95	96	97	98	99	99
Scenic and sightseeing transportation	100	98	42	61	63	83	85	96	99
General merchandise stores	100	100	95	101	102	102	105	99	100
Retail trade	100	99	85	97	98	99	100	100	100

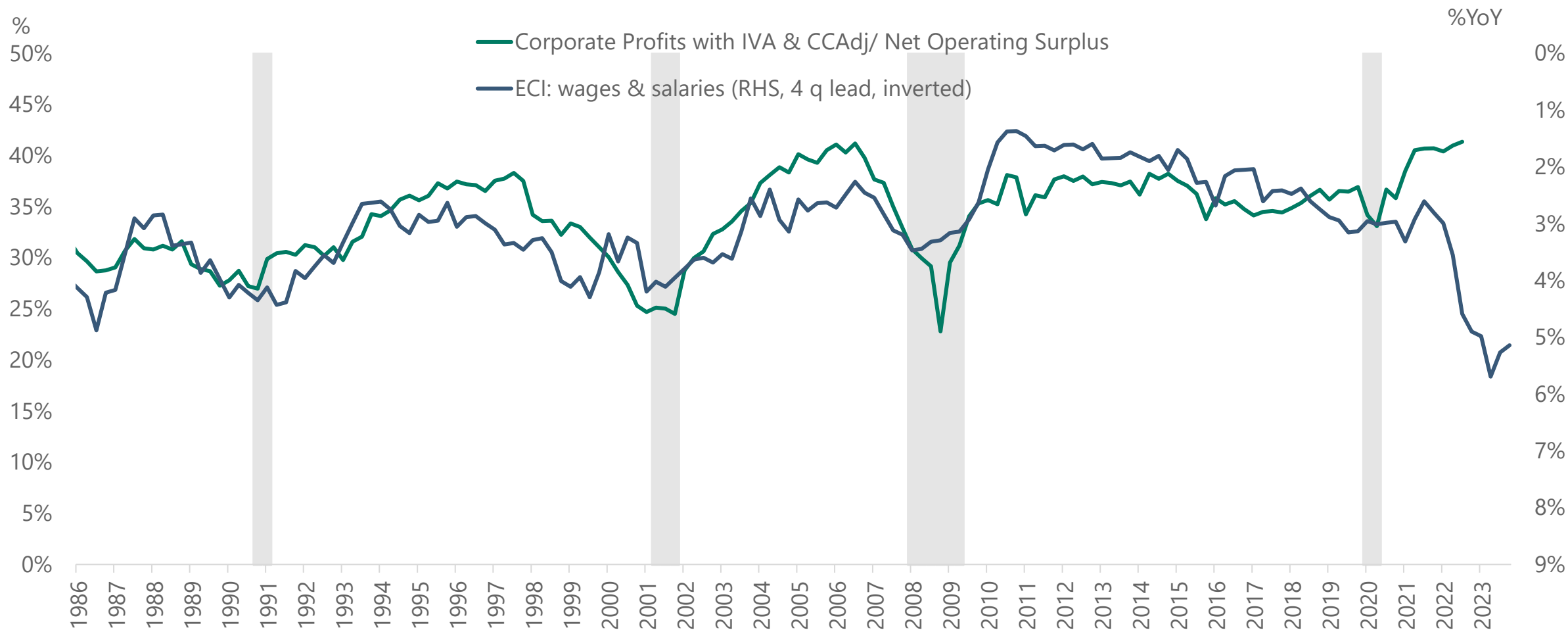
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Total nonfarm payrolls	100	99	86	94	96	98	100	101	102
Hospitals	100	100	98	99	98	97	98	100	100
Service-producing industries	100	99	85	93	96	98	99	101	102
Air transportation	100	100	85	82	88	93	95	101	102
Good-producing industries	100	99	88	95	96	98	100	102	102
Wholesale trade	100	100	93	95	97	99	101	102	103
Gas stations	100	99	94	97	98	98	100	102	103
Financial activities	100	100	97	98	99	101	102	103	103
Health and personal care stores	100	100	90	95	100	103	102	104	103
Food and beverage stores	100	100	99	103	101	101	102	103	103
Construction	100	99	86	97	97	100	101	103	104
Trade, transportation, and utilities	100	100	89	98	99	102	103	104	104
Office of physicians	100	99	89	99	100	101	102	105	105
Real estate	100	99	93	97	99	102	103	105	106
Motion picture and sound recording industries	100	98	50	68	84	101	101	106	106
Truck transportation	100	100	94	98	99	102	103	106	106
Professional and business services	100	100	89	97	99	103	105	106	107
Building material and garden supply stores	100	102	99	112	111	109	106	109	109
Nonstore retailers	100	100	94	105	107	111	112	110	110
Publishing industries, except internet	100	100	97	99	102	107	110	113	112
Couriers and messengers	100	102	103	120	124	130	131	128	128
Warehousing and storage	100	102	96	119	127	141	148	147	147

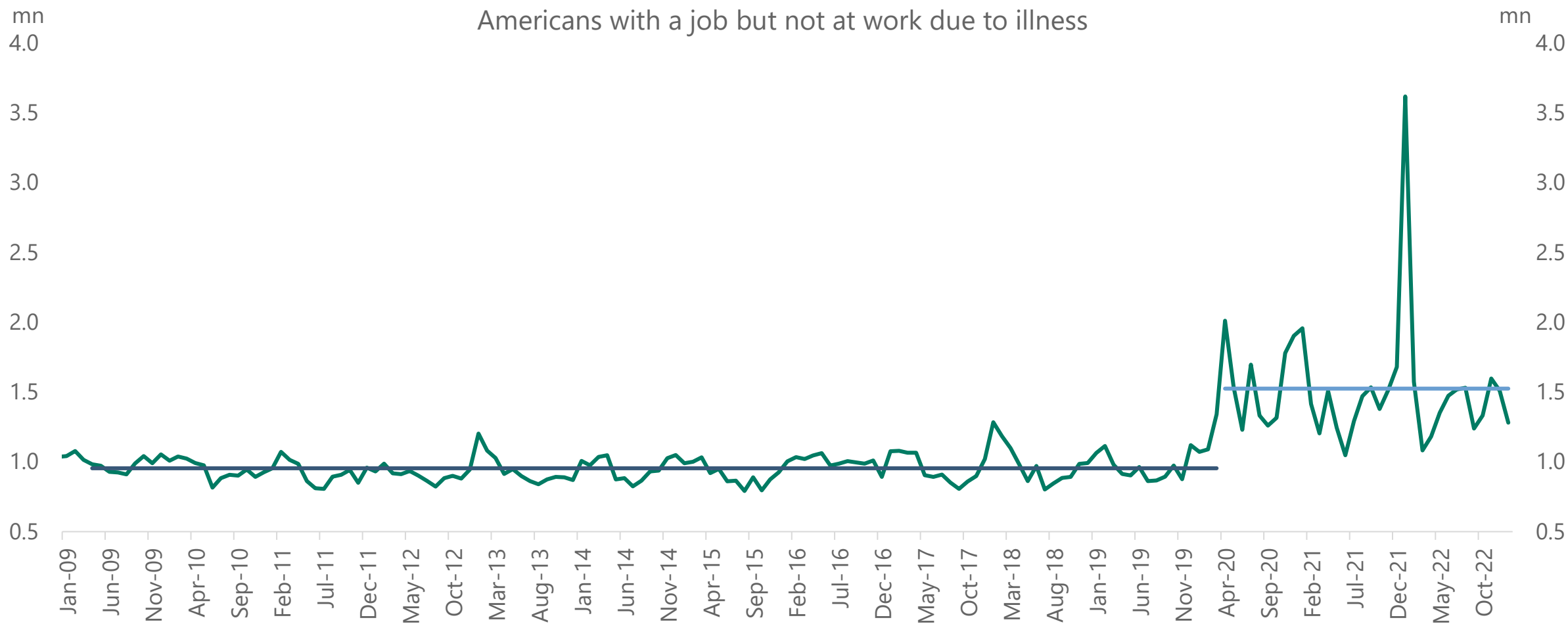
# 11mn job openings and 6mn unemployed



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



# Americans with a job but not at work due to illness







# Torsten Slok, Ph.D.

**Chief Economist**

Apollo Global Management

tslok@apollo.com

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.