

New Economic Reality: Transforming Uncertainty into Opportunity

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HIGH INFLATION, SLOWER GROWTH

Elevated inflation and economic slowdown hit consumer spending and business bottom line
Case study: Unilever streamlines product range to cut cost and enhance efficiency
Pricing, portfolio and cost management are key to navigate through economic downturn

RISING ENERGY PRESSURES

Energy price and supply shocks undermine global energy security and raise business costs

RISING ENERGY PRESSURES

Case study: Sleep Country installs BrainBox AI technology to boost energy efficiency
Energy transition and strategic adjustment are crucial to withstand potential future shocks

RISING COST OF CAPITAL

Higher cost of capital to hurt construction and business services sectors the most
Tighter credit conditions can further restrict access to capital and constrain growth
Case study: Intel employs cost-cutting measures to preserve capital
Case study: OfBusiness helps SMEs to finance their growth
Monitoring market conditions will be crucial for adjusting to the rising cost of capital

GLOBALISATION RESET

The global economy will face a reset rather than de-globalisation
Diversification and industrial policy will shape the reset of globalisation
Case study: Foxconn nearshoring Apple production to Vietnam to diversify from China
Case study: Manwah's nearshoring of production to Mexico targets its main market in the US
High uncertainty requires companies to continuously evaluate risks and opportunities

CHANGING LABOUR MARKET

Tight labour markets have pushed up wages and challenged labour-intensive sectors
Short- and long-term business strategies are needed to safeguard against labour shortages
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Case study: Primark using automated cranes and driverless vehicles
Talent retention and productivity growth are key strategies

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