

# Portfolio Advisor

Fall 2020

## Around the world



#### **Global markets**

Equity markets rose on hopes of a gradual economic recovery and ongoing stimulus measures. Rebounds in coronavirus numbers could threaten the ongoing rally and generate increased volatility through the remainder of 2020. Bond yields remained near historic lows, with little impetus to rise with the economy and inflation largely stagnant.

### 🄶 Canada

COVID-19 containment measures continued to take their toll on job growth and economic activity. The return of some restrictions as coronavirus infections have surged has slowed the pace of the economic recovery. But ongoing fiscal and monetary policies are likely to help heal the economy, with the stronger growth expected in 2021 predicated on managing through the latest resurgence.



#### **United States**

After a sharp rebound in early summer raised hopes of a quick economic recovery, rising infection rates, and a political stalemate in Congress that torpedoed continued pandemic relief for individuals and businesses, undermined the pace of the recovery. Growth looks set to return in 2021, if the recent COVID-19 resurgence can be managed without further economic damage.



Europe

With tourism at a near standstill, and ongoing damage from initial lockdowns, Europe's economy is likely headed for another poor showing in 2020. While a massive stimulus package will help, many European countries are likely to stagger into 2021 before the global economy picks up again, with monetary policy and an end to global travel. Risks remain around the U.K.'s eventual exit from the EU.



### **Emerging markets**

While many Emerging Market nations have controlled the threat of the pandemic for now, other nations such as India continue to have trouble. A weaker U.S. dollar and low global interest rates should help boost exports and offset a drop in local demand, but 2021 growth will depend on renewed exports to developed nations and a return to more normalized economic conditions.

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

RBC Wealth Management Global Portfolio Advisory Group

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