



NCREIF
Virtual Fall Conference 2020
General Session – Mark Zandi
Tuesday, November 10

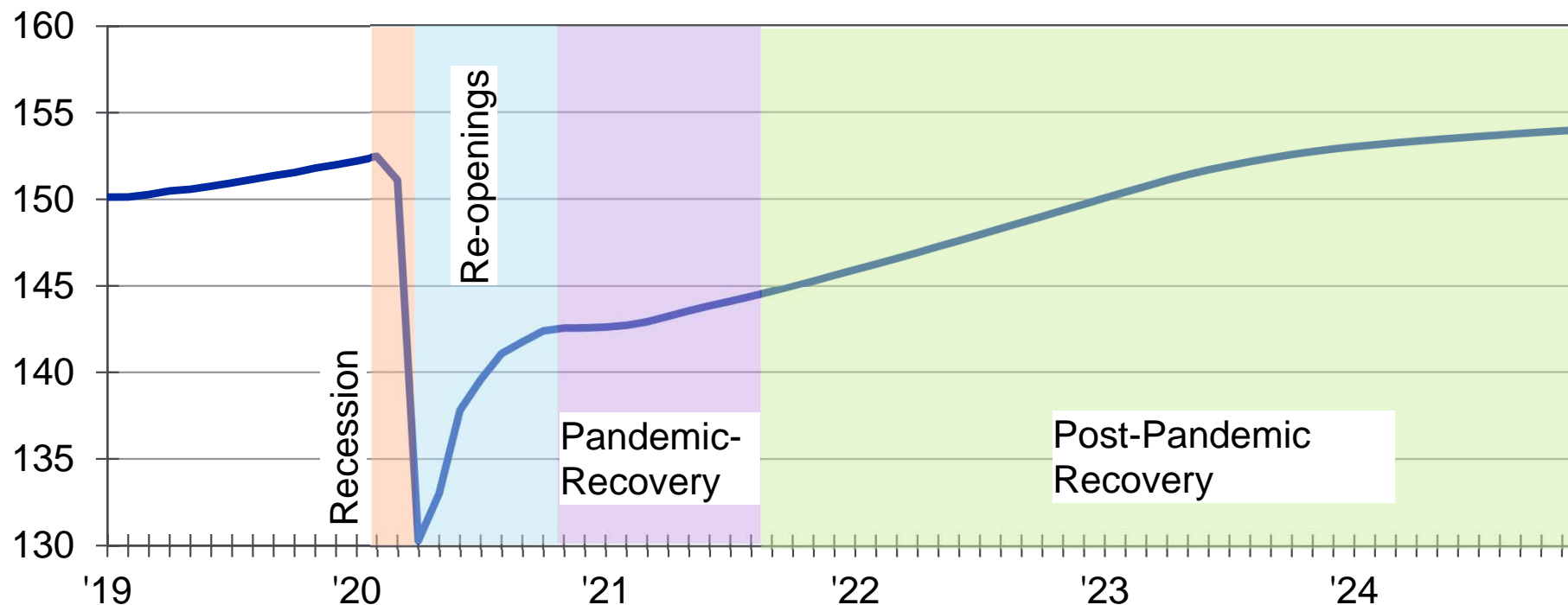
Pandemic Economy

Mark Zandi, Chief Economist

November 2020

Not a V-Shaped Recovery

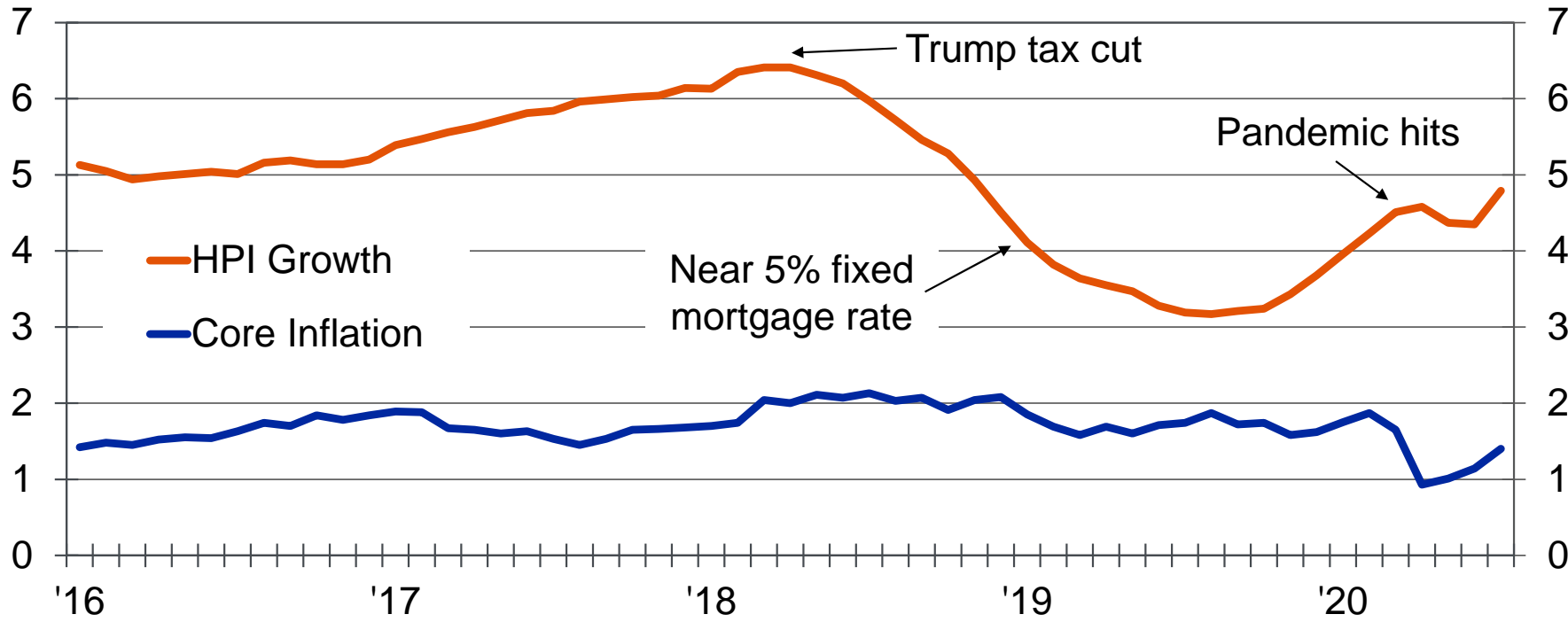
Nonfarm employment, Millions



Sources: BLS, Moody's Analytics

Pandemic Lifts Single Family Housing...

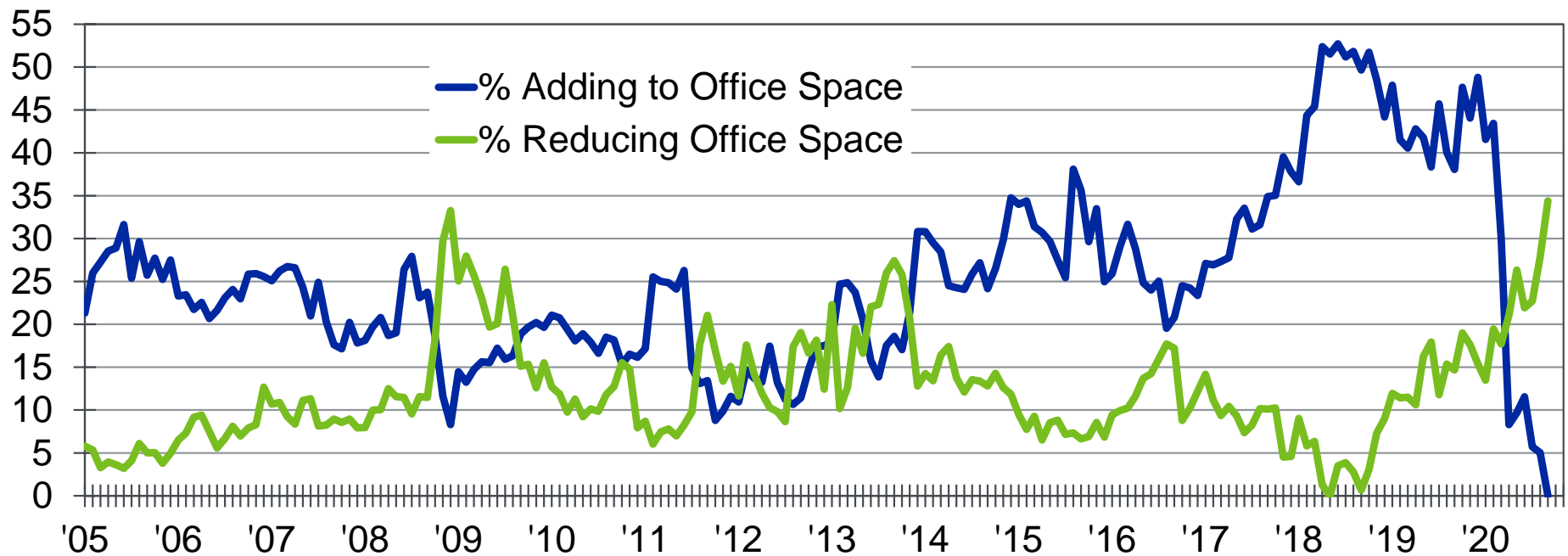
% change year ago



Sources: CoreLogic, Moody's Analytics

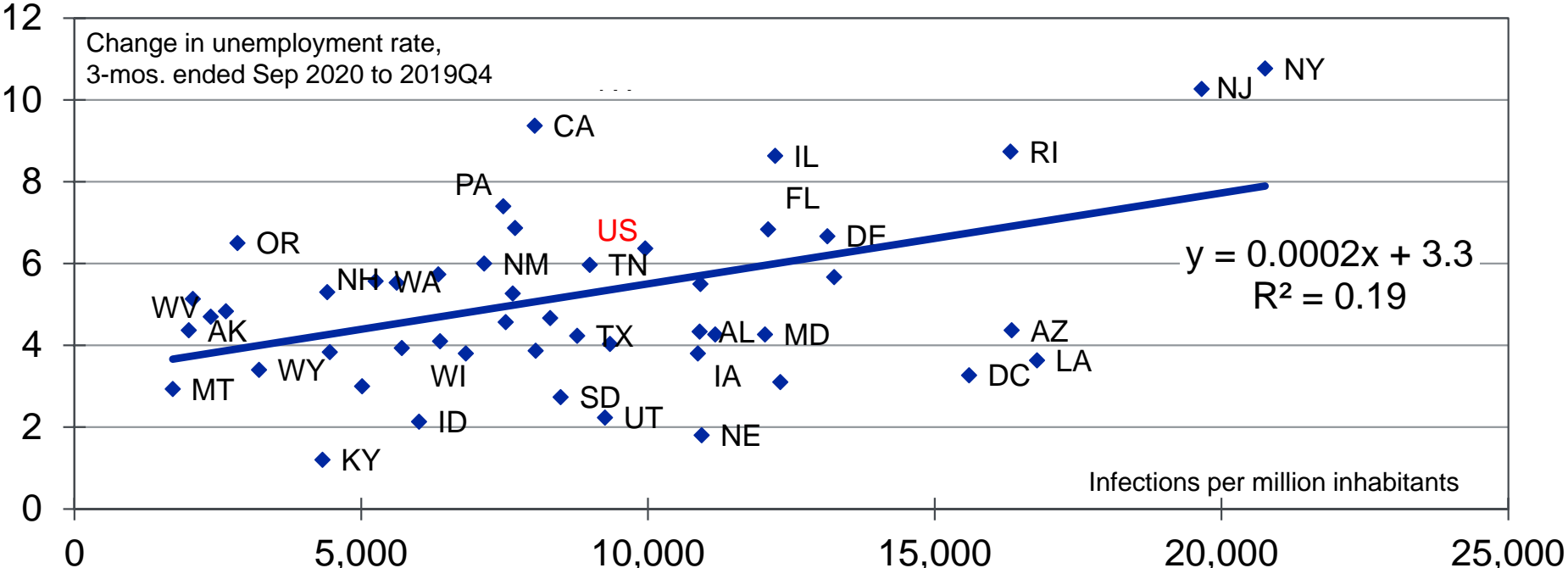
...But Weighs Heavily on Commercial Real Estate

% of respondents to business survey that say they are...



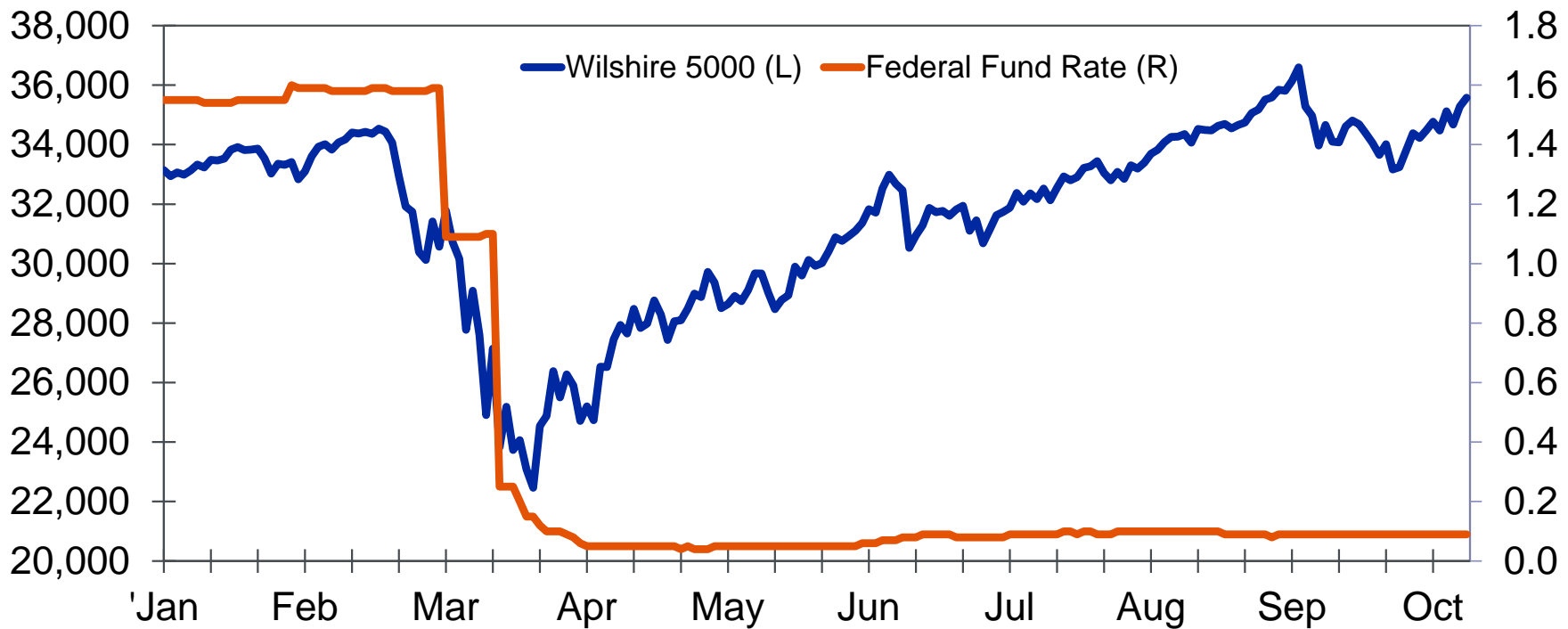
Source: Moody's Analytics

More Infections...Weaker Economy



Sources: CDC, BLS, Moody's Analytics

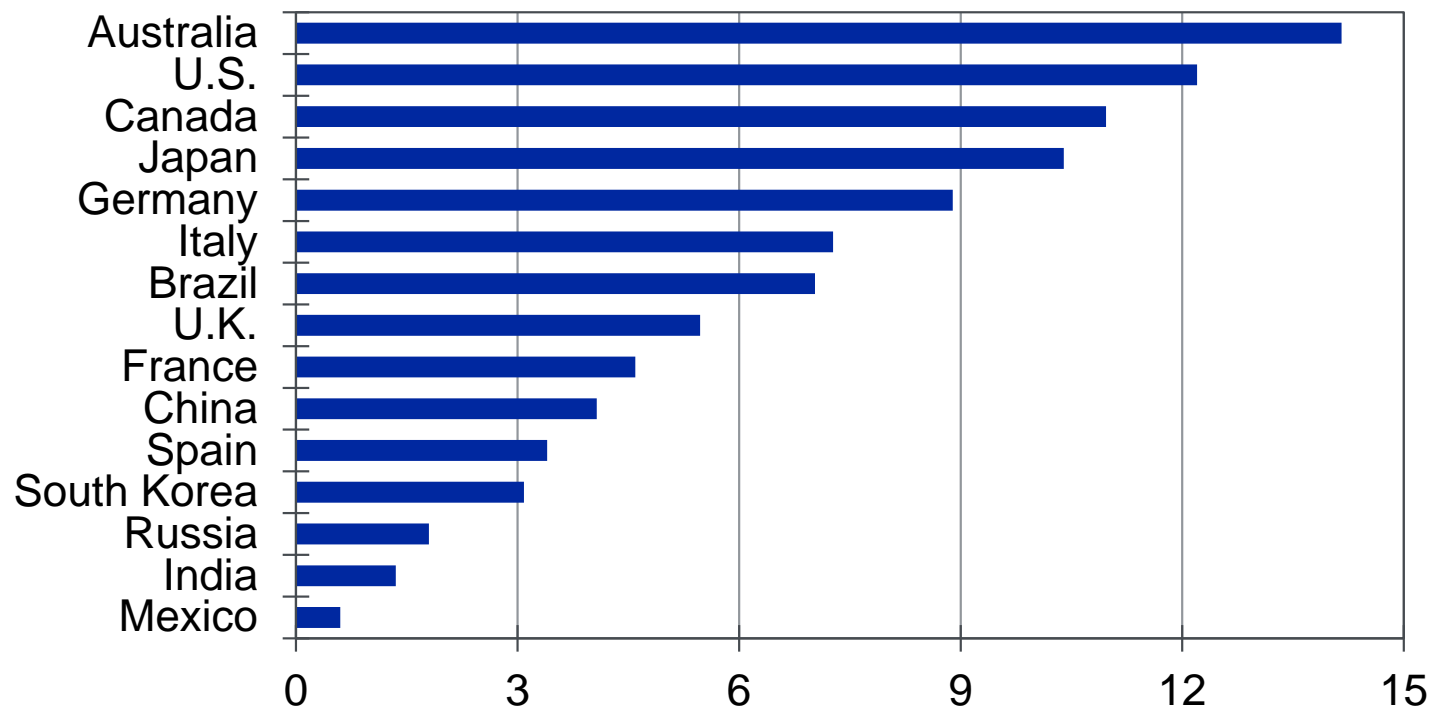
Federal Reserve Erects a Strong Firewall



Sources: Federal Reserve, SIX Financial, Moody's Analytics

Aggressive Fiscal Policy Response...

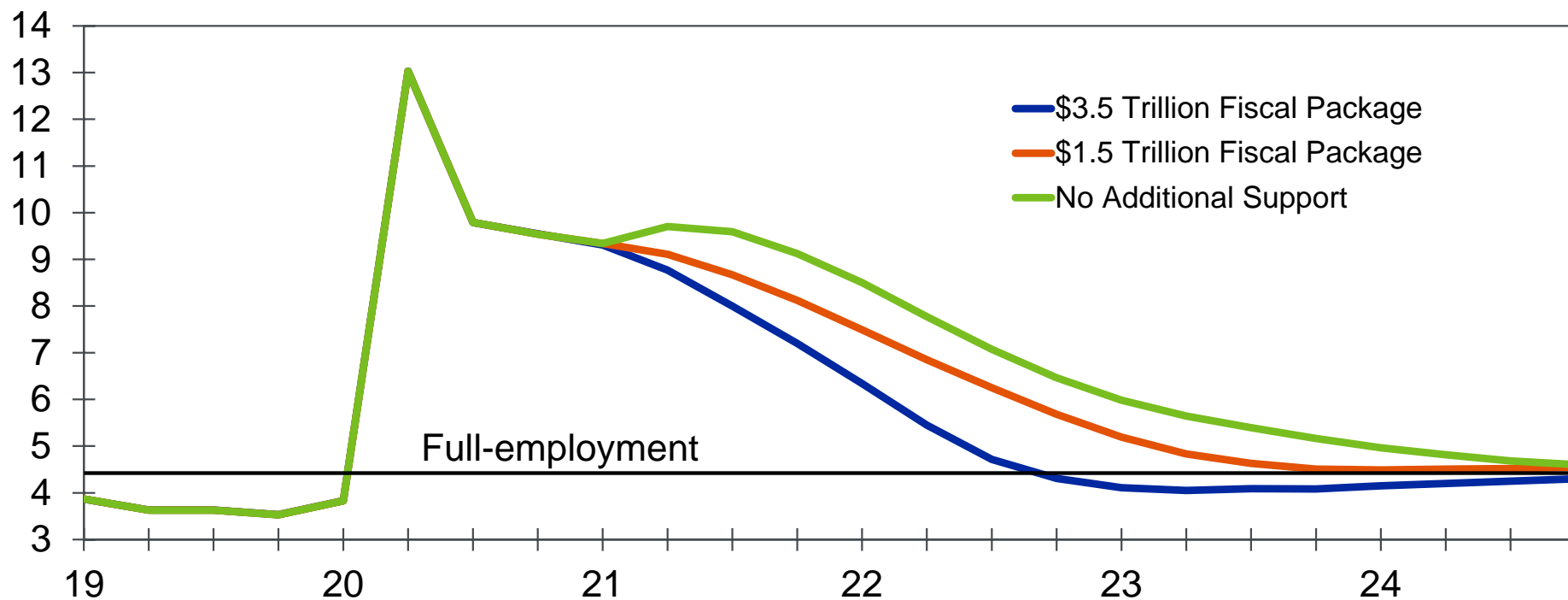
Fiscal support, % of 2019 GDP



Source: Moody's Analytics

...But An Even Bigger Response is Needed

Unemployment rate, %



Sources: BLS, Moody's Analytics

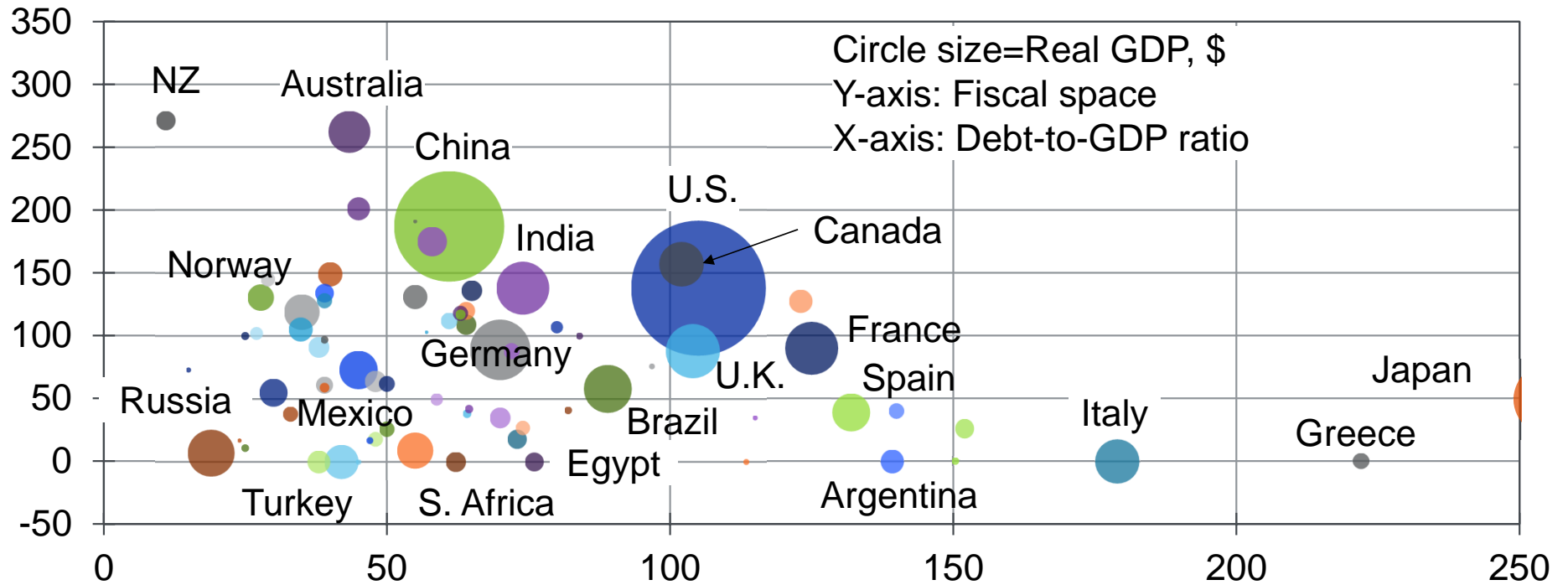
Where President Biden Stands

Issues ordered from greatest to least difference with Trump

Governing	Strengthen Institutions; Process for Decision Making; Increase Diversity; Stable Advisors
COVID-19	Federal Led; Invoke Defense Production Act
Immigration	Increase; Provide Healthcare; DACA
Climate/Energy	Clean Energy With Institutional Overhaul; Green Incentives; Paris Accord
Healthcare	ACA+Public Option; Lower Age for Medicare; Lower Rx Costs
Taxes	Repeal Tax Cut for Wealthy and Corporations; Potential Financial Transactions Tax
Gun Control	Pro Gun Control
Labor	Pro Union; \$15 Minimum Wage; Paid Leave
Police Reform	Black Lives Matter; Federal Lead
Banking	Undo Dodd-Frank Rollbacks; Pro ESG; Focus on Consumer Protections and Housing
Foreign Policy	Lead Multilateral Org; Coordinate with Allies
Trade	Reduce Tariffs; WTO
China	Strategic Competition; Modified TPP
Infrastructure	Supportive with Green Focus
Antitrust	Consider Broader Consumer/Labor Impact
Defense	Strengthen NATO; Renegotiate Nuclear Disarmament
Deficits	Big Deficits Through More Spending
Technology	Suspicious of Big Tech

Running Out of Fiscal Space

Sovereign borrowing capacity given current yields



Source: Moody's Analytics

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