



Euromonitor
International

Navigating Market Volatility: Future Proofing Global Supply Chains

June 2025

EXECUTIVE SUMMARY

Why read this report?

Key findings

INTRODUCTION

Manufacturing sector's growth slows amid growing uncertainty

After a short period of stability, global supply chains again face uncertainty

Steps to future proof supply chains

FUTURE PROOFING SUPPLY CHAINS

High supply concentration of critical goods drives changes in US trade policy

Higher US import tariffs to have immediate effect on domestic consumption

Changing US trade policy to have long-lasting effects on global supply chains

China's restrictions on exports to the US is the highest risk to supply chains

MANAGING COST OF CHANGE

Supply chain diversification is required to shield from future trade disruptions

Managing costs will be critical in supply chain transition

Case study: GM leans on extensive supplier network to minimise cost pressures

AI tools promise to help better manage costs and improve efficiency

Technology change can create new supply chains risks for companies

Gradual approach and improvements in data quality can reduce the risks

Case study: Schaeffler and Microsoft team up to launch AI platform

FOCUS ON ASIA

Changes in production network to provide new growth opportunities in Asia

Asia Pacific to grow manufacturing production value by USD10 trillion by 2030

Investments in supporting industries can further accelerate growth

Case study: Tata Electronics helps to strengthen Apple's supply chain in India

CLOSING THE SKILLS GAP

Ageing population will increase global skills shortages

Skills gap will slow down supply chain diversification efforts

Investment in worker upskilling and automation are part of the solution

BMW deploys humanoid robots for routine tasks in US factory

Case study: Toyota aims to retain older workers for longer

PREPARING FOR CLIMATE CHANGE

Changes in supply chains must consider climate risks

Water scarcity poses a challenge for critical industries

Case study: TSMC aims to reduce water consumption at Arizona plant

CONCLUSION

Recommendations for growth

Evolution of supply chain disruptions

Questions we are asking

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