

APOLLO GLOBAL MANAGEMENT

Labor market still strong, but wage growth slowing

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Unless otherwise noted, information as of June 2022

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Tracking the employment recovery in different sectors

	Feb-20	Apr-20	May-20	Jul-20	Dec-20	Feb-21	May-21	Jan-22	May-22
Total nonfarm payrolls	100	86	87	91	93	94	95	98	99
Scenic and sightseeing transportation	100	38	45	54	60	58	61	80	76
Coal mining	100	81	85	86	83	82	79	80	82
Clothing and clothing accessories stores	100	41	46	71	75	78	80	84	85
Nursing and residential care facilities	100	96	95	94	92	91	90	88	88
Child day care services	100	64	66	77	81	82	83	88	89
Mining and logging	100	90	87	83	81	79	82	86	90
Amusements, gambling, and recreation	100	45	45	63	70	74	79	89	91
Museums	100	72	71	70	75	76	79	87	91
Leisure and hospitality	100	52	59	72	75	78	81	90	92
Rail transportation	100	97	93	92	93	92	93	90	92
Electronics and appliance stores	100	91	76	86	92	90	90	92	92
Furniture and home furnishings stores	100	54	63	84	91	92	93	93	93
Telecommunications	100	99	98	97	96	96	95	93	94
Food services and drinking places	100	51	63	77	79	82	85	92	94
Automobile dealers	100	78	84	90	93	93	93	94	94
Performing arts and spectator sports	100	52	49	51	58	62	67	86	95
Motor vehicles and parts	100	81	85	91	94	94	95	96	96
Sporting goods, hobby, book, and music stores	100	62	69	81	89	92	94	96	97
Government	100	96	94	94	95	95	96	97	97
Hospitals	100	98	97	97	99	98	98	98	99
Motion picture and sound recording industries	100	50	49	52	68	73	81	97	99
Wholesale trade	100	93	93	94	95	95	96	98	99

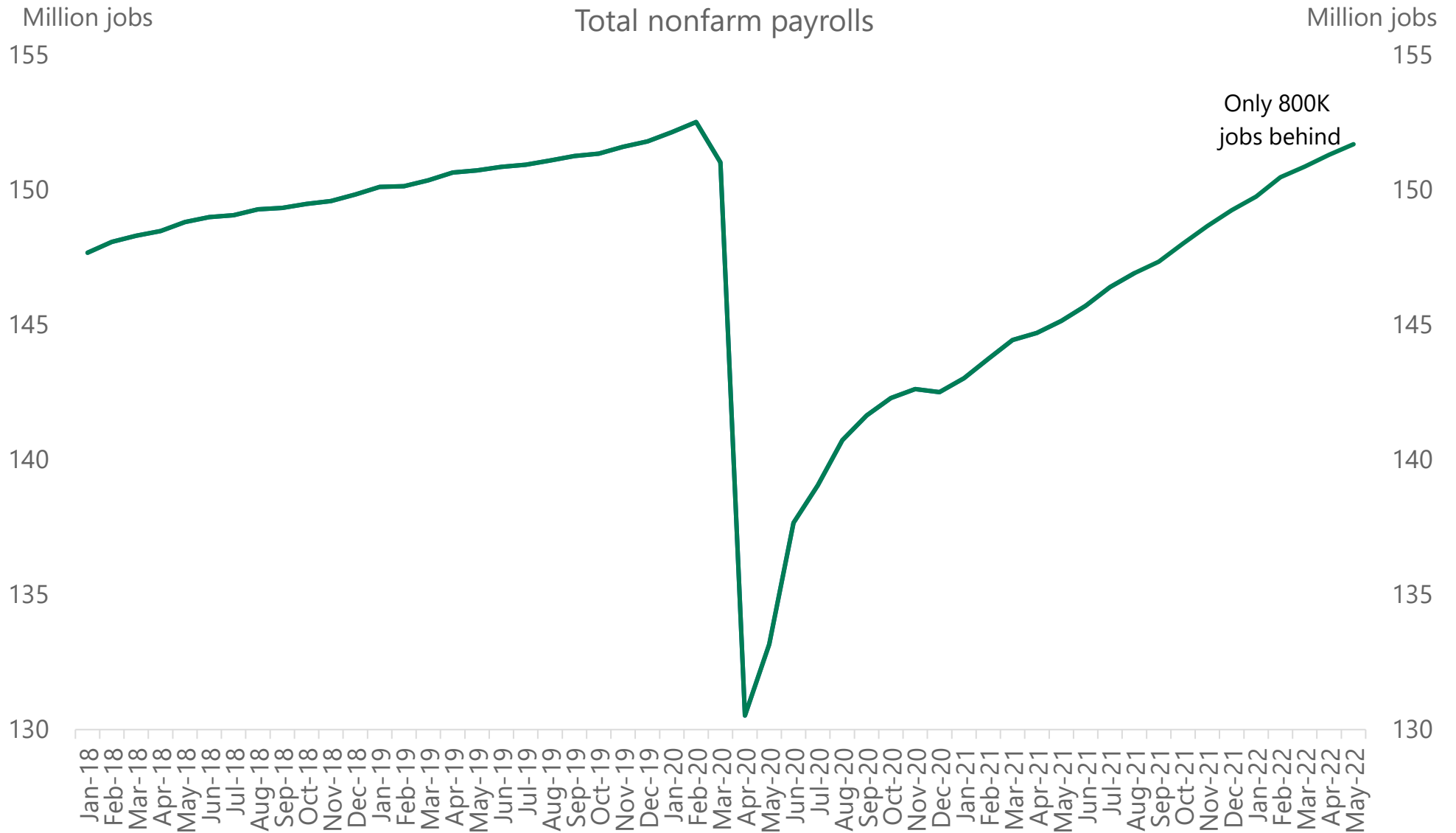
Source: BLS, Apollo Chief Economist

Tracking the employment recovery in different sectors

	Feb-20	Apr-20	May-20	Jul-20	Dec-20	Feb-21	May-21	Jan-22	May-22
Total nonfarm payrolls	100	86	87	91	93	94	95	98	99
Service-producing industries	100	85	87	91	93	94	95	98	99
Good-producing industries	100	88	91	94	95	95	96	98	100
Oil and gas extraction	100	97	95	93	92	82	85	91	100
Construction	100	85	92	94	96	96	97	99	101
Financial activities	100	97	97	97	98	98	99	100	101
Retail trade	100	86	88	95	97	98	98	101	101
Gas stations	100	95	94	96	97	97	98	100	102
Health and personal care stores	100	89	85	91	94	97	100	104	102
Trade, transportation, and utilities	100	89	90	95	98	98	99	102	103
Real estate	100	93	94	95	98	98	99	101	103
Office of physicians	100	89	91	95	99	99	100	102	103
Food and beverage stores	100	99	101	102	103	103	102	102	104
Professional and business services	100	89	90	93	97	98	98	102	104
Publishing industries, except internet	100	97	96	96	99	99	101	103	104
Truck transportation	100	94	95	96	98	98	100	102	104
Building material and garden supply stores	100	99	102	106	111	109	108	108	105
Air transportation	100	85	76	80	82	85	89	101	106
General merchandise stores	100	96	97	102	101	103	101	108	107
Nonstore retailers	100	94	97	100	105	106	107	111	111
Couriers and messengers	100	103	107	112	121	125	122	126	128
Warehousing and storage	100	96	99	106	118	121	123	131	137

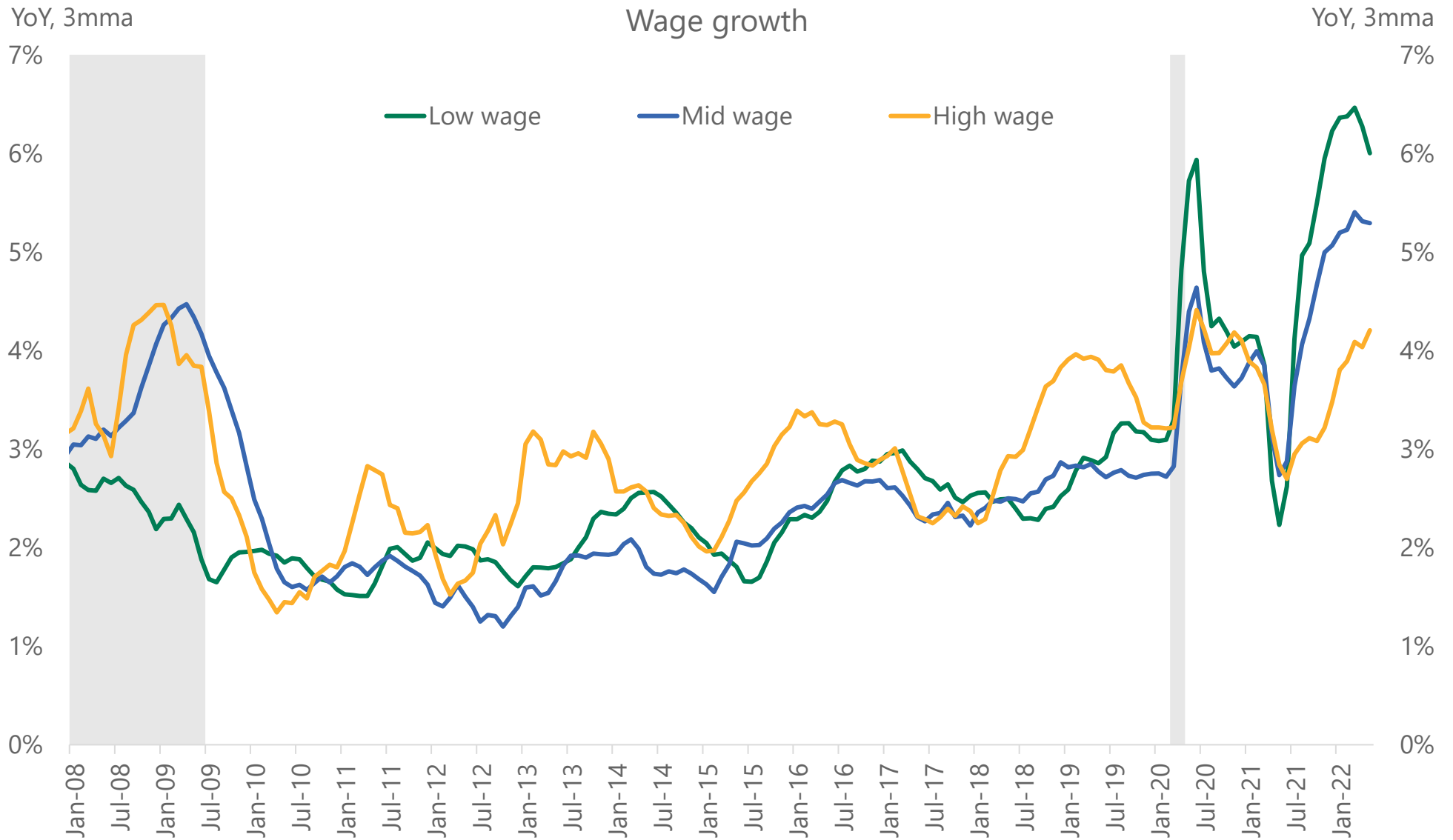
Source: BLS, Apollo Chief Economist

Total employment 800K jobs lower than in February 2020



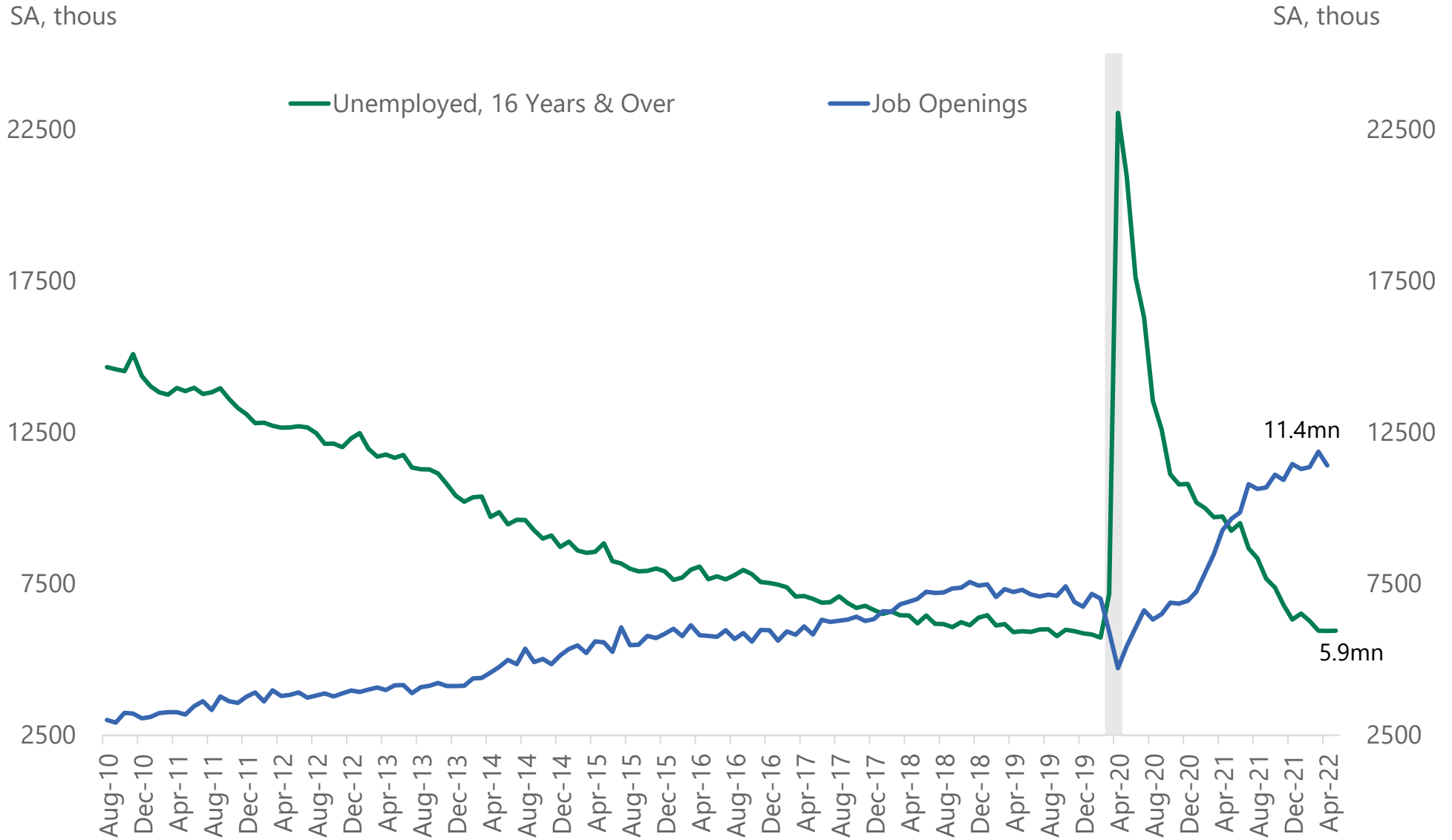
Source: BLS, Apollo Chief Economist

Wage inflation starting to slow down



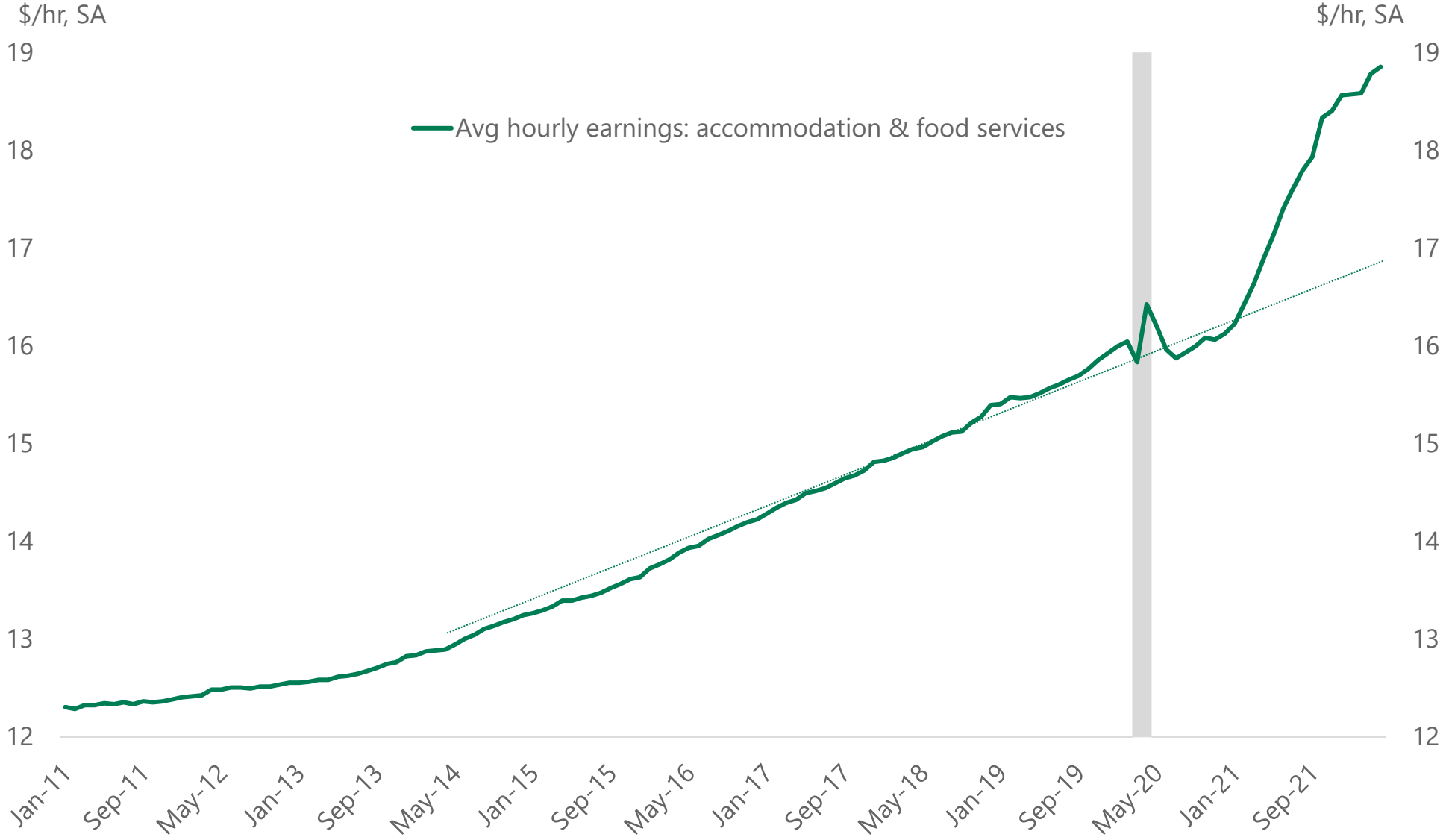
Source: BLS, Apollo Chief Economist. Note: Low wage workers are defined as the bottom third percentile in the wage distribution, mid wage workers as the mid third percentile and high wage workers as top third percentile

11mn job openings and 6mn unemployed



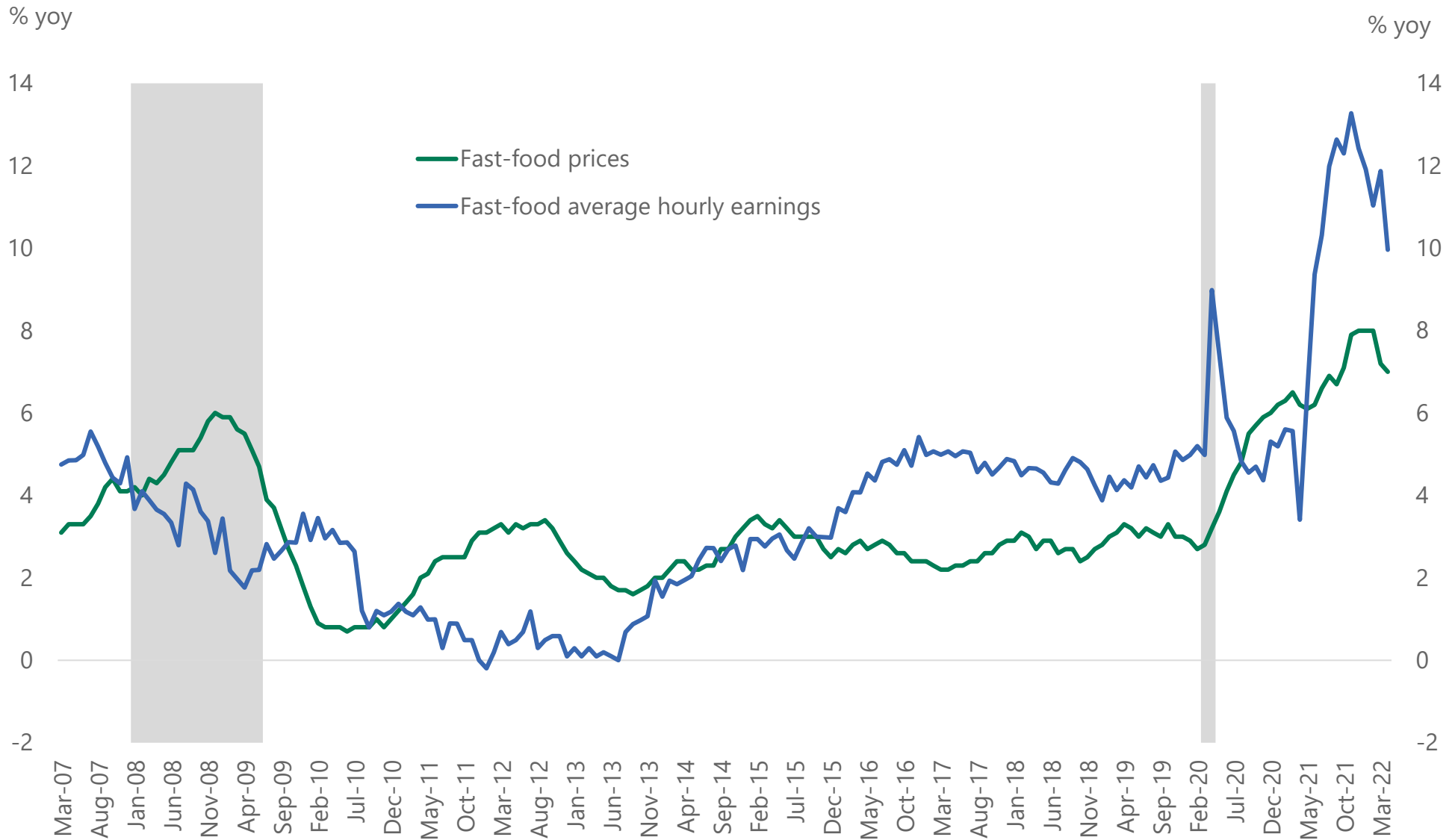
Source: BLS, Haver Analytics, Apollo Chief Economist

Hotel and restaurant wages substantially above pre-covid trend



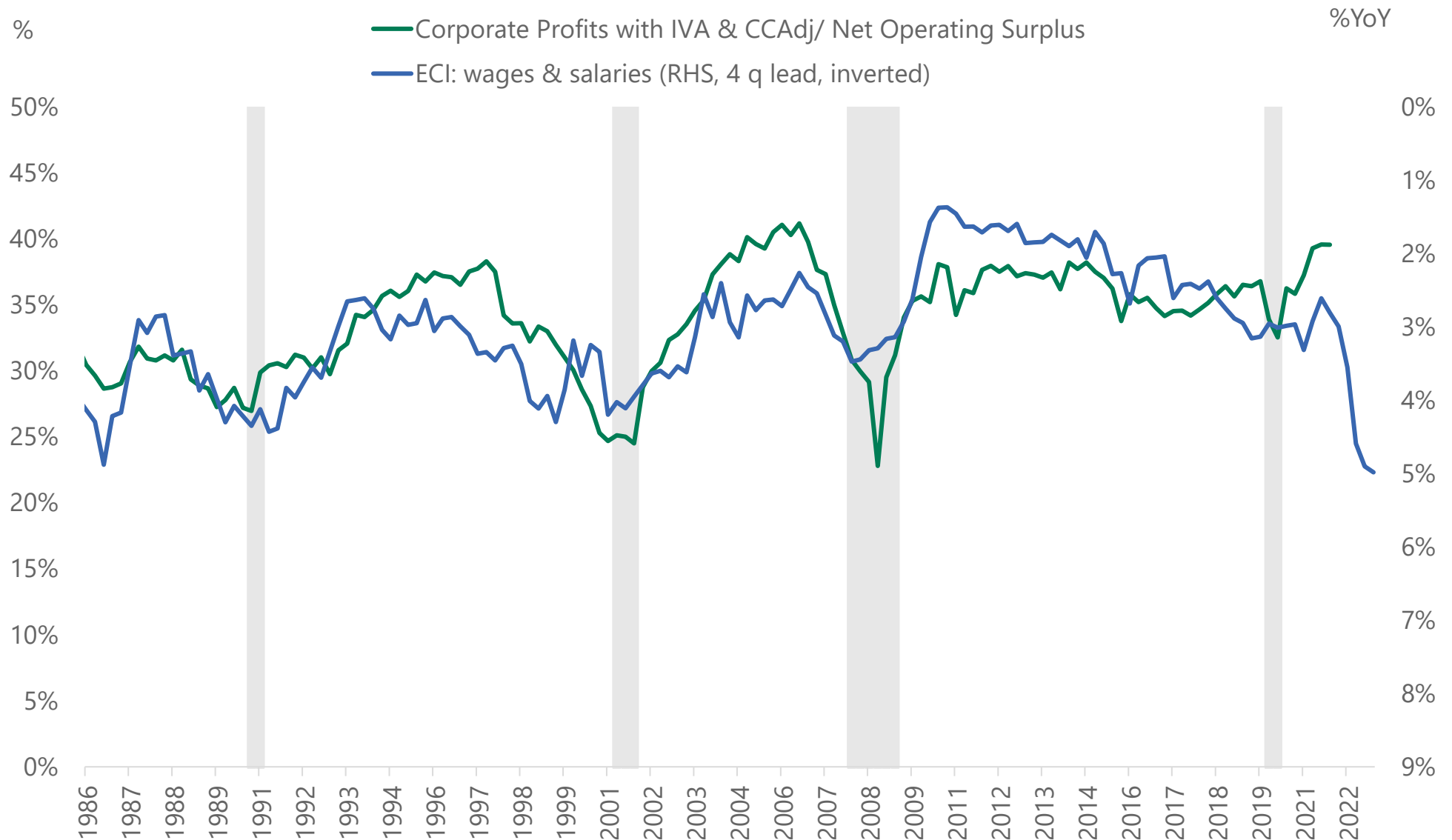
Source: BLS, Haver Analytics, Apollo Chief Economist

Labor costs still higher than selling prices in the fast-food industry



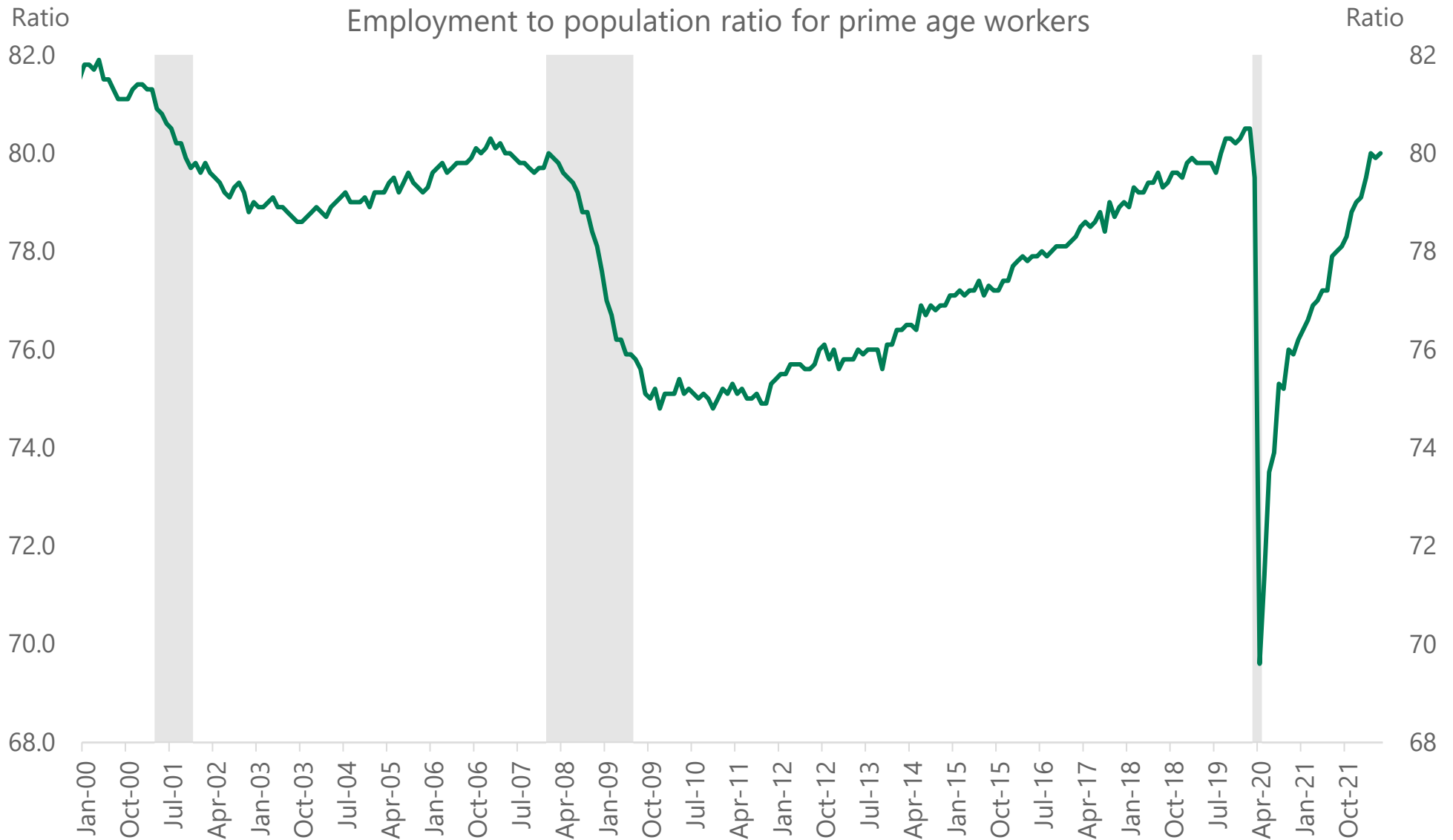
Source: BLS, Haver, Apollo Chief Economist

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



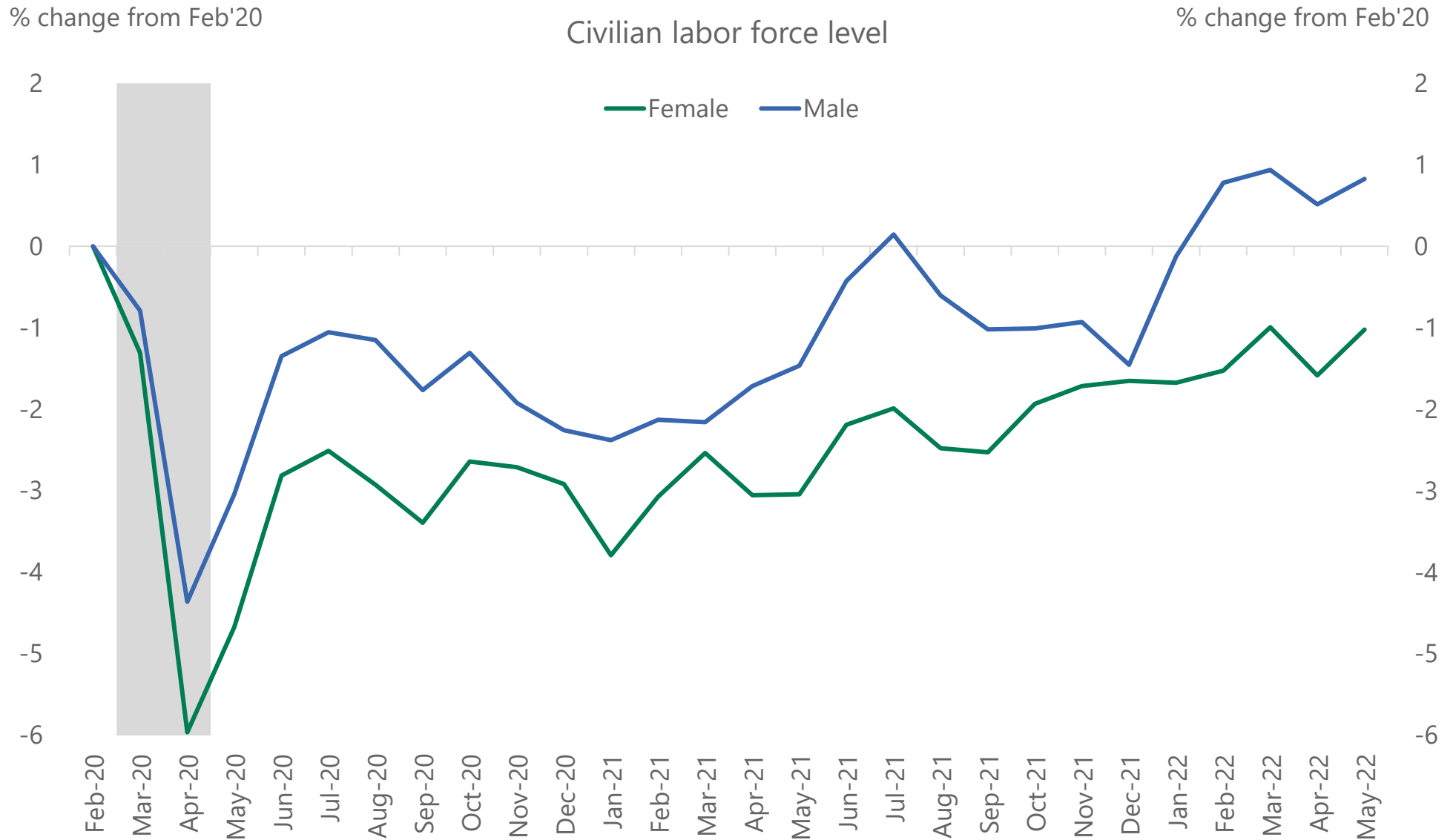
Source: BEA, Haver Analytics, Apollo Chief Economist

Employment to population ratio for prime age workers



Source: BLS, Haver Analytics, Apollo Chief Economist

Labor force participation improving



Source: BLS, Apollo Chief Economist

Biography



Torsten Slok, Ph.D.

Chief Economist

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Torsten Slok joined Apollo in 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.