2023 Global Macroeconomic Outlook

Transforming uncertainty into opportunity

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Written by

EY-Parthenon Macroeconomics Team

EY Parthenon

Building a better working world

Presenting the **2023 Global Macroeconomic Outlook**

The **Global Macroeconomic Outlook** presents analysis by the EY Global Macroeconomics Team on the global economic risks, uncertainties and opportunities for the year ahead.

A solutions-centric approach can assist clients in **transforming uncertainty into opportunity across sectors and industries.**

The **five themes** in the 2023 Global Macroeconomic Outlook combine our ongoing discussions with executives across a wide array of sectors along with insights from our Global Macroeconomics Team.

These themes reflect risks and opportunities that were assessed to be both **high probability** and **high impact**.

Global macroeconomic outlook

A global recession in 2023 with persistent inflation and elevated interest rates

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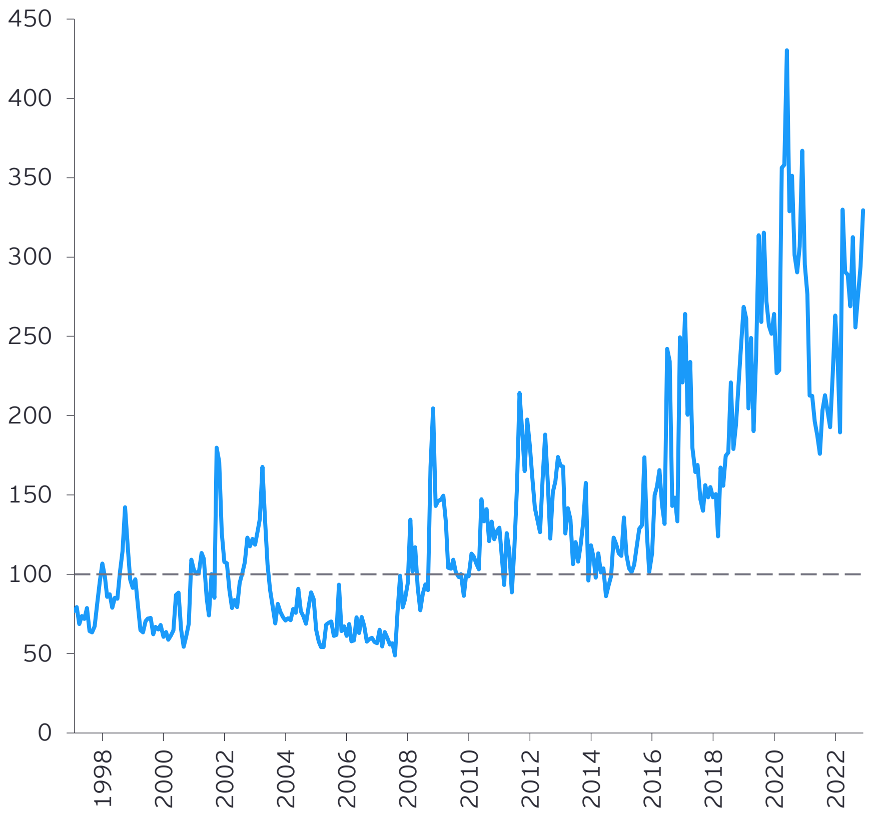
The ongoing economic slowdown will likely turn into a global recession in 2023

- **US:** The economy is visibly cooling because of persistent inflation, rising borrowing costs, deteriorating private sector morale and rapidly slowing global economic activity. The housing market is tumbling under the weight of surging mortgage rates and elevated prices, with knock-on effects on consumer spending and construction. With household sentiment historically depressed, savings cushions rapidly dwindling and debt balances surging, consumers will grow increasingly reluctant to spend. Continued cost pressures, weakening demand and elevated uncertainty are eroding business sentiment and will prompt companies to make increasingly conservative talent and investment decisions. We expect the US economy will enter a recession in early 2023, with real GDP likely to fall 0.3% next year after growing an expected 1.8% this year. We expect the economy will add around 4.6m jobs this year but lose around 2.0m jobs in 2023, with unemployment rate rising toward 5.2% by midyear. We continue to anticipate headline and core CPI will decelerate gradually through early 2023, remaining above 4% until mid-2023, but will approach the Fed's 2% inflation target by year-end. Fed Chair Powell recalibrated monetary policy by adopting a new speed vs. destination paradigm — indicating an intention to reach a higher terminal federal funds rate while doing so at a slower pace. We believe the Fed will aim to bring the federal funds rate toward 5% (or slightly above), at which point we believe it will pause to evaluate economic and financial market conditions.
- **Eurozone:** We believe elevated inflation and a lingering energy crisis will lead to a moderate recession in the Eurozone. Mild temperatures, robust employment growth and fiscal programs to help alleviate the burden of high energy prices have translated into relative economic resilience in Q3. However, depressed business and consumer sentiment, increased industrial sector weakness in Germany and France, and softness in consumer spending ahead of the holidays indicate the Eurozone is entering a recession. We expect Eurozone GDP will contract 0.6% in 2023, after a modest 3.0% expansion in 2022. While inflation will likely ease over the course of 2023, it remained extremely high at 10% year over year (y/y) in November. With energy supply disruptions still a possibility and demand highly dependent on the severity of the winter, energy rationing and accelerating inflation remain important risks. We believe the European Central Bank (ECB) will slow the pace of monetary policy tightening with another one or two rate increases of 25 basis points (bps) in 2023 after a 50bps rate hike in December.
- **UK:** Double-digit inflation and elevated interest rates will significantly constrain consumer spending over the course of 2023. And while the currency, Treasury and stock market dislocations from October have now mostly reversed under Rishi Sunak's more fiscally conservative policies, the economy will suffer a recession over the coming months. The tighter fiscal policy stance will entail less support to economic activity, while elevated mortgage rates will lead to a prolonged housing correction. We expect UK GDP will fall by 0.9% in 2023 with the Bank of England continuing to tighten monetary policy by raising the policy interest rate toward 4%.
- **Japan:** The improving health situation and easing supply chain disruptions led to greater consumer spending activity and rebounding business investment in the fall. But while moderate growth momentum is expected through 2023, a sluggish global economic backdrop will limit the upside to growth. Inflation is expected to cool from above 2% to around 1% in the absence of wage growth pressure despite the upward pressure from the yen weakening. As such, we don't foresee much change in the monetary policy stance. We see GDP growth around 0.4% in 2023 after a 1.7% advance in 2022.
- **Mainland China:** The economic outlook remains uncertain, with growth constrained by the zero-COVID-19 policy, a lingering property sector downturn and weakening global trade activity. A gradual relaxation of COVID-19 restrictions along with more broad-based vaccinations represent a potential upside to growth along with increased stimulus measures aimed at property sector investment. We anticipate GDP growth will rebound from around 2.9% in 2022 to 4.0% in 2023, providing a welcome offset to the lackluster global backdrop. Upside potential to global growth and inflation from a more rapid relaxation of zero-COVID-19 policies is worth monitoring.
- **Emerging markets:** Economic activity is constrained by high inflation and tight monetary policy along with slower growth across advanced economies. We anticipate ongoing weakness through the first half of the year, as these factors continue to constrain growth but note the upside potential to growth for emerging economies in Asia from mainland China's potentially accelerated loosening of COVID-19 restrictions and rebounding tourism activity in the latter half of 2023. Activity across Latin America will likely be sluggish in 2023, with Brazil and Mexico GDP advancing less than 0.5% on elevated inflation, tight monetary policy and fiscal tightening policies.

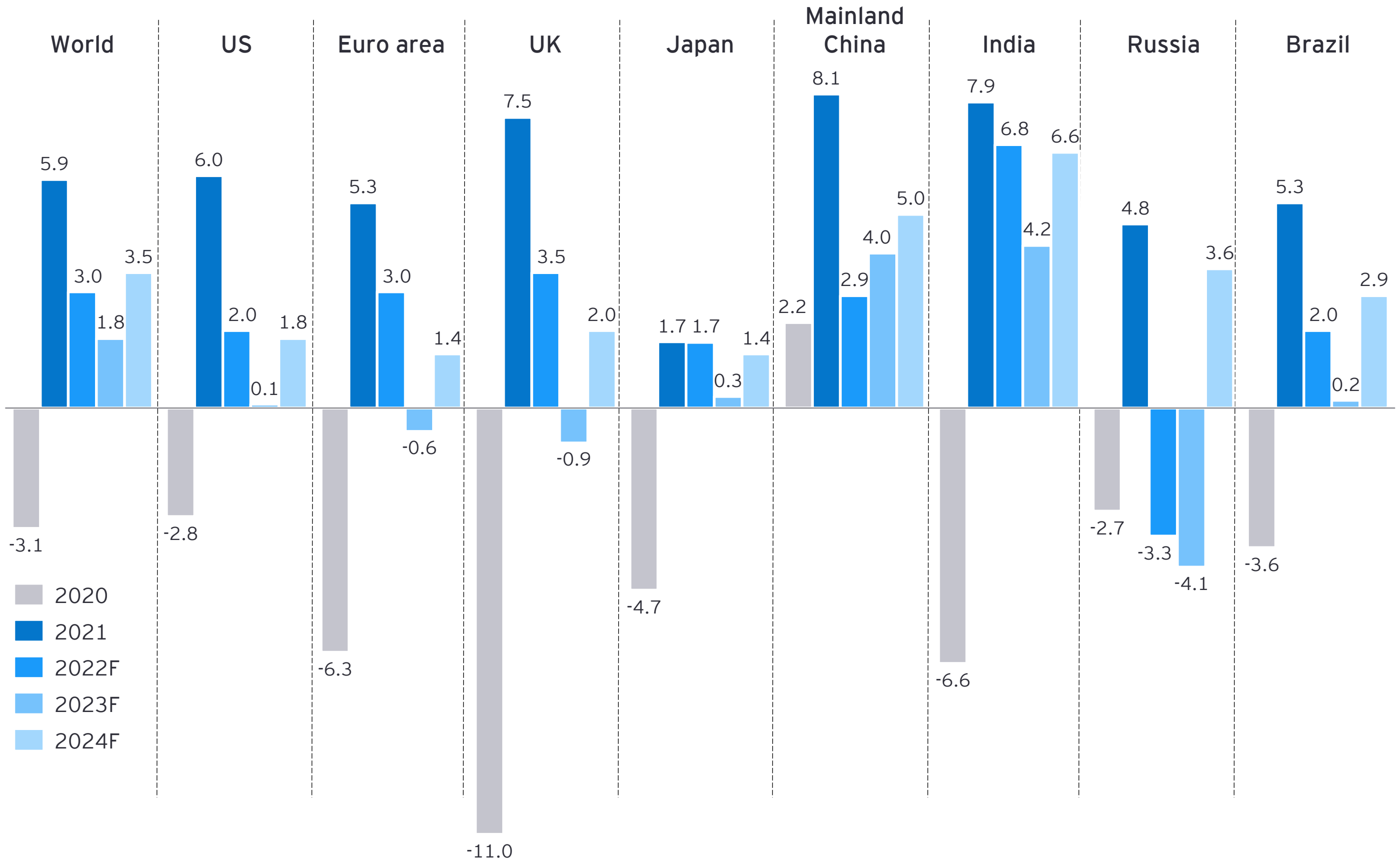
Source: EY-Parthenon

Persistent inflation and elevated interest rates are likely to be continued characteristics of this slowdown

Global economic policy uncertainty index
Jan 1997-Nov 2022 (mean from 1997-2015 = 100)



Y/y percent change in real GDP
2019-24F



Source: IMF; Economic Policy Uncertainty; EY-Parthenon

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Finding balance between 'pricing for perfection' and 'discounting for disaster' may require business leaders to build resilience and adaptability in this new uncertainty paradigm

- **One of the key characteristics of the post-pandemic world is the speed of the business cycle.** Over the last three decades – the Great Moderation period – business cycles have been characterized by their duration and relative stability. The economic expansion leading up to the COVID-19 crisis was the longest on record, lasting more than a decade. Today, less than three years after the sudden stop in demand and supply induced by the pandemic, a mild global recession appears to be the consensus view.
- The ongoing war in Ukraine and sanctions on Russia, multi-year high interest rates, depressed global equity prices, elevated market volatility, and a synchronized slowdown in Europe, Latin America, North America and Asia will likely push the **global economy into a recession in 2023.** Our view is that global GDP growth will fall from 6% in 2021 to only 1.9% in 2023 – the weakest performance since 1991 outside of the financial crisis and pandemic. We anticipate growth around 3.5% in 2024.
- While there is a **consensus around a mild recession view**, we shouldn't forget that the profound COVID-19 shock to the global economy and the rapid fiscally stimulated recovery have left a trail of imbalances that will lead to **more persistent macroeconomic volatility.** If the pandemic has taught us anything, it's that economic activity is rarely linear. Shifts in supply, demand and policy can be abrupt and will force a proactive and nimble business strategy approach.
- Our theme for 2023, "Transforming uncertainty into opportunity", is based on five key tenets. We must be conscious that, going forward, we're likely to be in an environment where growth will be less robust and more volatile, where inflation will display an upward bias, where interest rates are unlikely to go back down to zero, and where prices for commodities, goods, services and labor will display more volatility than usual.
- In this uncertain environment, **businesses should be particularly attentive to further disruptions** from the war in Ukraine, the evolution of the COVID-19 policy in mainland China, relative monetary policy hawkishness in the US, Canada, UK, Eurozone, Latin America and Asia, and growing concerns around debt sustainability, which may constrain governments' ability and will to stimulate economic activity and thus prevent any fiscal largesse even if economic activity falters.
- **Rather than allow the economic environment to dictate business decisions, business leaders should seek opportunities to grow.** Business executives may do so by building resilience and adaptability to this new paradigm of uncertainty. More than ever, it's important to be proactive and seek a better understanding of the outlook and discover how to turn potential pitfalls into new prospects.

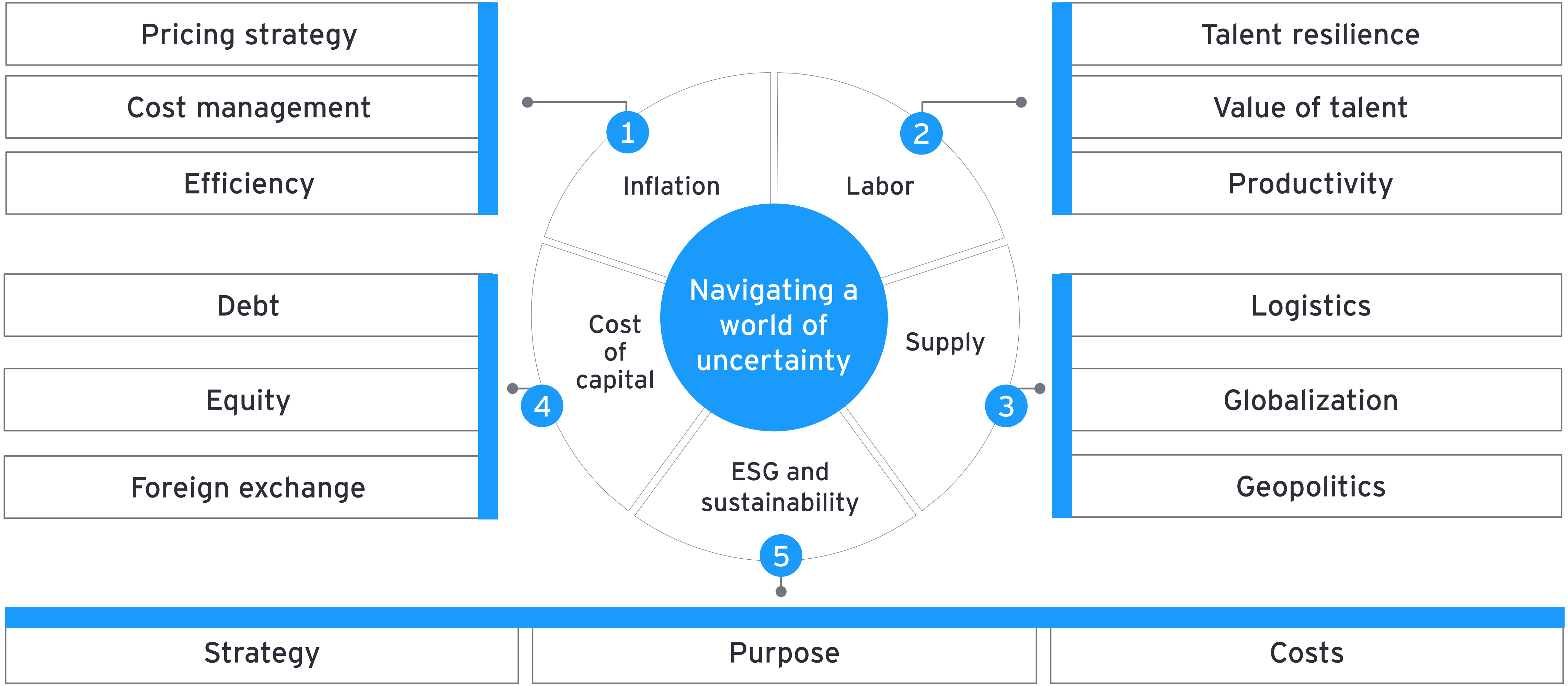
Source: EY-Parthenon

A new paradigm

Transforming uncertainty into opportunity

Transforming uncertainty into opportunity: a new paradigm with five key themes

Drivers of economic activity previously taken as a given will now warrant much more attention from businesses, investors and consumers



Source: EY-Parthenon

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Theme 1

Inflation is present everywhere, but in different forms

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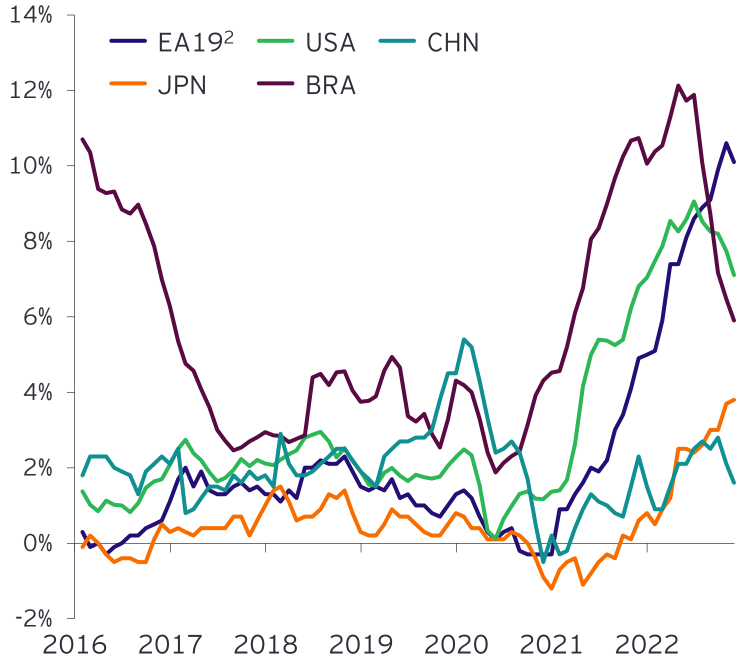
1 Inflation: Volatile prices and costs, real wage erosion, and global central bank monetary policy tightening create challenges and opportunities for businesses

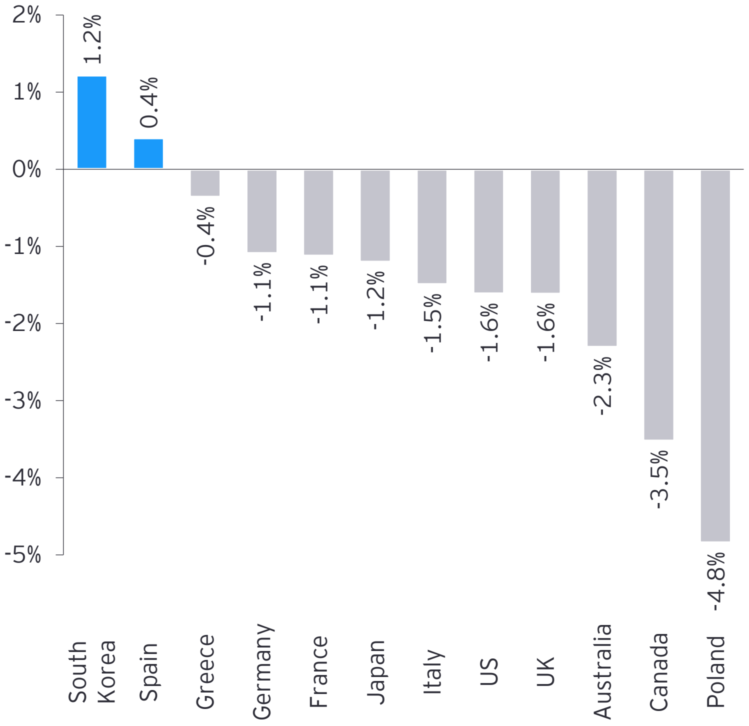
Extreme global inflation volatility is likely to persist with multiple forces at play

Annualized CPI growth rate
January 2016–November 2022



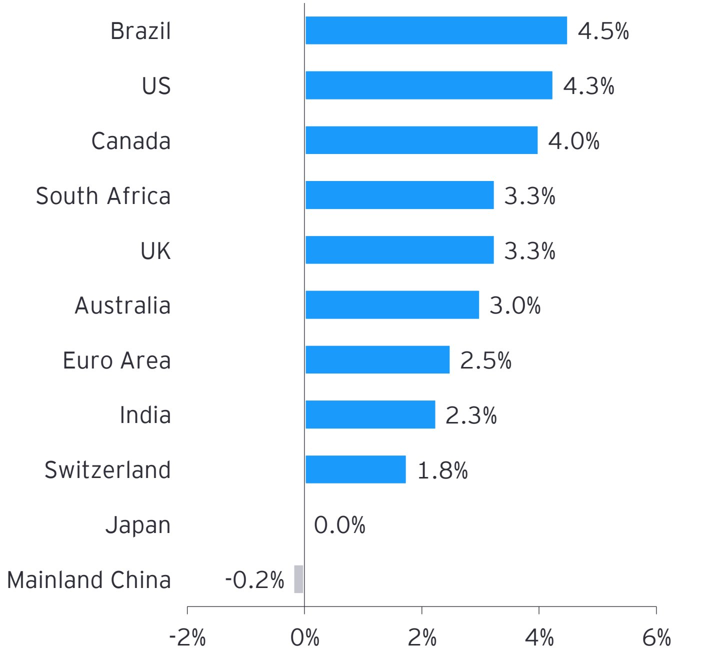
Inflation will continue to erode household budgets constraining spending power

Real y/y wage growth
2022F-23F[1]



Monetary policy tightening will slow, but interest rates will likely remain elevated

Y/y percentage change in policy interest rate
December 2021 vs. December 2022[2]



1. 2022 data includes forecasted data for Q4 2022.
2. Euro area includes 19 countries.
Source: Oxford Economics; EY-Parthenon

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1 Inflation: Inflation persistence and volatility are likely to be a key feature of the outlook, especially in a global environment featuring increased fragmentation

Pricing strategy

- In an environment of elevated inflation volatility and slowing final demand, businesses may need to have a holistic pricing strategy framework.
- This requires defining a clear pricing strategy with defined objectives (margin vs. market share or premium vs. value), a data-driven and value-based pricing structure, and a monitored pricing executive strategy.

Cost management

- Businesses may need to consider building a resilient and sustainable cost management approach to navigate a world where demand will ebb and flow more significantly than in the past few decades and where supply may be deficient.
- Business executives need to understand the true cost to serve, including forward-looking up-front and hidden costs.

Efficiency

- Productivity and efficiency gains should be central to companies' holistic pricing strategy.
- In addition to worker productivity, businesses may need to assess broader organizational structure, design and processes that impact overall business efficiency and cost base.

Source: EY-Parthenon

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1 Inflation: Sector spotlights

Consumer products and retail	▶ More than ever, brands are investing in ways to develop stronger consumer relationships. Companies that can continue to find ways to anticipate consumers' needs and improve the buying experience are likely to fare better in downturns. Creative use of technology can be a key differentiator in a volatile inflation environment.
Energy and resources	▶ Elevated volatility in energy prices will push many upstream and downstream energy businesses to re-evaluate their exposure to swings in supply, demand and prices of energy. Geopolitical tensions and cooling global final demand should be central to a resilient building strategy.
Health sciences and wellness	▶ Life sciences companies will likely continue to face an environment of volatile input costs and production prices. While some sectors may be less exposed to final demand swings, structurally deficient labor supply, the increasingly strategic nature of pharmaceuticals and medical devices, and the evolution in insurance pricing may require increased monitoring.
Real estate, hospitality and construction	▶ Low affordability due to elevated prices and surging mortgage rates will continue to constrain housing activity – both demand and supply. Commercial real estate will have to navigate a period of readaptation where hybrid work, an increased focus on affordability, the digital economy and ESG (environmental, social and governance) will drive decisions.
Advanced manufacturing and mobility	▶ Wild swings in transportation, input, storage and labor costs along with the risk of lost sales and excess or insufficient inventory can have a profound impact on margins. Businesses with an integrated pricing framework can gain competitive advantage by preserving or even winning additional market share.

Source: EY-Parthenon

Theme 2

Talent attraction and retention are more challenging and strategically important than ever

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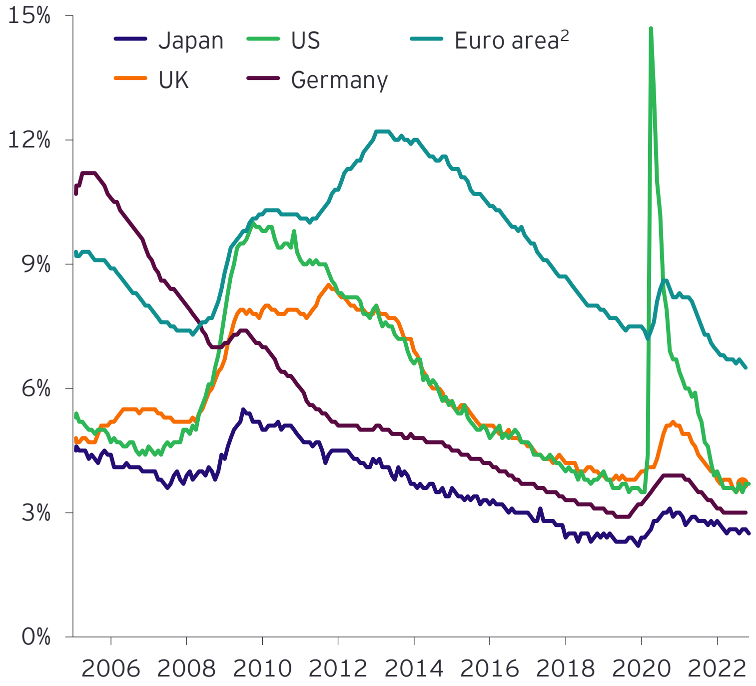
2 Labor: Navigating a tight and fast-moving labor market with a shrinking pool of talent, shifting employee expectations and increased mobility of the workforce

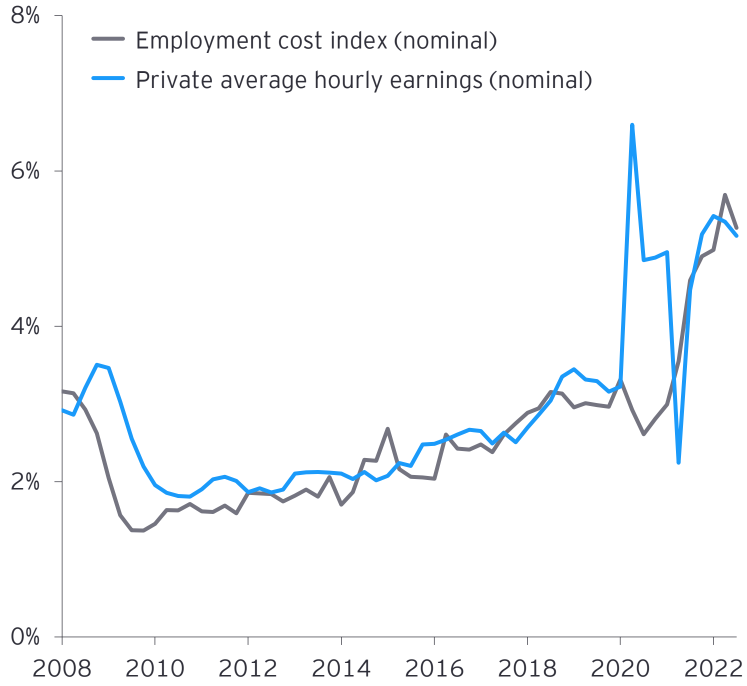
Labor markets are tight, and businesses are competing for a reduced talent pool

Unemployment rates
January 2005–November 2022[1]



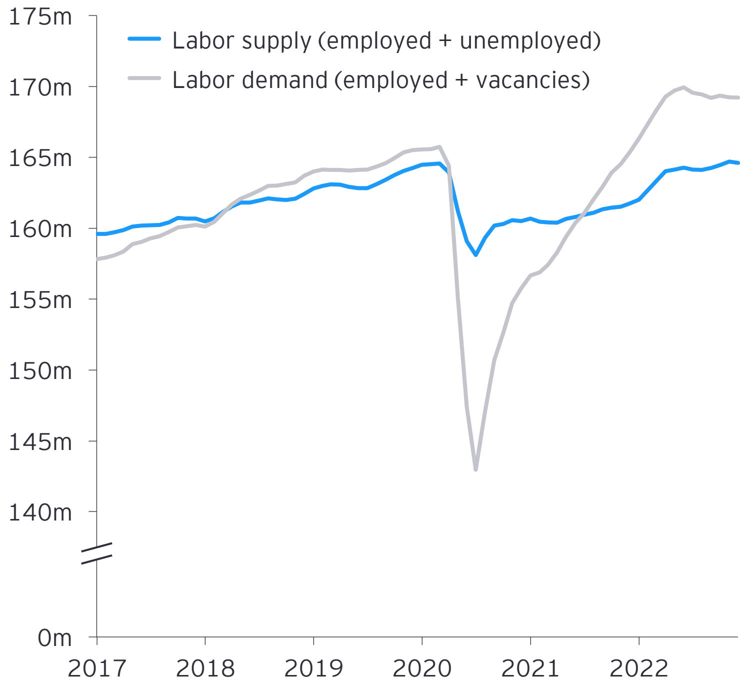
Compensation costs have soared as businesses struggle to find the right talent

US y/y growth in employment cost and private average hourly earnings
Q1 2008–Q3 2022



A labor market rebalancing is coming, but relative tightness will remain

US labor demand versus supply
December 2016–November 2022



1. Data for US and Japan available up to November 2022, all others available up to October 2022.
2. Euro Area includes 19 countries.

Source: BLS; EY-Parthenon

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2 Labor: A competitive labor market where the value of talent has risen and labor supply is constrained by aging and reduced immigration will put emphasis on talent resilience

Talent resilience

- In a labor environment that remains competitive, employers may need to focus on retaining existing talent and adapting to the changing job market landscape.
- Strategies aimed at enhancing job quality and career paths, promoting a strong culture, and creating incentives can help boost talent resilience and lower employee turnover.

Value of talent

- As wage and benefit costs continue to rise, high-quality talent is increasingly expensive to attract and retain.
- Business executives may need to maintain a proactive and flexible approach to talent management, invest in talent development initiatives, and build and maintain efforts toward improving culture, diversity, equity and inclusion.

Productivity

- To alleviate rising labor costs, companies can focus on increasing employee productivity to drive business efficiency and protect margins.
- Harnessing new technologies, investing in employee trainings, and improving communication and collaboration across teams are some ways to improve overall efficiency.

Source: EY-Parthenon

2 Labor: Sector spotlights

Advanced manufacturing and mobility	▸ The supply of skilled workers in the manufacturing and mobility space has been restrained in the post-pandemic environment, thus limiting growth potential. This extends to transportation and logistics roles. Business leaders should assess their labor needs over the next 18 months with a view toward building long-term resilience in a tight labor market.
Health sciences and wellness	▸ Labor supply has remained structurally constrained in the health science and wellness sector with acute shortage for skilled workers in nursing, social and home care. Businesses leaders can assess the company's strategy around total compensation, upskilling and retention and focus on long-term talent strategy.
Financial services	▸ The labor market remains very competitive in the finance, insurance and professional businesses sectors, driving upward pressure on costs to employers, including wages and benefits. Finding balance in terms of hybrid work environment offerings, productivity and mobility will be key for businesses to retain talent. Digital transformation should be at the forefront of the effort to reduce the burden from elevated compensation costs.
Private equity	▸ In a competitive labor market, organic growth of private equity assets can be restricted by availability of qualified and available workers. Asset transactions can impact labor force retention, complicating the situation further.
Technology, media and telecommunications	▸ Talent management in the technology, media and telecommunications sector will require a delicate balance between the pressure to quickly bring technology-enabled products and services to market and the desire to drive long-term financial, human and environmental value creation.
Government and public sector	▸ Talent resilience will also be key in the government and public sector with an increasingly dominant focus on energy and food security, inflation management, and geo-strategic considerations.

Source: EY-Parthenon

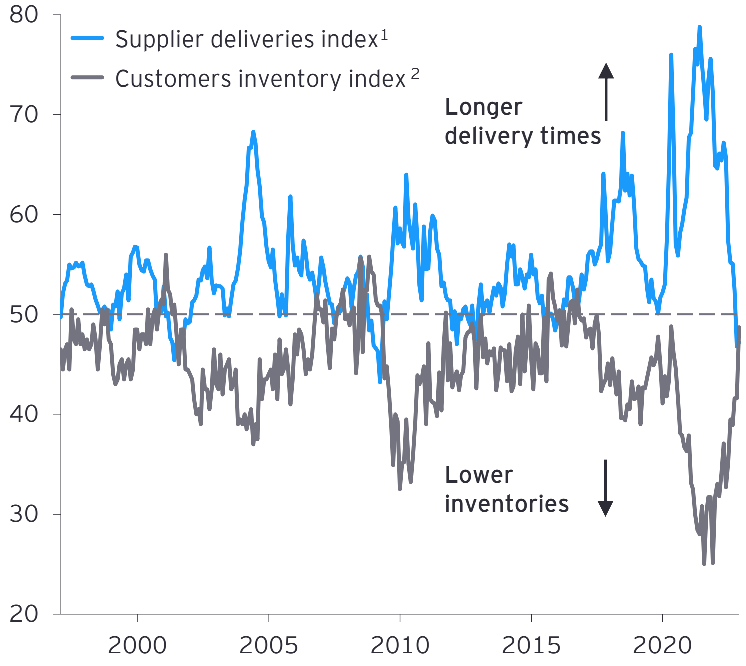
Theme 3

Building supply resilience in a volatile and increasingly fragmented global environment

3 Supply: Pandemic disruptions, geopolitical tensions, and increased international fragmentation have brought to light global supply chain vulnerabilities

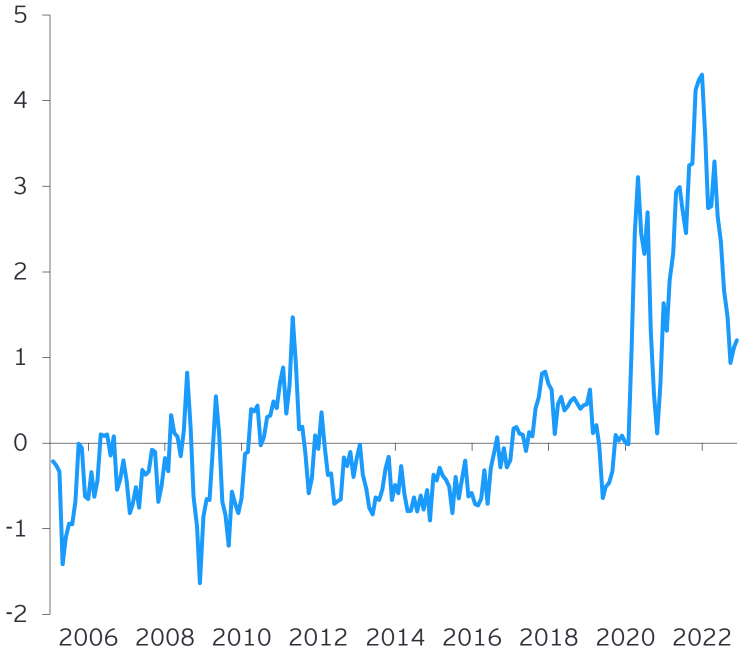
Suppliers are on the watch for a "bullwhip effect" following product and labor shortages as well as geopolitical tensions

US manufacturing Purchasing Managers' Index (PMI) subindexes (ISM)
January 2010-November 2022



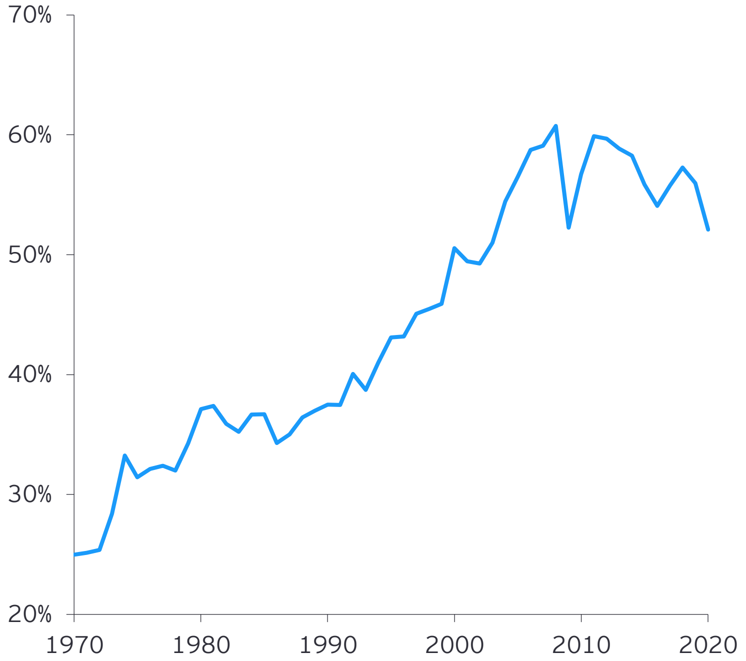
Logistics bottlenecks have eased markedly, but supply chain stress remains historically elevated

Global supply chain pressure index (GSCPI)[3]
January 2005-November 2022



The pandemic and geopolitical climate have added momentum to the "slowbalization" trend

Global trade openness index[4]
1970-2019



1. A reading below 50 indicates faster deliveries, while above 50 percent indicates slower deliveries.
2. A reading below 50 indicates inventories are too low, while above 50 indicates inventories are too high.
3. Index scaled by its standard deviation (0 = average value).
4. Trade percent of world GDP.

Source: World Bank; EY-Parthenon

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3 Supply: Business leaders will increasingly have to anticipate, react and adapt to a transforming geopolitical and domestic policy landscape

Logistics

- Supply chains are challenged by geopolitical risks, elevated input costs, labor shortages and lingering disruptions from the pandemic.
- Business leaders may need to assess their supply chain ecosystem, including the potential for diversification and substitutability, while remaining competitive and cost effective.

Globalization

- The era of relatively liberalized global trade amid ever-increasing globalization has likely ended for now. In its place is a transformed global operating environment where geopolitical dynamics are likely to impact business decisions.
- Business leaders face a dichotomy; considerations of onshoring and localization of supply chains brought on by the pandemic vs. engaging a global supply chain network in pursuit of specialization and efficiency.

Geopolitics

- The geopolitical landscape has been increasingly volatile in recent years, with US-China tensions and the rise of a variety of middle powers driving a shift from a unipolar to a multipolar world.
- Policies aimed at preserving strategic independence or supporting strategic industries must form an integral part of business executive decision-making.
- Rising populism and nationalism have also contributed to a weakening of multilateral institutions as governments have exerted more control over their economies.

Source: EY-Parthenon

3 Supply: Sector spotlights

Advanced manufacturing and mobility	▸ The advanced manufacturing and mobility sector is likely to continue facing volatile supply conditions in the coming years. Business leaders will have to balance the desire for insulation from global risks with the benefits from a globalized environment and political developments favoring the development of some strategic sectors.
Consumer products and retail	▸ Supply chain disruptions in the consumer sector have contributed to delayed deliveries and heightened inflation. In a volatile geopolitical environment, business leaders may need to maintain end-to-end supply chain visibility to help drive enterprise growth and manage costs. Food supply and security will be a key focus in the context of elevated inflation, climate change and geopolitical volatility.
Energy and resources	▸ Reliability of energy supply, affordability and environmental sustainability will be central for business executives in the energy sector. The drive for energy security and strategic independence is likely to create growth and investment opportunities for companies across the upstream and downstream energy sectors.
Government and public sector	▸ The US, EU and mainland China will continue to develop their sphere of influence while framing economic competition in strategic terms. These include the EU digital agenda, CHIPS and IRA legislation in the US, along with export controls in the US and mainland China's "Way Forward."
Health sciences and wellness	▸ COVID-19 has put a spotlight on critical medical, personal protective equipment and pharmaceutical supply chains. Onshoring has become a hot topic in these spaces, as domesticating supply chains for such critical goods is seen as a matter of national security and public safety.
Real estate, hospitality and construction	▸ Historically low affordability is constraining housing market demand, even if there continues to be a lack of supply. Constrained supply of labor, land and lumber will remain a headwind, even if the multi-family sector construction pipeline remains historically high. Elevated cost pressures and rising interest rates will also pressure the commercial real estate sector.

Source: EY-Parthenon

EY Parthenon

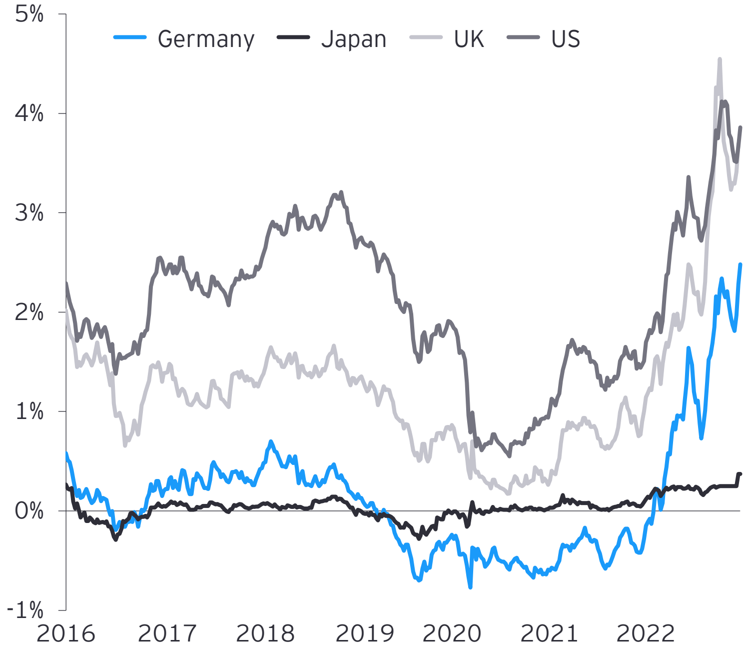
Theme 4

Adjusting to a world in which the cost of capital is higher and more volatile

4 Cost of capital: Increased market volatility influenced by a historically rapid global monetary policy tightening cycle will remain a key feature of the outlook

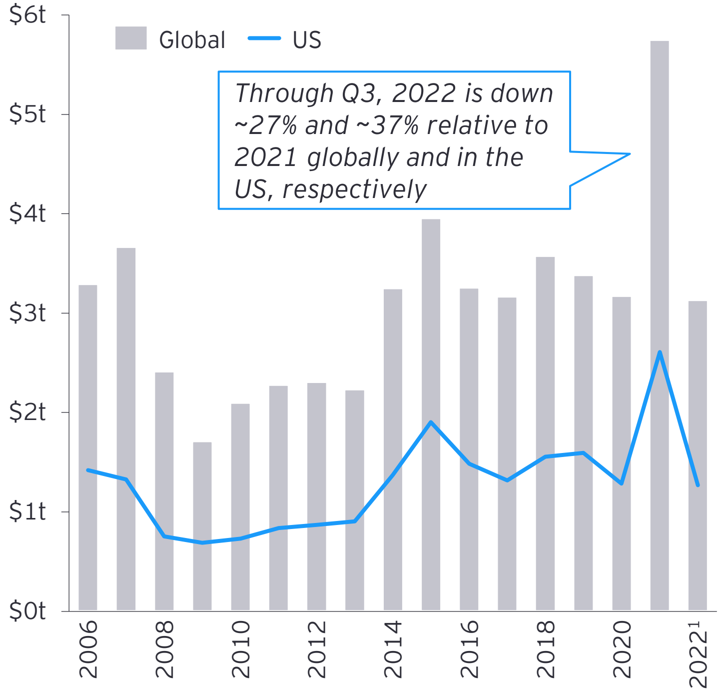
The cost of debt has surged to multi-year highs and is unlikely to return to pre-pandemic lows in the near term

Long-term interest rates
January 2016–December 2022



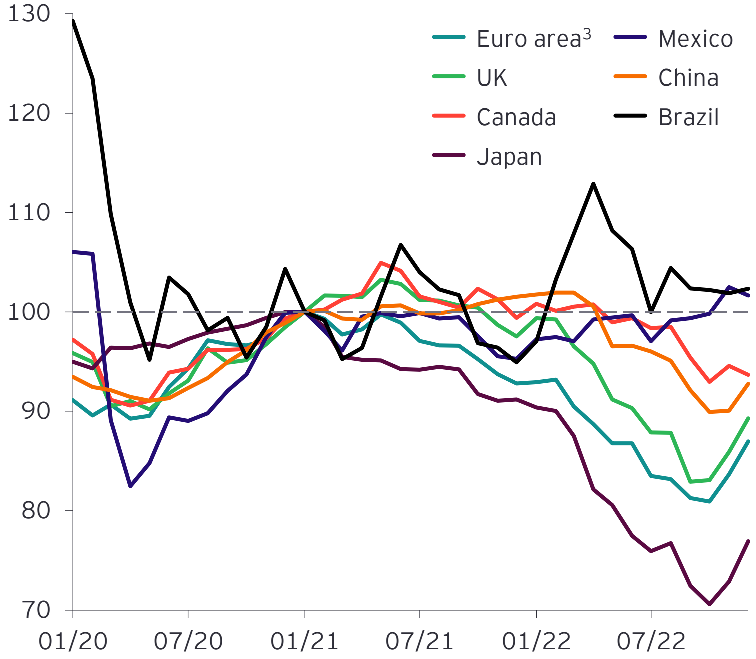
The decline in valuations has led to a significant slowdown in M&A and PE activity

Global and US M&A activity
2000–2022[1]



Amplified currency swings vis-à-vis developed markets' currencies but relative stability vis-à-vis emerging markets

Exchange rates vs. US$
January 2020–November 2022[2]



1. 2022 data shown through Q3.
2. January 2021 = 100.
3. Euro Area includes 19 countries.
Source: Mergermarket; EY-Parthenon

4 Cost of capital: Financial market dislocations on the equity, fixed income and foreign exchange front require increased adaptability and foresight

Debt

- The rapid and synchronized tightening of monetary policy globally has led to a surge in borrowing costs that are unlikely to rapidly revert to pre-pandemic levels.
- While executive pragmatism is a virtue in a highly volatile environment, current market conditions continue to offer opportunities, even if they require adaptability on the part of business leaders.

Equity

- Several cyclical headwinds, including rising rates, recession fears and tighter financial conditions, are constraining private equity and M&A activity.
- Business leaders should continue to position themselves for long-term strategic growth by tapping new diversified sources of capital (including private capital) to bolster operational capabilities and innovation.

Foreign exchange

- Significant currency movements, especially across advanced economies, have translated into significant value and cost disruptions, representing risks and opportunities for business leaders.
- A forward-looking holistic valuation framework can help transform potential losses into opportunities, if well hedged. For example, a stronger dollar may constrain the value of US-based companies’ profits but offer profitable investment opportunities abroad.

Source: EY-Parthenon

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4 Cost of capital: Sector spotlights

Sector	Spotlight
Financial services and private equity	▸ A more volatile and uncertain global economic and financial market backdrop has led to a pullback in private equity and M&A activity. Business leaders will increasingly focus on long-term value while focusing on innovation and tapping into new sources of capital.
Government and public sector	▸ In an environment of elevated interest rates, the cost of debt (servicing) will continue to rise and the appetite for fiscal policy stimulus will be limited. Still, governments around the world will look to support initiatives aimed at providing inflation relief along with energy and food security, and strategic independence.
Consumer products and retail	▸ Consumer product companies and retailers should explore opportunities to expand footprints in high-growth markets, taking advantage of the newly defined cost of capital environment. Business executives should consider value-led, sustainability-driven growth opportunities as well as divestitures or spin-offs to generate new value.
Real estate, hospitality and construction	▸ Rapidly fluctuating asset prices along with a higher cost of debt will represent a headwind for the real estate sector in 2023, but it also offers up opportunities for business leaders with medium-term value-generation expectations.
Technology, media and telecommunications	▸ The rapid swing in valuations and significant valuations gap will constrain growth in the tech sector after a very strong post-pandemic recovery. Still, the market typically rewards companies who focus on revenue growth during periods of recession, and now may be an opportune time for business leaders to consider strategic deals, as many acquirers are sitting on unprecedented levels of cash.

Source: EY-Parthenon

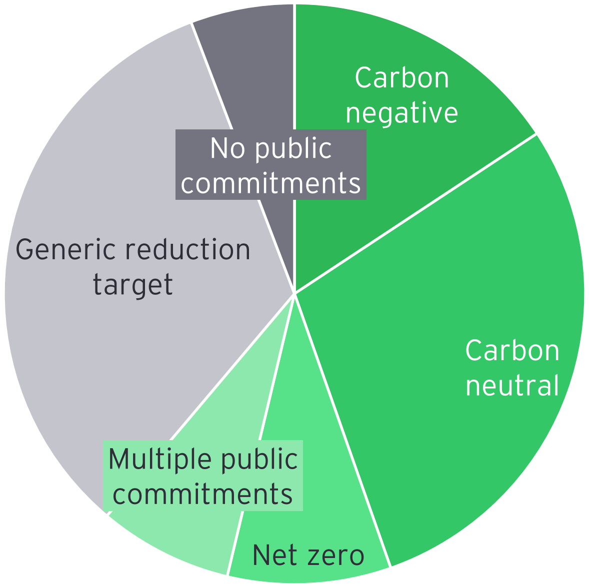
Theme 5

ESG and sustainability as a ‘here and now’ factor, not a ‘maybe later’ consideration

5 ESG and sustainability: Comprehensive approaches to sustainability often return more customer, employee, societal and environmental value than anticipated

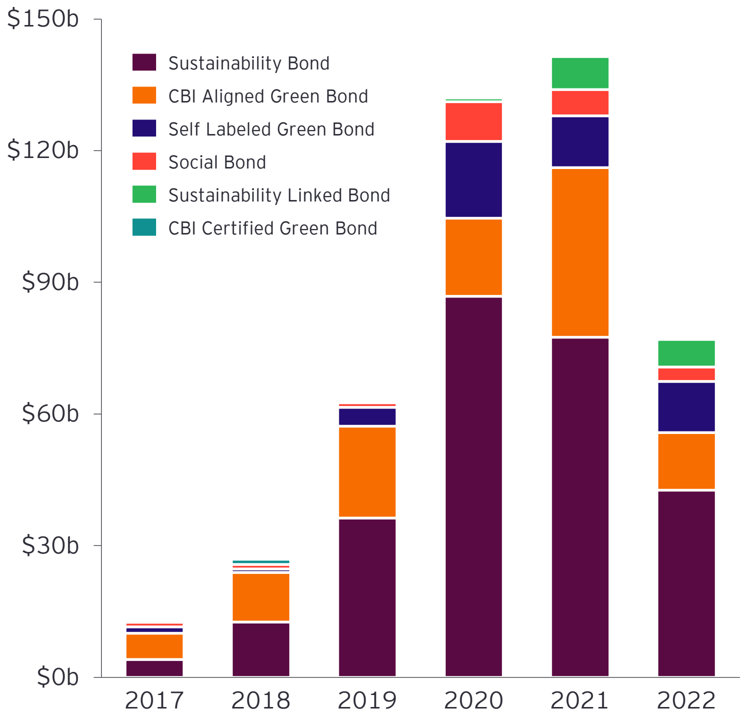
Most climate change leaders have made a public climate change commitment, but they vary in ambition

Climate commitments of sustainability leaders[1] November 2022



ESG bond issuance helps drive financing sustainability, but more transparency is still required

ESG bonds issued 2017-22[2]



The EY Global Climate Barometer points to increased climate-related financial disclosure led by energy and insurance

Share of companies meeting climate "quality"[3] recommendations by sector, 2021-22

Sector	2021	2022
Energy	48%	51%
Insurance	38%	51%
Transportation	50%	46%
Telecomm and technology	50%	46%
Other financial institutions	NA	46%
Materials and building	NA	46%
Retail, health and consumer goods	42%	44%
Mining	38%	42%
Real estate	36%	40%
Banks	46%	39%
Agriculture, food and forest products	35%	37%
Financial asset owners, managers	25%	35%

1. Study focused on 506 companies with over US$1b in revenue that have been designated leaders for their overarching sustainability strategy or major climate change initiatives.
2. 2022 data shown through September.
3. Quality relates to the extent to which a company's financial disclosure meets all 11 requirements of the TCFD's recommendations.

Source: EY Global Climate Risk Barometer; EY Sustainable Value Study; EY-Parthenon

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5 ESG and sustainability: Business leaders that embrace value-led sustainability can help companies unlock more value from their climate actions

Purpose

- The last few months have brought about a sense of urgency in these developments. The war in Ukraine and the ensuing surge in oil, gas, primary commodities and food inputs have meant that, now more than ever, a focus on ESG and sustainability issues should be central to business strategy.
- Businesses are increasingly focused on ESG and sustainability issues to create long-term value, develop a sense of purpose, and provide trust and confidence to the market.

Strategy

- Business executives should manage ESG and sustainability performance with the same rigor as financial performance while integrating those elements into corporations' business strategy.
- Strategy should be viewed via a sustainability lens, using both top-down and bottom-up analyses, and assessing commercial and sustainable spend in the same way.

Costs

- While inflationary pressures might delay some plans, businesses can also consider the current environment as an opportunity to accelerate the transition.
- Judgments about a company's sustainability performance affect talent acquisition and retention, access to capital, and consumer choices, while new regulations translate sustainability imperatives into economic costs that must be incorporated.

Source: EY-Parthenon

5 ESG and sustainability: Sector spotlights

Advanced manufacturing and mobility	▸ The advanced manufacturing and mobility sector has a disproportionately higher carbon footprint, requiring a conscious effort by business executives to consider strategy via a sustainability lens.
Energy and resources	▸ The energy sector stands at the confluence of risk and opportunity when it comes to ESG and sustainability. A proactive, forward-looking vision that anticipates the constants as well as the change will be a key to success for energy producers, downstream sectors and utilities.
Government and public sector	▸ The regulatory environment around climate continues to evolve rapidly. The Securities and Exchange Commission (SEC) will finalize its climate-related disclosure rule, the European Parliament has formally adopted the Corporate Sustainability Reporting Directive, and the International Sustainability Standards Board (ISSB) works toward finalizing global climate-related and general sustainability disclosure standards. These changes steepen the learning curve for business leaders.
Private equity	▸ As ESG increasingly becomes core to the private equity value creation narrative, ESG indicators will need to be of the same veracity as financial figures to instill confidence that the insights they deliver are equally trustworthy and actionable.
Consumer products and retail	▸ Consumer-facing companies can play an active role in building a sustainable future, but no company can do what's needed on its own. To make a big enough difference fast enough, organizations must work closer together in ecosystems that balance the needs and interests of all stakeholders.

Source: EY-Parthenon

EY solutions

How we can help your business turn uncertainty into opportunity

EY Parthenon

EY teams can help your business transform uncertainty into opportunity

Select thought leadership on five themes of the "Navigating uncertainty" paradigm

1 Inflation

- How life sciences companies can thrive amid inflation and a downturn
- How organizations can evolve outdated ideas of human productivity
- Can PE firms focused on purpose-driven investing do the same for hiring?
- Talent management continues to be a priority for private equity firms
- Three unconventional strategies that can ease the retail labor shortage
- Three reasons why government is a front-runner in reimagining the future workplace

2 Labor and talent

- How to realize the full benefit of price increases in volatile markets
- Inflation: persistent, but pivoting …
- How life sciences companies can thrive amid inflation and a downturn
- How workforce rebalancing is building pressure on the talent pipeline
- How organizations can evolve outdated ideas of human productivity
- Can PE firms focused on purpose-driven investing do the same for hiring?
- Talent management continues to be a priority for private equity firms
- Three unconventional strategies that can ease the retail labor shortage
- Three reasons why government is a front-runner in reimagining the future workplace

3 Supply

- 5 strategic supply chain and operations imperatives
- Supply chain … and demand: networked value chain
- How end-to-end visibility is the key to ending supply chain disruption
- How manufacturers are adapting to the waves of disruptions
- Value networks as the next strategy driver in the food value chain

4 Cost of capital

- How a focus on revenue growth can help tech companies navigate recession
- Four ways to navigate through rising interest rates
- Five retail performance improvement strategies to release working capital

5 ESG and sustainability

- How your corporate strategy can deliver both growth and sustainability
- How leaders can optimize the cloud for greater returns on sustainability
- Looking at ESG's positive impact on property values
- How health execs can take the lead to drive impact in ESG reporting
- What if oil and gas operators view ESG as a catalyst for innovation?
- Redesign consumer company ecosystems to scale sustainability

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EY sector leaders bring industry-specific understanding to your unique situations

Select EY sector leaders

Advanced manufacturing and mobility (AMM)

- Amar Mehta, EY SaT Americas Advanced Manufacturing & Mobility Leader
- Explore our AMM insights

Consumer products and retail (CPR)

- Will Auchincloss, EY-Parthenon Americas Consumer Products and Retail Leader
- Explore our CPR insights

Energy and resources (E&R)

- Stephanie Chesnick, EY Americas Energy & Resources Strategy and Transactions Leader
- Explore our E&R insights

Financial services (FS)

- Andre Veissid, EY-Parthenon Americas Wealth & Asset Management Strategy and Transactions Leader
- Explore our FS insights

Government and public sector (GPS)

- Robert Lytle, EY-Parthenon Americas Government and Public Sector Leader; EY-Parthenon Americas Education Leader
- Explore our GPS insights

Health sciences and wellness (HSW)

- H. Mallory Caldwell, EY Americas Health Leader
- Arda Ural, PhD, EY Americas Health Sciences and Wellness Leader
- Ranu Carroll, EY-Parthenon Americas Life Sciences Leader
- Explore our HSW insights

Private equity (PE)

- Tim Dutterer, EY-Parthenon Americas Private Equity Leader
- Explore our PE insights

Real estate, hospitality and construction (RHC)

- Brett Johnson, EY US Real Estate Valuation Solutions Strategy and Transactions Leader
- Explore our RHC insights

Technology, media and telecommunications (TMT)

- Karl Cheng, EY-Parthenon Americas Technology, Media and Entertainment, and Telecommunications Strategy and Transactions Leader
- Explore our TMT insights

Explore EY industry insights further here

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EY Parthenon

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