



MIXED FEELING: UNCERTAINTY, CAUTION AND HOPE

The Christmas holidays are long over and New Year's Eve now a distant memory. February has already started and the beginning of this much-desired, long-awaited 2021 seems to give us that mixed feeling of uncertainty, already well known in 2020, caution and hope.

What do the markets tell us?

What was 2020 really for stock exchange? What can we likely expect from 2021?

2020 was an intense, painful, wild and certainly unique year for the entire world economy.

Surprisingly, however, stock markets recovered very quickly and are practically back to the levels of a year ago.

The lowest point was reached in mid-March 2020, as the first pandemic wave of Coronavirus raged in Europe and the whole world was helpless and unprepared for this unknown virus.

The summer was an interlude, a sweet relief, it gave everyone the impression that the pandemic had subsided. Unfortunately, in October the second wave of pandemic broke out and the market prices suffered a break.

Then the announcement of the vaccines, the panacea, the mirage after many months of disbelief and sufferance.

Once again, the stock market reacted quickly, rising steadily.

At the end of the year, the positive trend has characterized most of the international stock exchange indices.

Between the top securities we find the great economic winners of the pandemic year: technology, telecommunications, internet and biotechnology.

Optimism is there

What about the prospects? What will happen once we finally get off the roller coaster?

Rivers of words have been written, thousands of analysts and economics experts have spoken, but opinions vary little and they seem all to agree: optimism is there.

It was the announcement of the arrival of vaccines that spread confidence. Apparently, it is a shared confidence. In fact, investors, consumers and enterprises appear to be positive and are looking forward to the recovery announced for 2021.

10 trends of the post pandemic - economy

"After the storm, the calm always comes" and concerning the post-pandemic economy and the stock markets, the 10 most popular trends are the following:

1. By its nature, the stock exchange is projected to the future.

This is why it has immediately reacted faster and positively after the pandemic waves.

The current moment is highly speculative, but not necessarily harmful.



It is believed that in the next months and with the normalization of the health crisis, even the stock markets will be able to calm down, also thanks to a background of enormous liquidity and a lack of alternative investments.

2. Large-scale administration of vaccines, the gradual reduction of anti-Covid measures and restrictions will trigger a wave of enthusiasm and a consumer frenzy for travel and services.

The world GDP growth in 2021 is projected to be around 4.6%.

3. Monetary policy will keep accommodative and central banks will follow the example of the Fed, which expects an inflation of approximately 2%.

4. Politicians and investors will consider environmental protection and green investments as strategic and crucial.

5. The stock exchange hectic ride of Internet, Big Tech and Pharma companies will pursue without interruption also for 2021.

6. After the sharp rise in raw material prices during the second half of 2020, an increase of finished goods prices is consequently expected for 2021.

7. The growth of the Chinese economy will increase rapidly, settling, it is thought, at 7.5% in 2021, the highest rate since 2013, but it will not last and at some point it is going to stabilize and then decelerate.

8. The new Biden administration, more accommodating and open to discussions than the previous one, will guarantee more serene and open dialogues with the other powerful players on the international political stage.

9. Digital automation, data analysis and working from home will become an integral part of the labour market even after the pandemic.

10. Forms of savings, such as cash reserves and emergency funds, will be back in vogue even among the most distracted investors.

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