

Trend Analysis and Assessment Report

CLASSIFICATION LEVEL: OFFICIAL – APPROVED FOR PUBLIC RELEASE

Report Topic: COVID-19 Trends in the United States

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COVID-19 economic impact likely to continue as infections and restrictions ease in the US

Key Takeaway

It can be stated with high confidence that COVID-19 infections, hospitalizations, and deaths will continue to fall in the US over the coming weeks. Due to the decline, it is likely that the US healthcare sector will begin to see hospitals decrease admissions and exit full-capacity status. Despite the decline, it is highly likely that the United States will continue to experience supply chain disruptions for at least the next month. Since the peak of the Omicron variant of COVID-19 on January 13, the daily rate of new COVID-19 infections has declined by over 90 percent [01]. Sources report that continuing global lockdowns, particularly in China, in response to COVID-19 will continue to cause delays and disruptions to supply chains [02].

Trend Pattern

A continuing decline in COVID-19 infections, hospitalizations, and deaths in the United States is leading to an ease in COVID-19 restrictions. Despite the decline in the US, global supply chains still reportedly remain vulnerable to disruptions.

- COVID-19 infections in the US continue to decline. As of 2 March, the current seven-day average for new COVID-19 infections is at 53,017 new cases per day. This is about a 28 percent down from the previous seven-day average recorded. The peak in COVID-19 infections on January 13 stood at about 900,000 new cases daily [03]. COVID-19 restrictions, such as mask mandates, continue to be lifted across the US due to the decline in new infections [04].
- COVID-19 hospitalizations in the US continue to decline. The current seven-day average for new hospitalizations due to COVID-19 as of March 1 stands at 4,243 new admissions daily. This is about a 30 percent decrease since the previous seven-day average. The Centers for Disease Control and Prevention (CDC) in the US indicated that unvaccinated individuals are nine times more likely to be hospitalized due to COVID-19 than those who are vaccinated [03].
- COVID-19 deaths in the US continue to decline. The current seven-day average in new COVID-19 related deaths is at about 1,560 new deaths daily. This is about a nine percent decrease from the previous seven-day average.

Global supply chains likely to be impacted by COVID-19 for the foreseeable future.

- Global supply chains continue to be disrupted by COVID-19 government-implemented lockdowns, particularly in China. China's "zero covid" policy indicates the Chinese government will implement government mandated lockdowns in order to mitigate the spread of new COVID-19 variants introduced to the nation. Lockdowns in response to the Omicron variant of COVID-19 introduced to China in mid-January have included locking down port cities, factories, and other economically significant entities.

Assessment

As COVID-19 infections, deaths, and hospitalizations continue to decline in the United States, it is likely that most COVID-19 related mandates across the US will be lifted in the coming months. As hospitalizations decrease, the US healthcare sector will likely begin to return to normal capacity within the next month. However, global supply chains will likely continue to be impacted by government-mandated lockdowns.

We assess with high confidence that, as COVID-19 cases continue to decrease in the coming weeks, the United States healthcare sector will begin to return to normal operations. It is highly likely that the CDC will begin to revisit masks and other COVID-19 restrictions within the next month. We assess with high confidence that the global supply chain will not return to normal distribution until the Omicron variant of COVID-19 has peaked in countries with government-mandated lockdowns.

Broader Implications

While the Omicron variant of COVID-19 currently accounts for nearly 100 percent of all COVID-19 cases in the US, it is possible for a new variant of the COVID-19 virus to emerge. This would likely disrupt our estimations on the current state of the COVID-19 virus, as a new variant or variants could vary regarding transmissibility and health implications. This could cause a rise in numbers of new infections, hospitalizations, and deaths. In turn, this would likely directly affect the health care sector by reinstating capacity issues. However, while possible, this scenario is unlikely as the CDC has not reported any potential new variants of significance at this time.

Indicators

We will be monitoring COVID-19 data such as new infections, hospitalizations, and deaths over the coming weeks. In regard to the healthcare sector, we will be monitoring hospital admissions across the country and reviewing reports on hospitals at full capacity if they should surface. As for the global supply chain disruptions, we will be monitoring key port cities in China that may be affected by government implemented lockdowns.

Sources

- [01] <https://www.cnn.com/2022/02/22/covid-infections-plummet-90percent-from-us-pandemic-high-states-lift-mask-mandates.html>
- [02] <https://www.wsj.com/articles/omicrons-threat-to-global-economy-increasingly-runs-through-china-11644764401>
- [03] <https://www.cdc.gov/coronavirus/2019-ncov/covid-data/covidview/index.html>
- [04] <https://abcnews.go.com/Politics/pandemic-restrictions-ease-10-prioritize-covid-19-controls/story?id=83160190>
- [05] <https://www.nytimes.com/2022/01/16/business/economy/china-supply-chain-covid-lockdowns.html?searchResultPosition=1>