**Analysis of the impact on the Alpha and Beta due to recent events.**

Industries that represent Alpha and Beta, are namely IT Tech and Air-Travel [Hospitality] industries.  
Analysis also includes:   
The impact of the events that took place on the economy and a bit about the challenges that are faced.

More questions would come from here :

Timelining the events that took place :

* SARS-CoV-2 nCoV-19 outbreak.
* US-Sino Trade Wars.
* China-India Skirmishes.
* Ban imposed on Chinese based technology.
* Impact on Travel on Hospitality industry
* Global semiconductor crisis
* Supply chain crisis
* Trouble over Oil Prices

SARS-CoV-2 nCoV-19 outbreak.

**Coronavirus disease 2019** (**COVID-19**) is a [contagious disease](https://en.wikipedia.org/wiki/Contagious_disease) caused by [severe acute respiratory syndrome coronavirus 2](https://en.wikipedia.org/wiki/Severe_acute_respiratory_syndrome_coronavirus_2) (SARS-CoV-2). The first known case was identified in [Wuhan](https://en.wikipedia.org/wiki/Wuhan), China, in December 2019.[[7]](https://en.wikipedia.org/wiki/COVID-19#cite_note-WSJ-20210226-7) The disease has since spread worldwide, leading to [an ongoing pandemic](https://en.wikipedia.org/wiki/COVID-19_pandemic).[[8]](https://en.wikipedia.org/wiki/COVID-19#cite_note-NYT-20210226-8)

Rest we can add : https://en.wikipedia.org/wiki/COVID-19#SARS-CoV-2\_variants

This is what caused the Domino effect.

US-Sino Trade Wars.

The **China–United States trade war** ([Chinese](https://en.wikipedia.org/wiki/Simplified_Chinese_characters): [中美](https://en.wiktionary.org/wiki/%E4%B8%AD%E7%BE%8E" \o "wikt:中美)[贸易战](https://en.wiktionary.org/wiki/%E8%B4%B8%E6%98%93%E6%88%98); [pinyin](https://en.wikipedia.org/wiki/Pinyin): *Zhōngměi Màoyìzhàn*) is an ongoing [economic conflict](https://en.wikipedia.org/wiki/Economic_conflict) between the [People's Republic of China](https://en.wikipedia.org/wiki/China) and the [United States](https://en.wikipedia.org/wiki/United_States). In January 2018, U.S. President [Donald Trump](https://en.wikipedia.org/wiki/Donald_Trump) began [setting tariffs and other trade barriers](https://en.wikipedia.org/wiki/Trump_tariffs) on China with the goal of forcing it to make changes to what the U.S. says are "unfair trade practices" and [intellectual property theft](https://en.wikipedia.org/wiki/Intellectual_property_theft).[[1]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-1) The Trump administration stated that these practices may contribute to the U.S.–China [trade deficit](https://en.wikipedia.org/wiki/Balance_of_trade), and that the Chinese government requires transfer of American technology to China.[[2]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-Report-2) In response to US trade measures, the Chinese government accused the Trump administration of engaging in nationalist protectionism and took retaliatory action.[[3]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-3)[[4]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-4) After the trade war escalated through 2019, in January 2020 the two sides reached a tense phase one agreement; it expired in December 2021 with China failing by a wide margin to purchase American goods and services as agreed.[[5]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-5) By the end of the Trump presidency, the trade war was widely characterized as a failure.[[6]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-6)

Since the 1980s, Trump had advocated tariffs to eliminate the [U.S. trade deficit](https://en.wikipedia.org/wiki/U.S._trade_deficit) and promote domestic manufacturing, saying the country was being "ripped off" by its trading partners; imposing tariffs became a major plank of his presidential campaign.[[7]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-7) Most economists do not believe trade deficits pose a significant problem for the American economy.[[8]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-cfr.org-8) Nearly all economists who responded to surveys conducted by the Associated Press and Reuters said Trump's tariffs would do more harm than good to the American economy,[[9]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-auto4-9)[[10]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-auto7-10) and some economists advocated alternate means to address trade deficits with China.[[8]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-cfr.org-8)[[11]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-auto2-11)[[12]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-auto3-12)[[13]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-auto5-13)[[14]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-auto6-14)

The trade war negatively impacted the economies of both countries.[[15]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-15)[[16]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-16)[[17]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-17) In the United States, it has led to higher costs for manufacturers, higher prices for consumers and financial difficulties for farmers. In China, the trade war contributed to a slowdown in the rate of economic and industrial output growth, which had already been declining. Many American companies have shifted [supply chains](https://en.wikipedia.org/wiki/Supply_chains) to elsewhere in Asia, bringing fears that the trade war would lead to a US-China economic 'decoupling'.[[18]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-18) The trade war has also caused economic damage in other countries, though some benefited from increased manufacturing as production was shifted to them. It also led to stock market instability. Governments around the world have taken steps to address some of the damage caused by the economic conflict.[[19]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-19)[[20]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-20)[[21]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-21)[[22]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-22)

While there has been broad support for the Trump administration's objective of making China change its trade policies, the use of tariffs and the trade war's negative economic impact have been widely criticized. Among American industries, U.S. businesses and agricultural industries have opposed the trade war, though most farmers continued to support Trump, who provided them with substantial financial support.[[23]](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war#cite_note-washingtonexaminer-8-2019-23) As the [Biden administration](https://en.wikipedia.org/wiki/Biden_administration) began in January 2021, Biden was evaluating the tariffs and pursuing a multilateral approach with allies to confront China

Further reading :

<https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war>

this is must read.

China-India Skirmishes.

Beginning on 5 May 2020, Chinese and Indian troops engaged in aggressive [melee](https://en.wikipedia.org/wiki/Melee), face-offs and [skirmishes](https://en.wikipedia.org/wiki/Skirmish) at locations along the [Sino-Indian border](https://en.wikipedia.org/wiki/Sino-Indian_border), including near the disputed [Pangong Lake](https://en.wikipedia.org/wiki/Pangong_Lake) in [Ladakh](https://en.wikipedia.org/wiki/Ladakh) and the [Tibet Autonomous Region](https://en.wikipedia.org/wiki/Tibet_Autonomous_Region), and near the border between [Sikkim](https://en.wikipedia.org/wiki/Sikkim) and the Tibet Autonomous Region. Additional clashes also took place at locations in eastern Ladakh along the [Line of Actual Control](https://en.wikipedia.org/wiki/Line_of_Actual_Control) (LAC).

In late May, Chinese forces objected to Indian road construction in the [Galwan river](https://en.wikipedia.org/wiki/Galwan_River" \o "Galwan River) valley.[[36]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-multiple_locations-36)[[37]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-3_places-37) According to Indian sources, [melee](https://en.wikipedia.org/wiki/Melee) fighting on 15/16 June 2020 resulted in the deaths of 20 Indian soldiers.[[38]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:202-38)[[39]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-ANIFaceOffCO22Jun-39)[[28]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-43_casualties-28) Media reports stated that soldiers were taken captive on both sides and released in the coming few days while official sources on both sides went on to deny this.[[17]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:20-17)[[30]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-DCCapturedChinesSoldiers20June-30)[[40]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-40) On 7 September, for the first time in 45 years, shots were fired along the LAC, with both sides blaming each other for the firing.[[41]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:72-41)[[42]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:59-42) Indian media also reported that Indian troops fired warning shots at the PLA on 30 August.[[43]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:61-43)

Partial disengagement from Galwan, Hot Springs and Gogra occurred in June–July 2020 while complete disengagement from Pangong Lake north and south bank took place in February 2021.[[44]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:41-44)[[45]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:84-45) Following disengagement at [Gogra](https://en.wikipedia.org/wiki/Gogra,_Chang_Chenmo_Valley) in August 2021, Indian analysts pointed out that the LAC has shifted westwards at [patrol point](https://en.wikipedia.org/wiki/Patrol_Point) 17A (PP 17A).[[46]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:93-46)[[47]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:94-47)

Amid the standoff, India reinforced the region with approximately 12,000 additional workers, who would assist India's [Border Roads Organisation](https://en.wikipedia.org/wiki/Border_Roads_Organisation) in completing the development of Indian infrastructure along the Sino-Indian border.[[48]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:7-48)[[49]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:8-49)[[50]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:16-50) Experts have postulated that the standoffs are Chinese pre-emptive measures in responding to the [Darbuk–Shyok–DBO Road](https://en.wikipedia.org/wiki/Darbuk%E2%80%93Shyok%E2%80%93DBO_Road" \o "Darbuk–Shyok–DBO Road) infrastructure project in [Ladakh](https://en.wikipedia.org/wiki/Ladakh).[[51]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:9-51) China has also extensively developed their infrastructure in these disputed border regions and are continuing to do so.[[52]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:11-52)[[53]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-53) The [revocation of the special status of Jammu and Kashmir](https://en.wikipedia.org/wiki/Revocation_of_the_special_status_of_Jammu_and_Kashmir), in August 2019, by the Indian government has also troubled China.[[54]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:15-54) However, India and China have both maintained that there are enough bilateral mechanisms to resolve the situation.[[55]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:6-55)[[56]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-56) This includes multiple rounds of colonel, brigadier and major general rank dialogue, [special representatives' meetings](https://en.wikipedia.org/wiki/Special_Representative_mechanism_on_the_India-China_boundary_question),[[a]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-58)[[58]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:67-59)[[59]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:12-60) meetings of the '[Working Mechanism for Consultation and Coordination on China-India Border Affairs](https://en.wikipedia.org/wiki/Working_Mechanism_for_Consultation_and_Coordination_on_India-China_Border_Affairs)' (WMCC),[[b]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-62)[[61]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:31-63) meetings and communication between the foreign ministers and the defense ministers.[[62]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:56-64) On 10 October 2021, the 13th corps-commander-level meeting took place.[[63]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:90-65)

Following the Galwan Valley skirmish on 15 June, some Indian campaigns about [boycotting Chinese products](https://en.wikipedia.org/wiki/Boycotts_of_Chinese_products) were started.[[64]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-The_Economic_Times2-66)[[65]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-theprint.in2-67) Action on the economic front included cancellation and additional scrutiny of certain contracts with Chinese firms, and calls were also made to stop the entry of Chinese companies into strategic markets in India.[[66]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:23-68)[[67]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:24-69)[[68]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:25-70) By November 2020, the Indian government had banned over 200 Chinese apps including apps owned by [Alibaba](https://en.wikipedia.org/wiki/Alibaba_Group), [Tencent](https://en.wikipedia.org/wiki/Tencent), [Baidu](https://en.wikipedia.org/wiki/Baidu), [Sina](https://en.wikipedia.org/wiki/Sina_Corp" \o "Sina Corp) and [Bytedance](https://en.wikipedia.org/wiki/ByteDance" \o "ByteDance).[[69]](https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes#cite_note-:73-71)

Further reading :

<https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes>

reading the incidents section would help

Ban imposed on Chinese based technology and services.

In recent years, the India-China bilateral relationship has been characterised by historical animosities and border disputes. Nevertheless, the economic ties have grown since the early 2000s and have been at the forefront of this relationship. Trade and investment have provided a cushion to this otherwise tricky relationship.

China forms an integral part of the global supply chain, and India too is heavily dependent on Chinese imports, ranging from a variety of raw materials to critical components.

The bilateral trade that stood at US$ 3 billion in the year 2000 grew to [US$ 92.68 billion](https://www.eoibeijing.gov.in/economic-and-trade-relation.php) in 2019. China was India’s second-largest trading partner in 2019 and emerged as [the largest trading partner](https://www.businesstoday.in/current/economy-politics/no-cheeni-kum-china-overtakes-us-to-become-india-biggest-trade-partner-in-fy21/story/423954.html) in the first half of FY 20-21. The bilateral trade declined by [only 15%](https://www.businesstoday.in/current/economy-politics/no-cheeni-kum-china-overtakes-us-to-become-india-biggest-trade-partner-in-fy21/story/423954.html) compared to a 32.46% decline in overall trade in 2020-21. China accounted for 5% of India’s exports and 14 % of India’s imports in 2019. This had led to a very high trade deficit of US$ 56.77 billion in 2019. Attempts have been made to reduce the India-China trade deficit through bilateral talks. The issue, for instance, was raised at the bilateral informal summit in Mahabalipuram, and both sides agreed to set up a new [high level economic and trade dialogue mechanism](https://www.business-standard.com/article/economy-policy/india-china-to-set-up-mechanism-to-trim-trade-deficit-improve-investment-119101200493_1.html) to address this issue.

China forms an integral part of the global supply chain, and India too is heavily dependent on Chinese imports, ranging from a variety of raw materials to critical components. According to data from 2019, a [staggering 70% of electronic components, 45% of consumer durables, 70% of Active Pharmaceutical Ingredients (APIs), and 40% of leather goods come from China](https://www.moneycontrol.com/news/business/moneycontrol-research/how-dependent-is-india-on-china-here-is-what-trade-data-reveals-5346201.html). According to a response to a query in Rajya Sabha, India has the world’s third-largest pharmaceutical industry for which [2/3rds of its key ingredients](https://www.bloombergquint.com/economy-finance/six-things-to-know-about-india-china-economic-relations) come from China.

Lockdown in China led the trade to fall by [about 12.4%](https://www.newindianexpress.com/nation/2020/apr/03/india-china-trade-declines-over-12-per-cent-in-first-two-months-of-2020-2125357.html) to US$ 12 billion in 2020 for the first two months of the year compared to the same time period in 2019. The imports fell to record lows of US$ 3.2 billion both in April and May, the period of lockdown in India. Meanwhile, the Galwan Valley incident in mid-June led to calls for boycotting of Chinese goods. According to a survey conducted by Local [Circles, 87% of Indian consumer](https://www.thehindubusinessline.com/economy/india-china-faceoff-87-indians-willing-to-boycott-chinese-products-for-a-year-says-survey/article31875907.ece)s were willing to boycott Chinese goods. One of the prime campaigns was to boycott Chinese goods for Diwali and it was seen that even in the Prime Minister’s home state of Gujarat in Ahmedabad, [80% of the decorative lights and LEDs](https://ahmedabadmirror.indiatimes.com/ahmedabad/cover-story/sasta-chinese-lights-steal-the-march-over-local-firms-this-diwali/articleshow/79010343.cms) sold in shops were still ‘Made in China.’ In July, Chinese imports increased [to US$ 5.6 billion](https://www.thehindu.com/business/Economy/indias-imports-from-china-rise-in-june-and-july/article32320584.ece), to almost pre-lockdown levels.

Further info :

<https://www.orfonline.org/expert-speak/india-china-economic-ties-impact-galwan/#:~:text=China%20accounted%20for%205%25%20of,US%24%2056.77%20billion%20in%202019.&text=Lockdown%20in%20China%20led%20the,same%20time%20period%20in%202019>.

The numbers on the report are important.

Must read : Its fun this will be a twister

Global semiconductor crisis

The **2020–present global chip shortage** is an ongoing crisis in which the demand for [integrated circuits](https://en.wikipedia.org/wiki/Integrated_circuit) (commonly known as semiconductor chips) is greater than the supply, affecting more than 169 industries[[3]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-Yahoo-3) and has led to major price increases, shortages and queues amongst consumers for automobiles, graphics cards, video game consoles, computers, and other products that require semiconductors.[[4]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-4)[[5]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-cnbc1-5)[[6]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-6) Commonly cited causes for the shortage include the [COVID-19 pandemic](https://en.wikipedia.org/wiki/COVID-19_pandemic), the [China–United States trade war](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war), and various severe weather incidents.

The cause of the global chip crisis is a combination of different events with the [snowball effect](https://en.wikipedia.org/wiki/Snowball_effect) of the [COVID-19 pandemic](https://en.wikipedia.org/wiki/COVID-19_pandemic) being the primary reason. Other causes have been attributed to the [China–United States trade war](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war) and the 2021 drought in [Taiwan](https://en.wikipedia.org/wiki/Taiwan).[[7]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-7)[[8]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-8)

**COVID-19 pandemic**[[edit](https://en.wikipedia.org/w/index.php?title=2020%E2%80%93present_global_chip_shortage&action=edit&section=2)]

*Main article:*[*COVID-19 pandemic*](https://en.wikipedia.org/wiki/COVID-19_pandemic)

*See also:*[*Shortages related to the COVID-19 pandemic*](https://en.wikipedia.org/wiki/Shortages_related_to_the_COVID-19_pandemic)

An increase in [remote work](https://en.wikipedia.org/wiki/Remote_work#Effects_of_the_COVID-19_pandemic) and [remote learning](https://en.wikipedia.org/wiki/Distance_education#COVID-19_pandemic)[[9]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-Reuters-9)[[10]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-10) caused a surge in demand for computers,[[11]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-cnbc2-11) network peripherals,[[9]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-Reuters-9) and other consumer electronics with chips.[[11]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-cnbc2-11) Due to [lockdowns](https://en.wikipedia.org/wiki/COVID-19_lockdowns), chip production facilities were shut down,[[12]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-12)[[13]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-13) leading to the depletion of inventories.[[14]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-14) In the fourth quarter of 2020, traditional computer sales saw a 26.1 percent growth over the previous year.[[15]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-15)

**China–United States trade war**[[edit](https://en.wikipedia.org/w/index.php?title=2020%E2%80%93present_global_chip_shortage&action=edit&section=3)]

*Main article:*[*China–United States trade war*](https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war)

In September 2020, as part of the economic conflict between [China](https://en.wikipedia.org/wiki/China) and the [United States](https://en.wikipedia.org/wiki/United_States), the [US Department of Commerce](https://en.wikipedia.org/wiki/United_States_Department_of_Commerce) imposed restrictions on China's largest chip manufacturer, [Semiconductor Manufacturing International Corporation](https://en.wikipedia.org/wiki/Semiconductor_Manufacturing_International_Corporation) (SMIC), which made it harder for them to sell to companies with American ties.[[16]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-16) These restrictions forced companies to use other manufacturing plants like [Taiwan Semiconductor Manufacturing Company Limited](https://en.wikipedia.org/wiki/Taiwan_Semiconductor_Manufacturing_Company_Limited) (TSMC) and [Samsung](https://en.wikipedia.org/wiki/Samsung_Electronics).[[17]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-17) However, these companies were already producing at maximum capacity.[[18]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-18)

**Severe weather**[[edit](https://en.wikipedia.org/w/index.php?title=2020%E2%80%93present_global_chip_shortage&action=edit&section=4)]

[A severe winter storm](https://en.wikipedia.org/wiki/February_13%E2%80%9317,_2021_North_American_winter_storm) in February 2021 forced the closure of two plants in [Austin, Texas](https://en.wikipedia.org/wiki/Austin,_Texas) owned by [Samsung](https://en.wikipedia.org/wiki/Samsung) and [NXP Semiconductors](https://en.wikipedia.org/wiki/NXP_Semiconductors), setting back supply from these two plants by several months.[[19]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-theverge-19)

[Taiwan](https://en.wikipedia.org/wiki/Taiwan) is the leader of the global [semiconductor industry](https://en.wikipedia.org/wiki/Semiconductor_industry), with TSMC alone accounting for more than 50 percent of the global [wafer foundry](https://en.wikipedia.org/wiki/Semiconductor_fabrication_plant) market in 2020.[[20]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-20) In 2021, Taiwan experienced its worst [drought](https://en.wikipedia.org/wiki/Drought) in more than half a century,[[21]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-21) leading to problems among chip manufacturers that use large amounts of [ultra-pure water](https://en.wikipedia.org/wiki/Ultrapure_water) to clean their factories and [wafers](https://en.wikipedia.org/wiki/Wafer_(electronics)). For example, TSMC's facilities used more than 63,000 tons of water a day, more than 10 percent of the supply of two local reservoirs.[[22]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-22)

**Fires at facilities**[[edit](https://en.wikipedia.org/w/index.php?title=2020%E2%80%93present_global_chip_shortage&action=edit&section=5)]

An [Asahi Kasei](https://en.wikipedia.org/wiki/Asahi_Kasei) semiconductor plant which specializes in [ADC](https://en.wikipedia.org/wiki/Analog-to-digital) and [DAC](https://en.wikipedia.org/wiki/Digital-to-analog) components caught fire in October 2020.[[19]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-theverge-19) Another [Japanese](https://en.wikipedia.org/wiki/Japan) factory owned by [Renesas Electronics](https://en.wikipedia.org/wiki/Renesas_Electronics), which supplies 30 percent of the global market for [microcontroller](https://en.wikipedia.org/wiki/Microcontroller) units used in cars, caught fire in March 2021; Renesas said it would take at least 100 days for them to get back to normal production.[[23]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-23) In January 2022, a fire from the [Berlin](https://en.wikipedia.org/wiki/Berlin) plant of [ASML](https://en.wikipedia.org/wiki/ASML_Holding) affected the production of [EUV lithography](https://en.wikipedia.org/wiki/Extreme_ultraviolet_lithography) equipment used in chip production.[[24]](https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage#cite_note-24)

For Impacts and reactions :

<https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage>

Trouble over Oil Prices

On 8 March 2020, [Saudi Arabia](https://en.wikipedia.org/wiki/Saudi_Arabia) initiated a [price war](https://en.wikipedia.org/wiki/Price_war) on oil with [Russia](https://en.wikipedia.org/wiki/Russia), facilitating a 65% quarterly fall in the [price of oil](https://en.wikipedia.org/wiki/Price_of_oil).[[1]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-opec-end-price-war-spe-1) In the first few weeks of March, US oil prices[[*ambiguous*](https://en.wikipedia.org/wiki/Wikipedia:Please_clarify)] fell by 34%, [crude oil](https://en.wikipedia.org/wiki/Petroleum) fell by 26%, and [Brent oil](https://en.wikipedia.org/wiki/Brent_Crude) fell by 24%.[[2]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-down-21-businessinsider-2)[[3]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-most-since-1991-cnn-3) The price war was triggered by a break-up in dialogue between the [Organization of the Petroleum Exporting Countries](https://en.wikipedia.org/wiki/OPEC) (OPEC) and Russia over proposed oil-production cuts in the midst of the [COVID-19 pandemic](https://en.wikipedia.org/wiki/COVID-19_pandemic).[[1]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-opec-end-price-war-spe-1) Russia walked out of the agreement, leading to the fall of the [OPEC+](https://en.wikipedia.org/wiki/OPEC_Plus) alliance. Oil prices had already fallen 30% since the start of the year due to a drop in demand.[[4]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-plunge-discounts-npr-4) The price war is one of the major causes and effects of the ensuing [global stock-market crash](https://en.wikipedia.org/wiki/2020_stock_market_crash).[[5]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-dow-futures-1300-marketwatch-5)

In early April 2020 and again in June 2020, Saudi Arabia and Russia agreed to oil production cuts.[[6]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-6)[[7]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-7)[[8]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-8) The [price of oil became negative](https://en.wikipedia.org/wiki/Negative_pricing) on 20 April. Oil production can be slowed, but not stopped completely, and even the lowest possible production level resulted in greater supply than demand; those holding [oil futures](https://en.wikipedia.org/wiki/Futures_contract) became willing to pay to offload contracts for oil they expected to be unable to store.

Impacts :

Oil revenue is a significant government income for several oil producing countries. Low oil price put pressure on state financials.[[52]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-economies-reliant-on-oil-weforum-52)[[53]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-debt-vulnerability-researchgate-53)

**On Saudi Arabia**[[edit](https://en.wikipedia.org/w/index.php?title=2020_Russia%E2%80%93Saudi_Arabia_oil_price_war&action=edit&section=5)]

[Saudi Aramco](https://en.wikipedia.org/wiki/Saudi_Aramco) announced a cut in capital expenditures from $35–40 billion planned to $25–30 billion.[[54]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-aramco-cuts-spending-london-times-54) The government also increased its [debt ceiling](https://en.wikipedia.org/wiki/Debt_ceiling) from 30 to 50 percent of GDP, due to both oil prices and the impact of the pandemic, and planned to cut its spending by 5 percent as its budget deficit was expected to increase from 6 to 9 percent.[[55]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-saudi-arabia-double-debt-ft-55)

**On Russia**[[edit](https://en.wikipedia.org/w/index.php?title=2020_Russia%E2%80%93Saudi_Arabia_oil_price_war&action=edit&section=6)]

The Russian government had initially forecast that it would run a surplus of 930 billion [roubles](https://en.wikipedia.org/wiki/Russian_ruble) ($11.4 billion) in 2020, but following the outbreak of the price war stated that it expected to run at a deficit. The ruble has dropped, having fallen over 30 percent between the start of 2020 and 18 March.[[32]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-oil-prices-low-ft-32)

**On stock markets**[[edit](https://en.wikipedia.org/w/index.php?title=2020_Russia%E2%80%93Saudi_Arabia_oil_price_war&action=edit&section=7)]

*See also:*[*2020 stock market crash*](https://en.wikipedia.org/wiki/2020_stock_market_crash)

Prior to opening on 9 March 2020 (Monday), the [Dow Jones Industrial Average](https://en.wikipedia.org/wiki/Dow_Jones_Industrial_Average) [futures market](https://en.wikipedia.org/wiki/Futures_exchange) fell over 1,300 points and suspended trading as a result due to a combination of coronavirus concerns and the oil price war.[[5]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-dow-futures-1300-marketwatch-5) On [Monday, 9 March 2020](https://en.wikipedia.org/wiki/Black_Monday_(2020)), stock markets globally experienced major point drops due to a combination of panic over the COVID-19 pandemic and the price war between Saudi Arabia and Russia. The [Dow Jones](https://en.wikipedia.org/wiki/Dow_Jones_Industrial_Average) fell over 2,000 points, or 7.8%, exceeding the futures market prediction and becoming [the largest point drop in its history.](https://en.wikipedia.org/wiki/List_of_largest_daily_changes_in_the_Dow_Jones_Industrial_Average)[[56]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-dow-bull-market-almost-ended-nbc-56) Other stock markets were similarly affected, with the [S&P 500](https://en.wikipedia.org/wiki/S%26P_500_Index) contracting by 7.6% and the [NASDAQ Composite](https://en.wikipedia.org/wiki/NASDAQ_Composite) contracting by 7.2%. [Italy's](https://en.wikipedia.org/wiki/Italy) [FTSE MIB](https://en.wikipedia.org/wiki/FTSE_MIB) suffered the largest drop in percentage, with the index falling 11%.[[57]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-covid-every-eu-country-marketwatch-57) In the United States, the drops triggered [circuit breakers](https://en.wikipedia.org/wiki/Trading_curb) designed to prevent stock market crashes, leading to 15-minute pauses in trading.[[58]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-circuit-breaker-cnbc-58)

**On other producers**[[edit](https://en.wikipedia.org/w/index.php?title=2020_Russia%E2%80%93Saudi_Arabia_oil_price_war&action=edit&section=8)]

In response to the drop in price, multiple oil producers in North America cut the drilling of new wells.[[59]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-us-shale-survival-aljazeera-59) [Shale oil](https://en.wikipedia.org/wiki/Tight_oil) producers in North America generally require oil prices above $40 per barrel to sustain operations, and the cuts in new oilfields is expected to nullify the expected growth in US oil production.[[60]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-us-shale-nightmare-aljazeera-60) At $35 per barrel of crude oil, only 16 shale producers could operate new wells profitably, and most producers had expected a per barrel price of $55–65 in 2020.[[61]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-us-shale-withstand-reuters-61) Consultancy [Wood Mackenzie](https://en.wikipedia.org/wiki/Wood_Mackenzie) estimated that with Brent at $25/barrel, 10% of oil production globally would not be able to cover its base operating cost, particularly [heavy crude oil](https://en.wikipedia.org/wiki/Heavy_crude_oil) producers such as Venezuela, Mexico[[62]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-10th-of-production-ft-62) and [oil sands](https://en.wikipedia.org/wiki/Oil_sands) in Canada, where the price dipped below $5 per barrel.[[63]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-canadian-oilsands-financialpost-63) The U.S. Energy Information Administration forecasts show that U.S. crude oil production would fall from 13.2 million bpd in May 2020 to 12.8 million bpd in December 2020 due to the price war, and would then fall to 12.7 million bpd in 2021.[[64]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-short-term-energy-outlook-eia-64)

In the US, [Whiting Petroleum Corporation](https://en.wikipedia.org/wiki/Whiting_Petroleum_Corporation), which produced 120,000 barrels per day, was the first major producer to declare bankruptcy due to the oil price crash.[[65]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-whiting-chapter-11-ft-65) [Diamond Offshore Drilling](https://en.wikipedia.org/wiki/Diamond_Offshore_Drilling), an [offshore drilling](https://en.wikipedia.org/wiki/Offshore_drilling) contractor, also filed for bankruptcy, citing the price war and the drop in oil demand due to the coronavirus pandemic.

Iraqi and Kuwaiti oil producers also announced price discounts to their buyers, though Iraq's discount was lower than that of Saudi Arabia's.[[66]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-iraq-kuwait-yahoo-66) The [United Arab Emirates](https://en.wikipedia.org/wiki/United_Arab_Emirates) also announced an increase in production to 4 million barrels per day, higher than the country's estimated output capacity of 3.5 million bpd.[[67]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-uae-sa-production-fool-67)

Norway, Europe's largest oil exporter, saw a drop in [its currency](https://en.wikipedia.org/wiki/Norwegian_krone) to historic lows against the Euro, with the [Norwegian Central Bank](https://en.wikipedia.org/wiki/Norwegian_Central_Bank) preparing a currency intervention for the first time in two decades.[[68]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-norway-krone-slump-bloomberg-68) Nigeria's Central Bank also devalued its [naira](https://en.wikipedia.org/wiki/Nigerian_naira) against the dollar, while the country's stock market and bond prices (alongside Angola's) fell.[[69]](https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war#cite_note-nigeria-economy-cnbc-69)

Further reading

<https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war>

How COVID-19 impacted supply chains and what comes next

#### **Research shows severe disruption through the pandemic is driving enterprises to make their supply chains more resilient, collaborative and networked.**

**In brief**

* Ernst & Young LLP (EY US) conducted a survey of 200 senior-level supply chain executives in late 2020.
* The survey looked at topics including COVID-19 impact on supply chains, priorities for the next 1—3 years and the path to digital/autonomous supply chains.
* This article looks at 3 key findings from the research.

Chapter 1

### The pandemic had substantial negative effects on supply chains

Certain sectors fared worse than others, but some life sciences companies reported few effects.

This section is the one that’s important

Other 2 are remediation efforts.

Further reading

<https://www.ey.com/en_gl/supply-chain/how-covid-19-impacted-supply-chains-and-what-comes-next>

* List of few of the IT Tech Players that stood out/ Stayed afloat during the period.
* > Zoom Video Communications.
* > NVIDIA Corporation.
* > Advanced Micro Devices.
* > RingCentral Inc.
* List of few of the Airline Folks that took a hit during the period.
* > Cebu Air Inc.
* > Boeing.
* > Jet Airways.
* > AirAsia Berhad.

This is backed by historical data for the period.

Files available

* Historical data : Finances Yahoo
* Facts on events :
* Wiki
* PwC forums
* news forums
* Tech forums
* EY forums

Links :

<https://www.pwc.com/sg/en/publications/a-resilient-tomorrow-covid-19-response-and-transformation/the-coronavirus-and-its-consequences-industry-in-crisis-mode.html>

<https://www.pwc.com/us/en/library/covid-19/coronavirus-technology-impact.html>

these 2 are main links

please do check these out

the main contents are based off of this.

Complete link set :

<https://www.pwc.com/sg/en/publications/a-resilient-tomorrow-covid-19-response-and-transformation/the-coronavirus-and-its-consequences-industry-in-crisis-mode.html>

<https://www.pwc.com/us/en/library/covid-19/coronavirus-technology-impact.html>

<https://en.wikipedia.org/wiki/COVID-19#SARS-CoV-2_variants>

<https://en.wikipedia.org/wiki/China%E2%80%93United_States_trade_war>

<https://en.wikipedia.org/wiki/2020%E2%80%932021_China%E2%80%93India_skirmishes>

<https://www.orfonline.org/expert-speak/india-china-economic-ties-impact-galwan/#:~:text=China%20accounted%20for%205%25%20of,US%24%2056.77%20billion%20in%202019.&text=Lockdown%20in%20China%20led%20the,same%20time%20period%20in%202019>. <<<< twister

<https://www.thehindu.com/news/national/the-hindu-explains-what-will-be-the-impact-of-chinese-apps-ban/article31991127.ece>

<https://en.wikipedia.org/wiki/2020%E2%80%93present_global_chip_shortage>

<https://en.wikipedia.org/wiki/Shortages_related_to_the_COVID-19_pandemic>

<https://en.wikipedia.org/wiki/Financial_market_impact_of_the_COVID-19_pandemic>

<https://en.wikipedia.org/wiki/2020_Russia%E2%80%93Saudi_Arabia_oil_price_war>

<https://en.wikipedia.org/wiki/COVID-19_recession#Russia%E2%80%93Saudi_Arabia_oil_price_war>

<https://economictimes.indiatimes.com/news/international/business/how-the-global-supply-chain-crisis-unfolded-this-year/articleshow/88486682.cms>

<https://hbr.org/2020/09/global-supply-chains-in-a-post-pandemic-world>

<https://www.ey.com/en_gl/supply-chain/how-covid-19-impacted-supply-chains-and-what-comes-next>

<https://www.cnbc.com/2021/10/18/supply-chain-chaos-is-hitting-global-growth-and-could-get-worse.html>

<https://www.whitehouse.gov/cea/written-materials/2021/06/17/why-the-pandemic-has-disrupted-supply-chains/>

<<<<< must read

<https://www.pwc.com/sg/en/publications/a-resilient-tomorrow-covid-19-response-and-transformation/the-coronavirus-and-its-consequences-industry-in-crisis-mode.html>

<https://www.pwc.com/us/en/library/covid-19/coronavirus-technology-impact.html>

Alpha as Cebu Pacific/JetAirways

Need to check : if SWOT/Ansoff/BCG is best fit

Cebu :

<https://embapro.com/frontpage/swotcase/7987-cebu-gokongwei>

<https://www.scribd.com/doc/272832971/Cebu-Pacific-SWOT-Analysis>

jet

<https://iide.co/case-studies/swot-analysis-of-jet-airways/>

Beta as Zoom

Need to check : if SWOT/Ansoff/BCG is best fit

<https://www.bstrategyinsights.com/zoom-swot-analysis/>  
<https://medium.com/@zhouyuchen999/zoom-overview-and-swot-analysis-580a2eff34d9>

End of Report [ RAW Format ]