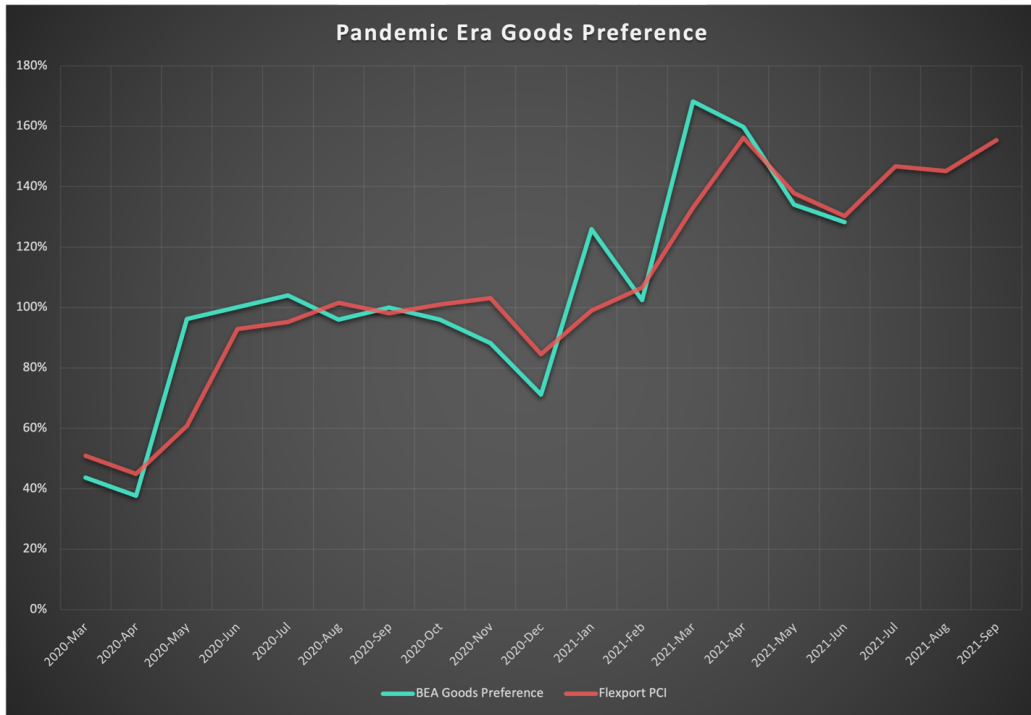


**flexport.**

# Post-Covid Indicator

AUGUST 17, 2021



The goods mania is back! It never actually left, but it had subsided from a peak in March. The latest Flexport data show the preference for goods over services climbing back to peak Spring 2021 levels as we head into Fall 2021. All of this remains well above past norms and above the elevated levels of Summer 2020.

The chart tracks the share of US Personal Consumption Expenditures (PCE) spent on goods vs. services. For the four years preceding the Covid economic shock, the goods share averaged 31.2%, with very little variation. Then it leapt up to a stable average of roughly 34% from June through October of 2020. The [Flexport Post-Covid Indicator](#) is scaled so that the old average is 0 and the Summer 2020 average is 100.

There have been two big changes from last month’s PCI release. First, the BEA revised over a year’s worth of its data; that changed the numbers. Second, we factored in additional Flexport shipping data and re-estimated. The upshot is that the craze appears to be reviving more than subsiding. From a June PCI value of 130, we now see the goods preference hitting 147 in July, holding fairly flat to 145 in August, then climbing to 155 in September. That would leave it not far from the record BEA peak of 168 in March.

How did the Flexport PCI do with its June forecast? Not bad at all. We forecast a 6% decrease from May levels; the actual BEA release for June showed a 4.3% decrease.

The next update for the Flexport PCI will be on September 17. BEA will release July data on August 27; August data on October 1, and September data on October 29. Please direct questions about the Flexport PCI to [trade.intelligence@flexport.com](mailto:trade.intelligence@flexport.com).