

Issues and Insights

MARCH EDITION

Welcome to the latest issue of Issues and Insights, summarizing our latest thinking on subjects affecting your business. Use the information to stay resilient and grow through these disruptive times.

Hot topics



Game changer: Generative AI is here

A newly emerging type of artificial intelligence promises to rewrite the way software is built and maintained. Generative artificial intelligence (AI) creates original articles, essays, images, music, and even code by building on patterns it finds in existing text, audio files, images and software. The implications are enormous, exciting, and somewhat scary. [See why.](#)



Heartache for the Fed

Here's the scoop: Inflation remained searingly hot in January, which is bad news for consumers. The Fed has not yet beaten inflation. KPMG US Chief Economist Diane Swonk expects at least two more rate hikes, with an early one-half percent rate hike already on table. Get her insights and forecast [here.](#)



Still more risks for corporate boards

Corporate boards can expect to have their oversight and corporate governance processes tested by economic volatility, the war in Ukraine, supply chain disruptions, cybersecurity risks, regulatory and enforcement risks, pay equity issues and a tight talent market. Are they up to the challenge? [Our Directors Quarterly](#) can help you answer the questions.



The eight key issues for consumer and retail now

Consumer spending is slowing. So how can C&R companies move forward on important initiatives while simultaneously dealing with cybersecurity and regulatory issues? It takes a disciplined and holistic approach to manage the risks in today's interconnected markets. [We've identified eight principles to help C&R companies meet the challenges in the year ahead.](#)



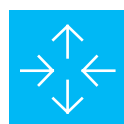
January industrial production turns cold

Despite expectations of 0.5% growth, industrial production flatlined in early January, pulled down by an historic, weather-related 9.9% fall in utilities production. The drop obscured broad-based gains in manufacturing, where several sectors rose more than 1%, complicating decisions for the Fed. [Get our most recent economic overview here.](#)



Weak demand weighs on housing starts

With interest rates high and material costs rising, construction of new, single-family homes continues its decline. Many first-time buyers have been priced out of the new-home market, opting for less expensive resale homes. What can we expect going forward? [Read our insights here.](#)



Going customer-centric

Today's customers compare, shop and share 24/7. Their expectations are reshaping every aspect of business. So, how can you design experiences that boost the customer's feelings towards your organization? Is perception reality? And what's the best way to turn positive perceptions into profits? [Let KPMG help you make it happen.](#)



Semiconductor industry sees growth ahead

The KPMG Global Semiconductor Industry Outlook captures insights from 151 semiconductor executives about their outlook for the industry in 2023 and beyond. Overall, they're optimistic, with 81% expecting revenue growth and half anticipating a rise of more than 10%. The most important revenue driver? The automotive sector. [Get the Outlook and get the facts.](#)



The amazing promise of the technology-healthcare convergence

Technology has accelerated healthcare trends – such as digital health access, drug and vaccine development innovations – by five to ten years. These changes are moving the R&D roadmaps of HCLS companies, intensifying the search for tech talent, increasing the emphasis on cybersecurity and more. [Read our exclusive report to understand the revolutionary.](#)

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