

APOLLO

# Thematic credit investing: What is back to normal after covid?

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**Apollo Global Management**

May 2023

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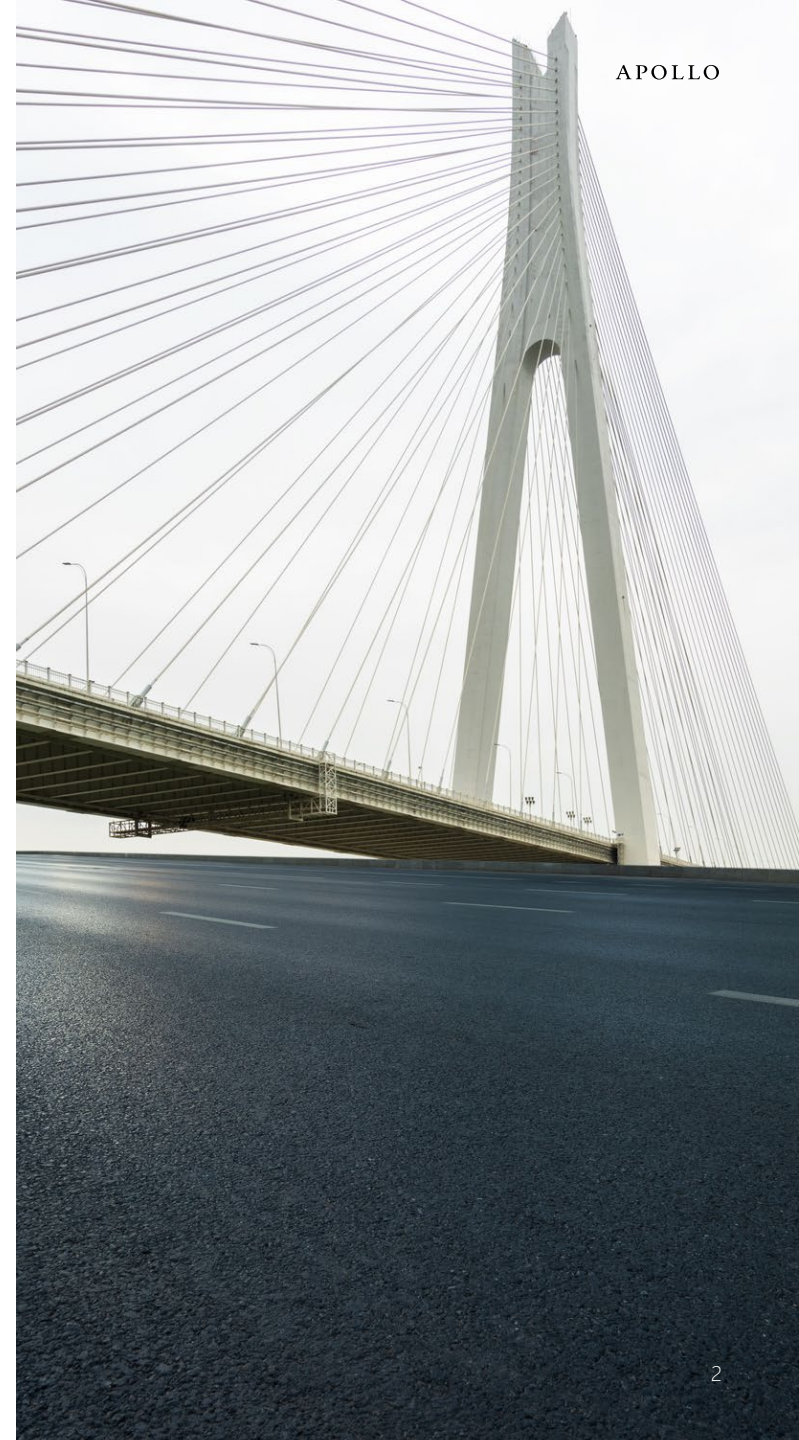
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# What is back to normal after Covid?

## **Back to normal**

- Container freight rates/supply chains
- Movie theatres and Broadway shows
- Immigration

## **Below 2019 levels**

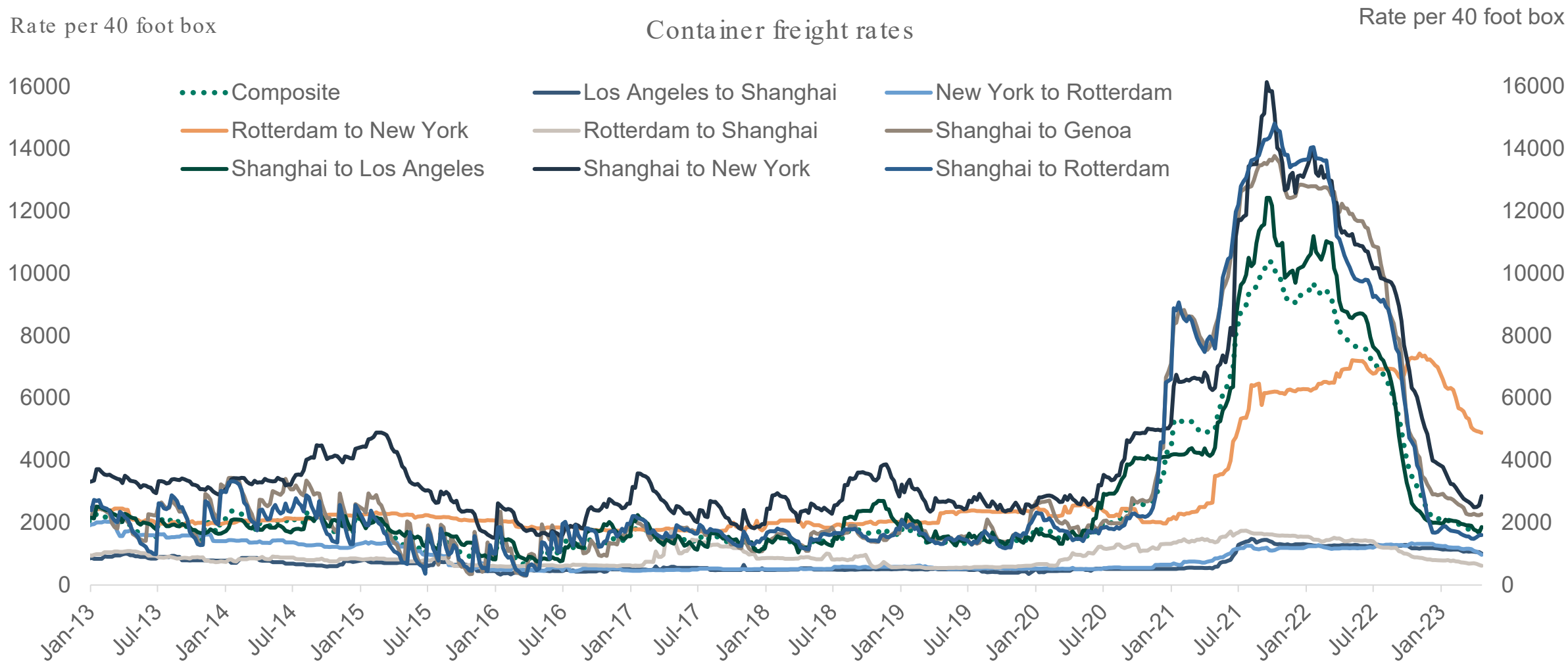
- Working from office
- Activities in downtown
- Labor force participation

## **Above 2019 levels**

- Consumer service spending: Streaming, flights, and hotels
- Inflation, labor market, and rents
- Commodity and gas prices

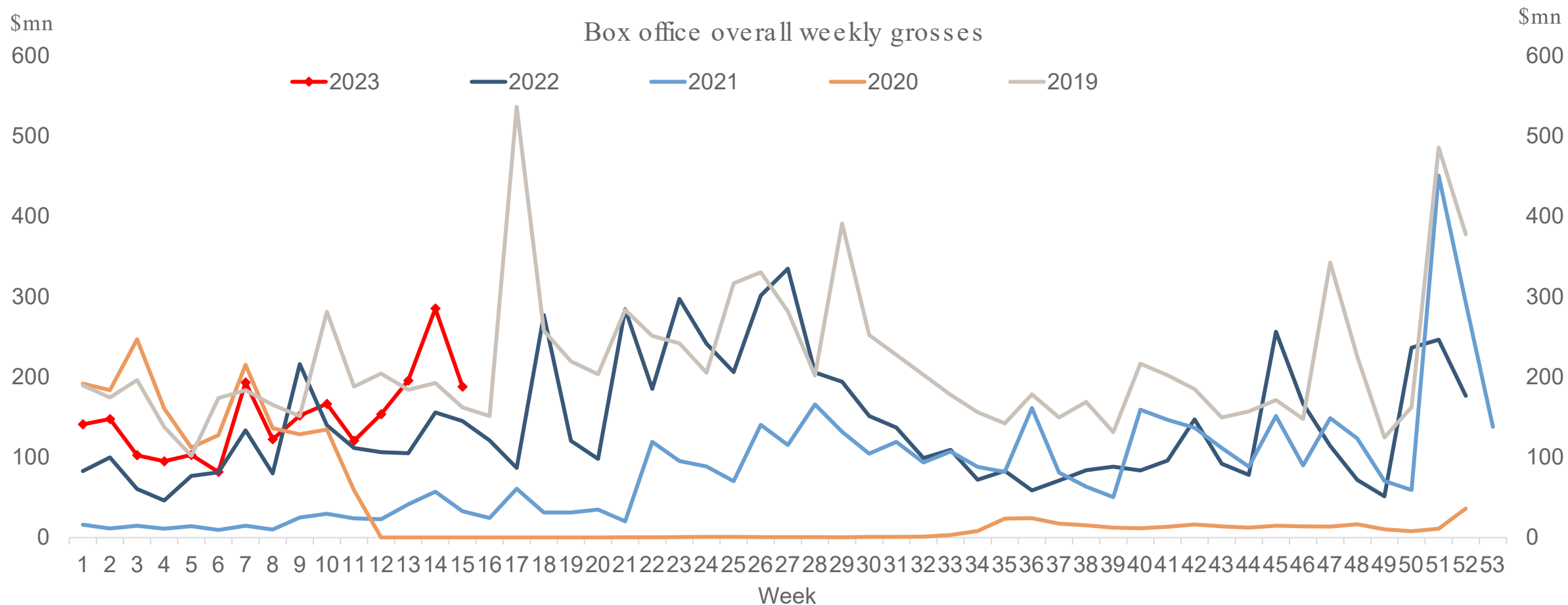
Back to normal

# Container freight rates back at pre-pandemic levels



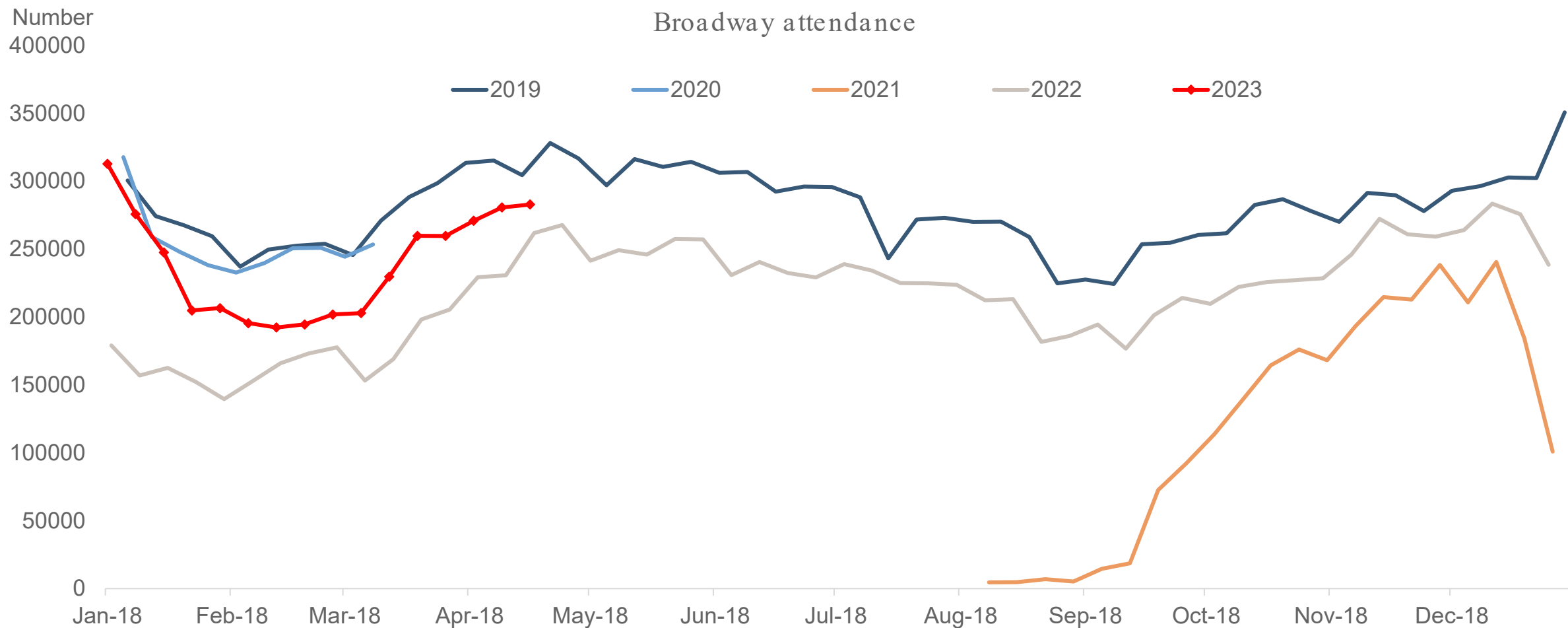
Source: WCI, Bloomberg, Apollo Chief Economist

# Movie theatre visits near 2019 levels



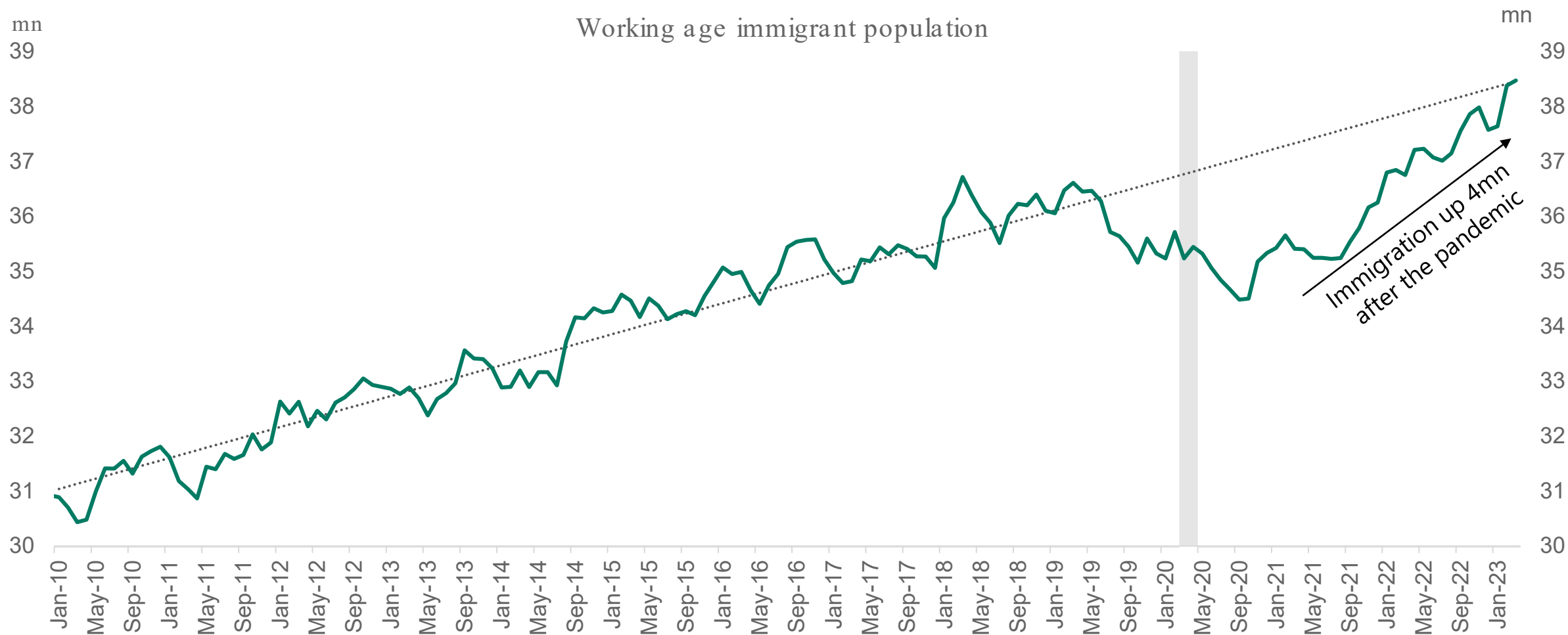
Source: Boxofficemojo.com, Apollo Chief Economist

# The number of people going to Broadway shows near 2019 levels



Source: Internet Broadway Database, Apollo Chief Economist

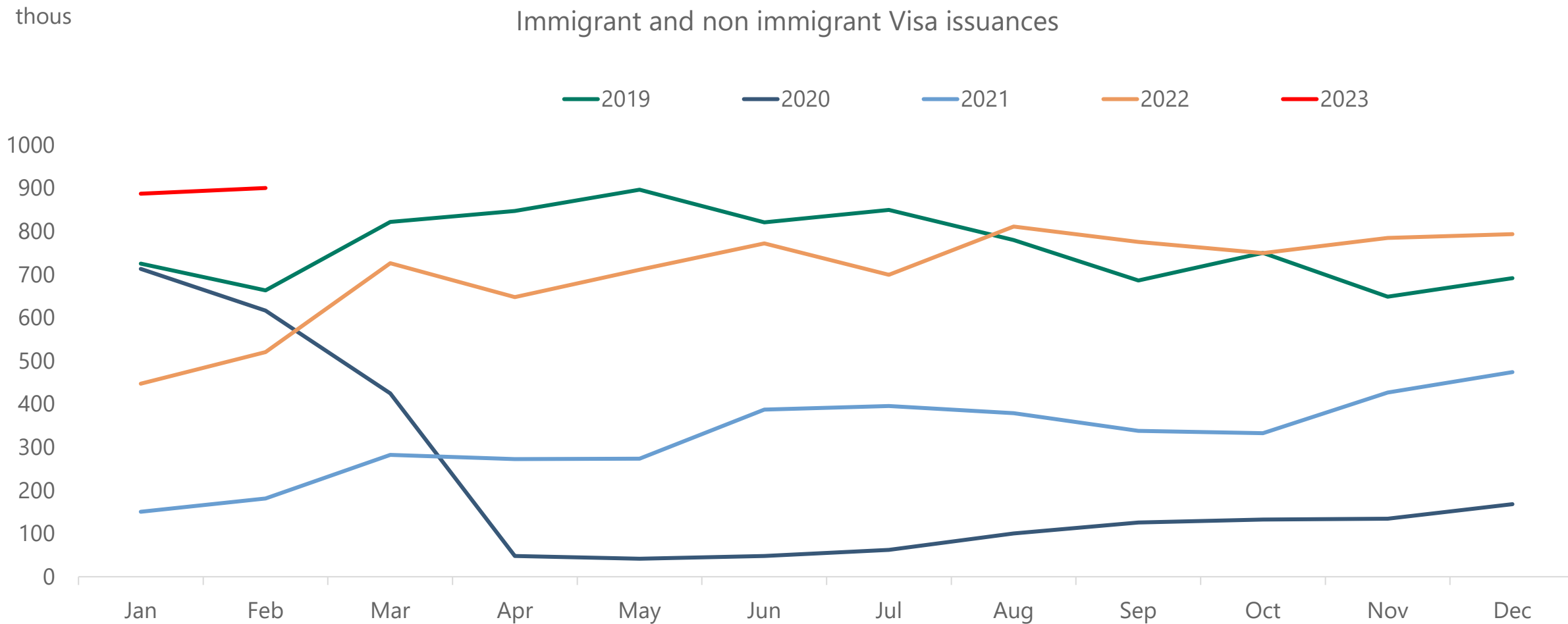
# Working age immigrant population back at pre-pandemic trend



Source: BLS, Haver Analytics, Apollo Chief Economist



# Immigration near 2019 levels

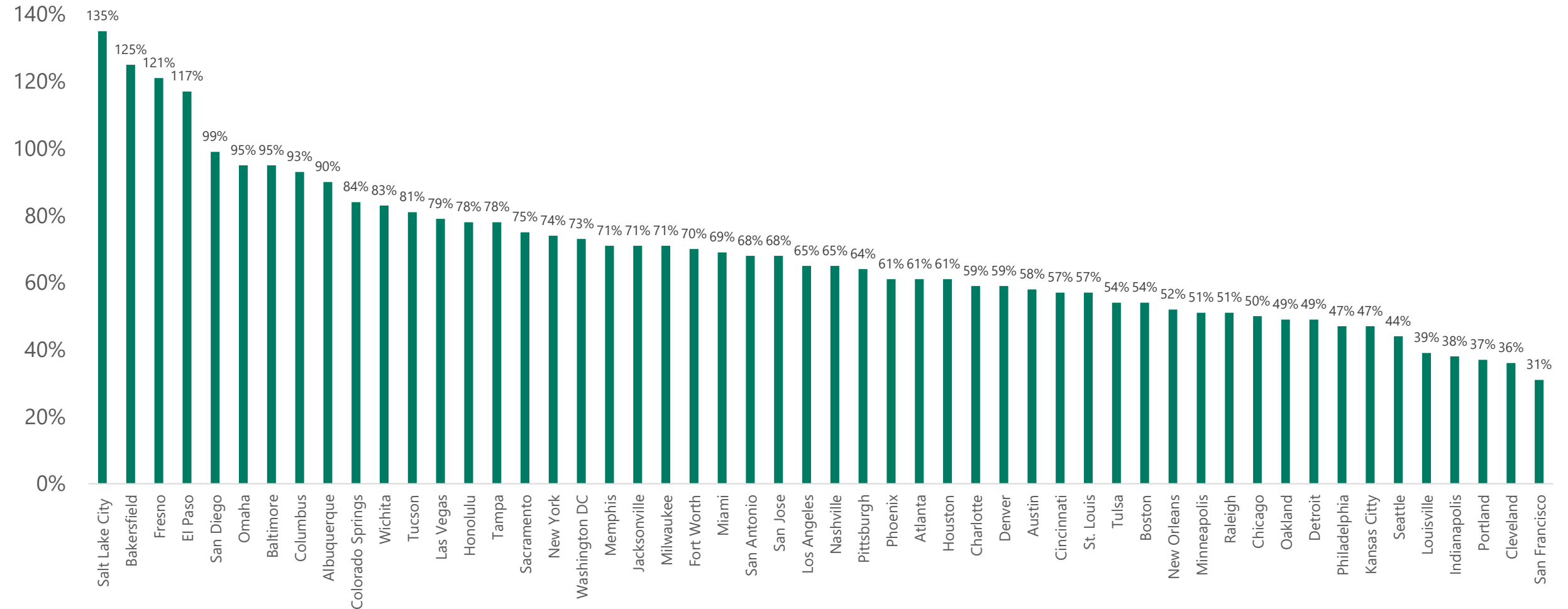


Below 2019 levels



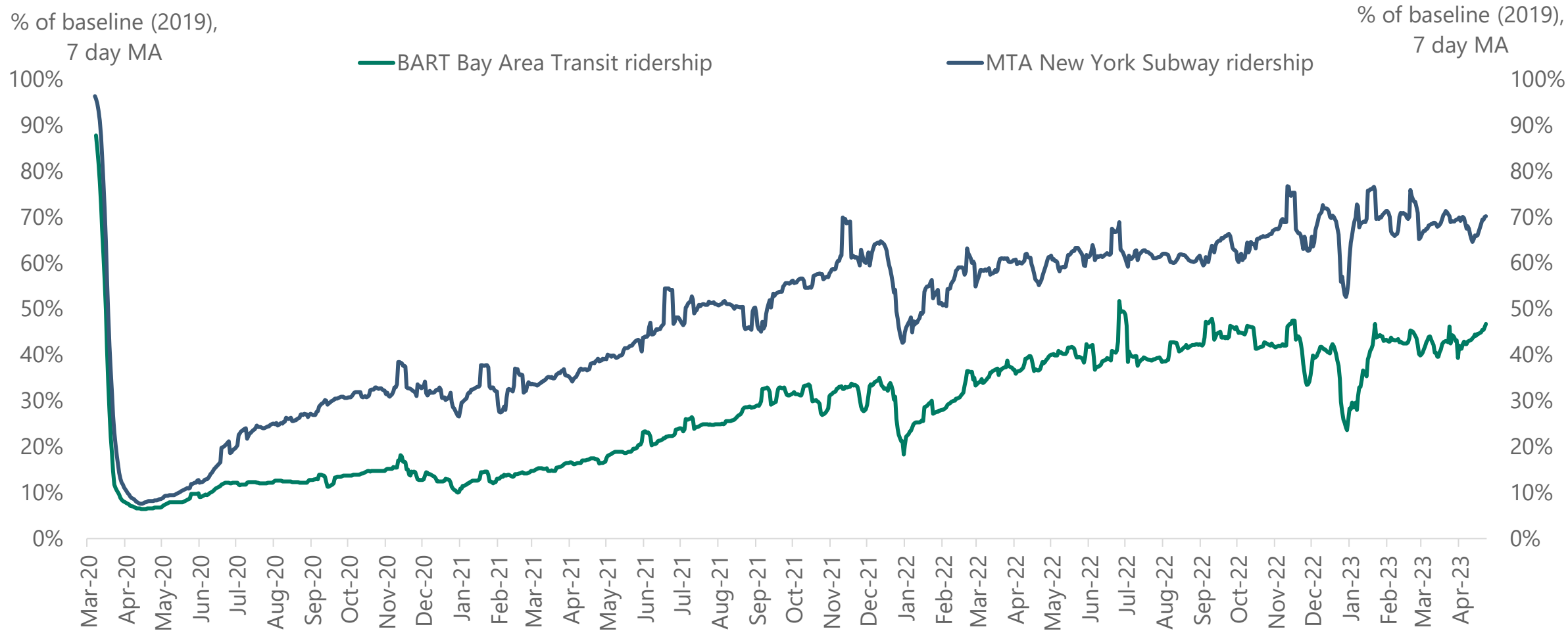
# Cellphone activity in downtown San Francisco is currently 31% of pre-pandemic levels.

2022 (% of 2019)

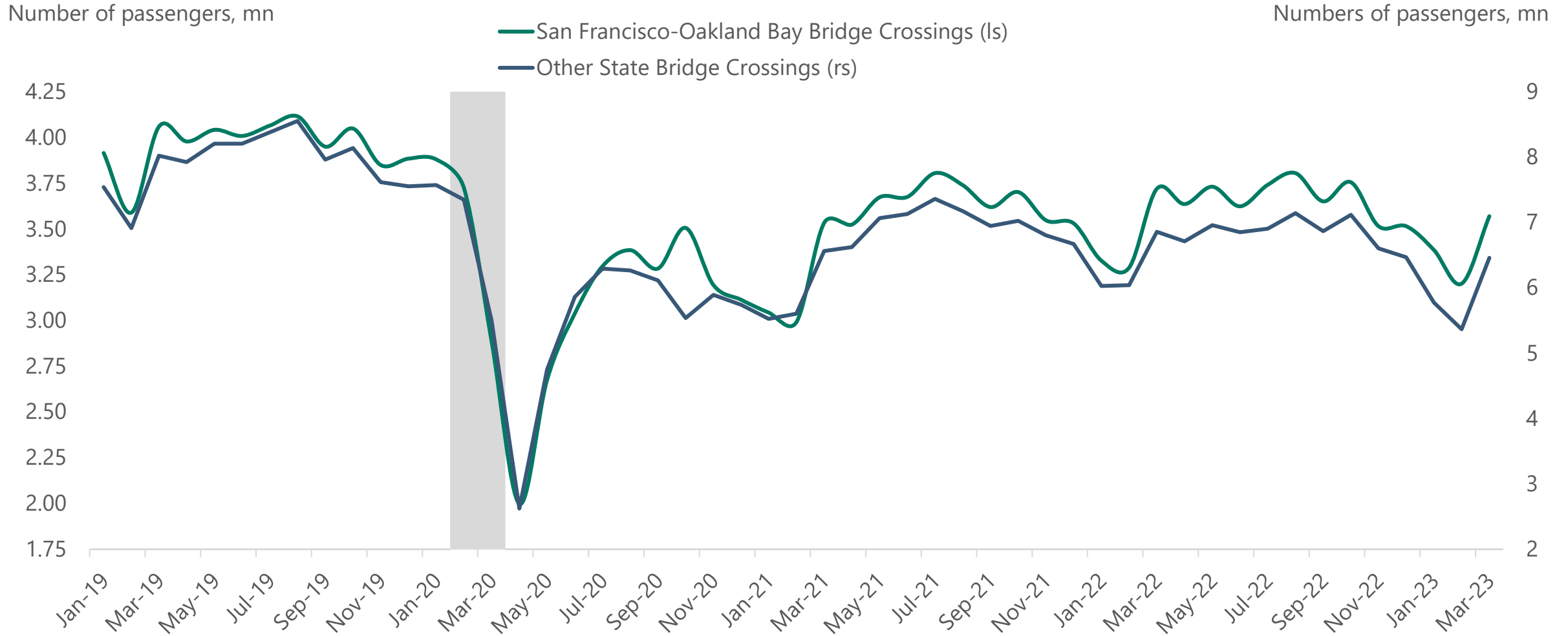


Source: University of Toronto School of Cities, Apollo Chief Economist. The data compares Fall of 2022 (Sep to Nov) to Fall of 2019. For more see here: [downtownrecovery.com](https://downtownrecovery.com)

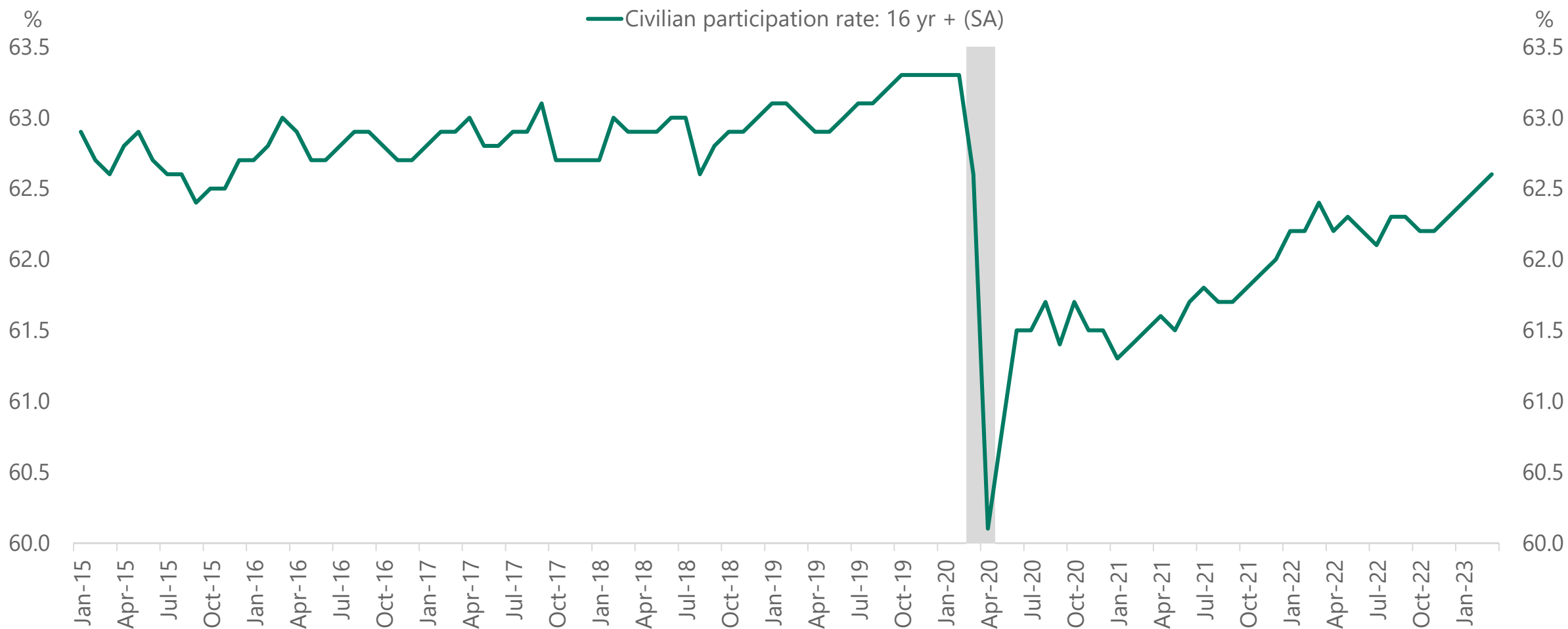
# NYC and SF ridership well below 2019 levels



# San Francisco-Oakland Bay Bridge Crossings below pre-pandemic level



# Labor force participation rate below 2019 levels

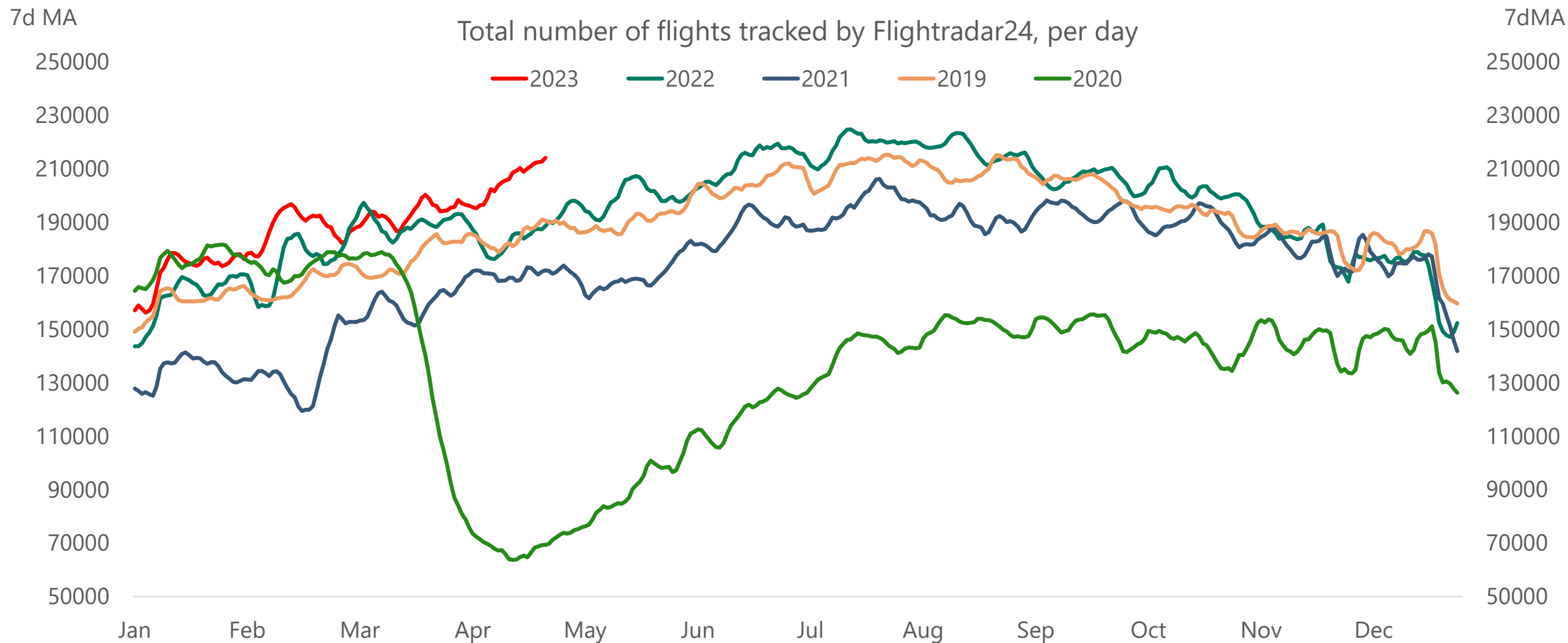


Source: BLS, Haver Analytics, Apollo Chief Economist

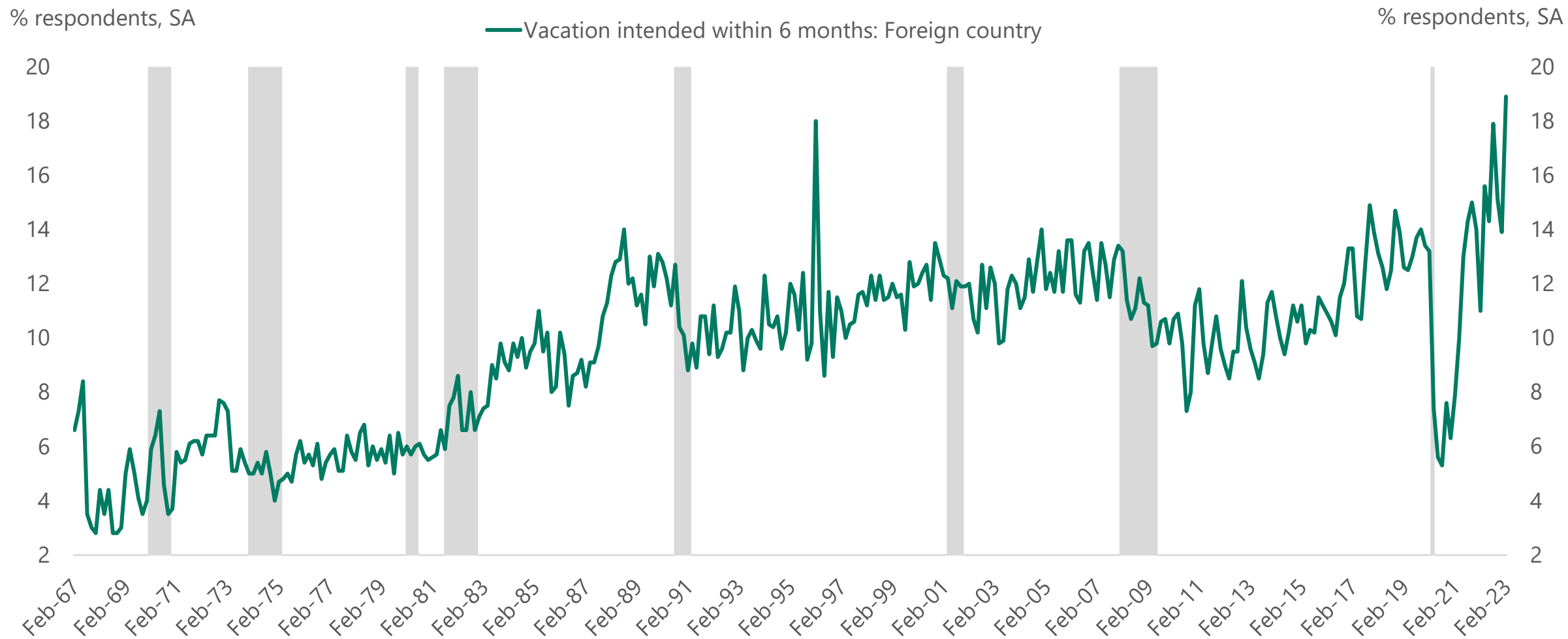
*Above 2019 levels*



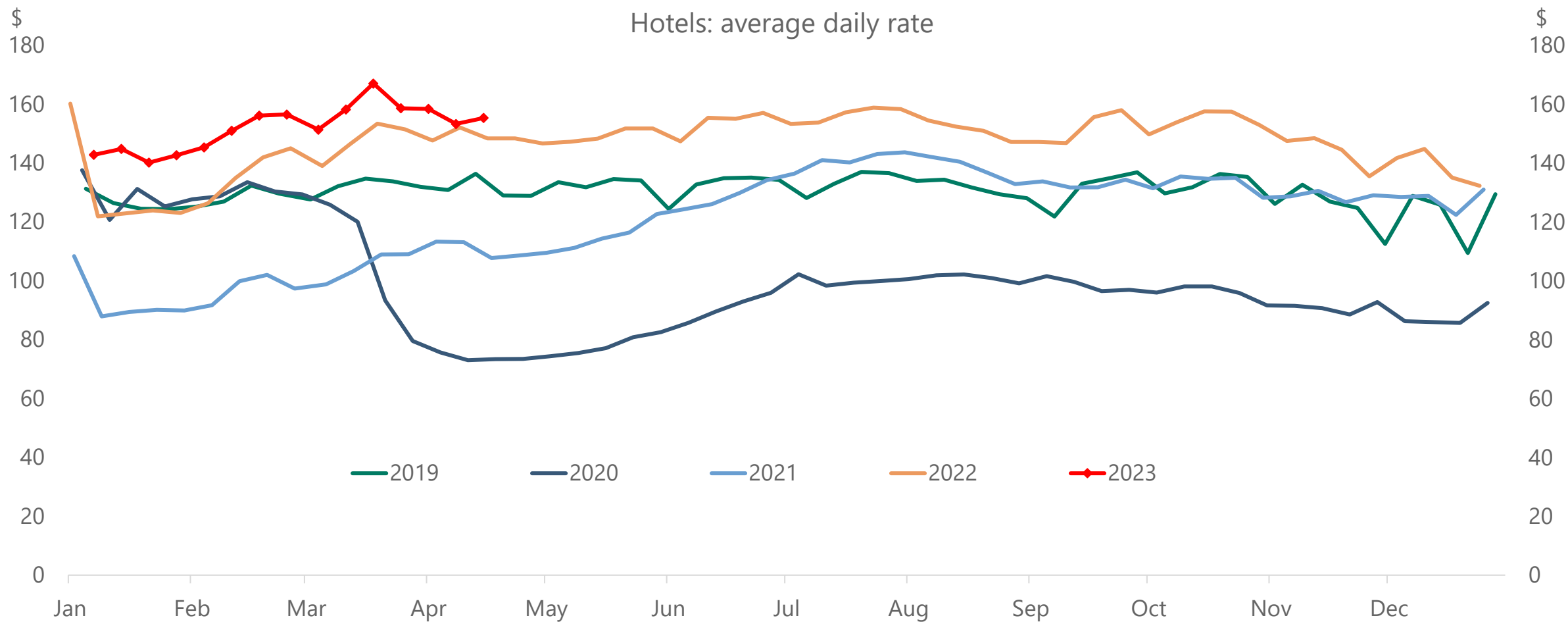
# Global air traffic at the highest level in five years



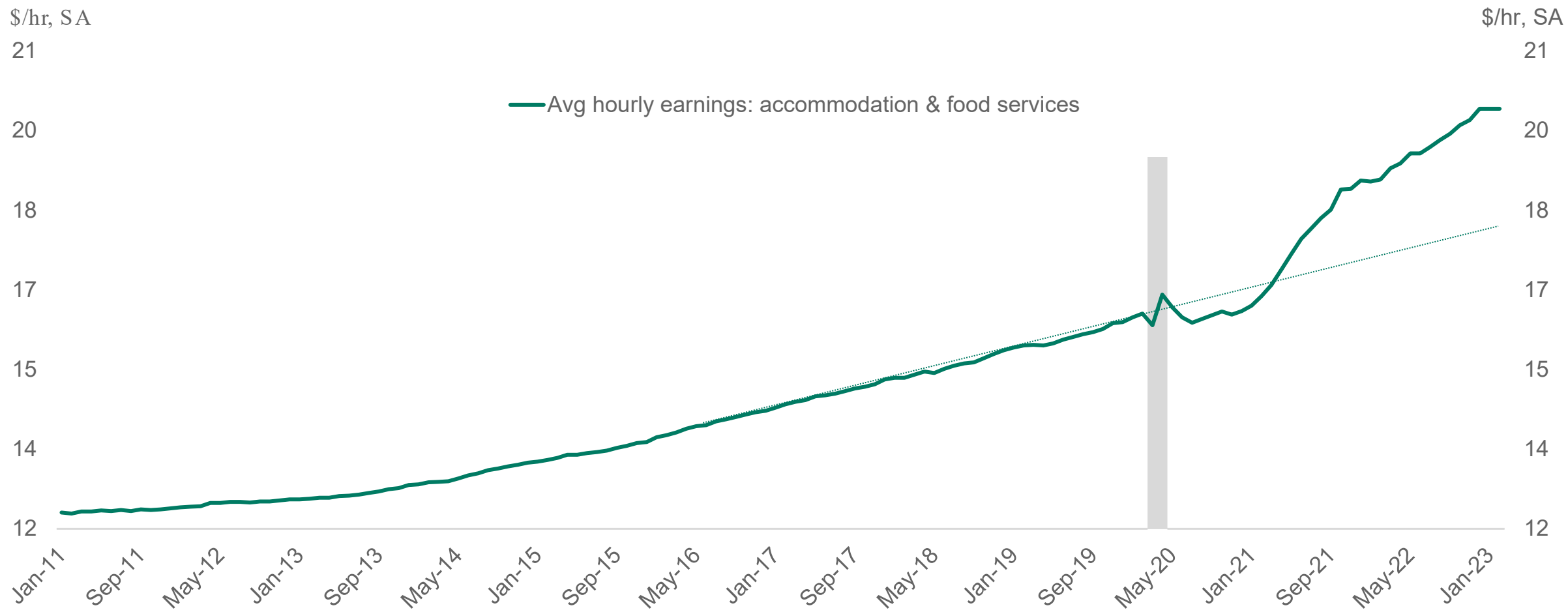
# Consumers' international vacation plans at an all-time high



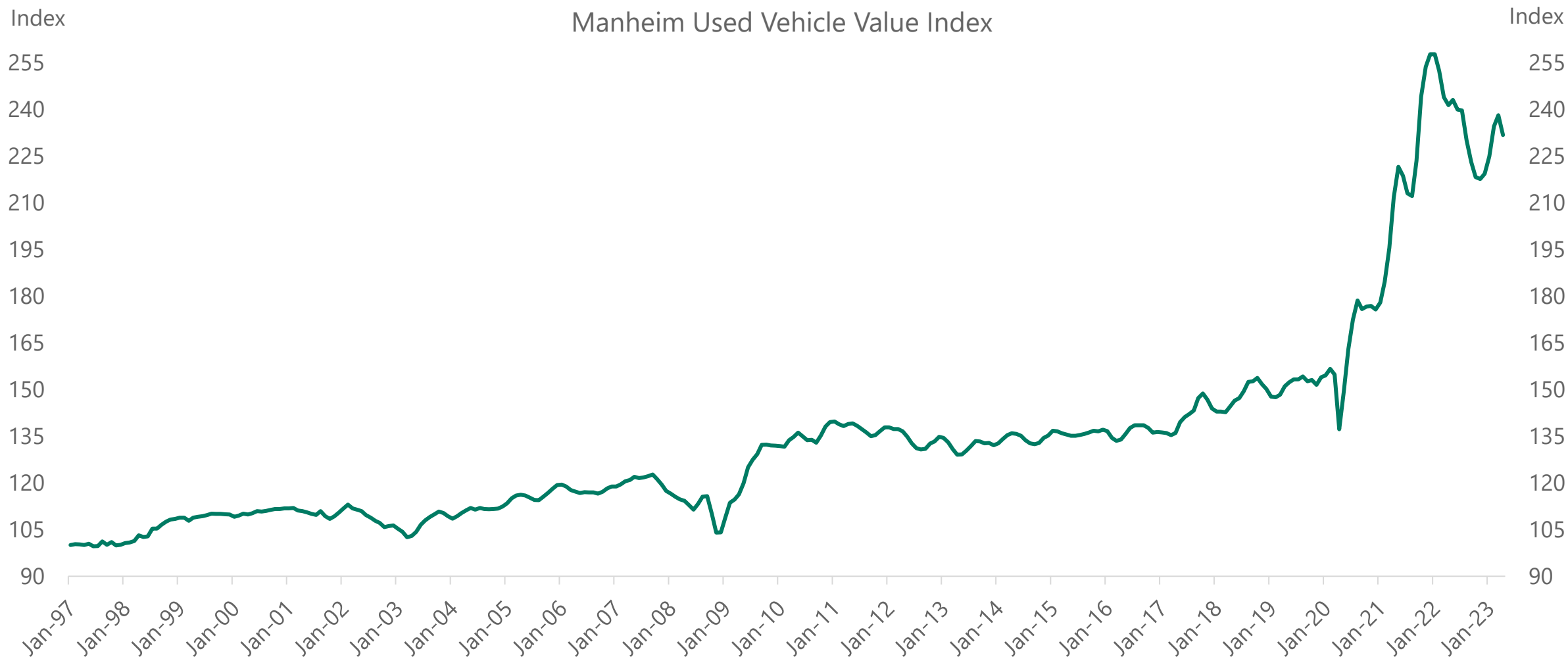
# Weekly data for hotel demand is above 2019 levels



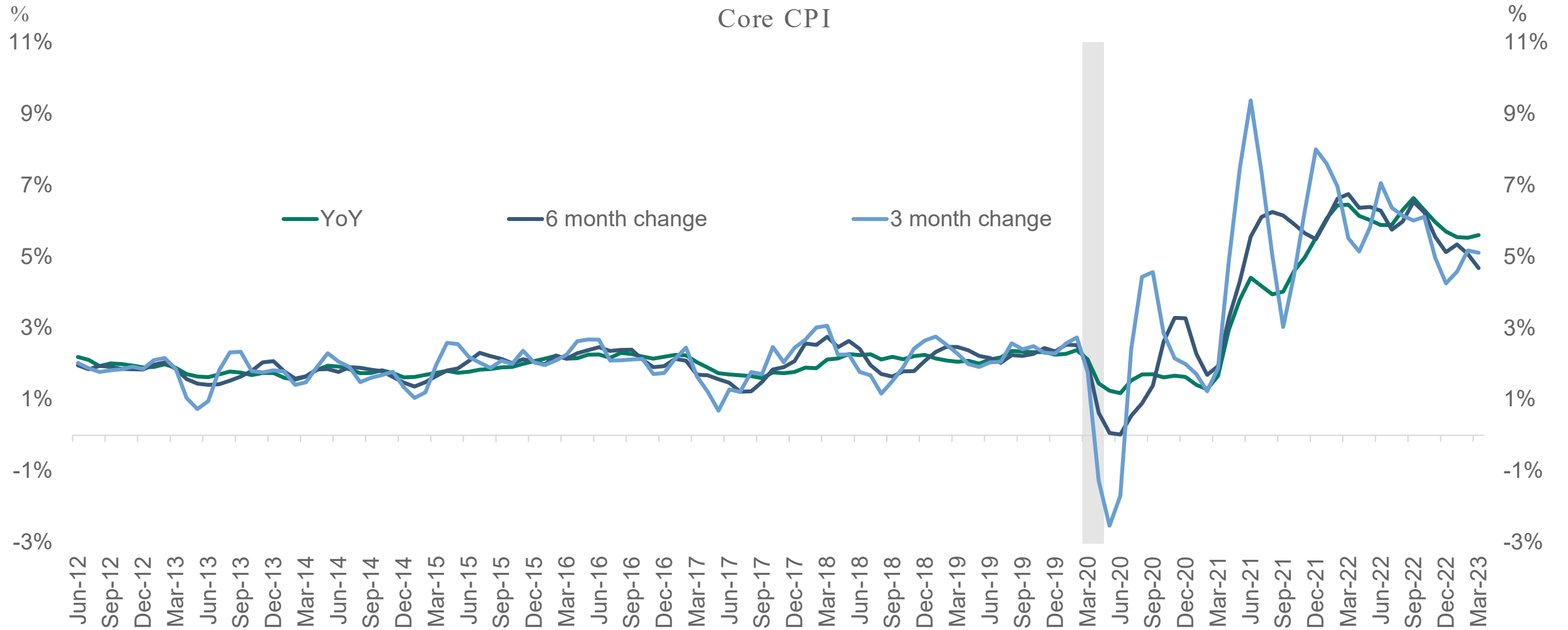
# Hotel and restaurant wages substantially above pre-covid trend



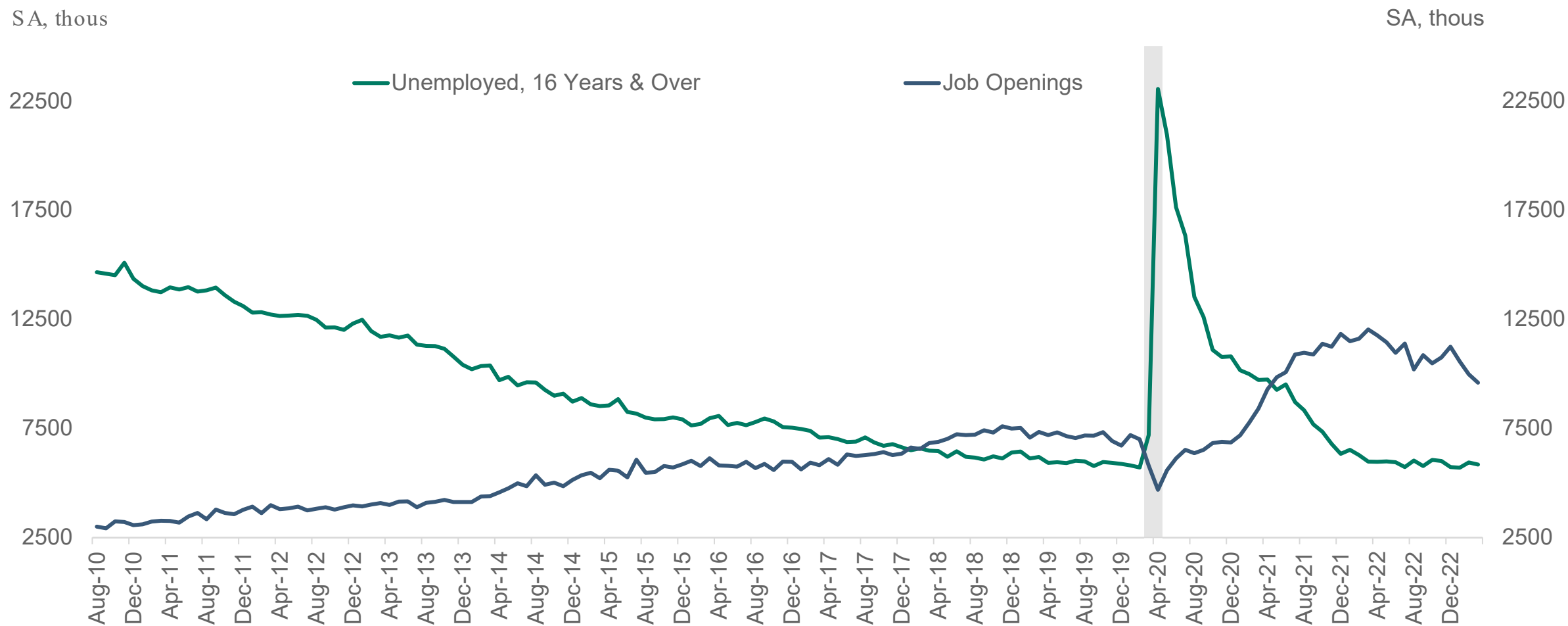
# Used car prices significantly above pre-pandemic levels



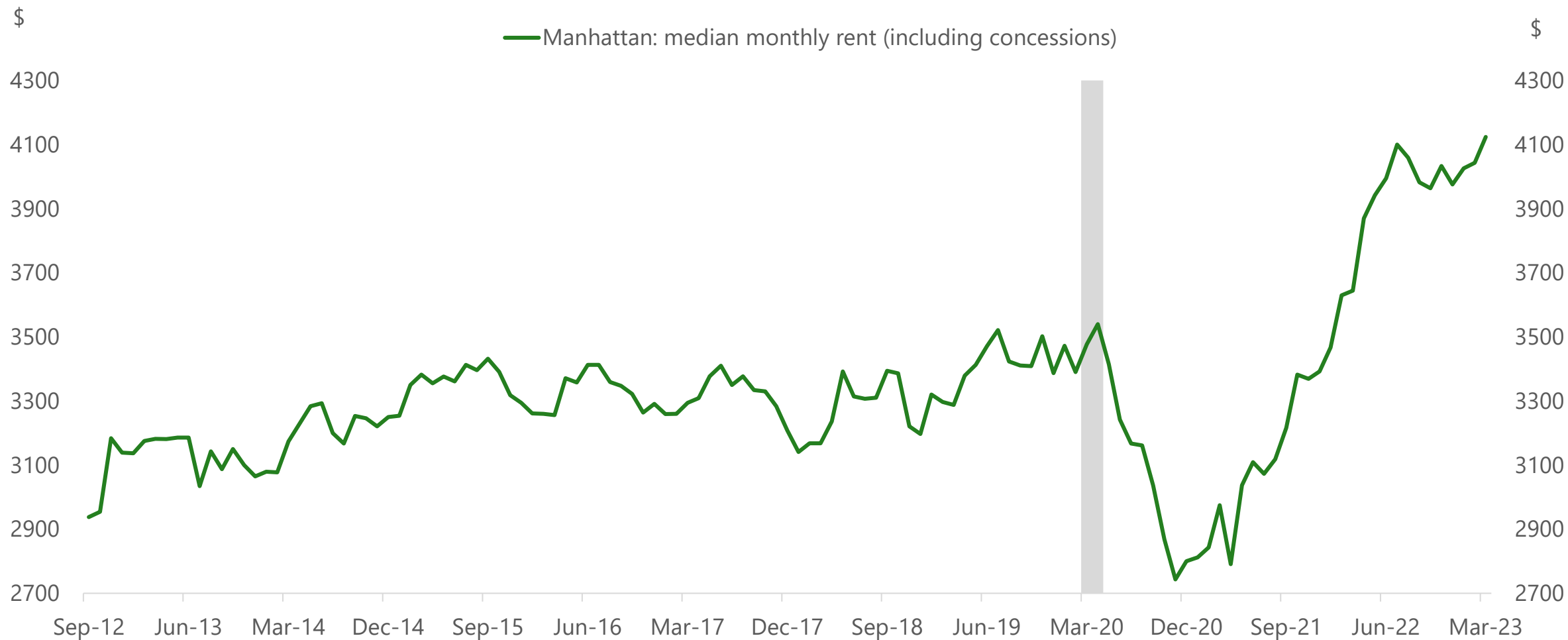
# Inflation significantly above the Fed's 2% inflation target



# Job openings significantly above 2019 levels

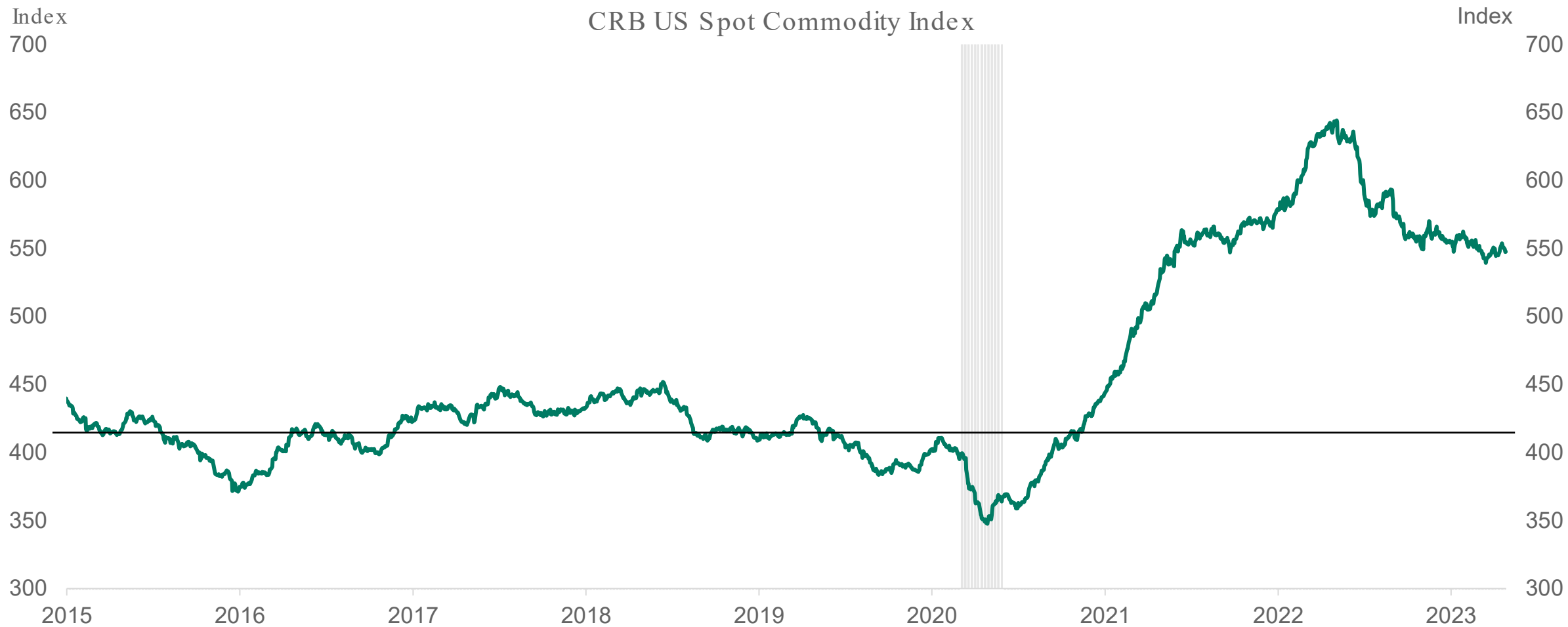


# Manhattan rents at new high

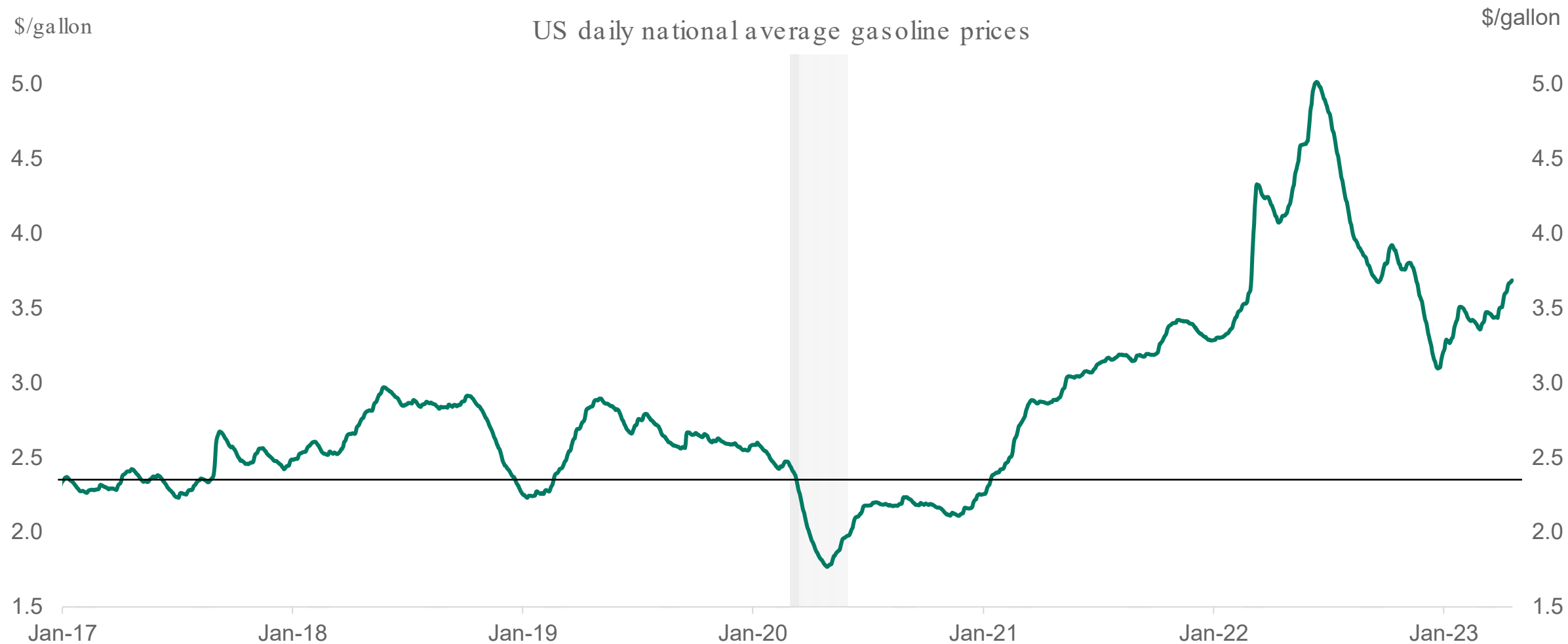




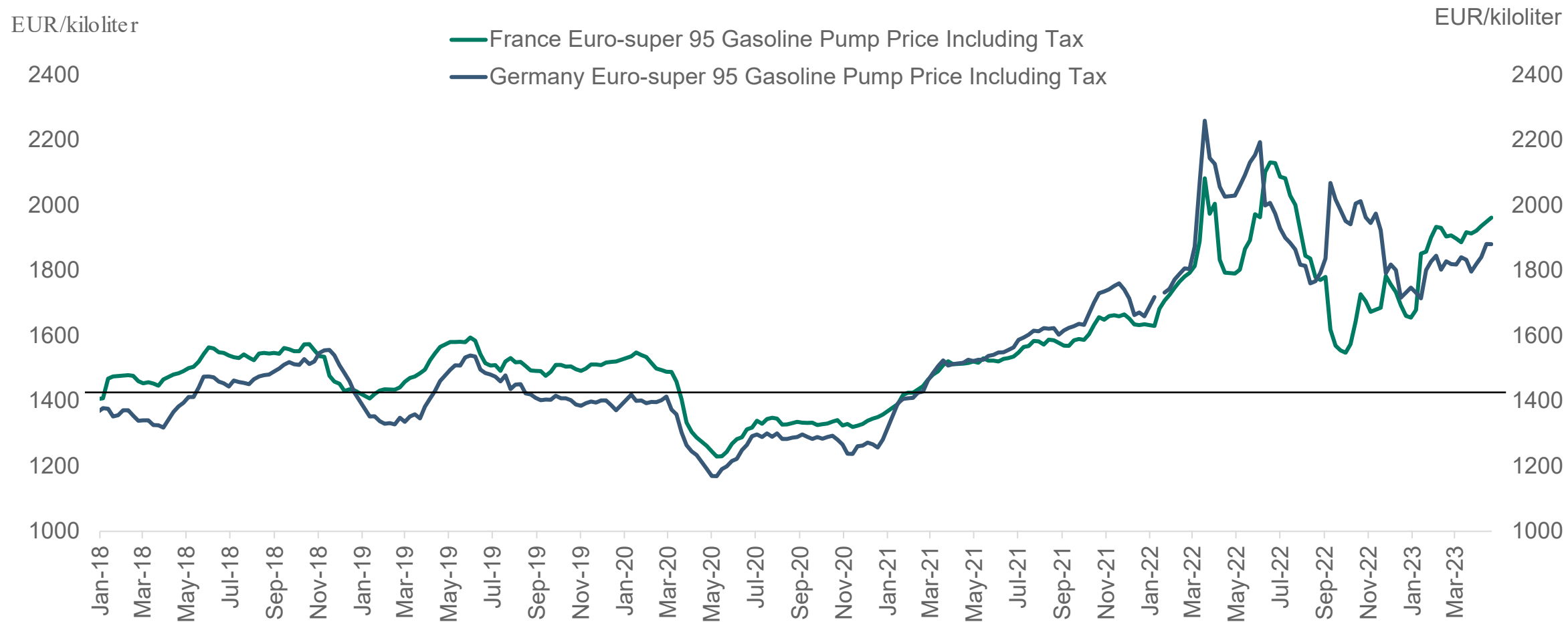
# Commodity prices above 2019 levels



# US retail gas prices above 2019 levels



# European gasoline prices above 2019 levels



Source: Bloomberg, Apollo Chief Economist (ECOBGTFR Index, ECOBGTGE Index)



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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. 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.