# Slow job growth is inconsistent with strong GDP

Change in private non farm
payrolls, thous

y = 74.843x - 38.182
R² = 0.6504

Real GDP growth, %QoQ SAAR

Sources: BEA, BLS, Haver Analytics, Apollo Chief Economist
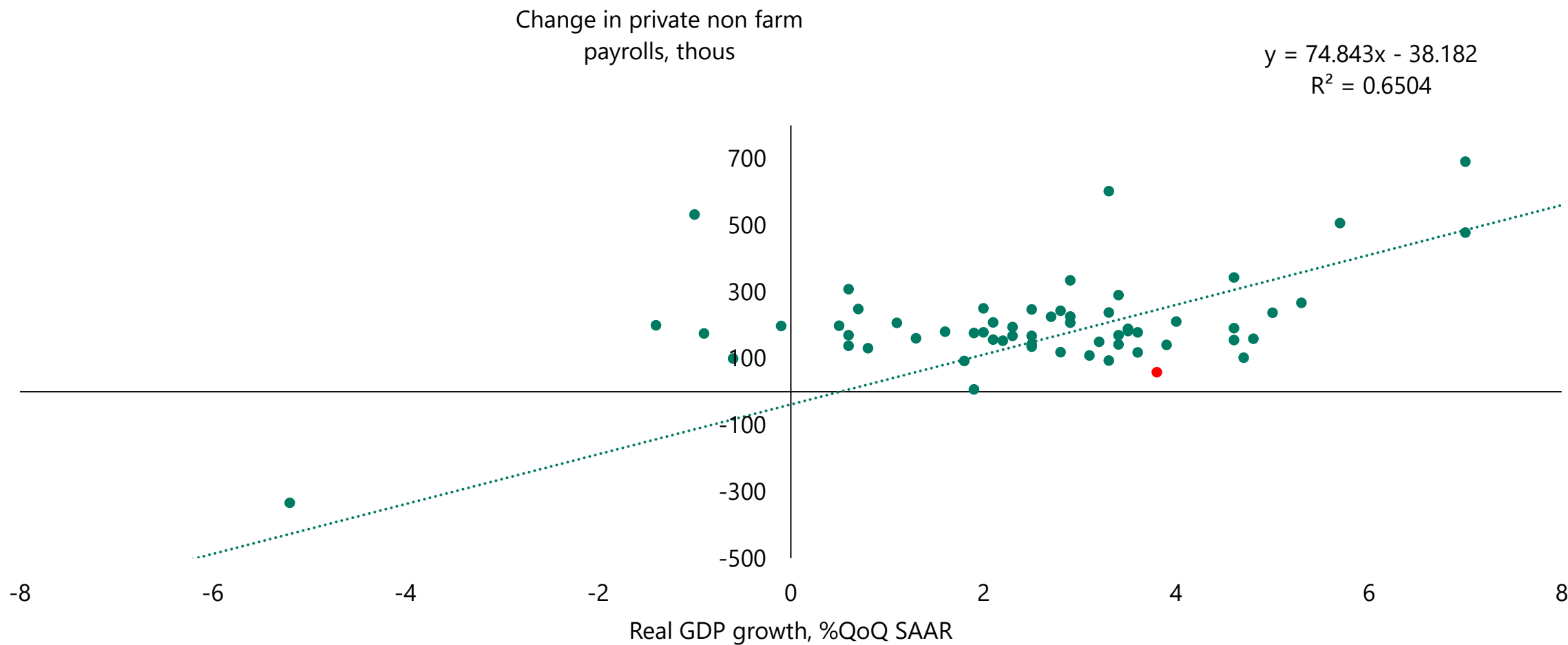
Slower immigration is a key reason why the labor market is weak

Quarterly change in foreign
born labor force, thous

$y = 28.194x + 70.893$
$R^2 = 0.2134$

Real GDP growth, %QoQ SAAR
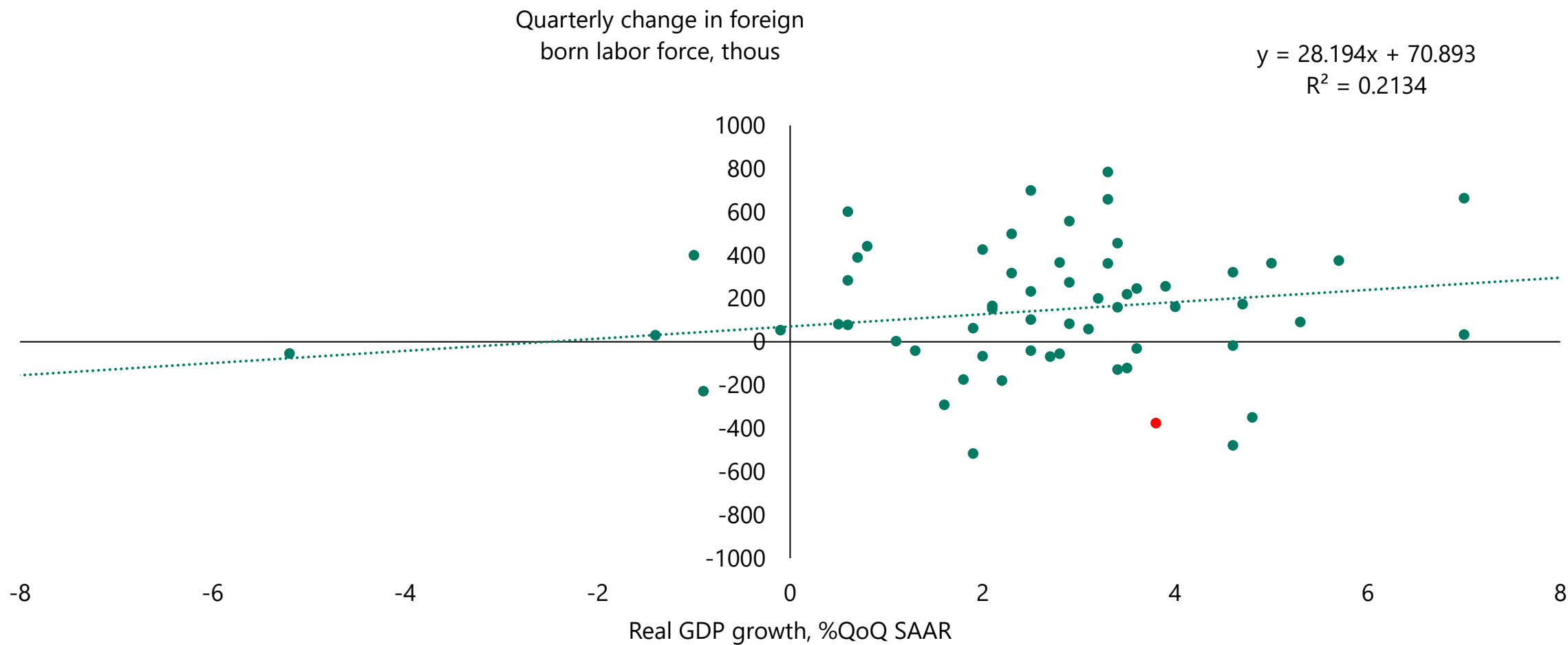
Generative AI users are reporting that they are saving a lot of hours


Share of generative AI users reporting hours saved in previous week

%

- 33.0% — 1 hour or less
- 26.4% — 2 hours
- 20.1% — 3 hours
- 20.5% — 4 or more hours

Note: Survey from November 2024. Sources: The Impact of Generative AI on Work Productivity | St. Louis Fed, Apollo Chief Economist
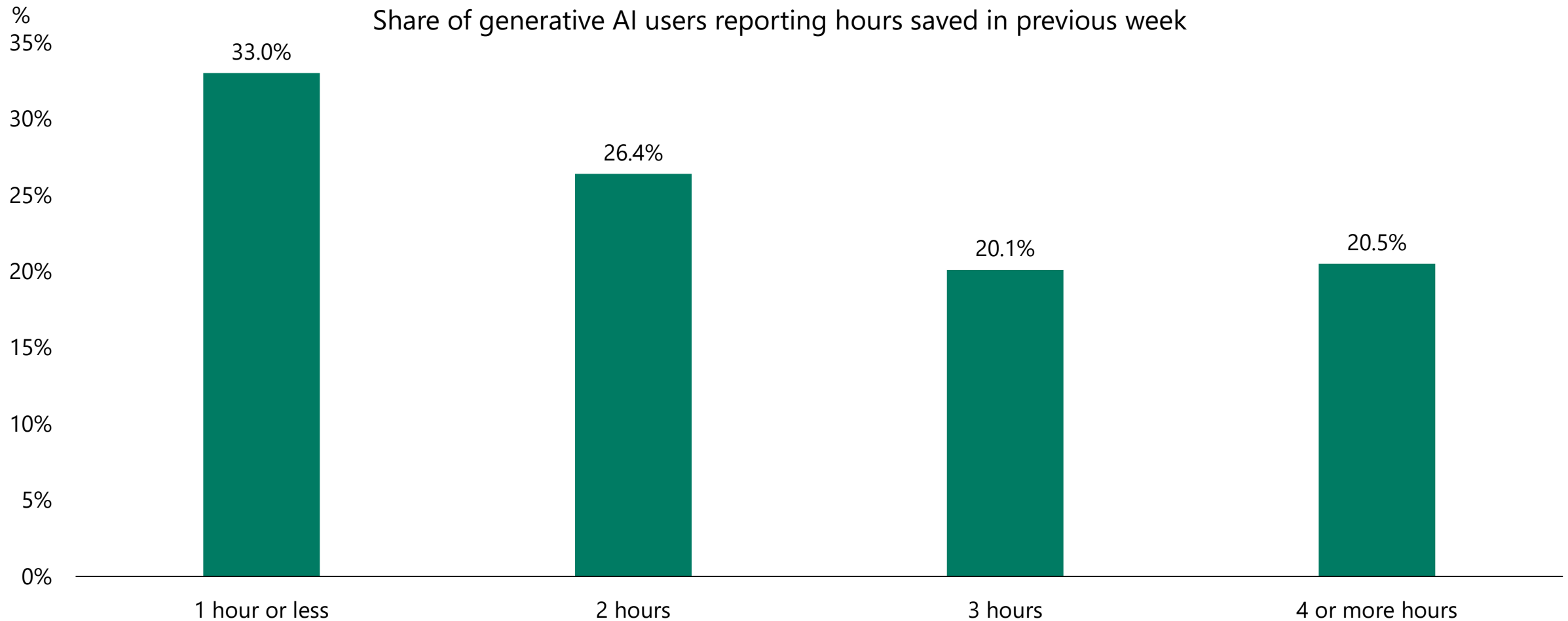
Government job growth was exceptionally high in 2022, 2023 and 2024. And now normalizing in 2025.

US job growth

— Government — Private

%YoY

%YoY

6

5

4

3

2

1

0

Jan | Mar | May | Jul | Sep | Nov | Jan | Mar | May | Jul | Sep | Nov | Jan | Mar | May | Jul | Sep | Nov | Jan | Mar | May | Jul | Sep

2022

2023

2024

2025

Inflation pressures intensifying

Legend: — US CPI, lhs — ISM Services Prices Paid Index (3m lead), rhs

% yoy (left axis) / Index (right axis)
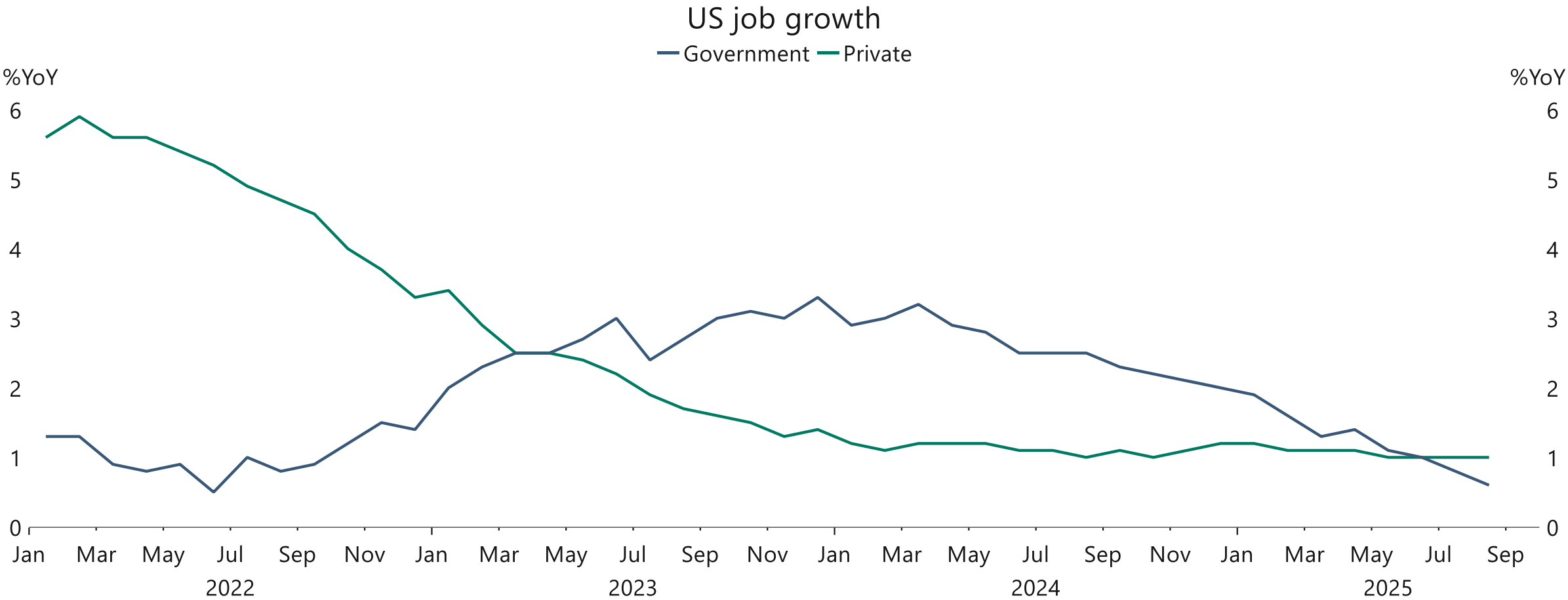
Sources: Institute for Supply Management (ISM), US Bureau of Labor Statistics (BLS), Macrobond, Apollo Chief Economist
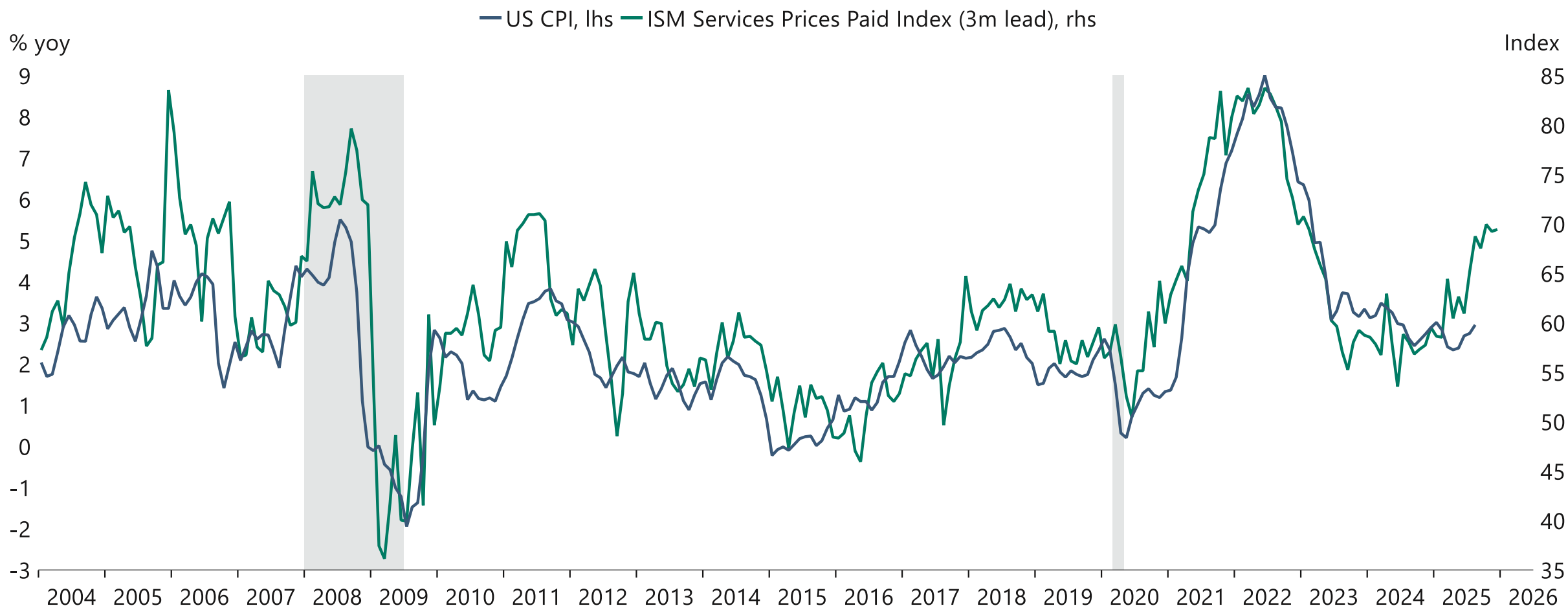
Latest data points to upside risks to inflation

Legend:
- PCE , rhs
- Philadelphia Fed: Prices paid (6 month lead)
- New York Fed: Prices paid (6 month lead)
- Kansas Fed: Prices paid (6 month lead)
- Dallas Fed: Prices paid (6 month lead)

Sources: Federal Reserve Bank of Dallas, Federal Reserve Bank of Kansas City, Federal Reserve Bank of New York, Federal Reserve Bank of Philadelphia, US Bureau of Economic Analysis (BEA), Macrobond, Apollo Chief Economist