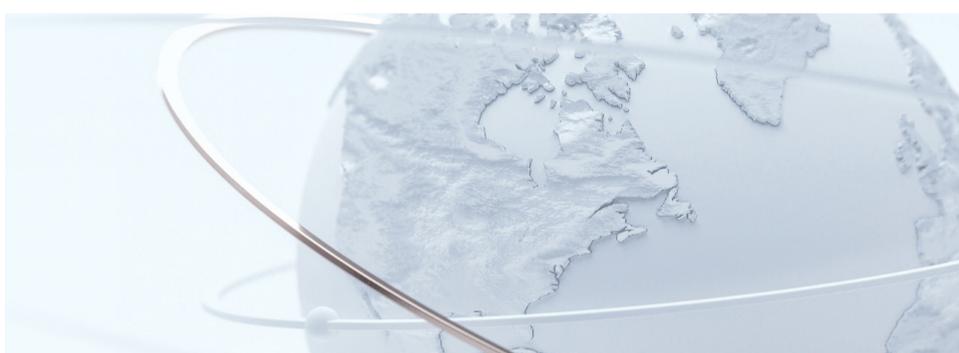


Portfolio Advisor

Spring 2021

Around the world



Global markets

Most major stock indexes rose to record highs during the quarter, as investors looked beyond near-term virus concerns to an environment of stronger growth and ample stimulus. The U.S.'s recent stimulus bill is the latest in a long list of massive government fiscal support measures worldwide. Corporate earnings expectations are rising, which should underpin share prices globally for this year and next. Economically sensitive regions such as Canada and some emerging markets – many lagging the U.S. S&P 500 for nearly a decade – are likely to see the most benefit.



Canada

The economy continues to show signs of a strong rebound from the damaging effects of restrictions put in place to control the spread of COVID-19. Recent surges in employment and higher-than-anticipated GDP growth to begin 2021 indicate growing momentum for output and spending as the year progresses, and Canadians begin to spend the significant savings amassed over 2020.



United States

The success of the vaccine rollout across the U.S. has set the stage for increasingly stronger growth in 2021 and beyond. The new Biden administration introduced a massive stimulus package that will deliver more cash into the hands of Americans, and significant financial support for states and schools, underpinning a surge in spending and economic output in the months ahead.



Europe

The economic data in Europe looks solid and increasingly resilient in the face of COVID-19 restrictions. The region was among the hardest hit by the pandemic, and a new cycle should result in a strong recovery given how far the economy fell. This is already reflected in promising recent leading indicators and survey data.



Emerging markets

The powerful recovery in the Chinese economy illustrates how the country has managed to successfully overcome the pandemic. However, many other emerging market economies, such as Brazil and India, were not so fortunate and continue to struggle to overcome the spread of COVID-19. As a result, their recoveries will be more in line with their developed world peers.

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