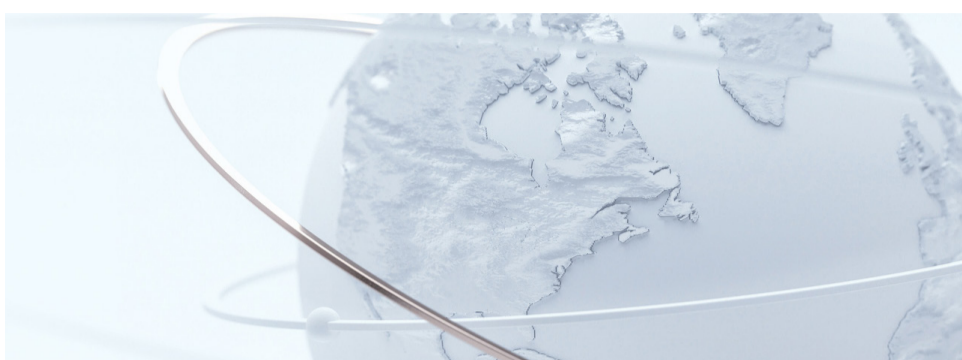


# Portfolio Advisor

Winter 2021

## Around the world



A full recovery of pre-pandemic GDP levels by late 2021 / early 2022 is likely in Canada, with risks to this outlook being high government and consumer debt.

### Global markets

Equities achieved all-time highs to end 2020, driven by optimism that the pandemic will end soon and that global economic growth is building. Ultra-low interest rates, continued fiscal and monetary stimulus, and pent-up consumer and business demand underpinned valuations. Expectations were tempered by concerns over the pace of vaccinations, ongoing U.S. political challenges, and high global borrowing levels.



### Canada

Per capita, Canada has contained COVID-19 better than the U.S. and many other wealthy countries. While this has meant more short-term economic pain, higher growth is expected in 2021, underpinned by continued stimulative fiscal and monetary policy. A full recovery of pre-pandemic GDP levels by late 2021 / early 2022 is likely, with risks to this outlook being high government and consumer debt.



### United States

The pandemic continues to take a huge toll. New measures to control its spread threaten the steady economic growth since the initial spring lockdowns. But government and central bank stimulus, and the arrival of vaccines, provide hope for an economic rebound in 2021. The incoming Biden administration may also support growth by focusing on bipartisan efforts to stimulate the economy.



### Europe

A COVID-19 resurgence is leading to renewed lockdowns and restrictions. While these measures will dampen economic growth, there is hope that European economies will benefit from higher global demand and travel as the pandemic comes under control. As a result of its messy “Brexit,” the U.K. remains a concern despite striking a new trade deal with the European Union at the 11th hour.



### Emerging markets

For 2021, the growth outlook continues to improve for China and India, though for different reasons. China continues to ably manage the virus and has exceeded expectations at every turn. For India, it is instead because of a significantly lowered 2020 outlook for the country, with the implication that any 2021 rebound can be significantly more vigorous.

**To learn more, please ask us for the latest issue of *Global Insight*.**