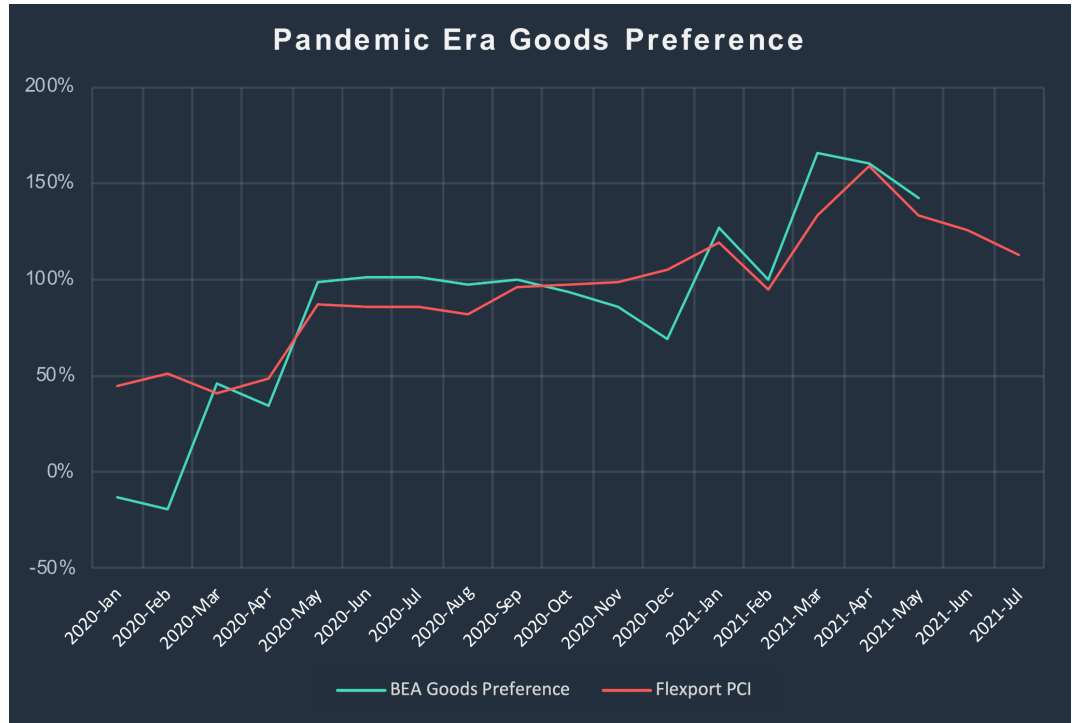


**flexport.**

# Post-Covid Indicator

JULY 2021



The latest Flexport data show the goods craze in US consumption backing off from the fevered pitch of March and April but remaining above the elevated levels of Summer 2020 through June and July of this year.

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 39.5% from June through September of 2020. The Flexport **Post-Covid Indicator** is scaled so that the old average is 0 and the Summer 2020 average is 100.

After dipping in late 2020, the goods share of PCE soared to 166 in March and 161 in April. It receded to 143 in May. The Flexport PCI forecasts that it will be 125 in June and 113 in July.

How did the Flexport PCI do with its May forecast? Directionally, it was right. We forecast a modest decrease from April levels. In its May release, subsequent to that forecast, the **Bureau of Economic Analysis** substantially increased its estimate of the goods share for April, from 145 to 161, and there was indeed a decrease to May. The chart shows the latest, revised data for both the BEA and Flexport.

The next update for the Flexport PCI will be on August 16. BEA will release June data on July 30; July data on August 27. Please direct questions about the Flexport PCI to [plevy@flexport.com](mailto:plevy@flexport.com).