

Question on screen: What are the key risks going forward?

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

We certainly aren't the most bearish strategists out there. We don't see a double dip. We see plenty of monetary policy and fiscal to provide and lift markets and the economy, and we do eventually see recovery on the other side of a vaccine. But that doesn't mean we don't see risks, particularly in the second half of the year – things we do need to be monitoring very closely. The most important of course, is the evolution of the virus. Not just the case count, but how do businesses and households respond. If their concerns start to rise, does confidence start to plummet? We of course are watching U.S.-China trade tensions because of their impact on business confidence, and last but certainly not least, the evolution of polls toward the U.S. presidential election – and not just for the president, but also for the Senate and the House. That will put a significant emphasis on how much fiscal spending we'll get in 2021 and beyond, and will be a key risk for markets.

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