

## Logistics Indicator in Q4 2020

### Winter blues and spring awakening

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As we approach the end of the year, will the lockdown blues turn into winter blues? Will the economy jump back to life in the spring? Until the end of last month, we were happy to see a V-shaped curve in the economy, and even now both industry and trade still assess the current business situation as positive. Indeed, the sub-indicator score for this parameter on the demand side of the market for logistics services is – surprisingly – even above normal level and almost back to pre-crisis numbers. This is highly impressive.

What is not so surprising is the finding that business expectations for the next six months are back on a downtrend – as was the case at the turn of 2018/2019. Does this trend reflect a certain kind of calculated pessimism, or is it the logical consequence of the political discussions over the tightening of the second lockdown?

This entire situation affects practically all the actors in the logistics sector; coping with the changes we have been faced with since March has been extremely challenging. In view of the reduced level of economic activity that we saw once again in October and the imminent threat of a return to even tighter restrictions, the mood among many appears to be one of futility. This can be clearly seen in the findings of the November survey for the Logistics Indicator. Although eCommerce is experiencing higher-than-proportional growth, this growth is not sufficient to offset the orders lost by the industry and trading sectors.

Nevertheless, let us look to the coming spring with optimism. While the lockdown will continue into January, perhaps even slightly longer, vaccines will soon be authorised, the vaccination programme itself will soon begin, and preparations for the logistics of vaccine distribution are in full swing. Economic life will not be paralysed in the same way it was in March/April 2020. There is much uncertainty over developments in the first half of 2021, but the growth engine has begun to tick over again – albeit at lower revs than we all might have wished for.

Both economy and society have been thrown seriously off balance in recent months. In Germany, the government has taken the best possible measures to mitigate the financial impact on companies and the workforce. The value added chains have generally shown themselves to be robust, and the level and speed of adaptability have been far greater than could have been expected before the crisis. To retain this hands-on mentality, to remain agile and to push ahead with change processes creatively and systematically - these are the positives we can take from the crisis.

I would like to take this opportunity to wish you and all of us a good start to the New Year.