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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 March 2023

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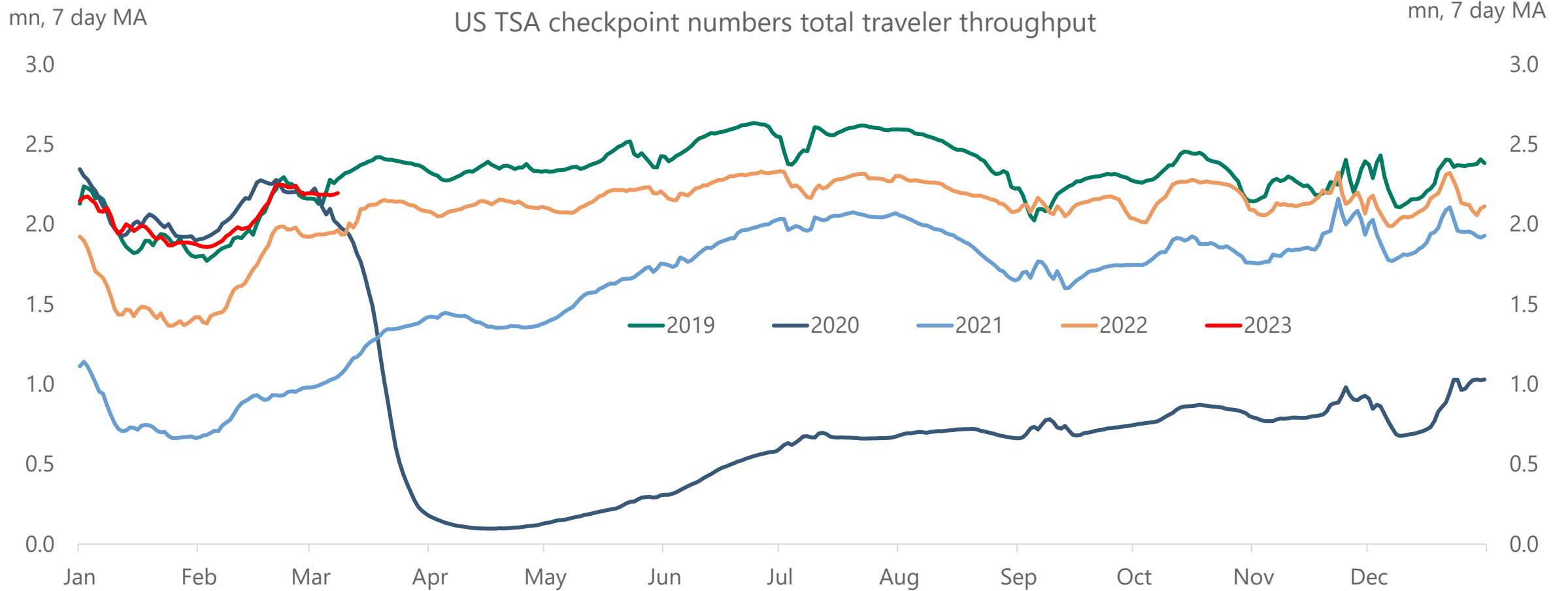
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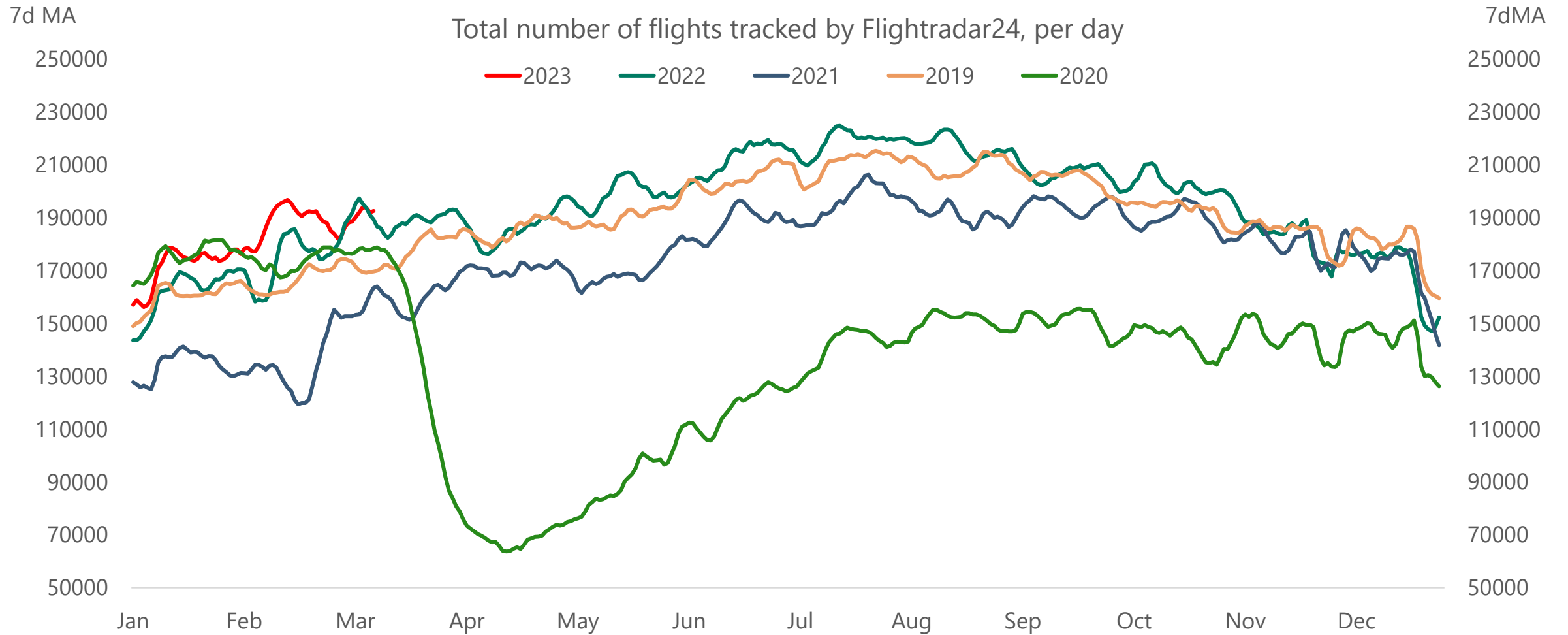


Daily economic indicators

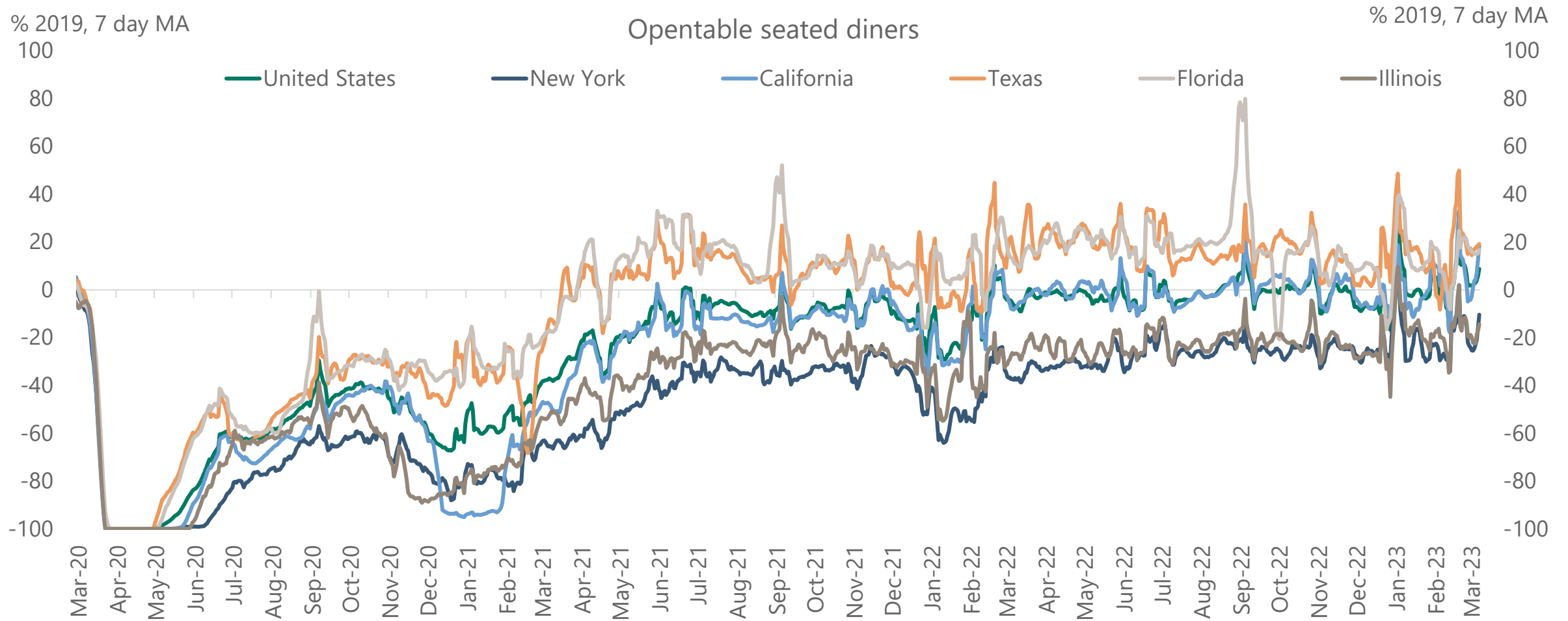
US air travel still strong



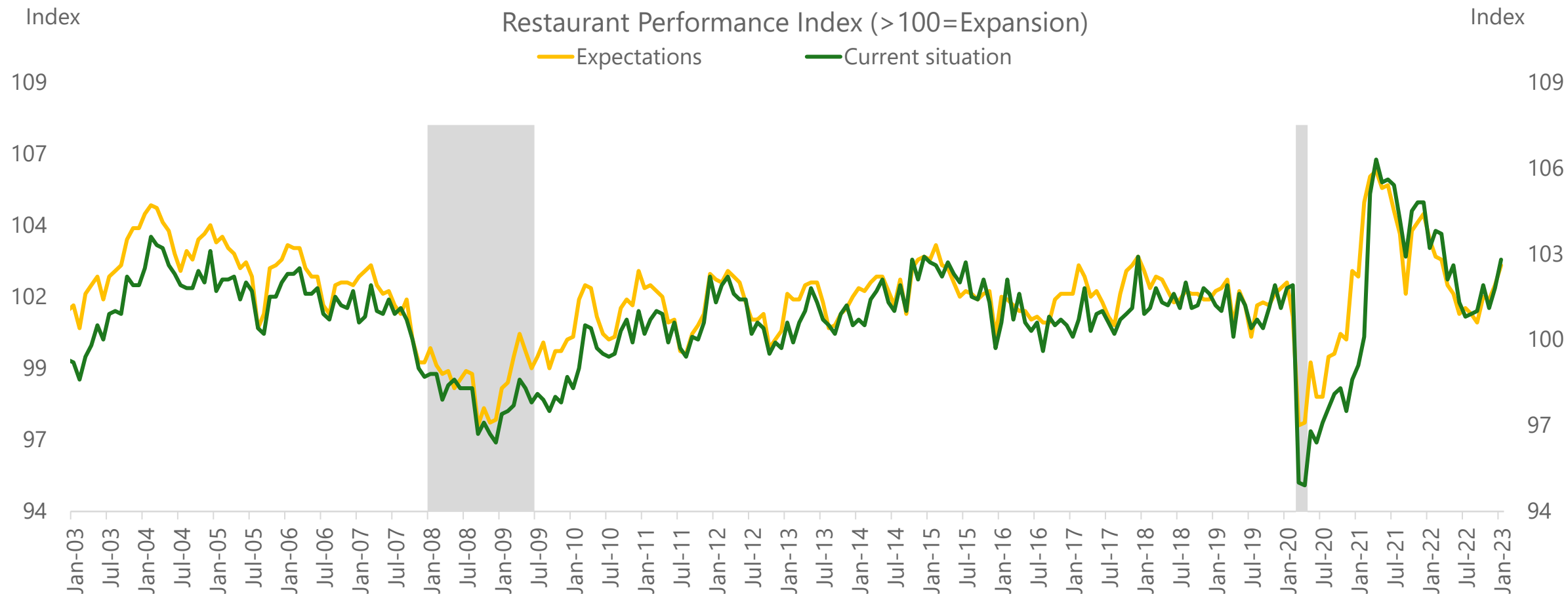
Global air traffic at the highest level in five years



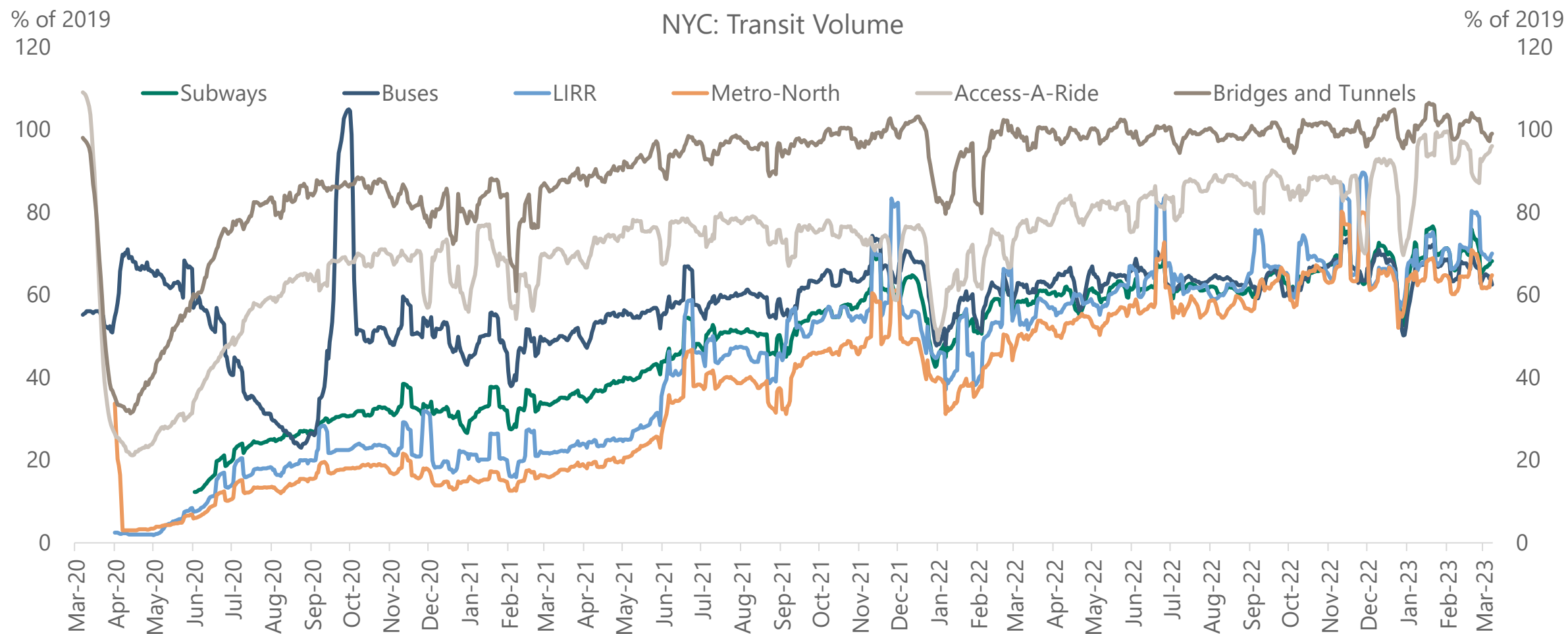
Restaurant bookings still strong



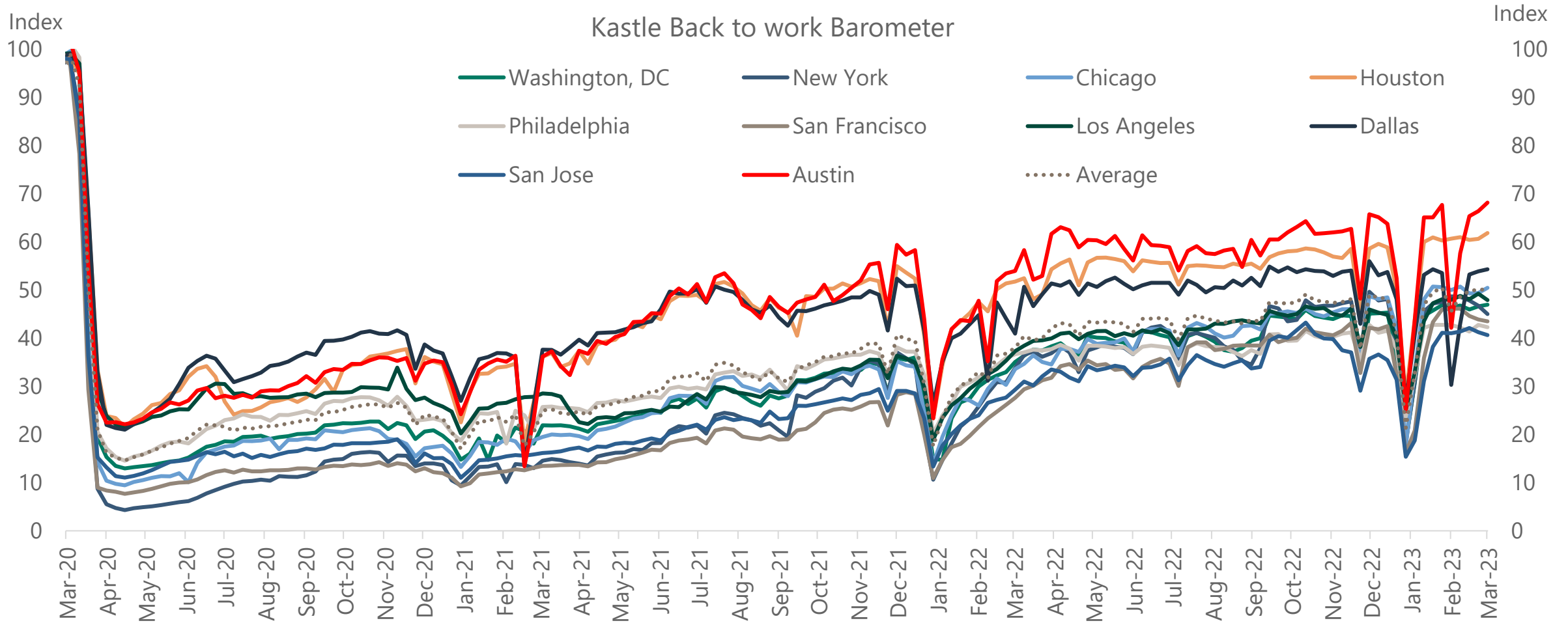
Restaurant demand rebounding



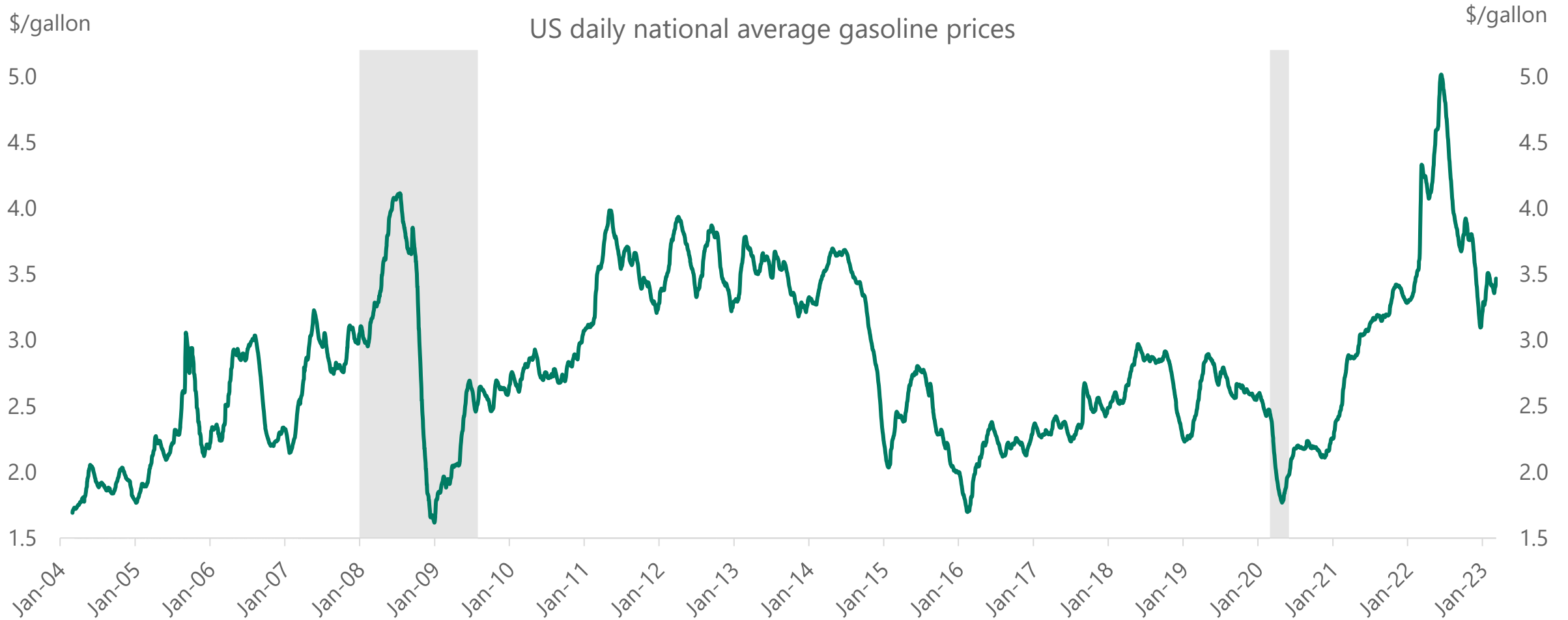
NYC mobility indicators still solid



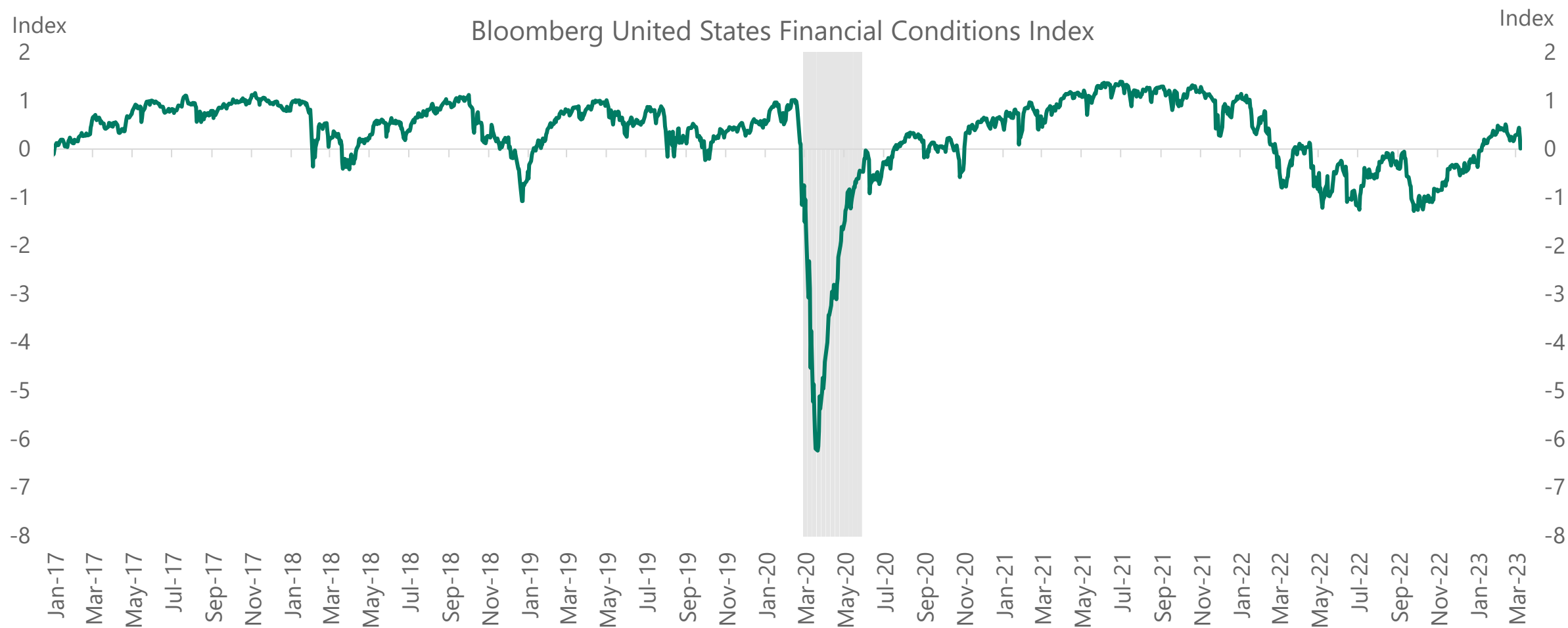
New York City: Office use 45% of capacity



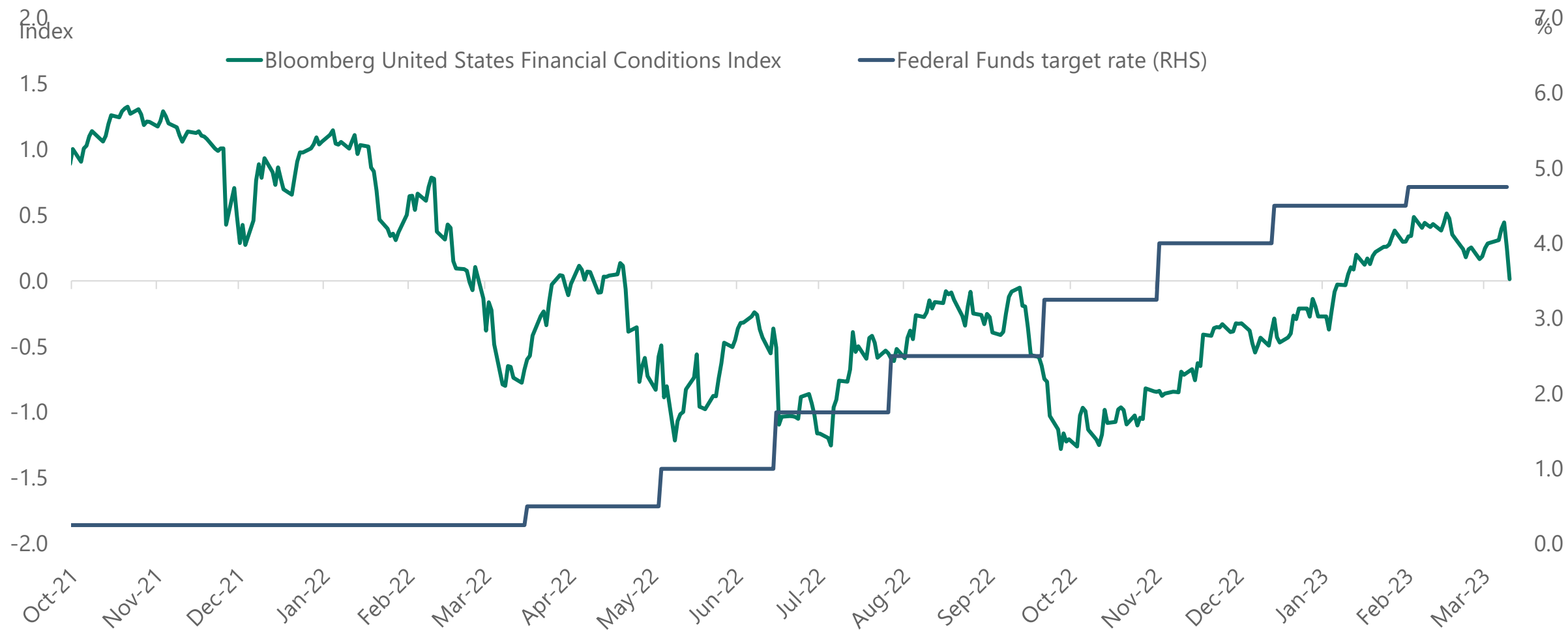
Average US retail gas prices down from \$5 to \$3.5 per gallon



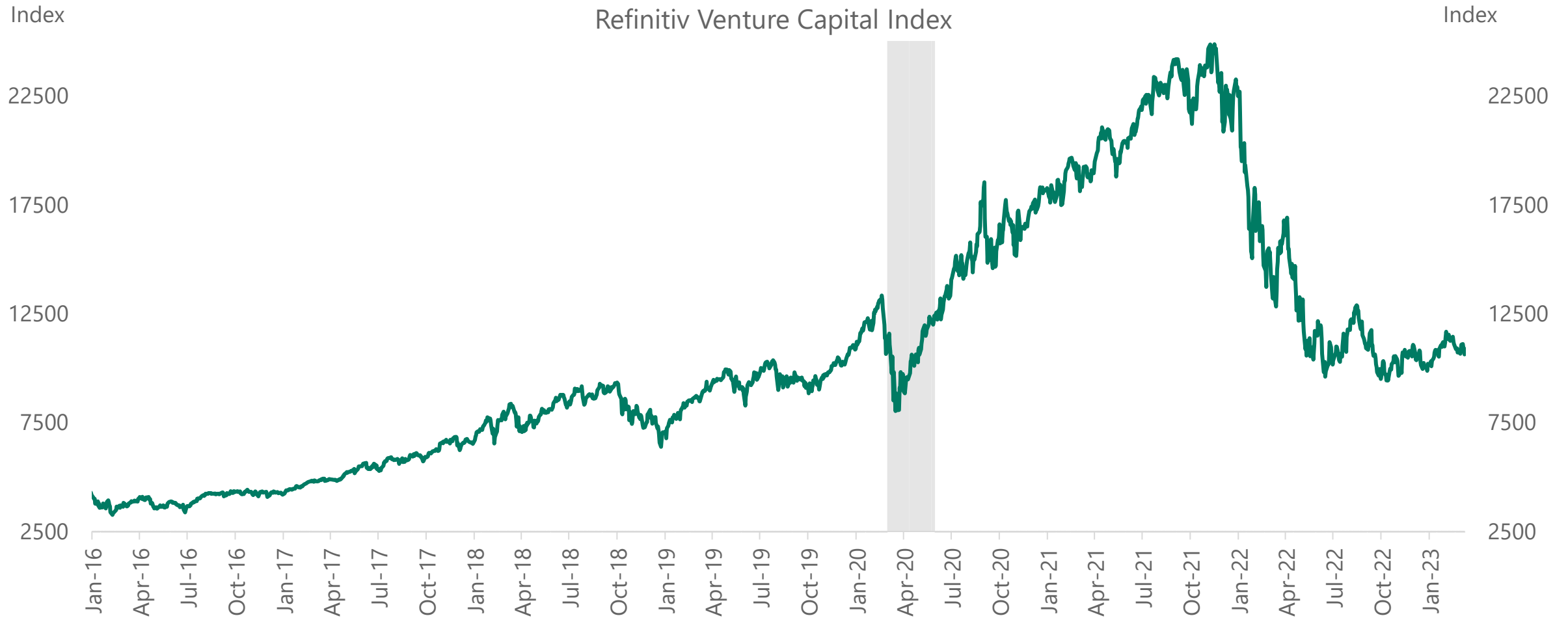
Financial conditions easing



Fed raising rates and financial conditions starting to tighten

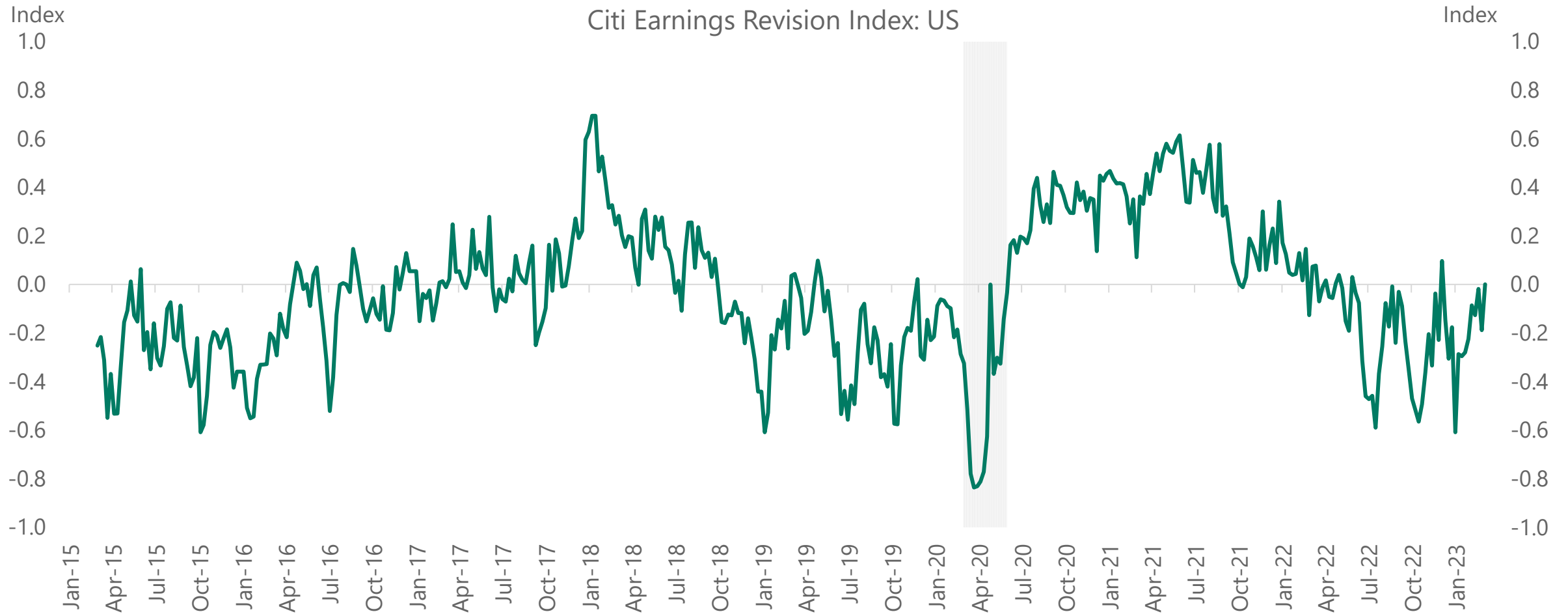


US venture capital valuations down 60% from the peak



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.

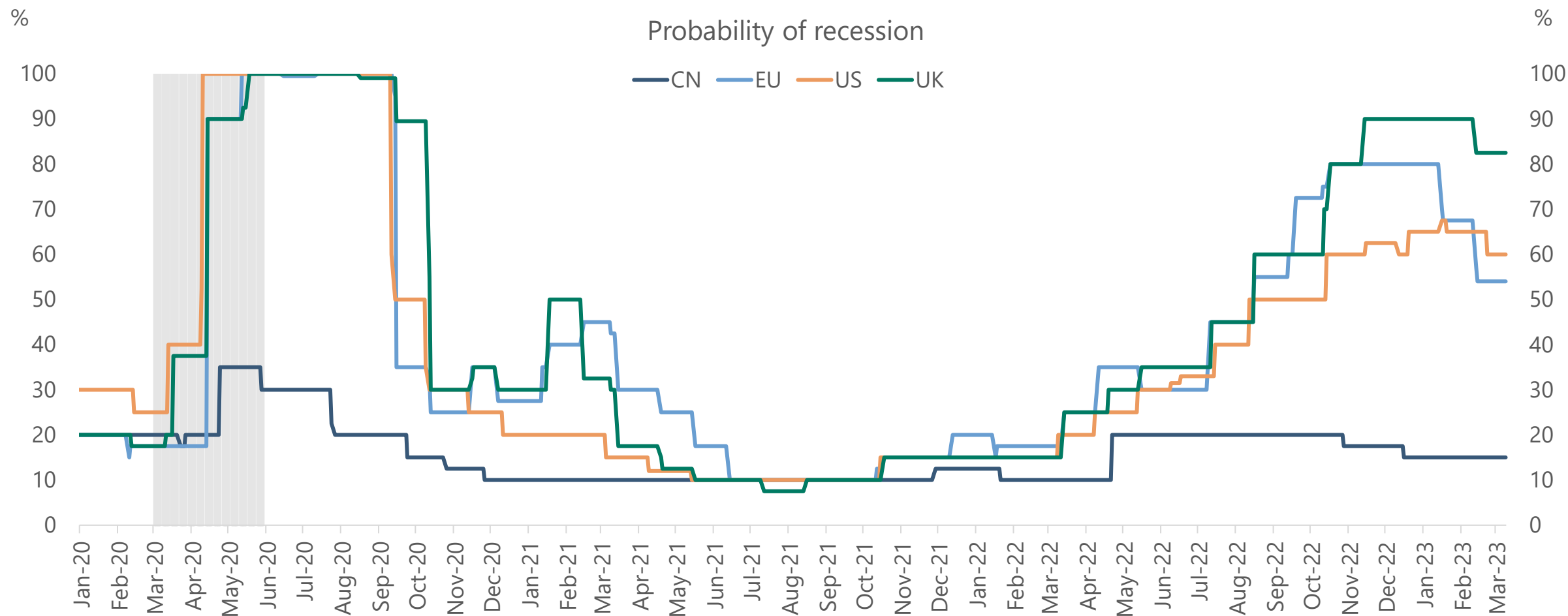
Corporate earnings revisions: Upgrades minus downgrades



Not much additional yield left in IG relative to the Fed funds rate

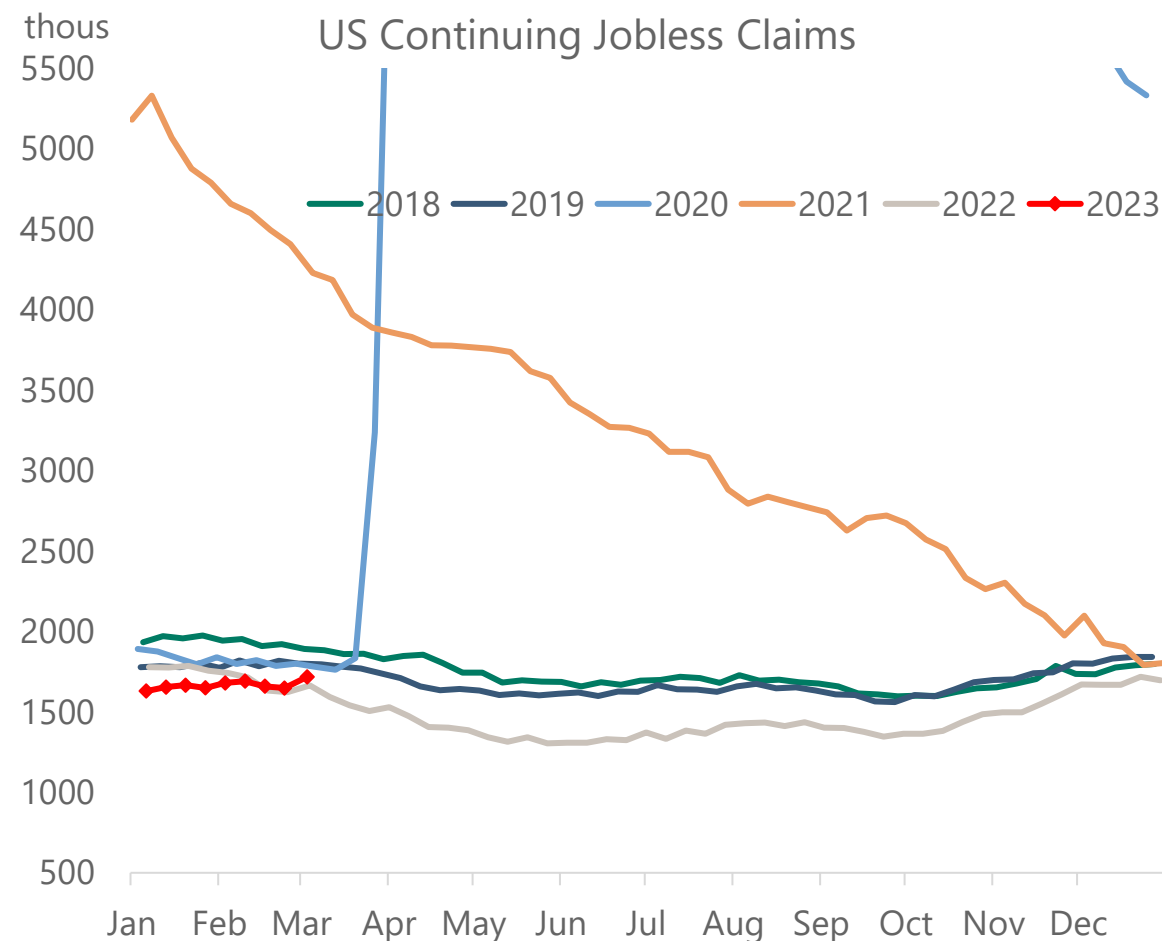
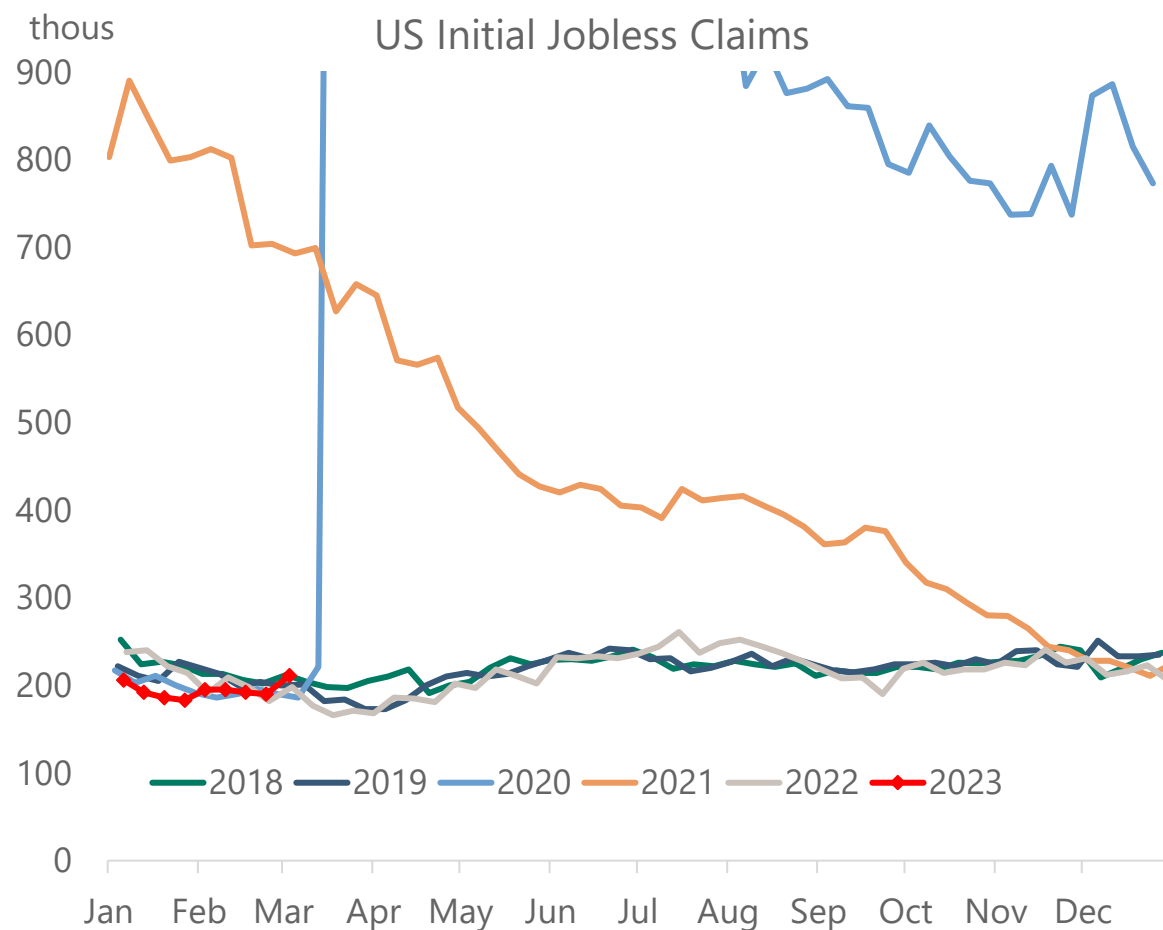


Recession probability declining for US, Europe, and China

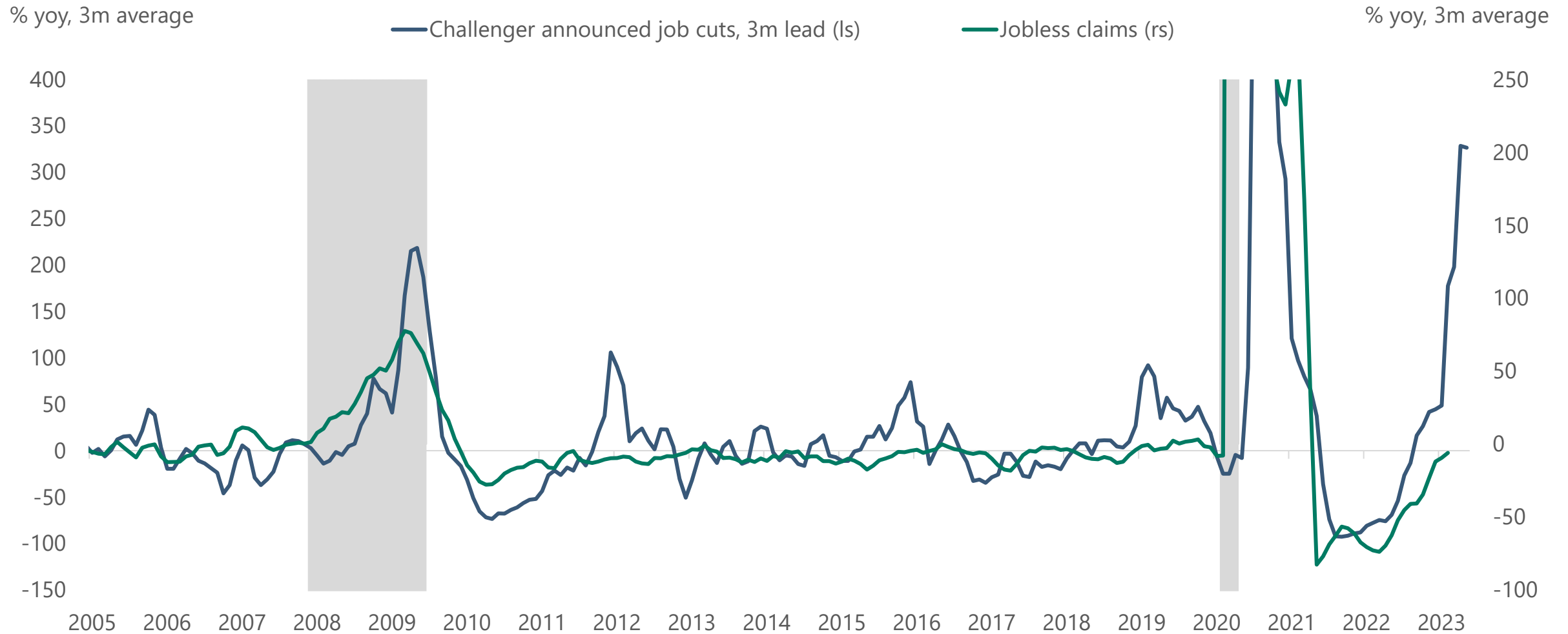


Weekly economic indicators

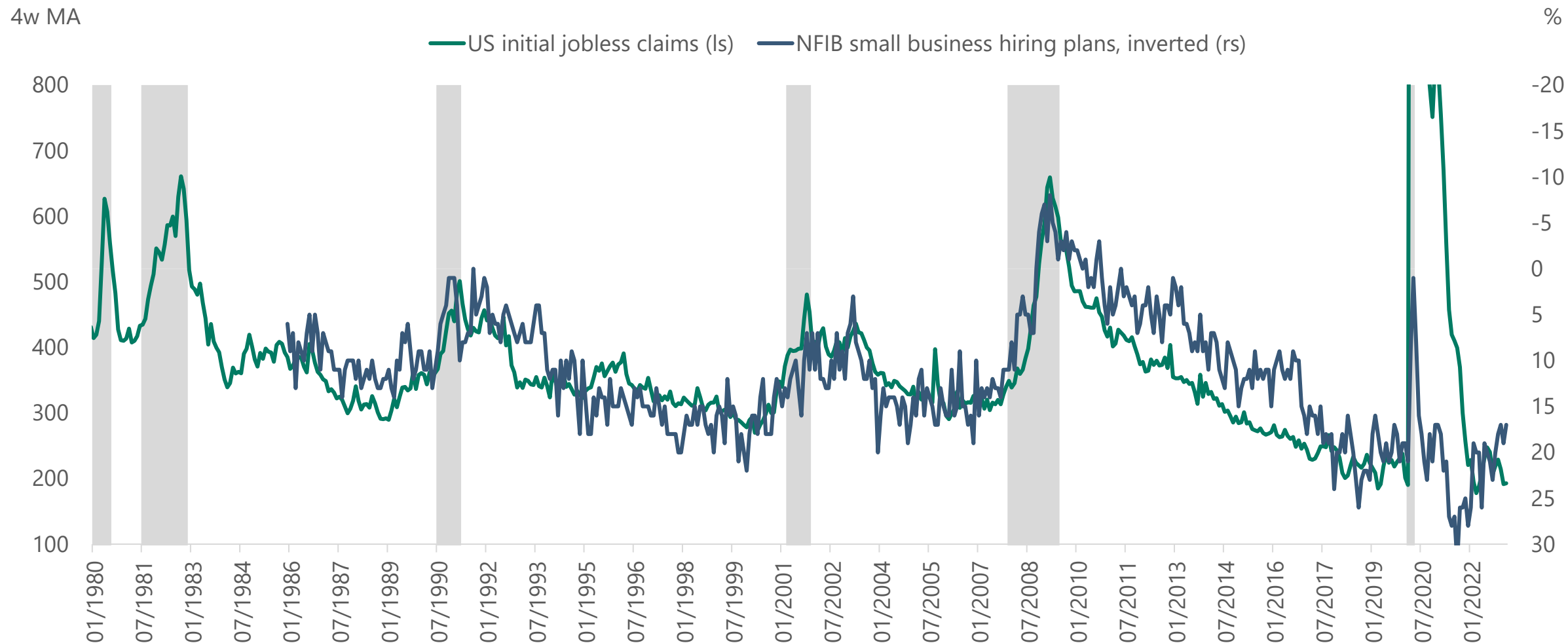
Jobless claims still low: No signs of a slowdown in the labor market



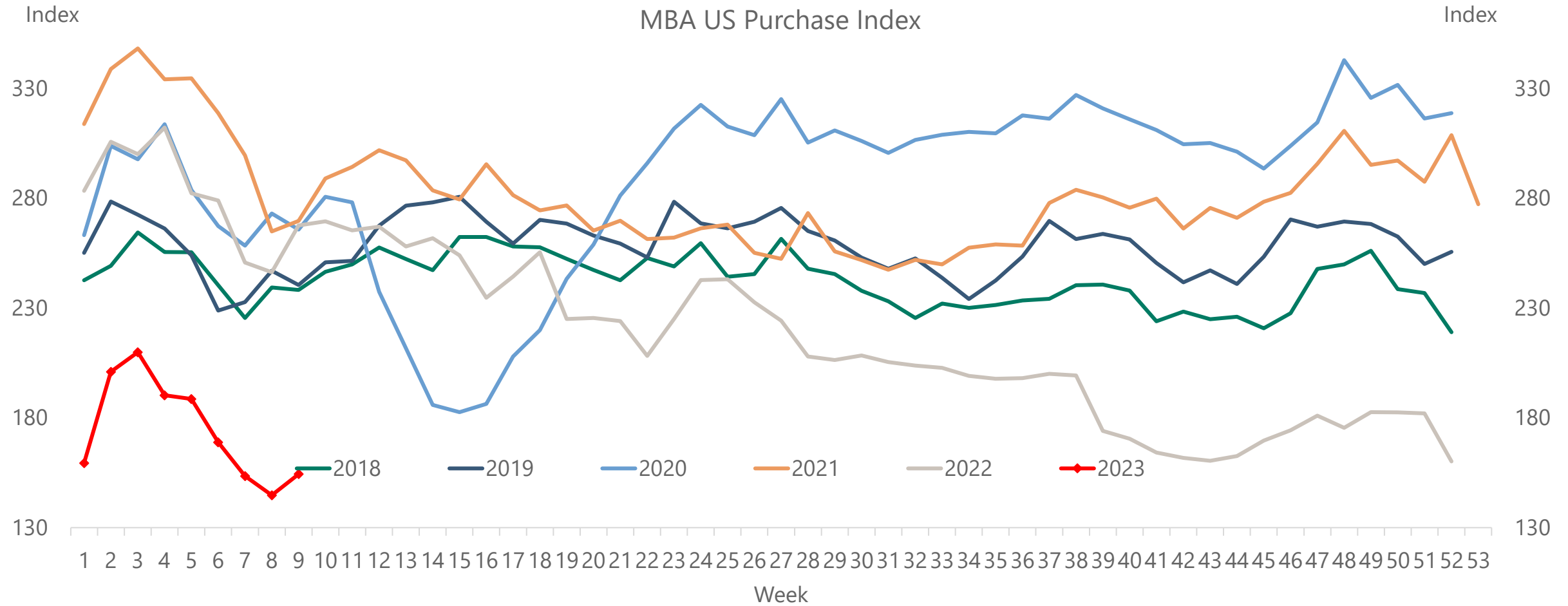
Job cuts announcements suggest we could get a move higher in jobless claims



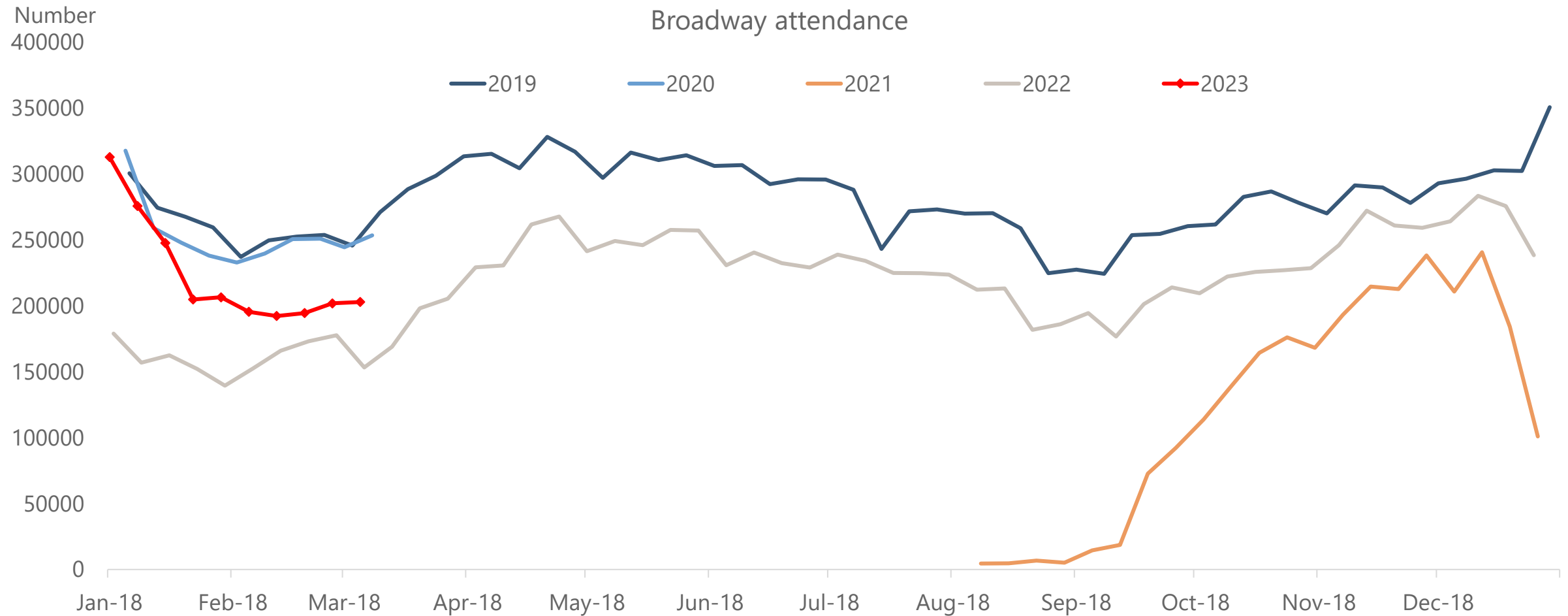
Some upside risks to jobless claims from the NFIB survey



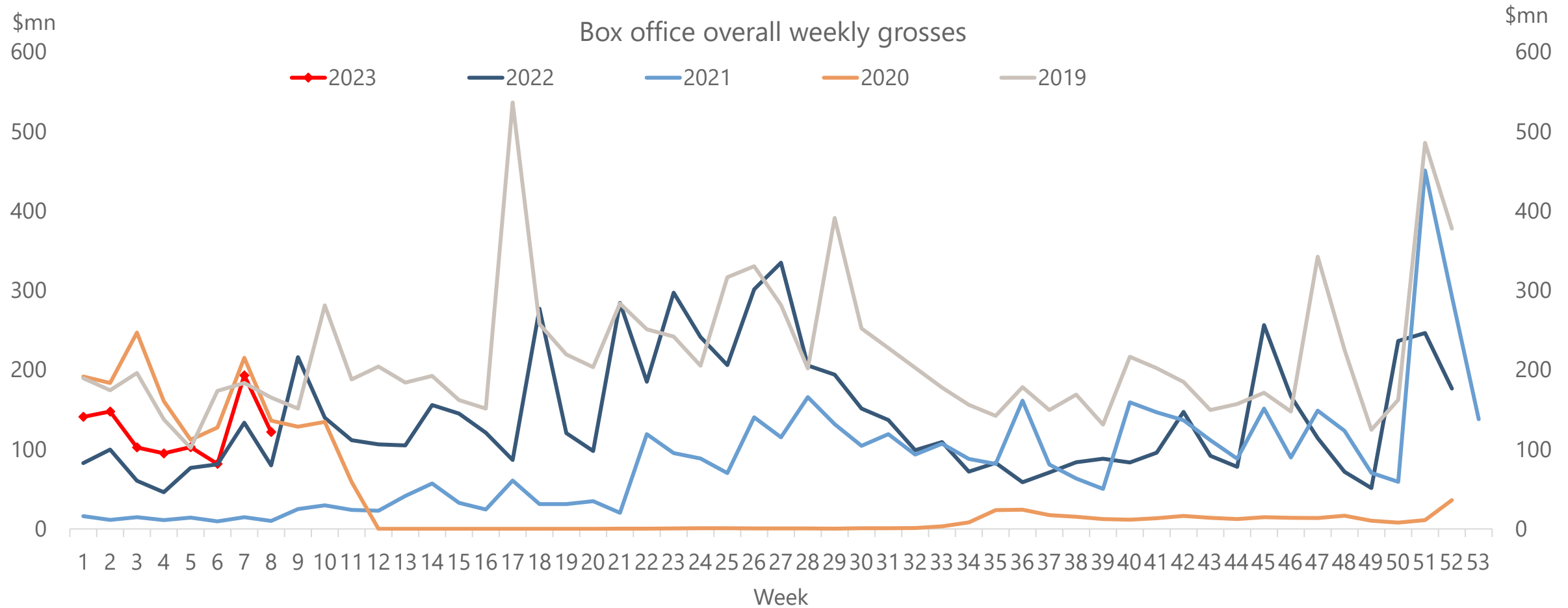
Weekly mortgage purchase applications soft



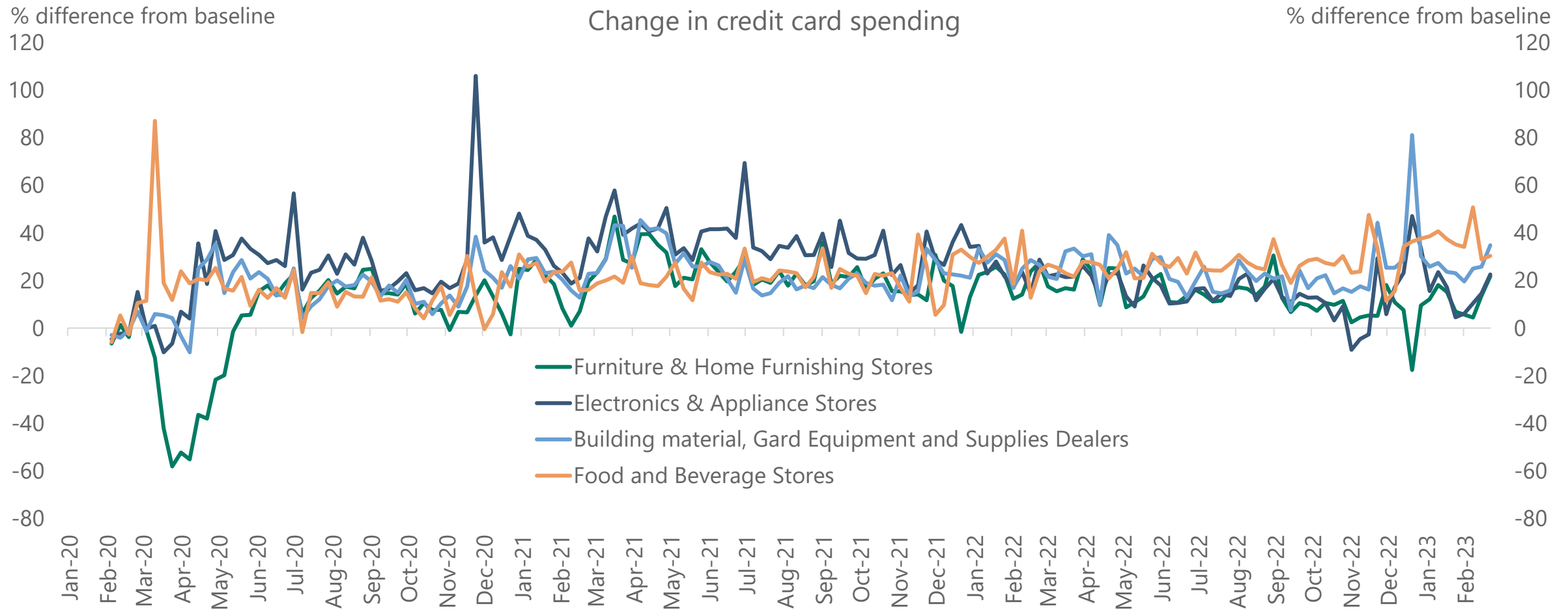
The number of people going to Broadway shows above 2022 levels



Movie theatre visits at pre-pandemic levels

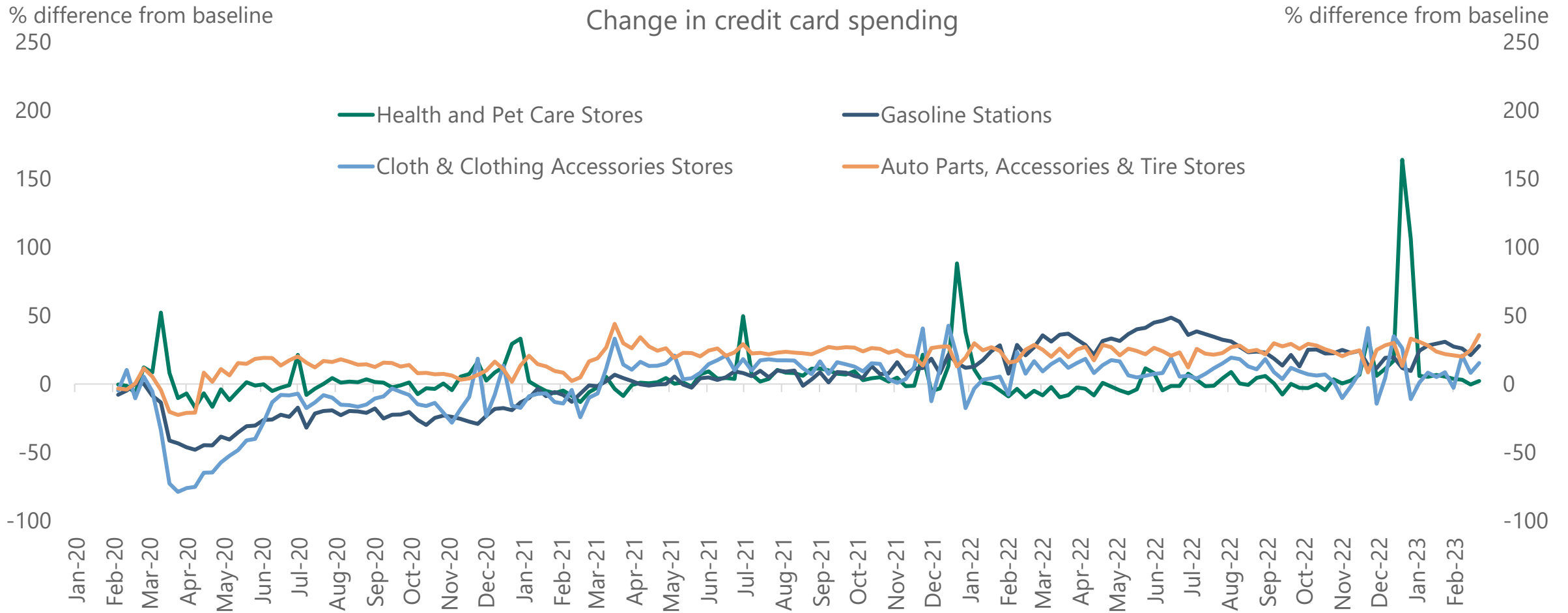


US consumer still strong, some weakness in furniture sales



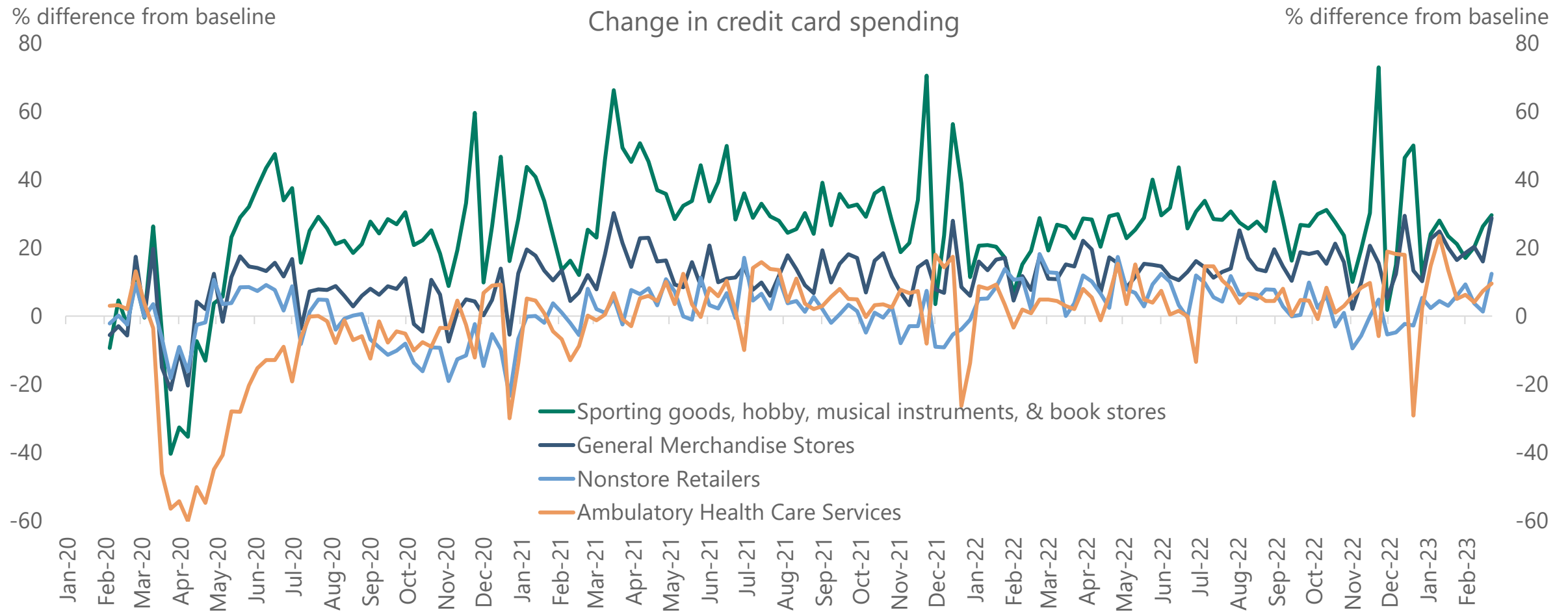
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects,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

US consumer still strong



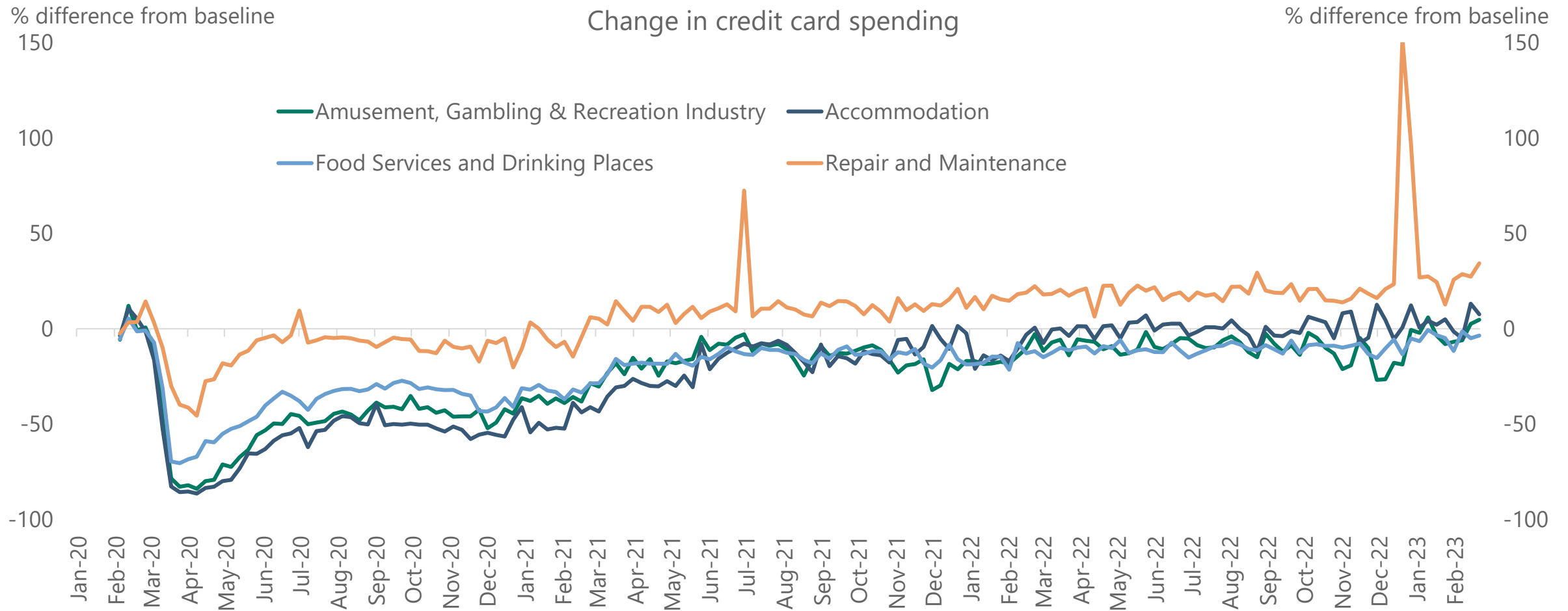
Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects,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

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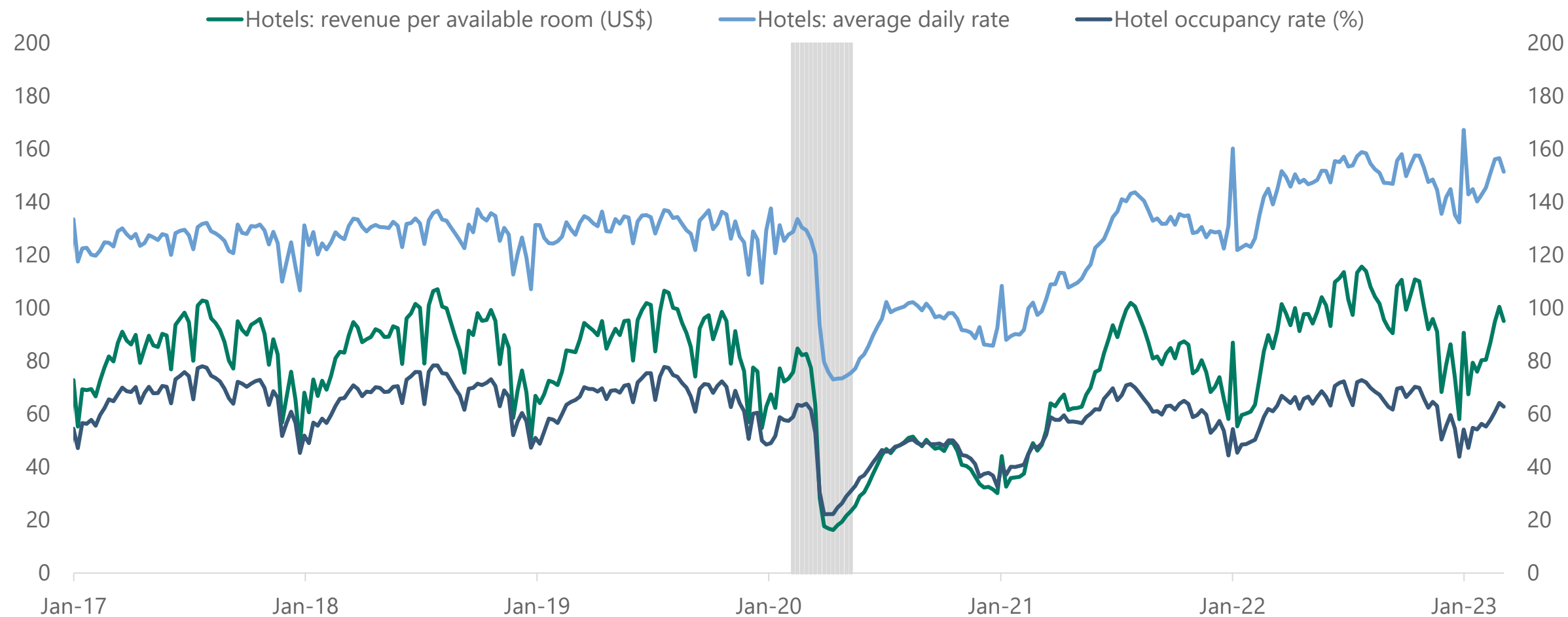
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US consumer still strong

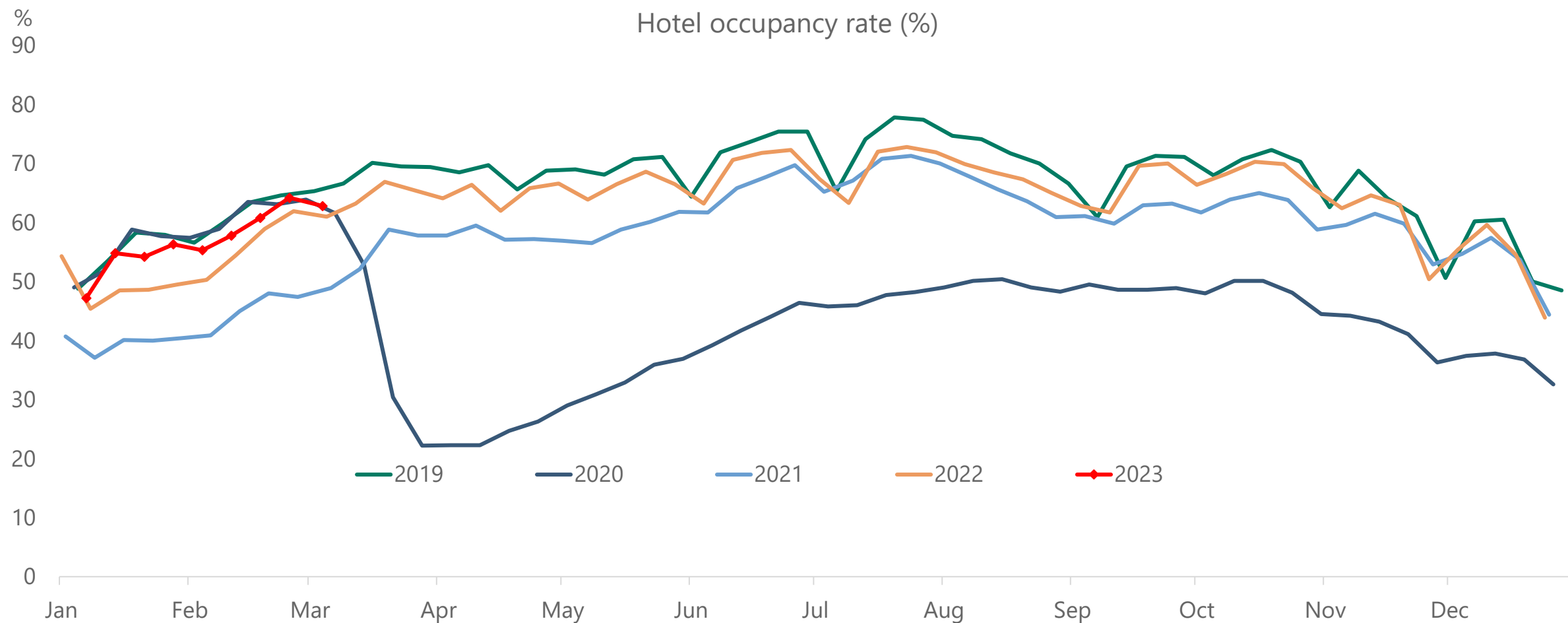


Source: BEA, Haver analytics, Apollo Chief Economist. Note: The weekly values represent the predicted percentage difference from the typical level of spending (prior to the pandemic declared by the World Health Organization on March 11, 2020) after adjusting for day-of-week, month, and year effects,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

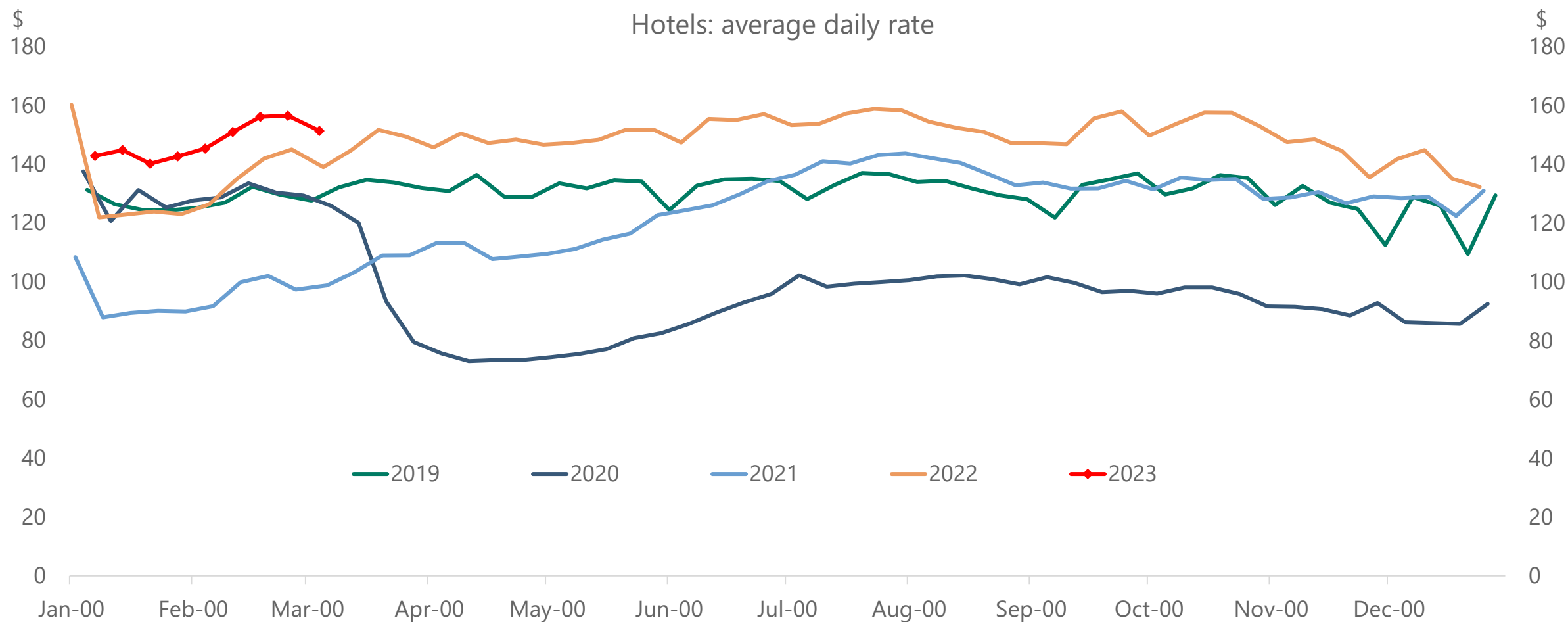
Weekly data for hotel demand still strong



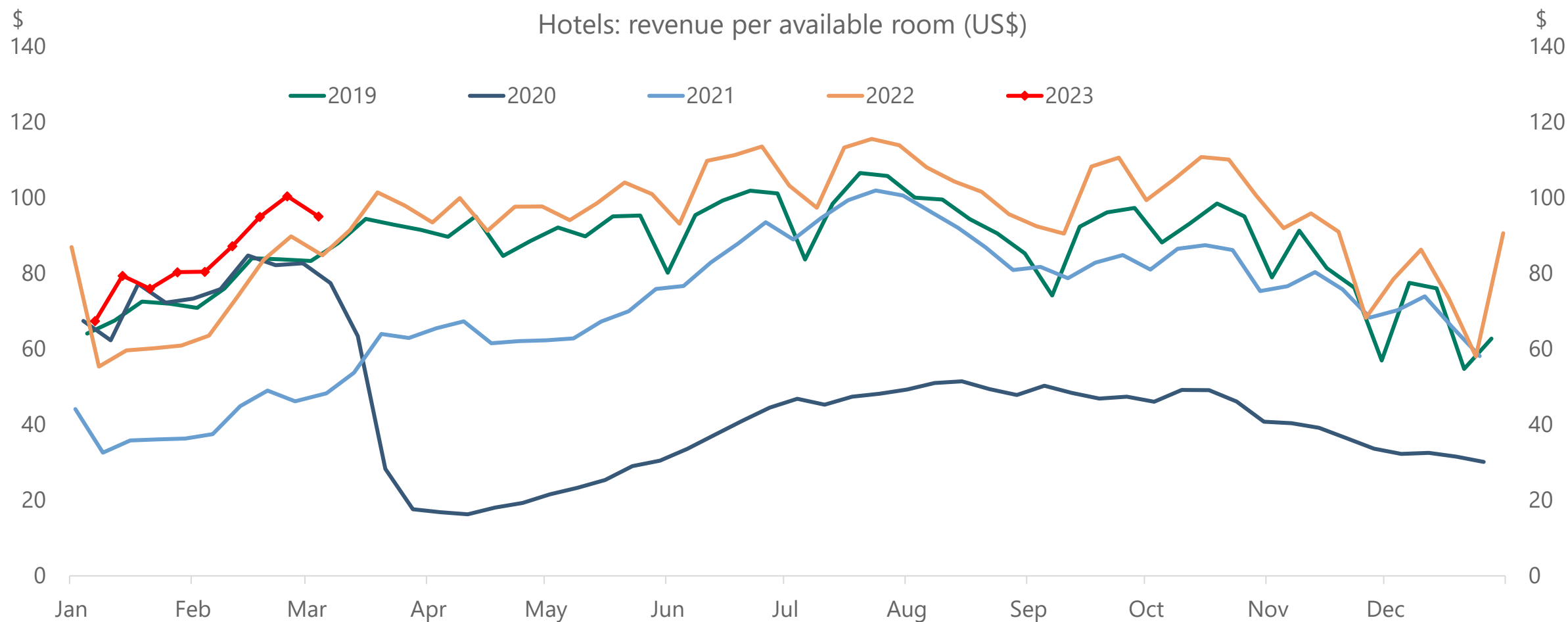
Weekly data for hotel demand still strong



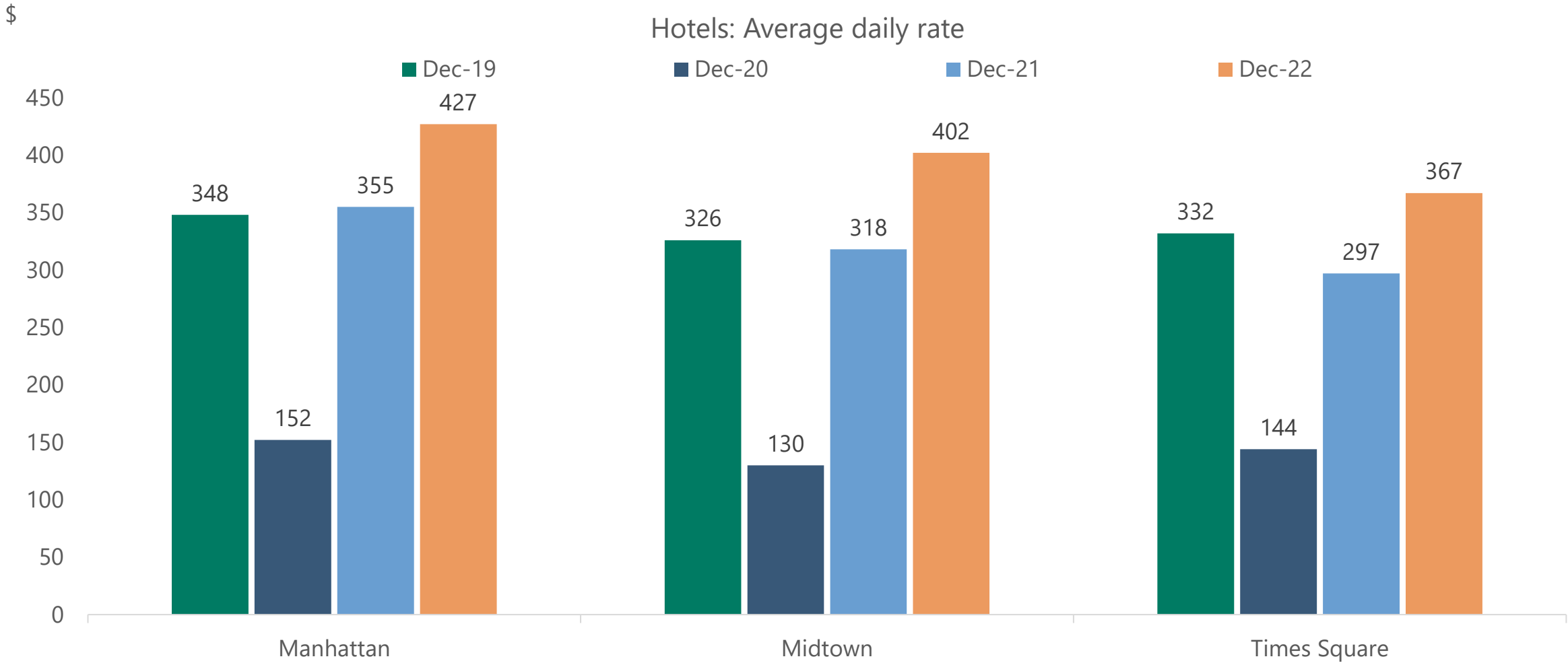
Weekly data for hotel demand still strong



Weekly data for hotel demand still strong

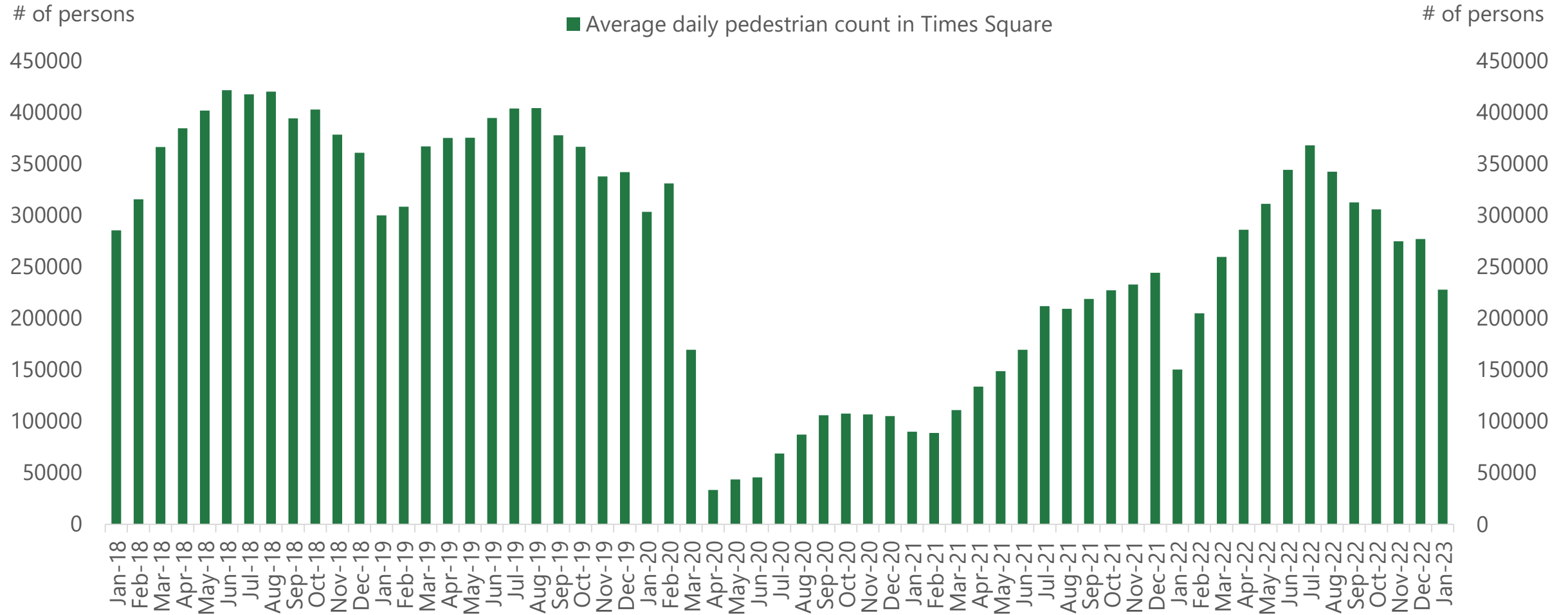


Hotel prices are now above pre-pandemic levels

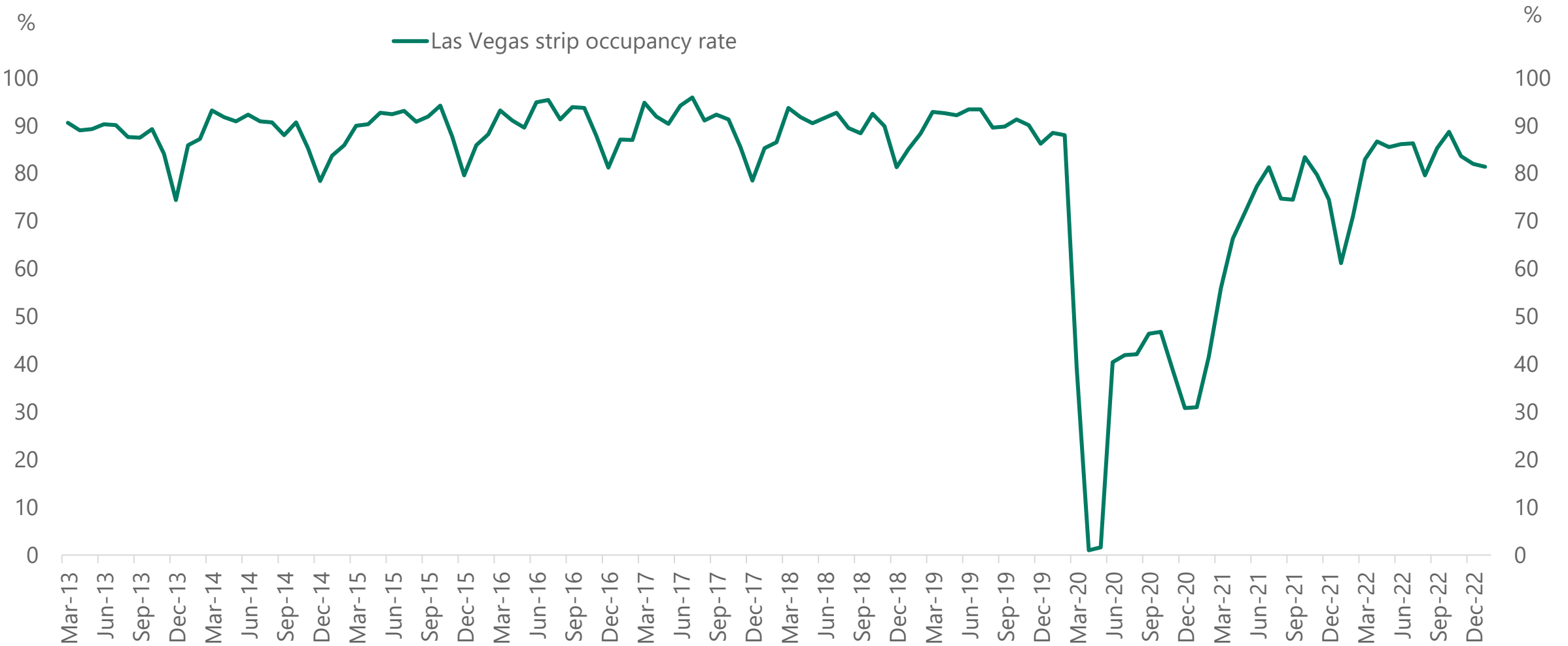


Source: Timessquarenyc.org, Apollo Chief Economist

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

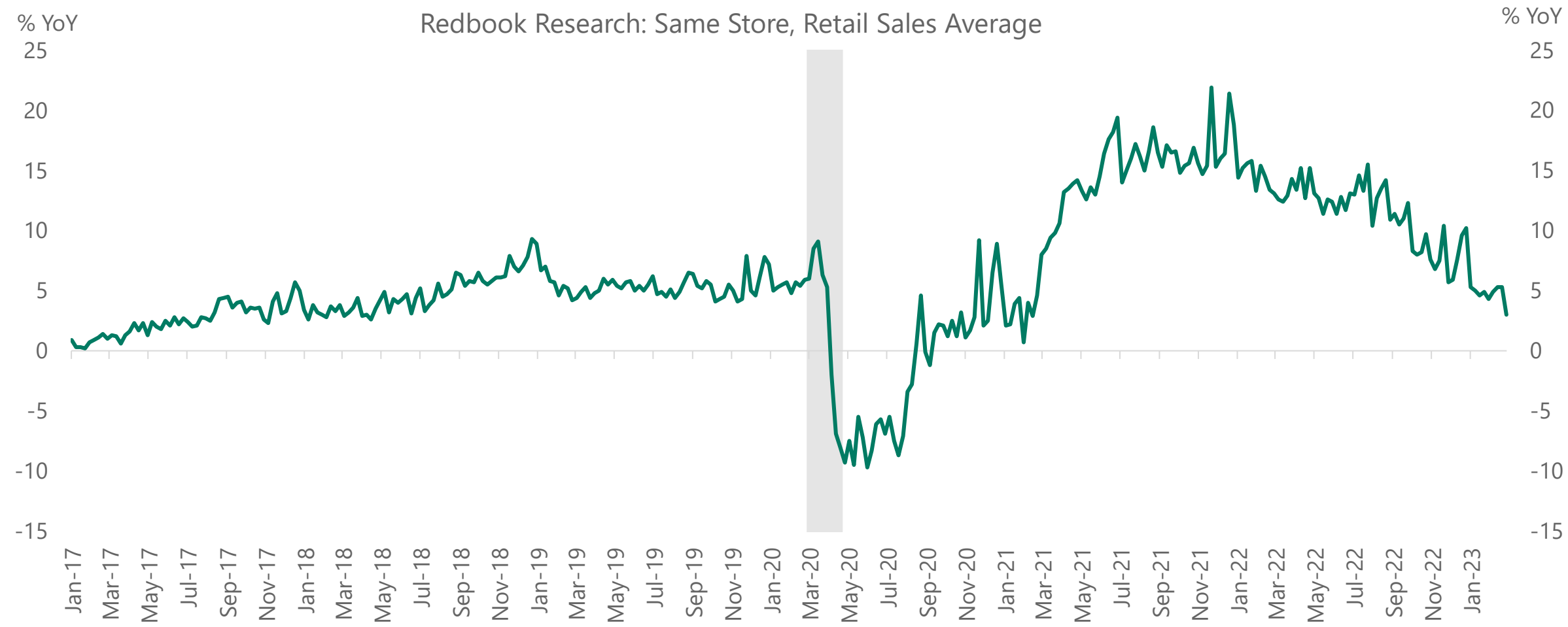


Las Vegas occupancy rate at pre-pandemic level



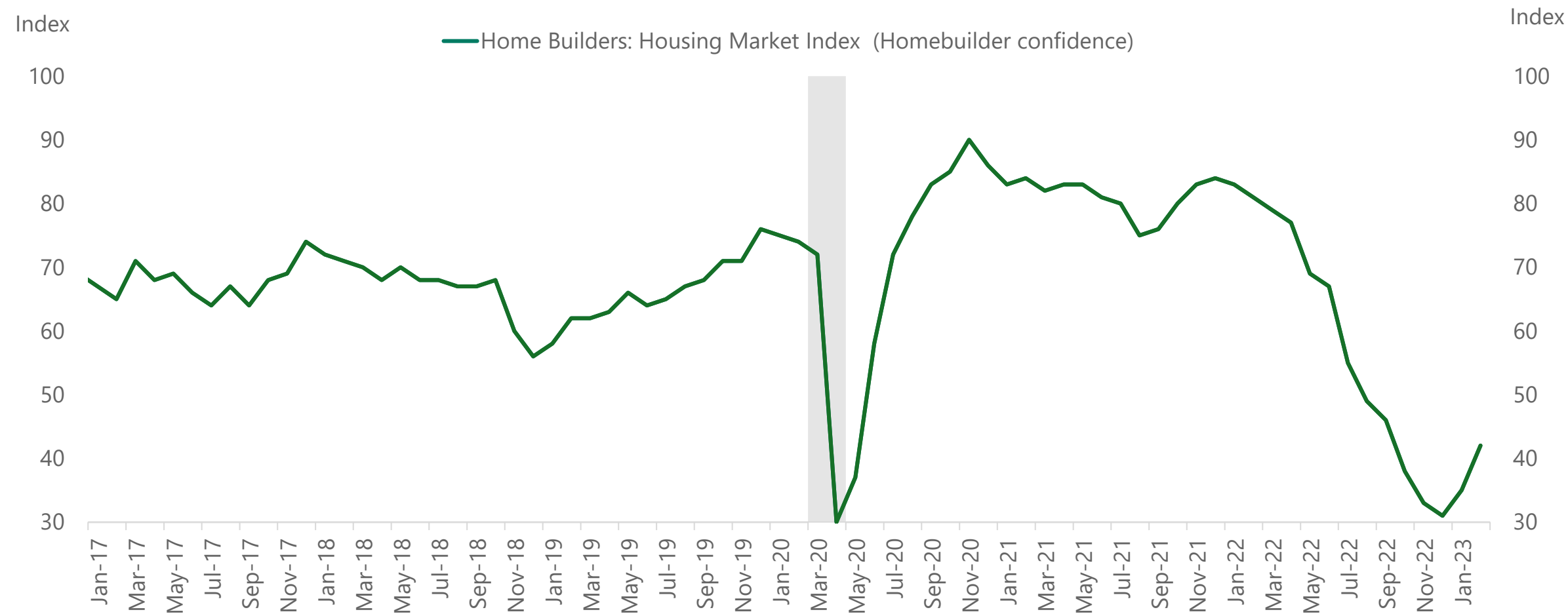
Source: Bloomberg, Apollo Chief Economist

Same-store retail sales slowing down gradually



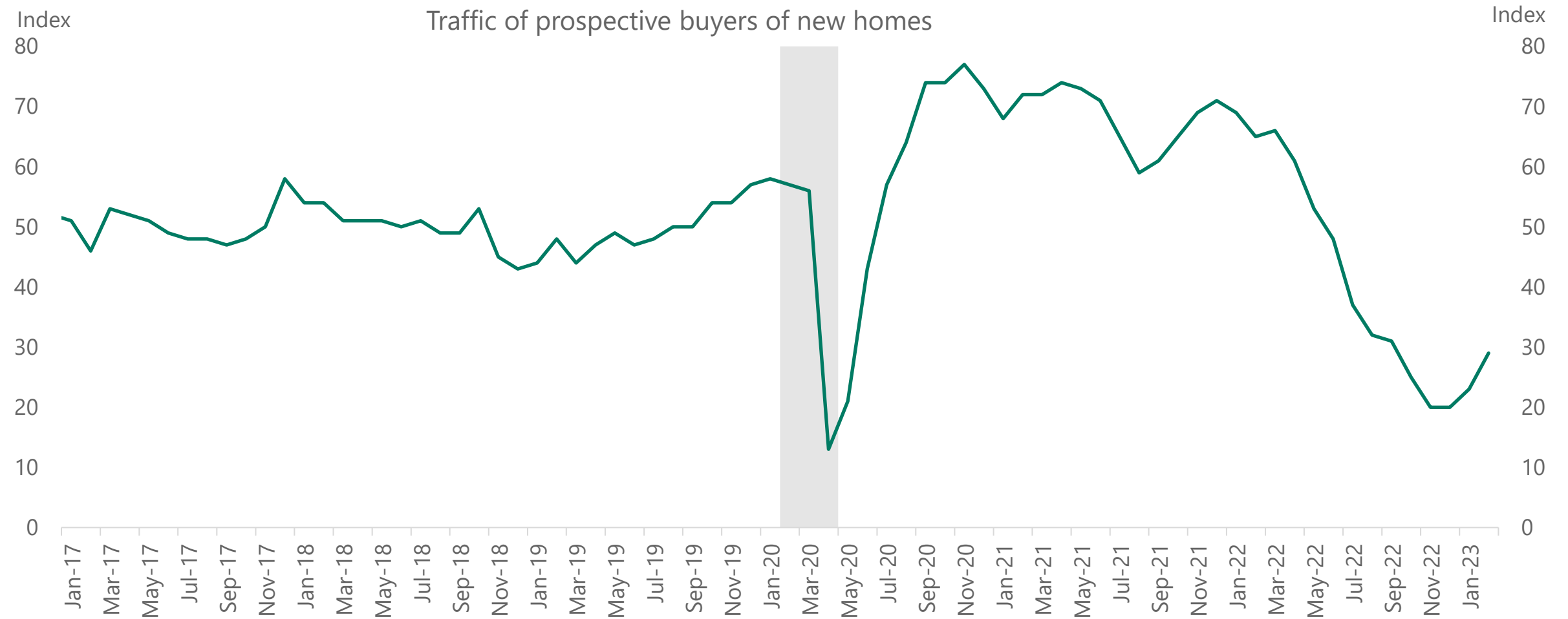
Source: Redbook, Haver Analytics, Apollo Chief Economist

Homebuilder confidence starting to improve



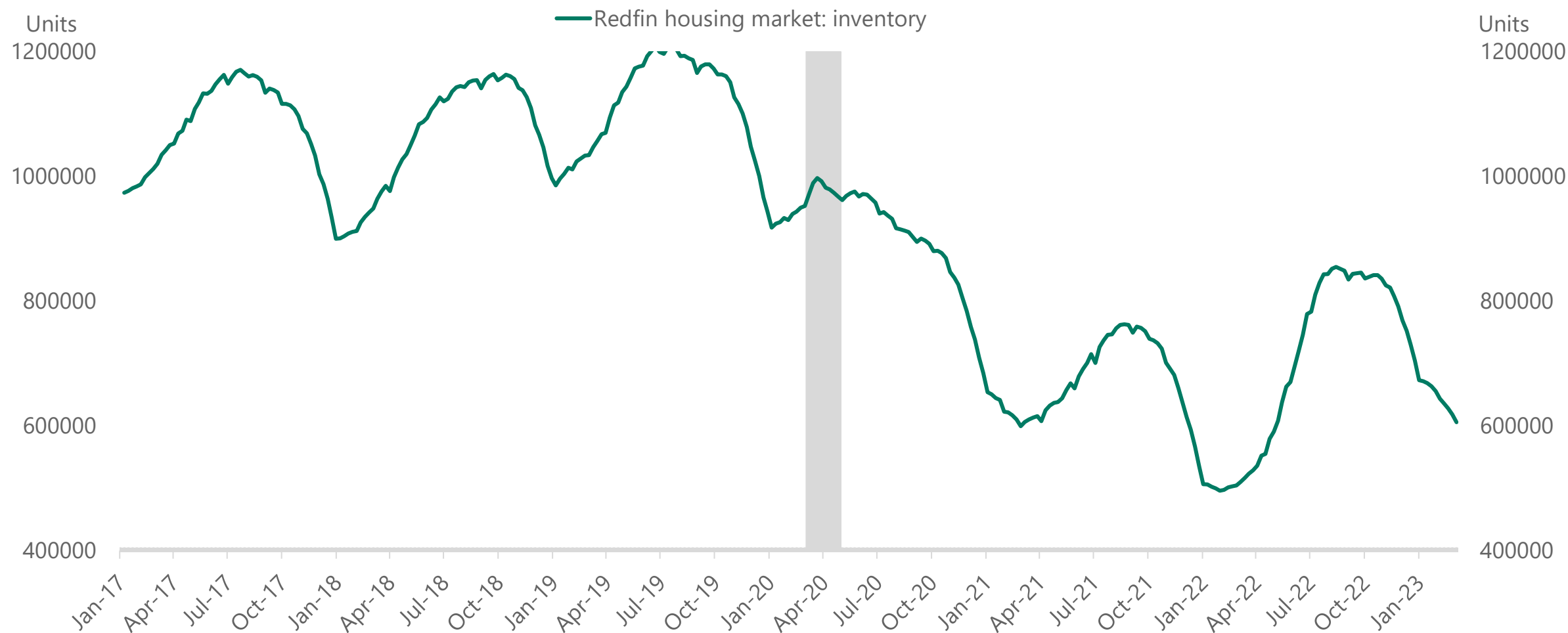
Source: NAR, Haver Analytics, Apollo Chief Economist

Traffic of prospective homebuyers starting to improve

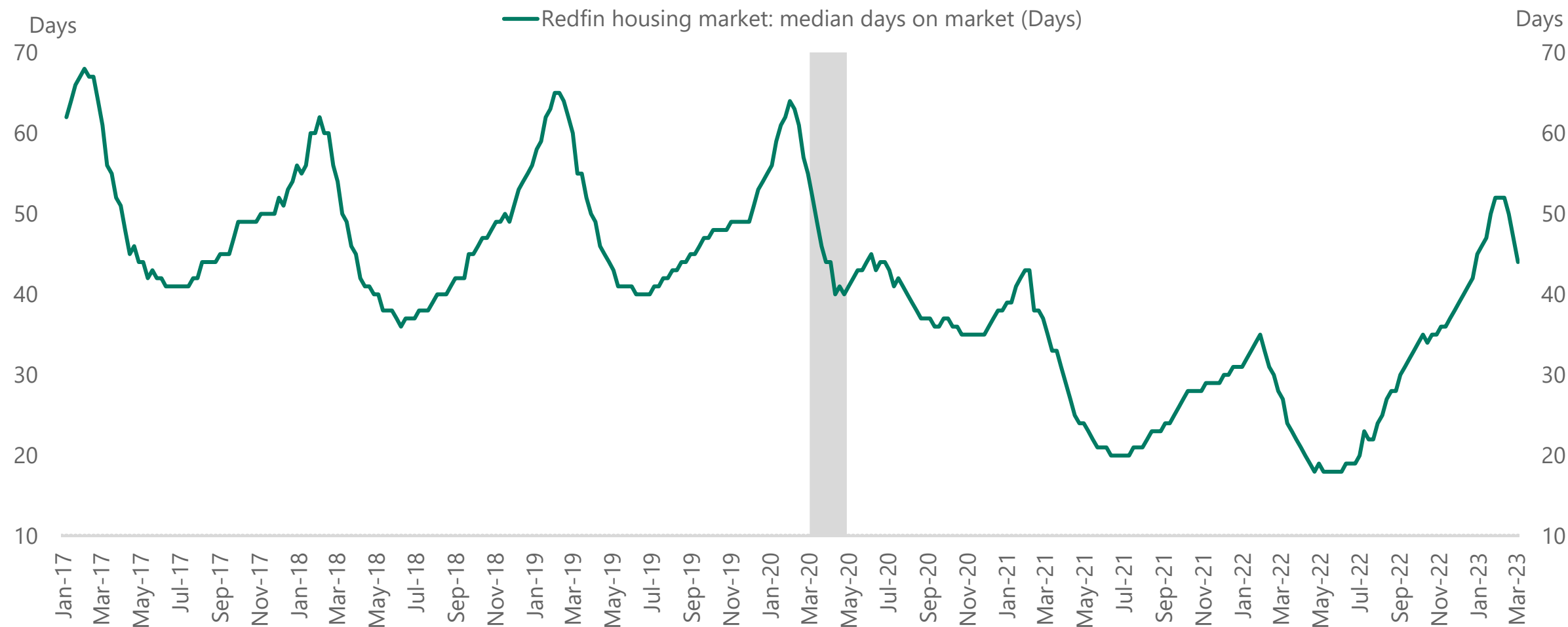


Source: National Association of Homebuilders, Bloomberg, Apollo Chief Economist

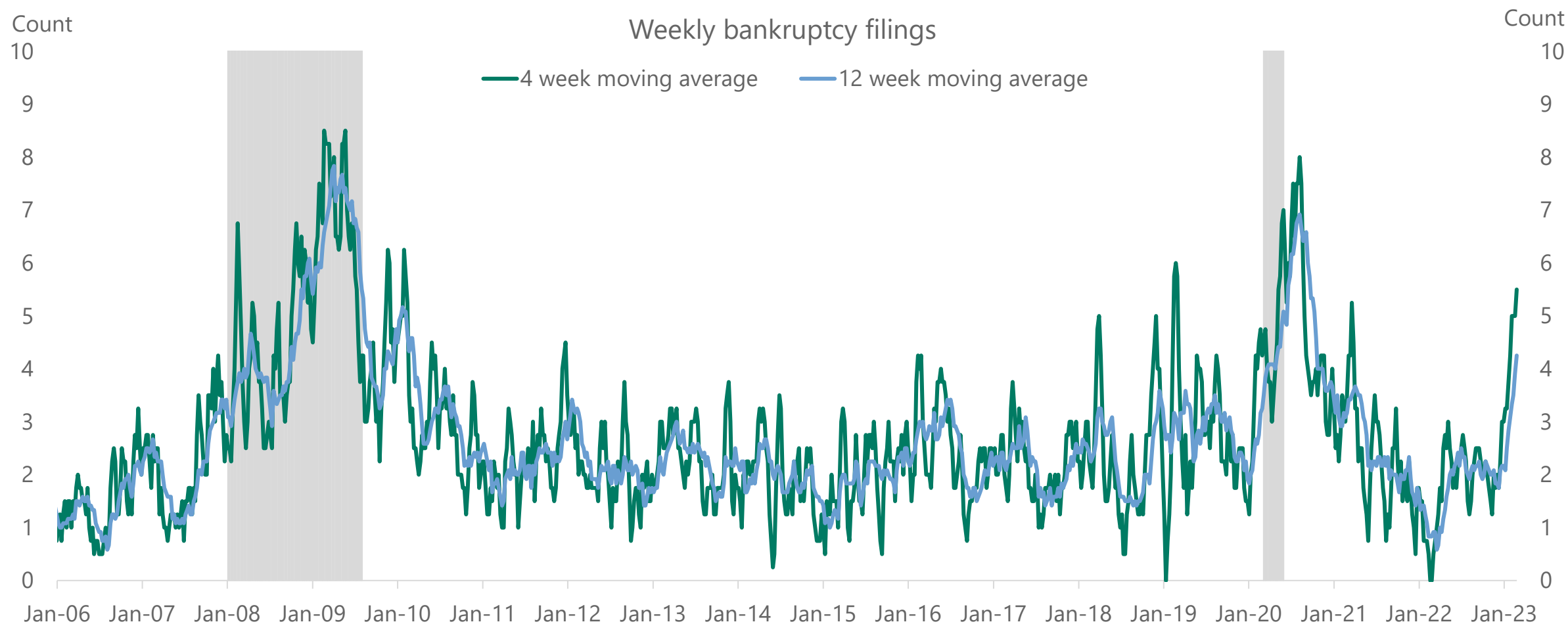
Housing inventory declining



Starting to see a decline in the number of days houses are for sale

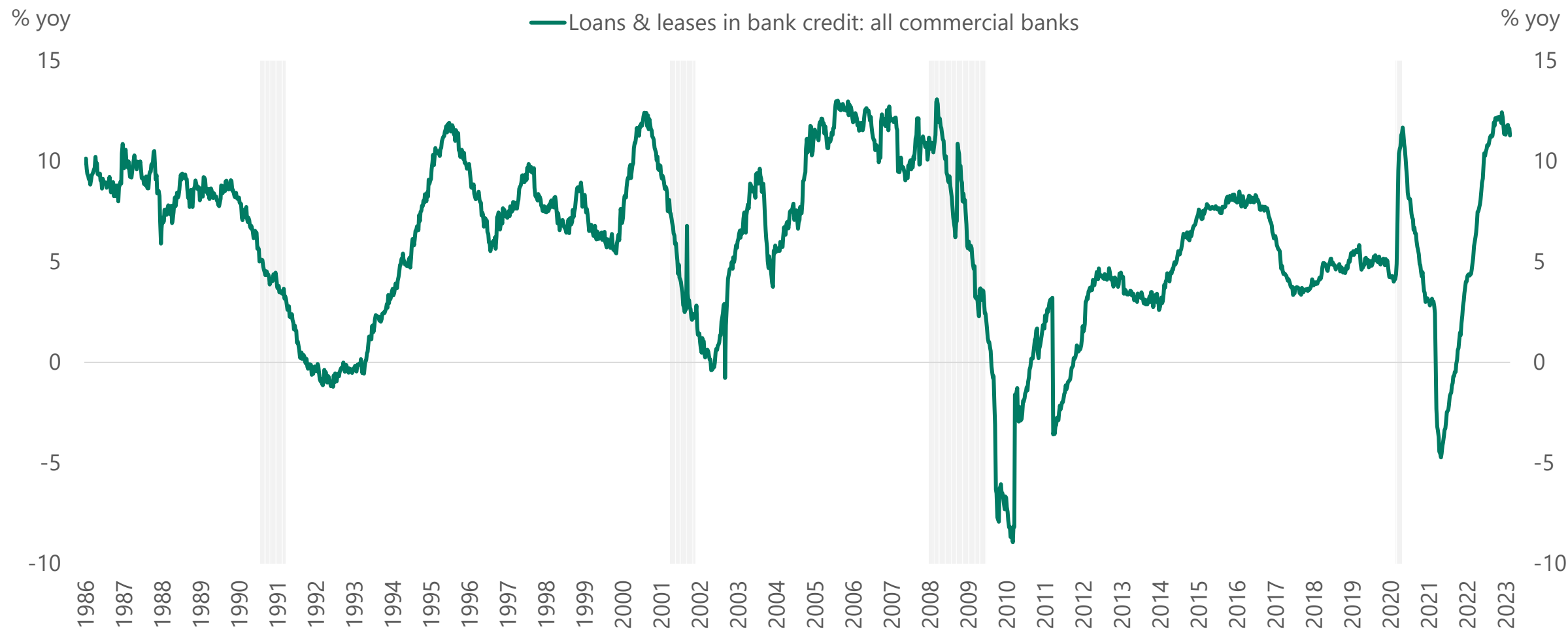


Weekly bankruptcy filings rising from low levels

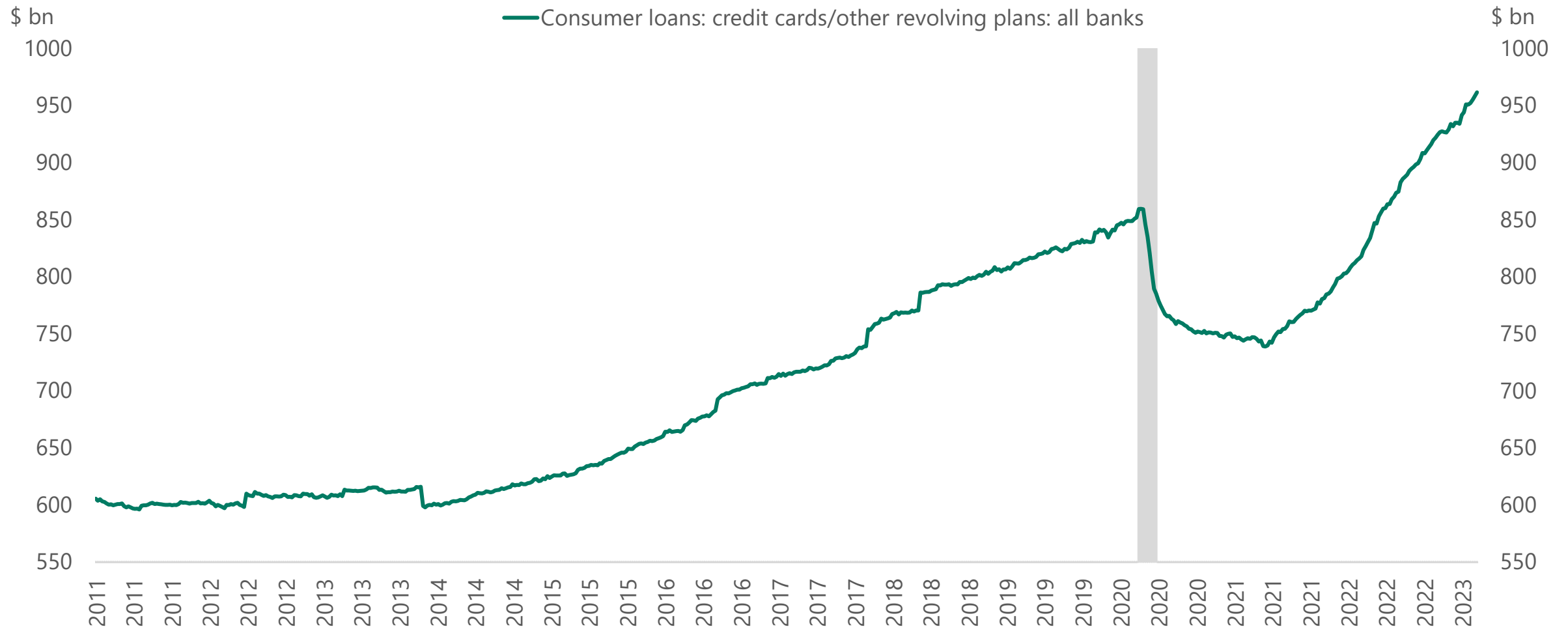


Source: Bloomberg, Apollo Chief Economist. Note: Filings are for companies with more than \$50mn in liabilities. For week ending on Thursday 22 Feb.

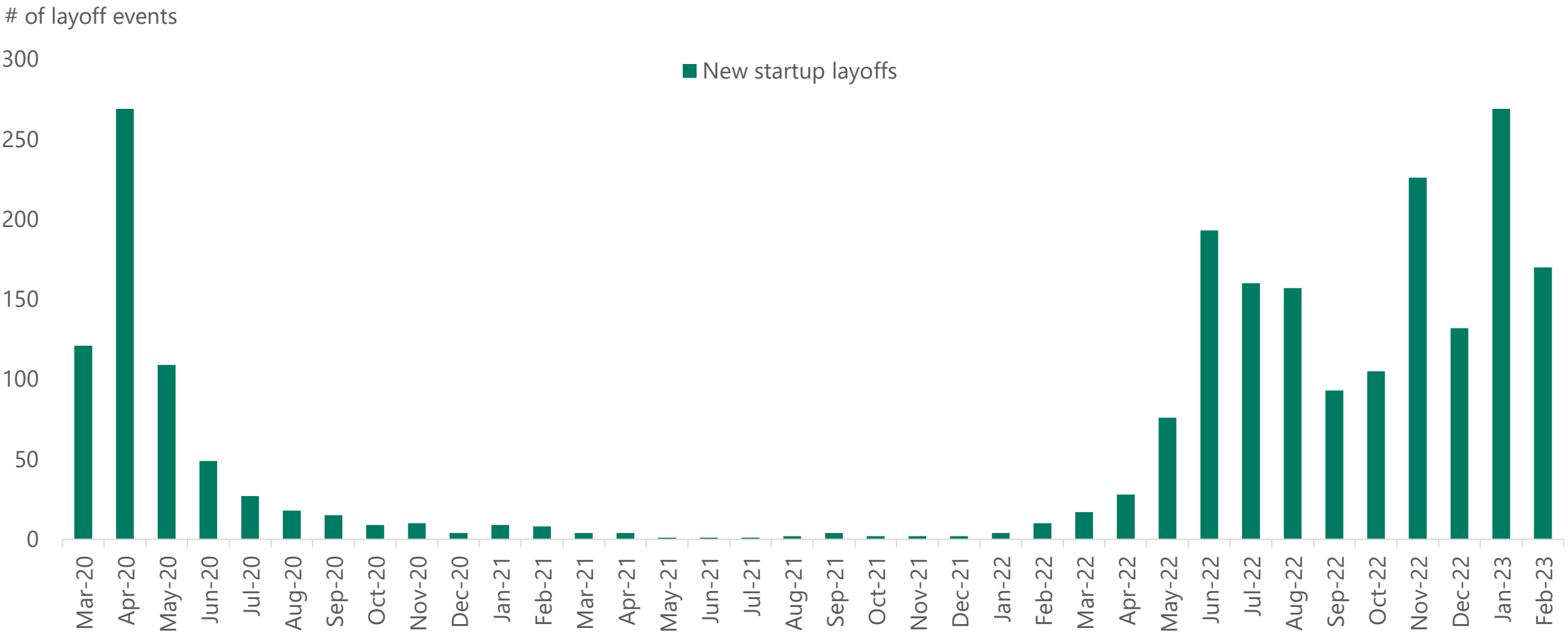
Banks' weekly loan growth still strong



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

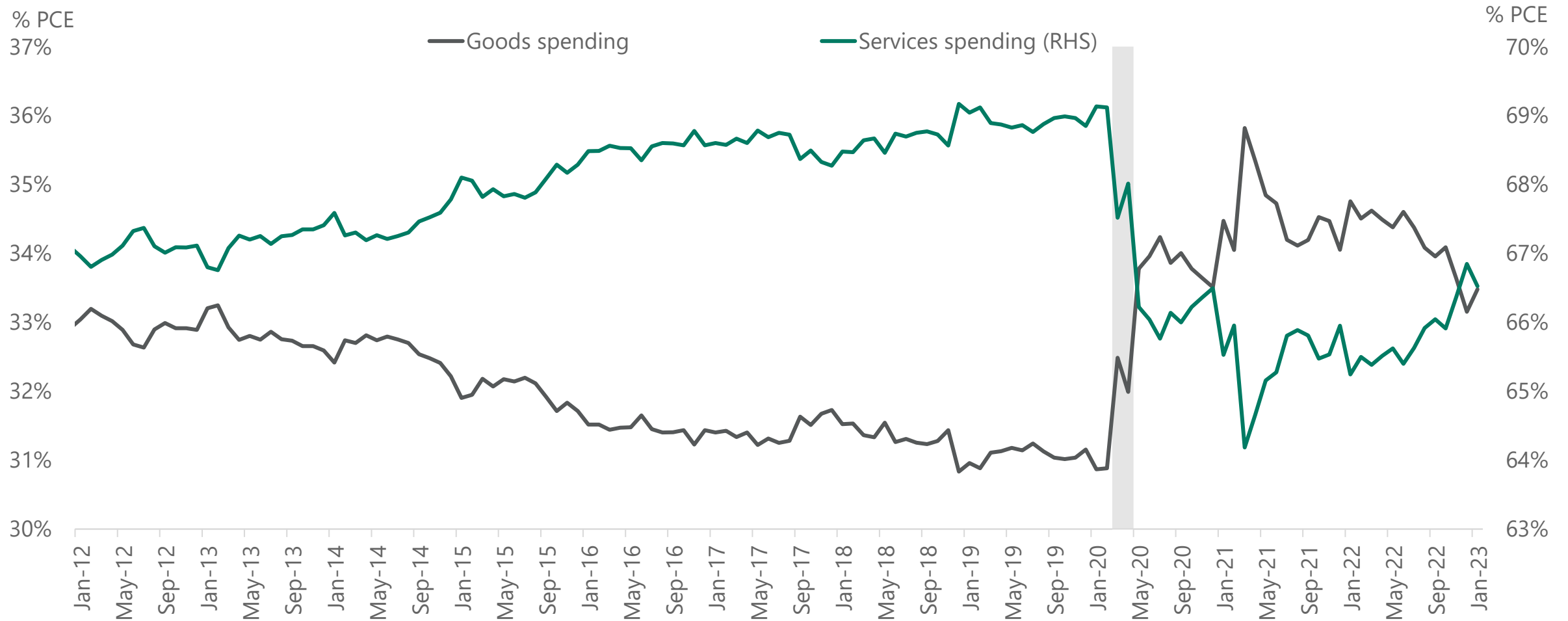


Layoffs at tech startups

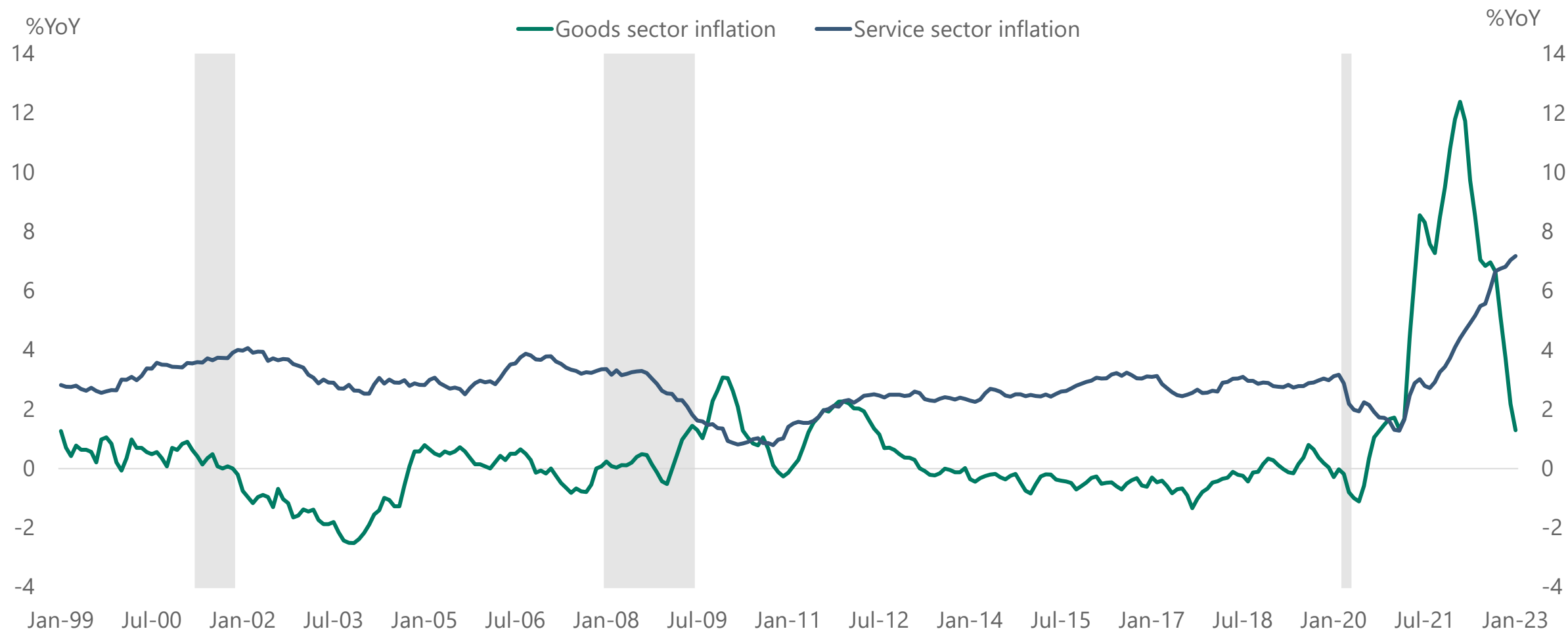


Source: Layoffs.fyi, Apollo Chief Economist. Note: Top 5 sectors that account for layoffs: Transportation, Food, Travel, Finance, and Real Estate.

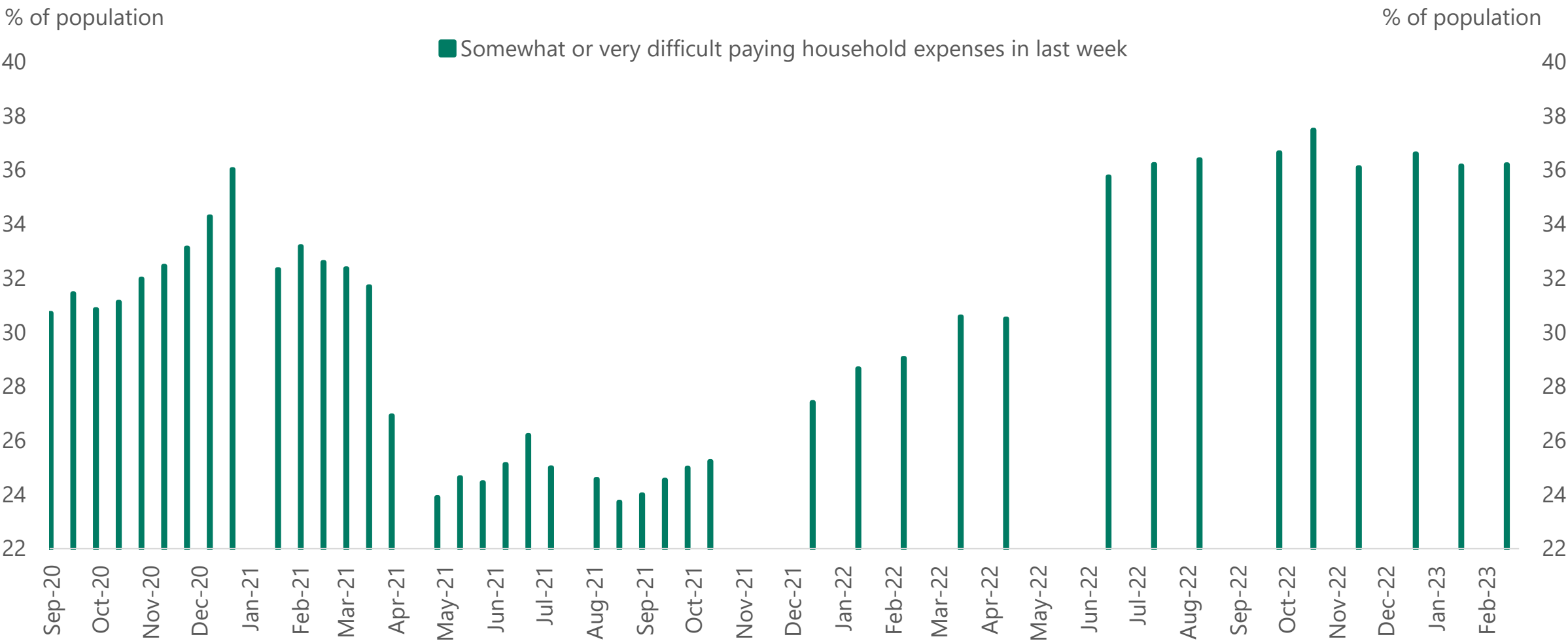
Shift from goods to services in US consumer spending



Goods sector inflation slowing. Service sector inflation rising

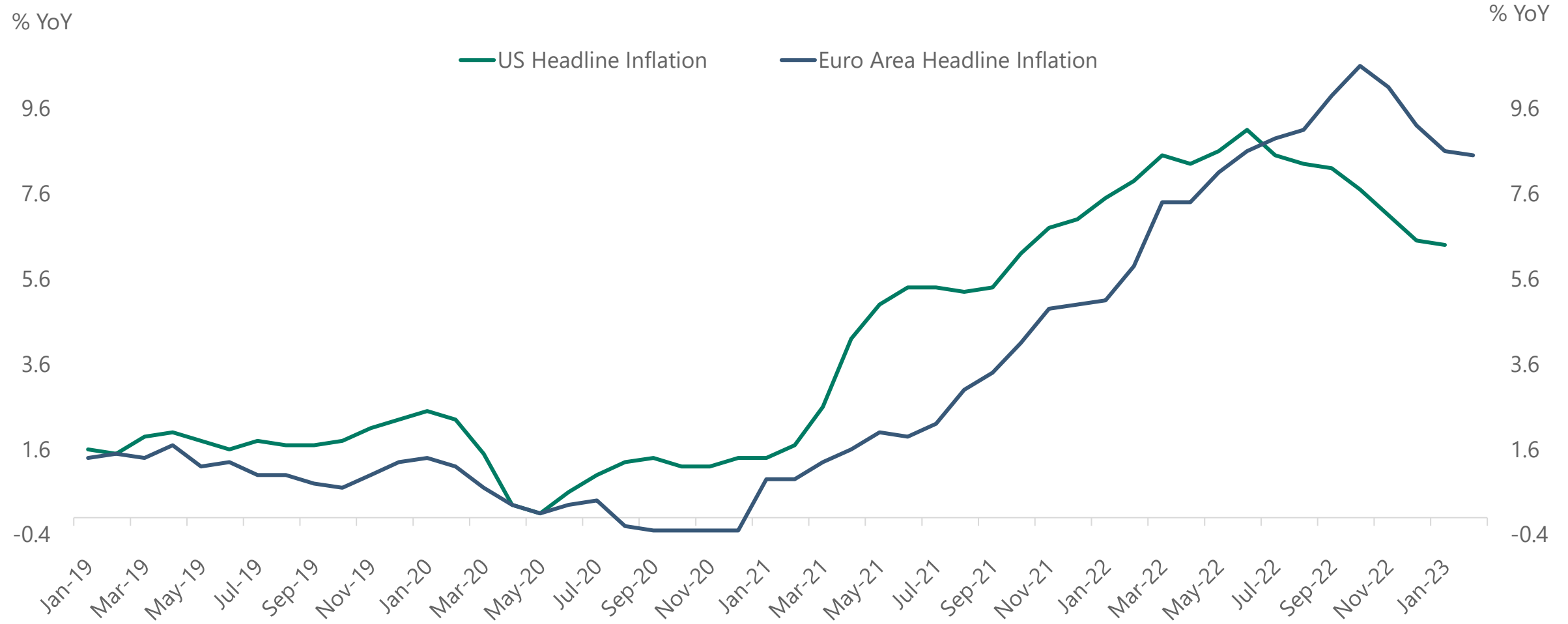


Modest decline in the share of households having difficulties paying expenses



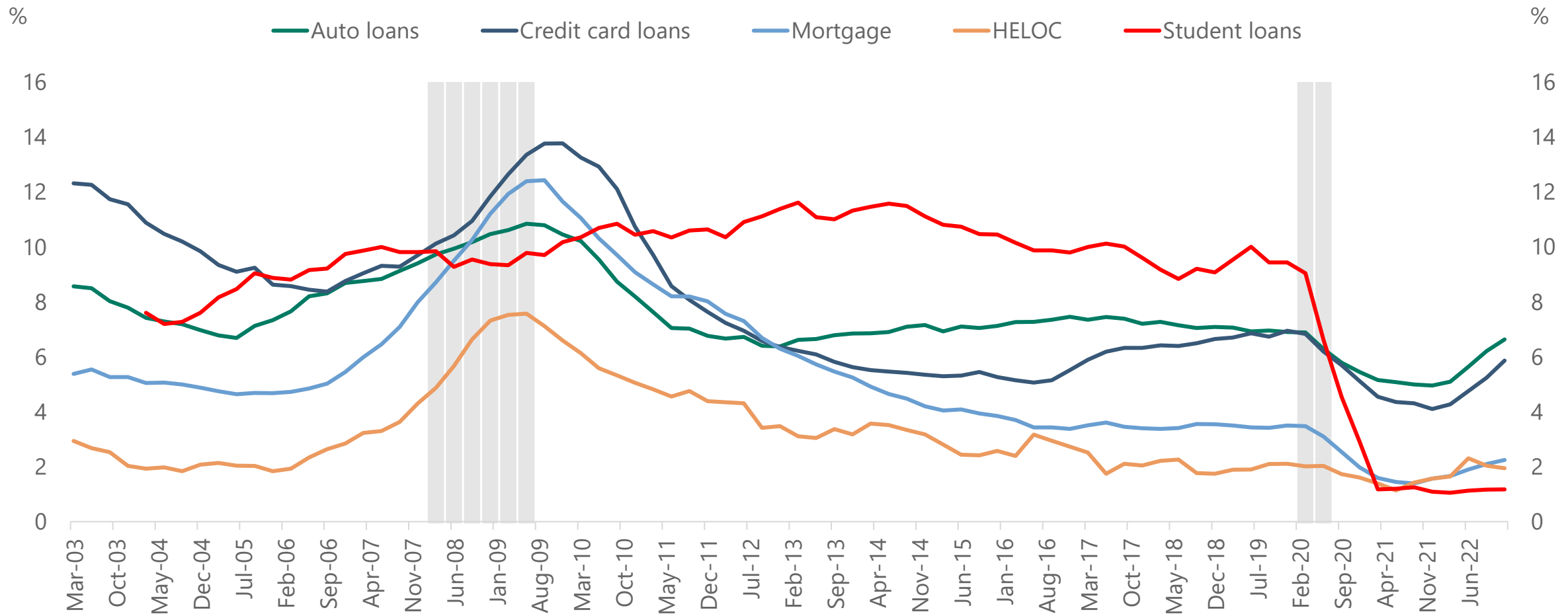
Source: Census Bureau, Apollo Chief Economist (Note: Household Pulse Survey)

Inflation has peaked both in the US and Europe

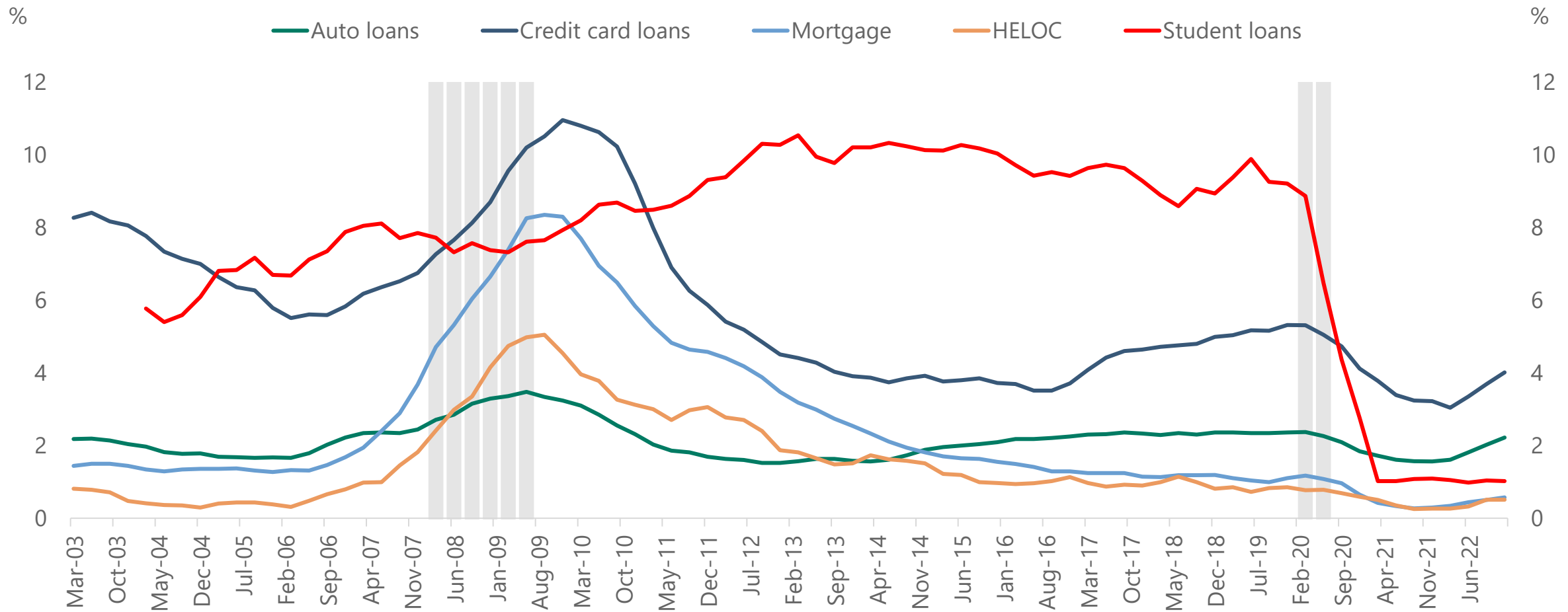




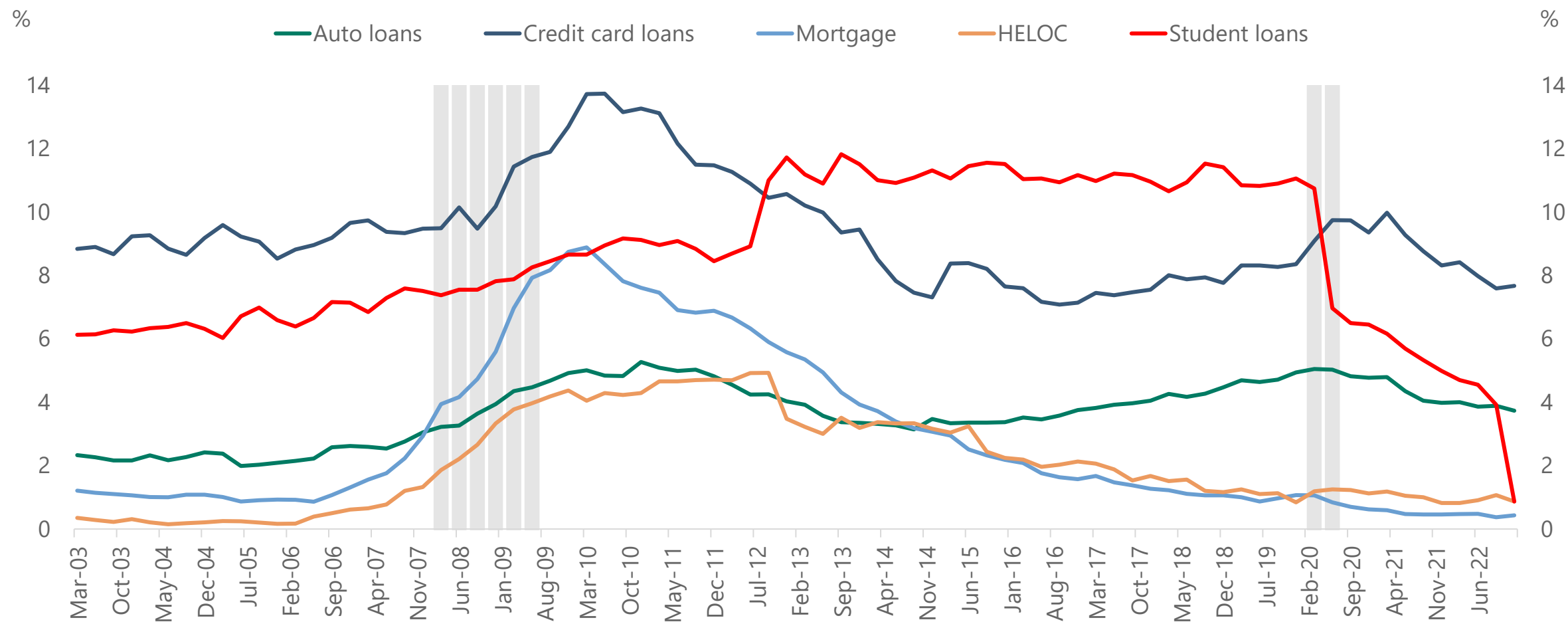
New delinquent (+30 days) balances by loan type, % of current balance



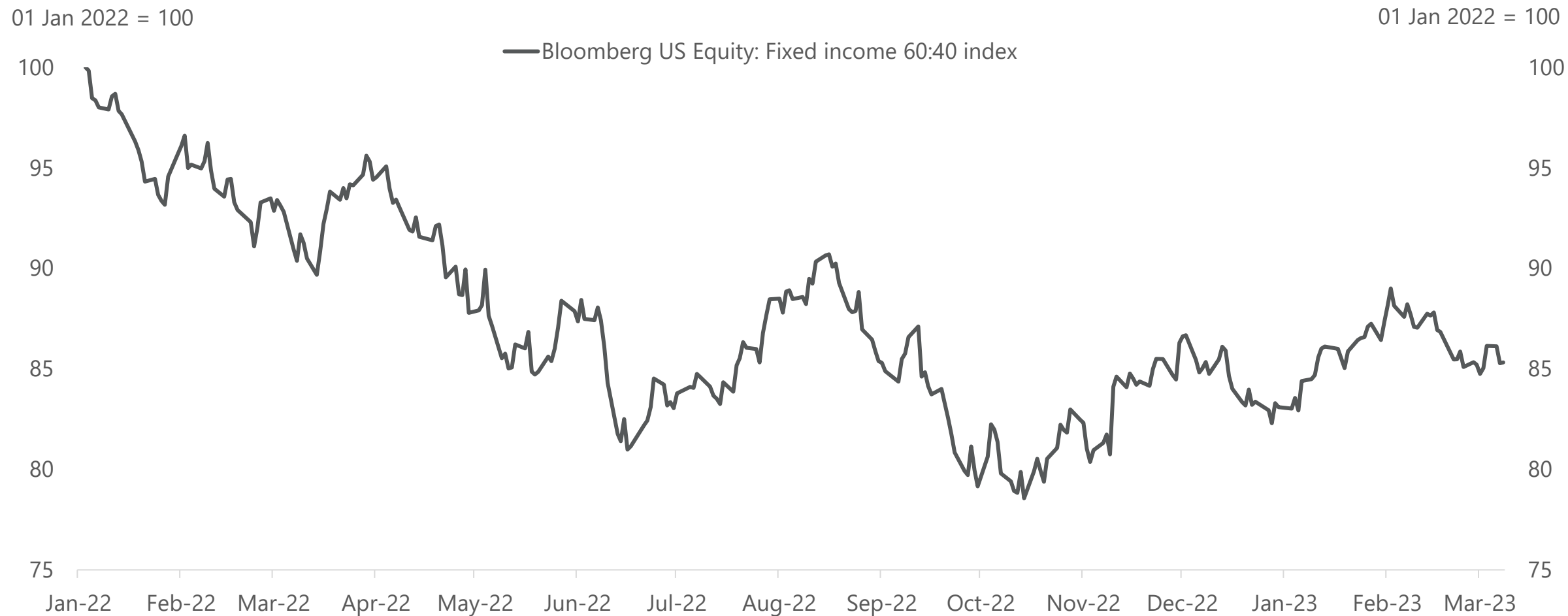
New seriously delinquent (+90 days) balances by loan type, % of current balance



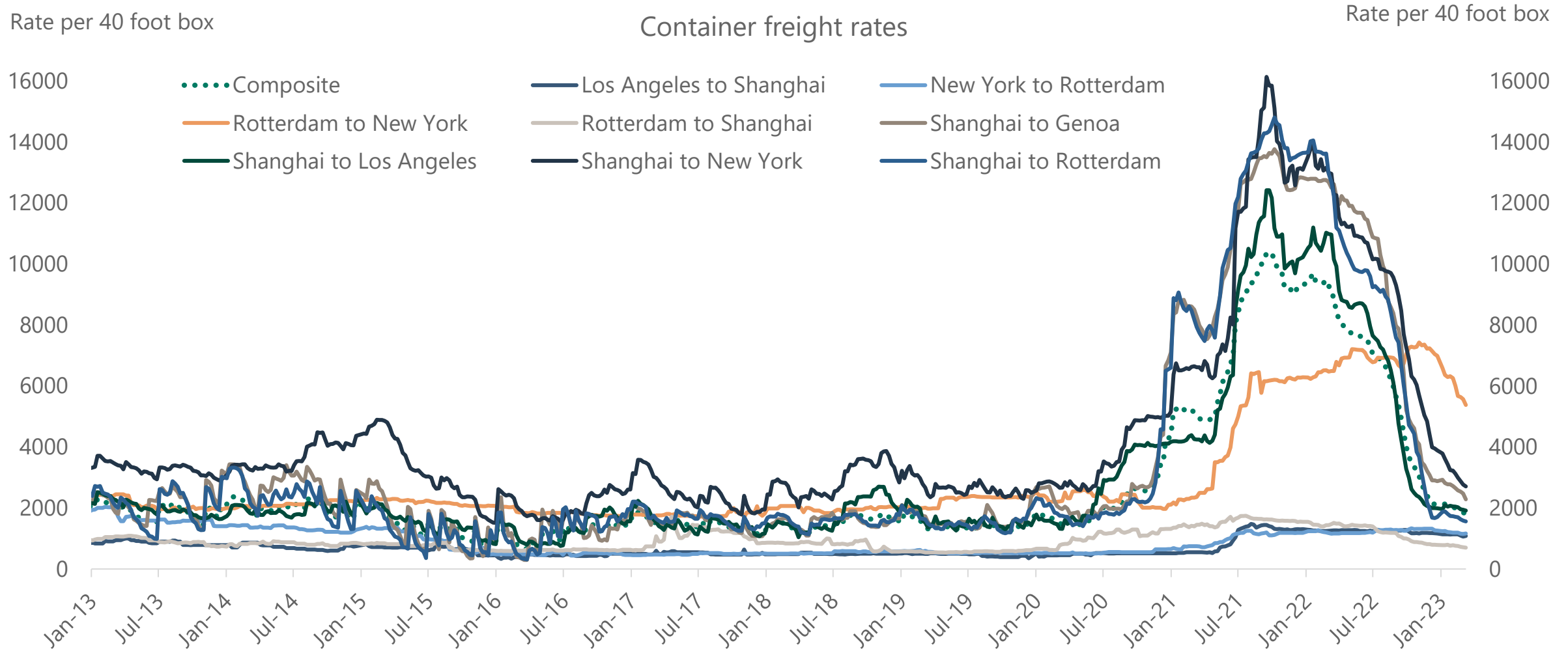
Percent of balance +90 days delinquent by loan type, in %



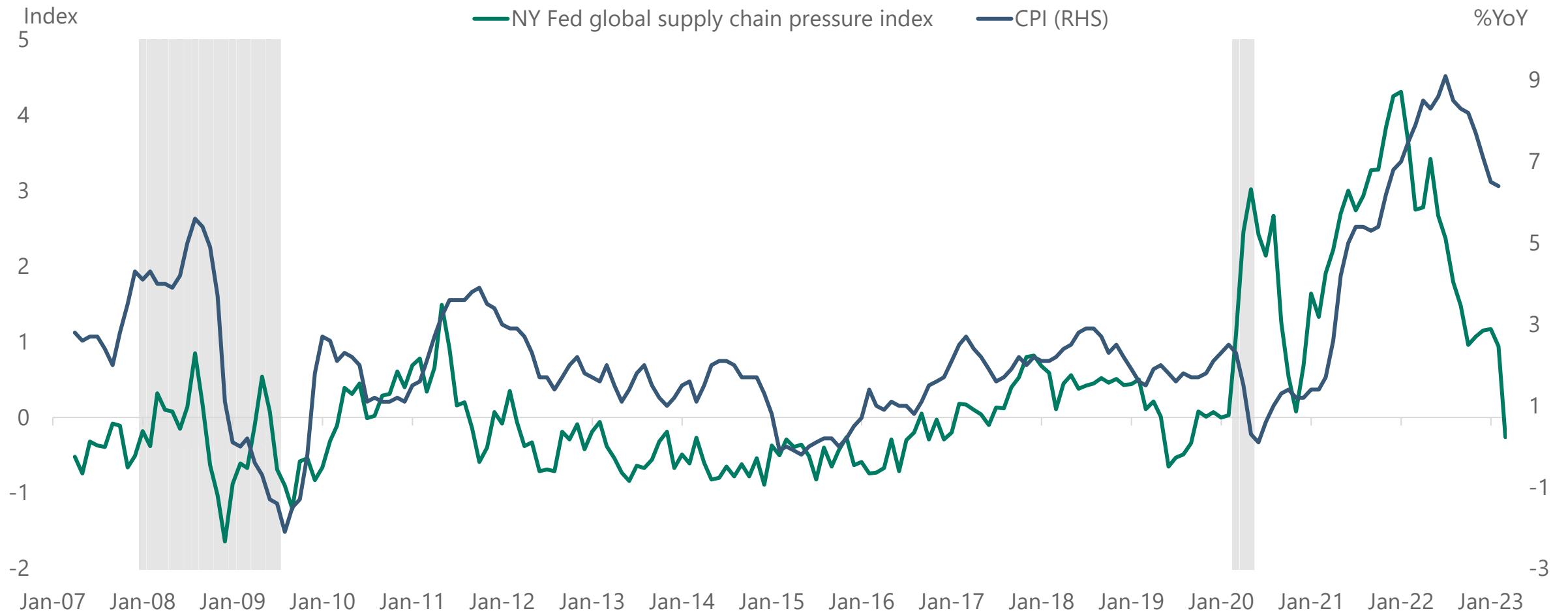
60/40 portfolio down 15%



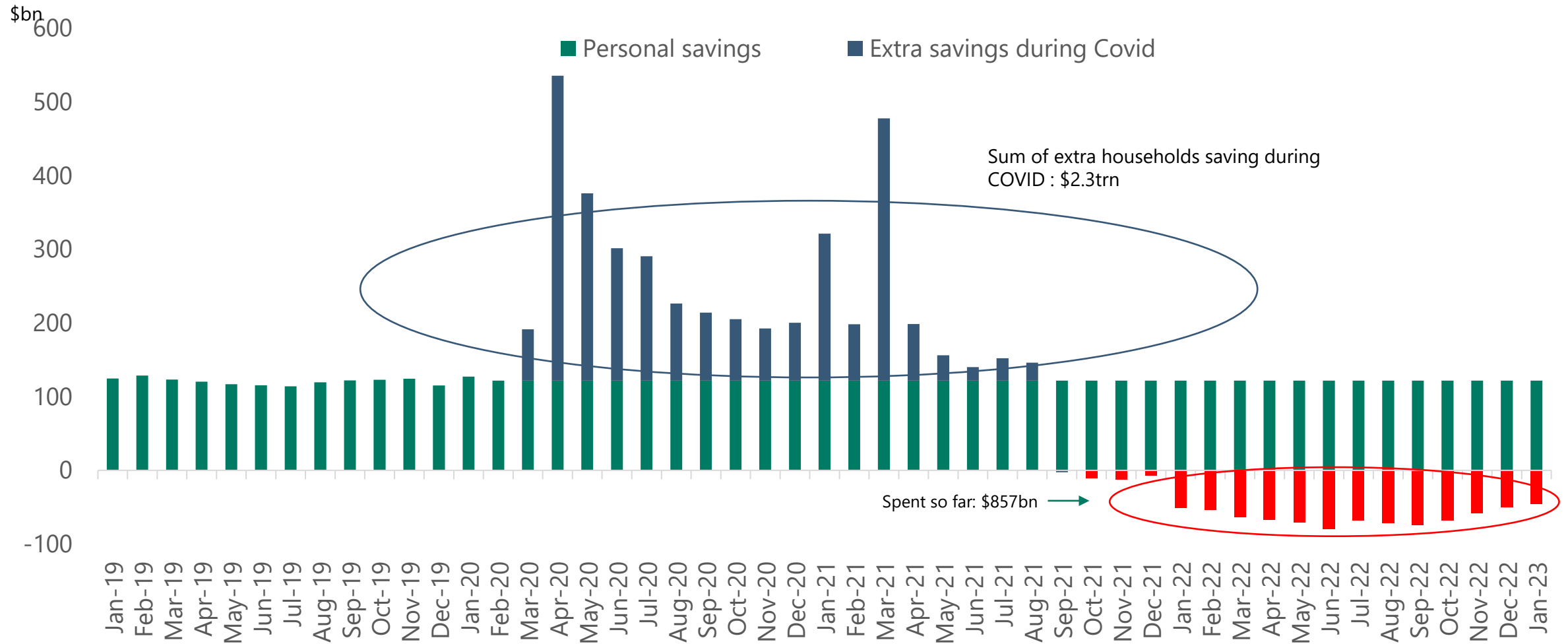
Container freight rates basically back at pre-pandemic levels



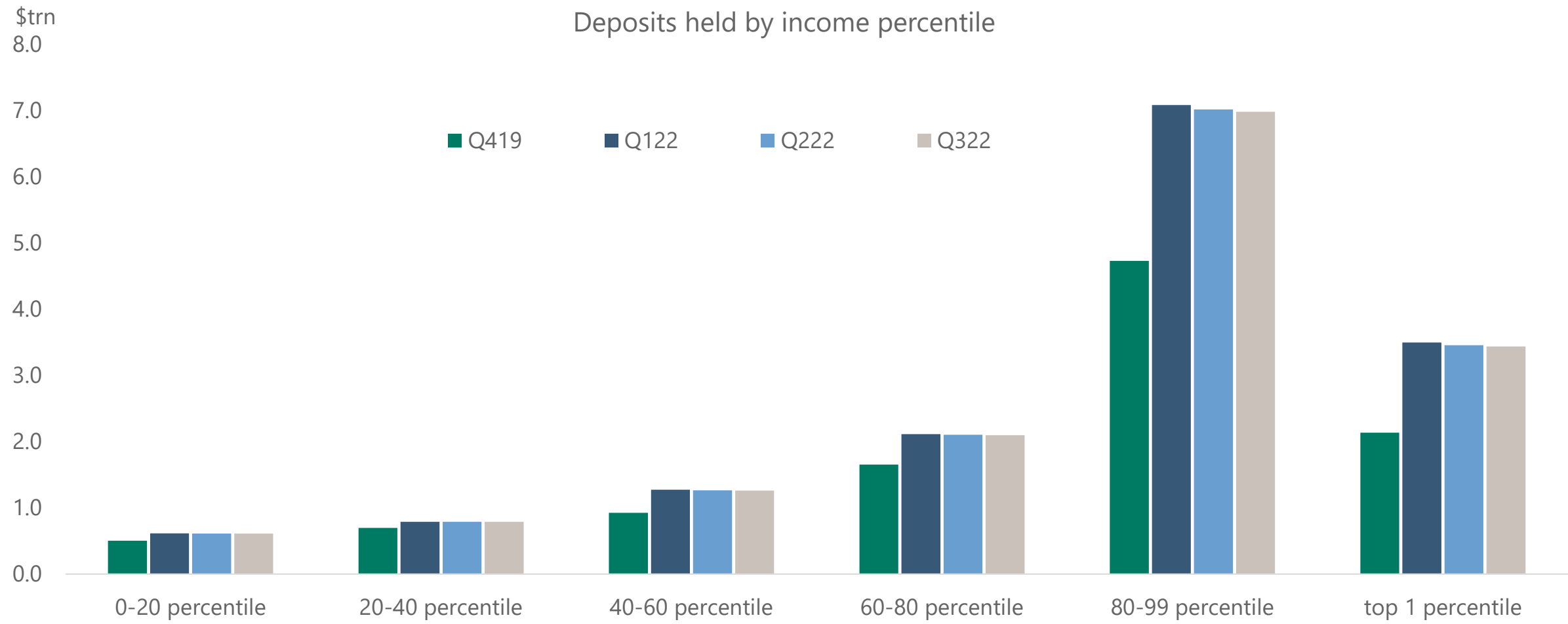
Supply chain improvements putting downward pressure on goods inflation



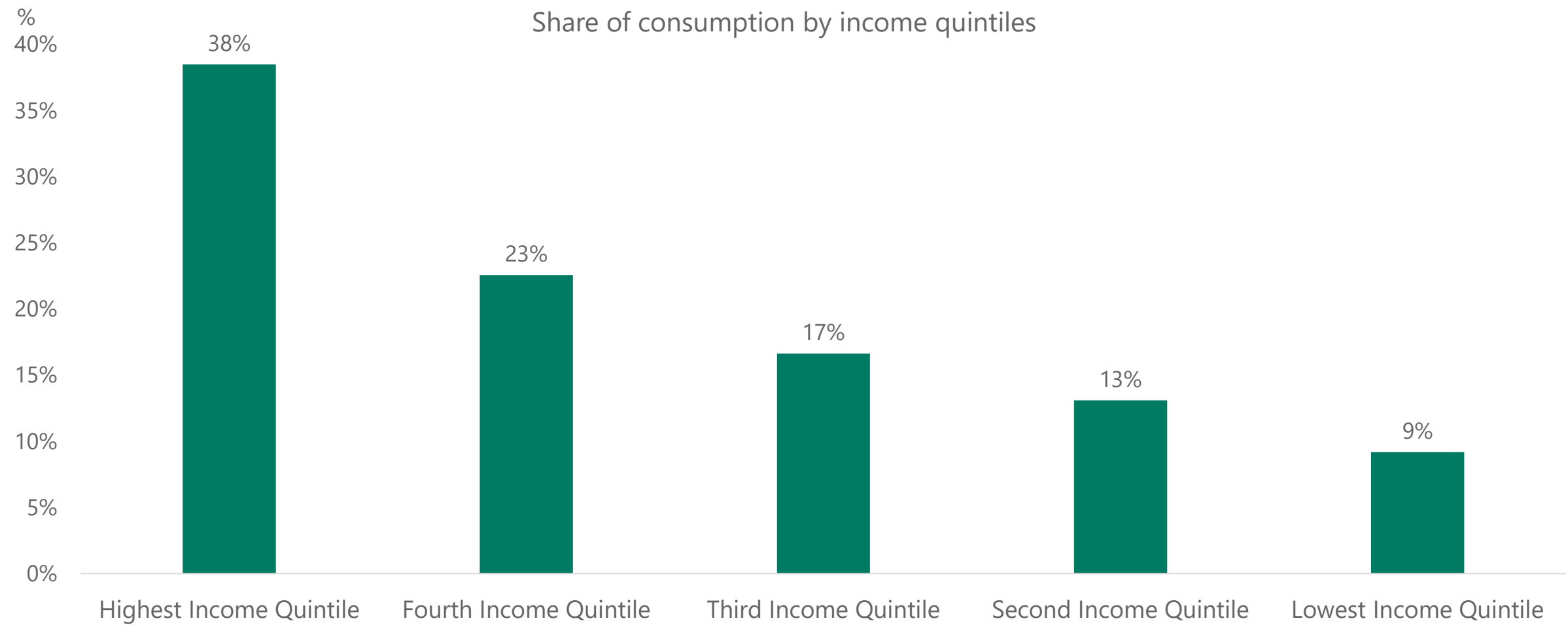
Households are running down their savings, but still about \$1.5trn left



Household savings across different income groups

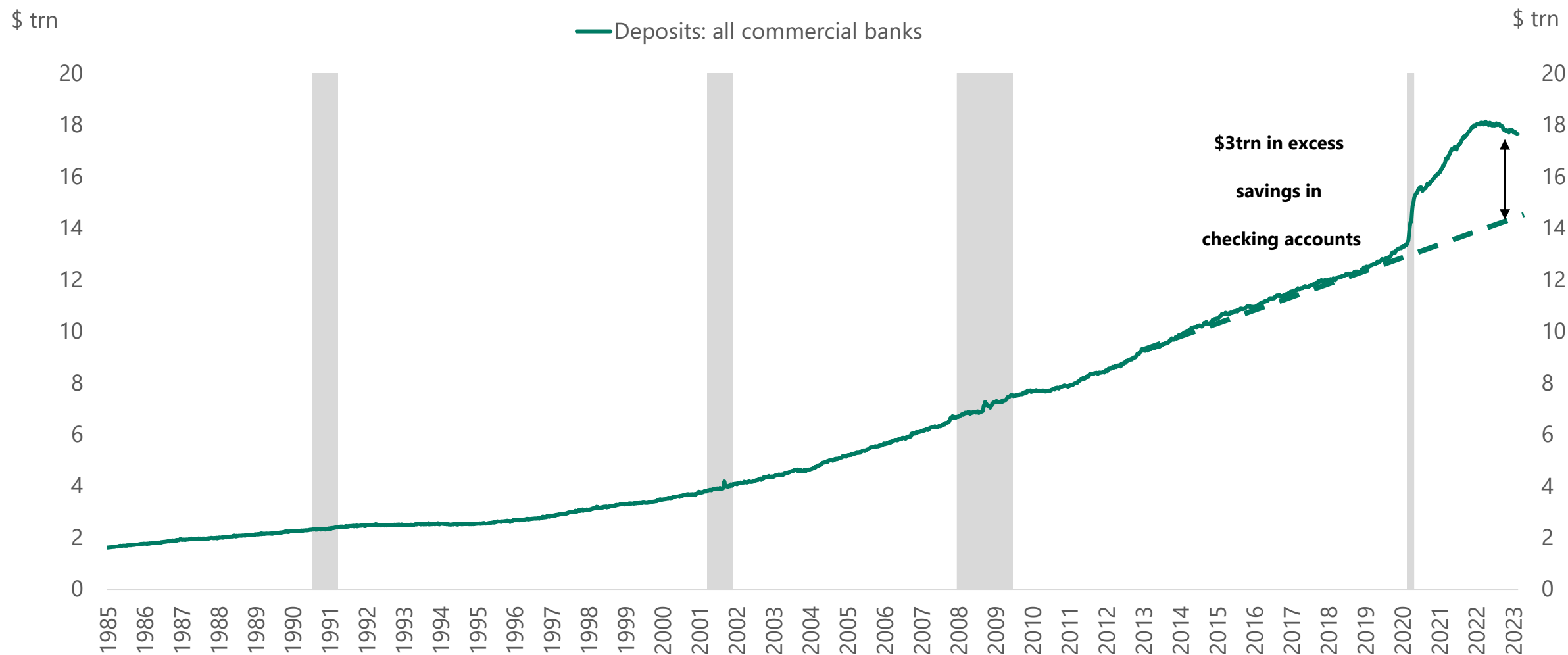


Share of US total consumer spending, by income

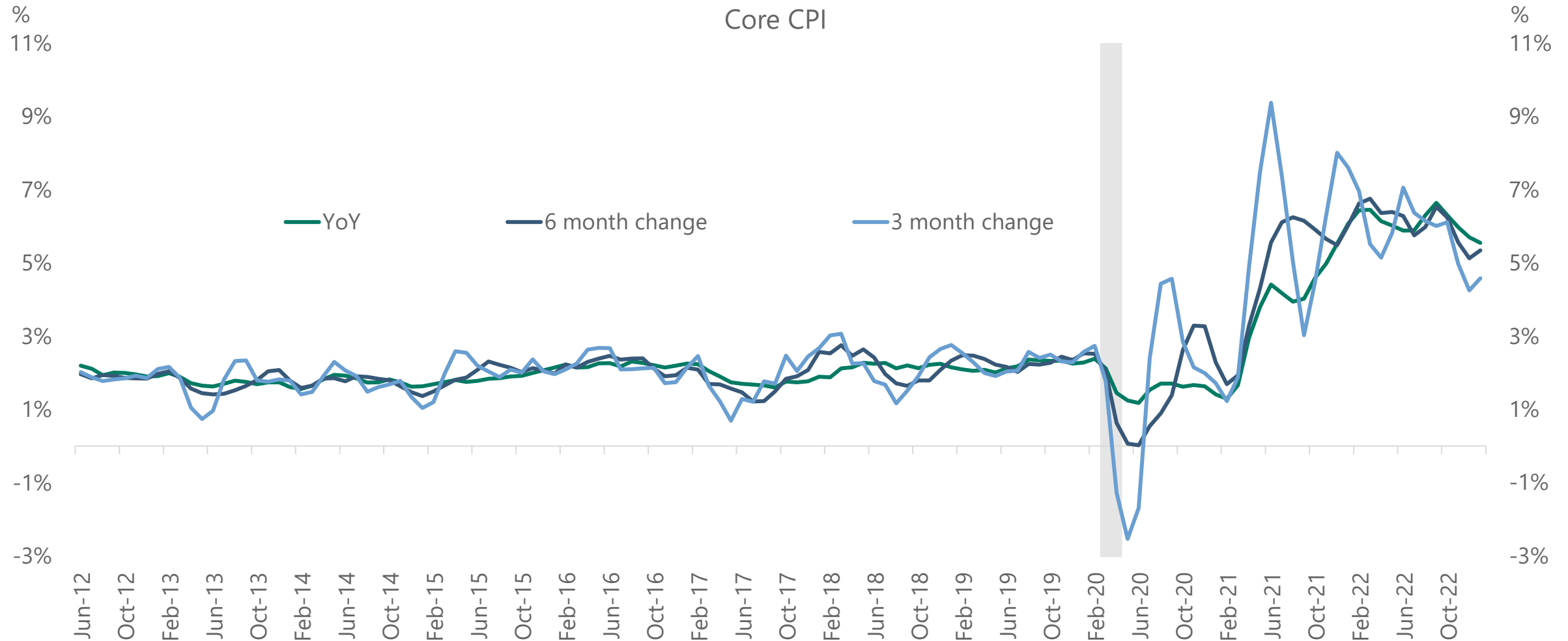


Source: Consumer Expenditure Survey, Haver Analytics, Apollo Chief Economist (latest data includes 2021)

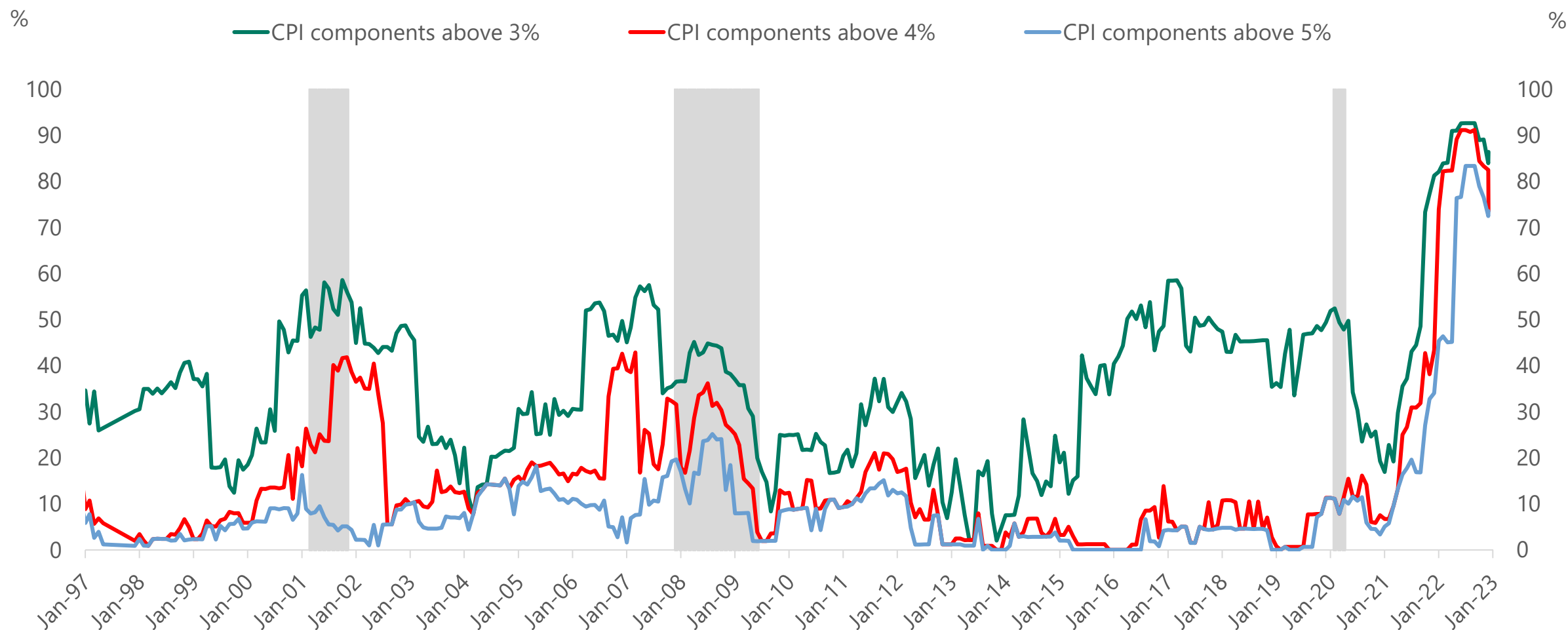
Record-high level of deposits at commercial banks



The 3-month and 6-month change in inflation elevated

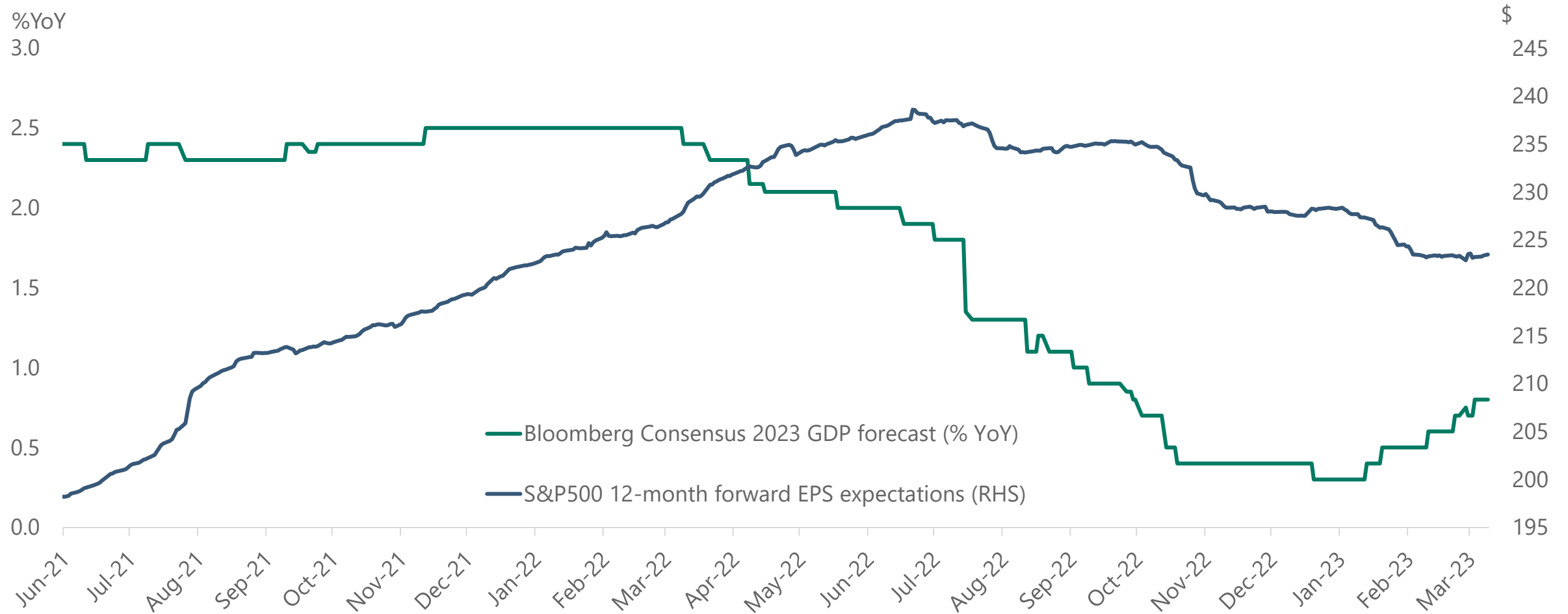


Inflation is still broad-based

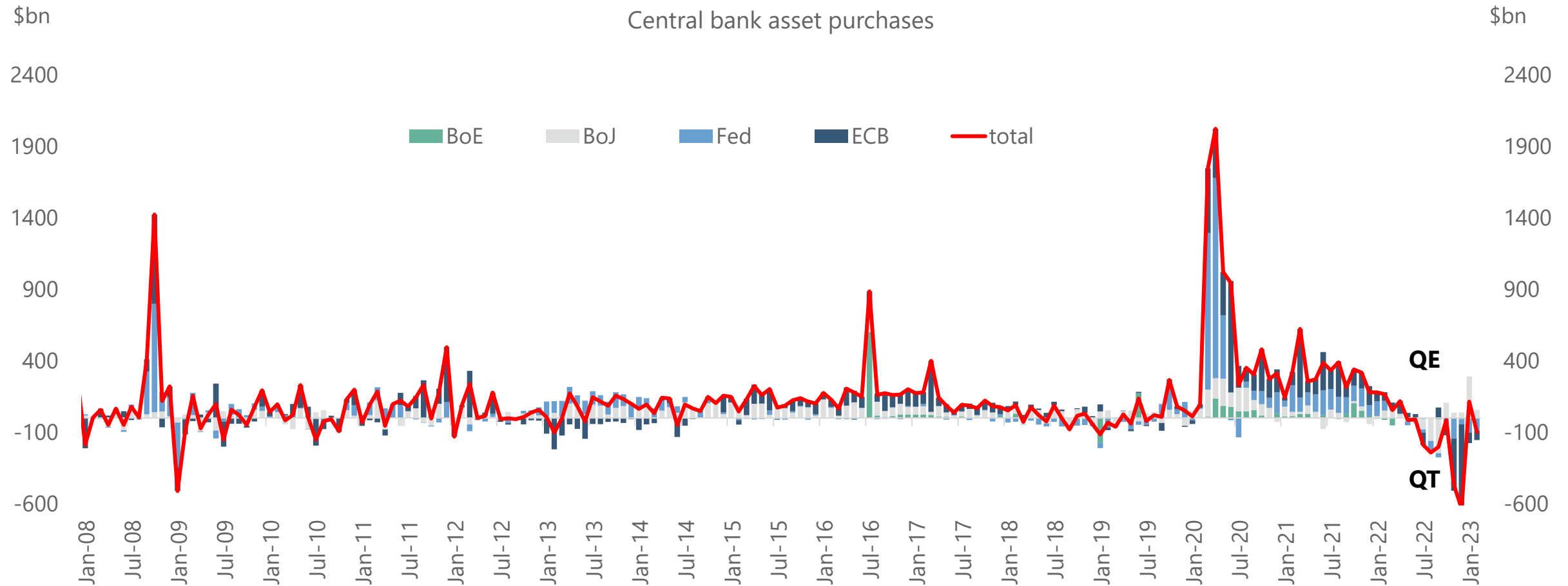


Note: Year-over-year growth used. Source: BLS, Haver, Apollo Chief Economist.

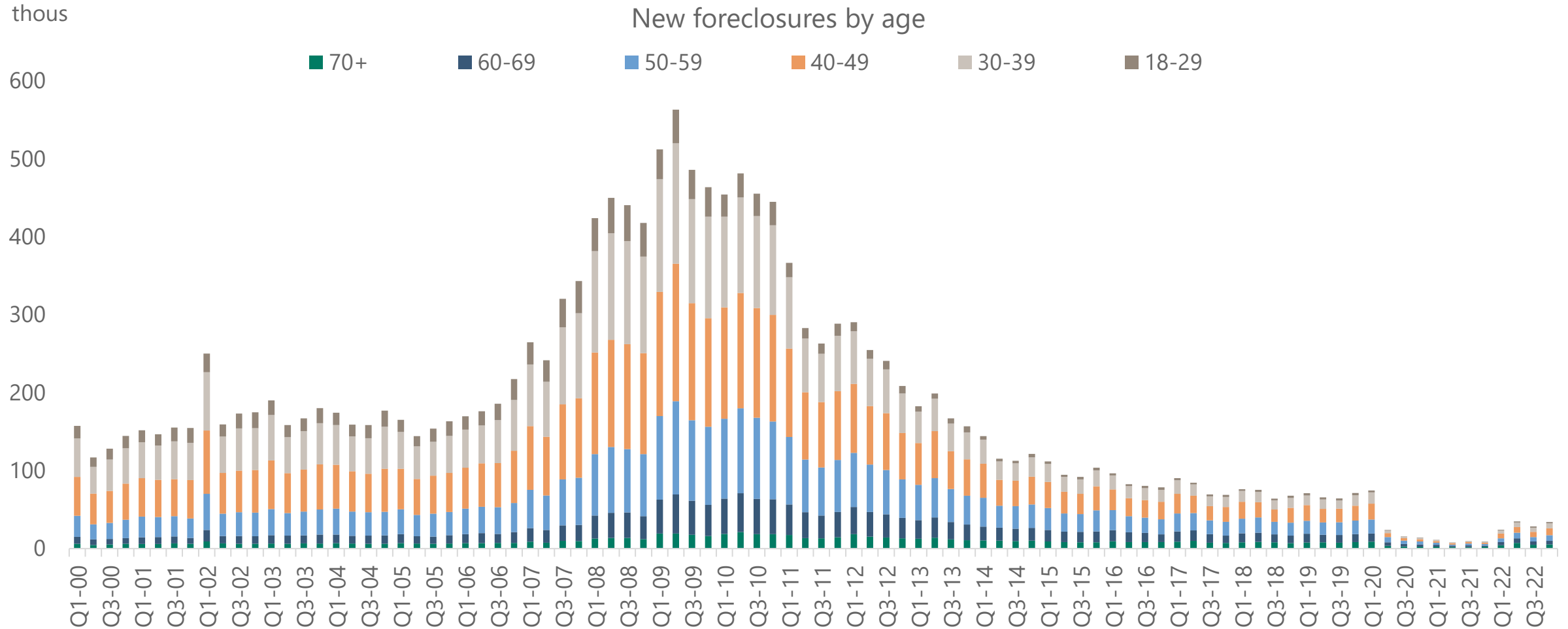
Divergence between S&P500 earnings expectations and GDP growth expectations



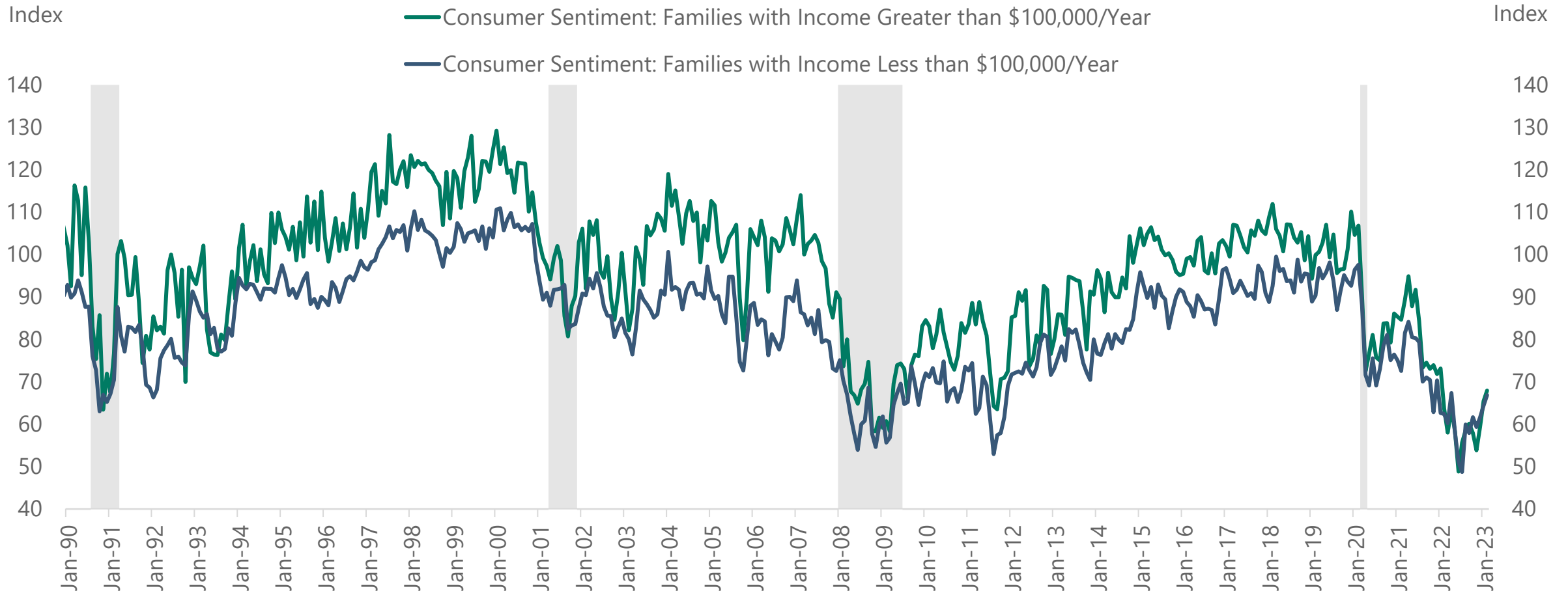
BoJ QE is greater than Fed QT



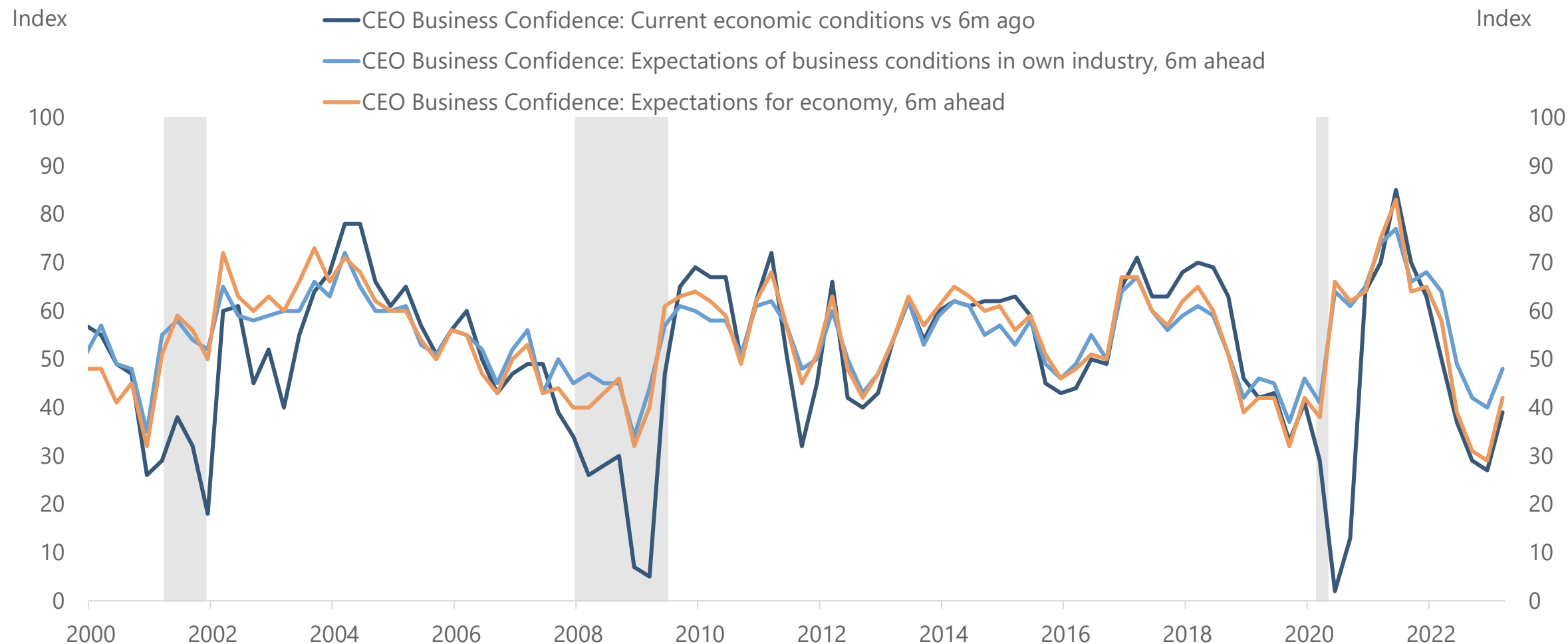
New foreclosures starting to move down



Consumer sentiment improving



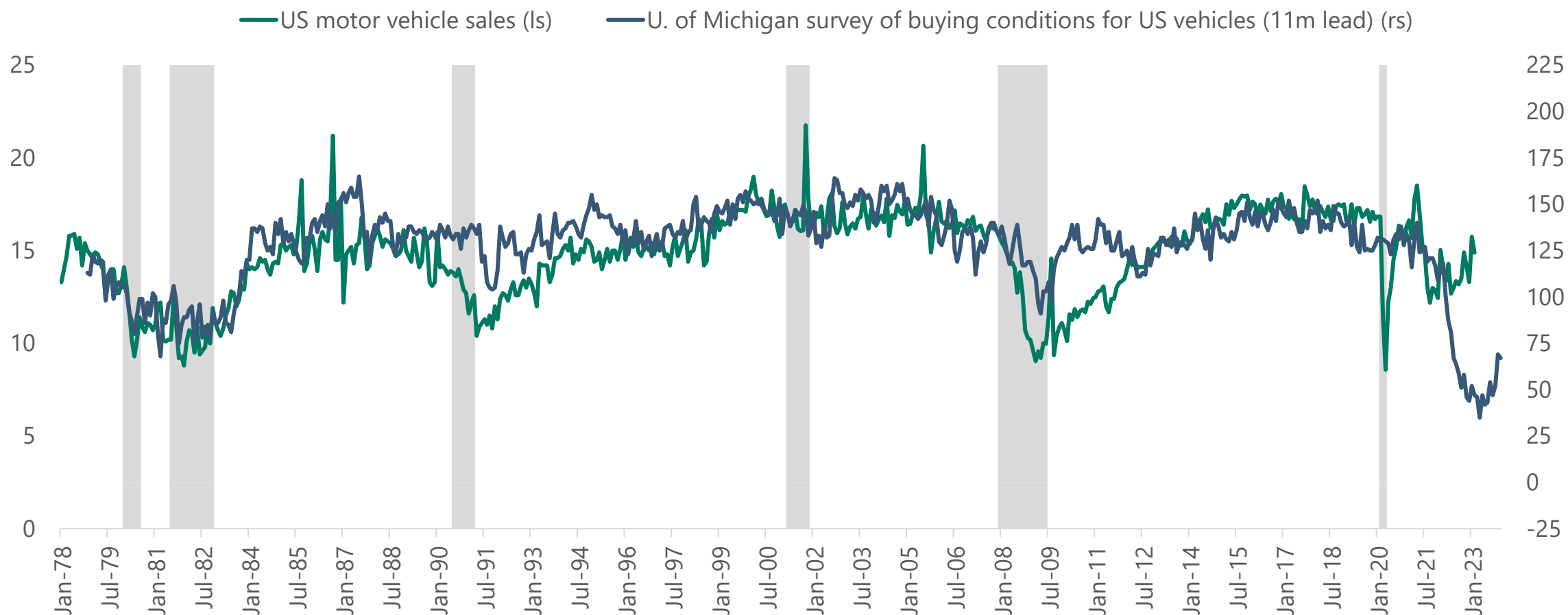
CEOs are more optimistic about the outlook



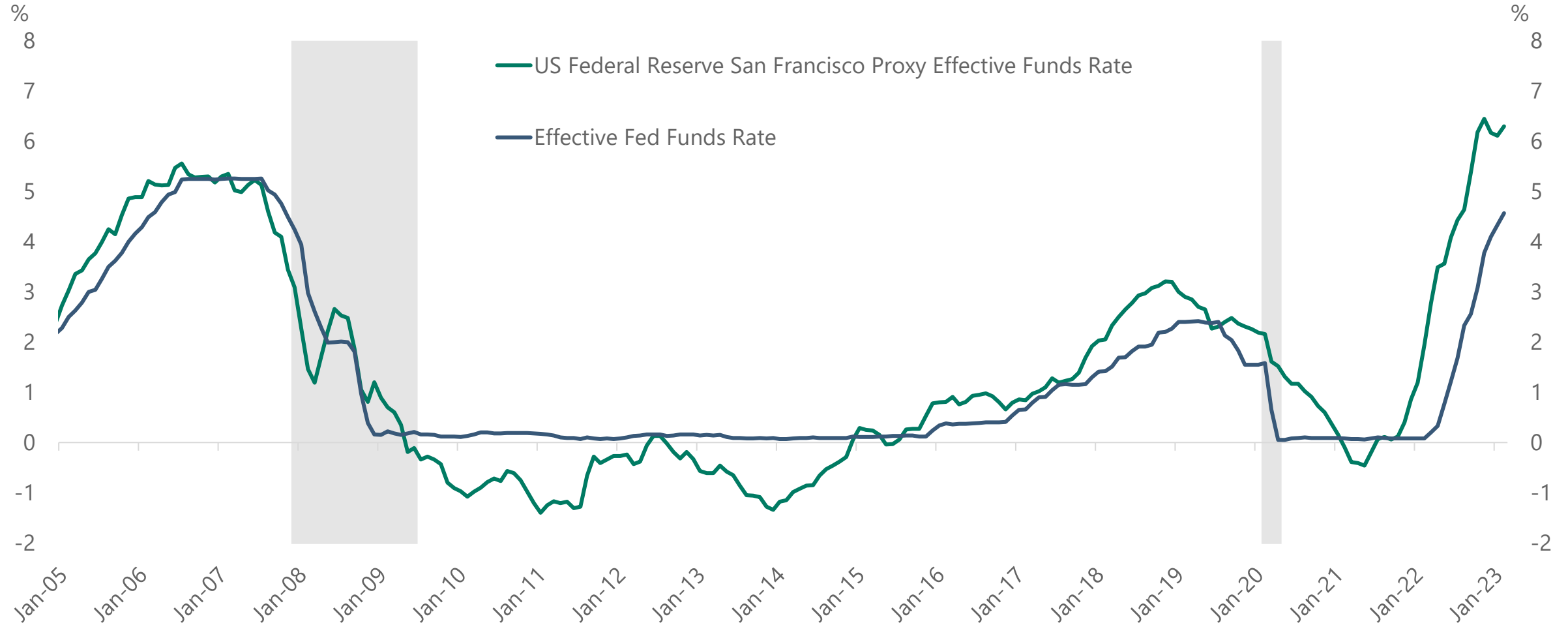
US car buying sentiment is turning more positive

Annualized, mn

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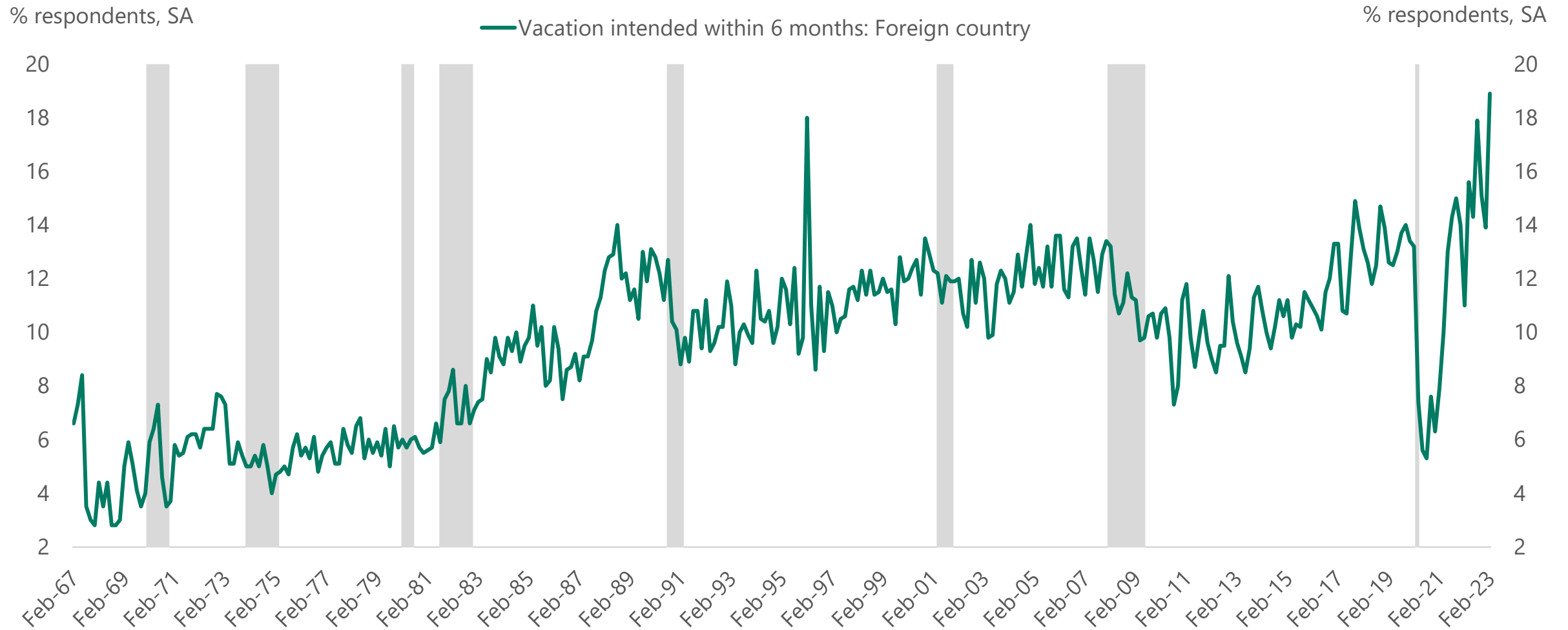


The Fed's own proxy Fed funds rate is around 6%



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.

Consumers' international vacation plans at an all-time high



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	Dec-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	6.4
	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	5.6
	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	0.9	0.9
	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	550.0	625.0	670.0
	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	59.7	67.0
	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	1.3	1.3
	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	48.4	47.7
	Homebuilder sentiment	76	72	58	83	86	82	81	76	84	79	67	46	31	42
	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	3.6
	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	4.8	4.6
	JOLTS Quits rate (%)	2.3	1.9	1.9	2.2	2.4	2.5	2.8	2.9	2.9	2.9	2.7	2.6	2.6	2.5
	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	193.0
MARKET CYCLE	S&P 500 Forward P/E ratio	18.4	16.5	21.7	21.5	22.6	21.9	21.4	20.1	21.4	19.5	15.9	15.3	16.8	17.5
	IG Spread (bps)	101	305	160	144	103	97	86	89	98	122	164	167	138	130
	HY Spread (bps)	360	877	644.0	541	386	336.0	304	315	310	343	587	543	481	427
	Yield curve (bps)	31	22	65	59	84	154	144	129	139	193	193	96	-48	-80
	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	3.88	3.81
	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	21.7	22.9
	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	121.6	129.3
	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	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	210.8
	IPO volume (\$bn, 3 month sum)	12.2	23.0	29.3	65.4	65.7	151.1	48.4	39.4	51.5	7.7	3.1	1.6	1.1	2.3
	SPAC volume (\$bn, 3 month sum)	3.8	5.9	11.9	40.4	39.3	109.6	13.8	14.0	20.9	4.0	2.5	0.7	0.6	0.6

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	5.6
	Economic Growth (% YoY)	1.2	-2.8	-14.2	-3.9	-4.1	-0.8	14.3	4.0	4.9	5.5	4.4	2.5	1.8
	House prices (% yoy)	4.3	5.1	5.1	5.2	6.0	6.2	7.4	9.2	9.5	9.8	9.2	6.8	6.8
	Consumer Confidence	-7.6	-12.4	-14.5	-12.9	-12.1	-9.9	-2.2	-3.7	-9.2	-22.0	-24.0	-28.7	-19.0
	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	48.5
	Economic sentiment indicator	103	94	75	95	97	103	115	118	115	106	103	94	100
	Unemployment rate (%)	7.5	7.2	8.1	8.5	8.2	8.2	7.8	7.4	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	3.2	6.1	5.6	5.3	5.3
MARKET CYCLE	EURO STOXX Forward P/E ratio	14.2	12.4	16.9	16.9	17.7	17.9	16.8	15.1	15.0	12.8	10.6	9.7	12.5
	IG Spread (bps)	94	238	148	118	93	91	84	85	98	129	212	221	144
	HY Spread (bps)	308	754	521.0	472	355	314.0	296	304	331	400	641	625	408
	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	0.032
	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	2.53
	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	22.3

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	10.1
	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	5.8
	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)	99420	90910	63570	95860	127630	176120	205620	161790	100260	111680	100900	103780	96650
	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	-38.0
	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	53.1
	Home price expectations in the next 3 months	27	-81	-8	18	-3	42	29	23	31	26	1	-36	-55
	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	5.9
	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	3.5
	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	-12.9
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	10.5
	IG Spread (bps)	131	265	175	150	113	113	106	104	115	145	206	244	169
	HY Spread (bps)	445	993	721.0	607	463	379.0	372	353	390	463	709	698	552
	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	-0.299
	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	3.70

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 rebounding





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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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