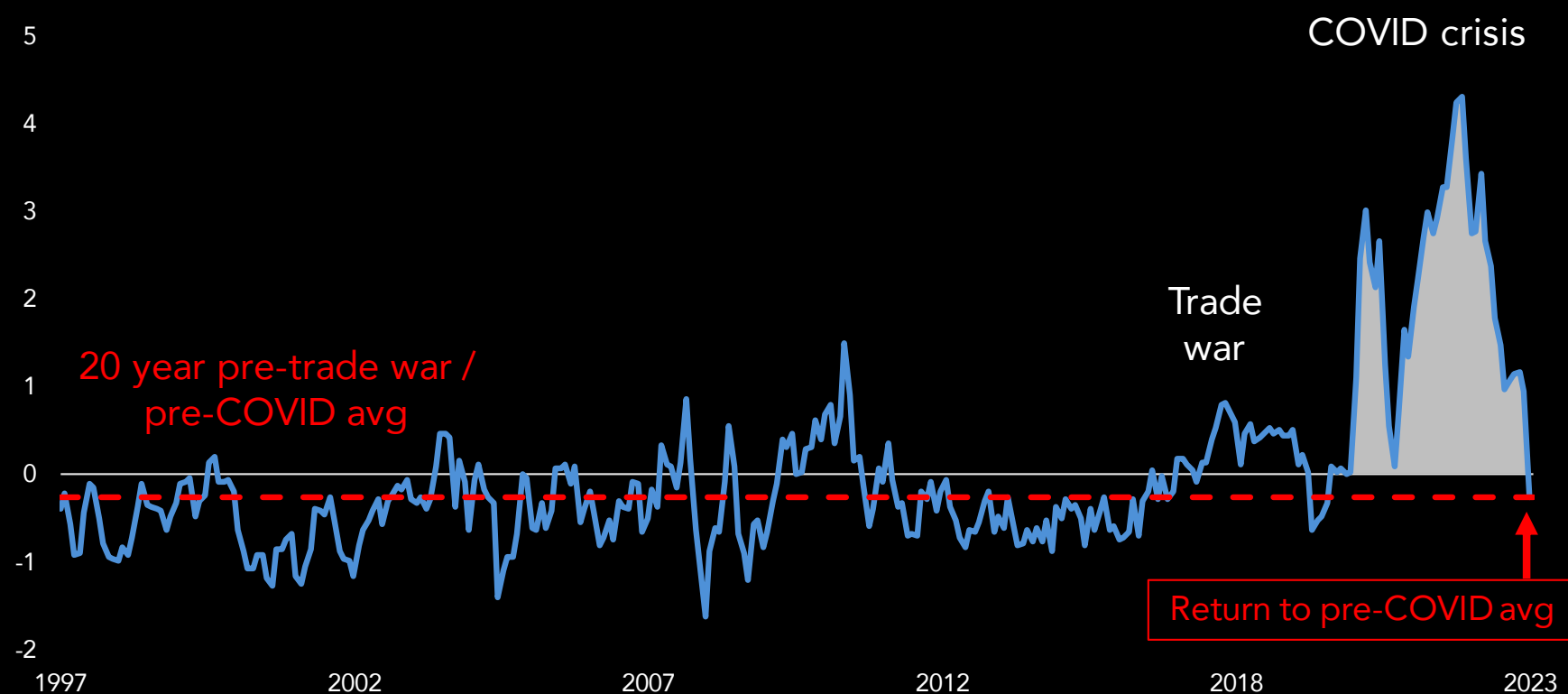


Chart of the Day

Nearly three years after the COVID-19 crisis began, the February reading of the Fed's Global Supply Chain Pressure index returned to its pre-COVID average, having declined in seven of the prior 10 months. The index, which reached its peak period of dislocation in December 2021, examines 27 transportation and manufacturing-related variables in global supply chains across seven large trading economies (US, China, Europe, UK, Japan, South Korea and Taiwan). Primary contributors to an easing of the index extend across both the supply and demand side, including China's re-opening, less shipping congestion, fewer parts shortages and weaker consumer demand for goods.

New York Fed global supply chain pressure index



Source: (1) Bloomberg. New York Fed index based on data from the Bureau of Labor Statistics; Harper Petersen; Baltic Exchange; IHSMarkit; ISM; Haver Analytics; Bloomberg; NY Fed researchers' calculations. Index is normalized such that zero indicates that the index is at its average value with positive values representing how many standard deviations the index is above this average and negative values the opposite. Data updated as March 9, 2023.

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“Macro stability isn’t everything, but without it, you have nothing.”