

# Global Logistics Trends

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## CYCLICAL

# The Fed's intended consequences

Consumers are good, **not great**, as both wage growth and inflation slow

### Real wages

\$/week



### Inflation-adjusted retail goods sales ex. auto

\$B



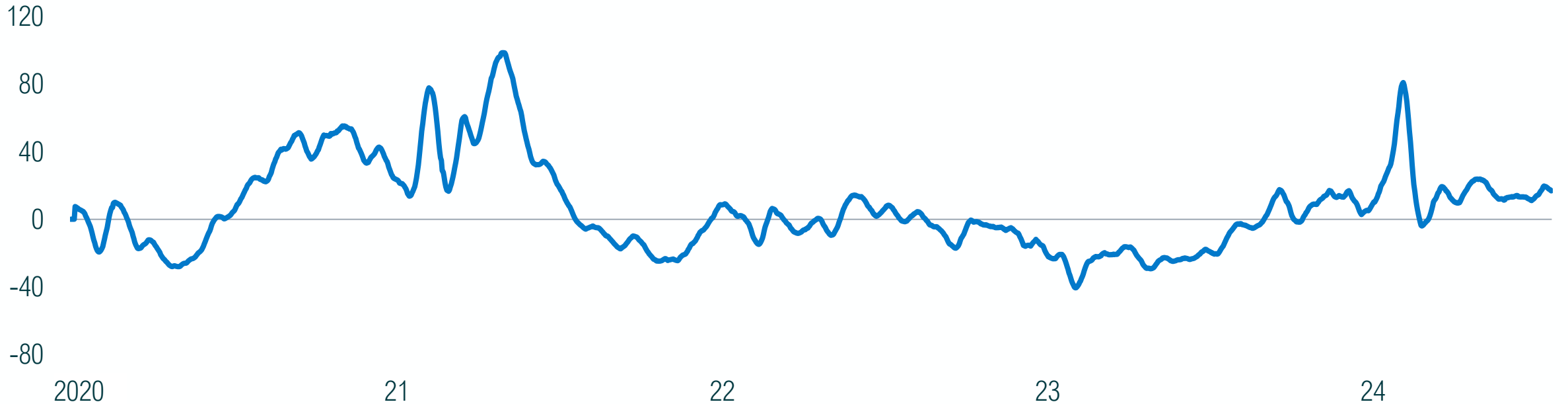
TEMPORARY

# Supply chains moving past the bullwhip

Pre-emptive stock building adding to momentum

## On-water import TEUs, major U.S. ports

y/y, %



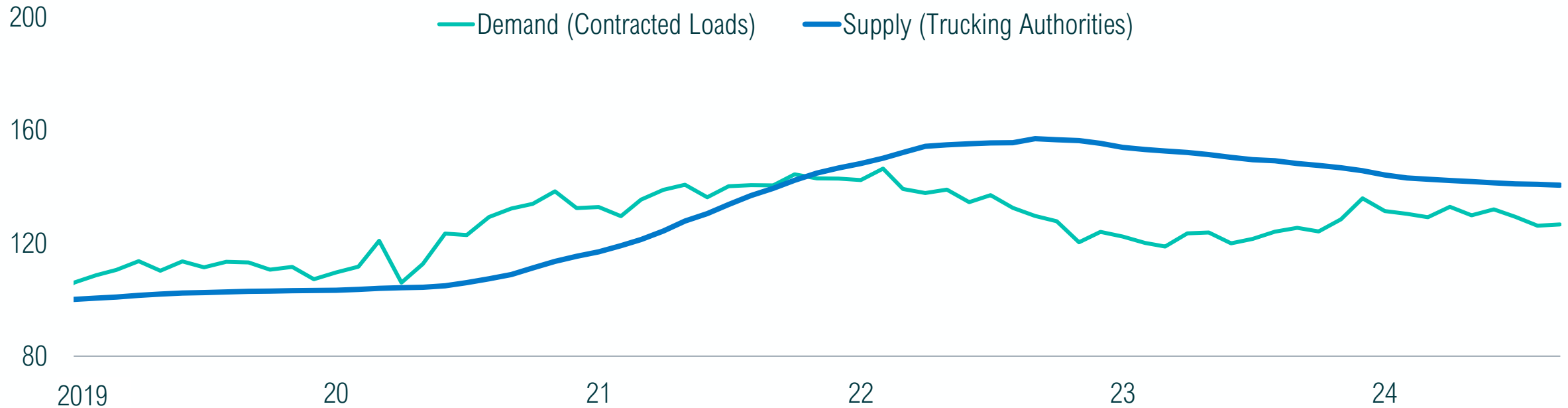
TEMPORARY

# Excess supply has kept trucking rates low

Emerging correction that will raise costs going forward

## Freight trucking demand and supply trends

Index, Dec'18=100, SA



## TEMPORARY + CYCLICAL

# Expansionary activity, but need to backfill grey space

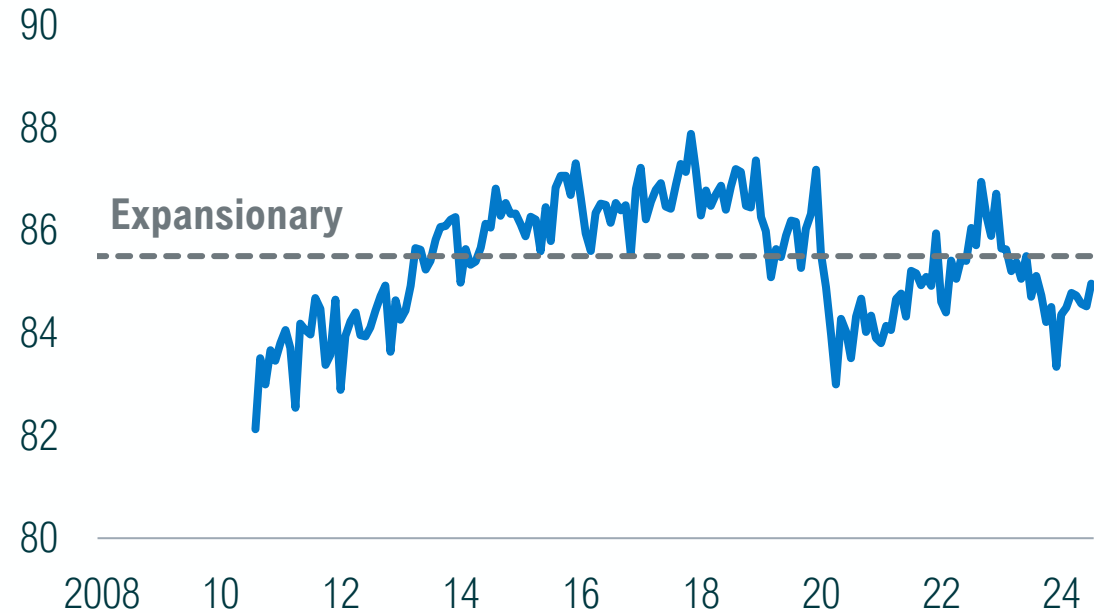
### Activity index

50=neutral, SA



### Utilization rate

%

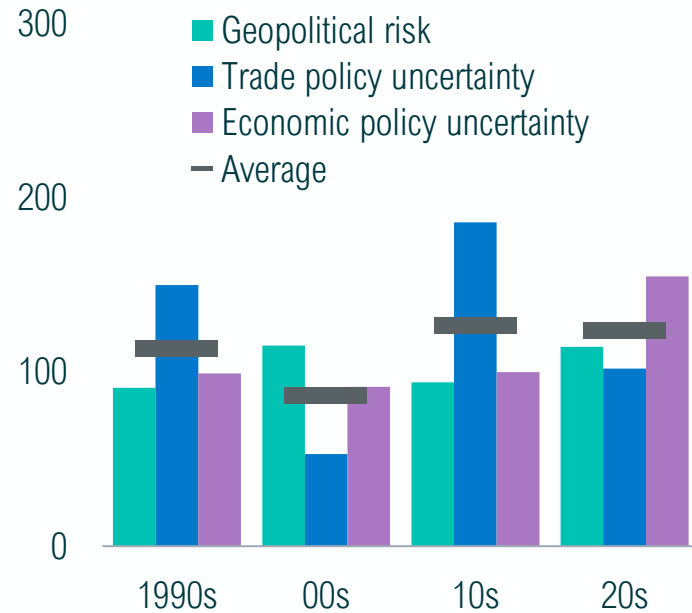


## STRUCTURAL

# Global disruptions to persist

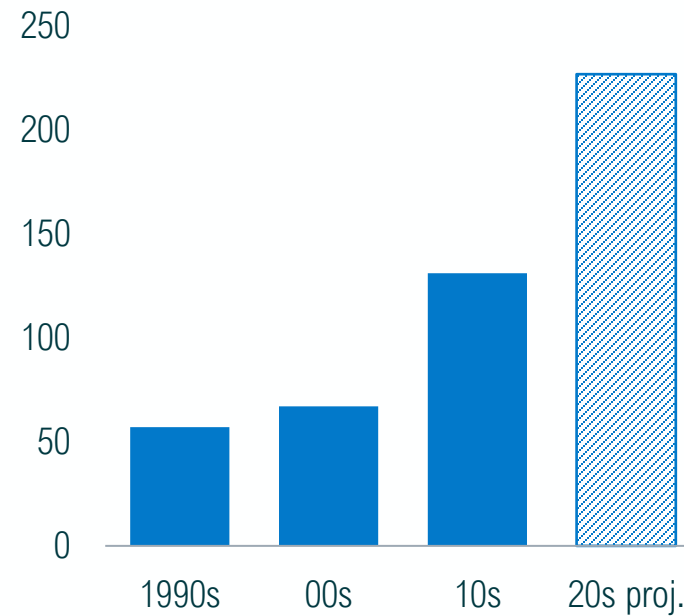
### Political risk<sup>1</sup>

index, avg 1985-2010=100



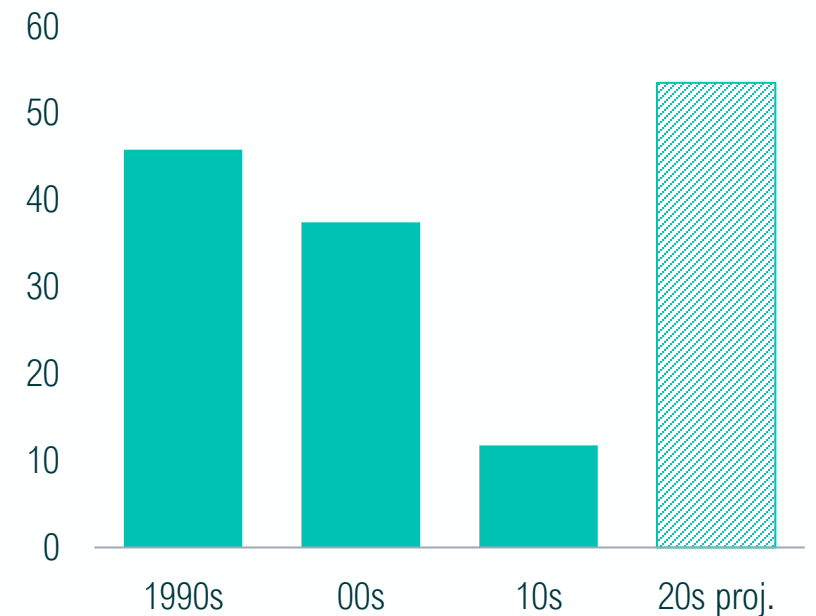
### Natural disaster risk<sup>2</sup>

>\$1B, inflation-adjusted, count



### Labor risk<sup>3</sup>

work stoppages, cumulative idle days, M



1. Source: Caldara, Dario, and Matteo Iacoviello (2021), "Measuring Geopolitical Risk," working paper, Board of Governors of the Federal Reserve Board, November 2021"

2. Source: National Centers for Environmental Information <https://www.ncei.noaa.gov/access/billions/>

3. Source: U.S. Bureau of Labor Statistics

CYCLICAL + TEMPORARY + STRUCTURAL

# Cost-cutting pressures overwhelm need for resilience

Imperative to cut costs > imperative to be stocked

## Inventory to sales ratio, retailers and wholesalers (ex. auto)



# Global valuations dynamics, logistics real estate

## Nominal Value Growth<sup>1</sup>

Index, 2013 = 100

