

## The Roaring Twenties

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*Historians will record 2020 as a somber, stressful, and tumultuous year. As the COVID-19 pandemic engulfed societies, the global economy came to a crushing halt due to government-mandated lockdowns. Human tragedies mounted throughout the year, leaving few unscathed. Yet, this severe tone was juxtaposed by booming financial markets, triggered by rapidly implemented monetary and fiscal policies. Patient investors were rewarded when financial markets exploded with new bond issuance, equity IPOs, and record M&A transactions. With hope on the horizon following the rollout of several potent vaccines, investors rejoiced that a road-to-recovery could materialize in 2021. When yields tightened, risk-oriented assets came back in favor. Given the unique nature of the COVID-19 recession, the long-term ramifications remain unknown. A vaccine-led recovery should boost GDP in 2021; however, investors should be cautious given the uncertainties around taxes and potential new regulations. Hopefully, the new "Roaring Twenties" will not usher in the pitfalls of the past.*



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