

## Question on screen: Are extraordinary stimulus measures here to stay?

Title on screen: Frances Donald, Global Chief Economist and Global Head of Macroeconomic Strategy

The largest economic crisis of our time has also been met by the largest fiscal and monetary response of all time. All major global central banks now have interest rates at their effective lower bound, and governments are spending more than they ever have. Of course, this ushers in a new series of questions, what do we do with this extraordinary amount of stimulus and how do these governments and central banks pull back from this extraordinary amount of support. Well, our guess is they won't do so for many many years – we don't expect any major central banks to raise rates for at least five years. And while we do expect that federal governments are at least going to have to pull back some of their support, we have a long way to go before we get to the other side. Fiscal and monetary stimulus are here to stay. For markets, that's particularly important.

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