2021 Global Economic Outlook

V(accine)-Shaped Recovery

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Modest US Fiscal Stimulus Ahead

Note: discretionary policy includes additional unemployment insurance payouts, business support, household rebates, state and fiscal aid, and federal spending.

Source: Goldman Sachs Global Investment Research.
## Well Above Consensus in 2021 and 2022

<table>
<thead>
<tr>
<th>Country</th>
<th>2019</th>
<th>2020 (f)</th>
<th>2021 (f)</th>
<th>2022 (f)</th>
</tr>
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<td></td>
<td>GS</td>
<td>Consensus</td>
<td>GS</td>
<td>Consensus</td>
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<tr>
<td>US</td>
<td>2.2</td>
<td>-3.5</td>
<td>-3.9</td>
<td>5.3</td>
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<td>Japan</td>
<td>0.7</td>
<td>-5.3</td>
<td>-5.6</td>
<td>3.3</td>
</tr>
<tr>
<td>Euro Area</td>
<td>1.3</td>
<td>-7.2</td>
<td>-7.7</td>
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<tr>
<td>Germany</td>
<td>0.6</td>
<td>-5.8</td>
<td>-5.8</td>
<td>3.7</td>
</tr>
<tr>
<td>France</td>
<td>1.5</td>
<td>-9.2</td>
<td>-9.5</td>
<td>7.0</td>
</tr>
<tr>
<td>Italy</td>
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<td>-8.7</td>
<td>-9.8</td>
<td>6.0</td>
</tr>
<tr>
<td>Spain</td>
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<td>-11.6</td>
<td>-12.0</td>
<td>7.1</td>
</tr>
<tr>
<td>UK</td>
<td>1.3</td>
<td>-10.5</td>
<td>-10.0</td>
<td>6.1</td>
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<tr>
<td>China</td>
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<td>2.0</td>
<td>2.0</td>
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<tr>
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<td>-4.0</td>
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<tr>
<td>Brazil</td>
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<td>-3.9</td>
<td>-4.0</td>
<td>6.0</td>
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</tbody>
</table>

Note: All forecasts calculated on calendar year basis. IMF forecasts used for India 2022 consensus when quarters not available in Bloomberg.

Source: Bloomberg, Goldman Sachs Global Investment Research.
Covid Hospitalizations Are Surging in Europe

Source: Covid Tracking Project, Santé Publique France, Presidenza del Consiglio dei Ministri Dipartimento della Protezione Civile, Esri Canada, Ministerio De Sanidad, United Kingdom National Health Service, Goldman Sachs Global Investment Research
Another (Partial) Lockdown in Europe

Note: We extend the Oxford policy stringency index forward by accounting for announced restrictions. We forecast the Google mobility component using its history and relationship with the policy component.

A Near-term GDP Setback, Especially in Europe

Source: Goldman Sachs Global Investment Research.
Strong Correlation Between Cases and Temperatures

Source: JHU CSSE, National Oceanic and Atmospheric Administration, Goldman Sachs Global Investment Research
“Superforecasters” Still Expect a Vaccine Soon

Source: Good Judgement Project, Goldman Sachs Global Investment Research.

% Good Judgment Inc: When will enough doses of FDA-approved COVID-19 vaccine(s) to inoculate 25 million people be distributed in the United States?
**A Large Vaccine GDP Boost in the US and Europe**

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**Estimated Impact of Vaccine on Real GDP Level**

<table>
<thead>
<tr>
<th></th>
<th>US</th>
<th>Euro Area*</th>
<th>China</th>
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<tr>
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<td>0.0</td>
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<td>0.0</td>
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<tr>
<td>Feb-21</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Apr-21</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Jun-21</td>
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<tr>
<td>Aug-21</td>
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<td>Oct-21</td>
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<td>Dec-21</td>
<td>0.4</td>
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<td>0.4</td>
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<td>Feb-22</td>
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<td>0.6</td>
<td>0.5</td>
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<tr>
<td>Apr-22</td>
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<tr>
<td>Jun-22</td>
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<tr>
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<tr>
<td>Oct-22</td>
<td>0.5</td>
<td>0.6</td>
<td>0.5</td>
</tr>
</tbody>
</table>

* Euro Area: Germany, France, Spain and Italy.

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Source: Goldman Sachs Global Investment Research.
So Far, So Good in the Job Market Recovery

Source: Goldman Sachs Global Investment Research.
Bankruptcies Have Been Remarkably Low in 2020

Source: Haver Analytics, Serasa Experian, Goldman Sachs Global Investment Research.
A Dead Cat Bounce in Core Inflation

Source: Goldman Sachs Global Investment Research.
DM Policy Rates Locked on Hold for Years

Source: Goldman Sachs Global Investment Research.
China GDP Has Fully Recovered from the Covid Hit

Source: Goldman Sachs Global Investment Research.
China Macro Policy Is Exceptionally Easy

Source: Goldman Sachs Global Investment Research.
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