

Wage inflation is rolling over across the income distribution, see chart below. A slowdown in wage inflation is exactly what the Fed is trying to achieve with tighter monetary policy. And note how it is happening without an increase in the unemployment rate. Lower inflation with a steady economy and steady earnings is the definition of a soft landing.

APOLLO

### 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