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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 February 2023

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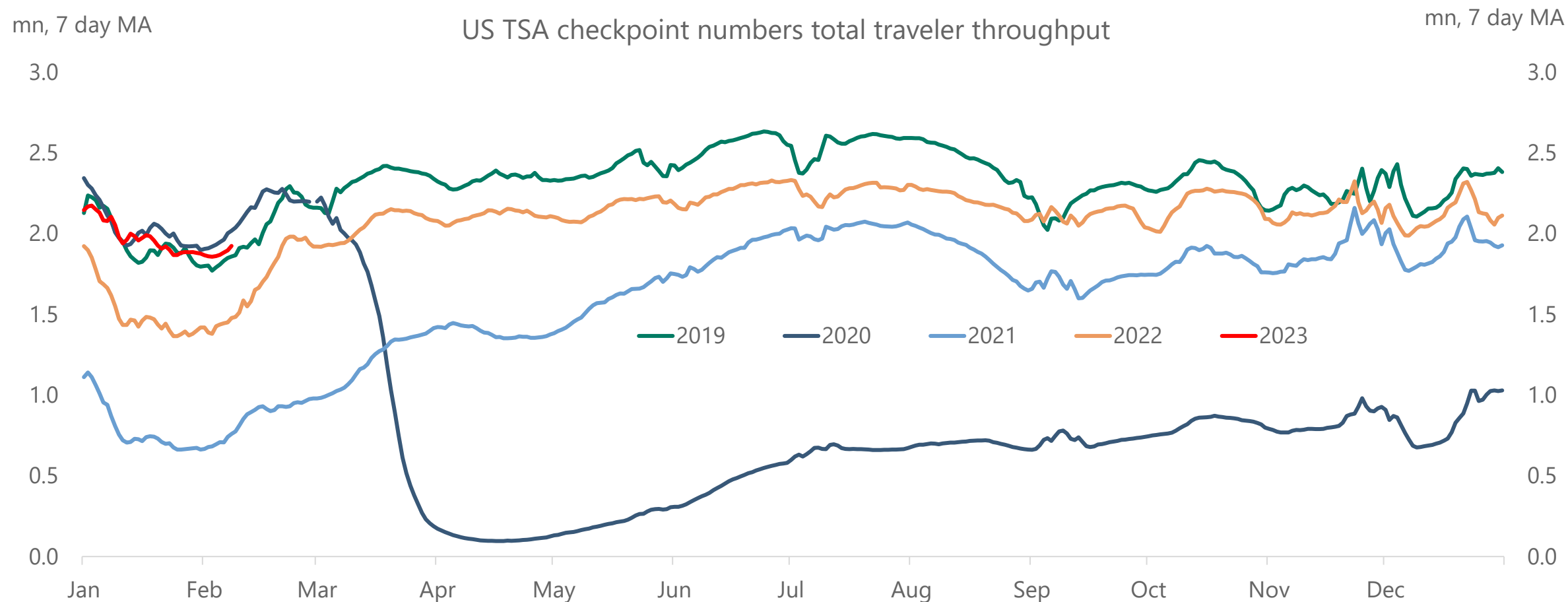
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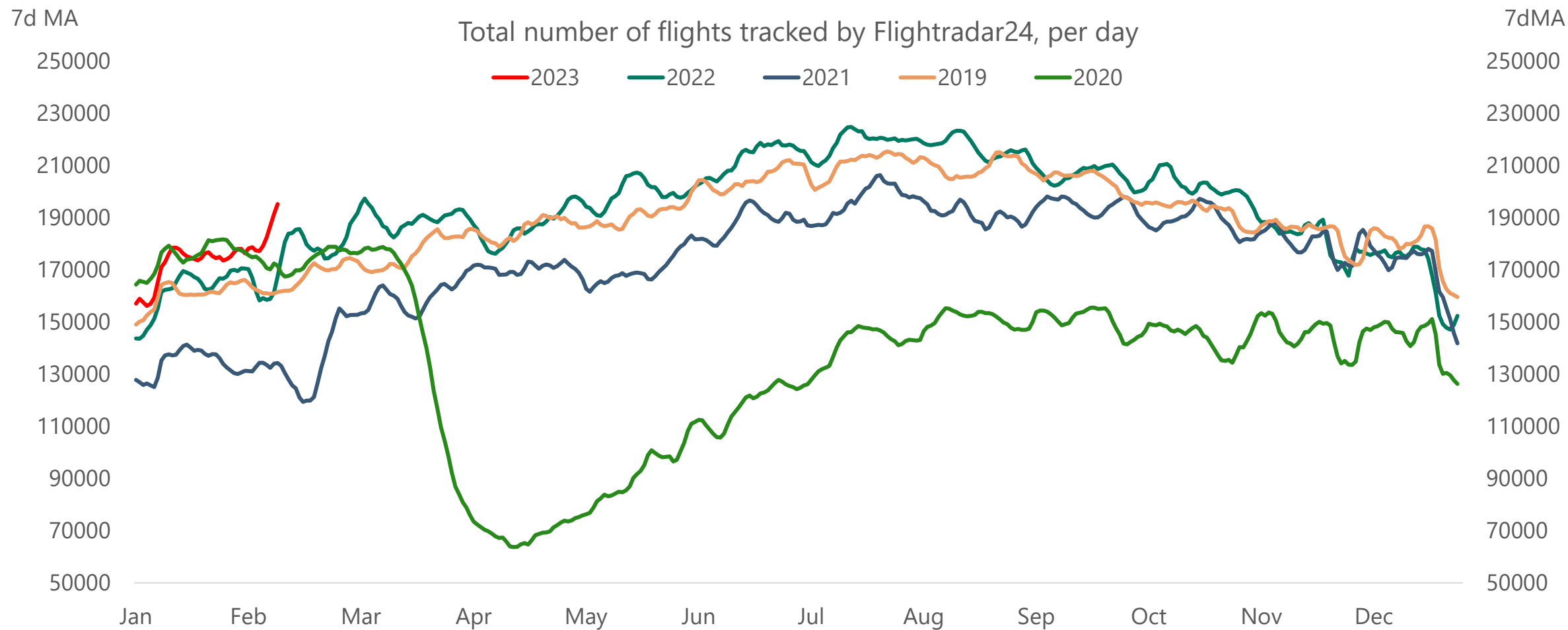


Daily economic indicators

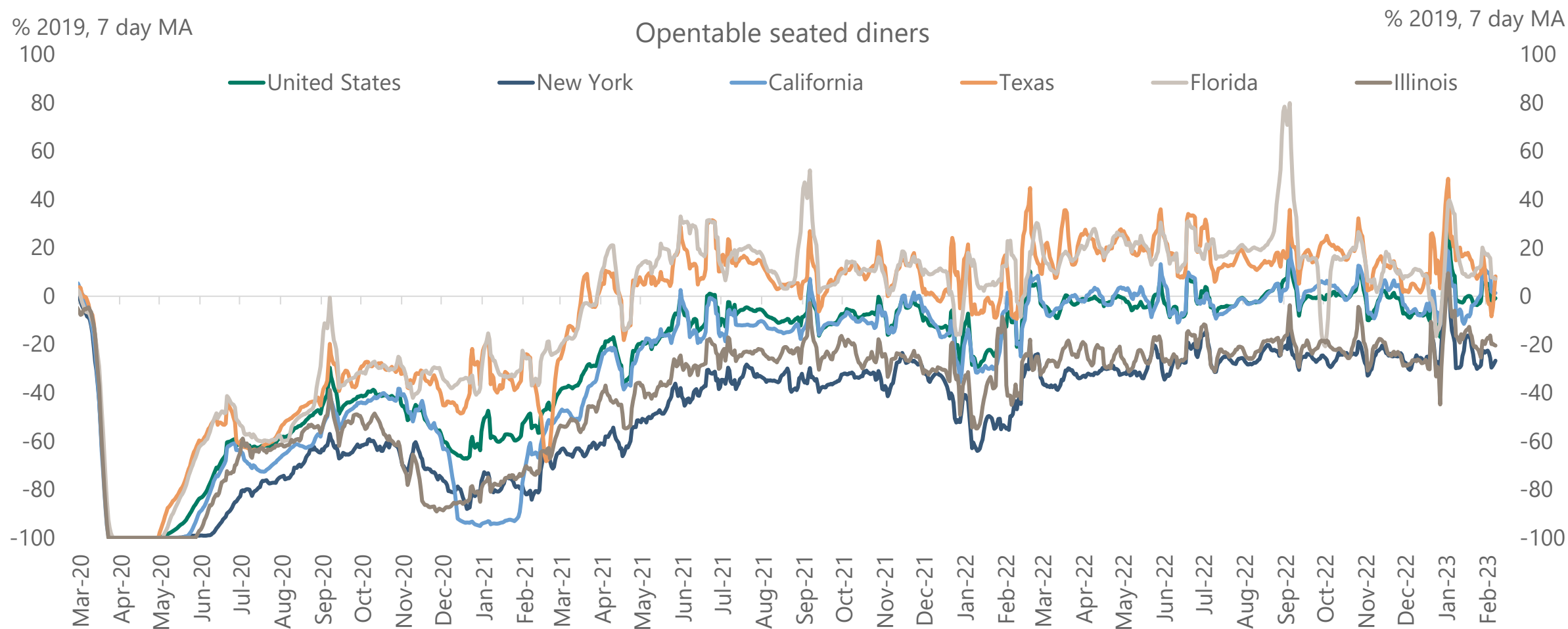
US air travel still strong



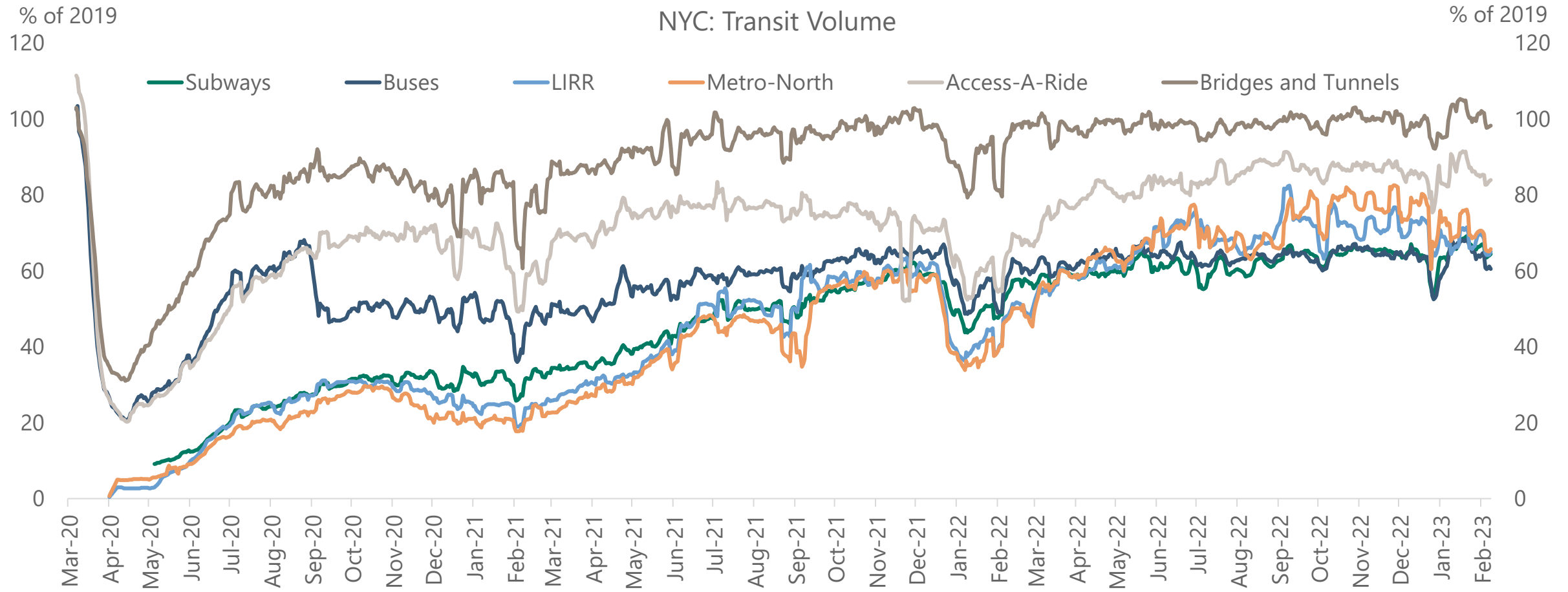
Global air traffic still high



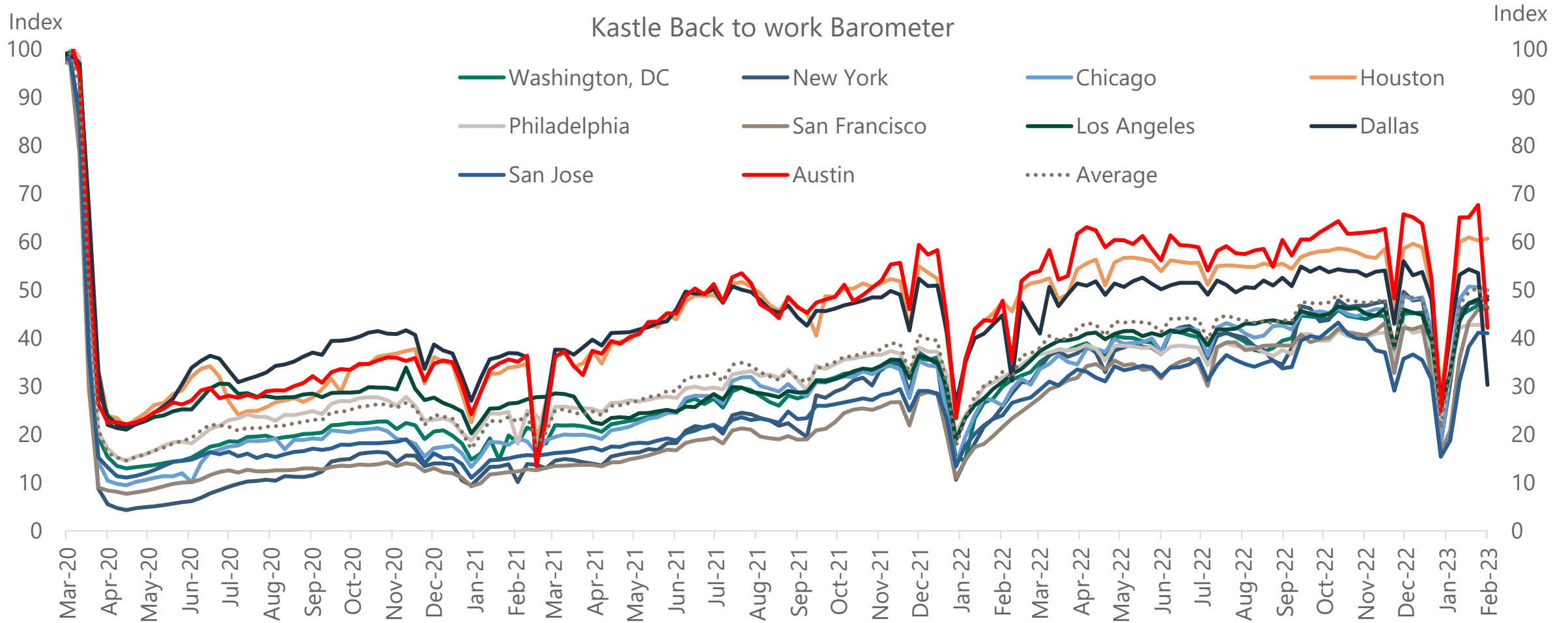
Restaurant bookings still strong



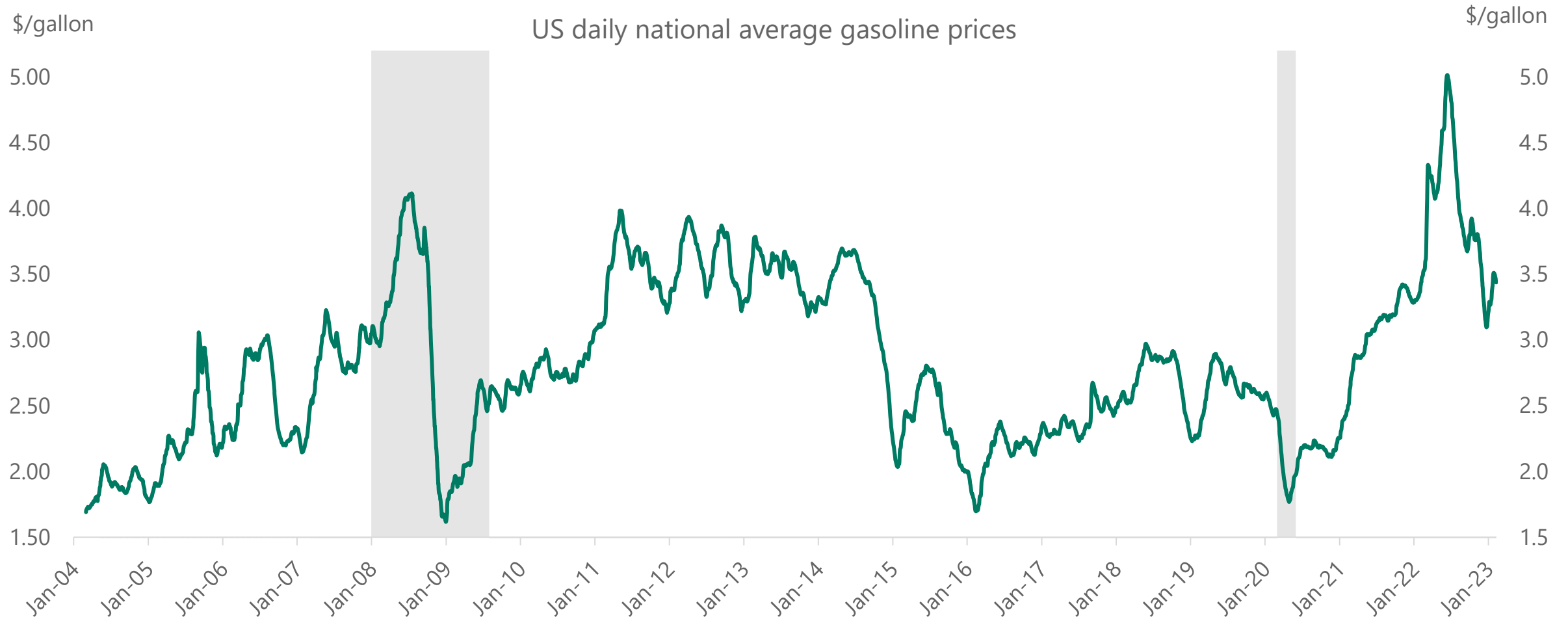
NYC mobility indicators still solid



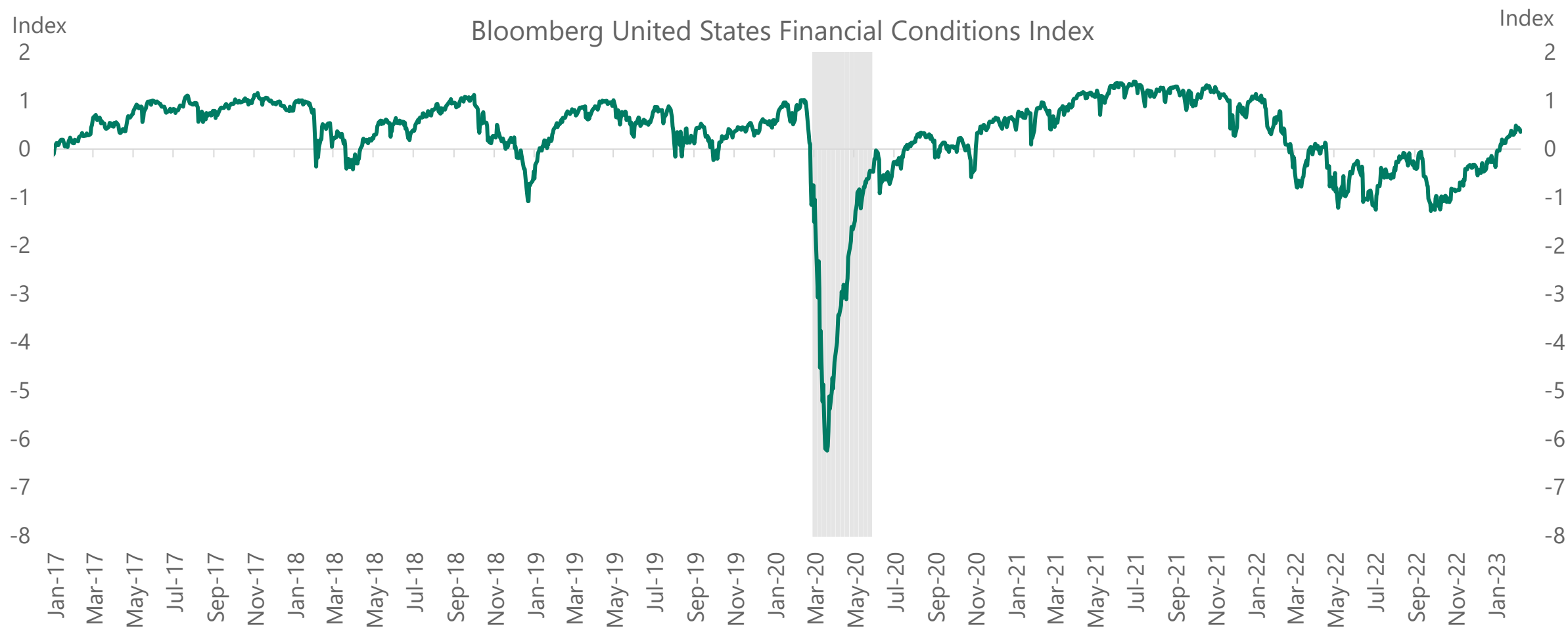
New York City: Office use 48% of capacity



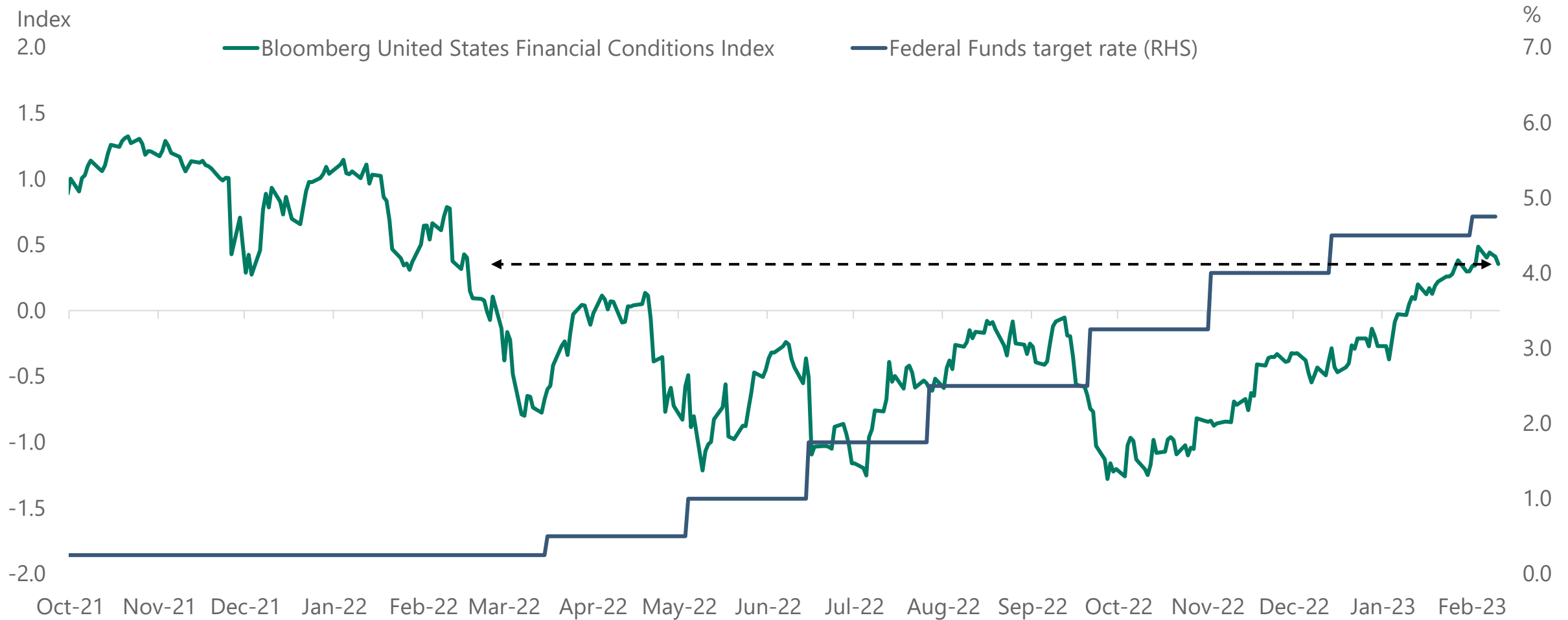
Average US retail gas prices coming down from \$5 to \$3.4 per gallon



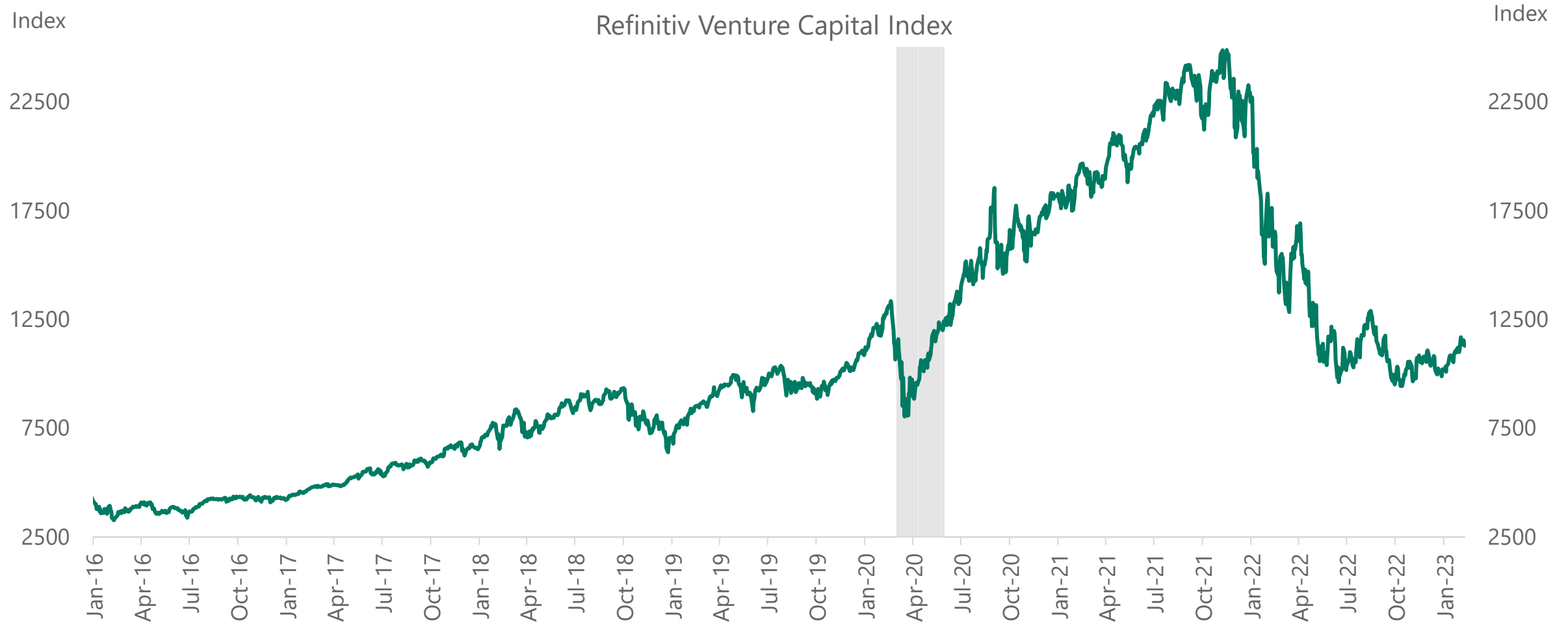
Financial conditions easing



Fed raising rates but financial conditions now as easy as before the Fed started hiking

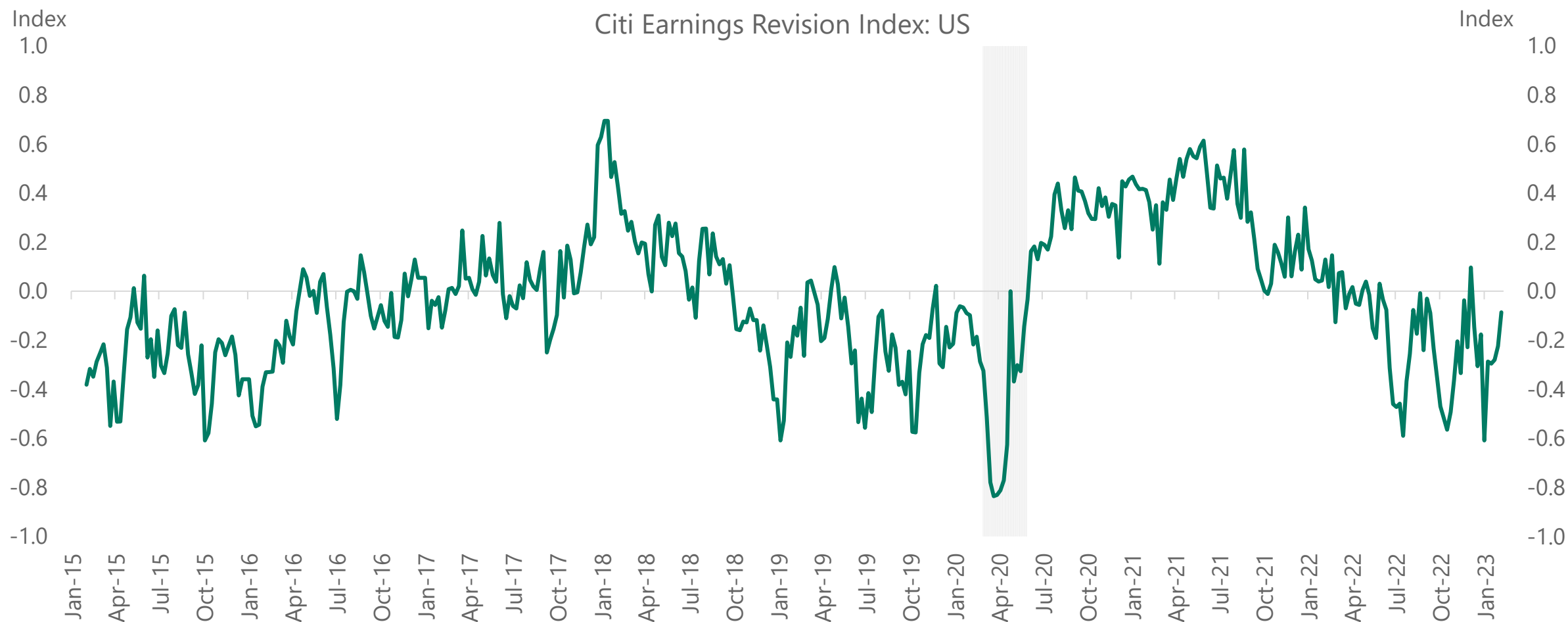


US venture capital valuations down 60% from the peak



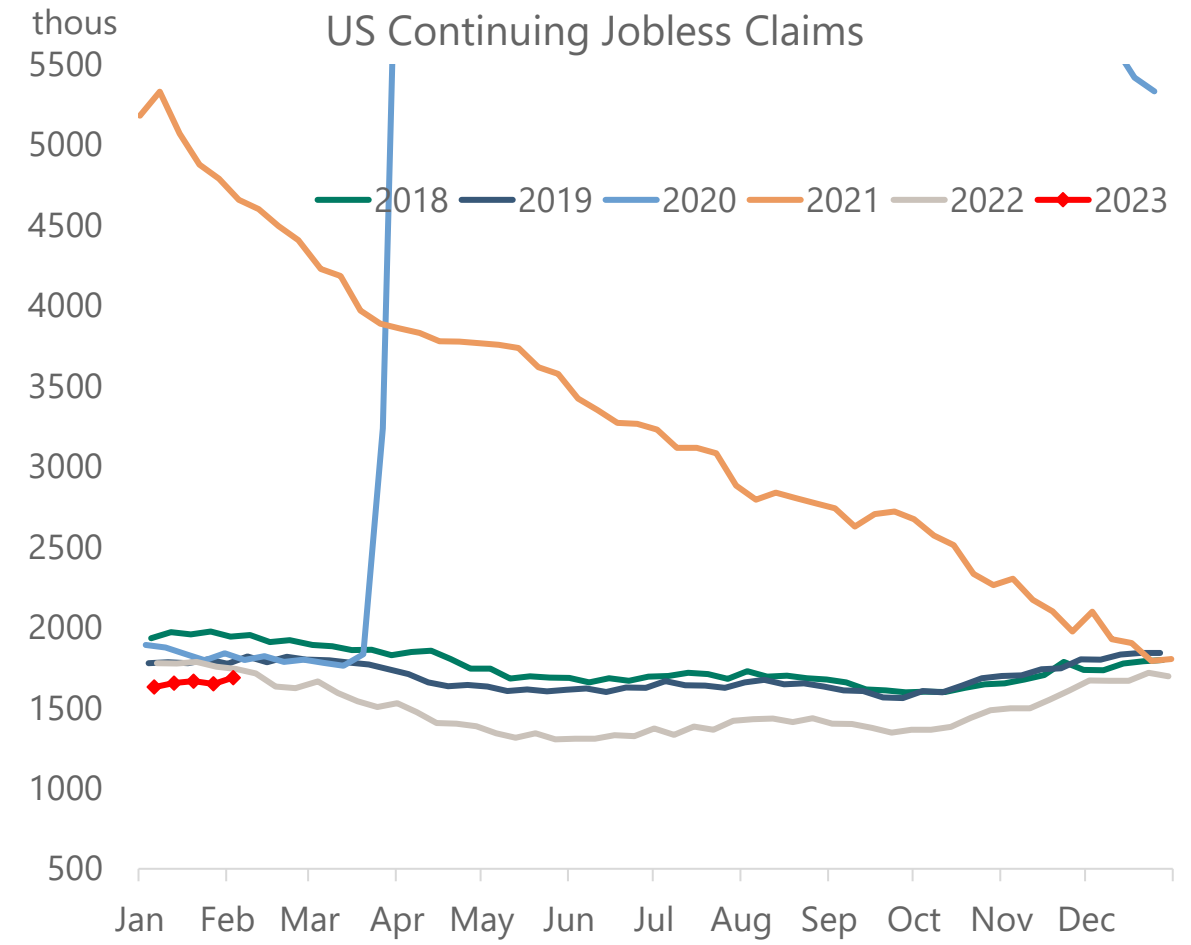
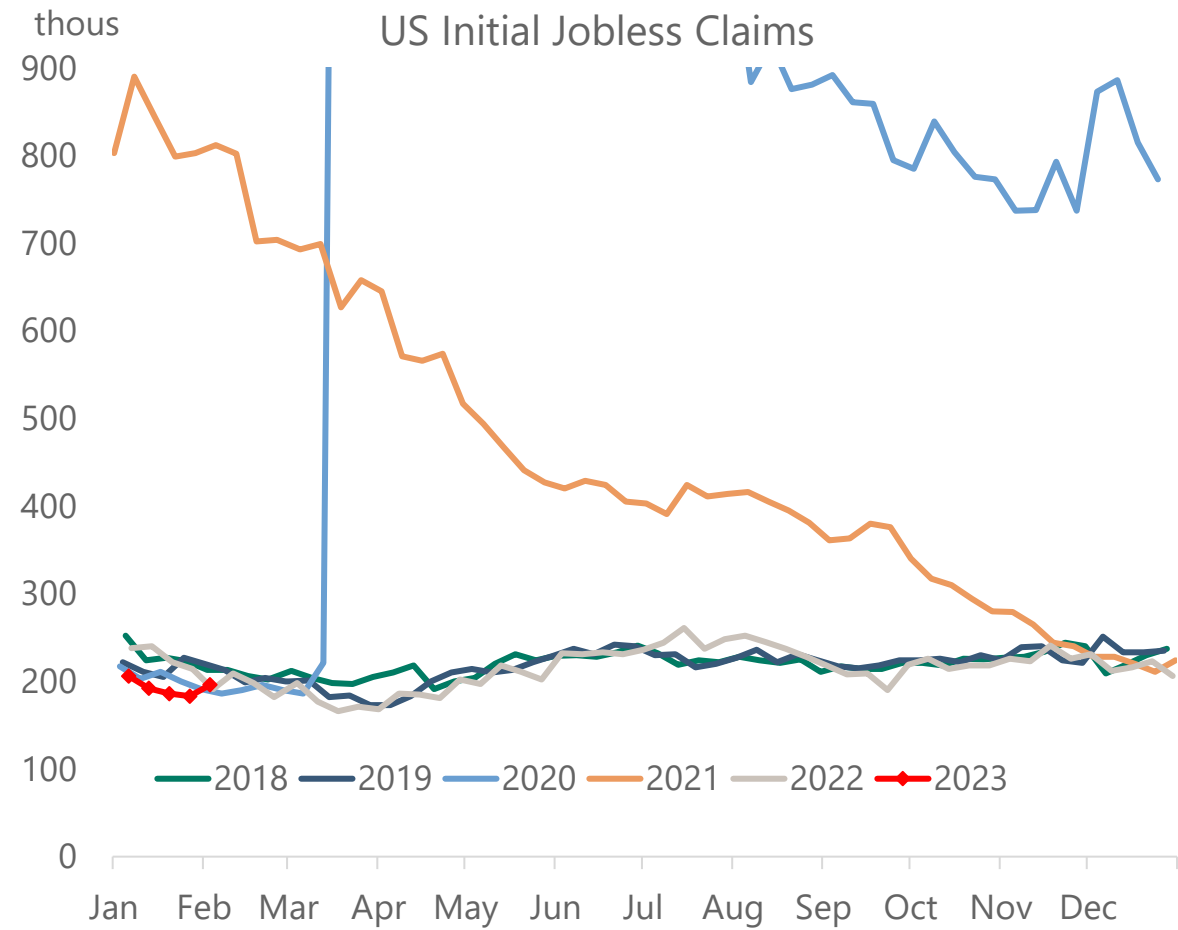
Source: Bloomberg, Apollo Chief Economist. Note: The Thomson Reuters Venture Capital Index is designed to measure the value of the US-based venture capital private company universe in which venture capital funds invest.

Corporate earnings revisions: Upgrades minus downgrades

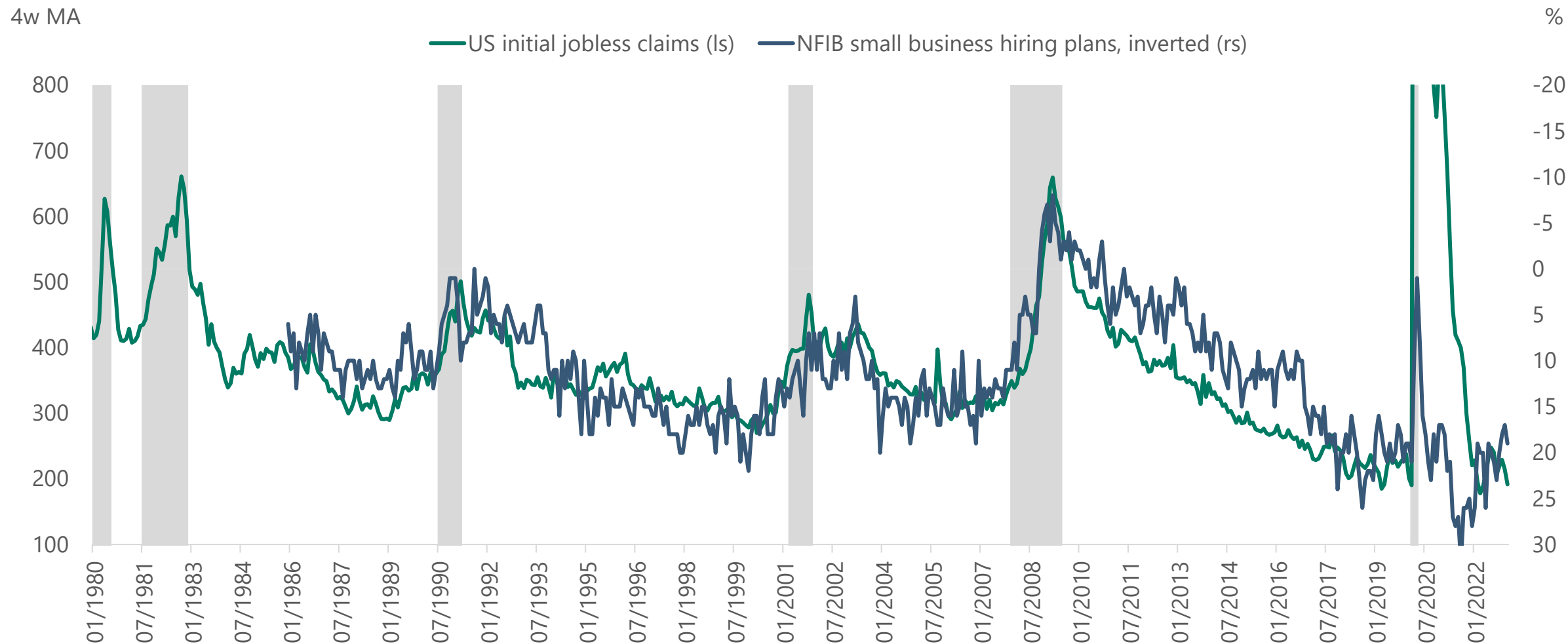


Weekly economic indicators

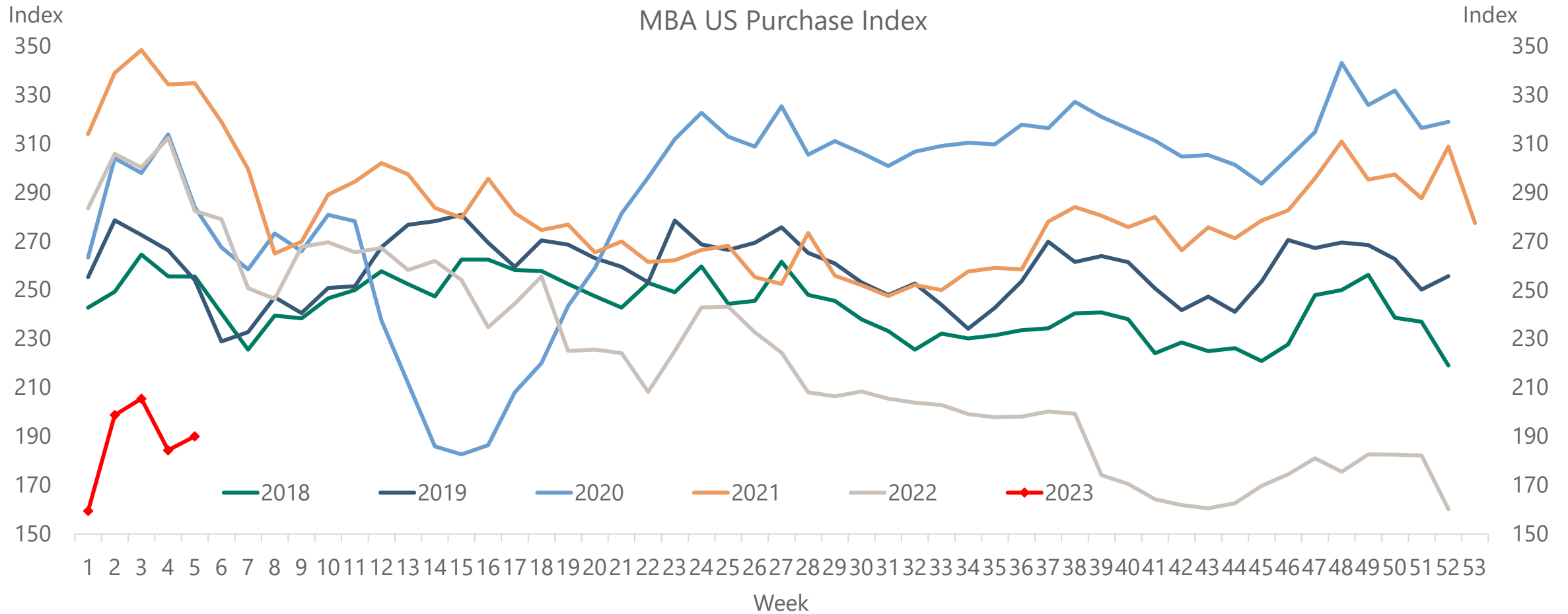
Jobless claims still low: No signs of a slowdown in the labor market



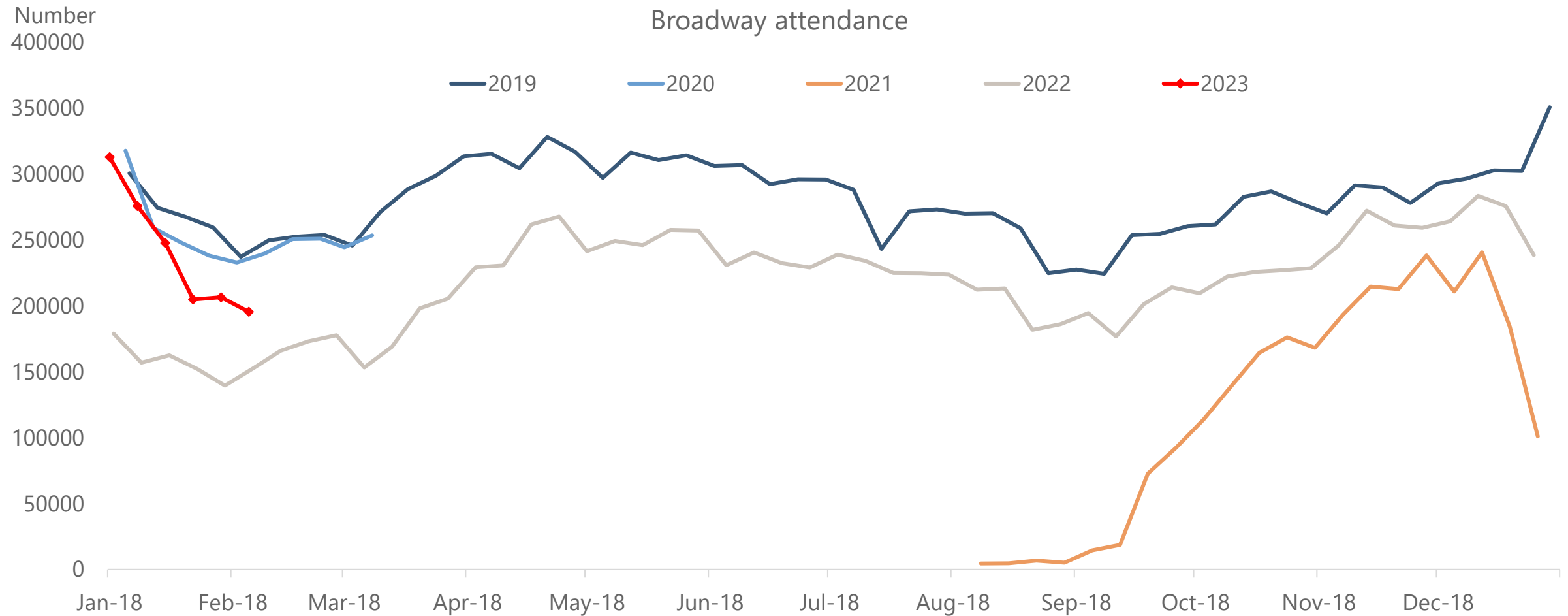
Some upside risks to jobless claims?



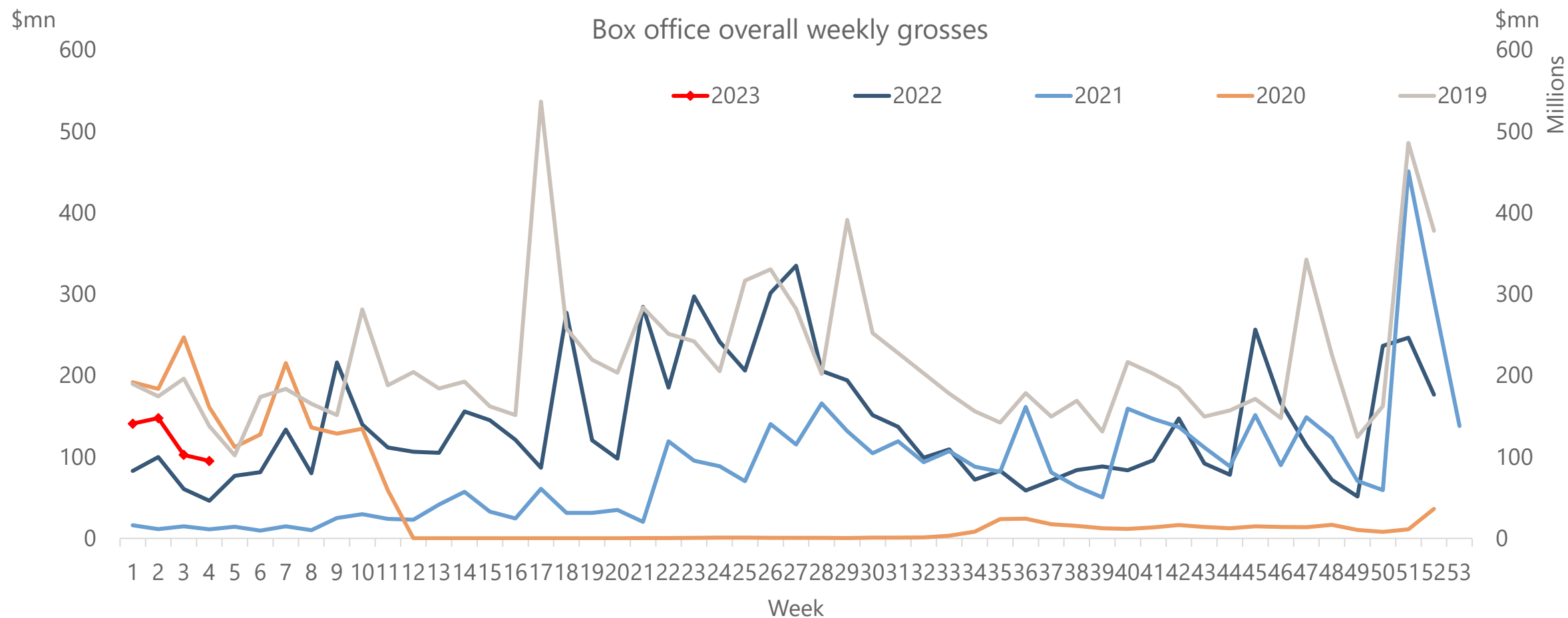
Weekly mortgage purchase applications soft



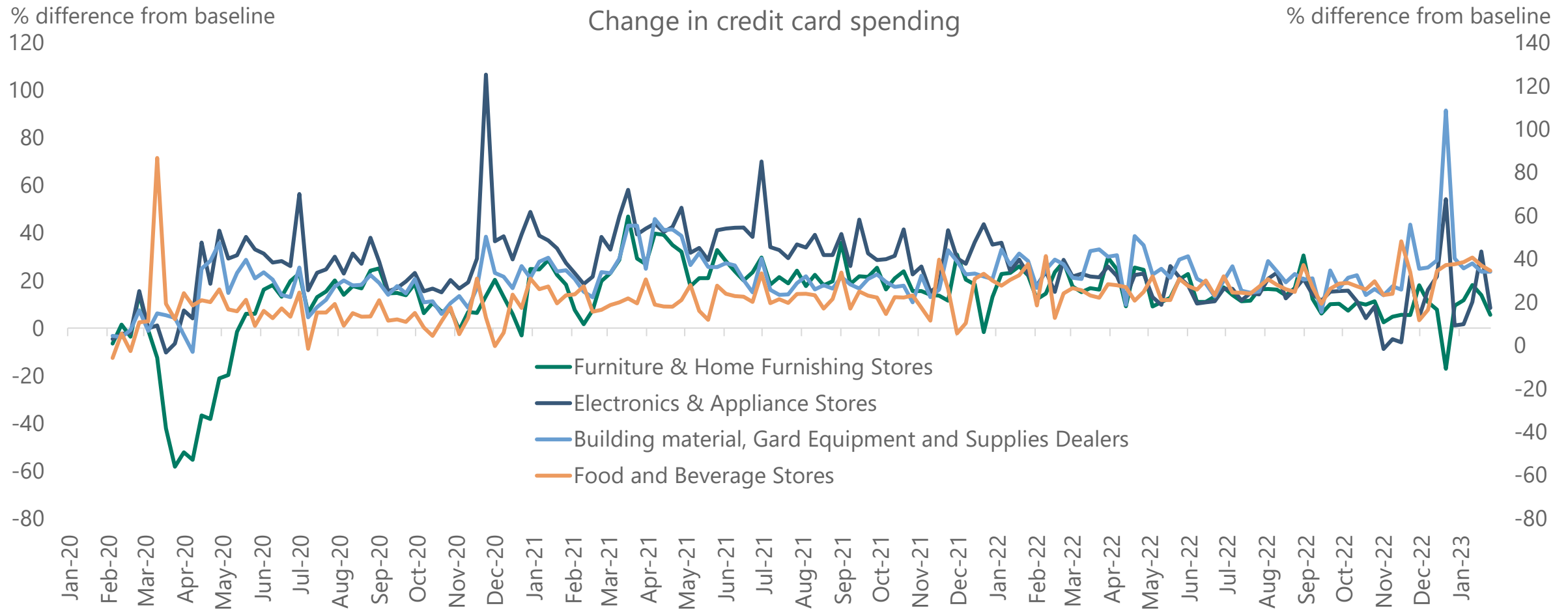
The number of people going to Broadway shows above 2022 levels



Movie theatre visits near pre-pandemic levels

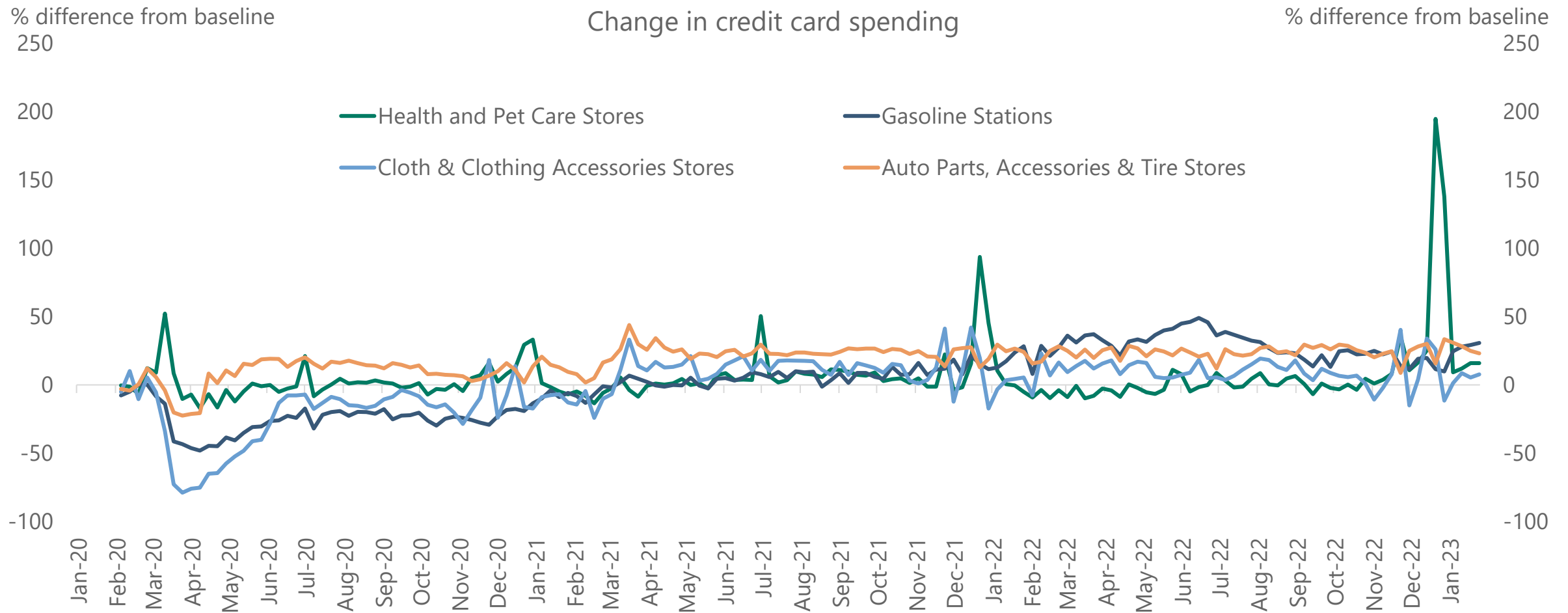


US consumer still strong, some weakness in furniture sales



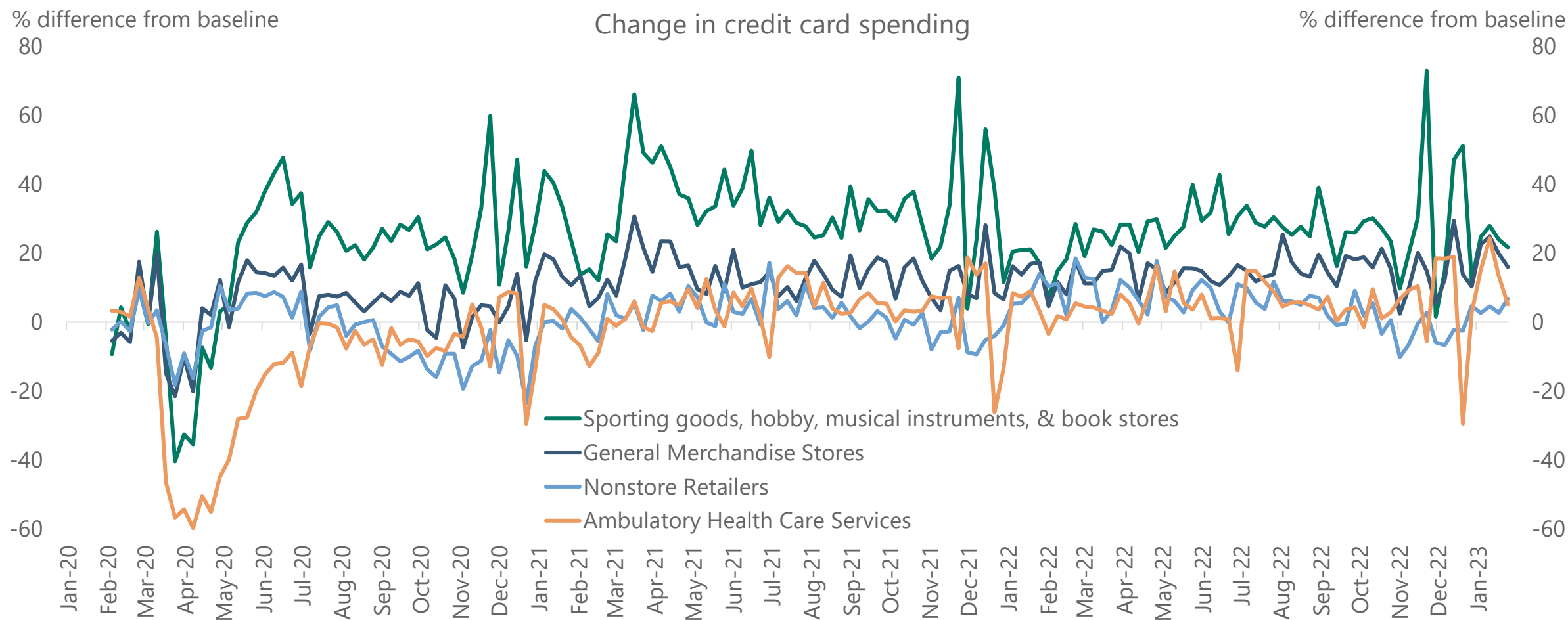
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects,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

US consumer still strong



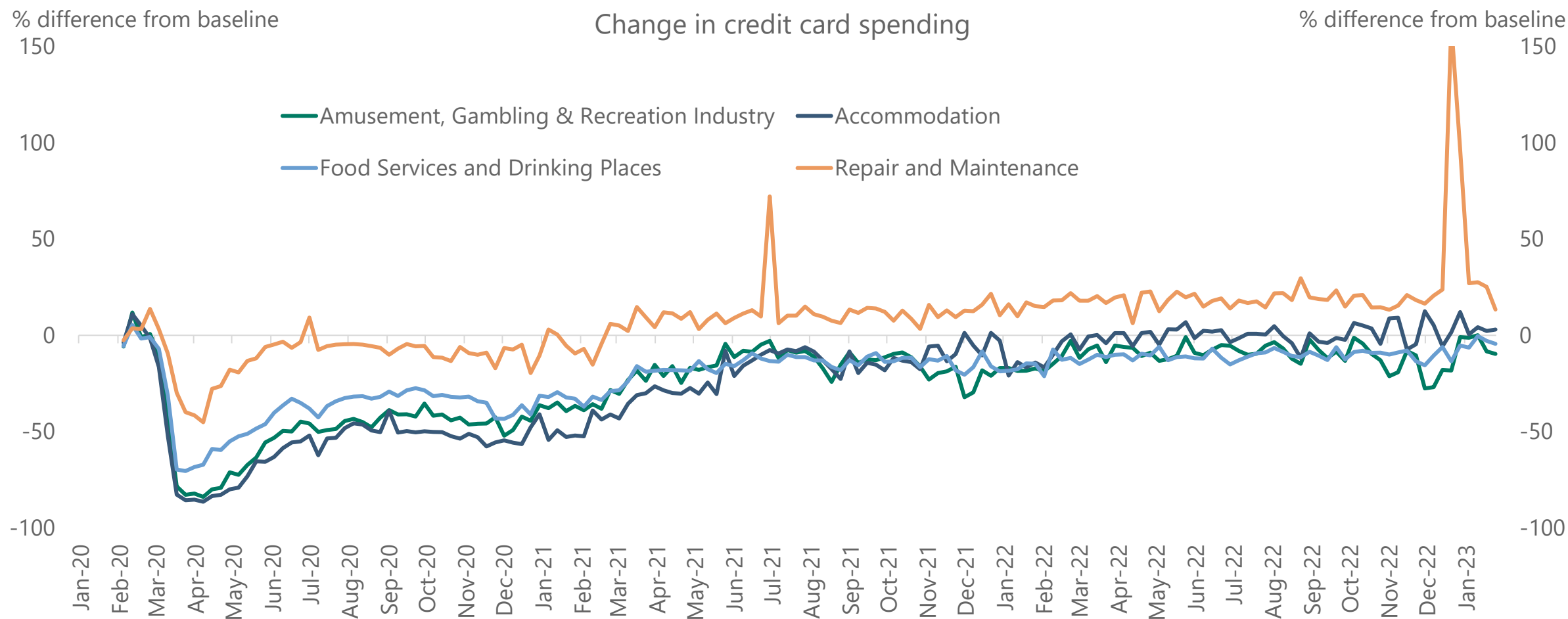
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects,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

US consumer still strong



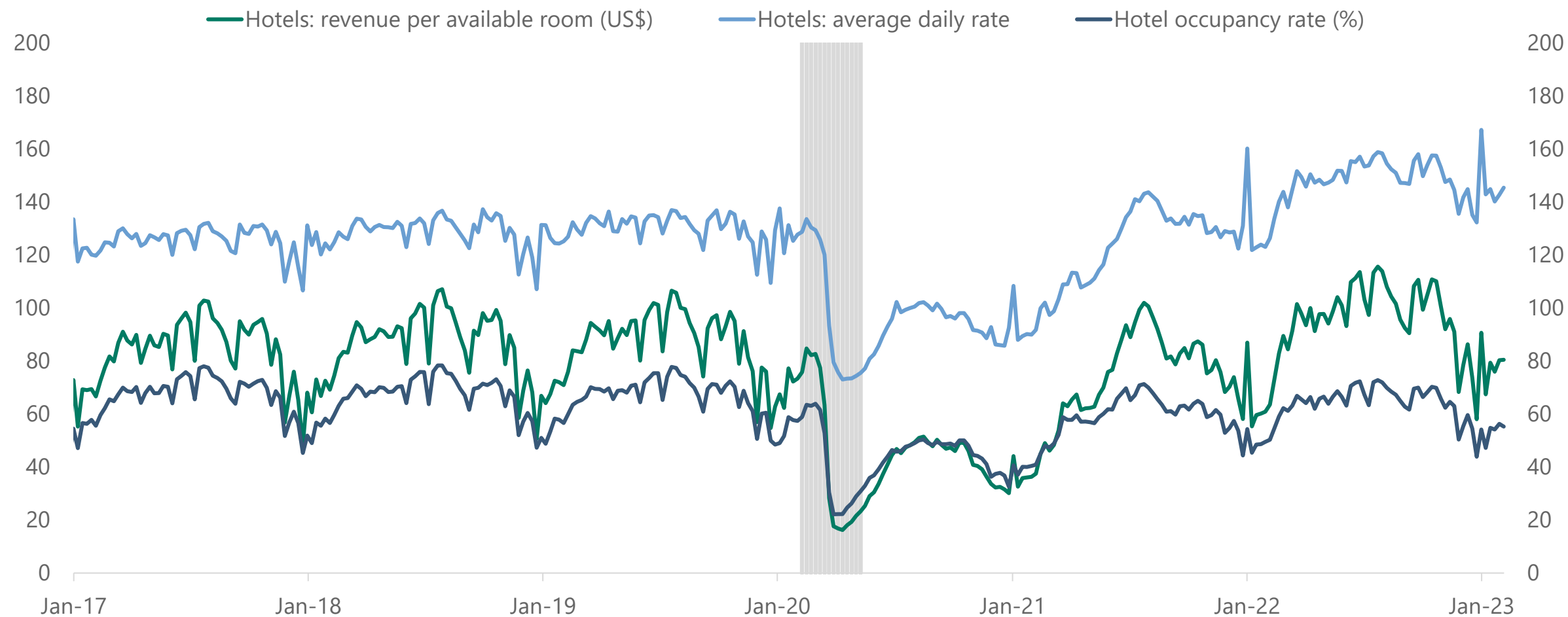
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects,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

US consumer still strong

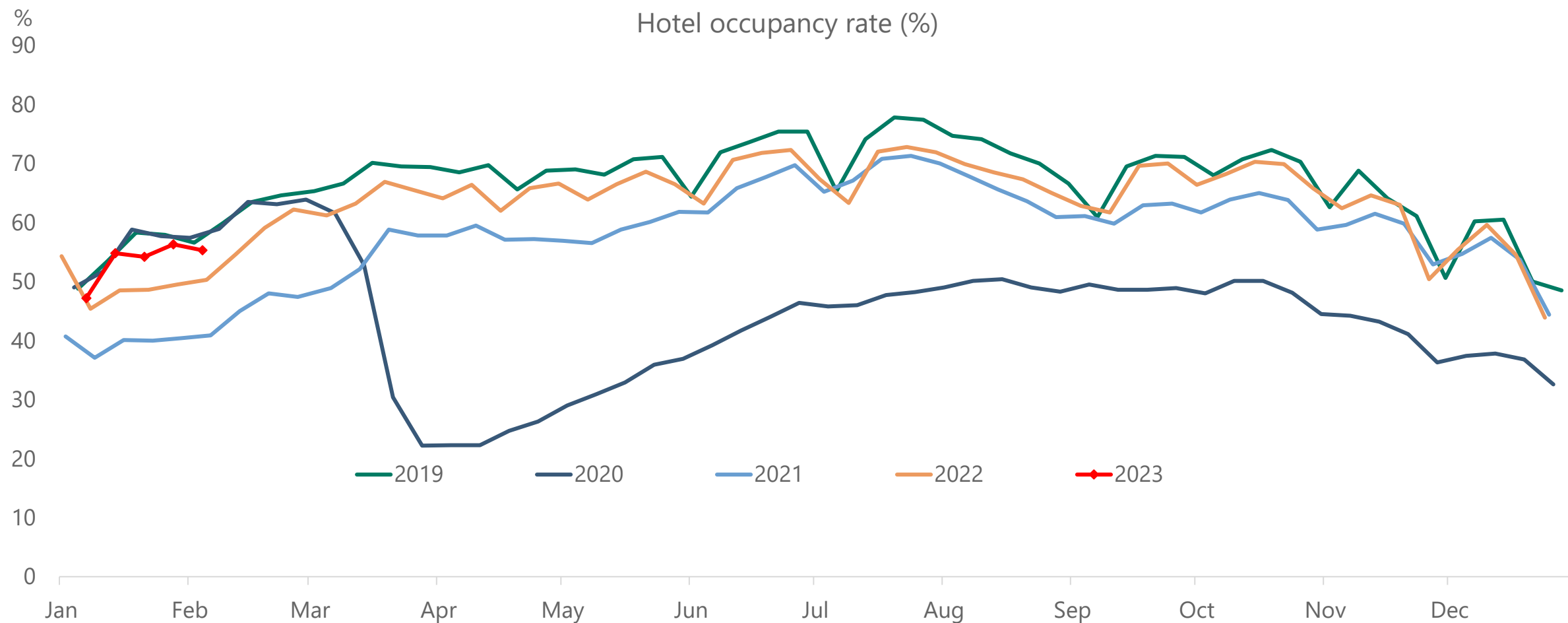


Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects,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

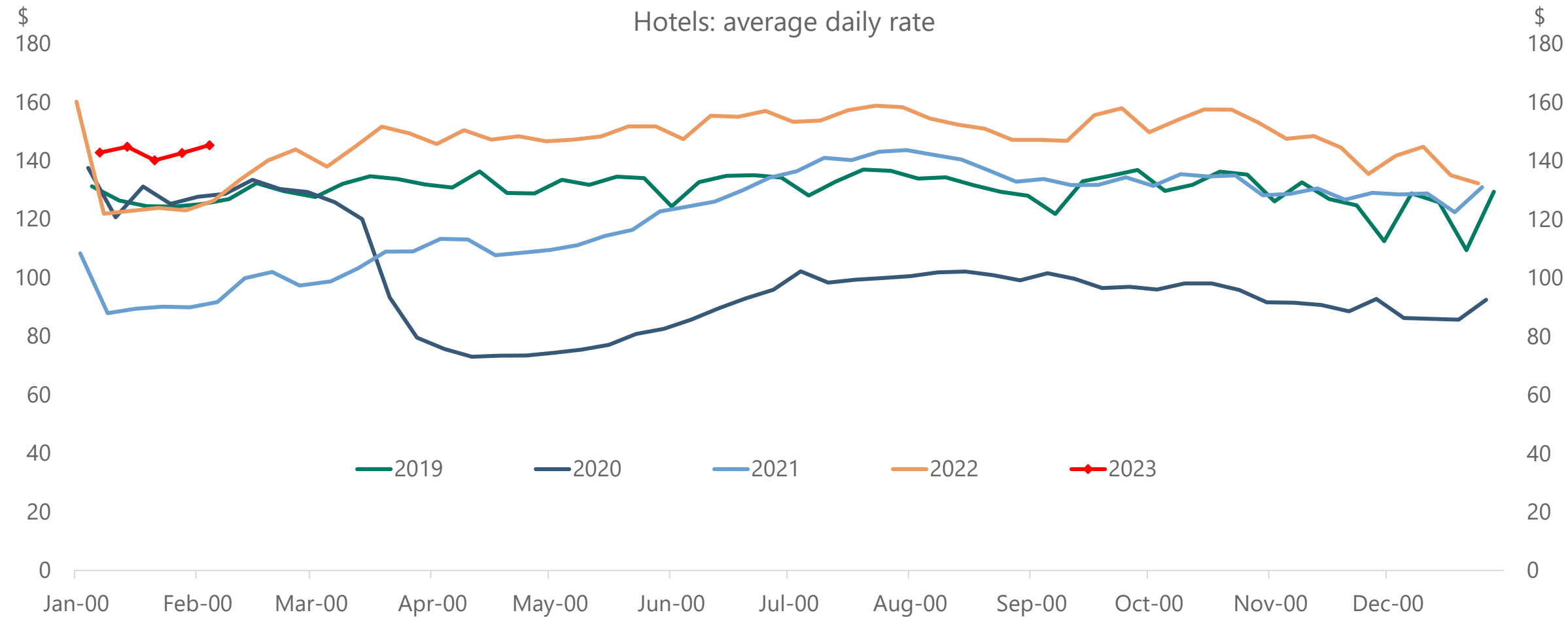
Weekly data for hotel demand still strong



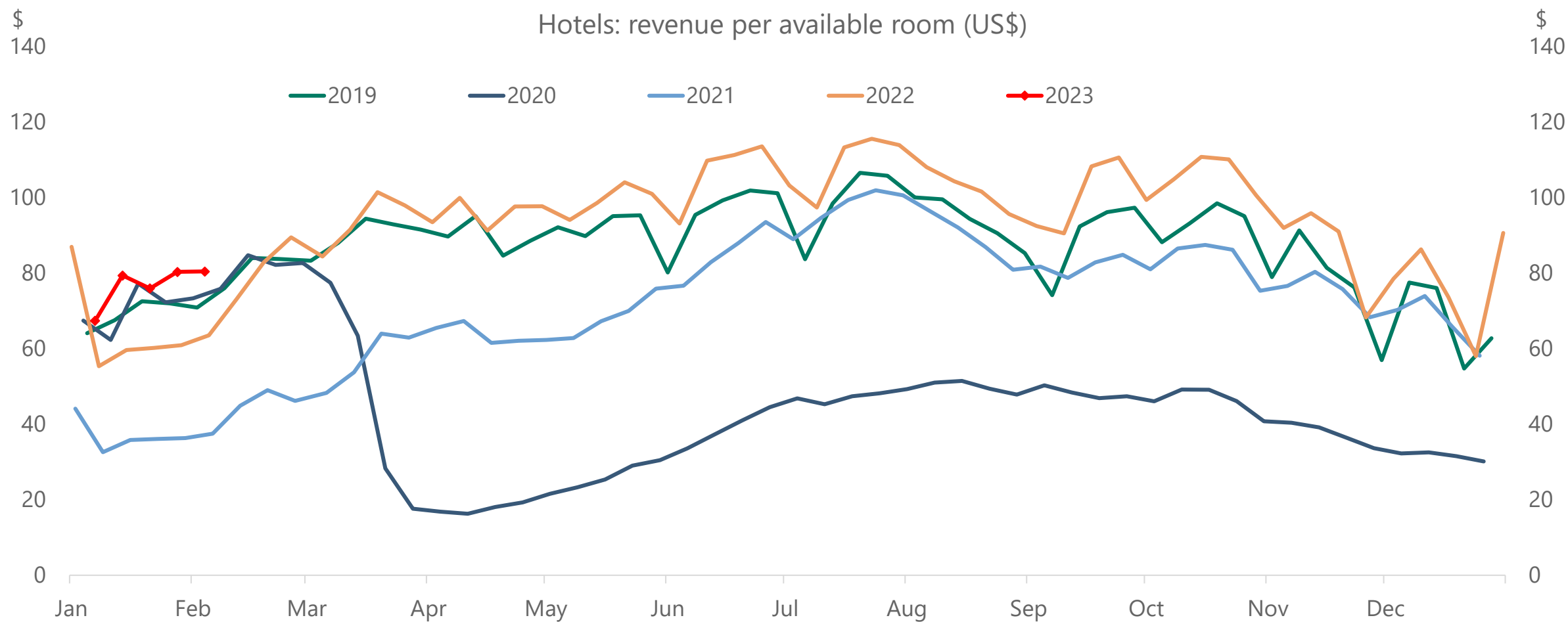
Weekly data for hotel demand still strong



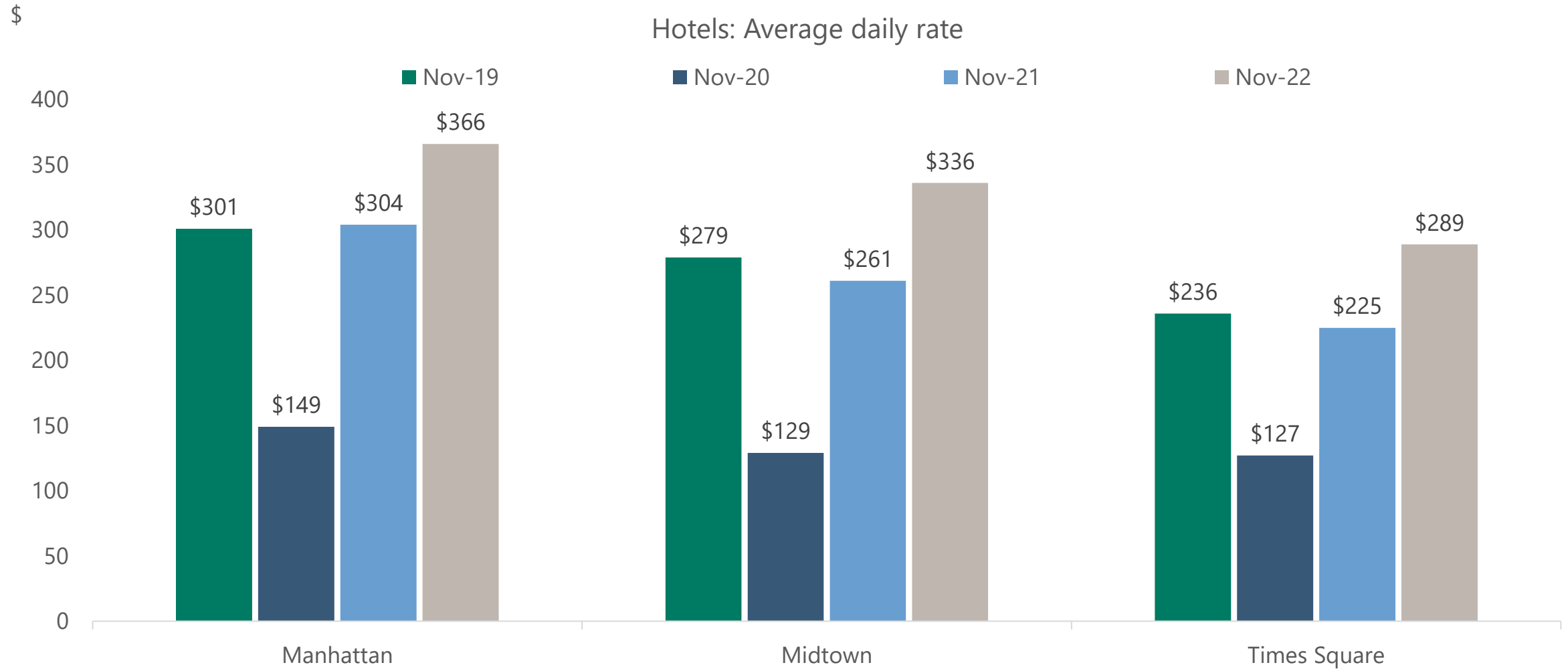
Weekly data for hotel demand still strong



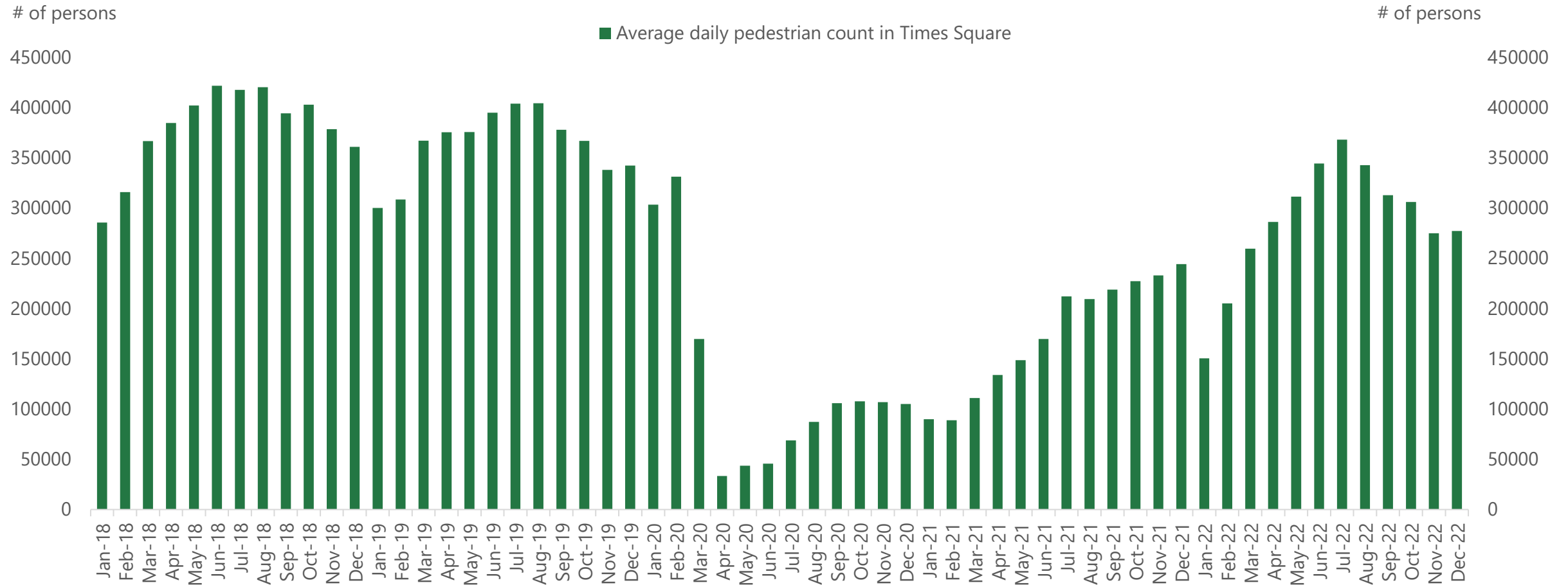
Weekly data for hotel demand still strong



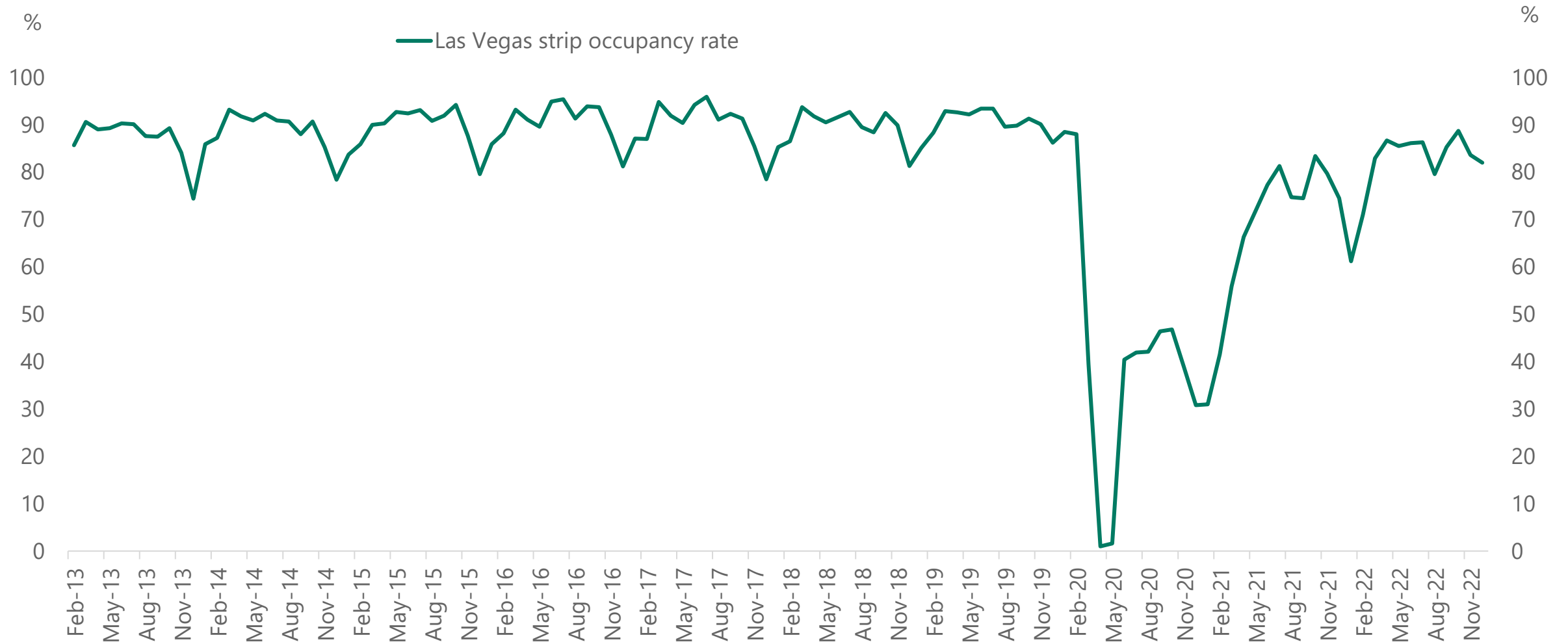
Hotel prices are now above pre-pandemic levels



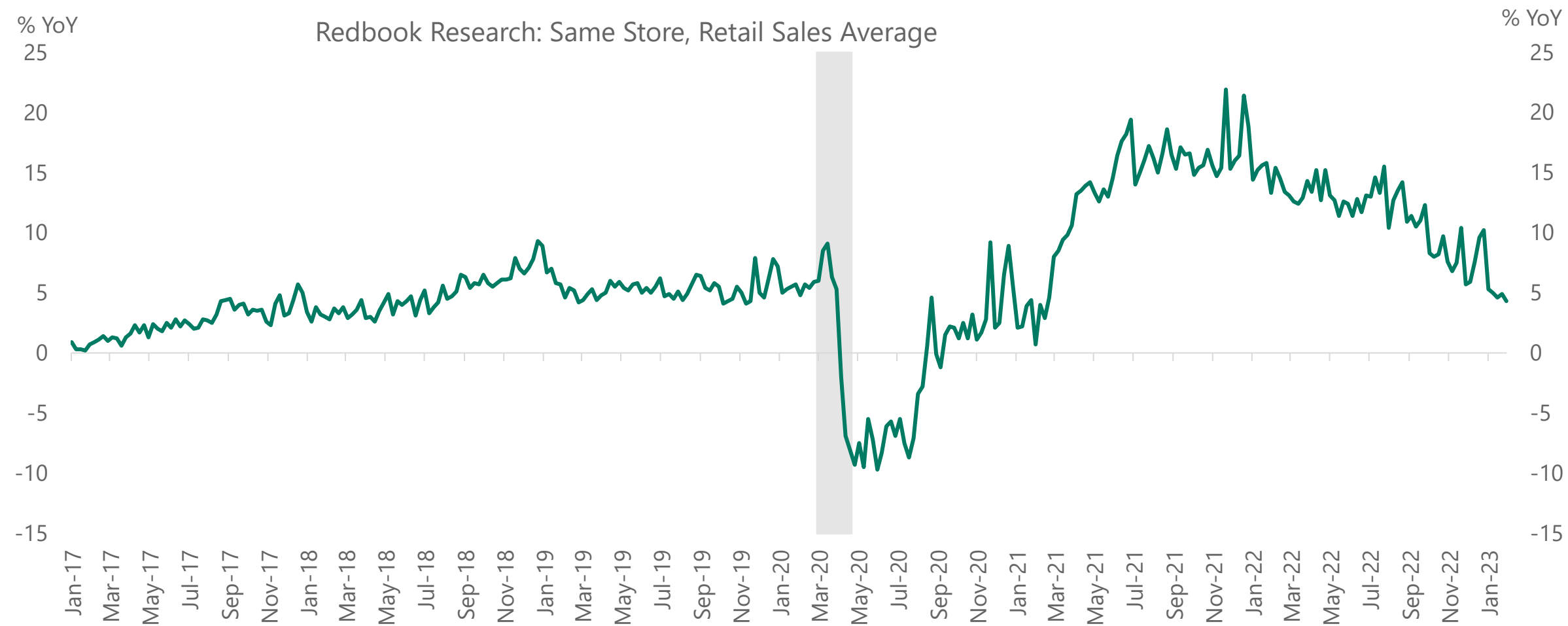
Average daily pedestrian count in Times Square back at pre-pandemic levels



Las Vegas occupancy rate at pre-pandemic level

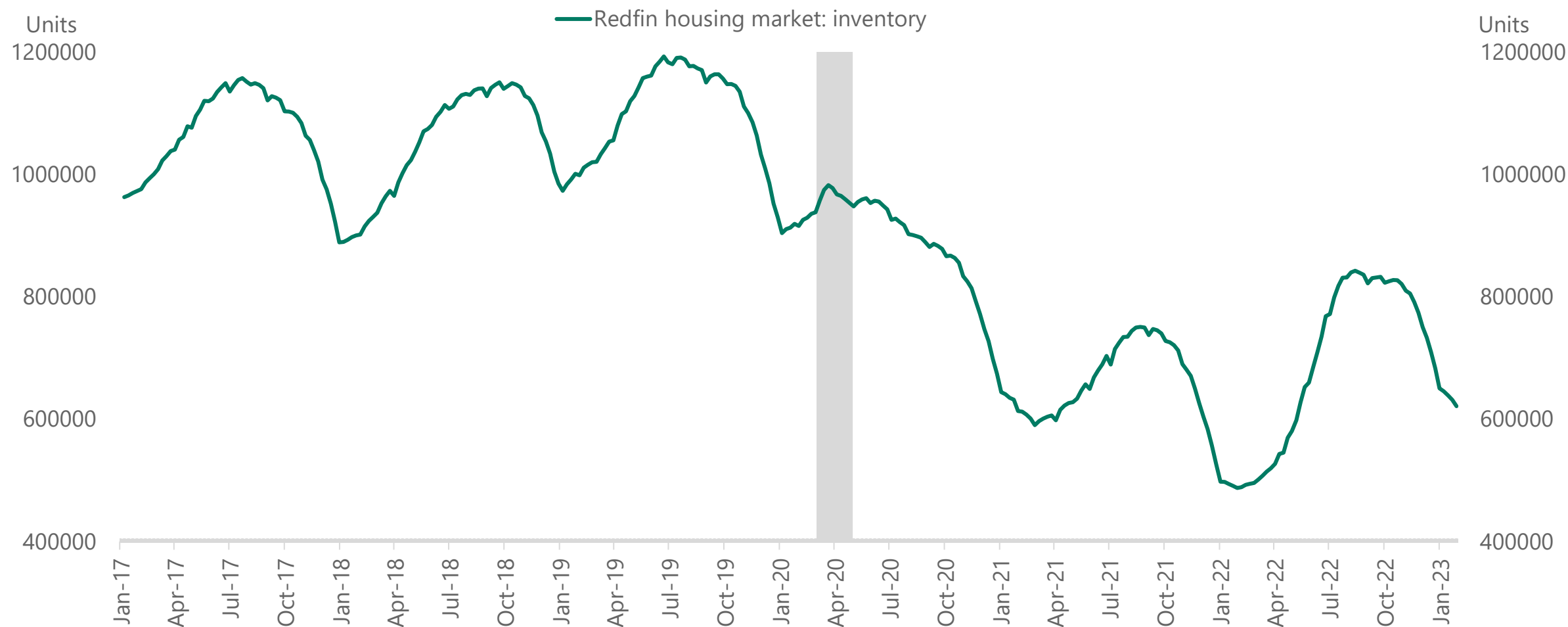


Same-store retail sales slowing down gradually

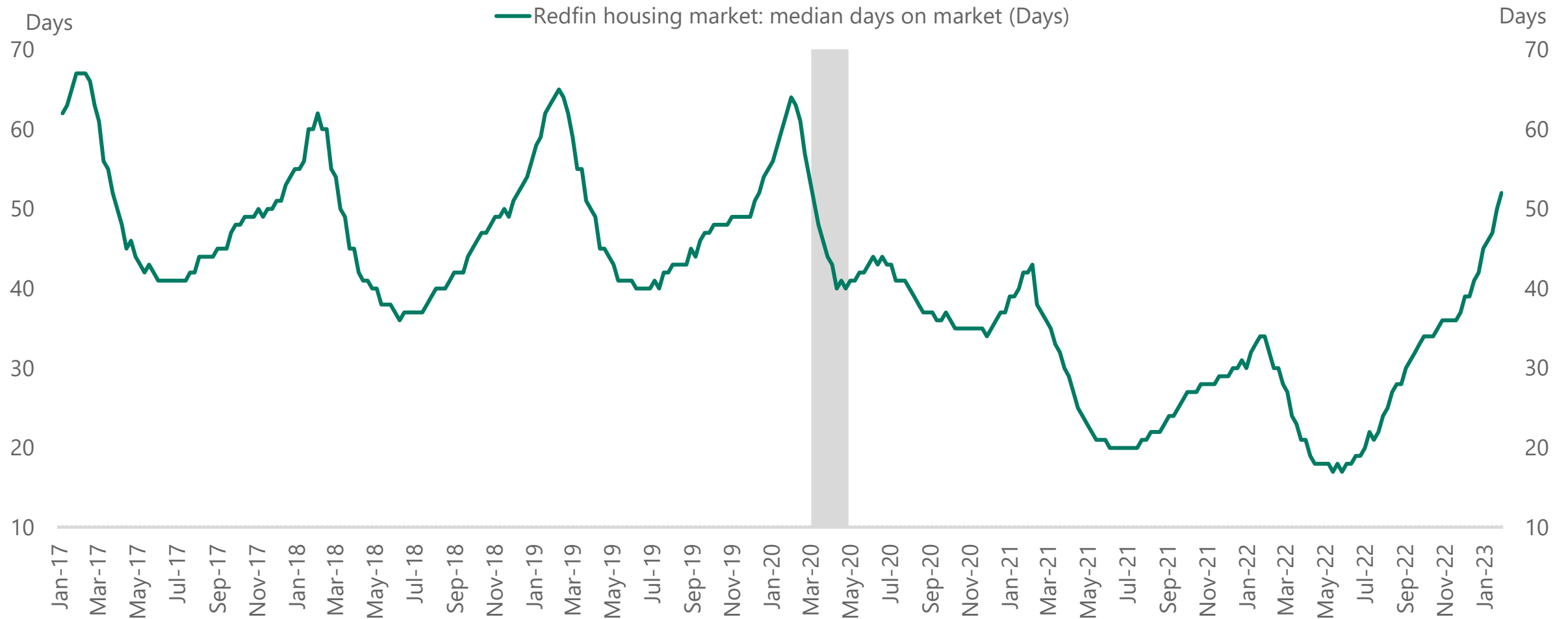


Source: Redbook, Haver Analytics, Apollo Chief Economist

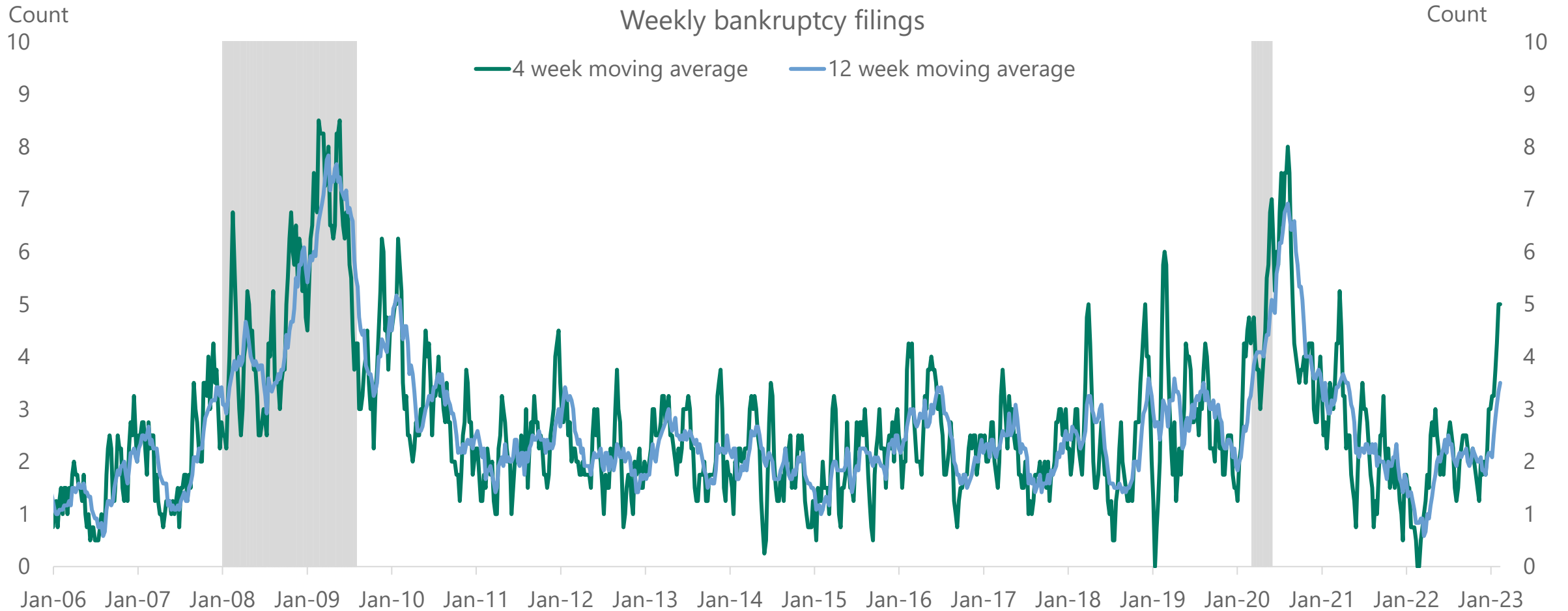
Weekly housing inventory declining



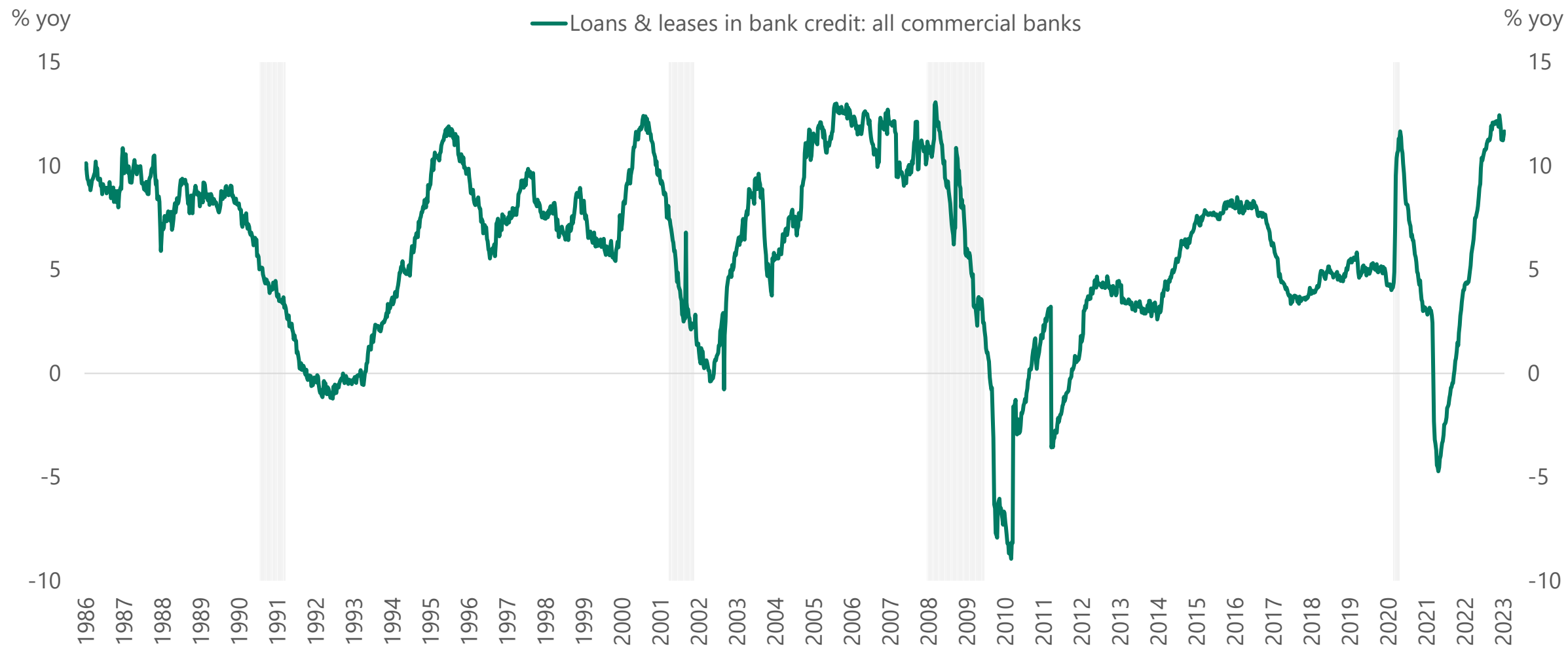
Homes typically sold in 52 days compared to 61 days before pandemic



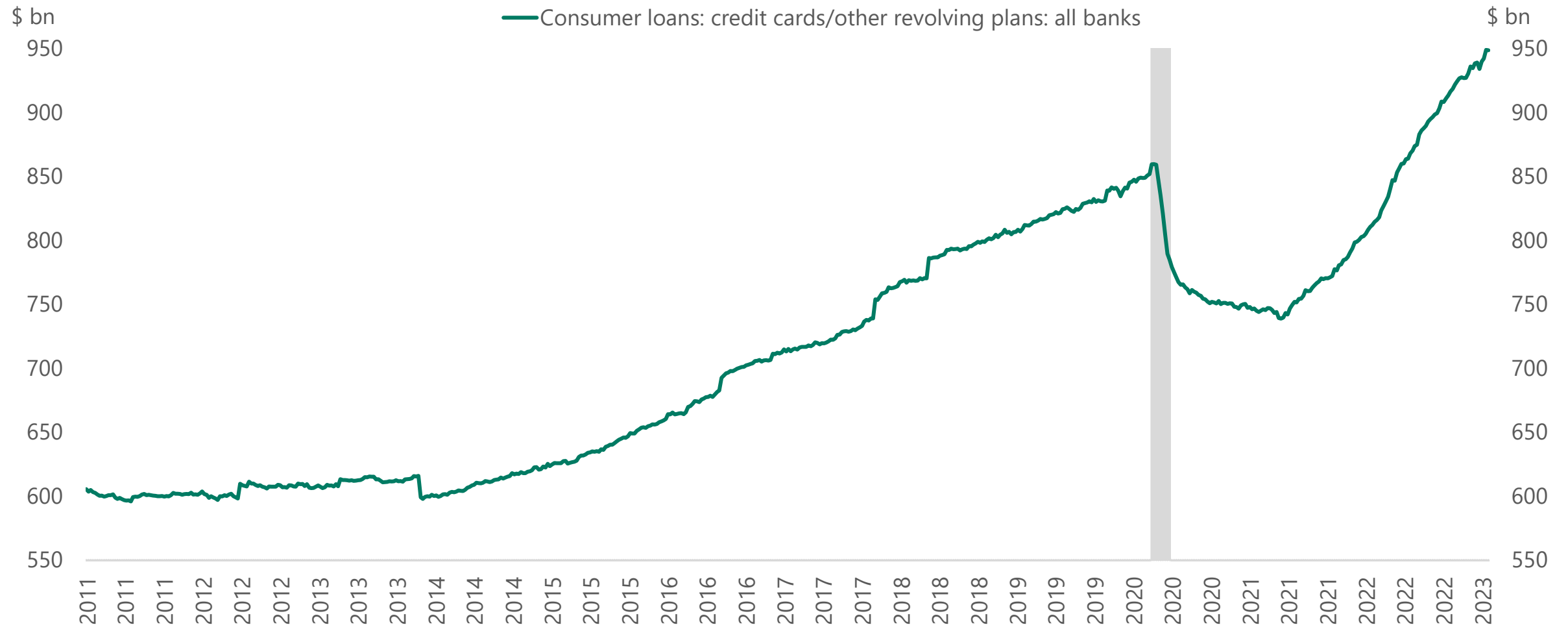
Weekly bankruptcy filings rising from low levels



Banks' weekly loan growth still strong

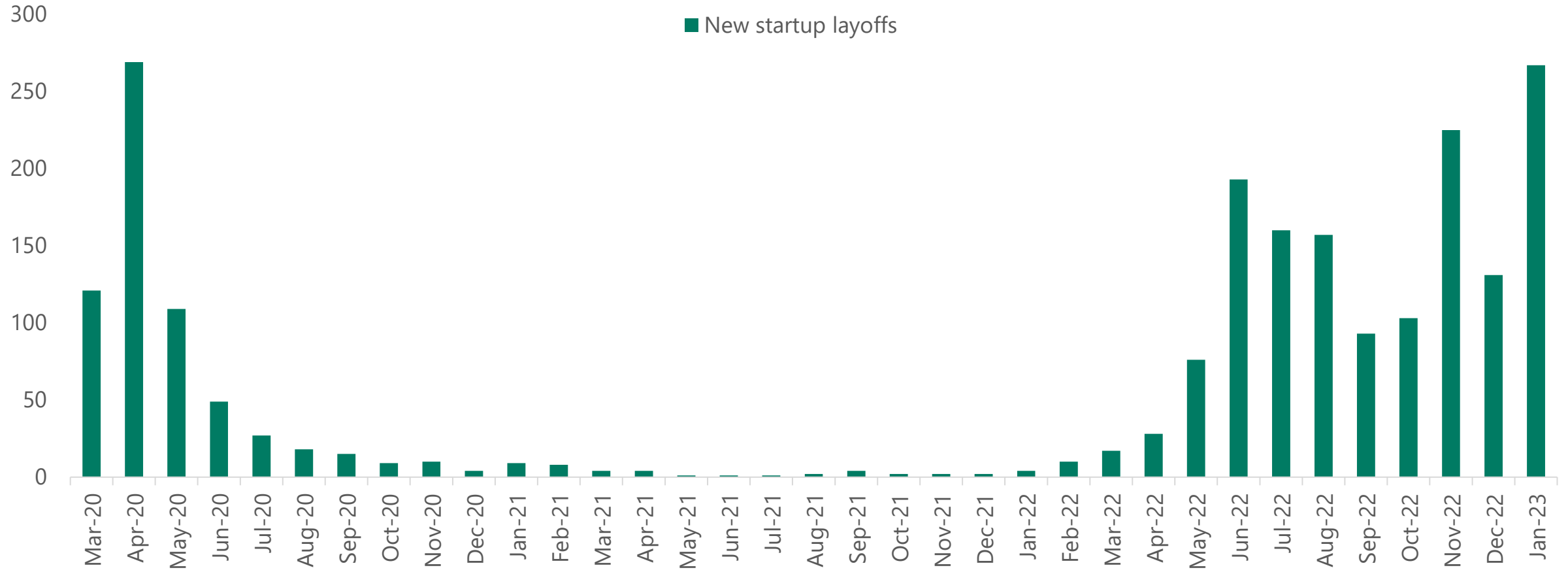


Weekly credit card debt is rising as the economy re-opens

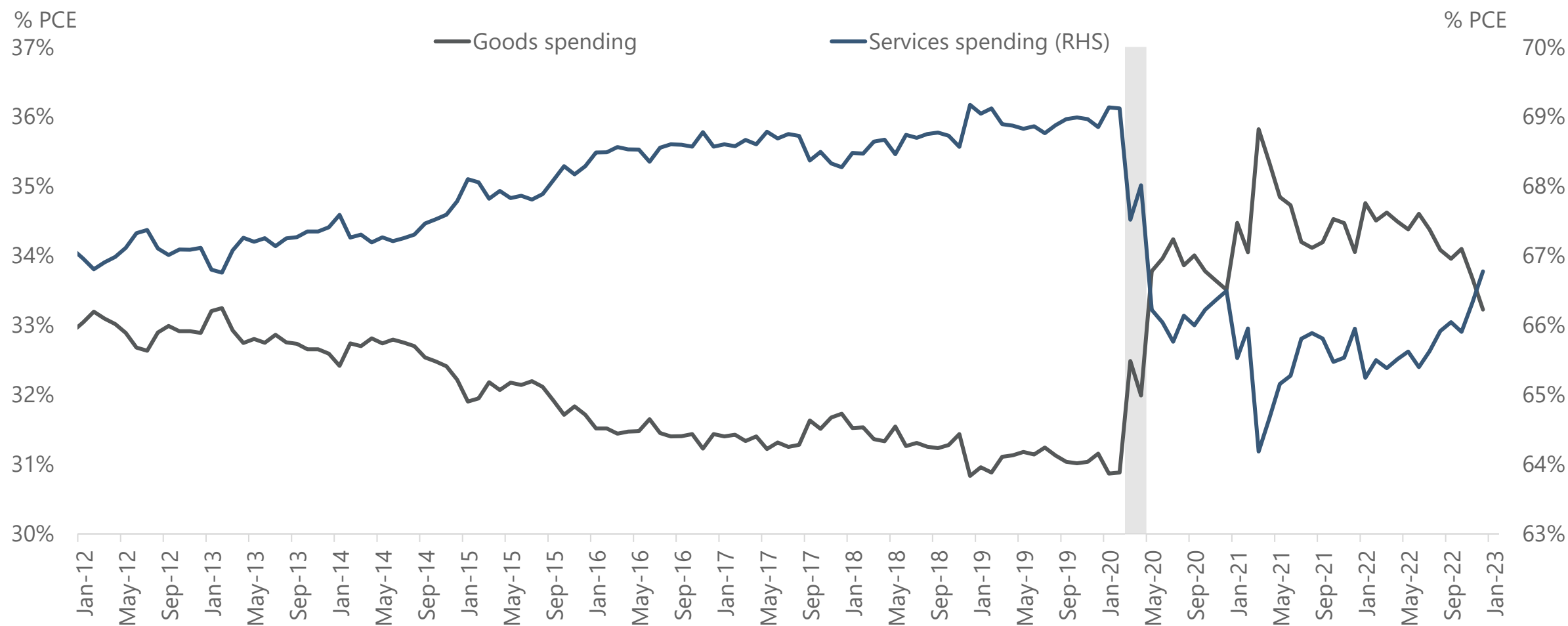


Layoffs at tech startups are approaching pandemic levels

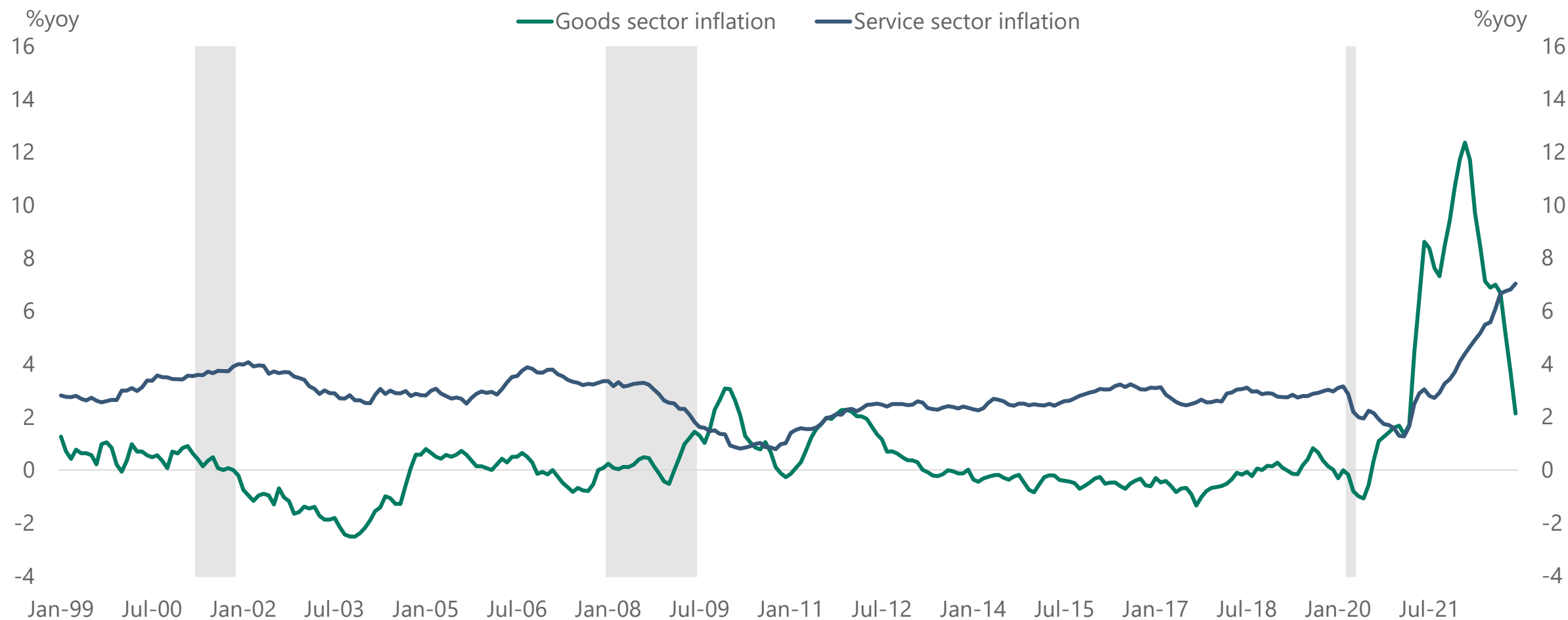
of layoff events



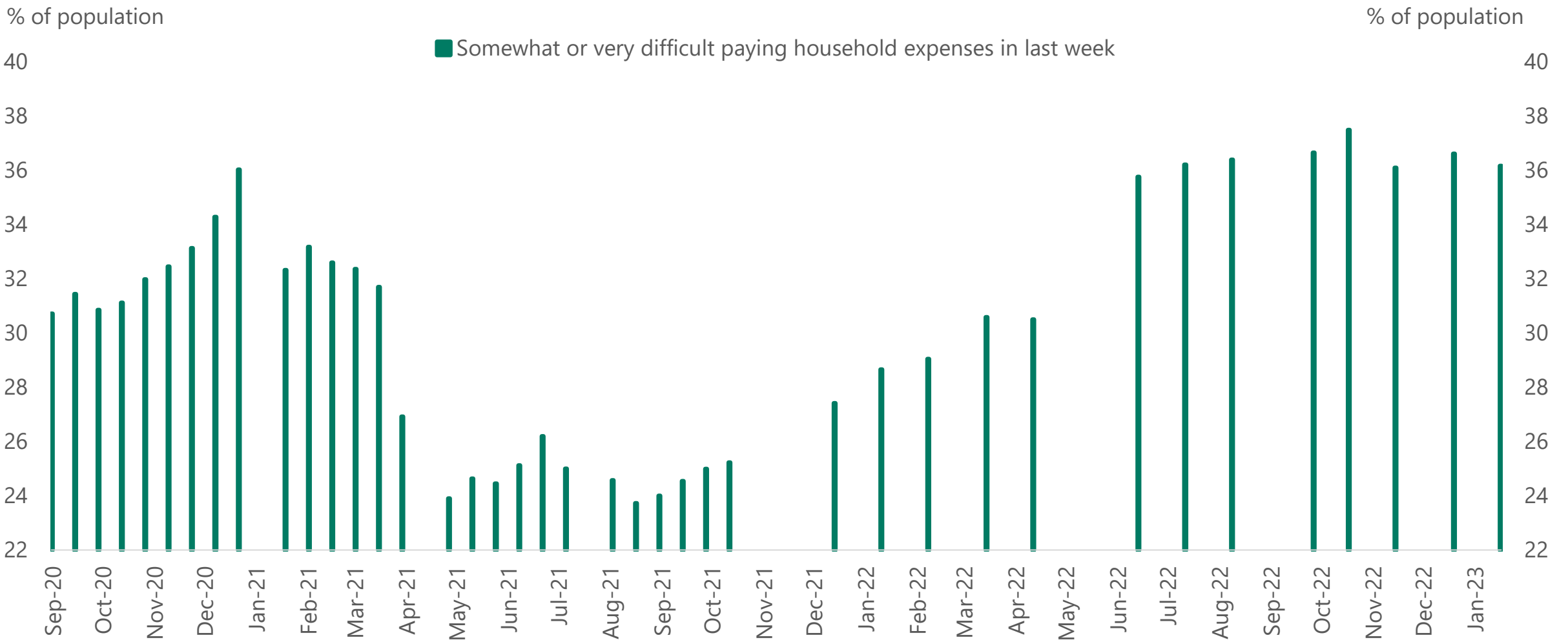
Shift from goods to services in US consumer spending



Goods sector inflation slowing. Service sector inflation rising

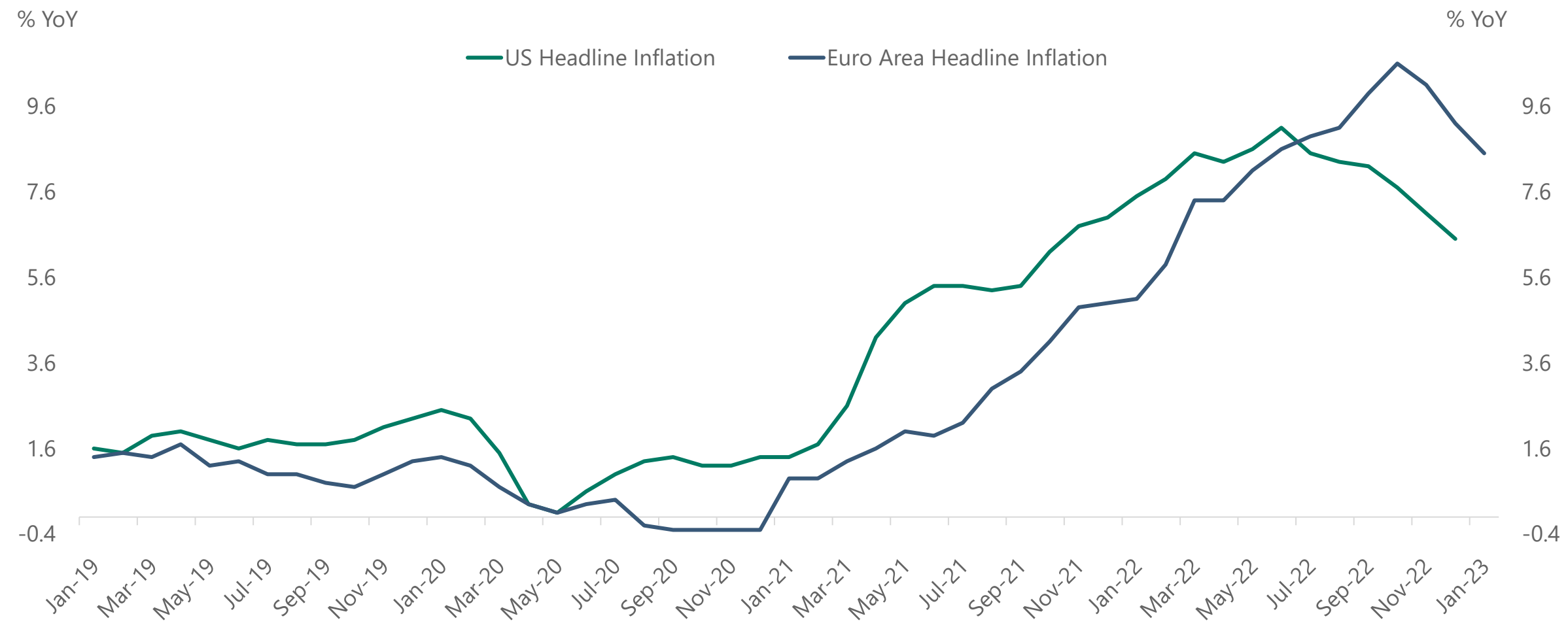


Modest decline in the share of households having difficulties paying expenses

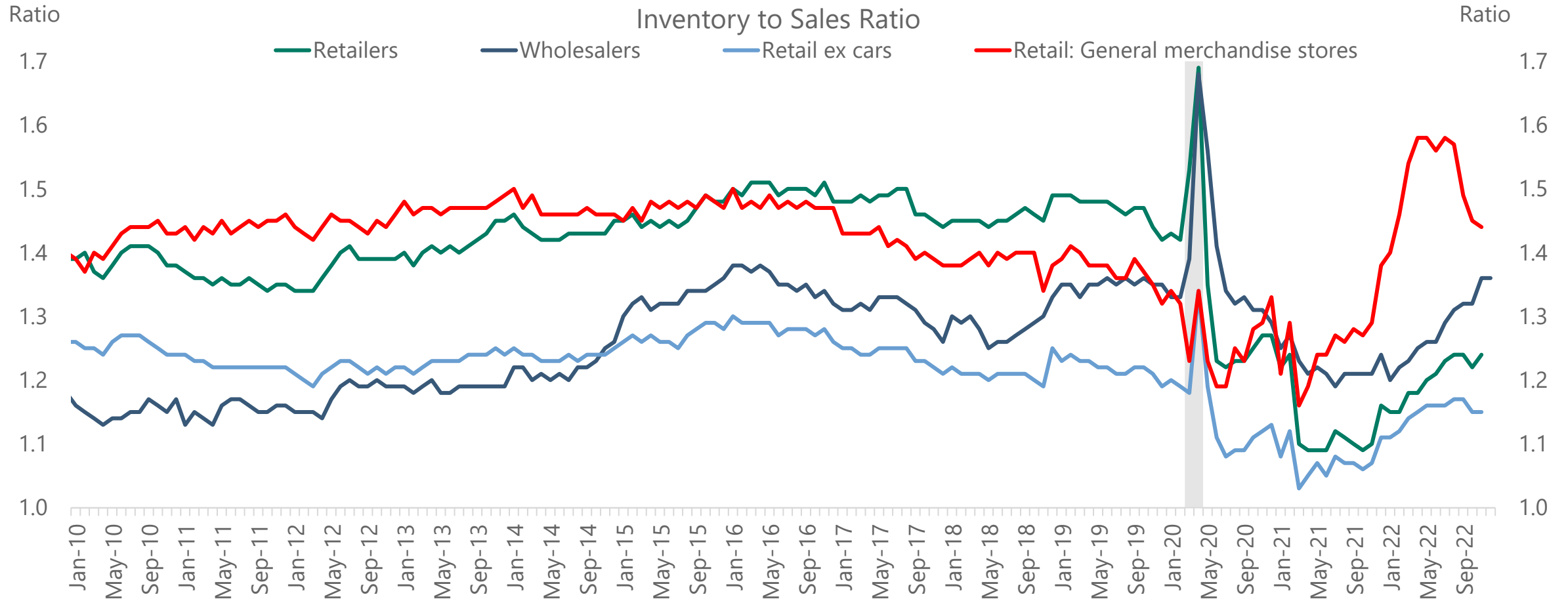


Source: Census Bureau, Apollo Chief Economist (Note: Household Pulse Survey)

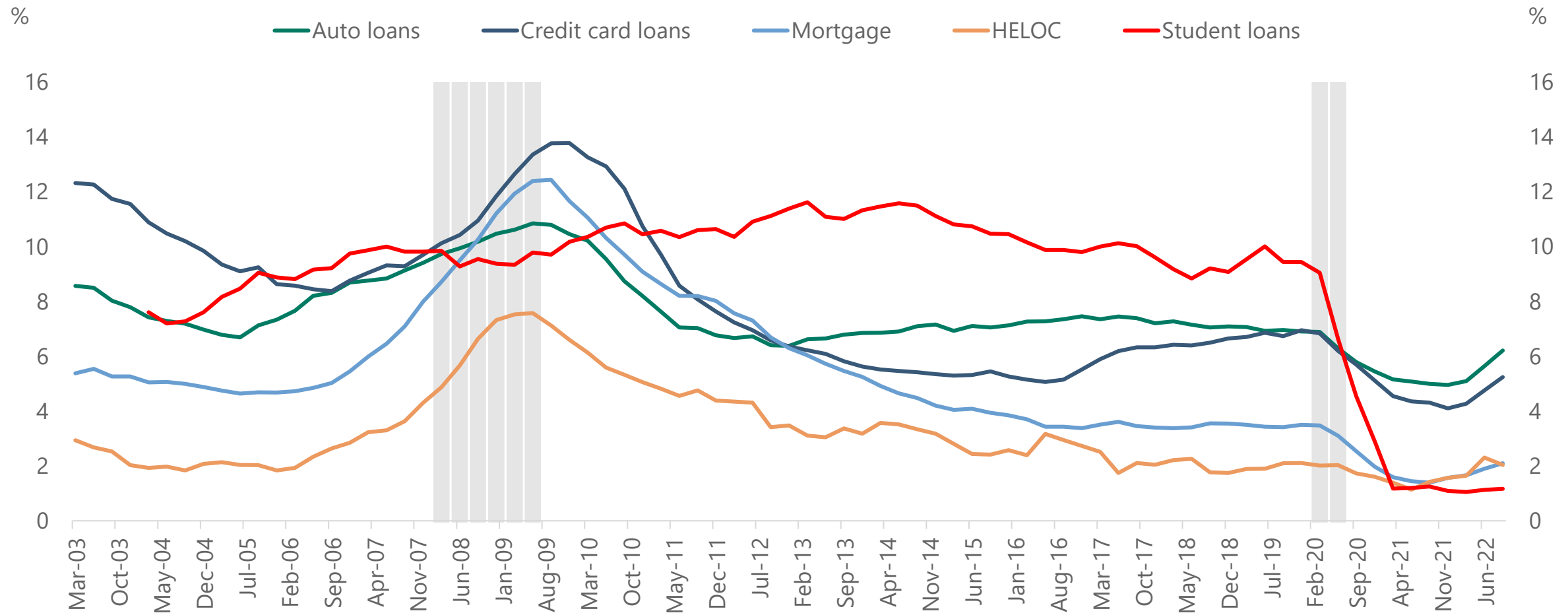
Inflation has peaked both in the US and Europe



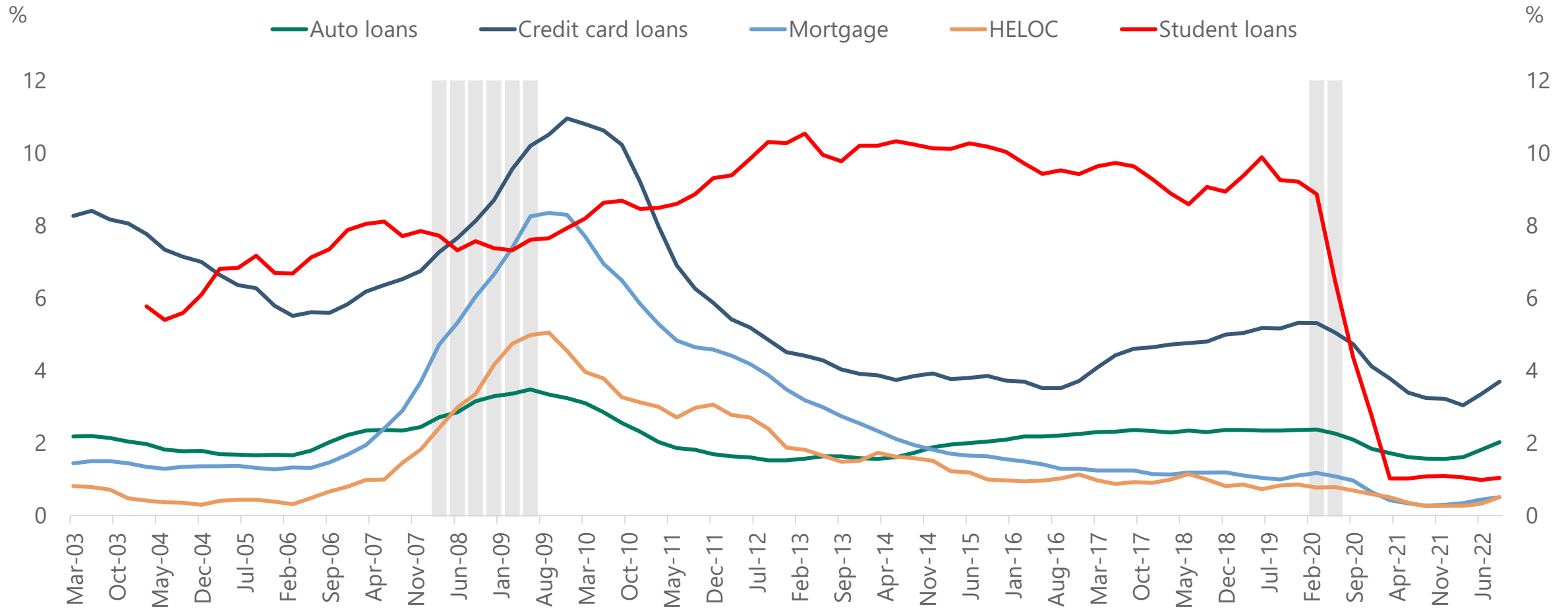
Inventory to sales ratio for general merchandise stores falling



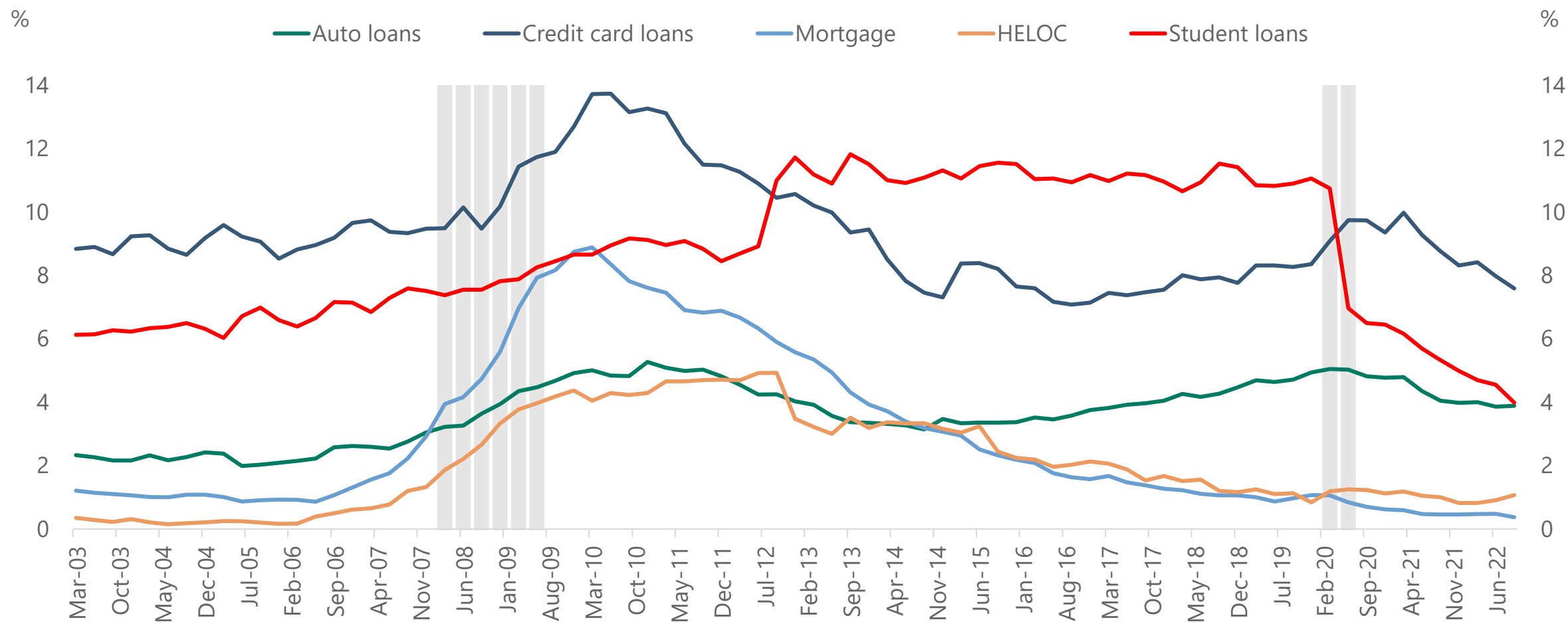
New delinquent (+30 days) balances by loan type, % of current balance



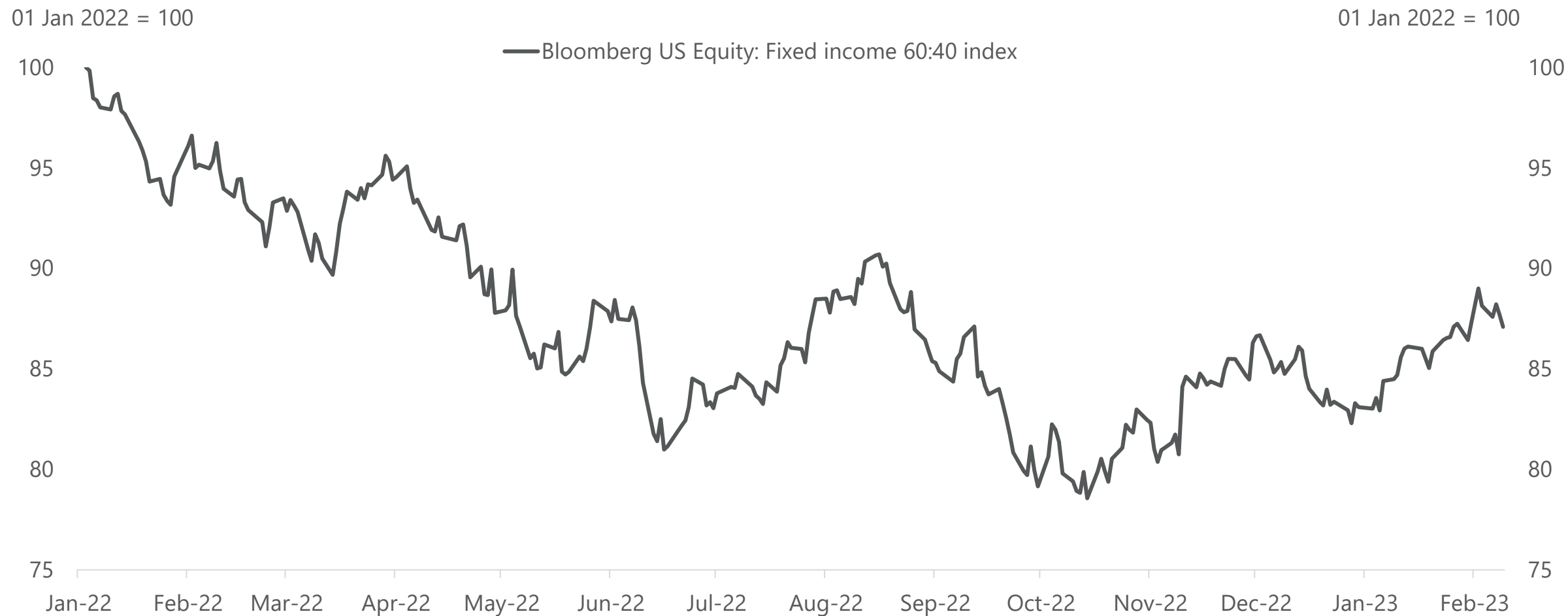
New seriously delinquent (+90 days) balances by loan type, % of current balance



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

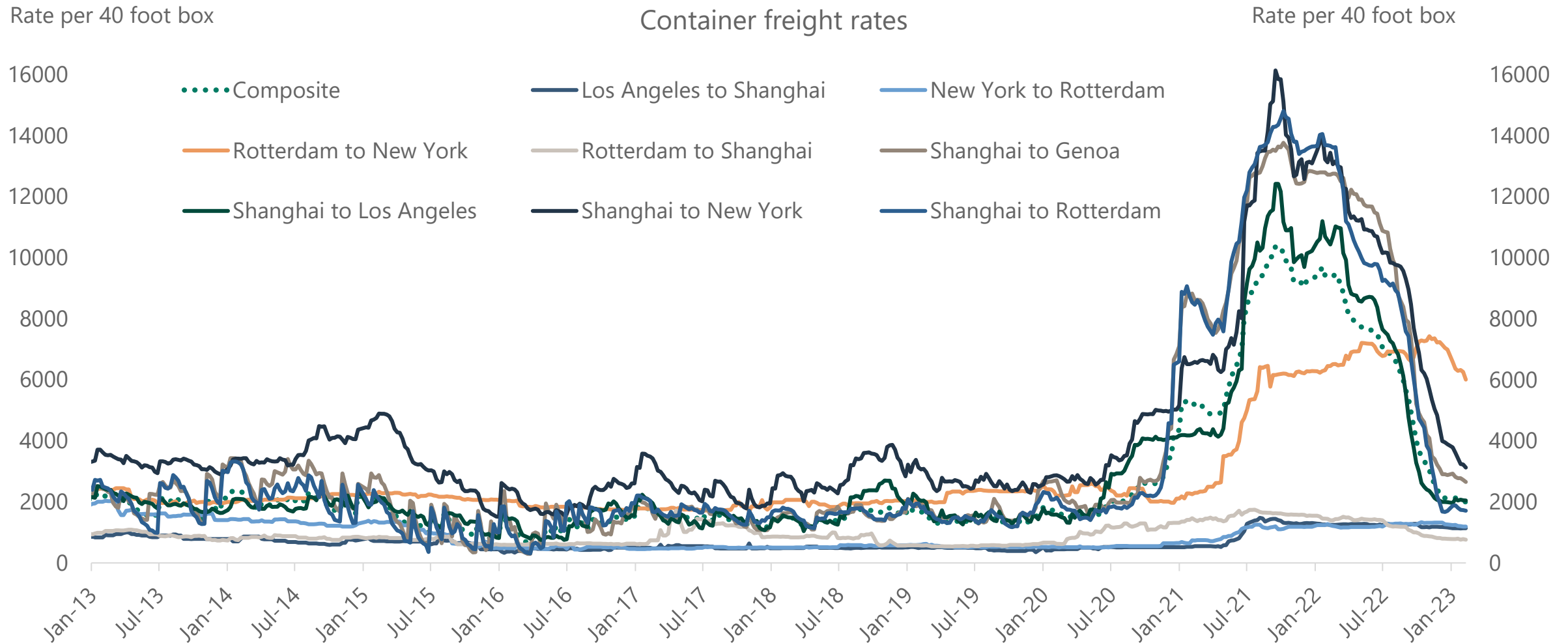


60/40 portfolio down 13%

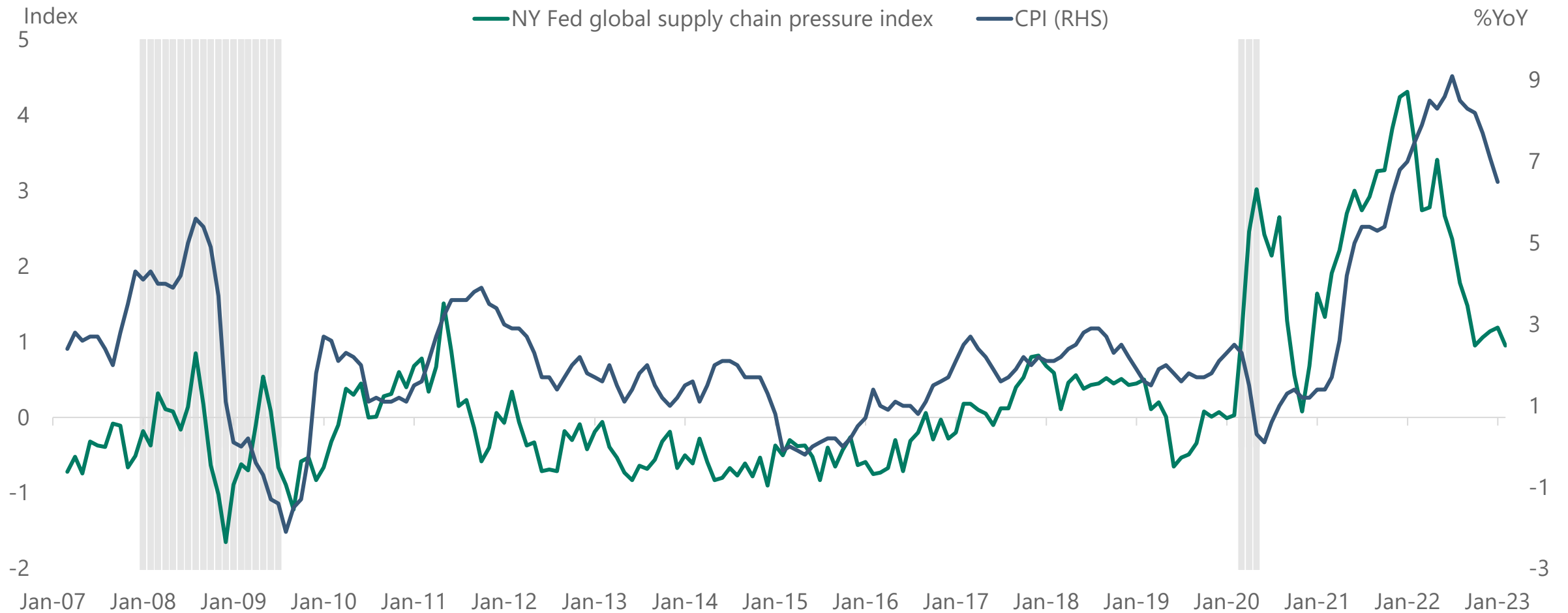


Source: Bloomberg, Apollo Chief Economist. The Bloomberg US BMA6040 Index rebalances monthly to 60% equities and 40% fixed income.

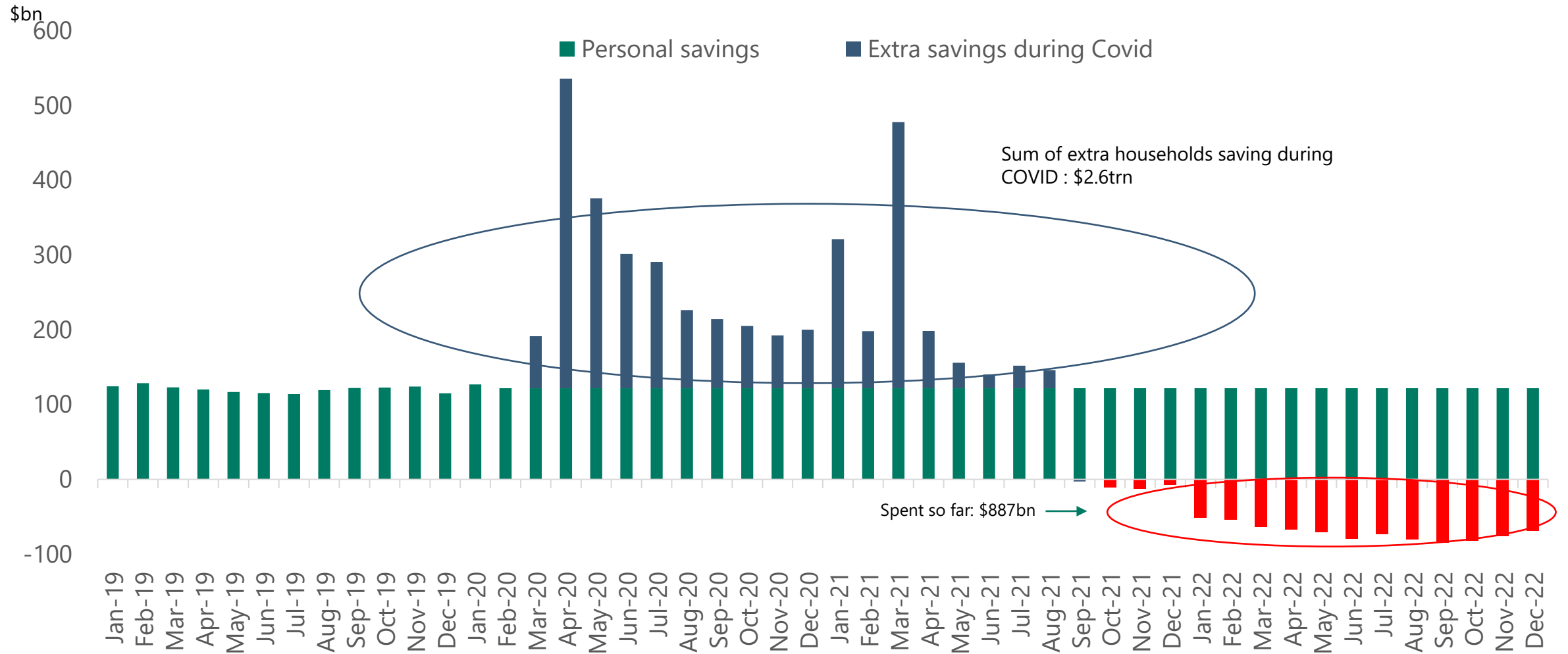
Container freight rates falling. Goods inflation pressures are easing



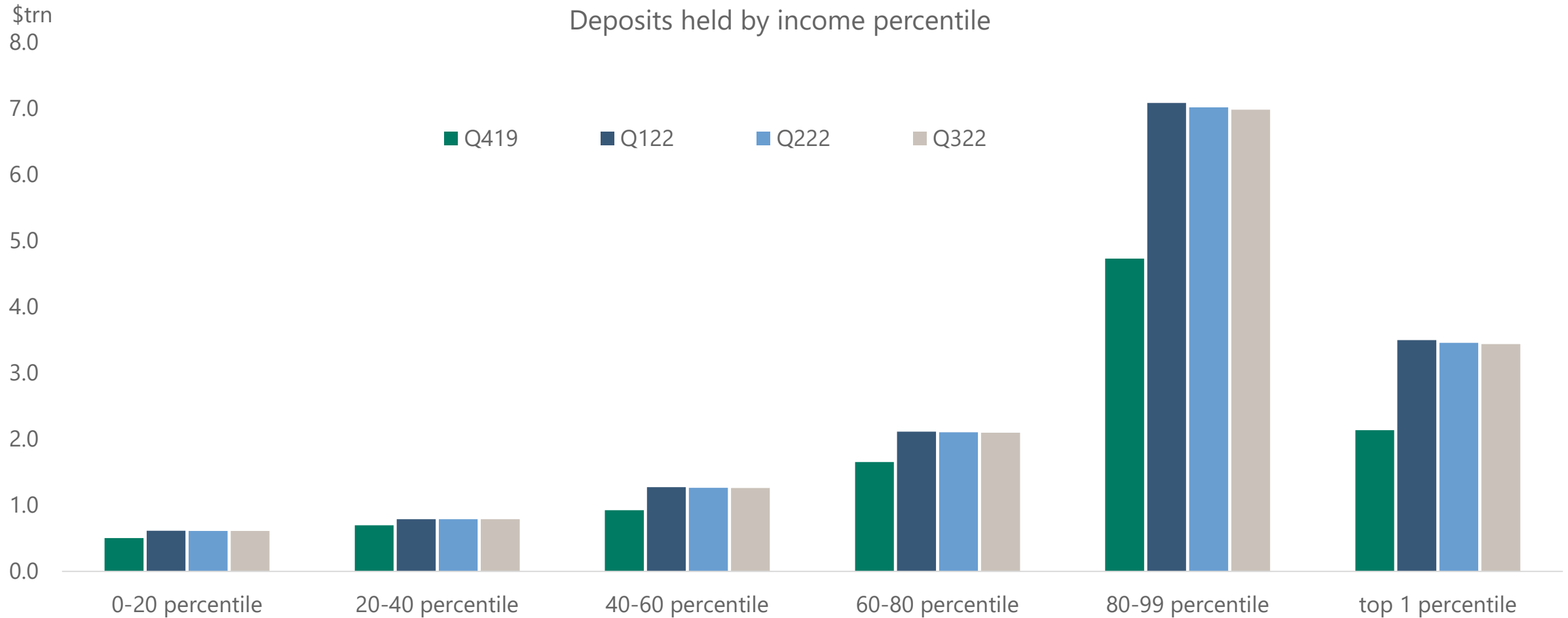
Supply chain improvements putting downward pressure on goods inflation



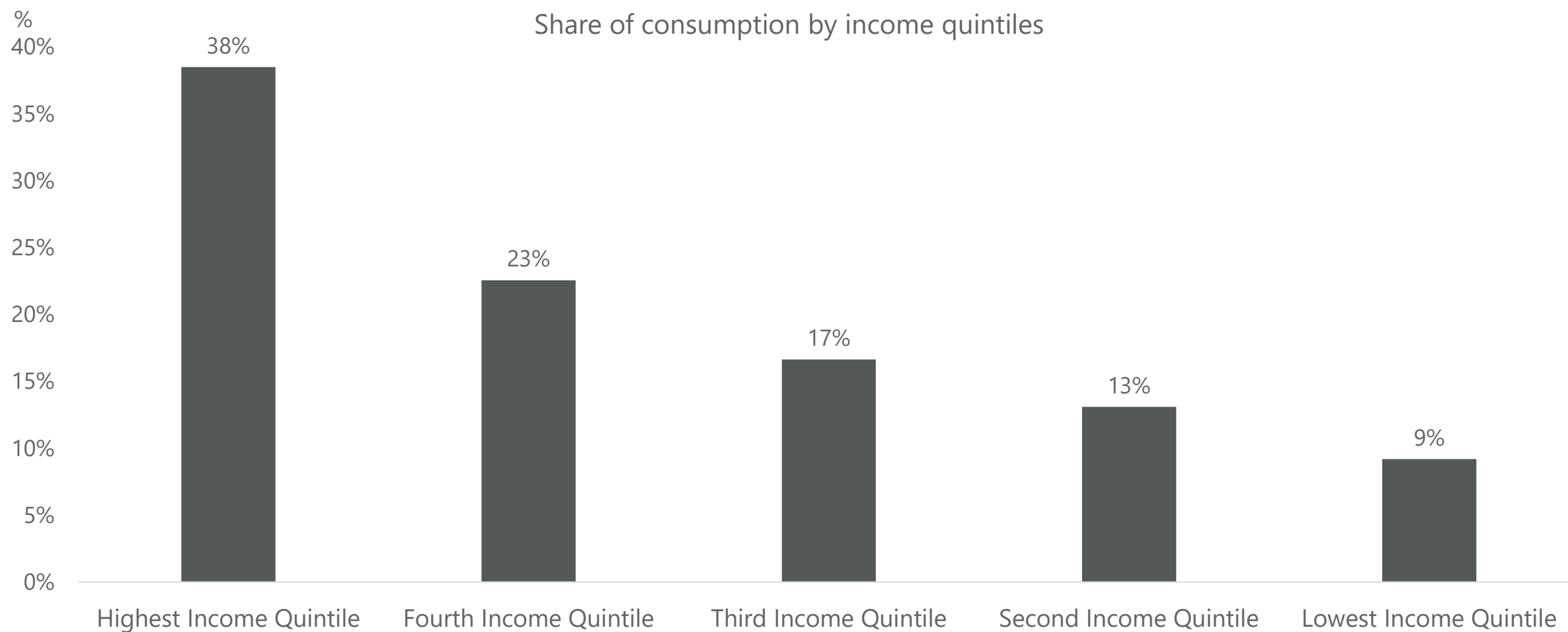
Households are running down their savings, but still about \$1.7trn left



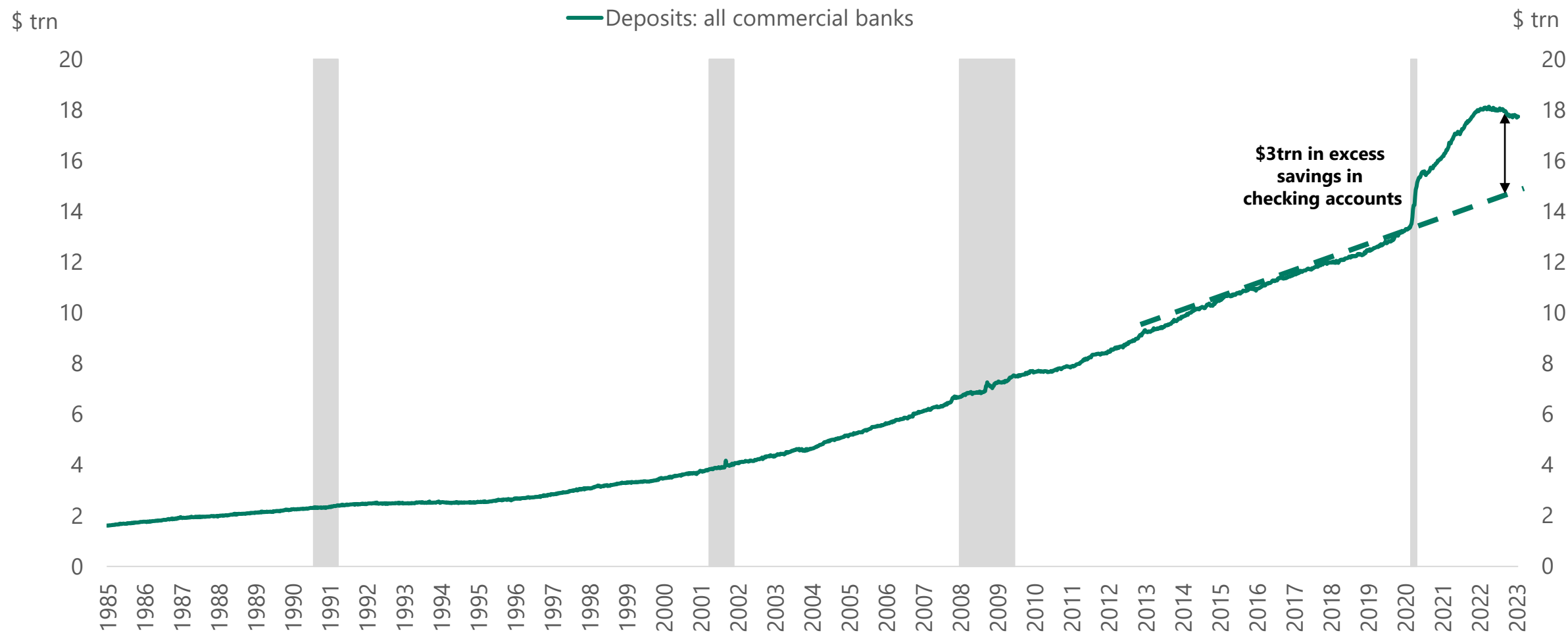
Household savings across different income groups



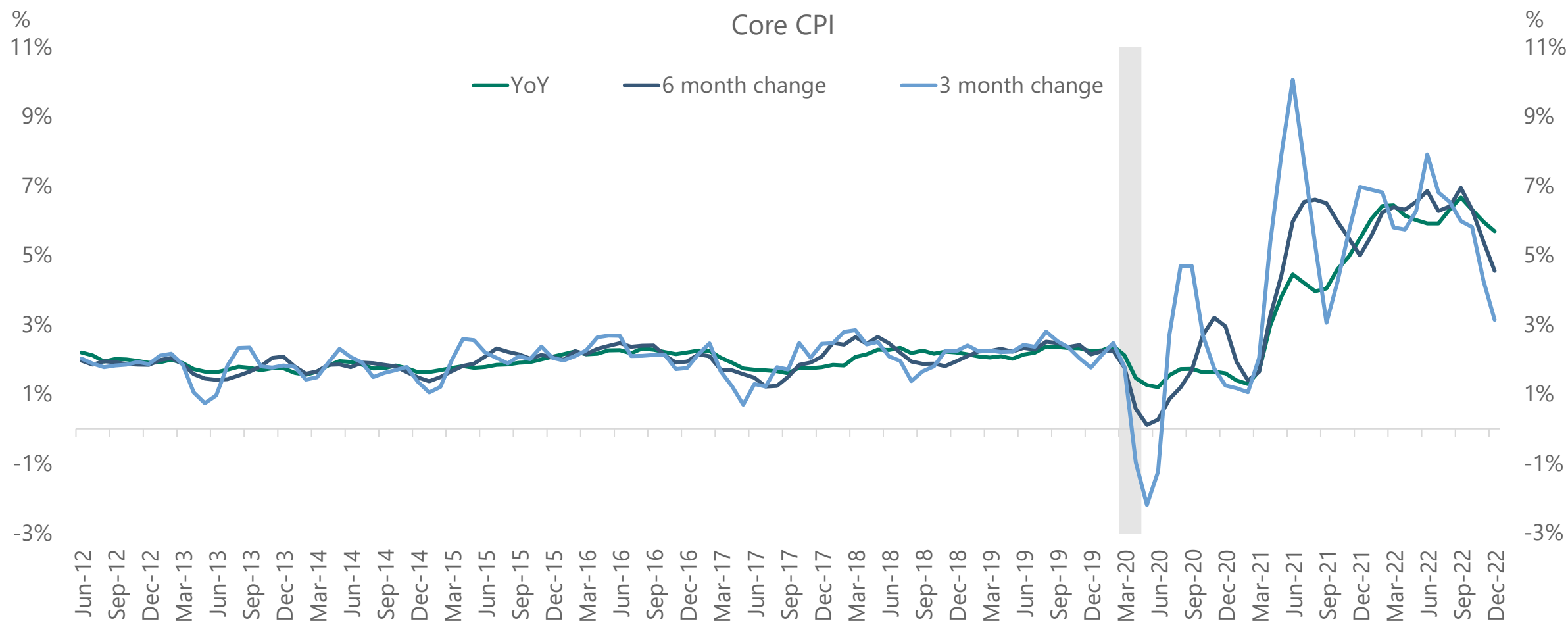
Share of US total consumer spending, by income



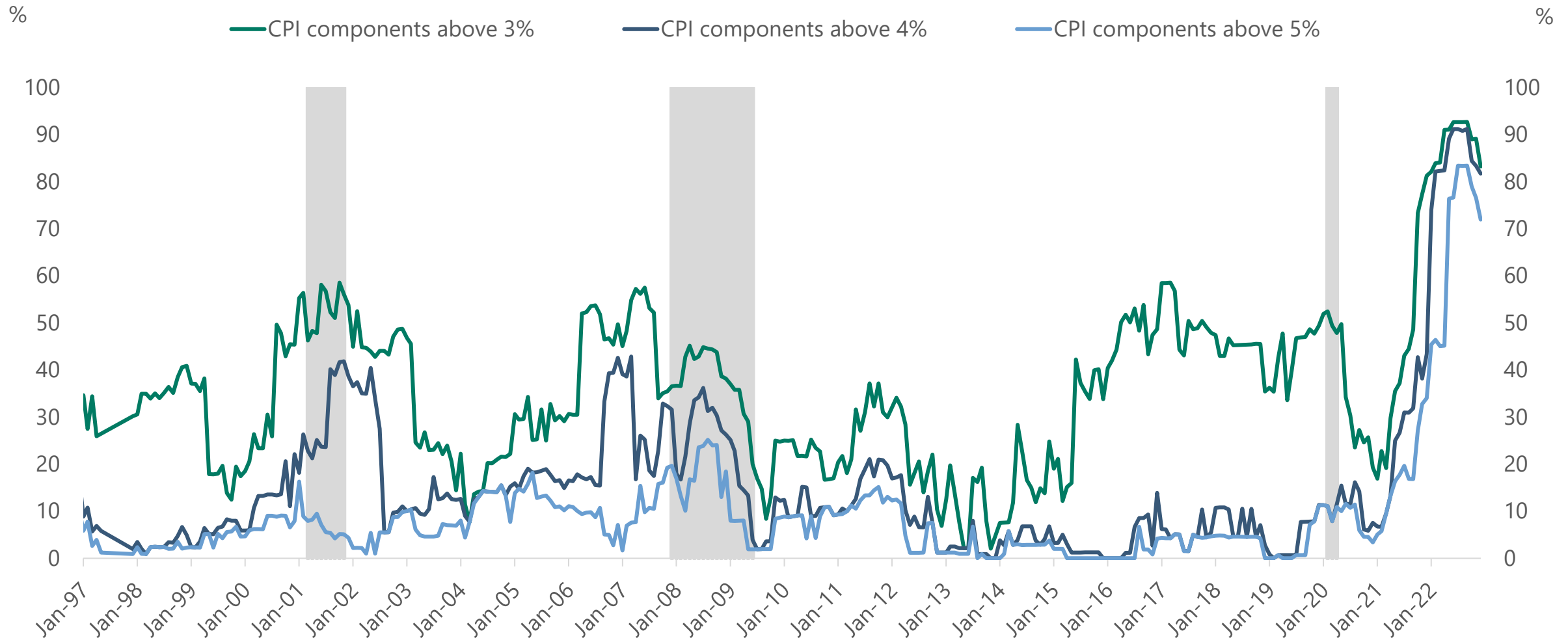
Record-high level of deposits at commercial banks



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

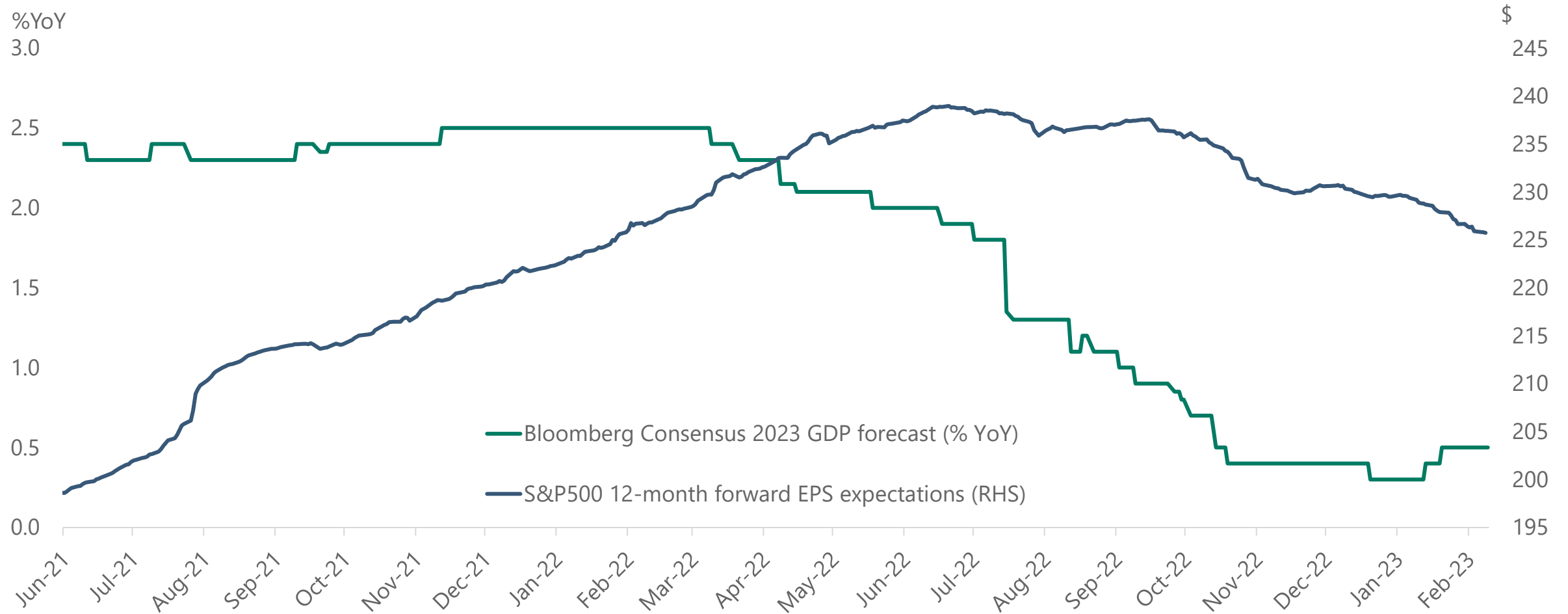


Inflation is still broad-based



Note: Year-over-year growth used. Source: BLS, Haver, Apollo Chief Economist.

Divergence between S&P500 earnings expectations and GDP growth expectations

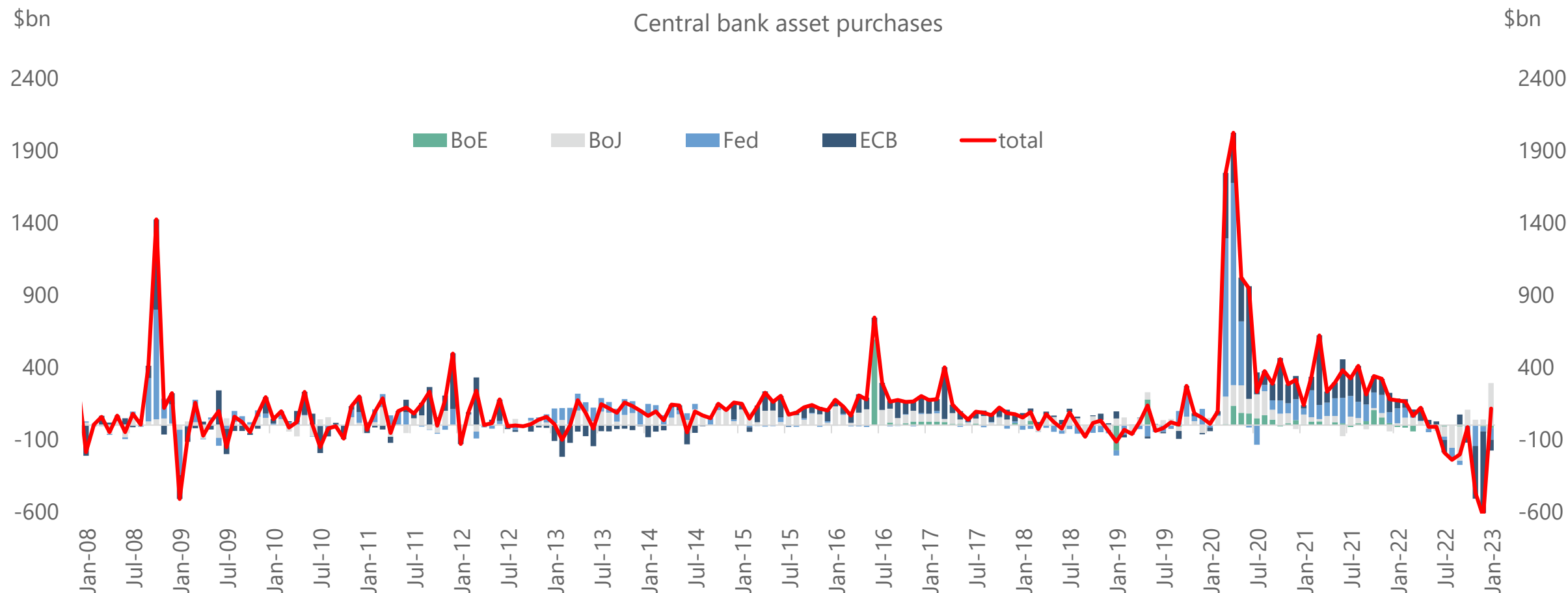


Job cut announcements rising from low level

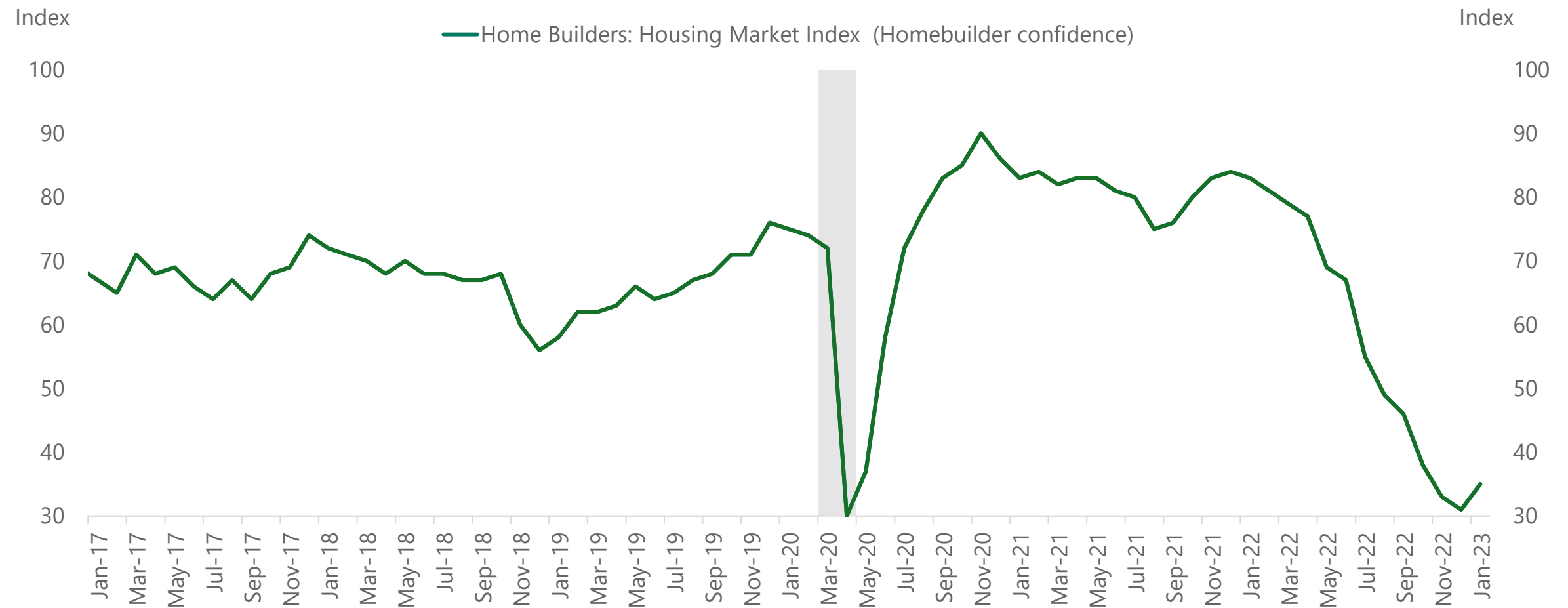


Source: Challenger, Gray & Christmas Inc., Bloomberg, Apollo Chief Economist

BoJ QE greater than Fed QT

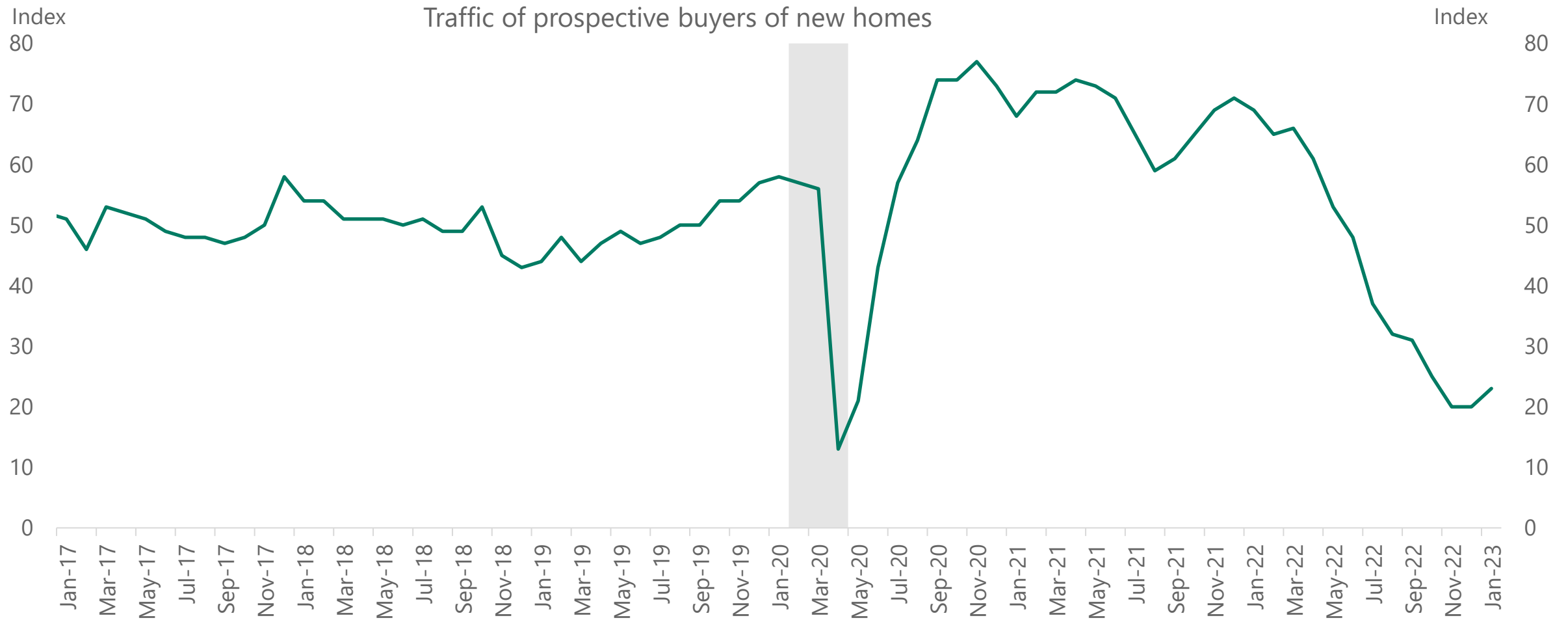


Homebuilder confidence starting to improve

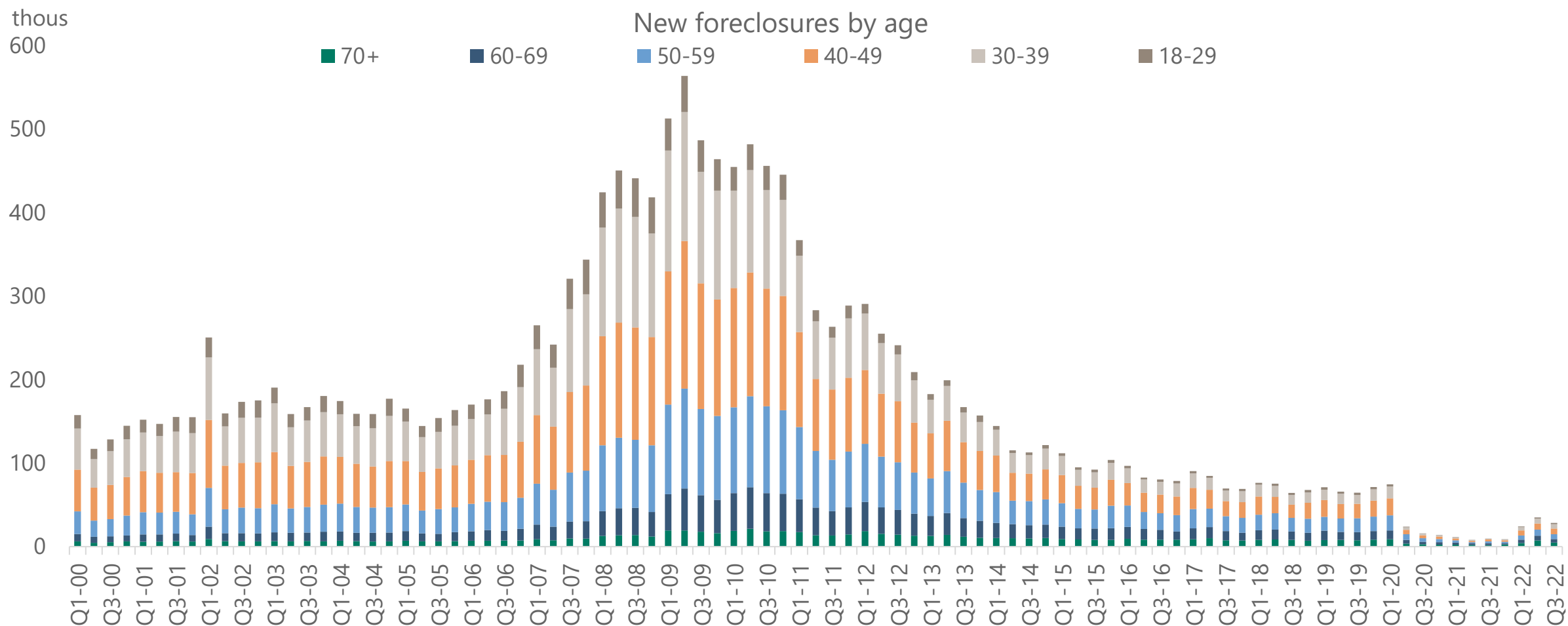


Source: NAR, Haver Analytics, Apollo Chief Economist

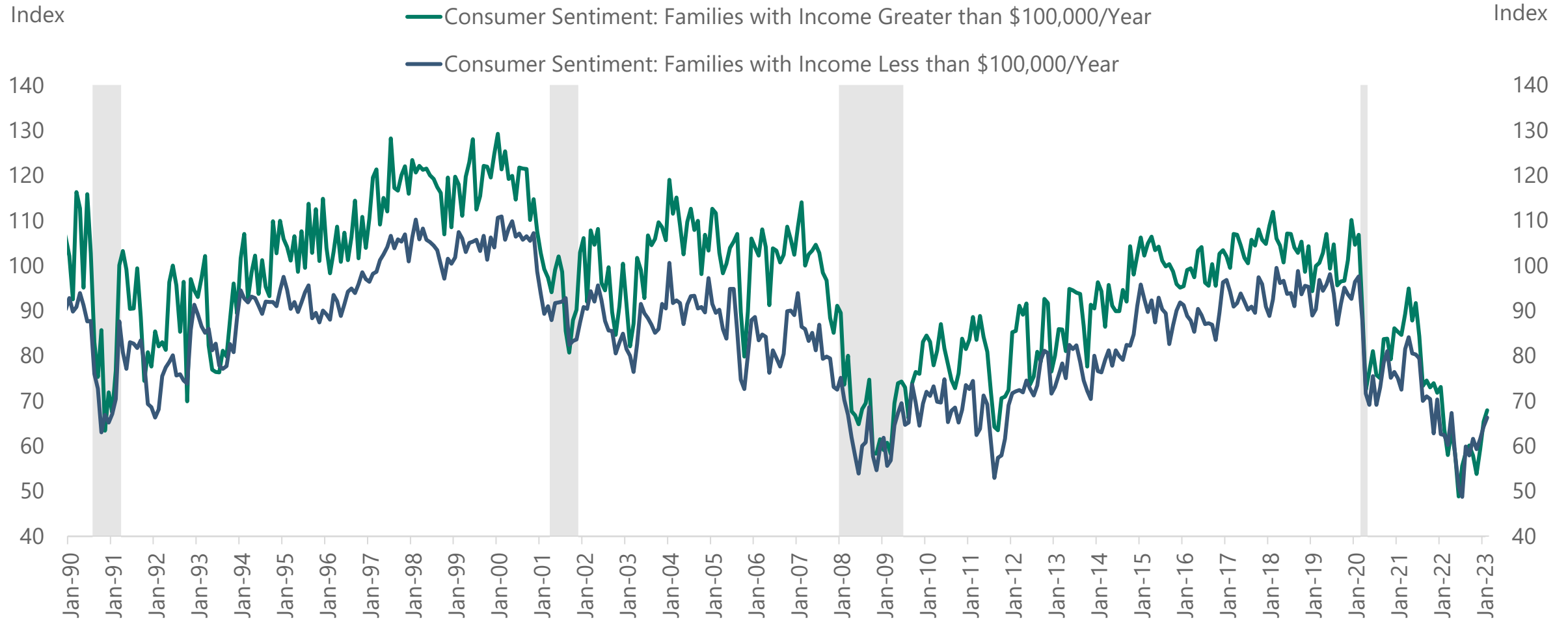
Traffic of prospective homebuyers starting to improve



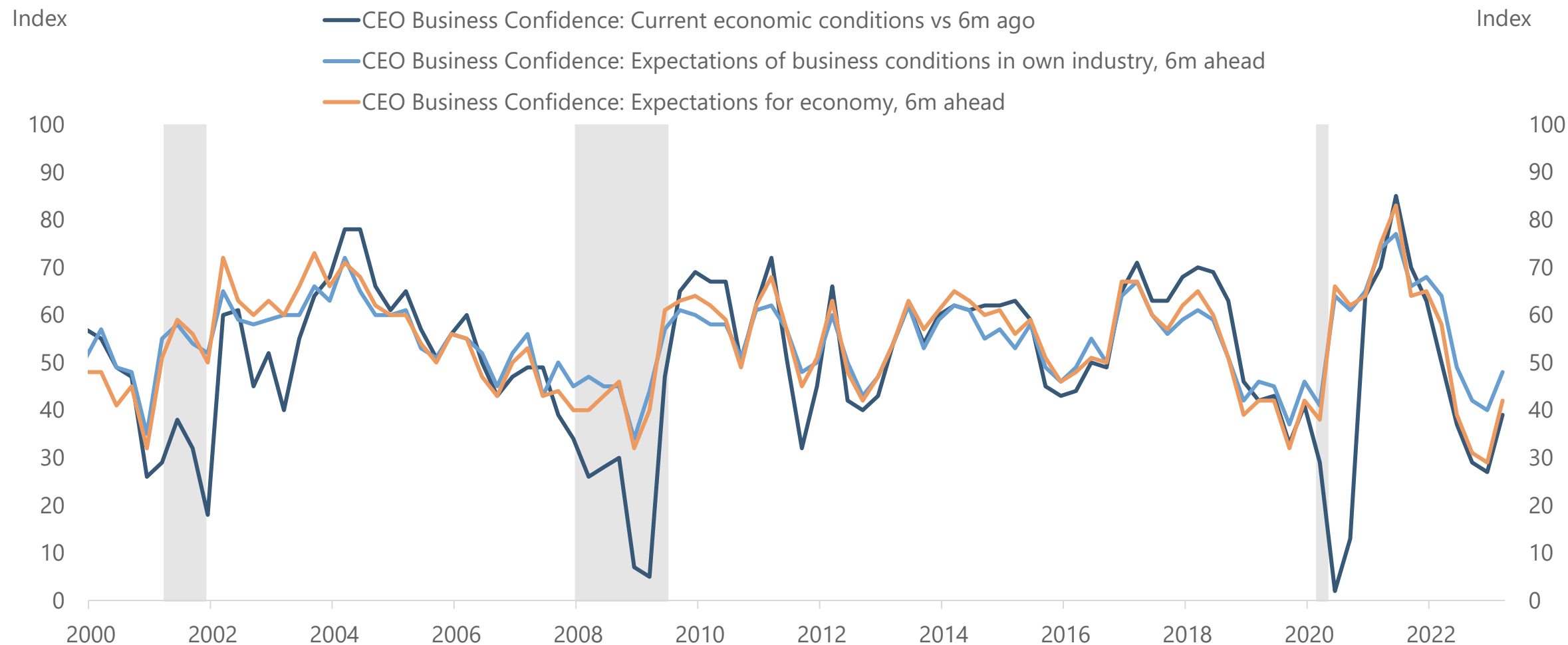
New foreclosures starting to move down



Consumer sentiment improving



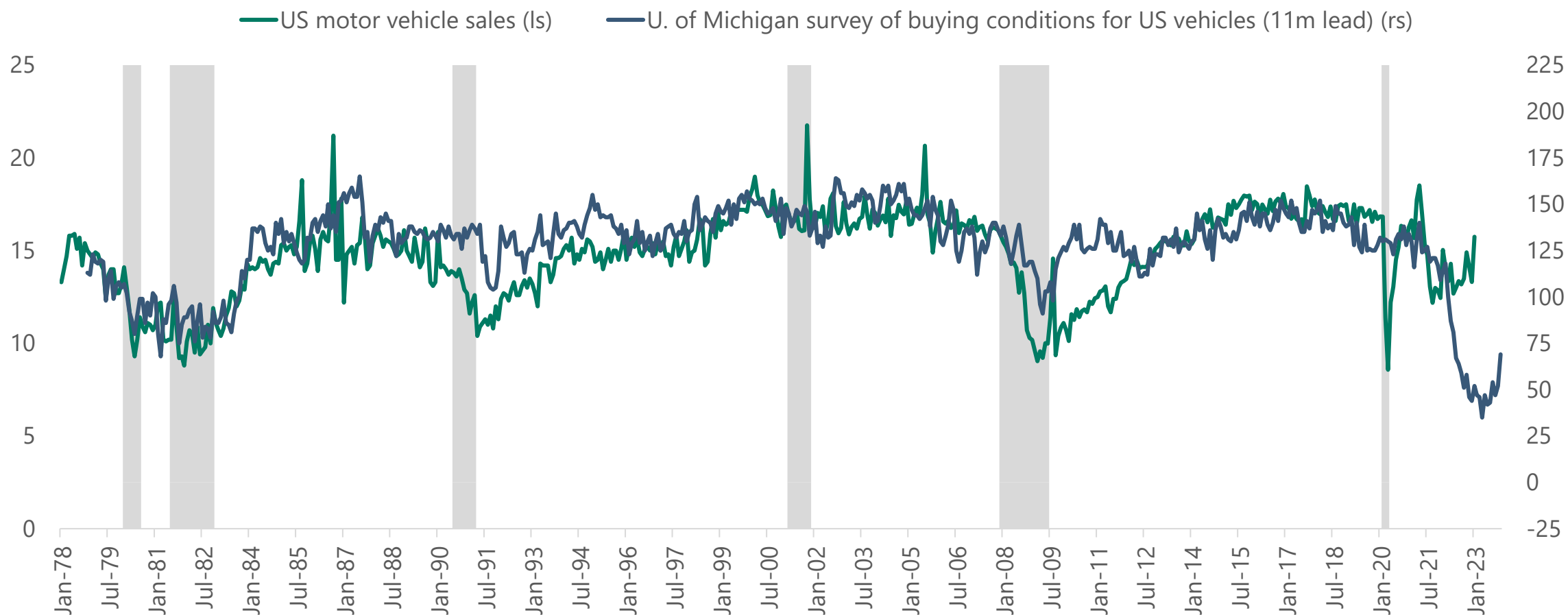
CEOs are more optimistic about the outlook



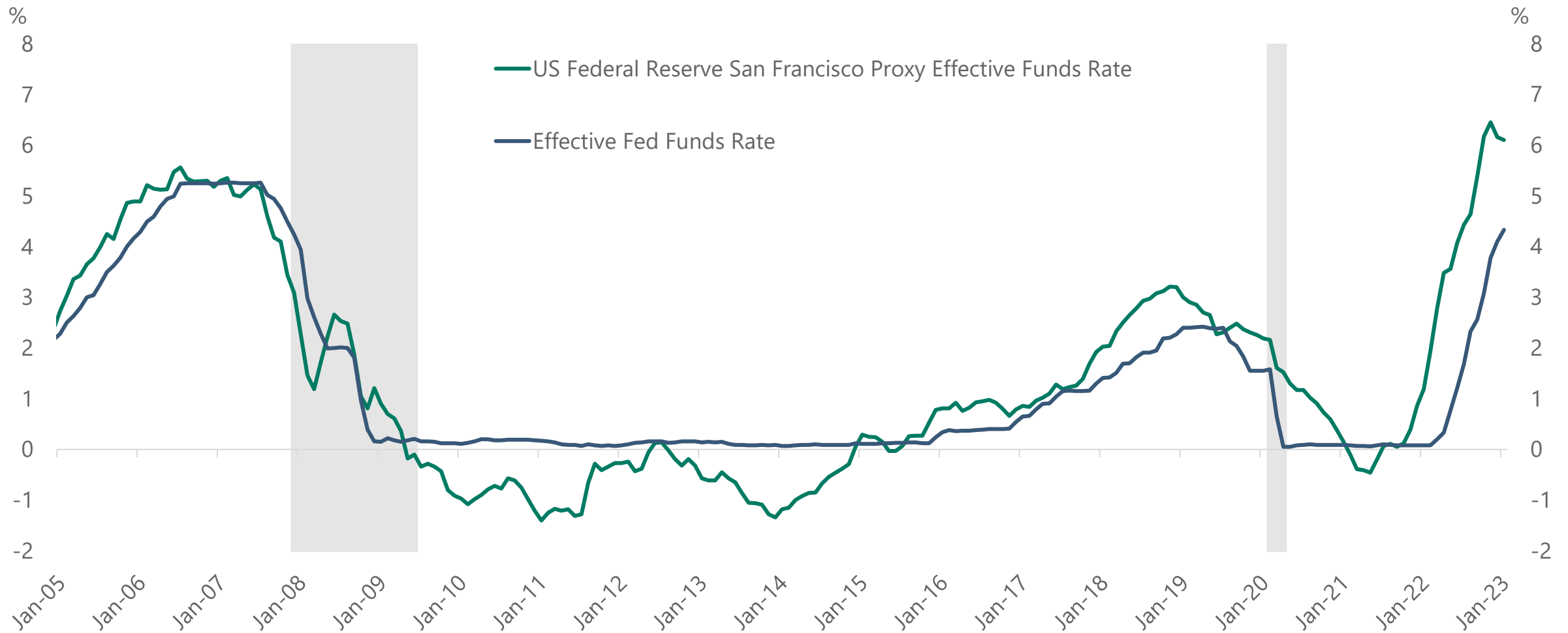
US car buying sentiment is turning more positive

Annualized, mn

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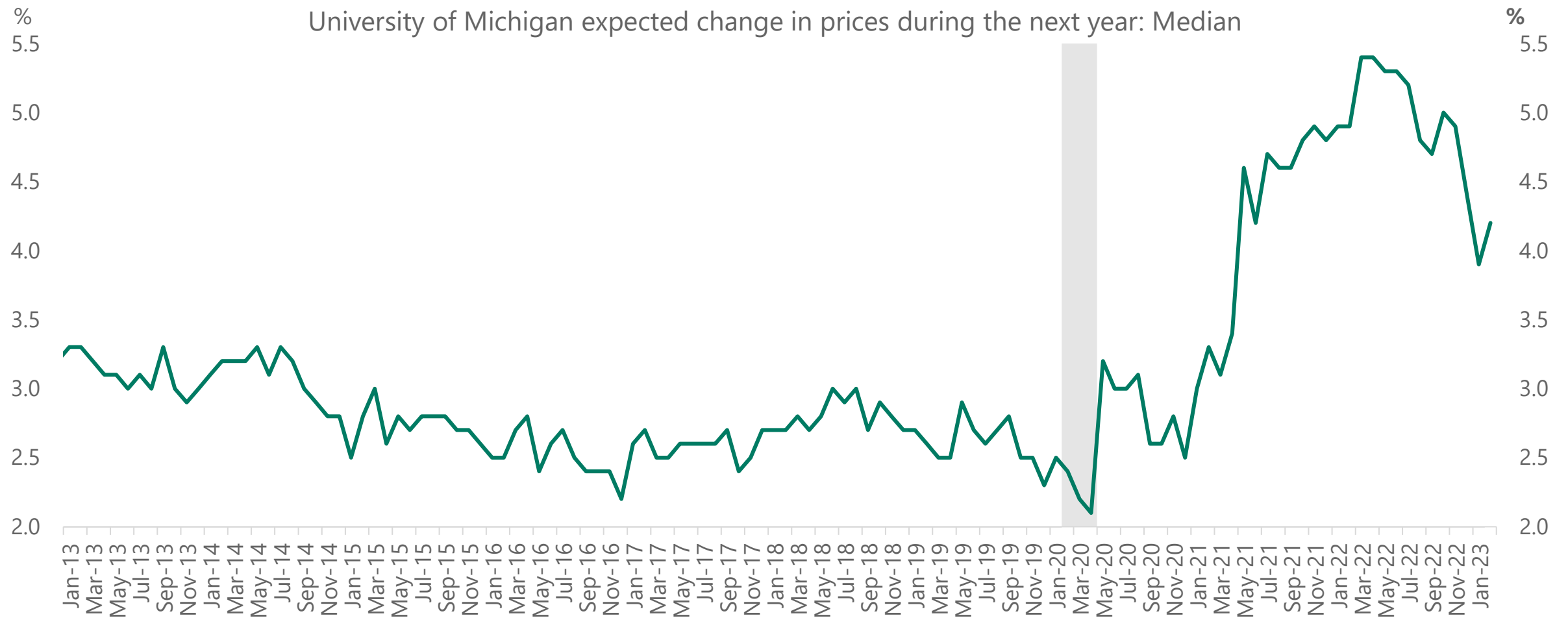


The Fed's own proxy Fed funds rate has rolled over



Source: Bloomberg, Apollo Chief Economist. Note: Source: Monthly series of the proxy funds rate, from Doh and Choi (2016) and Choi, Doh, Foerster, and Martinez (2022). This measure uses public and private borrowing rates and spreads to infer the broader stance of monetary policy. When the Federal Open Market Committee uses additional tools, such as forward guidance or changes in the balance sheet, these policy actions affect financial conditions, which the proxy rate translates into an analogous level of the federal funds rate. The proxy rate can be interpreted as indicating what the federal funds rate would typically be associated with prevailing financial market conditions if these conditions were driven solely by the funds rate.

Inflation expectations starting to rise again



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	1.0
	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	550.0	616.0
	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	64.9
	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	49.0	52.6	55.5	60.2	63.8	61.1	60.7	58.6	57.0	53.1	51.0	47.4
	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	3.4
	Average hourly wage (% YoY)	2.9	3.6	5.1	4.8	5.5	4.3	3.9	4.9	5.0	5.9	5.4	5.1	4.4
	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	191.8
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	18.1
	IG Spread (bps)	101	305	160	144	103	97	86	89	98	122	164	167	120
	HY Spread (bps)	360	877	644.0	541	386	336.0	304	315	310	343	587	543	407
	Yield curve (bps)	31	22	65	59	84	154	144	129	139	193	193	96	-48
	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	3.67
	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	20.7
	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	102.5
	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	151.4	48.4	39.4	51.5	7.7	3.1	2.0	1.1
	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	0.5

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.

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	8.5
	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	-3.9	-4.1	-0.8	14.2	4.0	4.8	5.5	4.4	2.4	1.9
	House prices (% yoy)	4.3	5.1	5.1	5.2	6.0	6.3	7.4	9.2	9.5	9.8	9.2	6.8	6.8
	Consumer Confidence	-7.7	-12.3	-14.5	-12.8	-12.1	-9.8	-2.1	-3.6	-9.2	-21.9	-24.0	-28.7	-20.9
	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	48.8
	Economic sentiment indicator	103	94	75	95	97	103	115	118	115	106	103	95	100
	Unemployment rate (%)	7.5	7.2	8.1	8.6	8.2	8.2	7.9	7.3	7.0	6.8	6.7	6.7	6.6
	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	14.5	12.7	17.2	17.3	18.0	18.2	17.1	15.4	15.4	13.2	11.0	10.0	13.0
	IG Spread (bps)	94	238	148	118	93	91	84	85	98	129	212	221	140
	HY Spread (bps)	308	754	521.0	472	355	314.0	296	304	331	400	641	625	407
	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	-0.133
	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	2.37
	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	22.4

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	10.5	3.9	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	48.5
	Home price expectations in the next 3 months	27	-81	-8	19	-3	42	29	24	29	26	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	13.3	12.1	15.9	14.6	14.7	14.0	13.0	11.9	12.2	11.6	9.9	8.6	10.7
	IG Spread (bps)	131	265	175	150	113	113	106	104	115	145	206	244	158
	HY Spread (bps)	445	993	721.0	607	463	379.0	372	353	390	463	709	698	577
	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	-0.61
	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	3.39

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.

China: Metro passenger volumes rebounded last week





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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.

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