

# Flexport Research

Making Global Trade Easy for Everyone

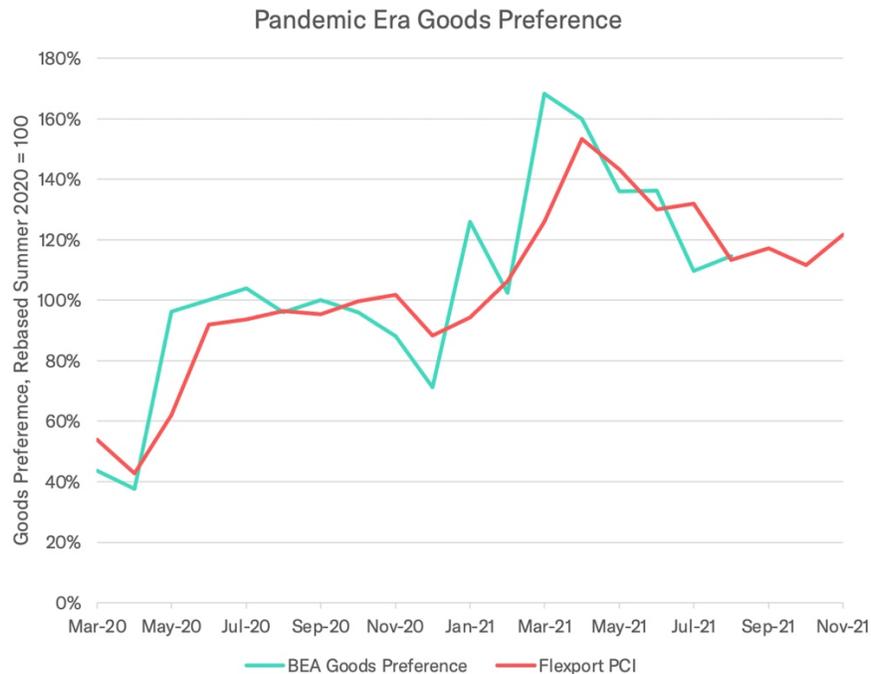
## Post-Covid Indicator Shows US Consumers Continue to Prefer Goods

*As we head toward the 2021 holiday season, there is no sign of the US consumer's preference for goods slackening, according to the latest Flexport data.*

Covid-19 triggered a boom in goods demand, but how long will it last? We analyze exclusive shipping data to peek into the future. The monthly Flexport Post-Covid Indicator shows how demand could shift in the coming months.

**The Methodology:** *The Flexport Post-Covid Indicator is based on an analysis of correlations between detailed shipping data and national consumption behavior. As one would expect, given how goods move, the closest correlations are between shipping flows in a month and consumption a bit later. Using the estimated model, we can look at more recent shipping data and forecast the consumption patterns that are likely to follow.*

### Goods Preference to Remain Elevated to Year End



Sources: Flexport, U.S. Bureau of Economic Affairs

Our estimates show that the relative slowdown from the spring should level off with no sign of any return to pre-pandemic levels. From an August PCI value of 113, we now see 117 in September, 112 in October, and 122 in November.

It is worth remembering that the elevated pressure on global supply chains is the result of two factors in combination: strong incomes and a preference for goods in consumption. PCI tracks the latter.

The forecast for continued strong goods preference means that, barring an income shock, the pressure on supply chains will continue at least toward the end of the year.

The next update for the Flexport PCI will be on November 17. BEA will release September data on October 29, October data on November 24, and November data on December 23. Please direct questions about the Flexport PCI to [economics@flexport.com](mailto:economics@flexport.com).

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