

Macro Roundup Article

Headline: [Global Supply Chain Pressure Index: The China Factor](#)

Article Link: <https://libertystreeteconomics.newyorkfed.org/2023/01/global-supply-chain-pressure-index-the-china-factor/>

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Tweet: [@NewYorkFed](#) measure of supply chain stress was 1.18 in December, up from .94 in September, as deteriorating conditions in China have led to a pause to improvements.

Summary: The Global Supply Chain Pressure Index peaked at 4.3 standard deviations above its historical mean at the end of 2021, after which it declined substantially. The initial period of decline saw it drop to 2.8 by March 2022, after which it temporarily increased in April, primarily due to pandemic lockdowns in China and the Russia-Ukraine war. The GSCPI then experienced five consecutive months of declines, reaching a low of 0.9 in September. However, the past three months have witnessed a pause in the reversion to the historical average, with the index increasing by a total of 0.29 points in October and November before declining by 0.05 points last month, leaving the total three-month increase at about a quarter point. We can partly attribute the recent slowdown of the GSCPI's return to its historical average to worsening supply conditions in China, which have also spilled over into its neighboring trade partners.

Primary Topic: Trade (not deficits)

Topics: Factoid, GDP, Government/NGO, Inflation, Sell-by Date, Trade (not deficits)

Permalink: <https://www.edwardconard.com/macro-roundup/newyorkfed-measure-of-supply-chain-stress-was-1-18-in-december-up-from-94-in-september-as-deteriorating-conditions-in-china-have-led-to-a-pause-to-improvements?view=detail>

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