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Labor market outlook:  
Employment growth strong, wage inflation rising

**Torsten Slok, Jyoti Agarwal, and Rajvi Shah**  
**tslok@apollo.com**

**Apollo Global Management**

March 2023

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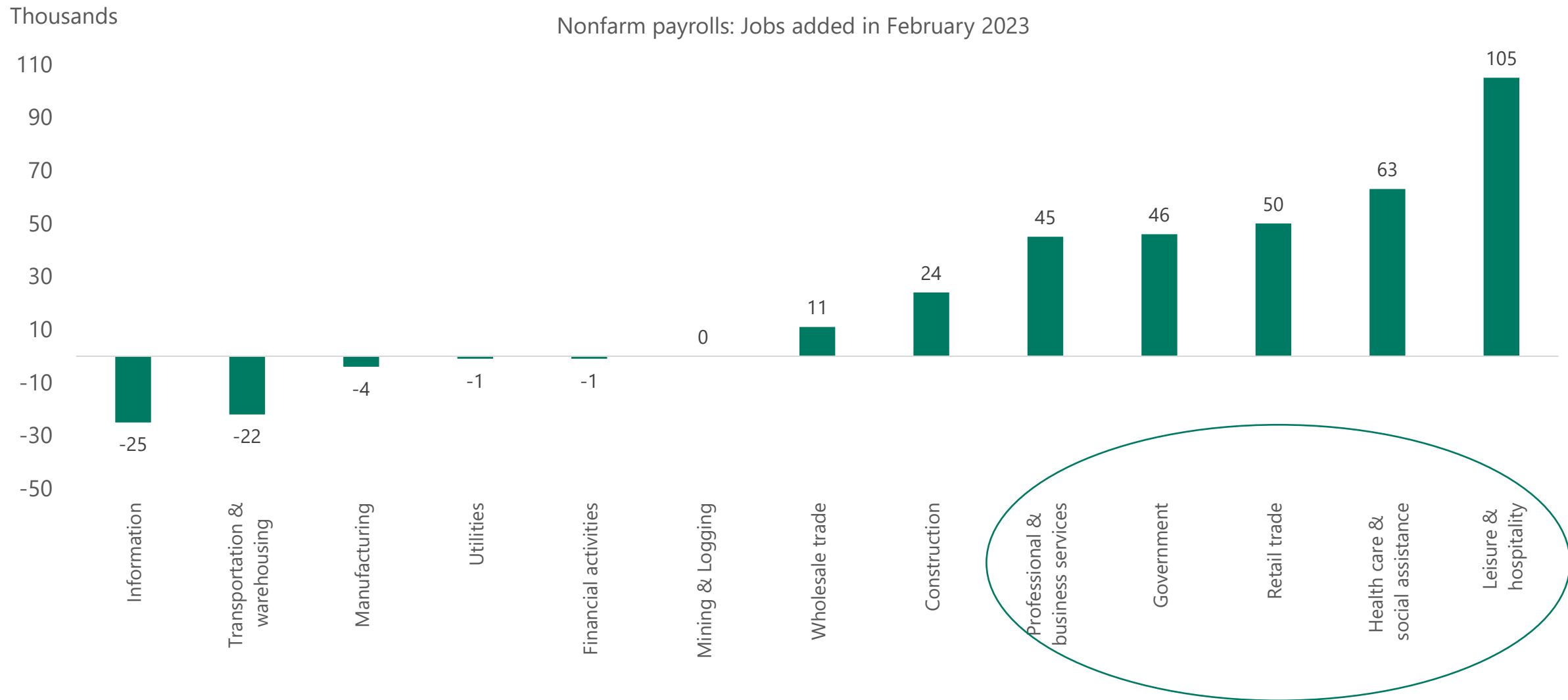
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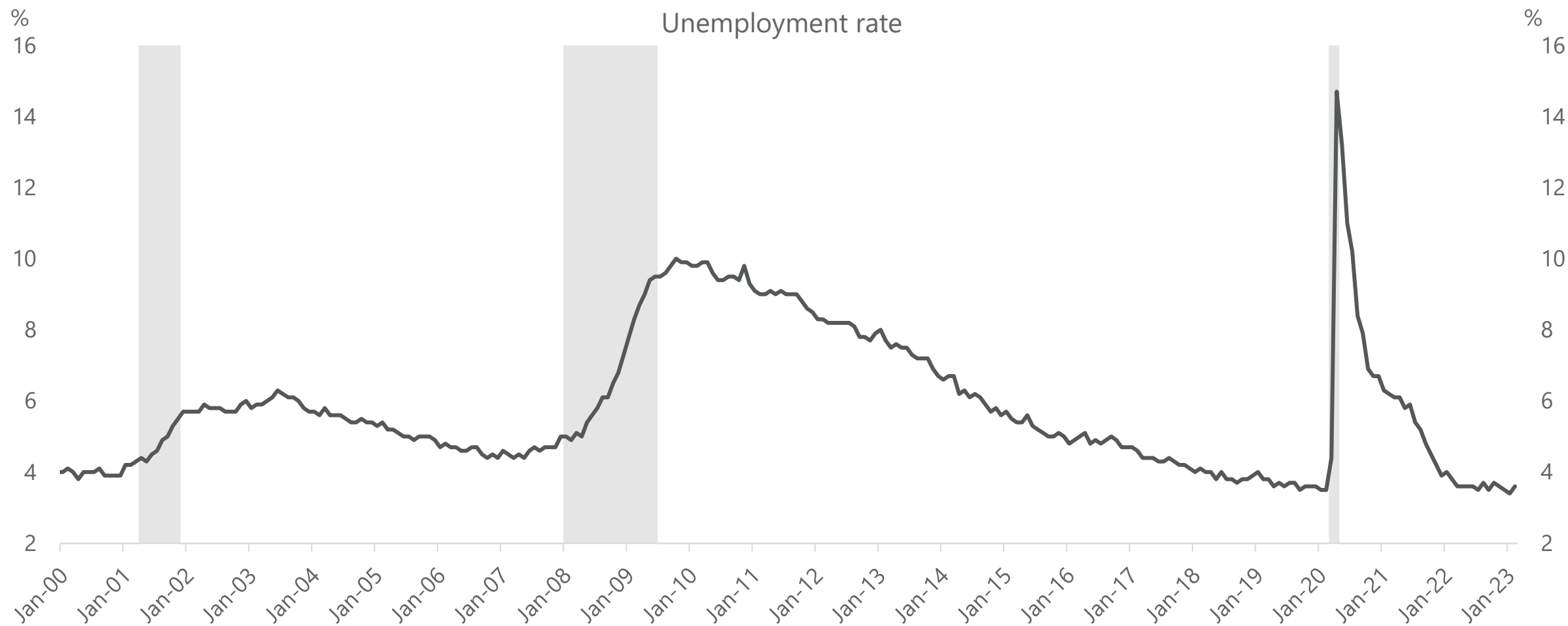


# 311K jobs added in February: Hiring particularly strong in the service sector

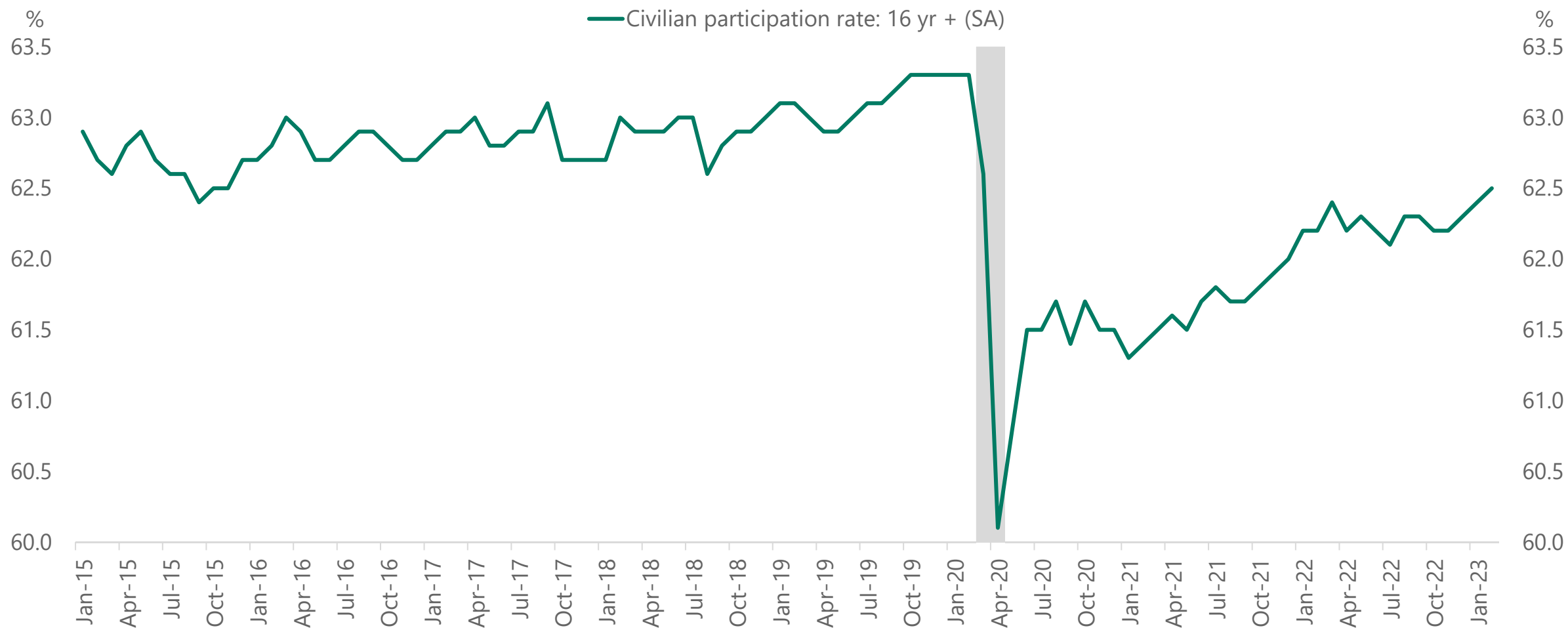


Most jobs created are in the service sector

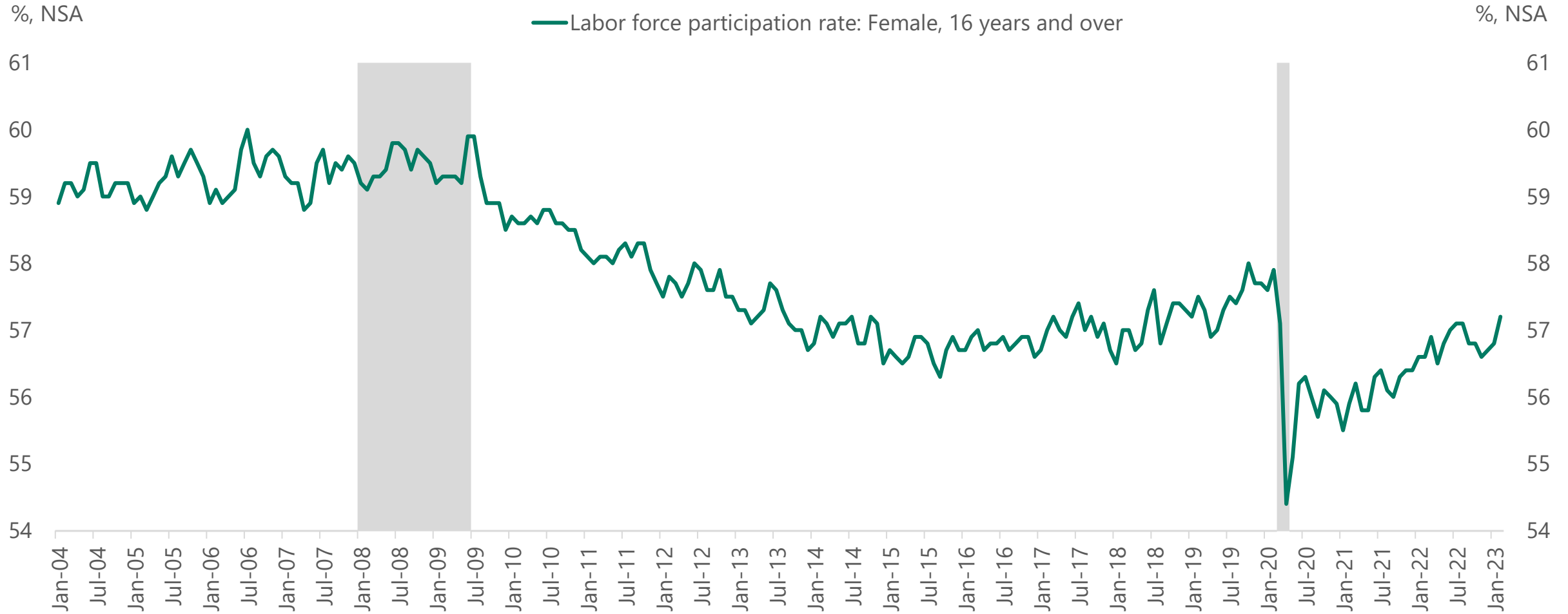
# Unemployment rate at 3.6%



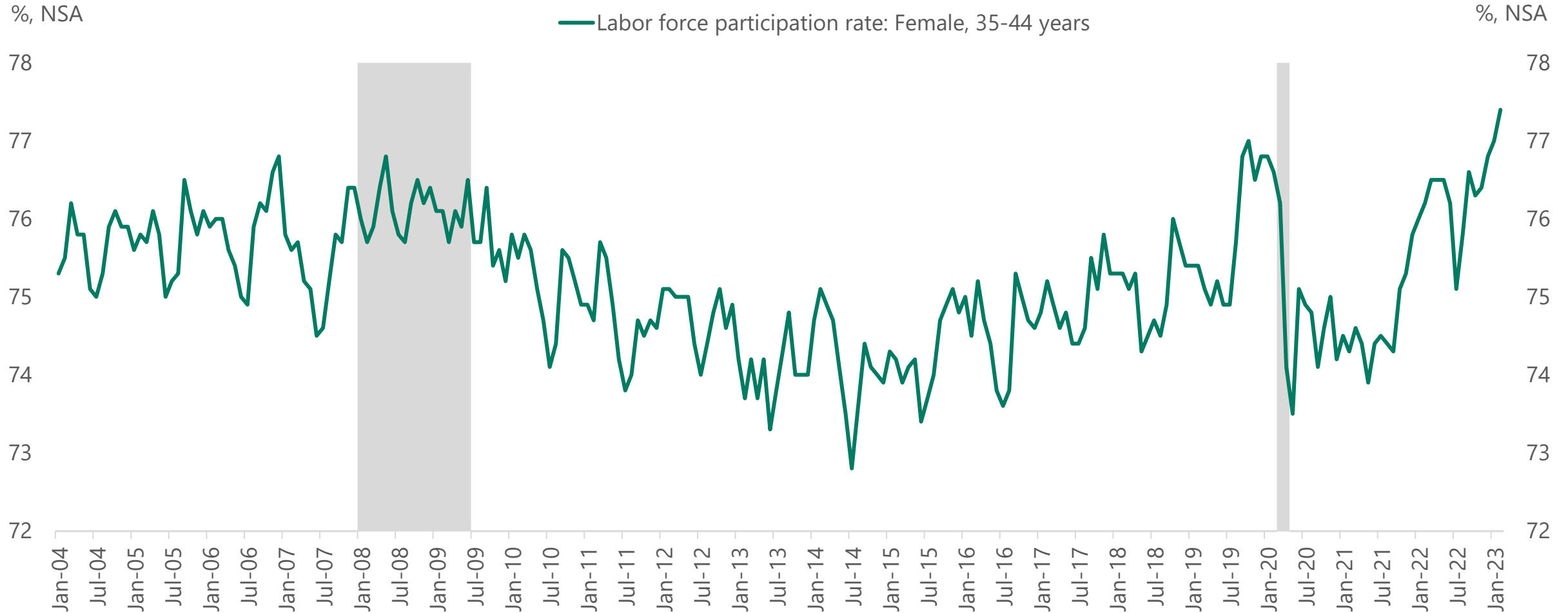
# Labor force participation rate increased to 62.5% in February



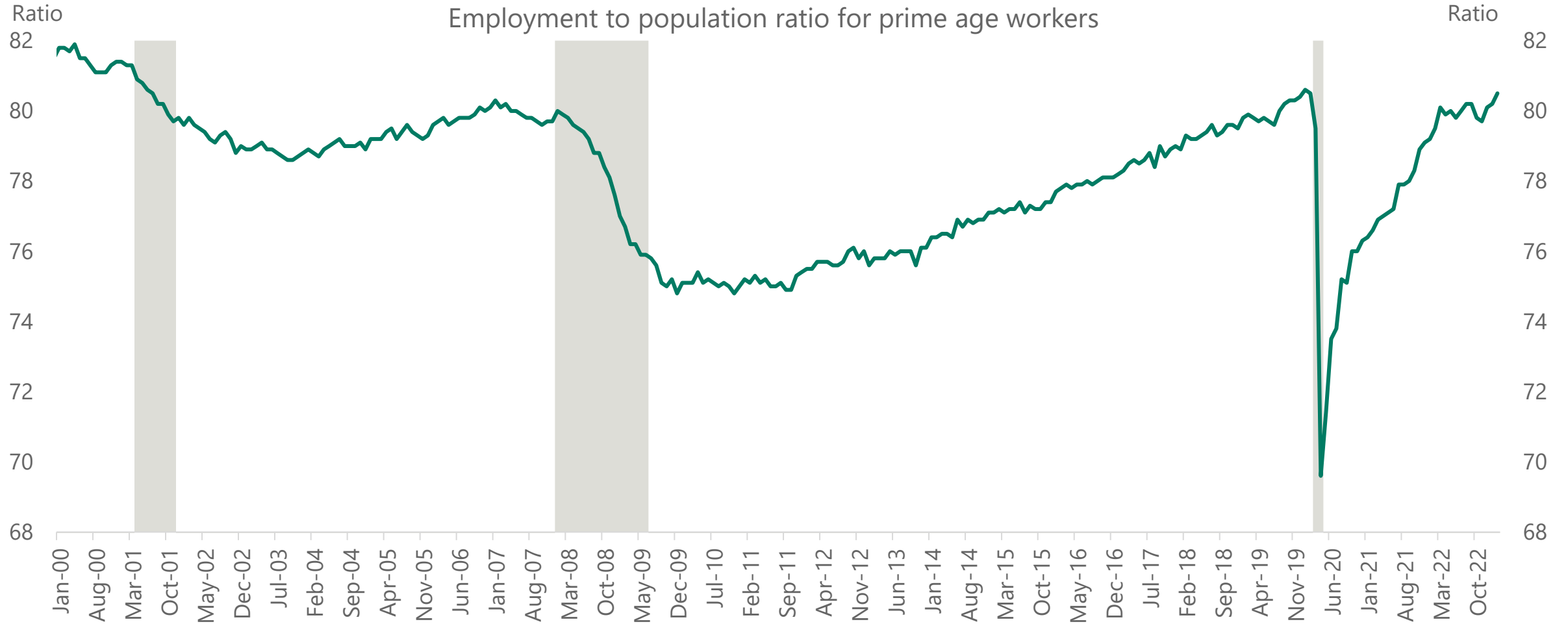
# Labor force participation rate for women increased in February



# Labor force participation rate for women rising in the 35-44 years age group

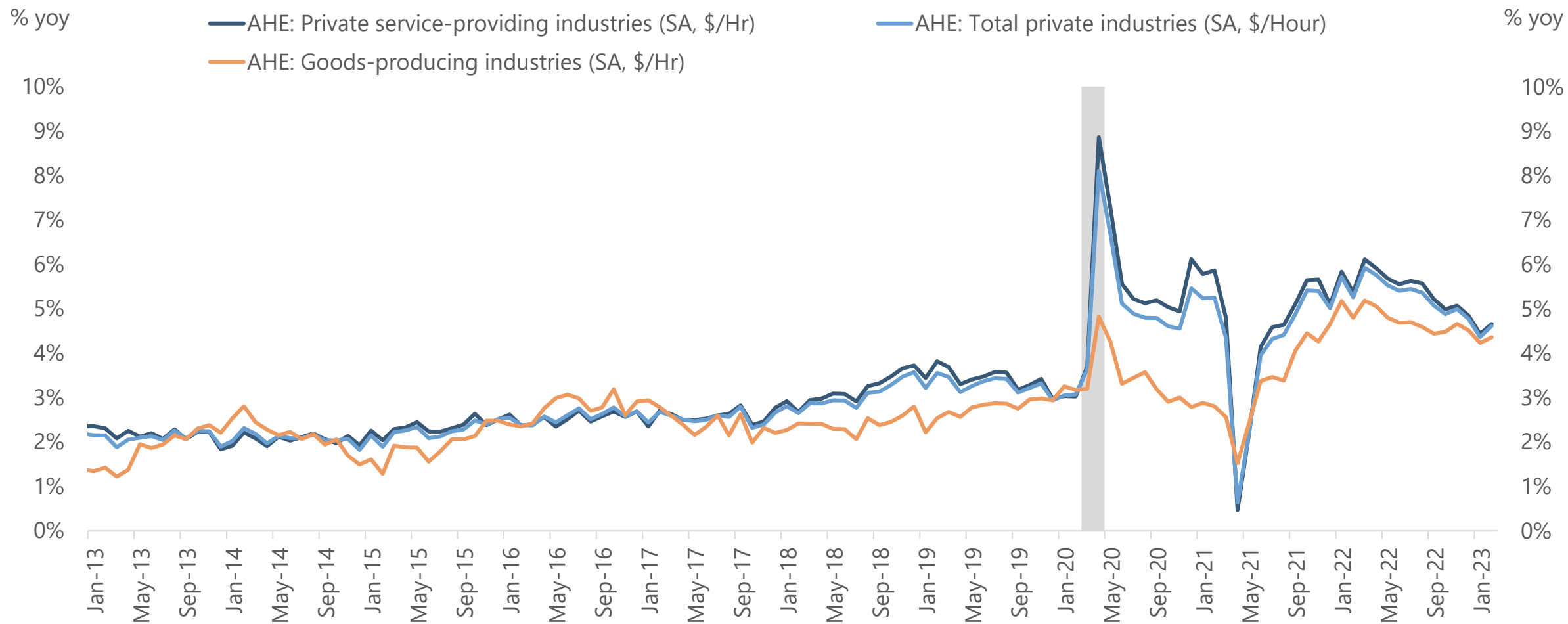


# Employment-to-population ratio for prime age workers rising to post-pandemic high

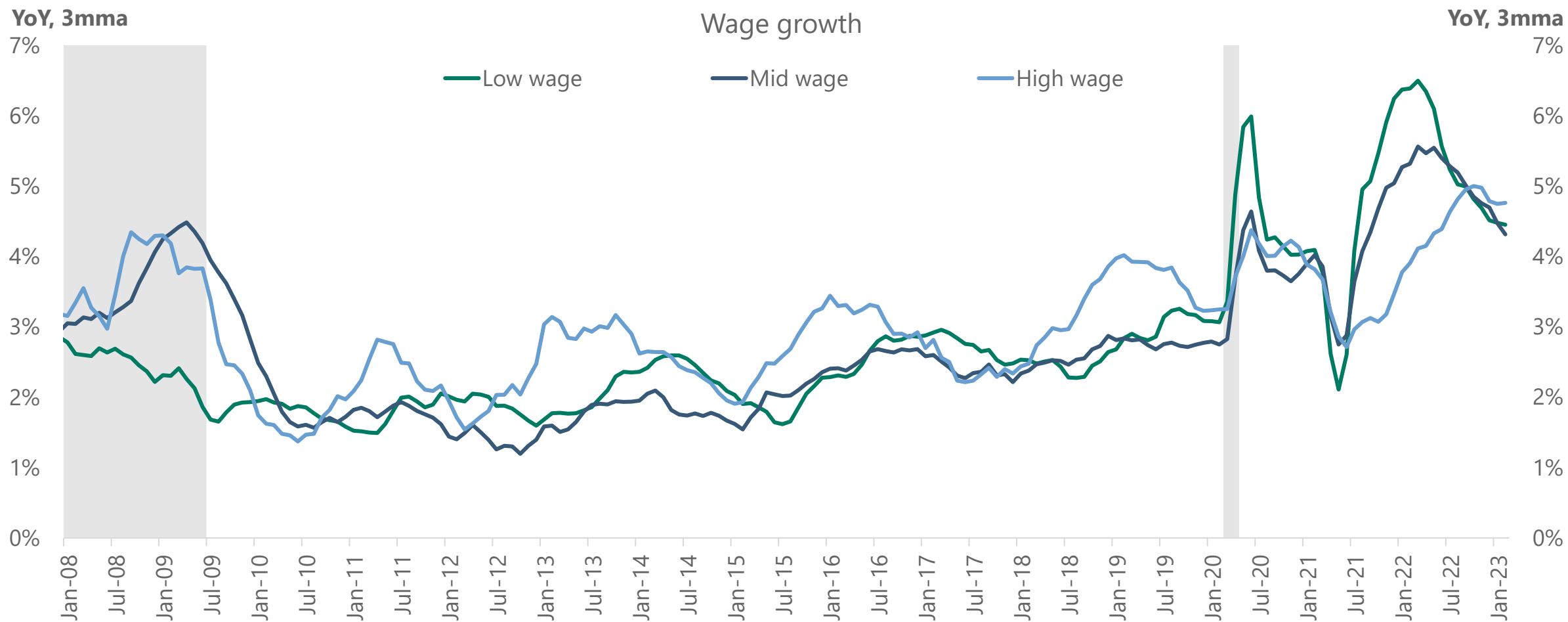




# Wage inflation across industries



# Wage inflation across the income distribution

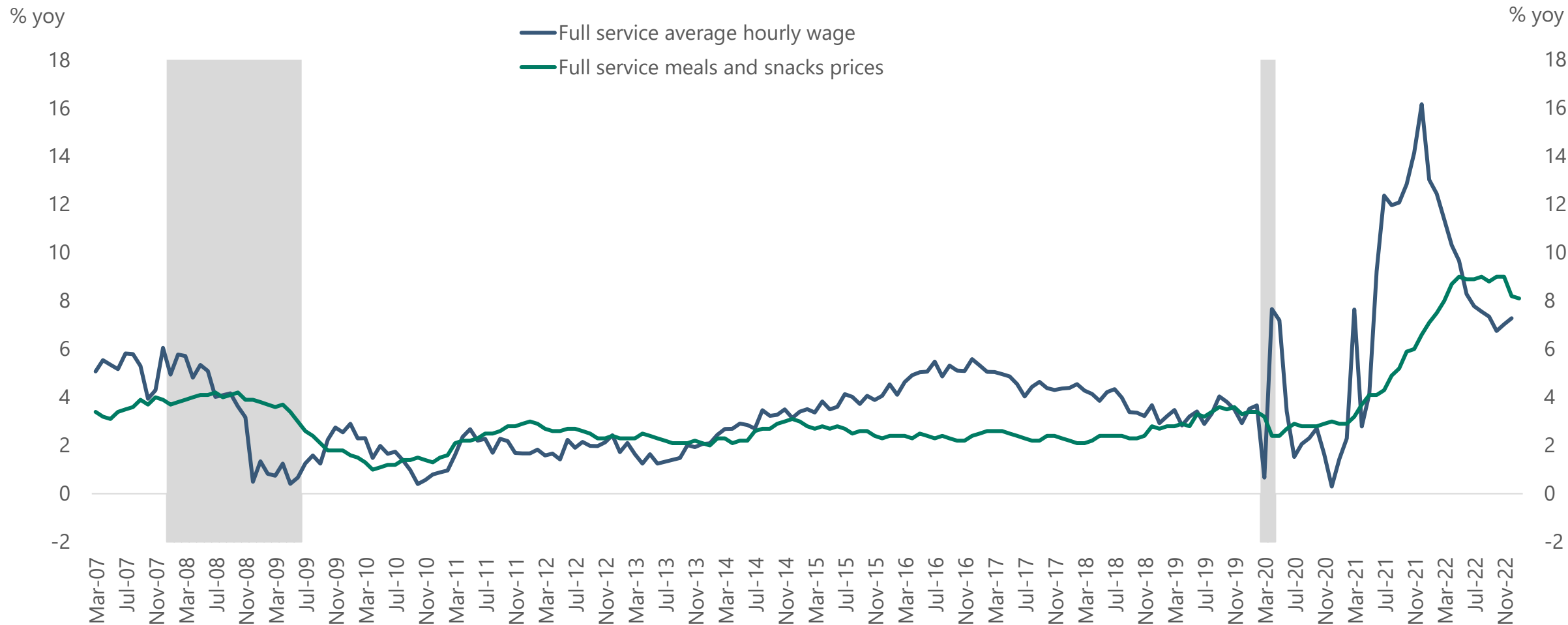


Source: BLS, Apollo Chief Economist. Note: Low wage workers are defined as the bottom third percentile in the wage distribution, mid wage workers as the mid third percentile and high wage workers as top third percentile

# Hotel and restaurant wages substantially above pre-covid trend



# Labor cost inflation and inflation converging in the fast-food industry



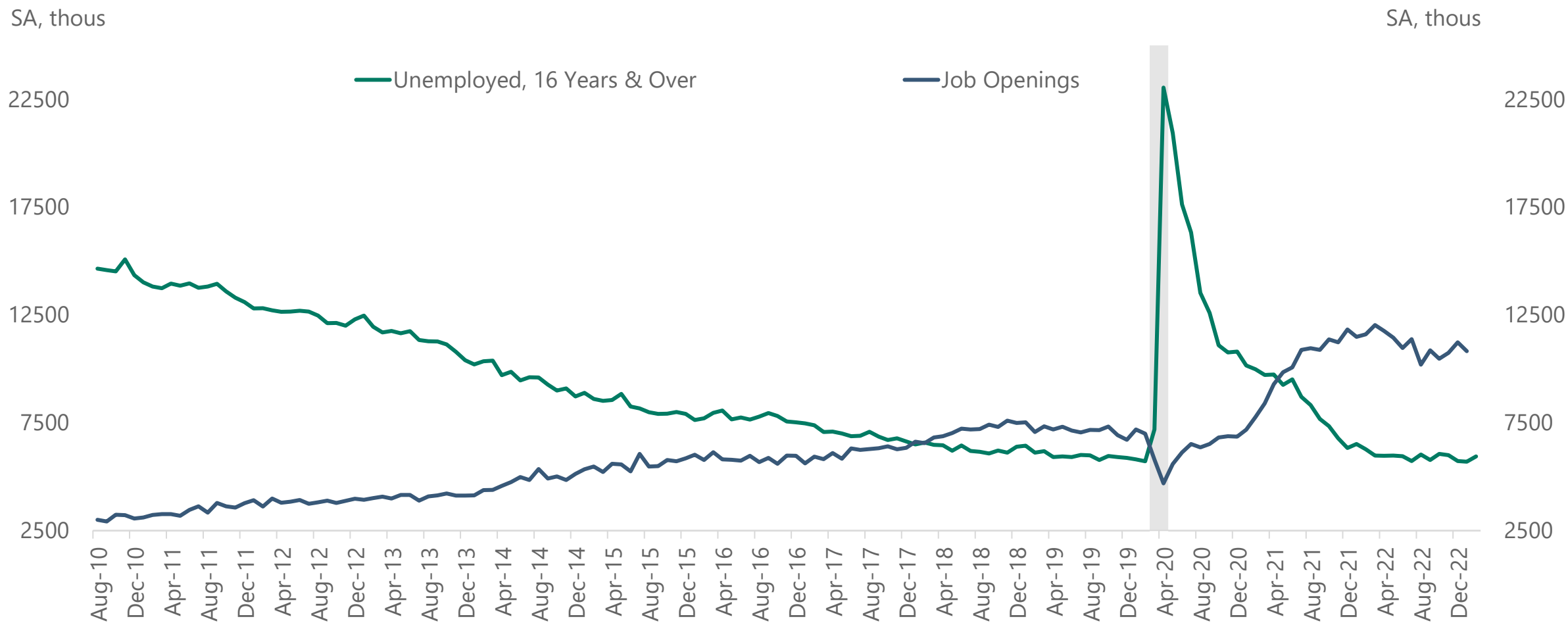
# Tracking the employment recovery in different sectors

	Feb-20	Apr-20	Dec-20	Feb-21	Dec-21	Feb-22	Dec-22	Jan-23	Feb-23
<b>Total nonfarm payrolls</b>	<b>100</b>	<b>86</b>	<b>94</b>	<b>94</b>	<b>98</b>	<b>99</b>	<b>101</b>	<b>102</b>	<b>102</b>
Oil and gas extraction	100	97	92	82	81	82	86	86	86
Clothing and clothing accessories stores	100	43	79	79	85	86	87	88	88
Electronics and appliance stores	100	91	94	90	94	95	89	89	89
Coal mining	100	80	83	82	84	86	89	89	89
Scenic and sightseeing transportation	100	42	61	59	83	89	93	92	92
Nursing and residential care facilities	100	96	92	91	88	88	91	92	92
Mining and logging	100	90	81	79	84	85	92	92	92
Telecommunications	100	99	96	96	93	93	93	93	93
Rail transportation	100	97	93	92	92	92	94	94	94
Child day care services	100	64	82	82	88	89	93	94	94
Automobile dealers	100	77	93	93	95	95	96	96	96
Museums	100	73	76	76	86	88	95	96	97
Amusements, gambling, and recreation	100	44	72	74	88	90	96	96	97
Sporting goods, hobby, book, and music stores	100	68	92	94	96	97	97	97	97
Leisure and hospitality	100	51	75	78	90	92	96	97	98
Government	100	96	95	95	96	97	98	98	98
Motor vehicles and parts	100	81	95	94	97	97	99	99	99
Performing arts and spectator sports	100	51	59	62	92	91	98	98	99
Food services and drinking places	100	51	79	82	92	94	98	99	99
Retail trade	100	85	97	98	99	100	100	100	100
Motion picture and sound recording industries	100	50	68	73	101	101	105	103	101
Hospitals	100	98	99	98	97	98	100	100	101

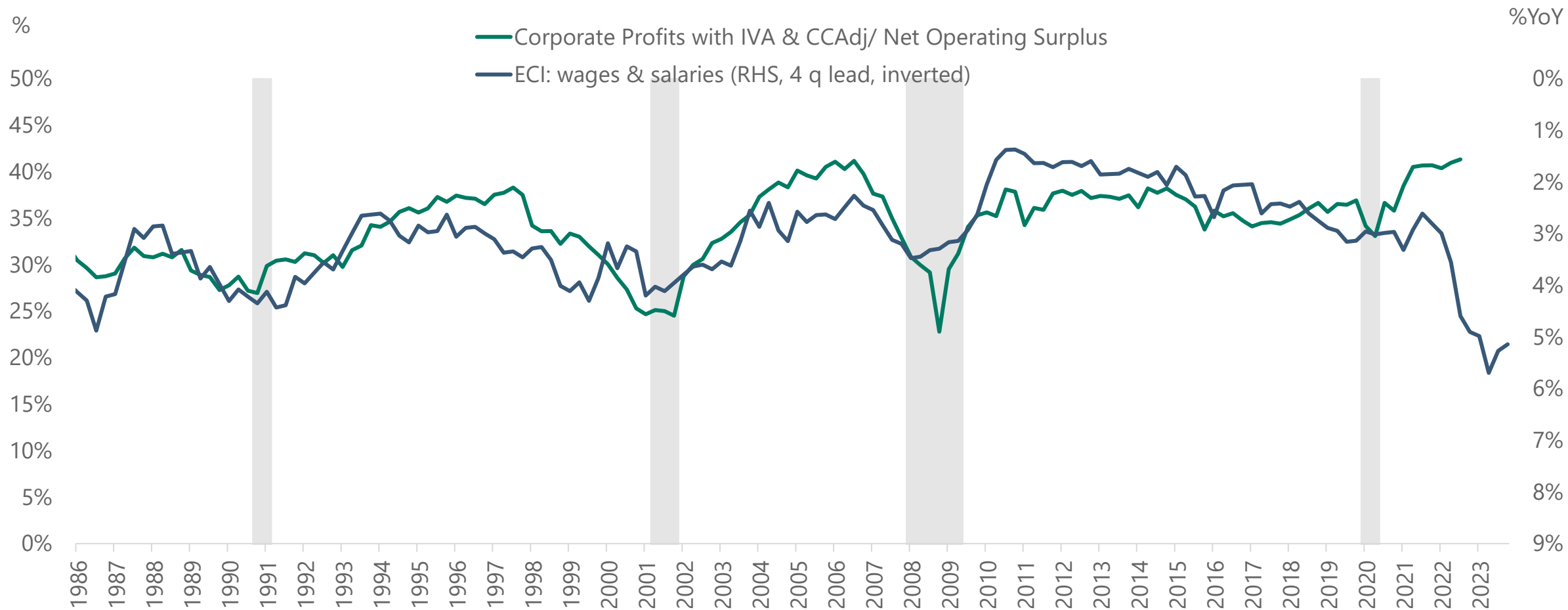
# Tracking the employment recovery in different sectors

	Feb-20	Apr-20	Dec-20	Feb-21	Dec-21	Feb-22	Dec-22	Jan-23	Feb-23
Total nonfarm payrolls	100	86	94	94	98	99	101	102	102
General merchandise stores	100	95	101	103	102	106	100	100	102
Service-producing industries	100	85	93	94	98	99	101	102	102
Good-producing industries	100	88	95	95	98	99	102	102	102
Air transportation	100	85	82	85	93	93	101	102	102
Wholesale trade	100	93	95	95	99	100	102	102	103
Financial activities	100	97	98	98	101	101	103	103	103
Gas stations	100	94	97	97	98	100	102	103	103
Health and personal care stores	100	90	95	98	103	103	104	103	103
Food and beverage stores	100	99	103	103	101	101	103	104	104
Trade, transportation, and utilities	100	89	98	98	102	103	104	104	104
Construction	100	86	97	96	100	101	103	104	104
Office of physicians	100	89	99	99	101	102	105	105	105
Truck transportation	100	94	98	98	102	103	106	106	105
Real estate	100	93	97	98	102	103	105	105	106
Professional and business services	100	89	97	98	103	104	106	107	107
Building material and garden supply stores	100	99	112	109	109	110	109	109	109
Publishing industries, except internet	100	97	99	100	107	108	112	112	111
Couriers and messengers	100	103	120	125	130	131	128	128	127
Warehousing and storage	100	96	119	121	141	145	147	147	146

# 11mn job openings and 6mn unemployed

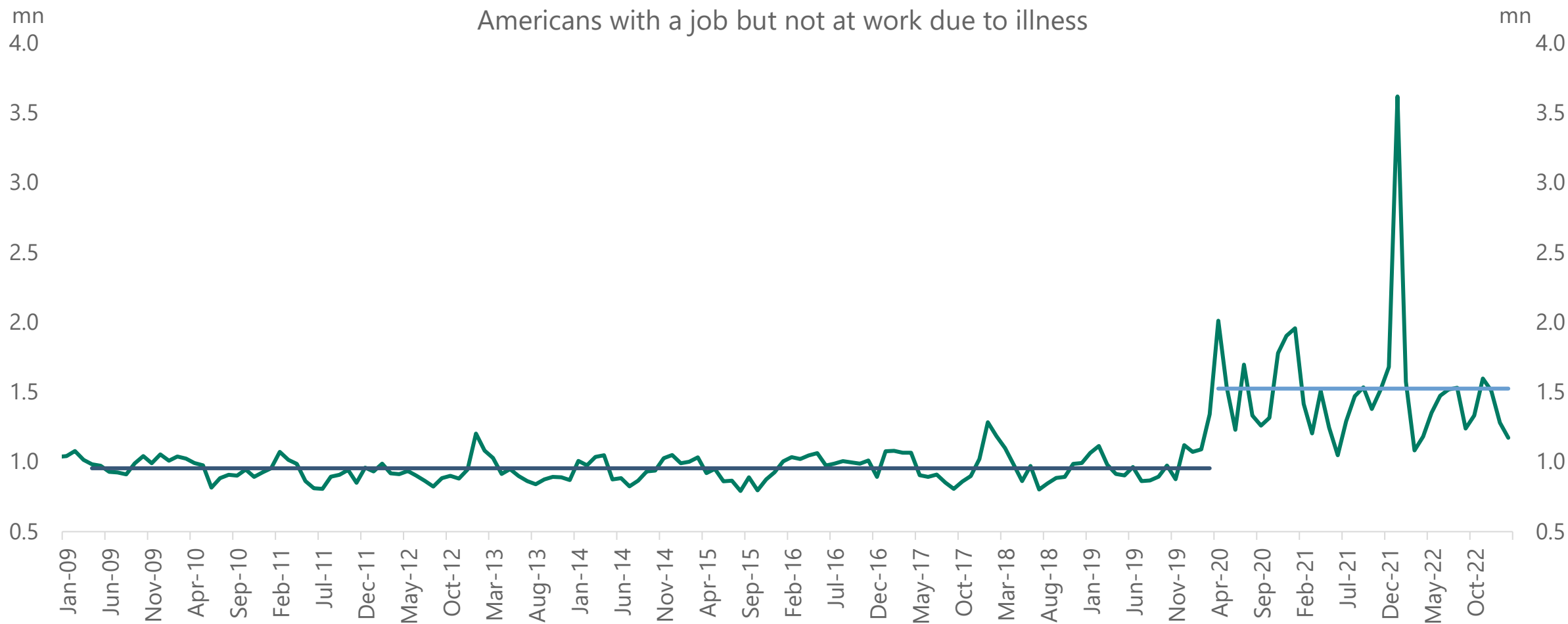


# Rising labor costs continue to weigh on profit margins

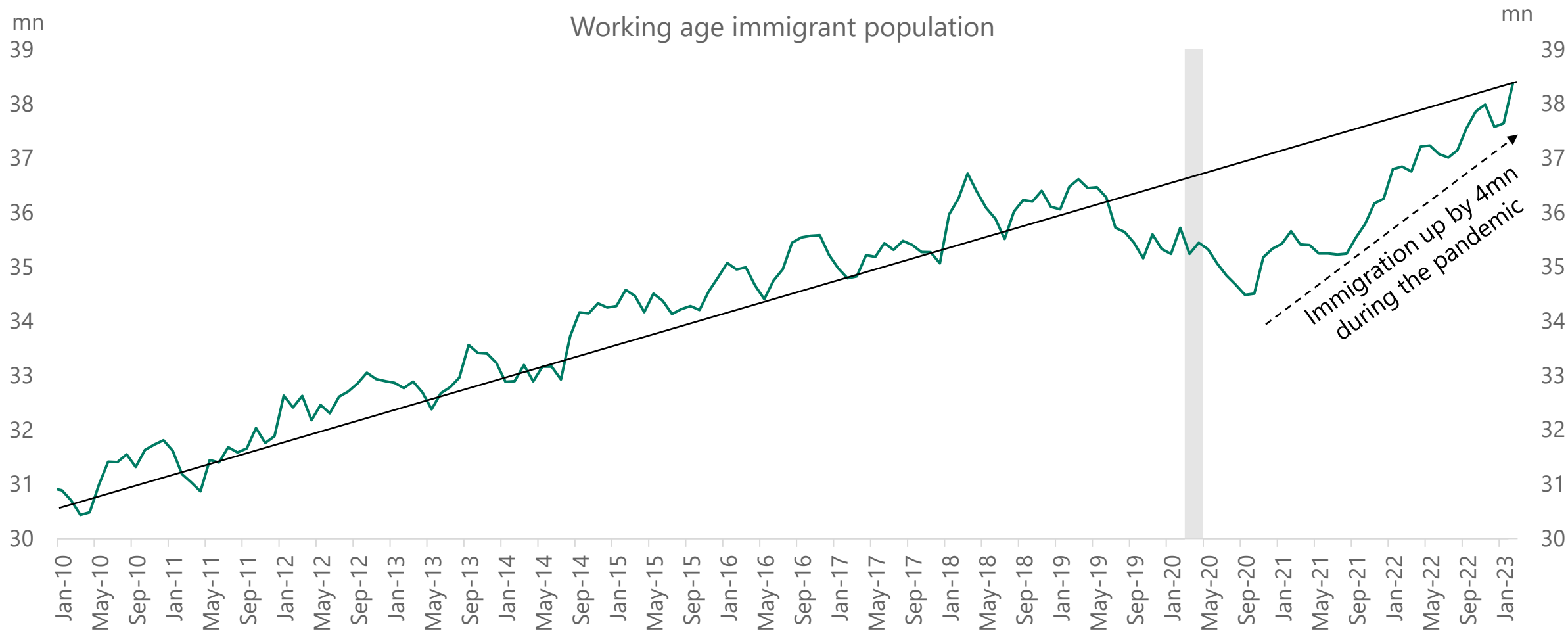




# Americans with a job but not at work due to illness



Working age immigrant population is up 4 million over the past 2½ years, boosting job growth and limiting wage pressures





# 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.