

# Quarterly market update

As of September 30, 2020

## Global economic highlights

- < Economic growth increased sharply as countries re-opened, and has since transitioned to a slower, more gradual phase of recovery although activity remains well below pre-COVID levels
- < The pace of this transition to recovery is dependent on COVID infection rates, containment measures and the nature of government fiscal support
- < Increases in infection rates have not slowed economies to the same extent as the 2<sup>nd</sup> quarter, as many governments implemented targeted containment measures and not full economic shutdowns
- < Global indicators of household spending continue to point to a rebound in consumption
- < Unemployment rates remain high with service sector employees being disproportionately affected
- < Significant economic uncertainty exists due to the increase in infection rates and the US election

Source: Scotia Economics Forecast, October 2020

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