

2021 Economic Outlook: Is it a Light at the End of the Tunnel or a Train Heading Our Way?

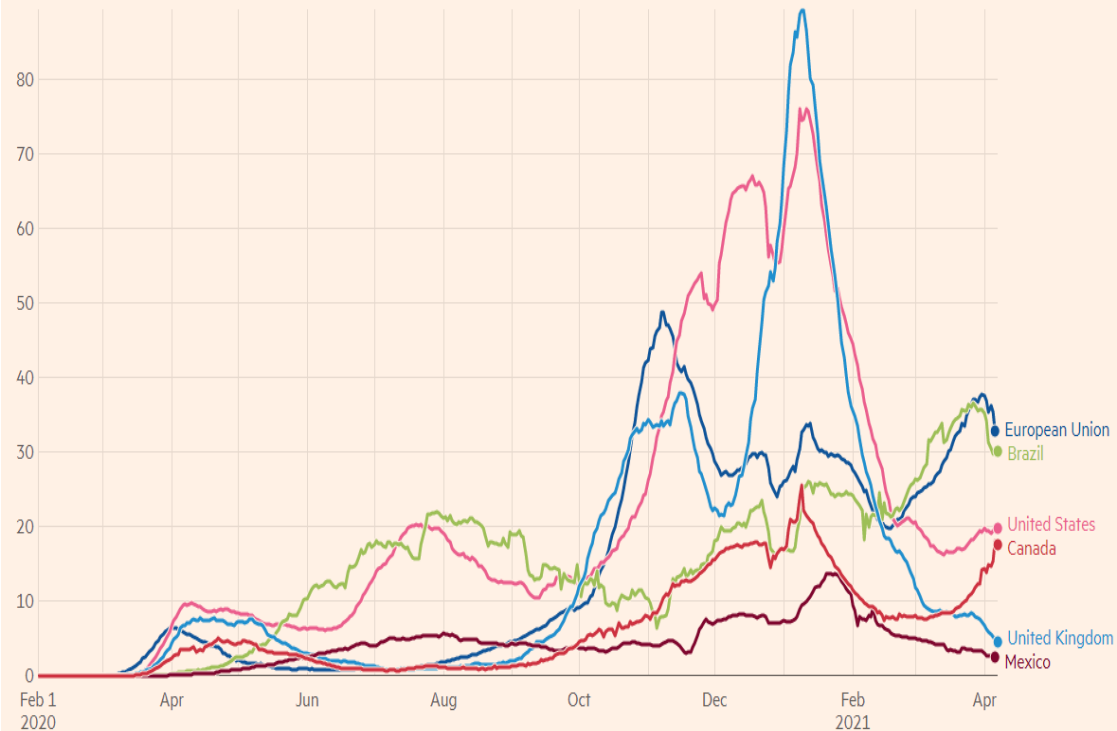
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April 2021

The Pandemic is Lingering as Countries Race to Vaccinate

New confirmed cases of Covid-19 in European Union, United States, Brazil, United Kingdom, Mexico and Canada

Seven-day rolling average of new cases (per 100k)

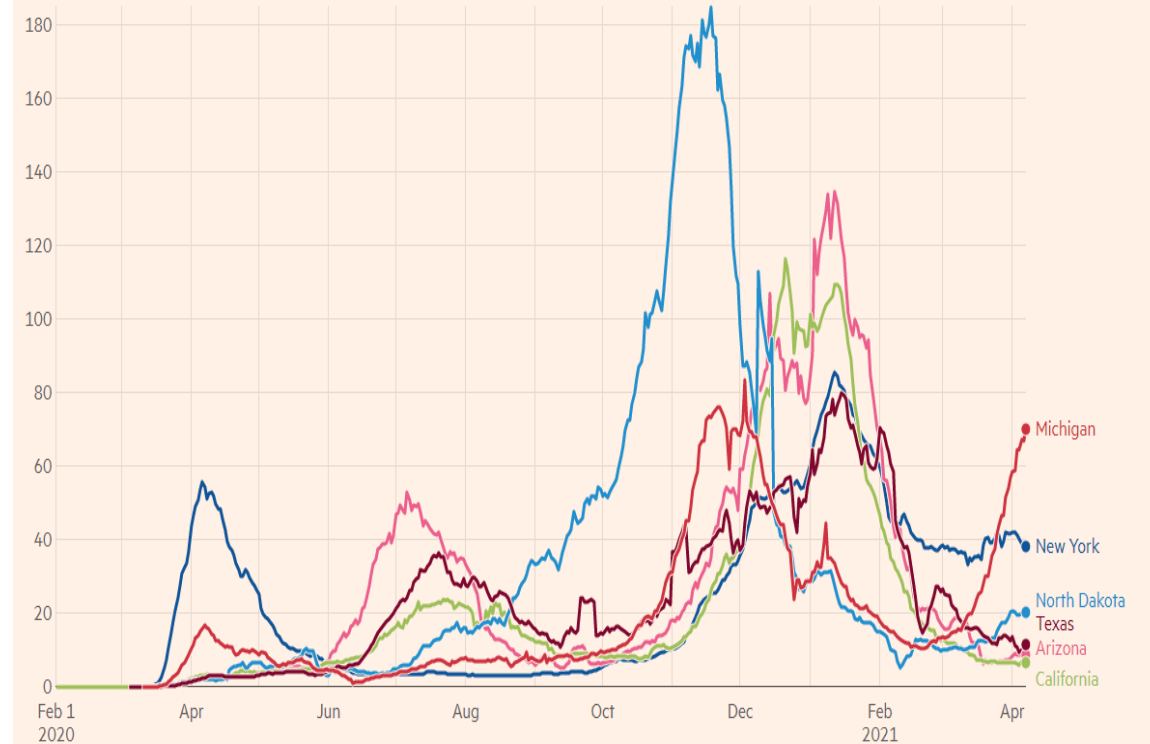


Source: Financial Times analysis of data from the Johns Hopkins CSSE, the World Health Organization, the UK Government coronavirus dashboard, Public Health France and the Swedish Public Health Agency.
Data updated April 8 2021 3.44pm BST. Interactive version: ft.com/covid19

FINANCIAL TIMES

New confirmed cases of Covid-19 in New York, Arizona, California, North Dakota, Texas and Michigan

Seven-day rolling average of new cases (per 100k)

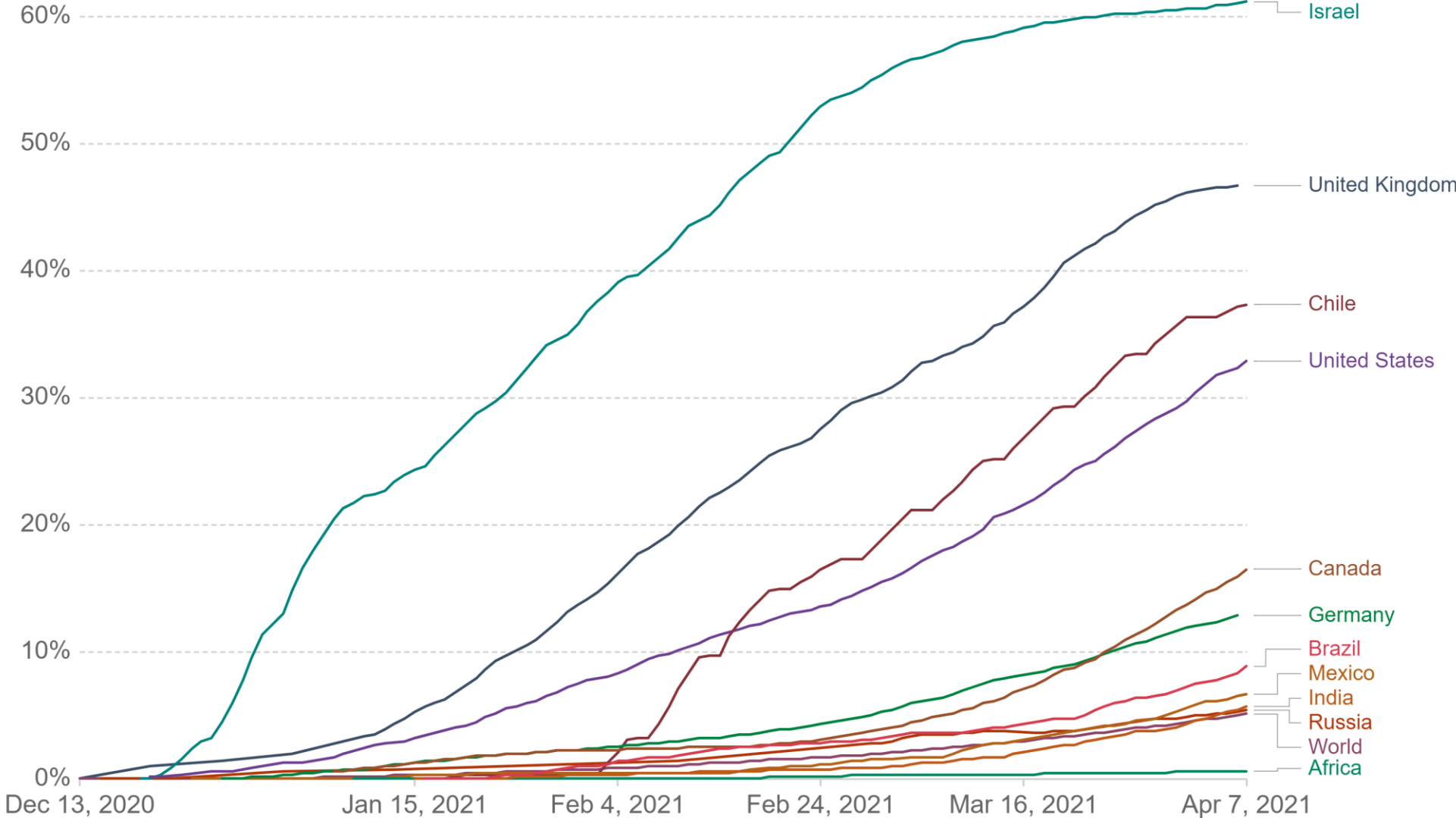


Source: Financial Times analysis of data from the Johns Hopkins CSSE.
Data updated April 8 2021 3.44pm BST. Interactive version: ft.com/covid19

FINANCIAL TIMES

Share of people who received at least one dose of COVID-19 vaccine

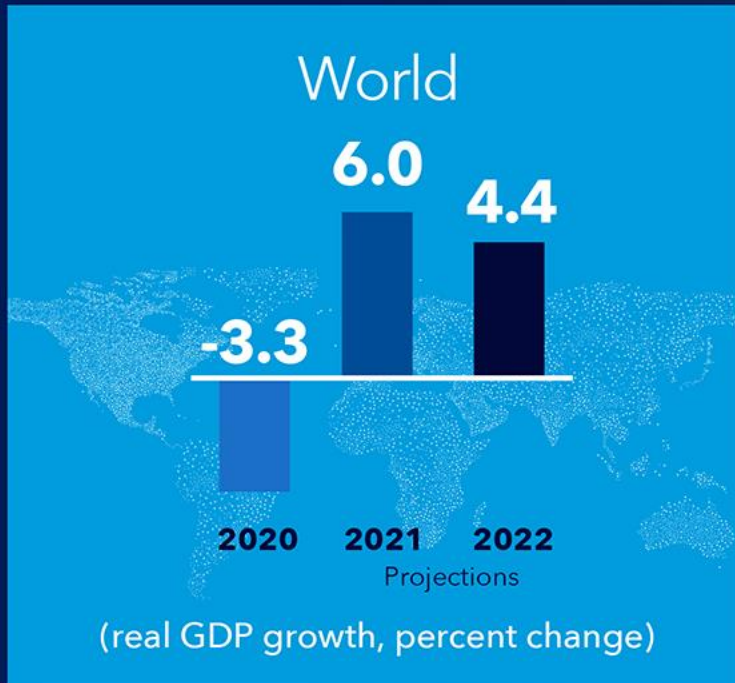
Share of the total population that received at least one vaccine dose. This may not equal the share that are fully vaccinated if the vaccine requires two doses.



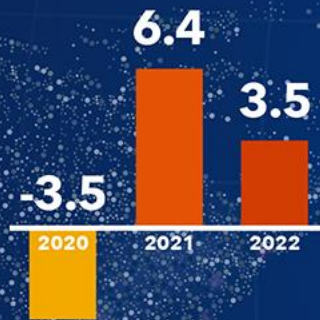
Source: Official data collated by Our World in Data

GROWTH PROJECTIONS BY REGION

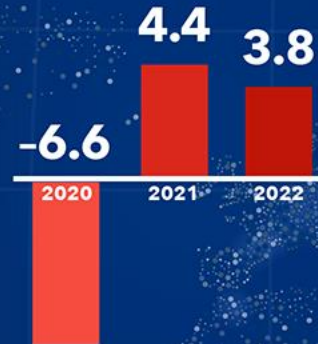
(PERCENT CHANGE)



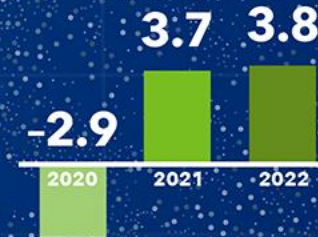
UNITED STATES



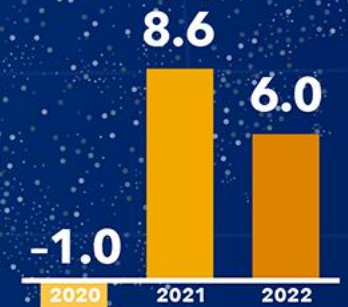
EURO AREA



MIDDLE EAST AND CENTRAL ASIA



EMERGING AND DEVELOPING ASIA



LATIN AMERICA AND THE CARIBBEAN



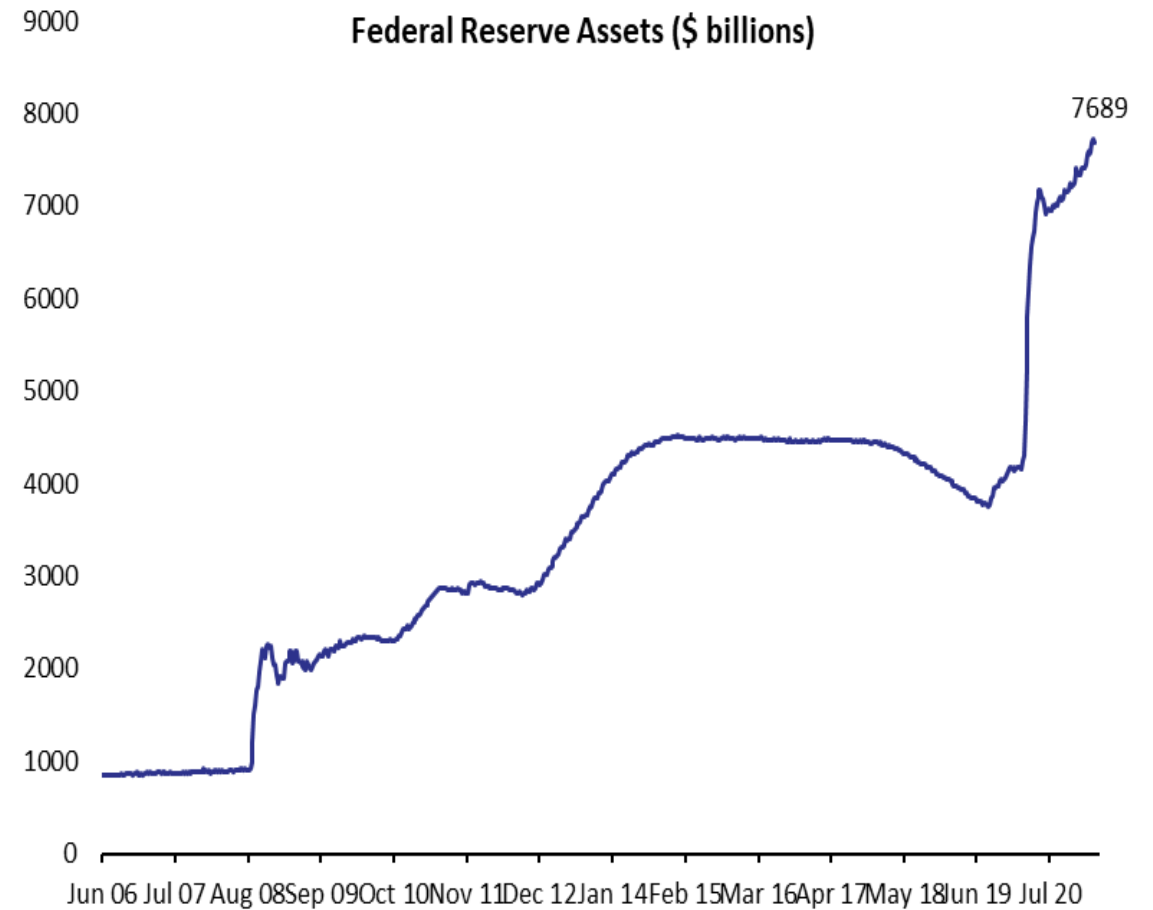
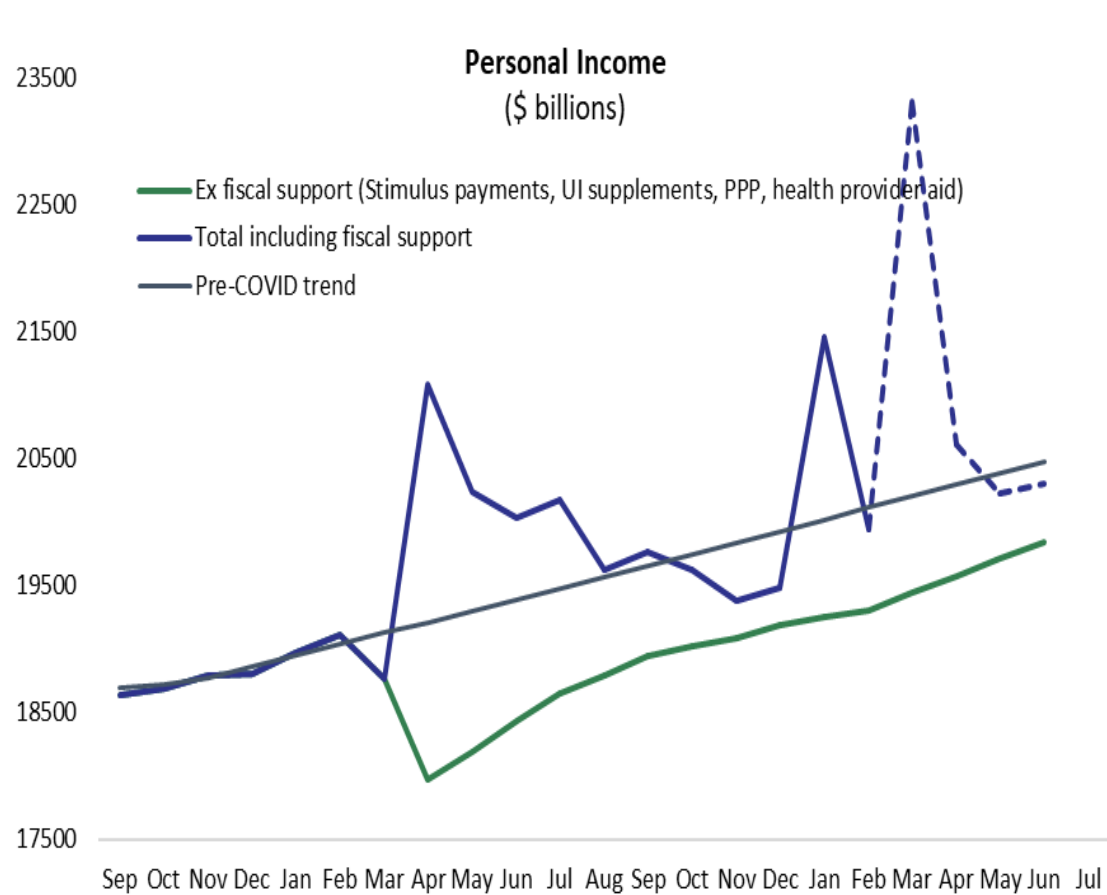
SUB-SAHARAN AFRICA



Source: IMF, *World Economic Outlook*, April 2021.

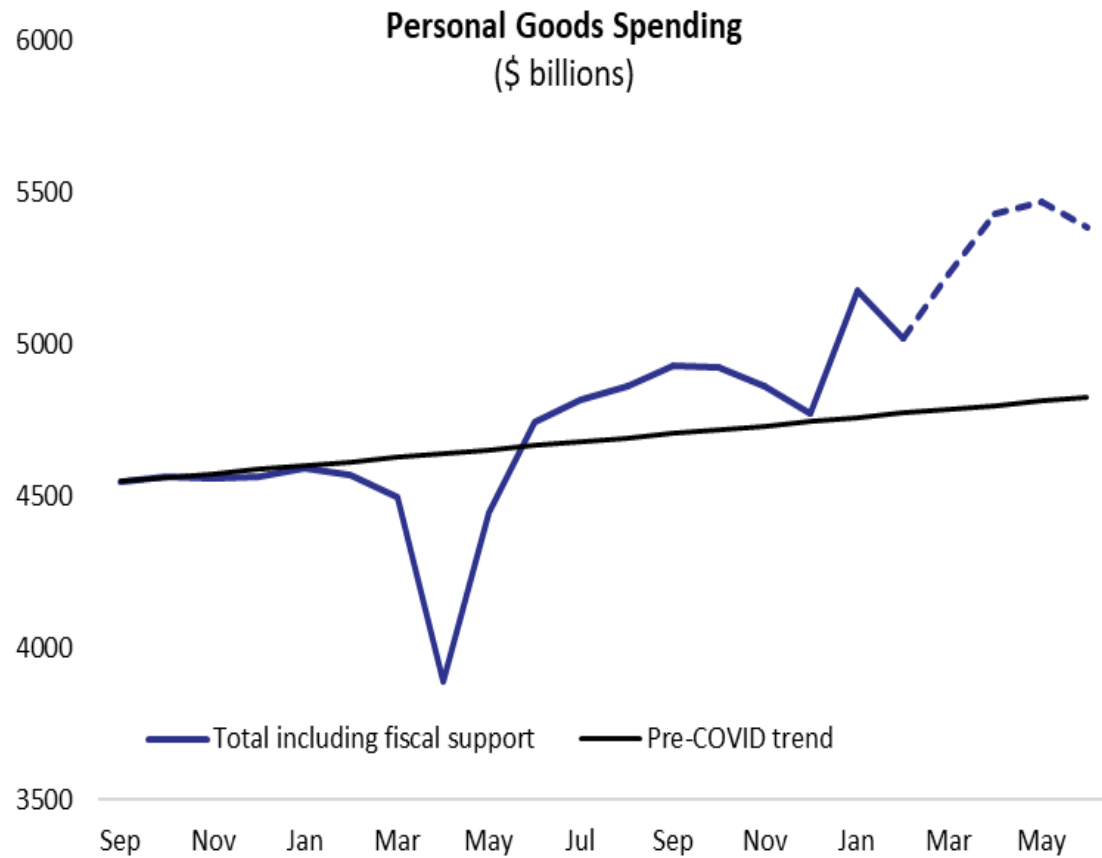
Note: Order of bars for each group indicates (left to right): 2020, 2021 projections, and 2022 projections.

The US Leading the Global Recovery in Large Part Because Fiscal and Monetary Support Has Been Early and Aggressive

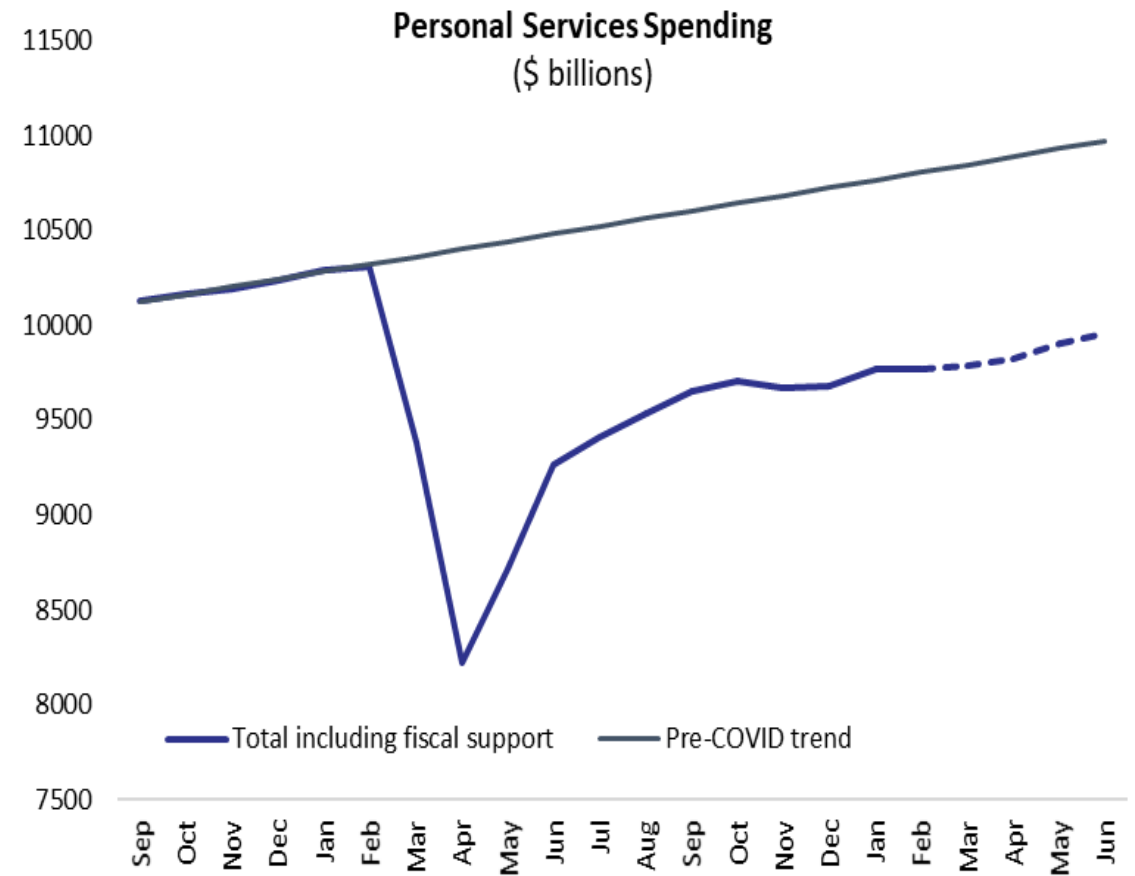


Source: Bureau of Economic Analysis, MPP

The Recovery Has Favored Goods Spending, Services Stuck in Social Distancing Mud but Starting to Pick Up

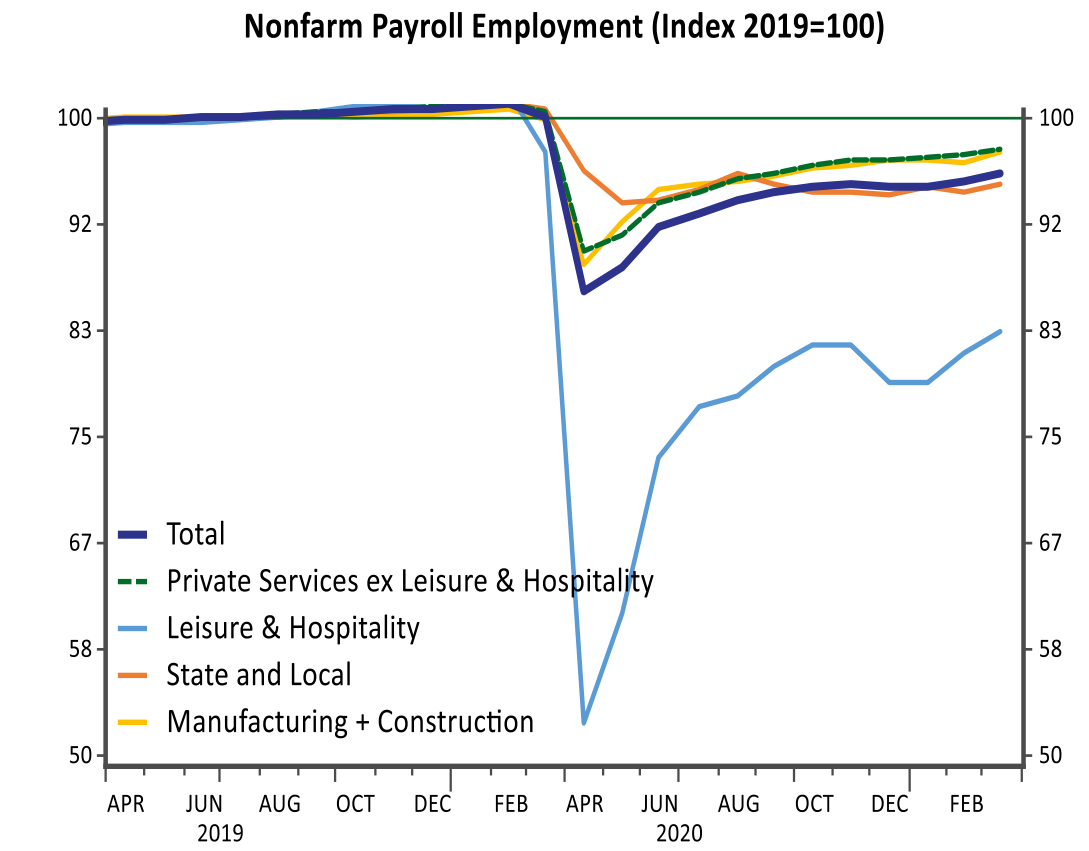
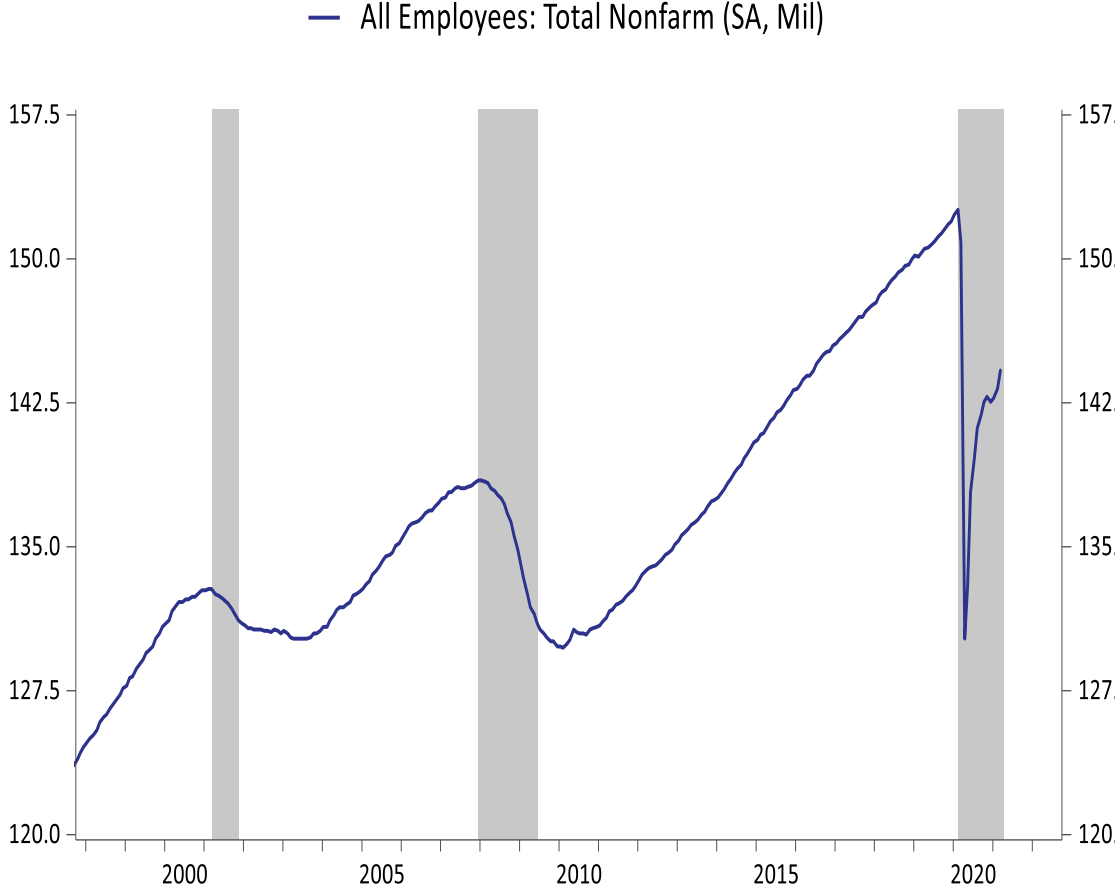


Source: Bureau of Economic Analysis, MPP



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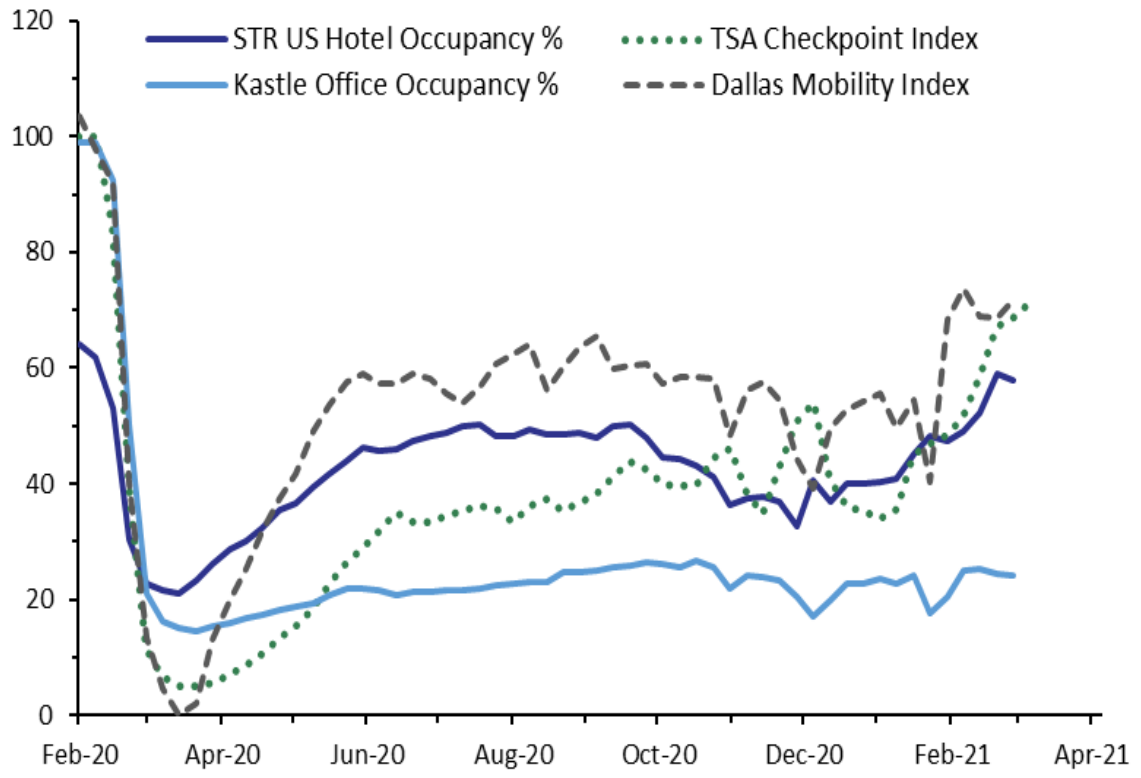
We Have Recovered 62% of the 22mn Jobs Lost in 2020 Through March, Still a Ways to Go



Source: Bureau of Labor Statistics/Haver Analytics

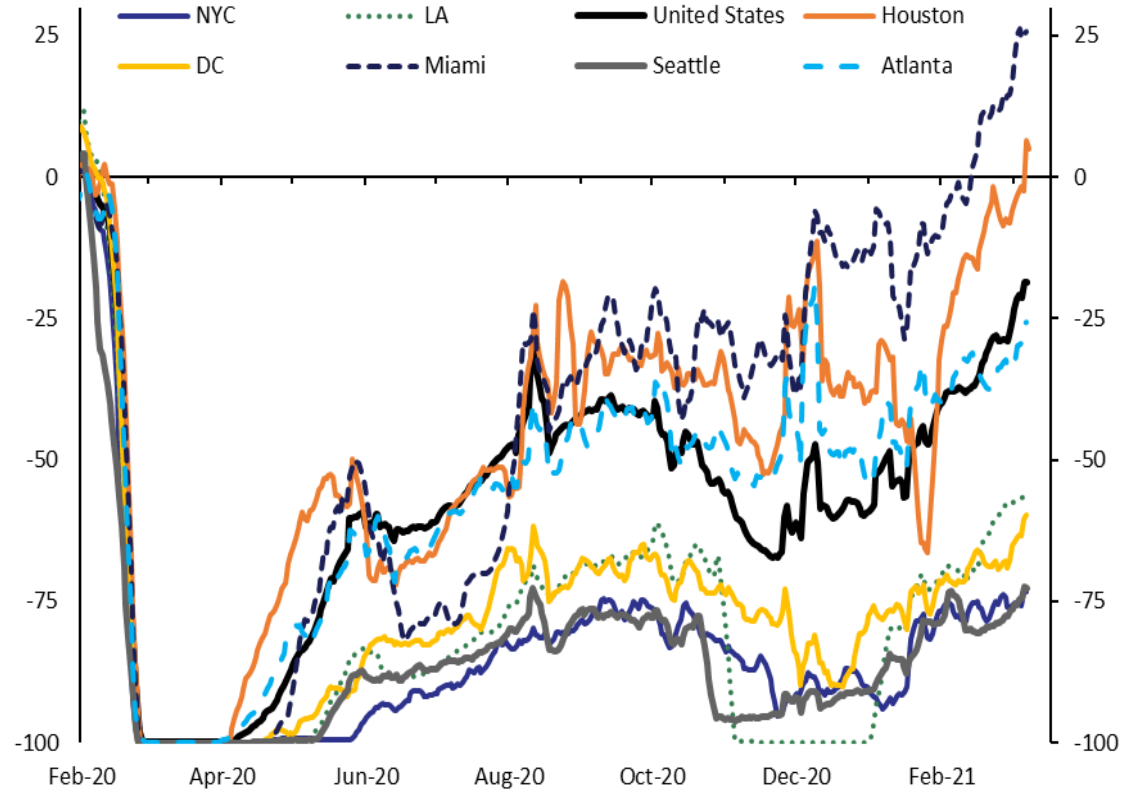
Social Activity Below Normal but Starting to Rise, Office & Business Activity Lagging

High Frequency Travel & Mobility Indicators



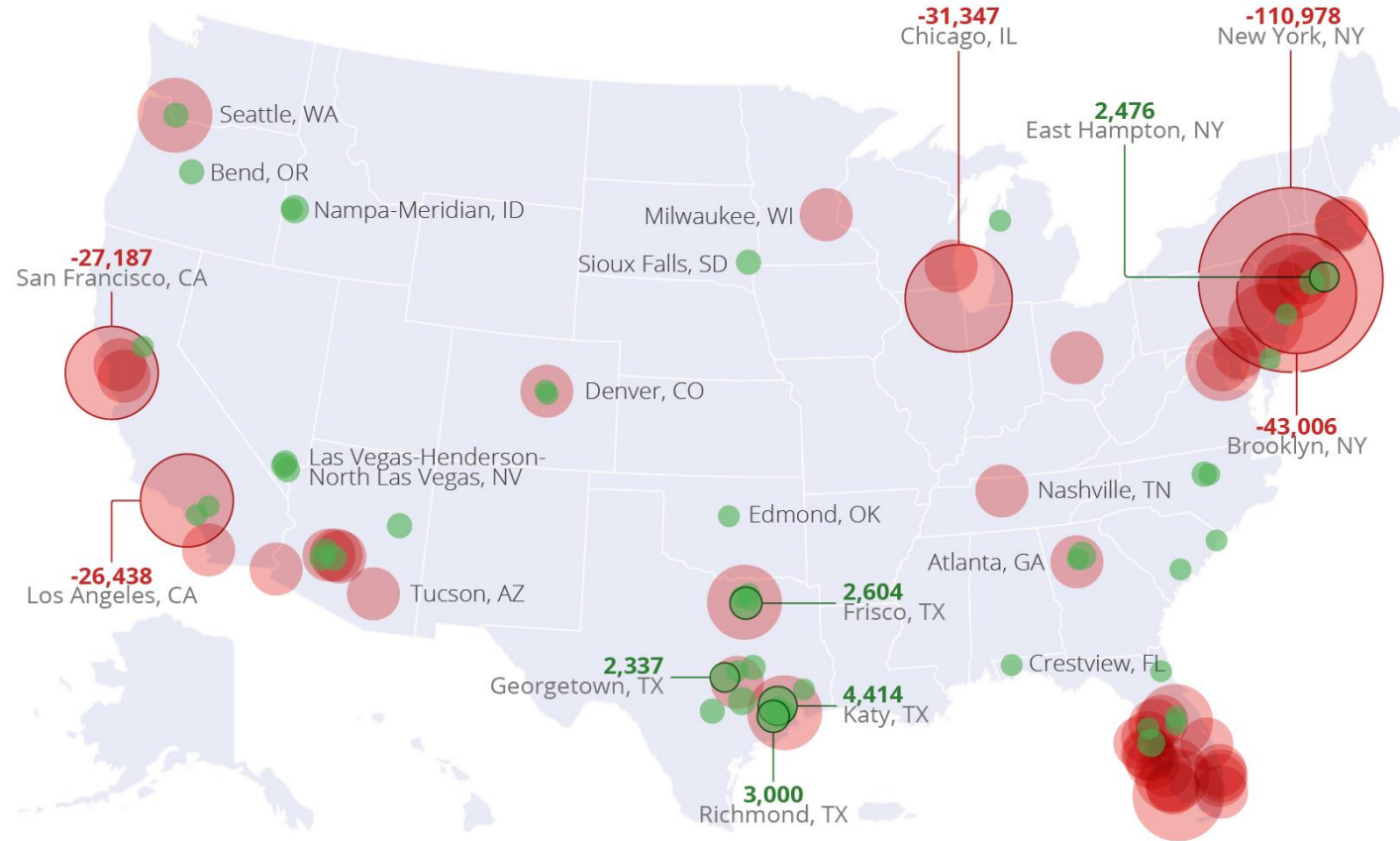
Source: TSA, Kastle, STR, Dallas Fed, MPP

OpenTable Seated Diners (%Y/Y relative to 2019, 7-day Avg)



Source: OpenTable, MacroPolicy Perspectives

TOP 50 CITIES THAT GAINED MOVERS DURING CORONAVIRUS, AND THE TOP 50 CITIES THAT LOST MOVERS

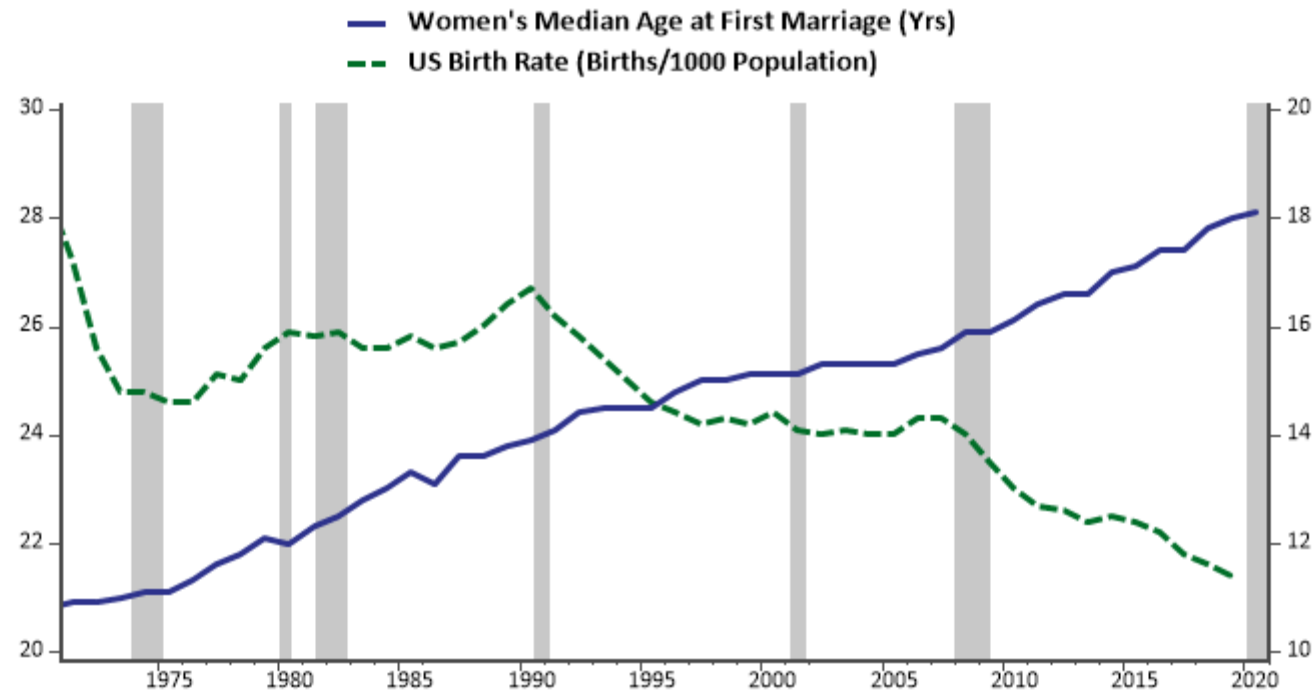


Bubble sizes represent the number of movers that moved into or out of the city. The bigger the bubble, the larger the number of movers.

*Data pulled from total USPS change-of-address requests filed between February 1, 2020 and July 31, 2020. To calculate the data, we took the total number of moves to each city and subtracted the total number of moves from it.

Conclusions

- The recovery from the pandemic is underway with strong support from fiscal and monetary policy
- Spending should shift back toward services as we move through 2021 and social activity should continue to rise with business activity lagging
- How much structural change will be left in the wake of the COVID crisis: work from home, business travel, geographic preferences, consumer caution



Sources: MacroPolicy Perspectives / CENSUS, NCHS/Haver