

Q2 | 2021

Global Macro Outlook

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Vaccines are being deployed. Lockdowns are being lifted. We are finally on the cusp of the reopening we have hoped for many many months. As we look into the second quarter, however, the word that comes to mind is unevenness. We are still facing tremendous unevenness between the services sector, which is substantially lagging significantly behind the manufacturing, commodities, and the industrial complex. We see a large divergence between the Federal Reserve and the People's Bank of China which feels a little bit more comfortable easing up on some of that easy policy. Whereas other central banks such as the European Central Bank and the Bank of Canada remain extremely committed to retaining extraordinary levels of support. Even on growth, we expect the United States to drastically outperform the rest of the world thanks in part to extraordinary amounts of fiscal stimulus. Indeed, the name of the game for us in the second quarter will be regional and sectoral opportunities, and that's why we recommend a country by country deep dive and we examine the headwinds and tailwinds associated with each individual economy, and their associated markets.

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