

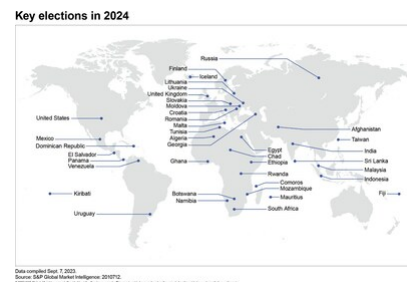
S&P Global Market Intelligence expects economic and geopolitical volatility to drive continued global segmentation in 2024

Election outcomes, resource security and regional divergence in economic conditions to be key events to watch next year

NEW YORK, Dec. 5, 2023 /PRNewswire/ -- The geopolitical rebalancing that marked shifts in collaboration and competition between nations in 2023 will continue to drive segmentation and volatility in the coming year, according to a new S&P Global Market Intelligence report released today. In the report, *2024, A disjointed world*, S&P Global Market Intelligence's economic, geopolitical risk and supply chain analysts identify the five overlapping themes that will drive global political and economic relationships in 2024: economic fault lines, geopolitical reordering, supply chain resilience, logistics rewired and resource security.

"Among the indicators for volatility are a series of key elections across regions, central banks' monetary policy decisions, efforts to optimize the supply chain and access to critical resources," said **Natznet Tesfay, Head of Insights & Analysis, Global Intelligence and Analytics, S&P Global Market Intelligence**. "Businesses will continue facing the challenge of anticipating and quantifying the outcomes of geopolitical and economic events; however, this new reality is likely to surface potential opportunities."

S&P Global Market Intelligence identified the defining geopolitical and global macroeconomic themes next year as:



- **Economic fault lines:** Regional divergence in inflation rates and monetary policy is exposing economic fault lines. The ongoing stress caused by tighter financial conditions and growing geopolitical tensions appears likely to tip some economies into recession.
- **Geopolitical reordering:** National interest objectives will influence reordering of relationships between countries and in multilateral forums, impacting global challenges, flows of trade and investment. An important indicator underlying the direction of these risks in 2024 will be the outcome of scheduled elections including India, Indonesia, Mexico, the US and to the European Parliament.
- **Supply chain resilience:** Supply chain resilience is vital amid significant uncertainties related to labor and policy implementation. Labor costs will remain high, and strikes will continue to be a risk in 2024. Firms in 2024 will need to decide between the more conservative "just in case" approach to inventory management and the leaner "just in time" approach.
- **Logistics rewired:** Geopolitical tensions, coupled with intentions to diversify sourcing, are likely to increase risk for global supply chains in 2024. As supply chains are reshaped, and in many cases broadened, they will rely on cargo transportation outside of established shipping hubs — generally within the APAC and Middle East regions.
- **Resource security:** Prompted by extreme weather events, social and geopolitical challenges, and delayed energy transition targets, governments will focus on promoting strong industrial and sourcing policies that encourage and reward self-sufficiency to secure essential critical inputs and key minerals for 2024 and beyond.

Additional analysis is available [here](#). To request a copy of *2024, A disjointed world*, please contact press.mi@spglobal.com.

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