



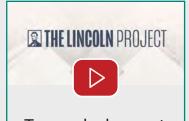
Global stocks were flat in what was a quiet week for markets, but bond prices in the UK and the US traded a little lower (prices and yields are inverted, so this meant bond yields were a little higher).

With respect to the virus most of the news this week was positive. Daily rates of change in infections have been low and the big question is how economies will deal with reopening. This will become clearer over the coming weeks and investors think that markets will react accordingly in line with how the virus develops and also depending on what news emerges on the treatment and vaccine front.

Trump lashes out

However, after being focused almost singularly on the virus for the last few months, other things are starting to matter as well. In the US, the presidential election and China bashing will become more important for markets in the coming months. This week President Trump lashed out at a group of Republicans – yes, you read that correctly - seeking to defeat him in November. Trump's outburst came in response to a new video released by the Lincoln Project, a super PAC launched by disaffected Republicans. The group's minute-long video paints a dark picture of a country fighting a pandemic under Trump's leadership and its title is a play on former President Ronald Reagan's famous 1984 campaign advertisement: "Morning in America."

Global stocks were flat in what was a quiet week.



Trump lashes out

Worries about the China/US trade deal

Financial stress in Eurozone

Continued on page 2



Helping To Secure Your Future. Wherever You Are Today.



According to the Real Clear Politics poll of polls, Biden is polling at 48% and Trump is at 42% but the fight for the White House has not yet started in earnest as the election will take place in November. Unfortunately for markets it appears that both parties will find it in their interest to bash China. According to the Pew Research Center only 25% of Americans now have a favourable view of China compared to almost 45% in 2016, whilst 65% have an unfavourable opinion of China compared to roughly 45% in 2016. Given that most of last year was spent worrying about the China/US trade deal it would be a shame if this topic moves back to front and centre of the action so this is one thing investors should watch closely.



THE WHITE HOUSE

Financial stress in Eurozone

In Europe, attention should be given to the spread between Italian and German government bonds, which has moved higher this week and is a clear measure of financial stress within the Eurozone. This week, Germany's constitutional court stunned lawyers and legal scholars by partially rejecting a 2018 ruling by the European Court of Justice that ECB bond buying was legal. The euro fell, taking Italian bonds in its tow. The legal decision could limit the ECB's ability to deliver on its pledge to help the euro area through the pandemic. This issue will not resolve itself in weeks but over months or years but it has moved higher on the list of things to focus on.



The opinions and interpretations of the market and economy are solely the opinion of the author of this article. This information is provided to you as a resource for educational purposes only and should not be considered investment advice or recommendation. This information is not intended to, and should not, form a primary basis for any investment decision that you may make. Always consult your own legal, tax, or investment advisor before making any investment/tax/estate/financial planning considerations or decisions. There are no guarantees of investment performance.

GWM USA LLC is part of the GWM Group for all Group regulatory details please visit https://www.gwm-usa-llc.com/regulations. GWM USA LLC advisors are advisory representatives and conduct advisory business through Beacon Global Advisor Network, LLC. (BGAN, a registered investment adviser with the Securities and Exchange Commission (SEC).

SEC number: 801-110724: CRD number is 288833. Registration with the SEC does not imply a certain level of experience or education and does not mean the SEC approves or endorses BGAN.

