

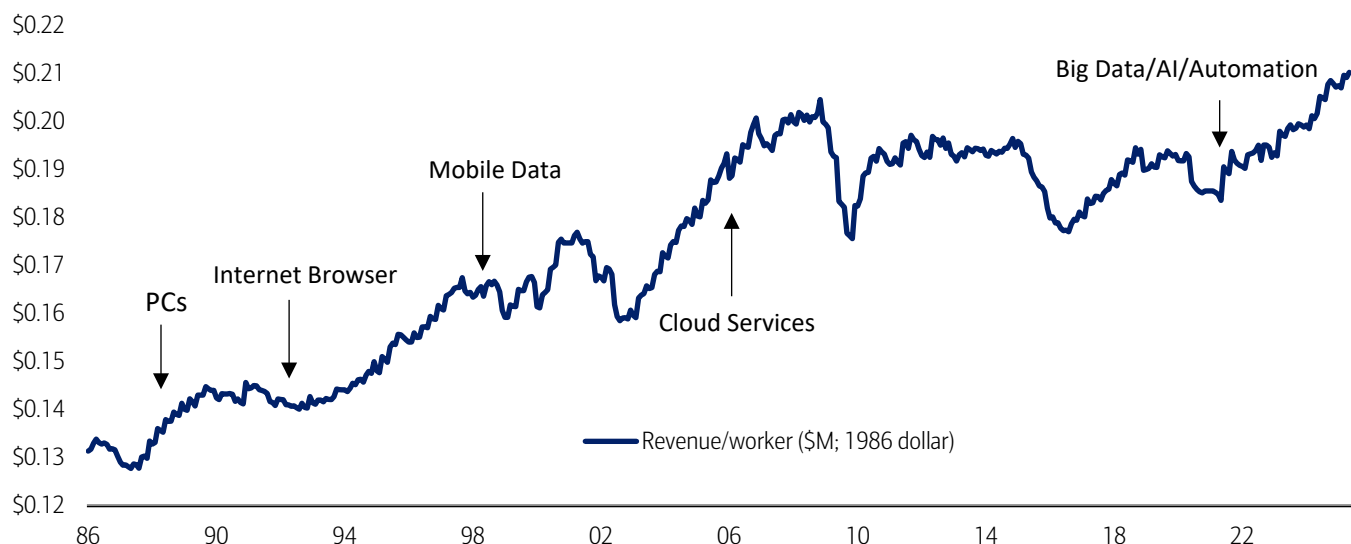
Institute Daily Insights

Productivity picks up post-pandemic

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Wage inflation, automation and AI are helping power productivity post-pandemic

S&P 500 companies' productivity (real revenue/worker) from 1986 through June 2025 (\$M, 1986 dollar)



Source: BofA Global Research; FactSet, Bloomberg

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Productivity tends to come in waves. Wage inflation following the pandemic forced companies to do more with fewer people. Despite elevated rates, inflation and policy volatility, S&P 500 companies have preserved margins, largely due to efficiency and productivity derived from AI, according to BofA Global Research. And with more companies prioritizing spending on automation, this will offer a sea-change in scale and scope of future gains.

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